



# ANNUAL REPORT 2016

MINISTRY OF FINANCE  
SRI LANKA

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# MINISTRY OF FINANCE

(AS AT 31<sup>st</sup> MARCH 2017)

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Hon. Ravi Karunanayake, MP  
Minister of Finance

Hon. Laxman Yapa Abeywardena, MP  
State Minister of Finance

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R.H.S. Samaratunga  
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Secretary to the Treasury

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Ms. G.D.C. Ekanayake  
A.R. Desapriya  
Deputy Secretaries to the Treasury

R. Semasinghe  
Additional Secretary  
Ministry of Finance

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(AS AT 31<sup>st</sup> MARCH 2017)

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Additional Director General

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## Auditor

S.M.D.S.S. Rohitha  
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(AS AT 31<sup>st</sup> MARCH 2017)

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**Department of Customs**  
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**Department of Excise**  
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Ms. P.D.D.S. Muthukumarana  
Chief Valuer

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(AS AT 31<sup>st</sup> MARCH 2017)

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Ms. Damayanthi Fernando  
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**Development Lottery Board**  
Romesh Jayawardane  
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**The Public Services Mutual Provident  
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**Lady Lochore Loan Fund**  
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Co-CEO

**Sri Lanka Accounting & Auditing Standards  
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Wasantha Geeganage  
Director General

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## SRI LANKA AT A GLANCE 2010 - 2016

	2010	2014	2015	2016		2010	2014	2015	2016
<b>GDP</b>					<b>TOTAL GOVERNMENT DEBT (Rs. Bn)</b>	4,590	7,391	8,503	9,387
GDP at Market Prices (Rs.Bn.)	6,414	9,785	11,183	11,839	Total Government Debt (Percent of GDP))	71.6	75.5	76.0	79.3
GDP at Market Prices (US\$ Bn.)	56.7	74.9	82.3	81.3	Domestic (Percent of GDP )	40.0	43.7	44.3	45.1
Per Capita GDP at Market Prices (Rs.)	310,214	473,261	533,398	558,363	Foreign (Percent of GDP )	31.6	31.8	31.7	34.2
Per Capita GDP at Market Prices (US\$)	2,744	3,625	3,925	3,835	Total Debt Service (Percent of GDP)	14.6	11.0	11.8	11.4
GDP (Growth %)	8.0 <sup>(a)</sup>	7.4	4.8	4.4	<b>PROVINCIAL BUDGET</b>				
GNP (Growth %)	7.9 <sup>(a)</sup>	7.5	4.8	4.1	Revenue (Rs.Bn)	36.8	58.6	66.1	77.1
Inflation - GDP Implicit Price Deflator (%) 2010=100	7.3 <sup>(a)</sup>	5.1	2.1	3.6	Tax Revenue (Rs.Bn)	31.0	52.1	59.5	69.3
Inflation - CCPI (%) (Annual Average)	6.2	3.3	0.9	3.7	Expenditure (Rs.Bn)	145.5	213.0	267.7	273.6
Unemployment (%)	4.9	4.3	4.6	4.4	Central Government Transfers (Rs.Bn)	107.0	154.4	201.6	196.5
Labour Force Participation Rate (%)	48.1	53.3	53.8	53.8	<b>MONETARY SECTOR DEVELOPMENTS</b>				
<b>STRUCTURE OF THE ECONOMY</b>					Narrow Money (Rs.Bn.)	407.2	612.2	715.0	776.6
<b>Share of GDP (%)</b>					Broad Money (Rs.Bn)	2,091	3,876	4,566	5,406
Agriculture	8.5	9.9	7.9	7.1	Money Growth (M <sub>2b</sub> ) (%)	15.8	13.4	17.8	18.1
Industry	26.6	33.8	26.2	26.8	<b>ACCESS TO BANKING &amp; FINANCE</b>				
Services	54.6	56.3	56.6	56.5	Domestic Commercial Banks	11	13	13	13
Tax-Subsidier	10.2	-	9.3	9.6	Branches	1,417	2,635	2,694	2,763
<b>Sectoral Growth (%)</b>					Foreign Commercial Banks	11	12	12	12
Agriculture	7.0 <sup>(a)</sup>	0.3	5.5	-4.2	Branches	46	221	220	221
Industry	8.4 <sup>(a)</sup>	11.4	3	6.7	Specialized Banks	9	8	7	7
Services	8.0 <sup>(a)</sup>	6.5	5.3	4.2	Branches	500	397	624	630
<b>EXTERNAL TRADE</b>					<b>ATMs</b>				
Exports (US\$ Mn.)	8,626	11,130	10,505	10,310	Domestic Commercial Banks	664	2,406	3,208	3,465
Imports (US\$ Mn.)	13,451	19,417	18,935	19,400	Foreign Commercial Banks	1,151	49	49	58
Trade Balance (US\$ Mn.)	-4,825	-8,287	-8,430	-9,090	Specialized Banks	n.a.	180	295	320
Tourism (US\$ Mn.)	576	2,431	2,981	3,518	<b>EXCHANGE RATES</b>				
Worker's Remittances (US\$ Mn.)	4,116	7,018	6,980	7,242	Annual Average				
Current Account Balance (US\$ Mn)	-1075	-2,018	-2,009	-1,942	Rs/US\$	113.06	130.56	135.94	145.6
Overall Balance of Payment (US\$ Mn)	921	1,369	-1,489	-500	Rs/SDR	172.5	198.4	190.2	202.4
<b>GOVERNMENT FINANCE</b>					<b>Year End</b>				
Revenue (Rs.Bn)	817	1,195	1,455	1,686	Rs/US\$	110.95	131.05	144.06	149.80
Tax Revenue (Rs.Bn)	725	1,050	1,356	1,464	Rs/SDR	170.84	189.86	199.63	200.50
Non -Tax Revenue (Rs.Bn)	92	145	99	222					
Revenue (US\$ Mn.)	7,233	9,154	10,702	11,580					
Tax Revenue (US\$ Mn)	6,414	8,045	9,973	10,053					
Non Tax Revenue (US\$ Mn)	819	1,109	729	1,527					
Total Expenditure and Net Lending (Rs.Bn)	1,280	1,796	2,290	2,334					
Current Expenditure (Rs.Bn.)	937	1,323	1,702	1,758					
Public Investment (Rs.Bn.)	357	487	603	594					
Current Account Deficit (Present of GDP)	-1.9	-1.3	-2.2	-0.6					
Primary Deficit (Percent of GDP)	-1.5	-1.6	-3.7	-0.2					
Budget Deficit (Percent of GDP)	-7.0	-6.0	-7.4	-5.4					
Total Expenditure and Net Lending (US\$.Mn)	11,323	13,755	16,848	16,029					
Current Expenditure (US\$ Mn.)	8,293	10,132	12,518	12,073					
Public Investment (US\$ .)	3,153	3,727	4,434	4,080					
Budget Deficit (US\$ Mn.)	-3,939	-4,528	-6,102	-4,398					

(a) 2002 base year.

## SRI LANKA AT A GLANCE 2010 - 2016

	2010	2014		2015	2016
Duty free items	2,967	3,410	Duty free items - Raw Materials	3,922	3,938
5% Duty	415	-	5% Duty	-	2
7.5% Duty	-	188	10% Duty	-	9
15% Duty	1,516	1,601	25% Duty	-	25
25% Duty	-	1,450	15% Duty Intermediate Goods	1,324	1,309
30% Duty	1,327	-	30% Duty Luxury Goods & Motor Vehicles	1,457	1,430
75% Duty	4	3	75% Duty Tobacco	3	3
85% Duty	-	1	85% Duty Cigarettes	1	1
100% Duty	5	-	125% Duty Liquor	5	5
125% Duty	-	5	Specific Food Items (84) & Local Industries	67	65
Specific	60	84	Specific & Advelorum	186	255
Specific & Advelorum	193	184			
<b>Total</b>	<b>6,487</b>	<b>6,926</b>	<b>Total</b>	<b>6,965</b>	<b>7,042</b>

	2010	2014	2015	2016		2010	2014	2015	2016
<b>SOCIAL DEVELOPMENT</b>					<b>ACCESS TO BASIC INFRASTRUCTURE</b>				
Mid Year Growth of Population (%)	1.0	0.9	0.9	1.1	Electricity to Households (%)	88.0	98.0	98.5	99.3
Life Expectancy at Birth (2013,2014, 2015)	74.1	74.3	74.9	75.0	Access to Pipe-borne Water (% of Population)	40.0	44.3	45.9	47.7
Infant Mortality Rate (Per 1,000 Live Births)	9.9	8.2 <sup>(b)(c)</sup>	n.a.	n.a.	Access to Safe Drinking Water (% of Population)	81.0	89.7	89.7	89.7
Maternal Mortality Rate (Per 100,000 Live Births)	22	26.8 <sup>(b)(c)</sup>	n.a.	n.a.					
Crude Birth Rate (Per 1,000 persons)	17.6	16.9	16	15.6	<b>Telecommunications</b>				
Crude Death Rate (Per 1,000 persons)	6.2	6.2	6.3	6.2	Fixed Access Services ( '000)	3,534	2,679	2,601	2,550
Literacy Rate - (%) <sup>(e)</sup>					Cellular Phones (No. of Subscribers) ('000)	17,246	22,123	24,385	26,228
Average	91.4	92.5	93.3	93.2	Internet and email Subscribers (Including mobile internet services) ('000)	480	3,383	4,091	4,920
Male	92.8	93.5	94.2	94.1					
Female	90.0	91.6	92.6	92.4	<b>Postal</b>				
Computer Literacy Rate (%)	20.3	24.8 <sup>(d)</sup>	26.6 <sup>(d)</sup>	27.5 <sup>(d)</sup>	Public Post Offices	4,059	4,063	4,063	4,062
Dependency Ratio (%) (65 years and over)	9.35	11.80	11.50	11.76	Private Post Offices	606	629	629	629
<b>MOTOR VEHICLE IMPORTS</b>					<b>Roads</b>				
Motor Cars	26,745	40,998	108,866	44,942	Total Road Length (Km)	114,272	117,012	117,093	12,380
Motor Cycles	221,832	319,017	349,441	329,920	Road Density (Km <sup>2</sup> )	1.74	1.78	1.78	0.19
Three-Wheelers	92,207	82,853	132,865	47,724					
Tractors	18,617	5,500	14,233	13,514	<b>Ports</b>				
Motor Vehicles for Transport of Goods	20,655	26,041	44,218	32,221	Vessels Arrived <sup>(f)</sup>	4,075	4,298	4,760	4,998
Passenger Van and Buses	2,766	3,856	4,687	2,781	Total Container Traffic ( '000 TEUs)	4,137	4,908	5,185	5,735
Other	277	399	510	322	Total Cargo Handled ('000 MT) <sup>(f)</sup>	61,240	74,431	77,611	86,519
<b>Total Vehicle Stock</b>					Transshipment Containers Handling ('000 TEUs)	3,205	3,781	3,967	4,435
Motor Cars	410,282	566,874	672,502	717,674					
Three-Wheelers	529,543	929,495	1,059,042	1,115,987	<b>Production of Agriculture Sector</b>				
Motor Cycles	2,100,832	2,988,612	3,359,501	3,699,630	Tea (Mn Kg )	331	338	329	293
Buses	84,280	97,279	101,419	104,104	Rubber (Mn Kg )	153	99	89	79
Dual Purpose Vehicles	209,228	325,545	365,001	391,888	Coconut ( Mn Nuts)	2,584	2,870	3,050	3,011
Motor Vehicles for Transport of Goods	296,692	334,769	341,911	349,474	Paddy ('000 MT)	4,301	3,381	4,819	4,420
Land Vehicles - Tractors	276,997	333,362	343,339	353,624	Fresh Milk (Mn Ltr.)	248	333	374	384
Land Vehicles - Tailors	46,457	57,298	59,426	63,088	Fish ('000 MT)	385	535	520	531

(b) Provisional

(c) Figure for 2013

(d) During first 06 months

(e) Based on Quarterly Labour Force Survey, DCS -2013,2014,2015

(f) Excluding KKS, Myliddy, Point of Pedro and Karraynagar Ports.

## SRI LANKA AT A GLANCE 2010 - 2016

	2010	2014	2015	2016		2010	2014	2015	2016
<b>ACCESS TO BASIC NEEDS</b>					<b>PRINT MEDIA</b>				
<b>HEALTH</b>					<b>Newspapers (No.)</b>				
Public Hospitals	568	601	610	598	Sinhala	66	124	131	136
Private Hospitals	172	210	217	225	Tamil	18	42	39	38
Central Dispensaries	476	484	475	487	English	28	32	43	44
Beds*	69,501	76,918	76,781	76,829	Bilingual	n.a.	28	10	12
<b>PROFESSIONALS</b>					<b>ELECTRONIC MEDIA</b>				
Doctors*	16,492	21,331	21,837	20,458	<b>Television Services</b>				
Nurses*	27,494	31,964	32,272	32,499	Government	6	5	5	5
Public Health Inspectors (PHI)	1,689	1,867	1,664	1,729	Sinhala	2	2	2	2
Attendants	8,189	8,215	8,689	8,268	Tamil	2	3	2	2
Midwives	8,276	9,164	9,021	8,842	English	2	-	1	1
<b>EDUCATION</b>					<b>Radio Services</b>				
<b>Government</b>					Government	21	18	18	18
Schools	9,685	10,123	10,144	10,162	Sinhala	14	12	12	12
Students ('000)	3,940	4,078	4,129	4,143	Tamil	5	5	5	5
Teachers	212,457	229,655	236,999	235,999	English	2	1	1	1
<b>Private</b>					Private	31	32	36	34
Schools	98	103	104	105	Sinhala	n.a.	20	22	20
Students ('000)	117	131	136	136	Tamil	n.a.	3	4	4
Teachers	5,994	6,493	7,075**	6,872**	English	n.a.	9	10	10
<b>Pirivenas</b>					<b>INSTALLED CAPACITY (MW)</b>				
Schools	719	747	749	754	<b>Total</b>	<b>3,267</b>	<b>3,932</b>	<b>3,850</b>	<b>4,018</b>
Students ('000)	62	63	65	66	Public Sector	2,208	2,824	2,884	2,891
Teachers	6,090	6,162	6,776	6,503	Hydro Power	1,357	1,377	1,377	1,384
<b>WOMEN PARTICIPATION</b>					Thermal Power	848	1,444	1,504	1,504
Women Population ('000) <sup>(g)</sup>	8,088	8,855	8,245	8,384	Fuel	548	544	604	604
Employed Women ('000)	2,575	3,127	2,987	2,798	Coal	300	900	900	900
Women Participation in the Labour Force (%)	31.2	35.6	36.0	35.9	Other	3	3	3	3
Women in the Public Service ('000)	445	571	529	498	Private Sector	1,059	1,108	966	1,127
Unemployed Women (%)	7.7	6.6	7.6	7.0	Hydro Power	175	287	307	342
<b>CAPITAL MARKET</b>					Thermal Power - Fuel	842	671	511	611
Market Capitalization (Rs. Bn)	2,210	3,105	2,938	2,745	Other	42	150	149	174
Average Daily Turnover (Rs.Mn)	2,396	1,415	1,060	737	<b>POVERTY (2009/2010 &amp; 2012/2013)</b>				
All Share Price Index (ASPI) 1985=100	6,636	7,299	6,895	6,228	Poverty Head Count Index (%)	8.9	6.7 <sup>(h)(i)</sup>	n.a.	n.a.
S&P SL 20 Index (2004 =1,000)	7,062	4,089	3,626	3,496	Poverty Gap Index (%)	1.0	1.2 <sup>(h)(i)</sup>	n.a.	n.a.
Market Price Earnings Ratio-End of the Year (%)	25.2	19.7	18.0	12.4	Gini Coefficient of Per Capita Expenditure	0.37	0.40 <sup>(h)(i)</sup>	n.a.	n.a.
Turnover to Market Capitalization (%)	25.8	11.0	8.6	6.2	Average Daily kilo Calorie Intake	2,118	2,111 <sup>(h)(i)</sup>	n.a.	n.a.

\*Government

\*\* Including special Schools teachers and Excluding International Schools teachers

(g) Women Population estimates were calculated based on final results of the Census of Population and Housing 2012

(h) Based on Household Income and Expenditure Survey (2012/13), DCS

(i) Figure for 2013

(j) 15 years and over population

## SRI LANKA AT A GLANCE 2010 - 2016

GOVERNMENT TAX RATE (%)									
		2010		2014		2015		2016	
Tax Free Allowances		Rs.300,000		Tax Free Allowances Rs. 500,000		Tax Free Allowances Rs. 500,000		Rs. 500,000	
Tax on Taxable income		Tax on Taxable income		Tax on Taxable income		Tax on Taxable income			
Next	Rs. 400,000	5	First Rs. 500,000	4	Next	Rs. 500,000	4	4	4
Next	Rs. 400,000	10	Next Rs. 500,000	8	Next	Rs. 500,000	8	8	8
Next	Rs. 400,000	15	Next Rs. 500,000	12	Next	Rs. 500,000	12	12	12
Next	Rs. 500,000	20	Next Rs. 500,000	16	Next	Rs. 500,000	16	16	16
Next	Rs. 500,000	25	Next Rs. 1,000,000	20	Next	Rs. 1,000,000	20	20	20
Next	Rs. 500,000	30	Balance	24	Balance		24	24	24
Balance		35							

As at end					As at end							
		2010	2014	2015	2016			2010	2014	2015	2016	
<b>Corporate Tax (%)</b>					<b>Excise Duty</b>							
Standard Rate					28	28	28	28	<b>Cigarettes (Rs. Per 1,000)</b>			
Liquor & Tobacco					-	-	40	40	Length below 60mm			
Taxable Income less than Rs. 5.0 Mn.					12	12	12	12	3,465	6,975	6,975	11,675
Export Income					12	12	12	12	Length 60-67mm			
<b>Economic Service Charge (ESC)</b>									Length 67-72mm			
ESC Rate (%)					0.05-1	0.25	0.25	0.5	9,811	14,660	14,660	20,500
(Any ESC Paid is Deductible from any Income Tax/ Corporate Tax Payable)									Length 72-84mm			
<b>Value Added Tax (VAT) (%)</b>									Length Exceeding 84mm			
Standard Rate					12	12	11	15	<b>Motor Vehicles (%)</b>			
Exports					0	0	0	0	Motor Vehicles			
<b>Nation Building Tax (NBT) (%)</b>					2	2	2	2	23-138	20-300	50-300	30-300
<b>Ports and Airports Development Levy (%)</b>					5	5	5	7.5	Three - Wheelers			
									Petrol			
<b>Telecommunications Levy (%) (Other than Internet)</b>					-	25	25	25	4	95-105	105	105
<b>Share Transaction Levy (%)</b>					-	0.3	0.3	0.3	Diesel			
									14			
<b>CUSTOMS DUTY (%)</b>									<b>Liquor Duty Structure (Rs. Per Proof Liter)</b>			
Inputs / Raw Material					0-5	0-7.5	0	0	Coconut Processed/Molasses Arrack			
Intermediate Goods					5 or 15	15	15	15	863	1,485	1,595	1,850
Finished and Luxury Goods					30	25	30	30	Country Made Foreign Liquor (Beer)			
									1,003	1,700	1,860	2,030
									Malt Liquor (Beer) above 5% in Strength			
									96	185	245	315
									Malt Liquor (Beer) less than 5% in Strength			
									80	150	190	190
									Liquor made from any cereal other than toddy			
									718	1,120	1,120	1,120
									Imported Malt Liquor			
									-	-	-	50
									Imported Wine			
									-	-	-	100
									Any other imported Liquor			
									-	-	-	200

**Economic Perspectives**

**01**

## 1.1 Overview

Sri Lankan economy grew by 4.4 percent in 2016 underpinned by a noticeable uptick in domestic investment demand despite the drag on the economy from a higher negative external demand due to subdued global economic recovery. Investment demand grew by 18.1 percent in real terms compared to 1.2 percent in 2015, chiefly supported by large investment projects of the government and private sector. Demand management policies implemented by the government and Central Bank resulted in a slowing of consumption demand, as necessitated by improving macroeconomic fundamentals. Meanwhile, the services sector and industry sector respectively grew by 4.2 percent and 6.7 percent in real terms, reflecting the underlying growth momentum of the economy. Nonetheless, agriculture sector contracted by 4.2 percent due to supply side disruptions during the year. With improved activity in industry and services sectors, the unemployment rate declined to 4.4 percent in 2016 compared to 4.7 percent in 2015. Meanwhile, annual average inflation remained low at 4.0 percent measured by both the Colombo Consumer Price Index (CCPI) and National Consumer Price Index (NCPI) in 2016, amidst challenging domestic environment mainly due to weather related factors and external economic developments such as rising international commodity price levels. Nonetheless, monthly NCPI inflation, year-on-year basis, ranged between -0.7 percent and 6.4 percent, reflecting the mainly transient impact of weather-related disruptions, while some revisions to domestic taxes may also have resulted in a one-off price adjustment. Despite relatively low inflation on average, domestic credit growth and hence the money growth remained elevated during most part of 2016, warranting a tightening of demand management policies. Consequently, domestic money market interest rates rose, resulting in a higher yield of government securities. For instance, the yield rate of 364-day Treasury bills increased to 10.17 percent by end of 2016 compared to 7.30 percent, reported at the beginning of 2016, marking an increase of 39 percent during the year.

Table 1.1 | Selected Socio-Economic Indicators

Item	Unit	2015	2016
Crude Birth Rate	Per 1,000 Persons	16.0	15.6
Crude Death Rate	Per 1,000 Persons	6.3	6.2
Infant Mortality Rate (2013)	Per 1,000 Live Births	8.2	8.2
Access to Electricity	% of Population	98.5	99.3
Access to Pipe-borne Water	% of Population	45.9	47.7
Access to Safe Drinking Water	% of Population	89.7	89.7
<b>Telephone Density</b>			
Cellular Phones	Per 100 Persons	116.3	124
Total including Fixed Access Services	Per 100 Persons	128.7	135.7
Internet and Email Subscribers (Including Mobile Internet Services)	Per 100 Persons	19.5	23.2
<b>Number of Motor Vehicles Registered</b>	<b>No. (During the Year)</b>	<b>668,907</b>	<b>493,328</b>
<b>Vehicle Imports</b>			
Motor Cars	No. (End of the Year)	109,059	44,942
Three-Wheelers	No. (End of the Year)	132,779	47,724
Motor Cycles	No. (End of the Year)	349,523	329,920

Sources: Central Bank of Sri Lanka and Department of Census and Statistics

The year 2016 witnessed a significant improvement on the fiscal front. Some major highlights include the following: (a) reforms introduced to the tax regime and tax administration improved government revenue substantially; (b) reversing of the decades-long revenue decline eased the burgeoning pressure of heavy debt servicing burden on government cash-flows; (c) enhanced revenue mobilization resulted in substantially lower borrowing in 2016 compared to the approved limit for the year; (d) extra fiscal space created by improved revenue mobilization was further supported by prudent expenditure management, resulting in an improved adequacy and effectiveness of government spending, particularly on social protection; and (e) prudent management of revenue and expenditure allowed a credible fiscal consolidation, marked by a lower fiscal

deficit and significantly lower primary balance.

Accordingly, government revenue which increased by 21.7 percent in 2015, continued to grow by 15.9 percent in nominal terms despite the high-base in the previous year. In absolute terms, government revenue amounted to Rs. 1,686 bn in 2016, which was 14.2 percent of GDP. Meanwhile, government expenditure growth was curtailed in 2016 by rationalizing recurrent expenditure and prioritizing capital expenditure. Particularly, recurrent expenditure,

which grew by 28.6 percent in 2015 due mainly to newly implemented welfare improving measures and significant increase in domestic interest payments, recorded a marginal growth of 3.3 percent in 2016. Accordingly, recurrent expenditure as a percentage of GDP marked at 14.8 percent in 2016, down from 15.5 percent in 2015, while capital expenditure and net lending moderated to 4.9 percent of GDP. Improvements in public finance management as reflected in revenue and expenditure management policies, reduced the overall budget deficit to 5.4 percent

Table 1.2 | Selected Macroeconomic Indicators

Item	Unit	2010	2011	2012	2013	2014	2015	2016
GDP (Real) Growth Rate	(% Change)	8.0	8.4	9.1	3.4	5.0	4.8	4.4
GDP Deflator	(% Change)	7.3	3.8	10.8	6.2	2.9	0.8	3.6
Per Capita GDP at Market Prices	Rs.	310,214	345,544	427,538	465,976	498,828	522,355	558,363
Per Capita GDP at Market Prices	US \$	2,744	3,125	3,351	3,609	3,821	3,843	3,835
Colombo Consumers Price Index (CCPI, 2006/2007=100)	Annual Average	6.2	6.7	7.6	6.9	3.3	0.9	3.7
Labour Force Participation Rate	%	48.1	52.9	52.5	53.7	53.2	53.8	53.8
Unemployment Rate	(% of Labour Force)	4.9	4.2	4.0	4.4	4.3	4.7	4.4
Investment	(% GDP)	30.4	33.4	39.1	33.2	32.3	28.4	31.5
National Savings	(% GDP)	28.5	26.3	33.3	29.9	29.8	26.0	28.9
Total Revenue and Grants	(% GDP)	13.0	13.6	12.2	12.0	11.6	13.3	14.3
o/w Total Revenue	(% GDP)	12.7	13.4	12.0	11.9	11.5	13.3	14.2
Expenditure and Net Lending	(% GDP)	20.0	19.9	17.8	17.4	17.3	20.9	19.7
Recurrent Expenditure	(% GDP)	14.6	14.2	13.0	12.6	12.8	15.5	14.8
Capital and net Lending	(% GDP)	5.3	5.7	4.9	4.8	4.6	5.4	4.9
Current Account Surplus(+)/ Deficit (-)	(% GDP)	-1.9	-0.8	-0.9	-0.7	-1.2	-2.3	-0.6
Budget Surplus(+)/ Deficit (-)	(% GDP)	-7.0	-6.2	-5.6	-5.4	-5.7	-7.6	-5.4
Government Debt	(% GDP)	71.6	71.1	68.7	70.8	71.3	77.6	79.3
Exports	US \$ Mn	8,626	10,559	9,774	10,394	11,130	10,546	10,310
Imports	US \$ Mn	13,451	20,269	19,190	18,003	19,417	18,935	19,400
Trade Balance	US \$ Mn	-4,825	-9,710	-9,417	-7,609	-8,287	-8,388	-9,090
Exports	(% GDP)	15.2	16.2	14.3	14.0	14.0	13.1	12.7
Imports	(% GDP)	23.7	31.0	28.0	24.2	24.5	23.5	23.9
Trade Balance	(% GDP)	-8.5	-14.9	-13.8	-10.2	-10.4	-10.4	-11.2
Current Account Balance (In BOP)	(% GDP)	-1.9	-7.1	-5.8	-3.4	-2.5	-2.3	-2.4
Foreign Remittances	US \$ Mn	4,116	5,145	5,985	6,407	7,018	6,980	7,242
Earnings from Tourism	US \$ Mn	576	830	1,039	1,715	2,431	2,981	3,518
Gross Official Reserves	US \$ Mn	7,197	6,749	7,106	7,495	8,208	7,304	6,019
Exchange Rate (Rs/US\$)	Annual Average (% Change)	1.6	2.3	-13.5	-1.2	-1.1	-4.0	-6.6
Money Supply (M <sub>2</sub> b)	(% Change)	15.8	19.1	17.6	16.7	13.4	17.8	18.4
Gross Credit to Private Sector	Rs. Bn	1,491	2,006	2,358	2,534	2,758	3,450	4,205
Gross Credit to Private Sector	(% Change)	24.9	34.5	17.6	7.5	8.8	25.1	21.9

Sources: Central Bank of Sri Lanka, Department of Fiscal Policy, Department of Census and Statistics.

Note: Rebased GDP estimates (base year 2010) of the Department of Census and Statistics have been used from 2010 onwards.

of GDP in 2016 from 7.6 percent of GDP in 2015. Importantly, primary budget deficit which strips interest payments from the overall budget deficit improved to 0.2 percent of GDP, marking the lowest primary deficit for decades, reflecting the impact of recently introduced fiscal consolidation efforts. Meanwhile, government revenue net of total debt service payments recorded an excess of Rs. 334 bn, about 3 percent of GDP, showing a major shift compared to recent years. Nonetheless, outstanding government debt as a percentage of GDP rose at the end of 2016, owing to a modest nominal GDP growth and depreciation of the rupee against the US dollar.

Sri Lanka marked an overall improvement in socio-economic indicators in 2016. The Labour Force Participation Rate (LFPR) continued to remain at elevated level of 53.8 percent in 2016, with the highest participation rate was from the age group of 40-44 years. Meanwhile, Sri Lanka maintained the improved Human Development Index (2015) ranked at 73 out of 188 countries while life expectancy at birth improved to 75 years. In 2016, per capita GDP at market prices increased to Rs. 558,363 from Rs. 522,355 in 2015, even if it decreased marginally in US dollar terms to US dollars 3,835 from US dollars 3,843 in 2015 due to depreciation of the rupee. Reflecting the improvements in the provision of utility services in the country, Ceylon Electricity Board expanded its electrification coverage to 99.3 percent of households, while per capita electricity consumption increased to 603 kWh in 2016 from 562 kWh in 2015. Access to pipe born water increased to 47.7 percent in 2016 from 45.9 percent in 2015. Performance in Port services improved in 2016 recording a 5 percent growth of vessel arrivals to 4,998 while increasing the total cargo handling by 11 percent compared to previous year. Telephone penetration including cellular phones increased by 5.4 percent to 135.7 per 1000 persons in 2016, while internet usage increased by 18.9 percent to 23.2 per 1000 persons in 2016.

Global economic developments in 2016 were mixed with weaker-than-expected economic recovery in advanced economies and diverse performance of emerging market economies. In

many advanced economies output was below potential and unemployment remained relatively higher. In the backdrop of such challenging global market conditions, Sri Lanka's external sector showed modest performance as characterized by widened trade and current account deficits and subdued foreign exchange inflows to the financial account, resulting in a deficit in balance of payments and a drag on the build-up of international reserves. As liquidity in the foreign exchange market remained constrained, exchange rate was subject to depreciation pressure during most part of 2016.

## 1.2 Key Issues and Challenges

### Fiscal Policy

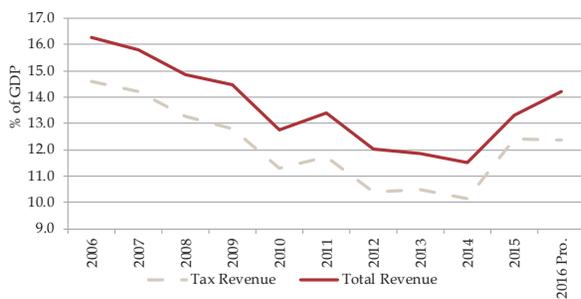
Fiscal policy of the government is driven by the intent of ensuring fiscal sustainability and macro-economic stability. A major structural deficiency that Sri Lanka experienced in the recent decades was the continuous decline in government revenue, which necessitated an immediate policy attention and appropriate corrective measures. With the notable improvement in the government revenue front, fiscal policy now aims at, while further strengthening revenue flows, addressing other structural deficiencies in the economy. A major focus area would be to enhance the fiscal space required for government expenditure on productive sectors, so that the need for excessive borrowing would be contained, thereby decelerating the build-up of government debt. Public investments would need to be prioritized in a manner in which return for investment would spread over time, i.e., short-term as well as over the medium- to long-term. Such properly phased out gestation periods of public expenditure would avoid a revenue-expenditure mismatch, thus rendering support for government debt servicing without creating undue pressure on cash flow management. On the capital expenditure prioritization, due emphasis would need to be placed on the development of infrastructure, with the participation of the private sector as well. Such strategy would facilitate the envisaged growth momentum, particularly, meeting the infrastructure demand for utility services due to increasing pace of

urbanization and real property development. Further, fiscal policy would contribute to ensuring the required fiscal space to improve the living conditions of the society while addressing socio-economic issues such as ageing population and increasing vulnerabilities to incidence of natural disasters. Such improvements in socio-economic conditions would be imperative in the efforts to eradicate poverty and ensure environmental sustainability.

### Government Revenue

Sustaining the momentum of revenue mobilization would be a major policy priority, building on the improved performance of government revenue mobilization. Timely implementation of revenue reforms aimed at streamlining the tax system including the tax legislation, broadening the tax base, rationalizing the tax exemptions and concessions and strengthening the tax administration would be essential for sustained revenue mobilization. Further, the government has recognized the importance of enhancing non tax revenue as a necessary condition for revenue enhancing efforts, as it contributed over 13 percent of the government revenue in 2016. Government envisages a gradual increase in the relative share of direct taxation, by improving fairness of the tax system of the country.

Chart 1.1 | Government Revenue



### Tax Policy

The tax policy framework as announced in the Budget 2017 would need to continue over the medium-term, precluding any new taxes being imposed, thereby creating certainty in the government’s tax policy. On the corporate tax policy, modernization and simplification of the

Inland Revenue Act would need to enhance tax compliance and revenue from corporate sector. Meanwhile, simplification of indirect tax structure and system enhancements would be a major priority to enhance efficiency and effectiveness of indirect taxation. With regard to international trade related tax policy, simplification of tax system would be a prime focus to maintain competitiveness, while adhering to international best practices. In this context, required measures need to be taken, such as elimination of CESS levies etc.

### Tax Administration

Various measures have been initiated to improve tax administration which is considered to be a major impediment to enhancing tax compliance. Revenue Administration Management Information System (RAMIS) at the Inland Revenue Department (IRD) and Single Window System at the Sri Lanka Customs (SLC) which commenced operations in 2016 would need to be fully operationalized to gain intended maximum benefits. Meanwhile, the Integrated Treasury Management Information system (ITMIS) at the General Treasury, which is the core component of the Fiscal Management Efficiency Project needs to enhance coverage across all sectors, thereby automating the entire process of public finance management function of the government.

### Expenditure and Net Lending

Measures need to continue on the evaluation of all expenditure needs of line ministries and departments with the view to rationalizing any unproductive expenditure and eliminating excessive administrative overheads. Implementation of the zero budgeting approach into the formulation of National Budget process needs to continuously demand justifications for each and every item in the respective budgets before requesting for fund allocations. The monitoring and review processes need to be carried out periodically with the emphasis on the financial and physical progress of development activities implemented by the line ministries and agencies. Introduction of quarterly expenditure commitments would help manage allocations efficiently and effectively.

Implementation of expenditure management measures such as cost effective usage of vehicles on the basis of operational lease method in the government sector institutions would need to ensure that proper management in expenditure is maintained.

### Public Investment

The importance of improving public investment is an essential element in sustaining a higher level of economic growth and rising living standards of people. Hence the public investment programme needs to be directed towards strategically important infrastructure development projects and reducing the rural urban divide in the country. Resource allocation would need to be primarily based on the identified priority projects over the short to medium term. Government has identified education and health as major thrust areas for socio-economic development over the medium-term. Accordingly, budgetary preparation would need to mobilize adequate resources into these areas, while also encouraging and facilitating private sector engagement. A special emphasis would be needed improving investment on infrastructure in a coordinated and well-distributed manner, across all major sector of the economy thereby facilitating economic interconnectedness and mutual benefits among sectors.

### Public Financial Management

The government would need to continue on the reforms in public financial management to improve the governance and service delivery to the public while increasing transparency and accountability. Some of such reforms as incorporated to the planned Public Financial Management Bill would improve good governance while ensuring the optimum utilization of resources. As government identified the need for Public Private Partnership (PPP) in infrastructure development and investment, more funds need to be mobilized to cater the growing demand for infrastructure and utility services. The introduction of new procurement methodologies as per the directives of Cabinet of Ministers need to be aligned with the optimum utilization of resources while aiming at better

management of public assets while ensuring good governance.

### Reforms of State Owned Enterprises

State Owned Enterprises would need to continuously play a strategic role in generation of more commercial activities, production, capital formation and employment creation in the economy. Meanwhile, proposed measures to bring subsidiary companies coming under the State Owned Business Enterprises (SOBEs) under the purview of Auditor General would ensure enhancement in the performance. Moreover, the introduction of the concept of Statement of Corporate Intent as initiated by the Ministry of Finance would need to ensure the creation of the platform to key SOBEs to operate in a commercially viable manner. Appropriate measures need to continue on strengthening the financial position of State Owned Enterprises, including granting of long-term leases of government's non-strategic assets to private sector.

### Government Debt

Public debt management strategy would need to ensure the availability of adequate funding for the government's financing needs at the lowest possible cost with the minimum rollover risk and the least impact on debt accumulation. Entering into the Extended Fund facility (EFF) programme with the International Monetary Fund would need to support the implementation of necessary structural reforms to bring down the government debt to sustainable levels. The government would continue to rely on low cost external borrowings taking advantage of improved investor confidence and favorable conditions in international financial markets.

As fiscal deficit is projected to shrink over the medium term, requirements for deficit financing would tend to ease, thereby containing debt accumulation. Nonetheless, there exists a marked increase in foreign debt servicing during 2019-2022 period mainly due to maturing international sovereign bonds. Therefore, gross foreign borrowings would need to increase substantially to finance foreign debt servicing requirements. To avoid such excessive build-up of foreign debt

obligations, appropriate measures should need to be in place to help bring down the external debt stock and lessen external sector vulnerability.

### Developments in SME sector

Small and Medium Enterprises (SME) sector would need to be strengthened by providing increased access to financing, aiming at incentivizing innovations, job creation and value added products. At the same time, government would need to initiate measures to regulate and formalize the micro finance sector of the country by resolving issues of SME sector following the enactment of the Micro Finance Act in 2016. Continuous evaluations and reviews would need to be put in place to ensure that government's SME support policies deliver intended outcomes, for instance, the change of policy to provide fertilizer subsidy in cash form with a view to curtailing heavy use of chemical fertilizer; government paddy purchasing programmes; and imposition of various controlled prices to protect domestic producers etc.

### Public Sector Employment

It is important to implement efficiency improvement programs for existing public sector to rationalize the expenditure while enhancing the productivity of the labour force. The total carder approved for the entire public sector was 1,503,384 by the end of 2016 while the existing carder was 1,284,808 by the end of 2016. Thus, the utilization of carder positions remained at the level of 85 percent in 2016 due to the difference between number of recruitments and pensioners. Ratio of the public sector employees to total population has shown an upward trend while there exists one public officer per every fifteen citizens in the country.

### Medium Term Budgetary Outlook

The medium-term budgetary outlook 2018-2020 builds on the macroeconomic framework and the proposed economic reforms by the Government. Real GDP growth is projected to accelerate to 6 to 7 percent level by 2020. Inflation is projected to stay around 5 percent over the medium term, thereby mitigating any adverse impact of high

inflation expectations on real demand. As such wage growth would remain positive partly also supported by tightening labour market conditions. Fiscal deficit is expected to decrease from the estimated 5.4 percent of GDP in 2016 to 3.5 percent of GDP in 2020, mainly supported by increasing revenue growth and enhanced expenditure management. This implies that primary balance improves from a deficit of 2.8 percent of GDP in 2015 to a surplus by 2017 and beyond. Maintaining a primary surplus, defined as the budget balance excluding of interest payments, is a major determinant of government's debt management strategy. Stabilizing the government debt-to-GDP ratio requires a sufficiently large primary surplus to be generated over time so long as the real interest rate and GDP growth differential remains favorable. As such, the path of fiscal consolidation envisaged by the government would steadily reduce public debt below 70 percent of GDP by 2020.

With regard to other key economic indicators, inter alia, unemployment may stay around 4 percent and national investments may stay above 33 percent of GDP. On the external sector, current account deficit is expected to remain at about 1.3 percent of GDP, while official reserves would remain above 5 months of imports. Further, real effective exchange (REER) which hovers above the base year level (implying a real appreciation) is expected to adjust back to base-year level over the medium-term, assisted by easing of nominal depreciation pressure as exports and other financial flows grow and narrowing inflation differentials. Prospects of higher oil prices and growth of imports of investment goods remain a concern for external sector performance, nonetheless, expected foreign financial flows may counter such adverse effects.

Challenges to the medium-term budgetary outlook may remain significant on both domestic and external fronts. Domestically, key risks may include the progress of timely implementation of revenue reforms; a further decline in economic growth due to supply side shocks such as droughts; containing the build up of inflationary pressures witnessed in recent months; and timely implementation of reforms

on state-owned enterprises (SOEs), hence, potential additional losses of SOEs. Further, recent upward adjustments of government bond yields may warrant recalibration of debt servicing costs. These would further increase the risk to debt sustainability. Externally, balance of payment risks remain significant, including a shift in investor sentiment on emerging and frontier market economies and slower-than-anticipated growth in Sri Lanka's major trading partners, which would constrain Sri Lanka's external demand. However, the regained GSP+ facility would help improve the outlook for Sri Lanka's trade over the medium-term.

**World Economic  
Outlook** | **02**

## 2.1 Overview

In 2016, the global economy recorded the lowest economic growth since 2009. This sluggish performance is a result of weak global investment, disruptions to the international trade and capital flows, declining productivity, tightening financial conditions, high debt levels and uncertainties associated with several political and economic developments in both advanced economies and emerging market and developing economies (EMDEs)<sup>2</sup>.

The United States Federal Reserve Bank increased federal funds rates by 25 basis points in December 2016 for the second time since 2015, with the expectations of strengthening in labor market conditions and a return to 2 percent inflation. The Euro area shifted to expansionary fiscal policies after moving away from five year

long fiscal consolidation pathway. The European Central Bank's accommodative monetary policy which consists of keeping policy interest rates at or below zero; quantitative easing in the form of monthly asset purchases; and targeted longer-term refinancing operations will continue. The referendum held on June 23, 2016 in the United Kingdom over leaving or remaining in the European Union ended 51.9 percent supporting the leave.

The Chinese economy slowed further as a result of internal rebalancing strategies with the objective of moving the country to consumption based economy from an investment based economy. The deep integration of the Chinese economy into the world economy through trade linkages created negative spillover effects specially in EMDEs. The economies such as Brazil, Russia and Argentina which suffered from deep

Table 2.1 | A Snapshot of the World - 2016

Country	2016				
	GDP Growth (Annual percent change)	Inflation (Percent)	Unemployment (Percent)	Fiscal Balance (Percent of GDP)	Gross Debt (Percent of GDP)
Argentina	-2.3	-	8.5	-5.8	51.3
Australia	2.5	1.5	5.7	-2.7	41.1
Brazil	-3.6	8.7	11.3	-9	78.3
Canada	1.4	1.1	7	-1.9	92.3
Chile	1.6	3.8	6.5	-2.9	21.2
China	6.7	2	4	-3.7	46.2
France	1.2	0.3	10	-3.3	96.6
Germany	1.8	0.4	4.2	0.8	67.6
Greece	0	0	23.8	0	181.3
India	6.8	4.9	....	-6.6	69.5
Indonesia	5	3.5	5.6	-2.5	27.9
Italy	0.9	-0.1	11.7	-2.4	132.6
Japan	1	-0.1	3.1	-4.2	239.2
Korea	2.8	1	3.7	0.3	38.6
Malaysia	4.2	2.1	3.5	-3.0	56.3
Mexico	2.3	2.8	4.3	-2.9	58.1
Russia	-0.2	7	5.5	-3.7	17
Singapore	2	-0.5	2.1	3.3	112
South Africa	0.3	6.3	25.4	-3.5	50.5
Spain	3.2	-0.2	19.6	-4.6	99.3
Sri Lanka	4.4	4	4.6	-5.4	79.3
Thailand	3.2	0.2	0.8	0.5	42.2
United Kingdom	1.8	0.6	4.9	-3.1	89.2
United States	1.6	1.3	4.9	-4.4	107.4
Vietnam	6.2	2.7	2.4	-6.6	62.4
Venezuela	-5.7	254.9	21.2	-14.6	17.3

Sources : "World Economic Outlook", IMF, April 2017.

"Fiscal Monitor", IMF, April 2017.

Annual Report 2016, Central Bank of Sri Lanka.

<sup>1</sup> This chapter is mainly based on World Economic Outlook Update in January 2017 of the IMF World Economic Outlook in April 2017 of the IMF, Fiscal Monitor in April 2017 of the IMF, Global Economic Prospects in January 2017 of the World Bank, World Economic Situation and Prospects 2017 of United Nations, Commodity Markets Outlook in January to April 2017 of the World Bank and Global Monthly in 2016 and 2017 of the World Bank, World Unemployment Social Outlook - Trends 2017 published by International Labour Organization (ILO) in 2017, Report on G20 Trade Measures, June 2016 by WTO, The Economic Outlook No 100 of OECD, November 2016 .

recessions regained their growth momentum. Oil prices recovered from 2015 historical low values and stabilized during the second half of the year, following the agreement between the Organization of Petroleum Exporting Countries (OPEC) and non-OPEC countries to restrict the supply. Commodity prices stabilized during the year.

The geo-political tensions in Middle East and African regions created refugee related economic and political challenges in neighboring economies as well as in the European Union members. The conflicts in Iraq, Libya, Syria and Yemen have already created deep recessions, high inflation, loss of life, macroeconomic imbalances and disruptions in institutions.

The 2017 will mark as modestly brighter, but another challenging year shadowed with heightened unpredictability linked to Trump politics, Brexit and Euro zone elections. The weaker potential growth, substantial slowdown in investments and financial market vulnerabilities in EMDEs, may amplify the above uncertainties while diminishing the hopes for a fragile recovery.

## 2.2 World Output

The growth in the global economy was 3.1 percent in 2016 and this is 0.3 percentage points lower than the growth of the preceding year. The weakening is mainly due to poor investment, trade deterioration, feeble productivity growth and mounting debt levels. However, the growth regained in the second half of the year owing to the recovery of commodity prices and global manufacturing. Advanced economies grew at a slower pace of 1.7 percent compared to 2.1 percent in 2015 while emerging market and developing economies recorded a growth of 4.1 percent, 0.1 percentage point lower than the rate of the previous year. The projections for 2017 growth are high at 3.5 percent for the world, 2.0 percent for advanced economies and 4.5 percent for EMDEs.

The US economic growth slowed in 2016 at rate of 1.6 percent which is a significant drop from 2.6 percent growth in 2015. This was mainly due to

weak trade activities specially exports, low private investments and manufacturing. However, the economic activities picked up during the second half of the year. The unemployment rate reduced to normal levels and consumption levels improved. The US dollar appreciated as Fed Reserve decided to increase interest rates by 25 basis points in December. The outlook for 2017 is relatively strong with a projected 2.3 percent growth, but with uncertainty over macroeconomic proposals by the newly elected government, such as cuts in personal and corporate income taxes, fiscal stimulus package, more infrastructure spending and possible changes in the policies for immigration, trade, environmental standards and business regulation. There may be spillover effects on the rest of the economies of the world.

The growth of Euro area economies slowed to 1.7 percent compared to 2.0 percent growth in the previous year because of the weak domestic demand and exports. The investments lowered amidst the policy uncertainty in the region, further increased following the referendum of the United Kingdom and US elections. Unemployment levels are still high in some economies, but with a downward trend. The policy interest rates are still negative as the European Central Bank continues a highly accommodative monetary policy together with quantitative easing and longer term refinancing operations with the objective of encouraging bank lending. However, headline and core inflation still remain below target levels. The European Union started expansionary fiscal policies in 2016 after following fiscal consolidation for five consecutive years and this is expected to continue in the medium term. The projected growth for 2017 is 2.0 percent in the middle of unpredictability over the European Union's future interactions with the United Kingdom, spillovers from US fiscal stimulus, weak Euro, slightly expansionary fiscal policies and accommodative monetary policies.

Japanese economic growth was 1.0 percent in 2016, supported by larger than anticipated exports and projected to grow at 1.2 percent in 2017.

Table 2.2 | World and Regional Output

	Annual percent change			
	Actual		Forecast	
	2015	2016	2017	2018
World Output	3.4	3.1	3.5	3.6
Advanced Economies	2.1	1.7	2.0	2.0
United States	2.6	1.6	2.3	2.5
Euro Area	2.0	1.7	1.7	1.6
Germany	1.5	1.8	1.6	1.5
France	1.3	1.2	1.4	1.6
Italy	0.8	0.9	0.8	0.8
Spain	3.2	3.2	2.6	2.1
Japan	1.2	1.0	1.2	0.6
United Kingdom	2.2	1.8	2.0	1.5
Canada	0.9	1.4	1.9	2.0
Emerging Market and Developing Economies	4.2	4.1	4.5	4.8
Emerging and Developing Asia	6.7	6.4	6.4	6.4
China	6.9	6.7	6.6	6.2
India	7.9	6.8	7.2	7.7
Indonesia	4.9	5.0	5.1	5.3
Malaysia	5.0	4.2	4.5	4.7
Vietnam	6.7	6.2	6.5	6.3
Thailand	2.9	3.2	3.0	3.3
Commonwealth of Independent States**	-2.2	0.3	1.7	2.1
Russia	-2.8	-0.2	1.4	1.4
Latin America and the Caribbean	0.1	-1.0	1.1	2.0
Brazil	-3.8	-3.6	0.2	1.7
Emerging & Developing Europe	4.7	3.0	3.0	3.3
Middle East, North Africa, Afghanistan & Pakistan	2.7	3.9	2.6	3.4
Pakistan	4.0	4.7	5.0	5.2
Sub-Saharan Africa	3.4	1.4	2.6	3.5
South Africa	1.3	0.3	0.8	1.6
Sri Lanka	4.8	4.4	5.0	6.0

Sources : World Economic Outlook, IMF, April 2017

Annual Report 2016, Central Bank of Sri Lanka

The economic growth of EMDEs varied among the economies individually and regionally and slowed slightly than the previous year. The performance by fuel and non-fuel commodity exporters was weak due to relatively low commodity prices and weak global trade during the recent past. The growth of Middle East economies was adversely affected by geopolitical issues. The growth in Emerging and Developing Asia was robust at 6.4 percent.

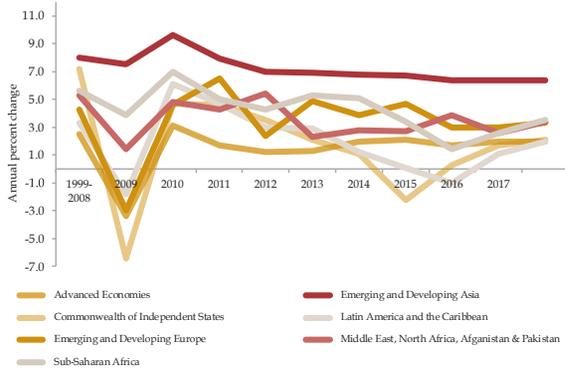
Chinese economy grew at 6.7 percent and this was the lowest recorded growth in decades. The forecast for 2017 is further lowered at 6.6 percent, but a stronger government policy support is expected. This lowered growth trajectory is due to the internal process of sectoral rebalancing of the economy from investment to consumption and from industry to service. The success of the government's policy efforts are evidenced by

the moderate investment levels and growing consumption in 2016. The credit growth continues moderating since 2015, but still higher than the GDP growth. Significant capital outflows placed pressure on the currency, causing significant depreciations. Indian economy was adversely affected by cash shortages and payment disruptions owing to the government's decision to withdraw currency notes in circulation. The country recorded a growth of 6.8 percent and expected to grow by 7.2 percent in 2017. East and South Asian economies are projected to grow rapidly due to strong domestic demand and accommodative macroeconomic policies.

The Latin American and Caribbean economies recorded a negative growth of 1.0 percent and this is a further slowdown from 2015 growth of 0.1 percent as a result of domestic challenges, low commodity prices and macroeconomic

imbalances. Brazil recorded a negative growth for the second consecutive year at -3.6 percent with a slight improvement from the preceding year's growth of -3.8 percent. The two largest economies of the region, Brazil and Argentina are projected to be recovered from the recession in 2017 and the regional growth forecast is 1.1 percent.

Chart 2.1 | Regional Output : 1999-2018



Commonwealth of Independent States emerged from the recession prevailed in 2015, improving with a growth of 0.3 percent in 2016 and the growth projection for 2017 is 1.7 percent. The Russian negative growth of 0.2 percent is an improvement from the previous year's negative growth of 2.8 percent reflecting stabilizing oil prices and improvements in domestic demand. Given the close linkages in trade, investment and remittance between other economies in the region, this positive outlook is projected to spill over to the entire region.

The economic activities of Middle East, North Africa, Afghanistan & Pakistan region improved at a growth of 3.9 percent compared to 2.7 percent in 2015. However, owing to the decline in oil prices and geo-political uncertainties of the region, the economies in Sub-Saharan Africa considerably slowed to 1.4 percent from the 3.4 percent growth of 2015.

**2.3 Inflation**

The global inflation increased slightly in 2016 and deflationary pressures softened, mainly due to the rise in energy prices and energy

related products during the latter part of the year. The consumer price inflation in advanced economies rose to 0.8 percent from the lowest recorded inflation in 2015 which was 0.3 percent. The inflation in the United States is expected to be 2.7 percent in 2017, slightly above the target levels of the Federal Reserve Bank. The Euro area inflation is projected to be at 1.7 percent reflecting the rise in the energy and food prices. The expected 2.5 percent inflation in the United Kingdom is owing to depreciation of the sterling pound and rise in energy prices. The Japanese low inflation is expected to rise to 1.0 percent in 2017, due to depreciating yen, high energy prices and wage-price pressures. Nevertheless, as IMF reports; core inflation of all advanced economies remained below central bank target levels.

Table 2.3 | Inflation

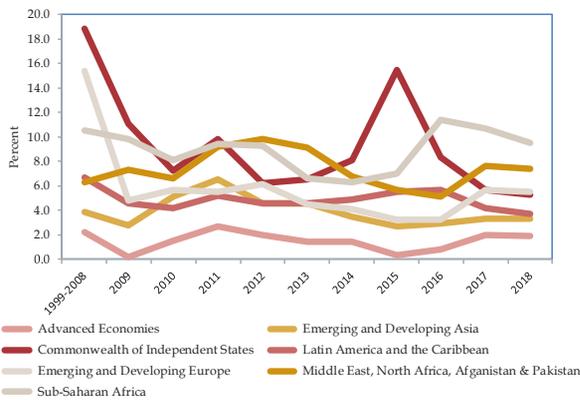
	Annual percent change			
	Actual 2015	2016	2017	Forecast 2018
Advanced Economies	0.3	0.8	2.0	1.9
United States	0.1	1.3	2.7	2.4
Euro Area	0.0	0.2	1.7	1.5
Germany	0.1	0.4	2.0	1.7
France	0.1	0.3	1.4	1.2
Italy	0.1	-0.1	1.3	1.3
Spain	-0.5	-0.2	2.4	1.4
Japan	0.8	-0.1	1.0	0.6
United Kingdom	0.1	0.6	2.5	2.6
Canada	1.1	1.4	2.0	2.1
Emerging Market and Developing Economies	4.7	4.7	4.5	4.2
Emerging and Developing Asia	2.7	2.9	3.3	3.3
China	1.4	2.0	2.4	2.3
India	4.9	4.9	4.8	5.1
Commonwealth of Independent States**	15.5	8.3	5.7	5.3
Russia	15.5	7.0	4.5	4.2
Latin America and the Caribbean	5.5	5.7	4.2	3.7
Brazil	9.0	8.7	4.4	4.3
Emerging & Developing Europe	3.2	3.2	5.7	5.5
Middle East, North Africa, Afghanistan & Pakistan	5.7	5.1	7.6	7.4
Pakistan	4.5	2.9	4.3	5.0
Sub-Saharan Africa	7.0	11.4	10.7	9.5
South Africa	4.6	6.3	6.2	5.5
Sri Lanka	2.2	4.0	6.0	5.0

Source: World Economic Outlook, IMF, April 2017

However, the inflation in EMDEs lowered to 4.4 percent from 4.7 percent in the previous year. The inflation in China rose to 2.0 percent in 2016 from 1.4 percent in 2015 due to uptick

in producer prices and recovery of real estate investment. The inflationary pressures in Commonwealth of Independent States reduced significantly with the stabilization of currency and subdued domestic demand. Even though Brazilian inflation reduced by 3 percentage points to 8.7 percent, hyperinflation in Venezuela increased to 254.9 percent from 121.7 percent in 2015 as the economy faces deeper crisis, shortage of basic goods and large financing needs. The projected inflation for 2017 is 720.5 percent. The Russian and Brazilian inflation is to be declined as a result of the measures taken to reduce the currency depreciations and administered price hikes. The inflation in Argentina is expected to be 25.6 percent in 2017.

Chart 2.2 | Regional Inflation: 1998-2018



The IMF projection for advanced economy inflation is at 2.0 percent and the projections for emerging market and developing economies is 4.7 percent due to high commodity prices.

### 2.4 Interest Rates

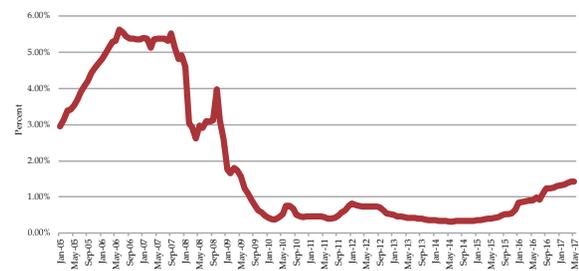
The prevailing low interest rates since the global financial crisis encouraged advanced economies and EMDEs to borrow more internationally, making borrowing less expensive. The Federal Reserve Bank of the United States increased federal funds rate by 25 basis points on December 15, 2016 as the second Fed rate hike in since 2008, where as the initial rate hike in 2015 was by similar basis points. After this decision, the 2 year Treasury bond which is the most sensitive to Fed rate hikes, hit the highest value since August 2009. Projecting a steady growth in the country,

Fed increased Fed funds rate by another 25 basis points on March 15, 2017, making the the target range for federal fund rate from 0.75 percent to 1.0 percent.

Meanwhile, interest rates in Euro area and Japan remain negative as the Bank of Japan expects to continue the “quantitative and qualitative monetary easing with yield curve control” framework with the objective of anchoring 10-year Japanese Government Bond yields at around 0 percent and the European Central Bank aims at continuing policy interest rates at or below zero and quantitative easing in the form of monthly asset purchases.

The recent interest rate hikes in EMDEs like Angola, Azerbaijan, Egypt, Mexico, Mozambique, Namibia, Nigeria, South Africa and Sri Lanka were followed by sharp exchange rate depreciations. Most central banks in Commonwealth of Independent States reduced their interest rates in order to diminish the inflationary pressures. The significant low levels of policy rates were recorded in major developing economies in East Asia. However, the central bank of Mexico increased interest rates thrice in 2016 and this was followed by a sharp depreciation of peso.

Chart 2.3 | Monthly Movement of Six Months LIBOR



The London inter-bank offered rate (LIBOR) on six-month U.S. dollar deposits significantly increased in 2016 and averaged at 1.06 percent compared to the average of 0.5 percent in 2015. The historically high LIBOR on six-month U.S. dollar deposits started to decrease since January 2012 and this continued until the beginning of 2015. With the speculations over possible US Federal rate hike it started to uptick again. IMF has projected LIBOR on six-month U.S. dollar

deposits to be averaged at around 1.7 percent in 2017 and 2.8 percent in 2018. LIBOR on three-month Euro deposits is expected to be averaged at -0.3 and -0.2 percent in 2017 and 2018, respectively. LIBOR on six-month Japanese yen deposits is expected to be averaged at 0.0 percent in 2017 and 2018, respectively.

## 2.5 Unemployment

The ability of governments to create employments is linked with the economic performance of the country. As highlighted in World Unemployment Social Outlook - Trends 2017 published by the International Labour Organization (ILO) in 2017, considering the unpredictable growth prospects for 2017, the global economy faces challenges over governments' ability to "(i) generate a sufficient number of jobs, (ii) improve the quality of employment for those with a job, and (iii) ensure that the gains of growth are shared in an inclusive manner". According to the report, global unemployment is expected to be increased by 3.4 million in 2017 and the total unemployed population will be 210 million. This will be a modest increase of 0.1 percentage points to 5.7 percent from 5.6 percent in 2016.

This increase will largely be contributed by the deteriorating labour market conditions in the EMDEs, especially in Latin American and Caribbean economies and mainly in Brazil. The average unemployment in EMDEs is projected to be increased from 5.6 percent in 2016 to 5.7 percent in 2017. Even though prospects for advanced economies are favorable with a reduction from 6.3 percent in 2016 to 6.2 percent in 2017; Euro area is still suffering from high unemployment at 10 percent i.e. Greece at 23.8 percent, followed by Spain at 19.6 percent, Italy with 11.7 percent, Portugal at 11.1 percent and France at 10 percent. Germany has reduced the unemployment rate significantly to 4.2 from 10.9 percent prevailed in 2015. However, a fall in unemployment rates are expected for this region, but with a slow improvement. There are signs of structural unemployment in advanced economies including the United States and Canada. The US unemployment has decreased from 5.3 percent of 2015 to 4.9 percent in 2016.

The vulnerable employment which always connected with limited access to contributory social protection schemes is projected to be remained at 42 percent of the total employment of the world. This is expected to be 1.4 billion in 2017 and will grow by 11 million per year. The two most affected regions are Southern Asia and sub-Saharan Africa. At the same time, about half of the workers in Southern Asia and two-thirds of the workers in sub-Saharan Africa are suffering from working poverty either at extreme or moderate levels i.e. spends less than US\$ 3.10 per day in purchasing power terms. The percentage of workers living in extreme or moderate working poverty was 29.4 percent in 2016 and ILO expects this to be declined to 28.7 percent in 2017.

## 2.6 Fiscal Situation

European economies changed the fiscal consolidation pathway which they have continued for five consecutive years and loosened their fiscal stance in 2016. As IMF identifies, the reasons behind this fiscal easing are supporting the economic growth in circumstances with high uncertainty, supporting public investments under such environment and supporting social expenses such as pensions or refugee-related spending. This fiscal policy transformation was mainly contributed by Italy, Spain and the United States considerably and by Canada and Germany in a relatively lower scale. As a result there will be broadly neutral fiscal situation and, the public debt stock of these economies is expected to remain stable but at an average above 100 percent in the medium term, without declining as envisaged previously.

Emerging market and middle-income economies faced elevated fiscal deficits in average for the fourth consecutive year, mainly due to slow economic growth and low commodity prices and this was mainly contributed by China, Brazil and oil exporting economies. The fiscal deficit increased for the third consecutive year in average in low-income developing countries, but the reasons for such increase vary among the countries.

The outlook of global fiscal policies in 2017 is uncertain as the size and composition of the US fiscal stimulus is not clear, the uncertainty over the consequences of United Kingdoms' "Brexit", the elections in France and Germany, political instability of several large EMDEs, geo-political tensions in Middle East and Africa. Despite the above uncertainties; slow economic growth, tighter financial conditions, appreciation of the US dollar, low energy prices and contingent liabilities remain as risks to the fiscal outlook.

### 2.6.1 Fiscal Deficits

The average fiscal balance of the world widened by 0.3 percentage points to 3.6 percent of GDP in 2016 from 3.3 percent of GDP in the following year due to policy changes in advanced economies, slow economic activities in middle and low-income economies and low commodity related revenue. Advanced economy average fiscal balance widened by 0.3 percentage points to 2.9 percent of GDP. According to the IMF, the 2016 relaxation of the overall fiscal stance of these countries accounted as 0.2 percent of GDP. It is expected to boost short-term economic activities and create employment amid high economic uncertainties specially in the United States, Japan, Italy and Spain; increase public investment in Canada, Australia and New Zealand and increase social spending in Germany.

Average fiscal balance of emerging market and middle-income economies recorded the highest value in two decades at 4.8 percent of GDP. The fiscal stimulus in China, slow economic activities in all economies, low commodity prices and other uncertainties created by geo-political tensions among the countries in Middle East and Africa were the reasons behind this widening of 0.4 percentage points compared to 2015. China's fiscal deficit widened from 2.8 percent of GDP in the previous year to 3.7 percent of GDP, as the government spent more on public infrastructure and cut tax revenue with the objective of increasing economic growth up to the target levels. Brazil's improvement from 10.3 percent of GDP to 9.0 percent, regardless of the economic recession and political issues is due to low interest payments. The fiscal deficit of oil producing economies is expected to improve in

2017, with the stabilization of oil prices and fiscal consolidation.

The low-income developing economies experienced high fiscal deficits as a result of the drop in commodity related revenue in line with low commodity prices, reduced demand for their commodity products and also due to other country specific reasons. The rising deficits and exchange rate depreciations made the debt stock of these economies at elevated levels.

Table 2.4 | Overall Fiscal balance

	Percent of GDP			
	Actual		Forecast	
	2015	2016	2017	2018
World	-3.3	-3.6	-3.4	-3.1
Advanced Economies	-2.6	-2.9	-2.7	-2.7
United States	-3.5	-4.4	-4.0	-4.5
Euro Area	-2.1	-1.7	-1.5	-1.2
Germany	0.7	0.8	0.6	0.6
France	-3.5	-3.3	-3.2	-2.8
Italy	-2.7	-2.4	-2.4	-1.4
Portugal	-4.9	-4.0	-4.0	-2.5
Japan	-3.5	-4.2	-4.0	-3.3
United Kingdom	-4.4	-3.1	-2.8	-2.1
Emerging Market and Middle Income Economies	-4.4	-4.8	-4.4	-3.9
Asia	-3.2	-3.9	-3.9	-3.7
China	-2.8	-3.7	-3.7	-3.4
India	-7.1	-6.6	-6.4	-6.3
Indonesia	-2.5	-2.5	-2.4	-2.5
Malaysia	-2.9	-3.0	-3.0	-3.0
Vietnam	-6.2	-6.6	-5.7	-5.7
Thailand	0.1	0.5	-1.6	-1.8
Europe	-2.7	-2.9	-3.1	-2.2
Russia	-3.4	-3.7	-2.6	-1.9
Latin America	-7.2	-6.4	-6.5	-5.6
Brazil	-10.3	-9.0	-9.1	-7.5
Middle East and North Africa and Pakistan	-8.4	-9.5	-5.2	-3.9
South Africa	-3.6	-3.5	-3.5	-3.4
Low-Income Developing Countries	-4.0	-4.4	-4.4	-3.9
Oil Producers	-4.6	-4.9	-3.5	-2.8
Sri Lanka	-7.6	-5.4	-4.6	-4.3

Sources : Fiscal Monitor, IMF, April 2017

Annual Report 2016, Central Bank of Sri Lanka

Amidst several uncertainties, advanced economy average fiscal deficit is projected to be 2.7 percent of GDP, while the average deficits of emerging market and middle-income economies and low-income economies are expected to be 4.4 percent of GDP in 2017 with the expected gradual tightening of fiscal position. Average global fiscal deficit is projected to be decreased by 0.2 percentage points to 3.4 percent of GDP.

## 2.6.2 Government Debt

Public debt stocks increased in both advanced economies and EMDEs significantly, following the global financial crisis. However, the long-term reason behind this increase is the decline of global interest rates which made governments, mainly advanced economies afford sovereign debt servicing costs and would have eventually pushed them for more borrowing. A recent study of the IMF points out low interest rates are not the only reason, but the differential between the interest and growth rates, which smaller differential will increase the debt levels rather slowly or reduce debt levels rather quickly for a given primary deficit. This will allow governments to sustain debt without tight fiscal policy stance.

Table 2.5 | General Government Gross Debt

	Percent of GDP			
	Actual		Forecast	
	2015	2016	2017	2018
World	80.6	83.6	83.1	82.8
Advanced Economies	105.4	107.6	107.1	106.7
United States	105.6	107.4	108.3	108.9
Euro Area	92.6	91.3	90.1	88.6
Germany	71.2	67.6	64.7	62.0
France	96.2	96.6	97.4	97.4
Italy	132.0	132.6	132.8	131.6
Spain	99.8	99.3	98.5	97.9
Greece	179.4	181.3	180.7	181.5
Ireland	78.7	76.4	74.8	73.4
Japan	238.0	239.2	239.2	239.4
United Kingdom	89.0	89.2	89.0	88.7
Canada	91.6	92.3	91.2	89.8
Emerging Market and Middle-Income Economies	44.5	47.4	48.6	49.8
Asia	45.8	48.5	50.5	52.2
China	42.6	46.2	49.3	52.0
India	69.6	69.5	67.8	66.1
Europe	30.8	32.7	32.2	32.3
Russia	15.9	17.0	17.1	17.3
Latin America	55.0	58.3	60.1	60.7
Brazil	72.5	78.3	81.2	82.7
Mexico	53.7	58.1	57.2	56.8
Middle East and North Africa (MENA)	33.8	38.9	36.3	36.3
South Africa	49.8	50.5	52.4	54.0
Low-income Developing Countries	36.1	40.4	41.9	41.6
Sri Lanka	77.6	79.3	77.5	75.1

Sources : Fiscal Monitor, IMF, April 2017

Annual Report 2016, Central Bank of Sri Lanka

Global economy experienced an increase of 3.0 percentage points in General Government gross debt as a percentage of GDP, from 80.6 percent

in 2015 to 83.6 percent in 2016. The elevation of public debt levels is contributed by 2.9 percentage point increase in EMDEs from 44.5 percent to 47.4 percent; 2.5 percentage point growth in advanced economy debt which increased to 107.6 percent from 105.4 percent and the significant increase of 4.3 percentage points in low-income developing economies from 36.1 percent 40.4 percent. Japan is the most indebted nation in the world with a 239.2 percent of debt to GDP ratio with an increase of 1.2 percentage points over 2015.

IMF expects that public debt in advanced economies will stabilize in the medium-term, but at higher levels; as they have eased fiscal consolidation process. However, the United States' plans for a reform in taxation with personal and business income tax cuts, reform in healthcare system and more security spending will lead their debt to increase further in the medium term. The rise in government debt in EMDEs is increasing due to the weak fiscal situation related to the slow growth, higher financing cost and subdued commodity prices. The continuous strengthening of the US dollar against developing economy currencies will increase the debt service burden if the US dollar denominated debt constitutes the major portion of the total debt stock.

The significant increase in low-income developing commodity importers economies is mainly due to widened fiscal deficits caused by declining demand from importers, low commodity and oil prices and also due to exchange rate depreciations. The rest of the economies suffered from country-specific reasons such as low tax revenue, high public investments and current spending and high interest expenses.

## 2.7 Capital Flows and Financial Market Behaviour

The capital flows to EMDEs recovered in 2016. The net flows to EMDEs surged after the global financial crisis, mostly due to low interest rates in advanced economies. In 2010, the net inflows peaked at US\$ 615 billion, but started to decline thereafter as a result of the slowdown in global growth. From 2014, the net outflows from EMDEs to advanced economies started and according to

the United Nations World Economic Situation Prospects 2017; net outflows amounted to US\$ 543 billion in 2015 and US\$ 456 billion in 2016.

At the same time, investment growth in developing economies has slowed since 2010. According to the World Bank, the 10 percent investment growth in 2010 has dropped to 3.5 percent in 2015. In commodity importing emerging markets and developing economies, the sluggish investment growth owes to slowing foreign direct investments (FDI) and weak economic activities of advanced economies. The investment growth in commodity exporting emerging markets and developing economies was affected by the disturbances associated with international trade and escalating debt stocks. The slowdown in both categories reflected financial market volatilities caused by political and economic uncertainties around the globe.

The international financial markets were relatively stable in 2016 as policy rate hike in the United States was slower than expected and unconventional monetary policies like quantitative easing continued in other advanced economies like Japan and European Union. The repercussions that would arise from the June referendum of the United Kingdom on “Brexit” were avoided by timely and rapid response by the central banks of the advanced economies to stabilize the markets. However, the volatility associated with policy shifts including sharp exchange rate depreciations, high inflation volatility and financial vulnerability in China made financial markets in EMDEs to be remained under investor uncertainty. The financial conditions of these economies tightened further, following the appreciation of the US dollar and rise in US bond yields towards the end of the year. The economies having strong financial or trade links with international markets are highly vulnerable to adverse impacts of tighter financial conditions or negative spillovers of adverse trade policies. Therefore the EMDEs should take necessary steps to strengthen supervision and regulation of the financial system to avoid such external shocks.

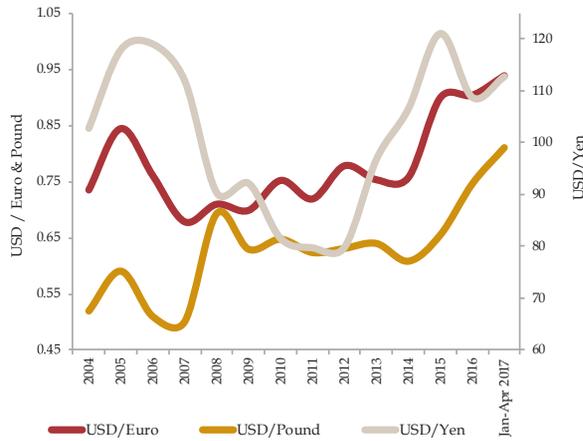
## 2.8 Currency Movements

Currencies of commodity exporters in both advanced and EMDEs strengthened during 2016 with the stabilization of commodity prices. The US dollar started appreciating, after the US elections and Fed rate increase. US dollar appreciated by 3 percent against the Euro. But, sterling pound depreciated to record lows following the UK referendum to leave the Euro zone “Brexit”; 13 percent against the US dollar and 11 percent against Euro. This interest rate differential between the United States and other advanced economies will cause US dollar to strengthen further. The resulting currency depreciations of EMDEs will aggravate debt servicing burdens and debt overhang situations of these countries if the amount of debt stock denominated in US dollar is significant.

Renminbi was affected by capital outflows from China and depreciated by around 7 percent against US dollar in 2016 (Global Economic Prospects, WB, January 2017). In October 2016, renminbi was introduced in the basket of currencies that makes up the International Monetary Fund’s Special Drawing Right (SDR) along with the US dollar, the euro, the Japanese yen, and the British sterling pound. The immediate withdrawal of the Indian currency in circulation with the introduction of new notes caused depreciation of Indian Rupee. Latin American and Caribbean economies experienced currency depreciations following the US election.

Currency movements in low income countries were moderate within the year, while depreciating against the US dollar, but in relatively lesser amounts than in 2015. The Democratic Republic of Congo franc and the Mozambican metical depreciated significantly against US dollar. Nigerian naira lost about 40 percent against the US dollar as the peg to the US dollar was removed in mid-2016.

Chart 2.4 | Exchange Rates Against US\$: 2004 - Apr 2017



### 2.9 World Trade

The slowest pace of world trade since the global financial crisis of 2009 was recorded in 2016. According to World Trade Organization (WTO); this stagnation is due to slow growth in GDP, weak trade in major EMDEs like China and Brazil and also due to low import demand from advanced economies, specially North American

countries. The slower participation in global value chains noticeably by the United States and Japan in the advanced front and by China in developing economies has caused lower trade elasticity. Weak global investment, uncertainty about the US and European trade policies, increasing inward-shift in policies which are more oriented towards the anti-globalization or protectionism will soften the prospects of recovery in 2017 and 2018.

Imports by advanced economies increased by 2.4 percent in 2016 and this is relatively low growth compared to the growth of 4.4 percent in the previous year. Similarly, exports by the advanced economies grew by 2.1 percent relative to the growth of 3.7 percent in 2015. In contrast, imports by EMDEs increased by 1.9 percent and this is a significant achievement over the contraction of 0.8 percent in the preceding year. This was contributed by strengthening of trade in China, India, Russia and Commonwealth of Independent States. At the same time, exports by EMDEs picked up by 2.5 percent compared to the growth of 1.4 percent in 2015.

Table 2.6 | World Trade Volumes

	1999-2008	Annual percent change									
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>World Trade Volume (Goods and Services)</b>											
Volume	6.6	-10.5	12.5	7.1	2.7	3.7	3.7	2.7	2.2	3.8	3.9
<b>Imports</b>											
Advanced Economies	5.6	-11.6	11.4	5.1	1.2	2.4	3.9	4.4	2.4	4.0	4.0
Emerging Market and Developing Economies	10.0	-9.6	14.5	11.5	5.2	5.3	4.0	-0.8	1.9	4.5	4.3
<b>Exports</b>											
Advanced Economies	5.6	-11.1	12.0	6.0	2.3	3.2	3.9	3.7	2.1	3.5	3.2
Emerging Market and Developing Economies	8.8	-7.9	13.7	8.5	3.5	4.9	2.8	1.4	2.5	3.6	4.3

Source: World Economic Outlook, IMF, April 2017

The new wave of protectionist policies that may be adhered by some advanced economies including the United States will have an adverse impact, not only over the economic growth and employment creation of those countries, but also on the output and development of their trading partners.

As highlighted in the Report on G20 Trade Measures, June 2016 by WTO; G20 economies have applied 145 new trade-restrictive measures since mid-October 2015, while implementing 100 trade facilitation measures. The Economic Outlook No 100 of OECD, November 2016

suggests “that protectionism and inevitable trade retaliation would offset much of the effects of the fiscal initiatives on domestic and global growth, raise prices, harm living standards, and leave countries in a worsened fiscal position. Trade protectionism shelters some jobs, but worsens prospects and lowers well-being for many others. In many OECD countries, more than 25 percent of jobs depend on foreign demand.”

## 2.10 World Commodity Market

Commodity prices strengthened in 2016. Even though, energy prices dropped during the first quarter, later gained owing to the agreement between Organization of the Petroleum

Exporting Countries (OPEC) and other producers to restrict the oil supply for the first time after 2008. Oil prices are expected to remain strong due to better global growth prospects and related improvements in activities. Agricultural commodity prices were stable during the year as supplies were adequate. Even though, there were earlier predictions for supply disruptions in the Southern hemisphere due to La Nina (unusually cold ocean temperatures in the Equatorial Pacific, which follows El Nino which is unusually warm ocean temperatures in the same region), later those fears were diminished.

Table 2.7 | Price Indexes (2010=100)

	2012	2013	2014	2015	2016	2017
Energy	128	127	118	65	52	63
Non-Energy	110	102	97	82	78	80
Agriculture	114	106	103	89	86	88
Beverages	93	83	102	94	89	89
Food	124	116	107	91	88	90
Oils and Meals	126	116	109	85	82	85
Grains	141	128	104	89	84	86
Other Food	107	104	108	100	98	99
Raw Materials	101	95	92	83	81	83
Fertilizers	138	114	100	95	83	84
Metals and minerals	96	91	85	67	61	64
Precious Metals	138	115	101	91	89	88

Source: Commodity Market Outlook, April 2016, World Bank

Metal prices were strong as a result of high real estate investments, expected fiscal policy stimulation in the US and Chinese attempts in reduce the excess capacity in steel and aluminum. Average gold price increased during the year.

### 2.10.1 Energy Prices

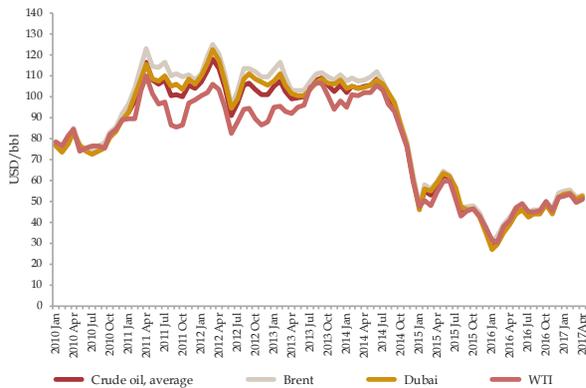
The average price of a barrel of crude oil dropped by 16 percent further to US\$ 43 in 2016 from US\$ 51 in the previous year. This is comparatively less than the historic drop of 47 percent in 2015 from US\$ 96 per barrel from the preceding year. The price of an oil barrel plummeted to US\$ 29.78 in January 2016 and rebalanced during the latter part of the year due to decline in non-OPEC production as well as due to increase in demand. OPEC decided in late September to limit the production to 32.5 million barrels per day (mb/d) during the first half of 2017. This is the first agreement to restrict the production of oil since 2008. Following this decision, non-OPEC producers decided to cut nearly 0.6 mb/d in October. Altogether, this is a reduction of nearly 1.8 million barrels per day.

There are expectations to continue this production cut to the second part of 2017 and if it is sustained; the market conditions will tighten during the year. The projections for 2017 and 2018 are US\$ 50 and US\$ 60 per barrel respectively and the market is expected to be rebalanced due to the steady and broad based demand and low production investments by non-OPEC producers. However, the sustainability of the projections may be diluted by an increase in US shale production and possible loosening of strict environmental regulations in the United States. The shale production is currently at low levels amidst record high US stocks, but cost of drilling of shale has reduced due to efficiency gains and improvements in management. At the same time, there are upward threats due to geo-political uncertainties of oil producers like Iraq, Libya, Nigeria and Venezuela.

Coal prices increased in 2016 because of the production cuts in China following government restrictions and also due to Australian production and shipment outages. The price of metric tonne of Australian coal increased to US\$ 65.9 from

US\$ 57.5. The Columbian and South African coal price also ended at US\$ 57.6 and US\$ 64.1 with an increase of 10 percent and 12 percent respectively. The price of natural gas increased, because of the increase in demand for power/heating, storage concerns over winter supplies, high coal price and nuclear outages in France.

Chart 2.5 | Crude Oil Prices: 2010 - Apr 2017



### 2.10.2 Agricultural Prices

Agricultural commodity prices stabilized in 2016 owing to the adequate supply. The impact of La Nina was minimized. Prices of beverages decreased while food prices increased. The drop in beverages is mainly due to 7.8 percent price decline in cocoa, driven by the excess supply. Even though Colombo tea auction price increased by 9.5 percent, tea average price dropped by 2.5 percent following declines in Kolkata and Mombasa auction prices by 1.5 and 16.2 percent respectively. Grain prices decreased due to larger than expected harvest of rice and better production expectations for wheat and maize. The price of a metric tonne of rice (Thailand 5%) increased by 2.6 percent to US\$ 396 per metric tonne from US\$ 386 a metric tonne in 2015 and the annual average price of wheat (US HRW) fell by 18.6 percent to US\$ 167 a metric tonne from US\$ 204 a metric tonne in the previous year. The annual average price of a kilogram of sugar increased significantly by 34 percent to US\$ 0.40 per kilogram from US\$ 0.30 per kilogram in 2015 due to low stocks triggered by a growing production-demand gap, which further widened after decelerating production forecasts for Brazil,

India and Thailand. The prices of palm oil, soybean oil and groundnut oil increased during the year.

The projections for agricultural prices are expected to be upward oriented modestly in 2017. According to the World Bank, a decline of 3 percent is projected for grain price, while beverage price forecast is to be declined marginally. The projected increase in oils and meals is 3 percent due to the expected tight supply of palm oil from Indonesia and Malaysia as well as of soybean oil from Argentina and Brazil. The raw materials are projected to be increased by 2 percent. The beverage prices are expected to be declined by further 6 percent due to excess production in West Africa including Côte d’Ivoire, Ghana and Nigeria. The upward risks for the agricultural prices extends from fertilizer and energy prices and La Nina cycle. Downward risks may arise from government policies of production countries supporting agriculture sector.

### 2.10.3 Metal Prices

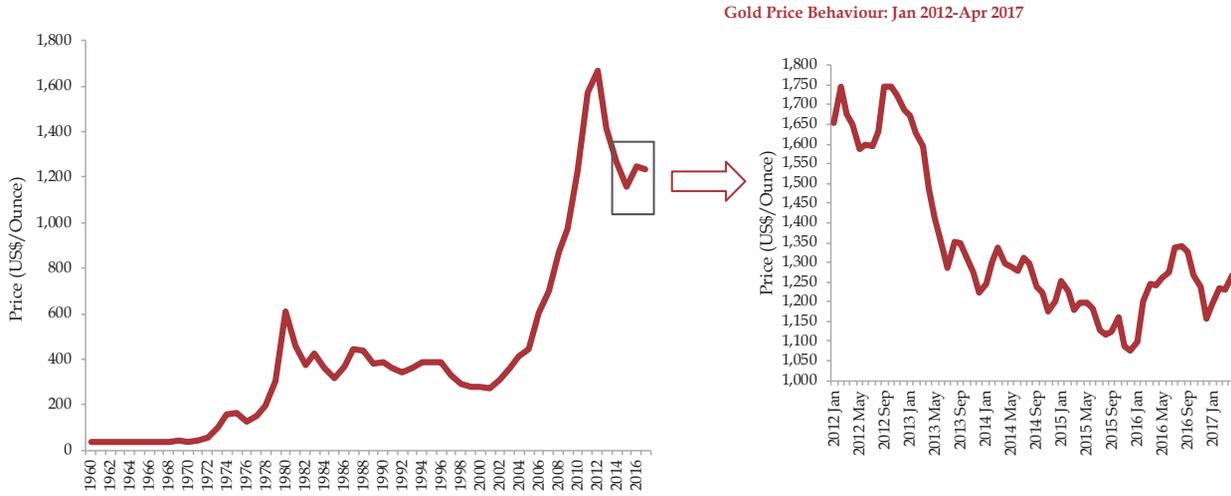
Metal prices dropped by 6 percent in 2016 mainly due to the decline in Chinese demand. The iron ore price increased by 4.6 percent to US\$ 58.4 per metric tonne. The price of Aluminum dropped by 3.6 percent to US\$ 1,604 and a metric tonne of copper dropped by 11.7 percent to US\$ 4,868. Prices of lead, tin and zinc picked up by 4.4, 11.6 and 8.2 percent respectively. Prices are projected to be increased by 11 percent in 2017 owing to high demand from China who contributes for about half of the global metal consumption and reduced supply due to the closure of lead and Zinc mines in Australia, Canada and Ireland. The US policy orientation towards infrastructure spending will also extend an upward pressure on metal prices due to anticipated high consumption.

Price of precious metals increased during the year as evidenced by an increase of 8 and 9 percent in troy ounce of gold and silver respectively over 2015. Gold price increased to US\$ 1,249 from US\$ 1,161 per ounce in 2015. However, demand for gold from its biggest consumers India and China; significantly fell during the latter part of the year. The drop in India is mainly due to the government

decision to take Rupee notes out of circulation as a step to shift investments from physical assets

such as gold and real estate to financial products.

Chart 2.6 | Gold Price Behaviour: 1960 - 2017



### 2.11 Summery

Since Sri Lanka’s strategic location facilitates easy reach to any regional destinations i.e. Europe, Far East, Middle East and Africa; the developments of changing global markets create benefits as well as challenges for the country’s economy through economic linkages. As Sri Lanka aspires to become an upper middle income country, the government has identified the requirement of attracting and retaining efficiency-seeking foreign direct investment, implementation of reforms aimed at eliminating unnecessary regulatory and administrative barriers to trade and imposing policies suitable for a higher middle income, export-oriented economy, strengthening fiscal space and sustainability; as key driving forces of the country’s growth. Hence, a prudent policy framework for macroeconomic management, addressing domestic vulnerabilities to smoothen the external shocks is essential.

If protectionist policies such as trade barriers and increase in tariff will be implemented by the United States authorities, it may jeopardize the US economy as well as economies that have close trade linkages with the country. Such policies will reduce global growth and trade, hinder capital flows, and reduce market sentiment while having contagion effects in Europe, as this is an election year in some major economies. In a situation of

which the European Union has approved the GSP plus trade concessions to Sri Lanka, such inward oriented trade policies in these economies may affect the Sri Lankan exports adversely.

US Fed Reserve’s decision to raise the policy rates twice by 25 basis points in last December and March 2017, respectively. Led capital outflows from financial markets of EMDEs due to possible changes in investor sentiments and this have to be avoided by pushing EMDE interest rates upward. According to the Central bank of Sri Lanka, The net outflow of foreign investments in the government securities market amounted to US\$ 324.3 million during the year 2016. Even though this is a reduction when compared with the net outflow of US\$ 1,093.4 million during 2015, the government securities yield rate is still pressurized with an upward trend, pushing debt servicing expenses to elevated levels. The average weighted yield on 10-year Treasury bonds and 5-year Treasury bonds increased by 117 and 197 basis points, respectively in 2016. Following the US elections and also the Fed decision, the US dollar is appreciating as market expects that Fed will continue in raising policy rates and the positive growth expectations of the US economy. In line with US dollar strengthening, most of the EMDE currencies are depreciating heavily. This also is evidenced by the depreciation of Sri Lankan Rupee in the recent past. The continuous

appreciation of US dollar will result in increased debt service payments in rupee terms.

Low commodity prices which prevailed in the international markets since 2015, adversely affected for the agricultural and other exports in 2016 by reducing the export income and reducing the domestic output. The need of introducing policies to enhance productivity, competitiveness and value addition in the export agriculture sector is highly felt at this juncture.

As Sri Lanka is reaching the upper middle income category, the concessional financing will shrink within next few years. The borrowing at market rates will create burdens in debt servicing and therefore, continuation of fiscal consolidation and implementation of alternative financing methods are essential to create required fiscal space. The policy makers should be mindful on encouraging sustained economic growth, increase investments in human capital and maximize the benefits of foreign direct investment. The appropriate balance between fiscal adjustment and policy formulation is highly recommended.



**Macroeconomic  
Review**

**03**

### 3.1 Overview

The Sri Lankan economy expanded by 4.4 percent in 2016 compared to 4.8 percent in the previous year amidst a challenging domestic and external environment. The growth was mainly supported by the expansion of construction activities. Domestically, prolonged drought condition prevailed in the first half of 2016 coupled with floods occurred in the second half of 2016 adversely affected the Agriculture sector while Industry and Services sector expanded in 2016. Demand management policies implemented by the Government and the Central Bank may have affected the consumption growth in the economy. Externally, subdued commodity prices and volatile international financial market conditions contributed to slowing the expected growth. However, policy reforms implemented over the last two years helped the economy remain resilient amidst risks stemming from the external sector. The unemployment rate declined to 4.4 percent in 2016 from 4.7 percent in 2015 and inflation, on average, remained at a moderate level.

On the demand side, economic growth was fueled by the increasing investment demand emanated from government infrastructure activities and the private sector investment in construction projects. However, the fiscal consolidation measures helped reduce government consumption while policy tightening measures implemented by the Central Bank mainly resulted in slowing the private consumption. Meanwhile, increased expenditure on imports and subdued exports weakened the net external demand of the economy.

On the supply side, Services and Industry sectors drove the economic growth in 2016. The Services sector was supported by the expansion of wholesale and retail trade, transportation, financial services, accommodation and beverages and real estate activities. The Industry sector was largely driven by manufacturing sector led by the manufacture of chemical products, rubber and plastic products. The construction industry regained its momentum supported by increased activity in the construction of hotels

and residential properties and public sector construction projects. The mining and quarrying sector growth was supported by the higher production of gems and other mineral products. However, Agriculture sector declined due to severe weather conditions. Meanwhile, GDP per capita, in nominal terms, increased by 6.9 percent to Rs. 558,363 in 2016. However, GDP per capita in terms of USD moderately declined to USD 3,835 in 2016 from USD 3,843 in 2015 due to the depreciation of exchange rate.

The external sector showed mixed performance in 2016 due to uncertainties in the global economic and financial conditions. The subdued performance of the exports sector, coupled with the slowdown of investment inflows resulted in a deficit of USD 500 million in the overall Balance of Payments (BOP) in 2016. Developments in earnings from tourism and workers' remittances helped cushion the BOP to some extent. However, the deficit in the BOP mainly reflects the widened current account deficit to US\$ 1,942 million coupled with modest performance in the financial account amidst sluggish investment flows. Consequently, the gross official reserves at end-December 2016 declined to US\$ 6.0 billion compared to US\$ 7.3 billion at end of 2015. Such decline of official reserves can mainly be attributed to increased foreign currency debt service payments, repayment of Stand-By Arrangement (SBA) of the International Monetary Fund (IMF) and settlement of swap arrangements etc. In 2016, the rupee depreciated by 3.8 percent as against the US Dollar.

Inflation continued to remain at around mid-single digit level in 2016. However, the annual average inflation, as measured by the Colombo Consumer Price Index (CCPI - 2013=100) moved to 4.0 percent by end 2016 in comparison to 2.2 percent by end 2015. Inflation, on year-on-year basis, reached 4.5 percent in 2016 after the peak of 5.8 percent in July 2016. Core inflation, which measures the underlying inflation of the economy showed an upward trend, despite some volatility due to the unfavourable weather conditions, an increase of certain international commodity prices coupled with upward revisions of certain taxes. Meanwhile, National Consumer Price

Index (NCPI- 2013=100) based core inflation increased to 6.7 percent, year-on-year basis, by end of 2016 from 5.8 percent at end of 2015. NCPI based headline inflation, year-on-year, increased during the second half of 2016 due to the supply side disruptions. Meanwhile, NCPI, based inflation, on an annual average basis, also increased to 4.0 percent by December 2016 from 3.8 percent by December 2015.

In light of demand-pulled inflationary expectations, a tightened monetary policy stance was adopted by the Central Bank during 2016. Some notable measures include increasing the Statutory Reserve Ratio (SRR), imposing loan-to-value ratio (LTV) and raising policy interest rates in February 2016, July 2016 and also in March 2017. Meanwhile, the year-on-year growth of credit extended to the private sector by commercial banks remained high at 21.9 per cent by end 2016. These developments resulted in increasing the Treasury bill rates of 91-day, 182-day, and 364-day to 8.72 percent, 9.63 percent, and 10.17 percent, respectively by end 2016. Meanwhile, the broad money and reserve money recorded a high growth of 18.4 percent and 27.1 percent, respectively.

### 3.2 Real Economy

The Sri Lankan economy grew by 4.4 percent in 2016 compared to 4.8 percent in 2015 amidst a challenging domestic and external economic environment. This slowdown was underpinned by the unfavorable weather condition prevailed during the year. The Agriculture sector registered a negative growth of 4.2 percent in 2016 compared to the growth of 4.8 percent in 2015. The overall economic growth was particularly supported by the growth of Industry and Services sectors of 6.7 percent and 4.2 percent, respectively in 2016. The Services sector remained the highest contributor to GDP with a share of 56.5 percent of real GDP in 2016 supported by the performance of the financial service activities (12.4 percent), transportation of goods and passengers including warehousing activities (4.1 percent), wholesale and retail trade (2.5 percent), insurance (8.5 percent) telecommunication (8.3 percent). Meanwhile, the Industry and the Agriculture sectors contributed to GDP with a share of 26.8

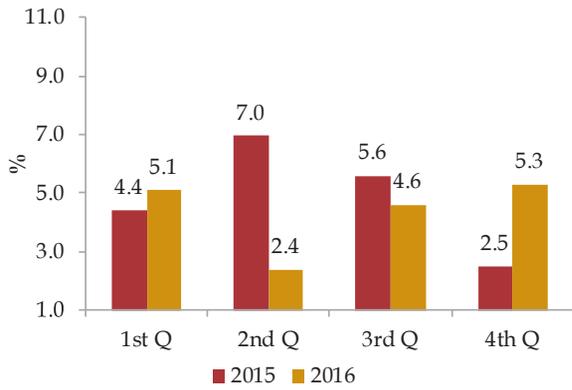
percent and 7.1 percent, respectively. Industry sector grew significantly by 6.7 percent in 2016 compared to mere growth of 2.1 percent recorded in 2015 mainly led by construction (14.9 percent) and mining and quarrying (14.4 percent). However, manufacturing sector recorded a slower growth of 1.7 percent in 2016 compared to a higher growth of 4.9 percent recorded in 2015, while its share of GDP remains high at 15.4 percent in 2016. Agriculture sector contracted in 2016 due to the decline in production stemming from tea (-11.2 percent), rubber (-10.7 percent) and paddy (-8.3 percent).

Table 3.1 | Sectoral GDP Growth Rates in 2016 (%)

Sector	Q1	Q2	Q3	Q4	Annual
<b>GDP (Nominal)</b>	<b>8.1</b>	<b>7.1</b>	<b>5.8</b>	<b>11.3</b>	<b>8.1</b>
Agriculture	0.0	2.5	7.4	-10.1	-0.5
Industry	8.5	4.2	7.6	8.4	7.3
Services	6.0	5.7	8.4	9.8	7.5
<b>GDP (Real)</b>	<b>5.1</b>	<b>2.4</b>	<b>4.6</b>	<b>5.3</b>	<b>4.4</b>
Agriculture	-0.2	-5.7	-2.0	-8.4	-4.2
Industry	9.1	2.0	5.9	9.2	6.7
Services	3.7	3.6	4.8	4.6	4.2

Source: Department of Census and Statistics

Chart 3.1 | Quarterly Growth Rates of GDP



### Agriculture

Agriculture, forestry and fishing sector recorded a negative growth rate of 4.2 percent in 2016 from 4.8 percent growth recorded in 2015 mainly due to adverse weather conditions prevailed during the year. As a result, the share of the Agriculture sector to GDP declined to 7.1 percent in 2016 from 7.8 percent in 2015. Among the sub-activities of Agriculture, most of the major agricultural activities have recorded negative growth rates during the year compared to 2015. The paddy sub-sector significantly contracted by 31.0 percent while the tea, rubber, coconut, and cereals sub-sectors declined by 11.2 percent, 10.7 percent, 0.6 percent and 10.5 percent, respectively in 2016. Further, sugar cane, tobacco and other non-perennial crops, forestry and logging, growing of spices, aromatic, drug and pharmaceutical crops, other beverage crops (coffee, cocoa etc.), animal production and marine and inland fishing sub-sectors contributed positively to the overall growth in Agriculture.

Chart 3.3 | Agriculture Sector Composition - 2016

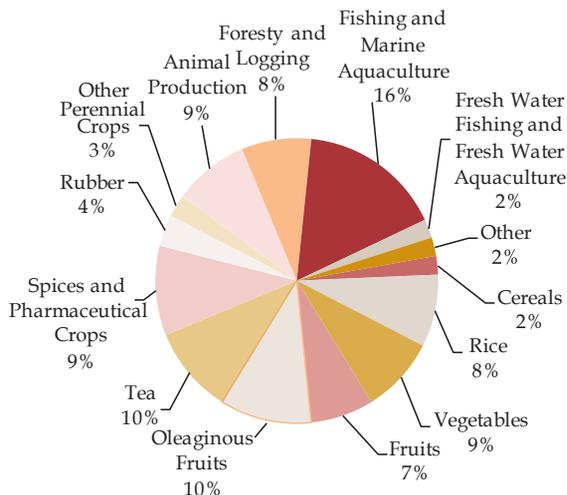
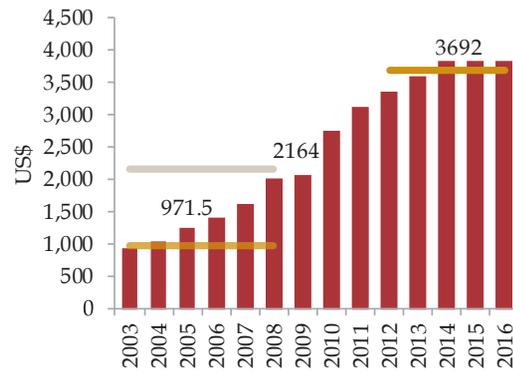


Chart 3.2 | Per Capita GDP (US\$)



### Rice

The total national paddy production decreased by 8.3 percent in 2016 to 4.4 million metric tons due to the adverse weather conditions that prevailed. This had resulted in declining the agriculture share to GDP to 7.1 percent in 2016 from 7.8 percent in 2015. Of the total production, 2015/16 Maha production marginally increased by 0.9 percent to 2.9 million metric tons whereas 2016 Yala production declined by 21.9 percent to 1.5 million metric tons. The gross extent sown and gross extent harvested dropped by 11.2 percent and 7.1 percent, respectively in 2016 compared to 2015. Accordingly, the extent sown declined to 1,114 thousand hectares in 2016 from 1,254 thousand hectares in 2015. Similarly, the extent of paddy harvested decreased to 1,011 thousand hectares in 2016 from 1,088 thousand hectares in 2015. Moreover, paddy yield also declined to 4,372 kg per hectare in 2016 from 4,428 kg per hectare in 2015. With these developments, the Government implemented the guaranteed purchasing prices of paddy to curtail the increase the prices of rice. Reflecting the increased taxes on rice imports, the imports of rice substantially declined in 2016.

Table 3.2 | Gross Domestic Product (GDP) at Constant (2010) Market Prices, 2011 to 2016 Rs. Million

Economic Activity	2011	2012	2013	2014(b)	2015(b)	2016(a)	2015/2014 Change (%)	2016/2015 Change (%)
<b>Agriculture, Forestry and Fishing</b>	<b>569,954</b>	<b>592,443</b>	<b>611,676</b>	<b>639,696</b>	<b>670,106</b>	<b>641,943</b>	<b>4.8</b>	<b>-4.2</b>
1 Growing of Cereals (except rice)	10,593	12,521	14,307	13,969	14,982	13,410	7.3	-10.5
2 Growing of Rice	70,205	62,289	65,607	61,019	76,256	52,649	25.0	-31.0
3 Growing of Vegetables	52,349	51,244	54,153	55,244	56,714	55,522	2.7	-2.1
4 Growing of Sugar cane, tobacco and other non-perennial crops	2,142	2,254	2,441	2,287	1,944	2,205	-15.0	13.4
5 Growing of Fruits	37,791	38,248	37,385	40,888	48,033	46,258	17.5	-3.7
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	57,110	62,201	53,424	64,158	67,504	67,074	5.2	-0.6
7 Growing of Tea (Green Leaves)	71,769	72,100	74,734	73,936	71,978	63,893	-2.6	-11.2
8 Growing of other beverage crops (Coffee, Cocoa, etc)	1,287	1,319	1,321	1,538	1,259	1,353	-18.1	7.5
9 Growing of spices,aromatic, drug and pharmaceutical crops	28,147	44,426	50,833	57,505	61,483	65,417	6.9	6.4
10 Growing of rubber	45,956	44,249	37,987	28,688	25,777	23,023	-10.1	-10.7
11 Growing of other perennial crops	14,666	15,167	14,344	15,402	16,839	16,473	9.3	-2.2
12 Animal Production	26,359	29,511	36,599	47,950	51,811	55,060	8.1	6.3
13 Plant propagation and agricultural supporting activities	8,436	9,105	9,183	9,767	10,421	9,936	6.7	-4.7
14 Forestry & Logging	42,505	38,188	43,044	47,450	48,360	51,020	1.9	5.5
15 Marine Fishing and Marine Aquaculture	89,575	97,063	103,879	105,822	104,245	104,915	-1.5	0.6
16 Fresh water fishing Fresh water Aquaculture	11,065	12,560	12,435	14,072	12,501	13,734	-11.2	9.9
<b>Industries</b>	<b>1,866,947</b>	<b>2,035,601</b>	<b>2,119,080</b>	<b>2,218,711</b>	<b>2,264,673</b>	<b>2,416,276</b>	<b>2.1</b>	<b>6.7</b>
17 Mining and quarrying	148,100	184,468	198,447	201,613	191,112	218,545	-5.2	14.4
18 Manufacture of food, beverages and Tobacco products	487,943	507,121	507,127	513,960	532,936	519,815	3.7	-2.5
19 Manufacture of textiles, wearing apparel and leather related products	238,254	244,496	264,527	276,800	282,070	281,481	1.9	-0.2
20 Manufacture of wood and of products of wood and cork, except furniture	31,521	23,472	25,258	23,139	26,239	30,311	13.4	15.5
21 Manufacture of paper products, printing and reproduction of media products	27,605	24,738	24,925	24,968	27,092	29,730	8.5	9.7
22 Manufacture of coke and refined petroleum products	35,457	28,858	27,514	28,723	29,075	31,245	1.2	7.5
23 Manufacture of chemical products and basic pharmaceutical products	67,644	75,582	81,982	82,243	82,303	85,623	0.1	4.0
24 Manufacture of rubber and plastic products	75,656	83,307	82,187	71,909	76,446	90,119	6.3	17.9
25 Manufacture of other non - metallic mineral products	86,204	87,090	81,037	78,671	74,269	64,520	-5.6	-13.1
26 Manufacture of basic metals and fabricated metal products	26,295	24,591	26,589	24,882	28,516	36,711	14.6	28.7
27 Manufacture of machinery and equipments i.e	33,650	30,849	30,845	32,064	38,838	44,300	21.1	14.1
28 Manufacture of furniture	53,352	63,922	67,488	82,748	93,529	96,684	13.0	3.4
29 Other manufacturing and repair and instalation of machinery and equipment	34,555	41,962	44,443	55,993	68,380	72,922	22.1	6.6
30 Electricity,gas, steam and air conditioning supply	73,927	75,262	76,789	80,298	85,067	92,175	5.9	8.4
31 Water collection, treatment and supply	9,846	10,554	10,975	11,504	12,005	12,950	4.4	7.9
32 Sewerage, Waste, treatment, and disposal activities	12,141	14,572	15,511	17,355	21,681	25,539	24.9	17.8
33 Construction	424,798	514,757	553,438	611,842	595,115	683,604	-2.7	14.9
<b>Services</b>	<b>3,817,155</b>	<b>4,245,461</b>	<b>4,405,644</b>	<b>4,618,501</b>	<b>4,883,444</b>	<b>5,087,452</b>	<b>5.7</b>	<b>4.2</b>
34 Wholesale and retail trade	788,048	848,686	859,977	884,094	929,208	952,652	5.1	2.5
35 Transportation of goods and passengers including warehousing	745,891	805,391	849,539	885,506	929,854	968,421	5.0	4.1
36 Postal and courier activities	4,068	4,441	4,364	4,056	4,052	4,259	-0.1	5.1
37 Accomodation, Food and beverage service activities	105,372	134,160	126,392	131,481	133,984	139,406	1.9	4.0
38 Programming and broadcasting activities and audio vedio productions	2,178	2,252	2,422	2,513	2,623	2,824	4.4	7.7

Table 3.2 | Gross Domestic Product (GDP) at Constant (2010) Market Prices, 2011 to 2016 contd... Rs. Million

Economic Activity	2011	2012	2013	2014(b)	2015(b)	2016(a)	2015/2014 Change (%)	2016/2015 Change (%)
39 Telecommunication	24,420	26,450	27,395	30,986	34,125	36,967	10.1	8.3
40 IT programming consultancy and related activities	7,216	7,972	9,693	10,579	12,144	13,011	14.8	7.1
41 Financial Service Activities Auxiliary financial service	314,678	364,688	386,009	420,223	492,642	553,826	17.2	12.4
42 Insurance, reinsurance and pension funding	67,596	69,026	70,854	74,978	81,960	88,962	9.3	8.5
43 Real estate activities, including ownership of dwelling	328,076	369,719	417,024	444,049	489,217	509,993	10.2	4.2
44 Professional services	127,358	155,741	161,963	166,486	154,239	149,382	-7.4	-3.1
45 Public Administration and defense, compulsory social security	367,093	385,615	382,470	402,205	430,098	452,579	6.9	5.2
46 Education	136,172	167,107	157,477	173,751	159,758	171,707	-8.1	7.5
47 Human Health Activities, Residential care and social work activities	155,994	173,898	146,551	147,962	159,901	162,243	8.1	1.5
48 Other personal service activities	642,995	730,316	803,514	839,633	869,640	881,221	3.6	1.3
<b>Gross Value Added (GVA), at basic prices</b>	<b>6,254,056</b>	<b>6,873,506</b>	<b>7,136,401</b>	<b>7,476,908</b>	<b>7,818,224</b>	<b>8,145,671</b>	<b>4.6</b>	<b>4.2</b>
<b>(+) Taxes less Subsidies on Products</b>	<b>698,664</b>	<b>715,011</b>	<b>709,802</b>	<b>758,522</b>	<b>815,667</b>	<b>866,355</b>	<b>7.5</b>	<b>6.2</b>
<b>Gross Domestic Products (GDP), at Constant Market Price</b>	<b>6,952,720</b>	<b>7,588,517</b>	<b>7,846,202</b>	<b>8,235,429</b>	<b>8,633,890</b>	<b>9,012,026</b>	<b>4.8</b>	<b>4.4</b>

Source: Department of Census and Statistics

(a) Provisional

(b) Revised

## Tea

The tea sub-sector further contracted by 11.2 percent, in value added terms, in 2016 compared to a negative growth of 2.6 percent recorded in 2015. The tea production in 2016 declined by 11.0 percent to 292.6 million kg compared to 328.8 million kg in 2015 due to inclement weather conditions prevailed. The export prices of tea increased in 2016, with the average prices of the Colombo Tea Auction increased by 17.8 percent to Rs. 473.15 per kg in 2016 compared to Rs. 401.46 per kg in 2015. However, the earnings from tea exports declined by 5.3 percent to US\$ 1,269.0 million in 2016 from US\$ 1,340.5 million in 2015.

## Rubber

The rubber sub-sector continued its contraction in 2016, registering a negative growth of 10.7 percent compared to a contraction of 10.1 percent in 2015. Rubber production fell by 10.6 percent to 79.1 million kg in 2016 from 88.5 million kg in 2015. This drop was due to the decline in global natural rubber prices coupled with the reduction of a number of tapping days due to unfavorable weather conditions prevailed in the rubber growing areas. However, the earnings

from rubber exports increased by 25.0 percent to US\$ 33 million in 2016 compared to US\$ 26 million in 2015 mainly due to growth in exports of surgical and other gloves. Meanwhile, the average Colombo Rubber Auction (CRA) prices of Ribbed Smoked Sheet No.1 (RSS 1) declined by 3.6 percent to Rs. 239.28 per kg in 2016 while price of latex rubber declined by 13.0 percent to Rs. 262.32 per kg in 2016. Similarly, the average price of natural rubber declined by 30.1 percent to US\$ 1.6 in 2016. These developments were mainly due to the decline in global demand for natural rubber coupled with the plunge in global commodity prices in 2016.

## Coconut and Related Products

The coconut and related products sub-sector contracted by 0.6 percent, in value added terms, in 2016 compared to a positive growth of 5.2 percent recorded in 2015. The total coconut production declined by 1.5 percent to 3,011 million nuts in 2016 compared to 3,056 million nuts in 2015 due to unfavourable weather conditions prevailed. As a result, coconut oil production dropped by 7.5 percent. However, desiccated coconut production increased by 22.3 percent in 2016 due to the high demand for such products which

has resulted in increasing exports of desiccated coconuts by 56.7 percent to 72 thousand metric tons. Due to higher demand arising from coconut based industries, the domestic coconut prices increased. However, the average retail price of fresh nuts declined by 8.3 per cent to Rs. 45.82 per nut in 2016 compared to the previous year. Meanwhile, the export earnings from coconut showed a substantial increase of 4.0 percent to US\$ 366 million in 2016 compared to US\$ 352 million in 2015 reflecting the increased volume of coconut related products such as desiccated coconut, fresh nuts, and coconut cream.

Table 3.3 | Minor Export Agricultural Crops: Production and Exports (MT)

Crop	Production				Export *			
	2013	2014	2015	2016(a)	2013	2014	2015	2016(a)
Cinnamon	17,500	17,600	17,707	18,945	13,799	13,686	13,549	14,693
Pepper	28,000	18,660	28,177	18,476	21,310	7,930	16,657	7,879
Cocoa	515	500	457	650	1,213	2,099	911	1,345
Cardamom	50	87	91	120	4	8	120	779
Clove	6,190	3,225	5,253	1,823	5,467	1,102	4,783	1,379
Nutmeg & Mace	2,545	2,960	2,750	4,155	1,652	1,829	1,889	1,798

Sources: Department of Export Agriculture and Sri Lanka Customs

(a) Provisional

\* Including Re-export

## Cereals, Fruits, and Vegetables

The cereals, fruits and vegetable sub-sector recorded a growth of 1.4 percent, in value added terms, in 2016 compared to 1.5 percent growth registered in 2015. This sector showed a slower growth mainly due to the contraction of cereals by 10.5 percent, vegetables by 2.1 percent and fruits by 3.7 percent due to dry weather conditions prevailed in the country. The production of cereals such as *Kurakkan*, maize, green gram, soya beans and black gram etc., declined by 6.4 percent to 339 thousand metric tons in 2016 due to the drop of extent under cultivation of such products. Meanwhile, the production of vegetables moderately increased by 1.3 percent to 1.6 million metric tons in 2016 due to the drought prevailed in the vegetables growing areas. The export earnings from vegetables were Rs. 4.0 billion in 2016. Meanwhile, the production of fruits declined by 6.0 percent in 2016 while exports of fruits amounted to 54 thousand metric tons, an increase of nearly 20.0 percent in 2016 compared to 2015.

## Beverage Crops and Spices

The value-added beverage crops sub-sector comprising of coffee and cocoa expanded by 7.5 percent in 2016 compared to a negative growth of 18.1 percent in 2015 due to the increase in production. Meanwhile, spices, aromatic, drugs, and pharmaceutical crops sub-sector grew by 6.4 percent, in value added terms, in 2016 benefiting from the increased production of cinnamon and cardamom. However, the export earnings from spices declined by 16.0 percent to US\$ 317.1 million during the year due to the decrease in demand for such products in the international market.

## Animal Production

The value-added animal production such as milk, egg, and value added slaughtered animals grew by 6.3 percent in 2016 compared to 8.1 percent growth in 2015. The domestic milk production increased by 2.6 percent to 384 million litres in 2016 compared to the previous year, which meets 42.0 percent of the national milk requirements. This improvement was partly attributable to the increased farm gate prices by Rs. 5.00 per litre to Rs. 64.00 per litre and enhanced demand for fresh milk. The imports of dairy products including milk powder declined by 0.6 percent to US\$ 249.3 million compared to US\$ 250.9 million in 2015. However, milk powder imports increased by 14.9 percent to 94 thousand metric tons from 81.8 thousand metric tons in 2015. Meanwhile, the production of eggs increased by 8.5 percent to 2.0 billion in 2016 while chicken production rose by 5.7 percent to nearly 174 thousand metric tons. The production of pork and mutton increased whereas beef production declined in 2016.

## Marine and Fresh Water Fishing

Fishery sector, which accounted for 1.5 percent of the GDP, grew by 1.6 percent in terms of value addition in 2016 compared to a negative growth of 2.7 percent recorded in 2015. The total fish production increased by 2.1 percent to 530.9 thousand metric ton compared to 520.2 thousand metric ton in 2015. The inland fishing sub-sector grew by 9.9 percent mainly due to the rise in production to 73.9 metric ton from 67.3 metric ton in 2015 and the increase in releasing fingerlings

to tanks. The marine fishing sub-sector grew by 0.6 percent to 457 thousand metric ton in 2016. The export of seafood, including fresh and frozen fish increased by 4.0 percent to US\$ 169.6 million in 2016. Meanwhile, the importation of seafood, including fresh fish and dried fish expanded to US\$ 237.3 million in 2016. Further, the fishery sector was benefitted from lifting the ban imposed by the European Union (EU) on Sri Lankan fish exports with effect from June 2016: fish exports to the EU expanded by 23.1 percent to 2,540 metric tons in 2016.

Table 3.4 | Fishery Sector Performance

Year	Operating Fishing Boats by Type			Annual Fish Production by Fishing Sub-sectors (Mt)					Fish Imports & Exports			
	Marine Fishing Fleets (No.)	Inland Fishing Fleet (No.)	Total Fishing Crafts (No.)	Marine Fish Catch		Inland & Aquaculture	Total Fish Production	Wet Fish for Dry or Smoking	Total Fish Imports		Total Fish Exports	
				Coastal	Off Shore/Deep Sea				Value (Rs.Mn)	Quantity (MT)	Value (Rs.Mn)	Quantity (MT)
2005	29,901	6,200	36,101	63,690	66,710	32,830	163,230	18,900	7,099	76,584	10,695	15,985
2006	35,350	7,046	42,396	121,360	94,620	35,290	251,270	71,740	9,681	77,382	14,440	18,647
2007	37,040	6,600	43,640	150,110	102,560	38,380	291,050	77,830	11,961	86,156	19,123	21,423
2008	39,717	7,170	46,887	165,320	109,310	44,490	319,120	93,240	12,521	76,266	19,077	20,593
2009	41,454	7,560	49,014	180,410	112,760	46,560	339,730	97,690	13,939	75,411	21,015	18,714
2010	46,134	7,990	54,128	202,420	129,840	52,410	384,670	100,120	14,162	80,013	19,834	18,325
2011	53,476	8,020	61,492	222,350	162,920	59,560	444,830	112,295	16,240	81,957	21,876	18,462
2012	53,210	8,350	61,620	257,540	159,680	67,590	484,810	61,320	17,401	71,413	26,363	18,631
2013	52,301	7,988	60,289	267,980	177,950	66,910	512,840	146,630	21,119	78,401	31,792	23,910
2014	53,988	8,536	62,524	278,850	180,450	75,750	535,050	157,982	18,860	78,712	34,797	26,320
2015	51,741	9,613	61,354	269,020	183,870	67,300	520,190	126,390	30,729	120,046	24,716	17,461
2016 (a)	58,427	10,191	68,618	274,160	182,830	73,930	530,920	145,620	35,172	115,693	26,802	17,593

Source: Ministry of Fisheries and Aquatic Resources Development  
(a) Provisional

## Industry

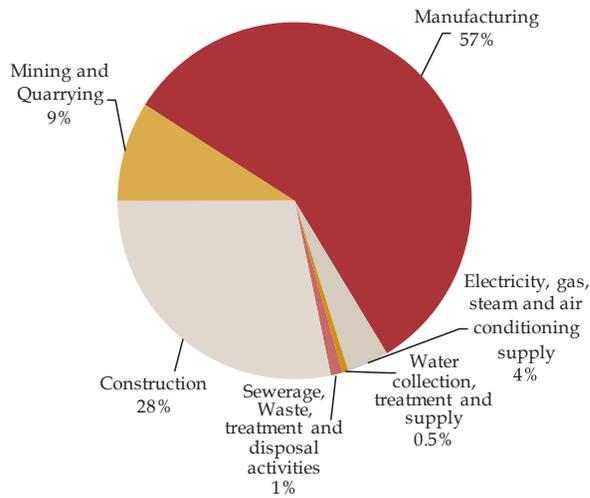
The Industry sector significantly grew by 6.7 percent, in value added terms, in 2016 compared to 2.1 percent growth in 2015 with a substantial expansion of the construction sector by 14.9 percent. Manufacturing, mining and quarrying, electricity, water and waste treatment activities positively contributed to the growth in the Industry sector.

## Manufacturing

Manufacturing sub-sector, which was the largest sector of the Industry sector, grew moderately by 1.7 percent in value added terms in 2016 compared to 4.9 percent recorded in 2015

reflecting the contraction in the manufacturing food, beverages, and tobacco products by 2.5 percent in 2016 from 3.7 percent growth recorded in 2015. This growth was mainly driven by the higher performance of basic metal and fabricated metal products, rubber and plastic products and machinery and equipment. However, export earnings from industrial goods recorded a negative growth of 1.0 percent to US\$ 7,940.1 million in 2016 due to lower export earnings on transport equipment, petroleum products, gems, diamonds, and jewellery.

Chart 3.4 | Industry Sector Composition - 2016



The output of food products such as bakery products, dairy products, starch and starch products, prepared meals and animal feed products contracted during this period. Moreover, the malt liquor production was disrupted by severe floods during Mid-2016 causing the drop in production by 58.5 percent for 2016. Further, a contraction was also recorded in tobacco products in 2016. Higher prices of tobacco products due to higher excise taxes resulted in lower consumer demand, in turn leading to lower production.

Table 3.5 | Performance of the Selected Industrial Exports

Item	US\$ Mn					
	2011	2012	2013	2014	2015	2016(a)
<b>Rubber Products</b>	885	859	888	890	761	768
Rubber Tyres	569	540	551	564	467	476
Surgical Gloves and Other Gloves	181	177	195	176	165	176
Other Rubber Products	135	143	141	150	130	116
<b>Gems, Diamonds and Jewellery</b>	532	559	446	394	332	274
Gems	95	118	130	173	164	149
Diamonds	414	417	295	198	148	105
Jewellery	22	24	21	22	19	20
<b>Machinery and Mechanical Appliances</b>	312	297	312	343	294	318
<b>Transport Equipment</b>	225	165	146	152	244	132
o/w Ships, Boats and Floating Structures	149	57	82	86	182	65
<b>Petroleum Products</b>	553	463	428	338	374	287
o/w Bunkers and Aviation Fuel	524	457	423	327	364	271
<b>Chemical Products</b>	118	117	120	134	126	126
<b>Wood and Paper Products</b>	111	112	116	123	112	117
<b>Leather Travel Goods and Footwear</b>	65	55	77	139	136	166
<b>Plastics and Articles Thereof</b>	55	53	55	67	62	66
<b>Base Metals and Articles</b>	56	56	59	62	56	90
<b>Ceramic Products</b>	38	36	40	41	35	34
Tiles	6	7	8	9	8	7
Tableware, Household Items and Sanitaryware	28	25	29	29	25	23
Other	5	4	3	3	3	4
<b>Total</b>	<b>2,950</b>	<b>2,772</b>	<b>2,687</b>	<b>2,683</b>	<b>2,532</b>	<b>2,377</b>

Source: Central Bank of Sri Lanka  
(a) Provisional

The wearing apparel sub-sector recorded a negative growth of 0.2 percent, in value added terms, in 2016 following the growth of 1.9 percent in 2015. However, earnings from garment exports increased marginally by 1.3 per cent to US\$ 4,884.1 million due to lower demand from the United States of America (USA) market, despite the growth in exports to non-traditional markets, such as Canada, China, Australia and the United Arab Emirates (UAE) and to the EU market.

Moreover, the apparel sector will regain its momentum with the resumption of Generalized Scheme of Preferences plus (GSP+) scheme that was approved by the EU in May 2017.

Table 3.6 | Manufacturing Sector Statistics

Category	Value Addition (Current Price) Rs. Mn.				Number of Projects Approved by BOI			
	2013	2014	2015(b)	2016(a)	2013	2014	2015(b)	2016(a)
Food, Beverages and Tobacco Products	801,748	969,402	851,869	858,954	8	11	6	11
Textiles, Apparel and Leather Products	365,685	379,633	396,724	383,411	7	14	13	9
Wood and Wood Products	27,365	30,313	27,947	26,879	1	3	-	3
Paper and Paper Products, Publishing and Printing	28,261	21,294	37,897	41,361	-	1	-	2
Chemical, Petroleum, Coal	128,804	95,724	90,784	87,276	11	5	2	4
Rubber & Plastic Products	74,995	69,071	80,133	96,811				
Non-Metallic Mineral Products	124,831	116,002	93,903	97,578	7	10	2	3
Basic Metal Products & Fabricated Metal Products	34,300	35,014	38,600	48,848	4	5	6	6
Machinery and Equipment	34,584	21,694	41,758	46,804	9	10	12	11
Manufacture of Furniture	57,966	59,805	82,639	84,434				
Other manufacturing and Repair and Installation of Machinery and Equipment	44,553	43,278	56,669	64,823	9	10	12	11

Sources: Department of Census and Statistics and Central Bank of Sri Lanka

(a) Provisional

(b) Revised

Table 3.7 | Private Sector Industrial Volume Index (2010 = 100)

Description	2013	2014	2015(b)	2016(a)
Food Products	105.3	102.3	107.3	103.9
Beverages	102.4	111.8	123.1	106.6
Tobacco Products	96.7	87.6	95.4	92.4
Textile	128.5	132.9	131.0	134.4
Wearing Apparel	124.9	149.5	173.4	169.2
Leather and Related Products	98.3	97.0	86.4	107.0
Wood and Products of Wood except Furniture	114.6	108.9	121.7	129.0
Paper and Paper Products	123.4	126.6	126.6	126.6
Printing and Reproduction of Media	110.3	112.4	112.4	112.4
Refined Petroleum Products	83.4	86.0	82.6	84.3
Chemical and Chemical Products	74.1	82.2	88.3	77.4
Pharmaceuticals, Medicinal Chemical and Botanical Products	185.1	142.8	142.2	145.4
Rubber and Plastic Products	118.2	134.2	131.3	138.5
Other Non-metallic Mineral Products	103.2	102.9	118.8	132.0
Basic Metals	102.4	112.9	115.0	148.0
Fabricated Metal Products except Machinery and Equipment	111.2	97.1	109.8	72.9
Electrical Equipment	107.6	99.5	130.6	118.4
<b>Overall Industrial Production Index</b>	<b>108.3</b>	<b>114.9</b>	<b>125.4</b>	<b>122.0</b>

Source: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

The basic metals and fabricated metal products sub-sector recorded a robust growth of 28.7 percent, in value added terms, in 2016 compared to 14.6 percent growth recorded in 2015 due to the expansion of shipbuilding activities, increased demand for basic iron and steel products particularly during the latter part of 2015. Meanwhile, rubber and plastic products expanded by 17.9 percent in 2016 due to the increase in local and international demand for tyres, tubes and other rubber-based products. The machinery and equipment sub-sector recorded a rapid growth of 14.1 percent in 2016 with an increase in production of motor vehicles and semi-trailers, electrical goods and computers. The chemical products and basic pharmaceutical products sub-sector recorded a significant growth of 4.0 percent in 2016, following the marginal growth of 0.1 percent recorded in 2015. This growth was mainly supported by the increase in production of fertilizer, soap, detergent and paint and varnish products.

### Electricity, Gas, Water and Sewerage

The electricity, gas, steam and air-conditioning supply sub-sector continued to expand by 8.4 percent during 2016 following the growth of 5.9 percent in 2015. This expansion was reflected by 8.1 percent growth in electricity generation

during the year. However, the hydropower generation contracted by 29.0 percent in 2016 due to the prolonged drought conditions prevailed in water catchment areas. Consequently, coal power generation and fuel-oil power generation grew by 13.8 percent and by 96.1 percent, respectively in 2016. Meanwhile, gross value added water collection, treatment and supply activities expanded by 7.9 percent in 2016 compared to 4.4 percent growth in 2015. The sub-sector of sewerage, waste treatment, and disposal activities grew by 17.8 percent in 2016 from 24.9 percent growth in 2015.

## Construction

Construction sub-sector regained its momentum with a substantial growth of 14.9 percent in 2016 from 2.7 percent contraction in 2015 benefiting from the continuation of large-scale constructions such as Colombo International Financial City (port city project), Colombo Outer Circular highway - phase III and condominium apartments. Public sector construction projects in infrastructure development such as road development, power projects, port and airport development and housing development projects provided a substantial impetus to the growth in the sector. Reflecting the expansion of private sector construction activities, credit to the private sector construction activities increased by 26.9 percent in 2016. The production and imports of cement enhanced by 17.8 percent and 29.5 percent, respectively in 2016 and imports of building material grew by 16.0 percent in 2016.

## Services

The Services sector continued to expand by 4.2 percent compared to 5.7 percent growth in 2016 and accounted for 56.5 percent of the GDP in 2016. This growth was largely attributable to the significant expansion in financial service activities by 12.4 percent, insurance activities by 8.5 percent, telecommunication by 8.3 percent, programming and broadcasting activities by 7.7 percent, education service by 7.5 percent and IT programming consultancy by 7.1 percent. Further, the expansion of accommodation, food and beverages services activities, postal and courier activities and public administration services positively contributed to this growth.

## Wholesale and Retail Trade

The wholesale and retail trade sub-sector, which accounted for 18.7 percent of the Services sector, recorded a 2.5 percent growth in 2016 compared to 5.1 percent growth in 2015. The slowdown was largely due to the subdued performance of the export trade activities and marginal expansions of import trade activities during the year. The intermediate goods and investment goods imports increased during the year, while the importation of consumer goods declined mainly due to the contraction in non-food consumer goods categories. Meanwhile, the export trade sub-sector recorded a negative growth due to the weak global demand reflecting the turbulent economic conditions in major export markets and the decline in commodity prices in the world market.

Table 3.8 | Sectoral Distribution of GDP Growth (%) - Constant (2010) Prices

Economic Activity		2012	2013	2014	2015(b)	2016(a)
<b>Agriculture, Forestry and Fishing</b>		<b>3.9</b>	<b>3.2</b>	<b>4.6</b>	<b>4.8</b>	<b>-4.2</b>
1	Growing of Cereals (except rice)	18.2	14.3	-2.4	7.3	-10.5
2	Growing of Rice	-11.3	5.3	-7.0	25.0	-31.0
3	Growing of Vegetables	-2.1	5.7	2.0	2.7	-2.1
4	Growing of Sugar Cane, Tobacco and Other non-perennial Crops	5.2	8.3	-6.3	-15.0	13.4
5	Growing of Fruits	1.2	-2.3	9.4	17.5	-3.7
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	8.9	-14.1	20.1	5.2	-0.6
7	Growing of Tea (Green Leaves)	0.5	3.7	-1.1	-2.6	-11.2
8	Growing of Other Beverage Crops (Coffee, Cocoa, etc)	2.5	0.1	16.4	-18.1	7.5
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	57.8	14.4	13.1	6.9	6.4
10	Growing of Rubber	-3.7	-14.2	-24.5	-10.1	-10.7

Table 3.8 | Sectoral Distribution of GDP Growth (%) - Constant (2010) Prices contd...

Economic Activity		2012	2013	2014	2015(b)	2016(a)
11	Growing of Other Perennial Crops	3.4	-5.4	7.4	9.3	-2.2
12	Animal Production	12.0	24.0	31.0	8.1	6.3
13	Plant Propagation and Agricultural Supporting Activities	7.9	0.9	6.4	6.7	-4.7
14	Forestry and Logging	-10.2	12.7	10.2	1.9	5.5
15	Marine Fishing and Marine Aquaculture	8.4	7.0	1.9	-1.5	0.6
16	Fresh Water Fishing and Fresh Water Aquaculture	13.5	-1.0	13.2	-11.2	9.9
<b>Industries</b>		<b>9.0</b>	<b>4.1</b>	<b>4.7</b>	<b>2.1</b>	<b>6.7</b>
17	Mining and Quarring	24.6	7.6	1.6	-5.2	14.4
18	Manufacture of Food, Beverages and Tobacco Products	3.9	0.0	1.3	3.7	-2.5
19	Manufacture of Textiles, Wearing Apparel and Leather related Products	2.6	8.2	4.6	1.9	-0.2
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	-25.5	7.6	-8.4	13.4	15.5
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	-10.4	0.8	0.2	8.5	9.7
22	Manufacture of Coke and Refined Petroleum Products	-18.6	-4.7	4.4	1.2	7.5
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	11.7	8.5	0.3	0.1	4.0
24	Manufacture of Rubber and Plastic Products	10.1	-1.3	-12.5	6.3	17.9
25	Manufacture of Other Non-metallic Mineral Products	1.0	-7.0	-2.9	-5.6	-13.1
26	Manufacture of Basic Metals and Fabricated Metal Products	-6.5	8.1	-6.4	14.6	28.7
27	Manufacture of Machinery and Equipment	-8.3	0.0	4.0	21.1	14.1
28	Manufacture of Furniture	19.8	5.6	22.6	13.0	3.4
29	Other Manufacturing and Repair and Installation of Machinery and Equipment	21.4	5.9	26.0	22.1	6.6
30	Electricity, Gas, Steam and Air Conditioning Supply	1.8	2.0	4.6	5.9	8.4
31	Water Collection, Treatment and Supply	7.2	4.0	4.8	4.4	7.9
32	Sewerage, Waste, Treatment and Disposal Activities	20.0	6.4	11.9	24.9	17.8
33	Construction	21.2	7.5	10.6	-2.7	14.9
<b>Services</b>		<b>11.2</b>	<b>3.8</b>	<b>4.8</b>	<b>5.7</b>	<b>4.2</b>
34	Wholesale and Retail Trade	7.7	1.3	2.8	5.1	2.5
35	Transport of Goods and Passenger including Warehousing	8.0	5.5	4.2	5.0	4.1
36	Postal Courier Activities	9.2	-1.7	-7.1	-0.1	5.1
37	Accommodation, Food and Beverage Service Activities	27.3	-5.8	4.0	1.9	4.0
38	Programming and Broadcasting Activities and Audio Video Productions	3.4	7.6	3.8	4.4	7.7
39	Telecommunication	8.3	3.6	13.1	10.1	8.3
40	IT Programming Consultancy and Related Activities	10.5	21.6	9.1	14.8	7.1
41	Financial Service Activities and Auxiliary Financial Services	15.9	5.8	8.9	17.2	12.4
42	Insurance, Reinsurance and Pension Funding	2.1	2.6	5.8	9.3	8.5
43	Real Estate Activities, Including Ownership of Dwelling	12.7	12.8	6.5	10.2	4.2
44	Professional Services	22.3	4.0	2.8	-7.4	-3.1
45	Public Administration and Defence; Compulsory Social Security	5.0	-0.8	5.2	6.9	5.2
46	Education	22.7	-5.8	10.3	-8.1	7.5
47	Human Health Activities, Residential Care and Social Work Activities	11.5	-15.7	1.0	8.1	1.5
48	Other Personal Service Activities	13.6	10.0	4.5	3.6	1.3
<b>Gross Value Added (GVA), at basic prices</b>		<b>9.9</b>	<b>3.8</b>	<b>4.8</b>	<b>4.6</b>	<b>4.2</b>
<b>(+) Taxes less Subsidies on Products</b>		<b>2.3</b>	<b>-0.7</b>	<b>6.9</b>	<b>7.5</b>	<b>6.2</b>
<b>Gross Domestic Products (GDP), at Constant Market Price</b>		<b>9.1</b>	<b>3.4</b>	<b>5.0</b>	<b>4.8</b>	<b>4.4</b>

Source : Department of Census and Statistics

(a) Provisional

(b) Revised

## Transportation of Goods and Passengers including Warehousing

The transportation of goods and passenger sub-sector recorded a 4.1 percent growth in 2016 compared to 5.0 percent growth in 2015. This sub-sector was driven by the improvement of passenger kilometers run by buses, railways, airlines and the container traffic and freights. Accordingly, the number of passenger kilometers run by Sri Lanka Transport Board (SLTB) and private sector increased by 6.1 percent and 2.0 percent, respectively in 2016. The growth in passenger kilometers operated by the Sri Lanka Railways (SLR) also slowed down to 0.1 percent in 2016 compared to 8.3 percent growth recorded in 2015. Moreover, the total passenger kilometers flown by Sri Lankan Airlines increased by 0.8 per cent in 2016 compared to 0.2 percent growth recorded in 2015. Meanwhile, the transport sector was also contracted by a decline in the importation of motor vehicles by 28.0 percent to 471,424 in 2016 compared to 655,086 in 2015. The registration of new motor vehicles recorded

a negative growth of 26.2 percent during 2016. Particularly, new registration of cars, dual purpose vehicles, three-wheelers and motor bicycles declined by 57.2 percent, 31.9 percent, 56.0 percent and 8.3 percent, respectively.

Further, the total number of vessels arrived in the ports increased by 5.5 percent to 5,023 in 2016 benefiting from the expansion of handling capacity with newly commissioned Colombo International Container Terminal (CICT) in Sri Lankan port services.

The transshipments container handled increased by 11.8 percent to 4.4 million Twenty Foot Equivalent Container Units (TEUs) while the total container traffic and total cargo handling also increased by 10.6 percent to 5.7 million TEUs and 11.5 percent to 86.5 million MT, respectively in 2016. Meanwhile, freight ton kilometers transported by the SLR and flown by Sri Lankan Airlines increased by 7.6 percent and 5.0 percent, respectively during the year.

Table 3.9 | Selected Indicators of Services Sector

Indicator	2013	2014	2015	2016(a)
<b>Port Services</b>				
Vessels Arrived * (c)	4,024	4,298	4,760	5,023
Total Cargo Handled (MT '000) (c)	66,292	74,431	77,611	86,546
Total Container Traffic (TEU '000)	4,306	4,908	5,185	5,735
Transshipment Container ** (TEU '000)	3,274	3,781	3,967	4,435
<b>Telecommunication Sector</b>				
Fixed Telephone Lines*** (No '000)	1,062	1,123	1,128	1,166
Cellular Phones (No '000)	20,315	22,123	24,385	26,228
Wireless Phone (No '000)	1,644	1,587	1,473	1,384
Internet and E mail Subscribers ('000)	508	606	683	929
<b>Health Sector</b>				
Private Hospitals	206	210	221	225
Public Hospitals	603	601	598	598
No of Beds (Government)	79,945(b)	82,604(b)	76,781	76,829
No of Doctors (Government)	19,672	21,277	19,429	20,458
No of Nurses (Government)	30,928	31,527	32,272	32,499
<b>Financial Sector</b>				
Bank Branches and Other Outlets	6,487	6,591	6,594	6,659
Credit Cards in Use	951,625	1,032,833	1,145,055	1,315,915
Registered Finance Companies	48	48	46	46
Registered Leasing Companies	10	8	7	7
<b>Tourism Sector</b>				
Tourist Arrivals	1,274,593	1,527,153	1,798,380	2,050,832
Tourist Earnings (US\$ Mn)	1,715	2,431	2,981	3,518
Annual Room Occupancy Rate	71.7	74.3	74.5	74.8
<b>Transport Services (New Registrations)</b>				
Buses	1,805	3,851	4,140	2,685
Cars	28,380	38,780	105,628	45,172
Dual Purpose Vehicles	24,603	20,799	39,456	26,887

Table 3.9 | Selected Indicators of Services Sector contd...

Indicator	2013	2014	2015	2016(a)
Goods Transport Vehicles - Lorries	5,872	5,121	7,142	7,563
Motor Cycles	169,280	272,855	370,889	340,129
Three Wheelers	83,673	79,038	129,547	56,945
Land Vehicles - Tractors	10,772	7,070	9,977	10,285
Land Vehicles - Trailers	2,266	2,012	2,128	3,662

Sources: Sri Lanka Ports Authority, Telecommunications Regulatory Commission of Sri Lanka, Ministry of Health & Indigenous Medicine, Department of Motor Traffic, Sri Lanka Tourism Development Authority, Central Bank of Sri Lanka

(a) Provisional

(b) Public and Private

(c) Including KKS, Myliddy, Point Pedro & Karrainagar Ports

\* Excluding of Sailing craft, Naval Vessels, Fishing trawlers, Yatch & Dredgers

\*\* Including Re-Stowing

\*\*\* Excluding fixed wireless phones

### Accommodation, Food, and Beverages

The accommodation, food and beverages sub-sector recorded an expansion of 4.0 percent in 2016 in comparison to 1.9 percent growth recorded in 2015 despite the continued increase in the tourism industry. Further, the room occupancy rate marginally increased by 74.8 percent in 2016 compared to 74.5 percent in 2015. This could be attributed to the rapid expansion in the hotel sector with an increase in a number of hotels, guest houses and home stays, a concept promoted by the Sri Lanka Tourism Development Authority, attracting more local and foreign tourists. The tourist arrivals increased by 14.0 percent to 2,050,832 persons with the majority from the Western Europe region, India and China resulting in an increase in tourist earnings to US\$ 3,518 million in 2016. The industry is largely benefitted by rapid infrastructure development and transport facilities such as domestic rail and air transport, supporting efficient tourist mobilisation. However, attracting high-end tourists is essential to sustain the tourism sector in Sri Lanka.

### Telecommunication, Postal, and Courier Activities

The telecommunication sub-sector increased by 8.3 percent, in value added terms, in 2016 compared to 10.1 percent growth recorded in 2015. This was mainly due to the increase in cellular phone connections by 7.6 percent to 26.2 million in 2016 from 24.4 million in 2015. Meanwhile, the fixed line telephone connections marginally decreased by 2.0 percent to 2.6 million and wireless connections by 6.0 percent to 1.4

million in 2016. Moreover, the internet and e-mail subscribers significantly increased by 20.3 percent to 4.9 million in 2016 compared to 4.1 million in 2015. Further, the internet use and connectivity including mobile broadband expanded in 2016 mainly benefiting from the Government policy towards improving computer literacy and the accessibility throughout the country. Meanwhile, the postal and courier activities sub-sector expanded by 5.1 percent compared to 0.1 percent contraction recorded in 2015.

### Financial and Auxiliary Financial Services

Financial services activities and auxiliary financial services sub-sector grew by 12.4 percent in 2016 compared to 17.2 percent growth in 2015. This growth was mainly driven by the expansion of the banking industry and non-banking financial institutions with the rapid expansion of the branch network and other services outlets covering financially-untapped areas of the country. Meanwhile, the bank branches and other outlets increased to 6,659 by end of 2016 and usage of credit cards increased by 14.9 percent to 1,315,915 by end of 2016. Further, value-added insurance business activities grew by 8.5 percent in 2016 from 9.3 percent in 2015.

### Real Estate, Professional Services, and Public Administration

The ownership of dwelling and real estate sub-sector grew by 4.2 percent in 2016 compared to 10.2 percent growth recorded in 2015. Further, public administration and defense, compulsory social security sub-sector recorded a positive

growth of 5.2 percent in 2016 compared to 6.9 percent growth recorded in 2015. Meanwhile, professional services sub-sector contracted by 3.1 percent in 2016 compared to a negative growth of 7.4 percent recorded in 2015 with the decline in growth of services such as legal and accounting activities, architectural and engineering activities, scientific research and development.

### Education, Health, and Other Personal Services

The education sub-sector contracted by 7.5 percent in 2016 compared to a negative growth of 8.1 percent recorded in 2015. However, health care and social work activities grew by 1.5 percent in 2016. Also, other personnel service activities such as photography, creative arts and entertainment activities, washing and cleaning

activity etc., expanded by 1.3 percent in 2016 compared to 3.6 percent in 2015.

### 3.3 Domestic Demand and Supply

Domestic demand, comprising of aggregate consumption and fixed capital formation, increased by 8.2 percent in 2016 compared to 5.2 percent recorded in 2015. However, the domestic demand as a percentage of GDP remained unchanged at 107.6 in 2016. This was mainly driven by the growth in government and private consumption by 3.1 percent and 4.3 percent, respectively coupled with the increase in the investment expenditure by 19.6 percent. Total consumption increased by 4.1 percent, in nominal terms, to Rs. 9,019 billion in 2016 from Rs. 8,662 billion recorded in 2015.

Table 3.10 | Domestic Demand, Supply and Trade Balance (a)

Item	Current Market Prices			Change			As a Percent of GDP		
	(Rs. Bn.)			(%)			(%)		
	2014(b)	2015(b)	2016(c)	2014(b)	2015(b)	2016(c)	2014(b)	2015(b)	2016(c)
Domestic Demand	11,198	11,777	12,743	7.5	5.2	8.2	108.1	107.5	107.6
Consumption	7,850	8,662	9,019	8.6	10.3	4.1	75.8	79.1	76.2
Private	6,982	7,677	8,004	7.7	10.0	4.3	67.4	70.1	67.6
Government	869	985	1,015	16.5	13.3	3.1	8.4	9.0	8.6
Investment	3,348	3,115	3,724	5.0	-7.0	19.6	32.3	28.4	31.5
Net External Demand (Trade balance)	-837	-825	-904	1.2	-1.4	9.6	-8.1	-7.5	-7.6
Export of Goods and Services	2,185	2,301	2,539	12.1	5.3	10.3	21.1	21.0	21.4
Import of Goods and Services	3,022	3,126	3,443	8.9	3.4	10.1	29.2	28.5	29.1
Domestic Supply = GDP	10,361	10,952	11,839	8.0	5.7	8.1	100.0	100	100

Sources: Department of Census and Statistics and Central Bank of Sri Lanka

(a) The data is based on the base year 2010 GDP estimates of the Department of Census and Statistics

(b) Revised

(c) Provisional

Table 3.11 | Aggregate Supply and Use of Goods and Services (a)

	Rs. Bn.			Growth (%)		As a % of GDP	
	2014(b)	2015(b)	2016(c)	2015(b)	2016(c)	2015(b)	2016(c)
Aggregate Demand	13,382	14,078	15,282	5.2	8.6	128.5	129.1
Domestic Demand	11,197	11,777	12,743	5.2	8.2	107.5	107.6
External Demand = Export of Goods and Services	2,185	2,301	2,539	5.3	10.3	21.0	21.4
Aggregate Supply	13,383	14,078	15,282	5.2	8.5	128.5	129.1
Gross Domestic Product	10,361	10,952	11,839	5.7	8.1	100.0	100.0
Import of Goods and Services	3,022	3,126	3,443	3.4	10.1	28.5	29.1
Trade Gap of Goods and Services	-837	-825	-904	1.4	-9.6	-7.5	-7.6
Share of Imports in Aggregate Supply (%)	22.6	22.2	22.5	66.3	118.4	22.2	22.5

Sources: Department of Census and Statistics and Central Bank of Sri Lanka

(a) The data is based on the base year 2010 GDP estimates of the Department of Census and Statistics

(b) Revised

(c) Provisional

Investment expanded by 19.6 percent to Rs. 3,724 billion in 2016 compared to Rs. 3,115 billion in 2015 with the increase of investment in the construction activities. As a result, total investment as a percentage of GDP increased by 31.5 percent in 2016 from 28.4 percent in 2015. Meanwhile, the export of goods and services increased by 10.3 percent to Rs. 2,539 billion while the import of goods and services increased by 10.1 percent to Rs. 3,443 billion in 2016. However, the negative net external balance expanded to Rs. 904 billion in 2016 reflecting subdued performance in export of goods and services.

### 3.4 Investment and Savings

Total gross investment accounted for 31.5 percent of GDP in 2016 compared to 28.4 percent in 2015. Domestic savings to GDP ratio improved to 23.8 percent in 2016 from 20.9 percent in 2015.

In nominal terms, domestic savings increased by 23.2 percent to Rs. 2,820 billion in 2016 from Rs. 2,290 billion in 2015. This was mainly due to the combined effect of growth in private savings coupled with a reduction of government dis-savings in 2016. The private savings increased by 14.0 percent and Government dis-savings declined by 70.9 percent in 2016. Meanwhile, national savings, consisting of domestic savings and net foreign private transfers and net factor income from abroad, improved by 20.2 percent to Rs. 3,427 billion in 2016 benefiting from the increased net current transfers from abroad by 11.6 percent. As such, national savings to GDP ratio improved to 28.9 percent in 2016 from 26.0 percent in 2015. However, the domestic savings-investment gap increased by 9.6 percent to Rs. 904 billion compared to Rs. 825 billion in 2015.

Table 3.12 | Investment and Savings<sup>(a)</sup>

Item	Rs. Bn.		As a % of GDP	
	2015(b)	2016(c)	2015(b)	2016(c)
Domestic Investment	3,115	3,724	28.4	31.5
Domestic Savings	2,290	2,820	20.9	23.8
Private	2,537	2,892	23.2	24.4
Government	-247	-71.7	-2.3	-0.6
Investment - Domestic Savings Gap	825	903.8	7.5	7.6
Net Factor Income From Abroad	-281	-332.8	-2.6	-2.8
Net Foreign Private Transfers	842	940	7.7	7.9
National Savings	2,851	3,427	26	29

Source: Department of Census and Statistics and Central Bank of Sri Lanka

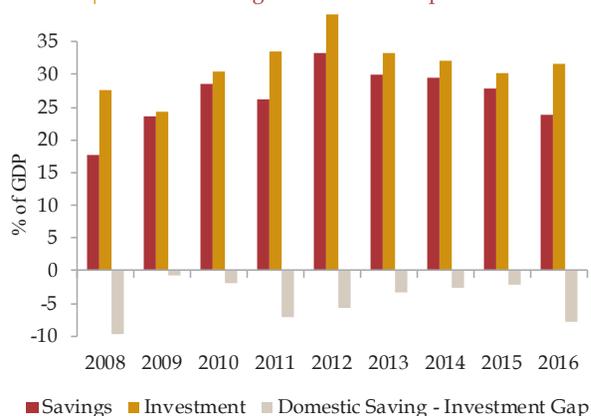
(a) The data is based on the base year 2010 GDP estimates of the Department of Census and Statistics

(b) Revised

(c) Provisional

(d) The difference with the BOP estimates is due to the time lag in compilation.

Chart 3.5 | Domestic Savings - Investment Gap



### 3.5 External Sector Developments

Sri Lanka's external sector remained subdued with a widening of a trade deficit in 2016 from 2015 as a result of a decline in export earnings

and the increase in import expenditure. However, earnings from tourism and workers' remittances increased which helped cushion the current account balance. Meanwhile, the financial account improved with some notable inflows such as proceeds of US\$ 1.5 billion from the issuance of the 10th international sovereign bond, receipts from currency swap agreements and long term foreign loans including loans from International Monetary Fund (IMF). Meanwhile, foreign investments in government securities recorded a net outflow while foreign investments at the Colombo Stock Exchange (CSE) recorded a net inflow. Overall, the Balance of Payment (BOP) recorded a deficit of US\$ 500 million in 2016 improved from a deficit of US\$ 1,488.7 million in 2015. Gross official reserves were US\$ 6.0 billion as at end 2016.

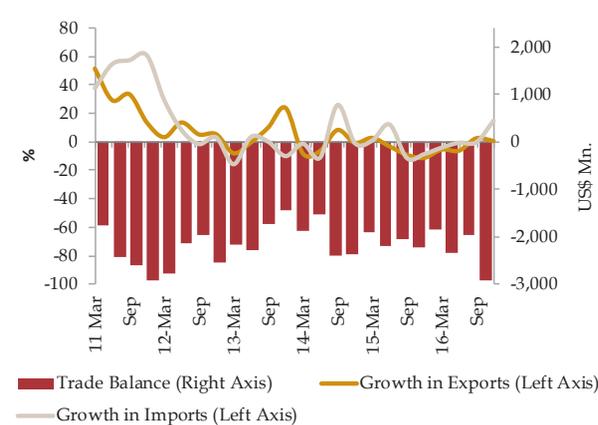
Table 3.13 | External Trade

	US\$ Mn.								
Item	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Exports</b>	<b>8,111</b>	<b>7,085</b>	<b>8,626</b>	<b>10,559</b>	<b>9,774</b>	<b>10,394</b>	<b>11,130</b>	<b>10,546</b>	<b>10,310</b>
Agricultural Exports	1,976	1,836	2,305	2,528	2,332	2,581	2,794	2,481	2,326
Industrial Exports	6,112	5,228	6,097	7,992	7,371	7,749	8,262	8,017	7,940
Mineral Exports	22	20	24	33	61	52	60	28	29
Unclassified	-	-	199	7	10	12	15	20	15
<b>Imports</b>	<b>14,091</b>	<b>10,207</b>	<b>13,451</b>	<b>20,269</b>	<b>19,190</b>	<b>18,003</b>	<b>19,417</b>	<b>18,935</b>	<b>19,400</b>
Consumer Goods	2,007	1,565	2,476	3,654	2,995	3,182	3,853	4,713	4,319
Intermediate Goods	9,019	6,159	8,054	12,274	11,578	10,554	11,398	9,638	9,870
Investment Goods	2,852	2,093	2,758	4,286	4,590	4,253	4,152	4,567	5,198
Unclassified	213	390	162	54	28	14	14	16	13
<b>Trade Deficit</b>	<b>-5,981</b>	<b>-3,122</b>	<b>-4,825</b>	<b>-9,710</b>	<b>-9,417</b>	<b>-7,609</b>	<b>-8,287</b>	<b>-8,388</b>	<b>-9,090</b>

Source: Central Bank of Sri Lanka  
(a) Provisional

Earnings from exports declined by 2.2 percent to US\$ 10,309.7 million while expenditure on imports increased by 2.5 percent to US\$ 19,400.1 million in 2016 resulting in the expansion of trade deficit by 8.4 percent to US\$ 9,090.3 million in 2016 compared to US\$ 8,388.1 million in 2015. Export earnings dropped mainly due to a lower export performance in transport equipment, petroleum products, tea and spices stemming from the drop in international commodity prices. However, export earnings from textiles and garments, food, beverages and tobacco and coconut exports increased during the period. Despite the decline in import expenditure on motor vehicles, fuel and fertilizer, the increase of import expenditure on machinery and equipment, textiles and textile articles, gold, building material, sugar and confectionery and medical and pharmaceuticals were attributable to increase the total import expenditure in 2016.

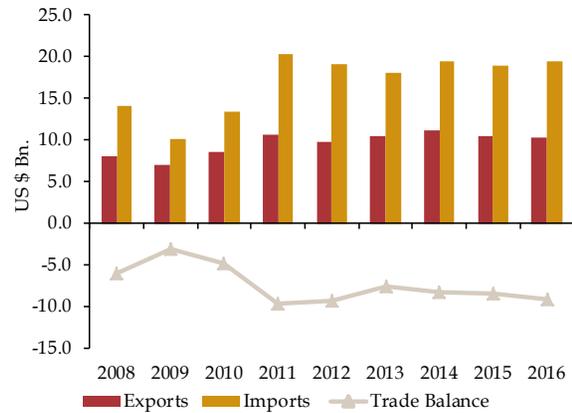
Chart 3.6 | Growth in Exports and Imports and Trade Balance (Quarterly)



The earnings from tourism enhanced to US\$ 3,518.5 million in 2016 compared to US\$ 2,980.7 million in 2015. The workers' remittances increased by 3.7 percent to US\$ 7,241.5 million in 2016 from 2015.

As at end 2016, the gross official reserves of Sri Lanka stood at US\$ 6.0 billion compared to US\$ 7.3 billion as at end 2015. Total foreign assets, which include gross official reserves and foreign assets owned by deposit-taking corporations amounted to US\$ 8.4 billion, which is equivalent to 5.2 months of imports. Meanwhile, the rupee depreciated against US\$ by 3.8 percent in 2016.

Chart 3.7 | Trade Balance



The cumulative net outflow of foreign investments in government securities amounted to US\$ 325 million during the year 2016 compared to a net outflow of US\$ 1,093 million registered during 2015. Meanwhile, foreign investments at the Colombo Stock Exchange (CSE) recorded a net inflow of US\$ 19.1 million in 2016.

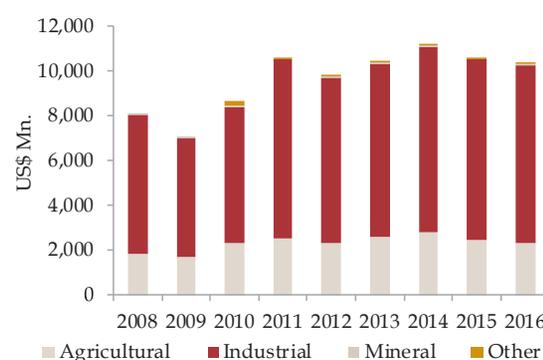
The financial account showed a moderate performance in 2016 with the receipts from currency swap agreements with SAARCFINANCE worth of US\$ 400 million and with Reserve Bank of India (RBI) worth of US\$ 700 million and long term foreign loans including loans from IMF while settlement of US\$ 1,100 million swap arrangement with the RBI. Meanwhile, Sri Lankan government entered into a 3-year arrangement under the Extended Fund Facility (EFF) of US\$ 1.5 billion with the IMF to support economic reform programme in Sri Lanka. The financial account further improved with the receipts of the two tranches of EFF amounting to US\$ 332 million. Long-term loans to the Government increased to US\$ 1,287.0 million during the year 2016 compared to a net inflow of US\$ 469.6 million in 2015. Meanwhile, Sri Lankan government issued international sovereign bonds worth of US\$ 1.5 billion in 2016. It is expected to improve Sri Lanka's BOP position and reserve levels in the medium term with the increased investments and investor confidence with the anticipated structural adjustments in the external sector and the economy.

## Exports

Earnings from exports contracted by 2.2 percent to US\$ 10,309.7 million in 2016 compared to US\$ 10,546.5 million recorded in 2015 mainly due to relatively lower commodity prices in international market and reduced volume of agricultural exports. Earnings from industrial exports, agricultural exports and mineral and other exports dropped by 1.0 percent, 6.3 percent, and 9.1 percent, respectively in 2016 compared to

the previous year. Export earnings from transport equipment, petroleum products, tea, and spices significantly dropped in 2016 while earnings from textiles and garments, food, beverages and tobacco and coconut exports increased significantly.

Chart 3.8 | Composition of Exports



Earnings from industrial exports, which account for about 77 percent of total exports, dropped by 1.0 per cent to US\$ 7,940.1 million in 2016 with the significant decline in transport equipment and petroleum exports. Transport equipment, which contributed 2.3 percent to the total export earnings, dropped by 46.0 percent to US\$ 131.5 million in 2016 from US\$ 243.7 million in 2015. This significant drop was mainly due to a higher level of exports recorded in 2015 stemming from the export of a dredger vessel and two cruise ships. Meanwhile, earnings from petroleum products contracted by 23.3 percent to US\$ 286.9 million compared to US\$ 373.9 million in 2015 due to the drop in bunkering volume and average bunkering prices.

Earnings from agricultural exports, which

Table 3.14 | Value of Agricultural Exports

Category	US\$ Mn									
	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)	
<b>Tea</b>	<b>1,272</b>	<b>1,185</b>	<b>1,441</b>	<b>1,491</b>	<b>1,412</b>	<b>1,542</b>	<b>1,628</b>	<b>1,340</b>	<b>1,269</b>	
Black Tea	1,111	1,072	1,383	1,430	1,354	1,471	1,555	1,280	1,208	
Bulk	643	616	567	534	512	561	563	504	473	
Packets	321	301	607	667	640	693	754	593	547	
Bags	147	156	209	229	203	217	238	183	188	
Instant	11	10	13	15	11	15	19	16	17	
Green Tea	29	29	44	46	47	56	55	45	44	
Other	118	74	-	-	-	-	-	-	-	
<b>Rubber</b>	<b>125</b>	<b>99</b>	<b>173</b>	<b>206</b>	<b>125</b>	<b>71</b>	<b>45</b>	<b>26</b>	<b>33</b>	
Sole Crepe	-	6	10	16	7	9	9	7	8	
Latex and Other Crepe	-	25	63	102	58	38	25	16	18	
Sheet Natural	69	46	67	63	38	14	5	2	3	

Category	US\$ Mn								
	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Latex Natural	17	11	15	8	8	2	2	...	2
Block Rubber	23	2	1	2	1	1	...	...	...
Other	16	10	18	15	14	9	4	2	3
<b>Coconut</b>	<b>171</b>	<b>166</b>	<b>166</b>	<b>266</b>	<b>209</b>	<b>205</b>	<b>356</b>	<b>352</b>	<b>366</b>
Kernal Product	82	58	56	136	80	86	214	222	216
Other	89	108	110	130	129	119	142	130	150
<b>Other Agricultural Exports</b>	<b>243</b>	<b>215</b>	<b>335</b>	<b>379</b>	<b>388</b>	<b>529</b>	<b>511</b>	<b>600</b>	<b>489</b>
<b>Seafood</b>	<b>165</b>	<b>171</b>	<b>192</b>	<b>185</b>	<b>198</b>	<b>234</b>	<b>253</b>	<b>163</b>	<b>170</b>
<b>Total</b>	<b>1,976</b>	<b>1,836</b>	<b>2,306</b>	<b>2,528</b>	<b>2,332</b>	<b>2,581</b>	<b>2,794</b>	<b>2,481</b>	<b>2,326</b>

Sources: Sri Lanka Customs, Department of Trade and Investment Policy and Central Bank of Sri Lanka

... Negligible

- Not Available

(a) Provisional

account for about 23 percent of total exports, dropped by 6.3 per cent, year-on-year basis, to US\$ 2,326.1 million in 2016 with the significant drop in spices, coconut and tea exports. Earnings from tea exports declined by 5.3 percent to US\$ 1,269.0 million in 2016 compared to US\$ 1,340.5 million in 2015 due to the reduction in the prices in international market and lower demand emanating from heightened geopolitical uncertainty prevailed in major tea buyers such as

Russia and the Middle East.

Moreover, export earnings from spices contracted by 16.0 percent to US\$ 317.1 million in 2016 from US\$ 377.4 million in 2015 due to weaker exports in pepper and cloves despite the higher exports of other spices, especially cinnamon, nutmeg, and mace.

Meanwhile, export earnings from textiles and

Table 3.15 | Value of Industrial Exports

Category	US\$ Mn								
	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Textile and Garments</b>	<b>3,478</b>	<b>3,261</b>	<b>3,356</b>	<b>4,191</b>	<b>3,991</b>	<b>4,508</b>	<b>4,930</b>	<b>4,820</b>	<b>4,884</b>
Garments	3,284	3,120	3,178	3,986	3,784	4,265	4,682	4,556	4,603
Woven Fabrics	66	55	70	85	92	124	90	101	107
Yarn	44	42	50	57	58	58	68	63	70
Other Made Up Textile Articles	84	44	57	64	56	61	90	100	105
<b>Rubber Products</b>	<b>542</b>	<b>385</b>	<b>558</b>	<b>885</b>	<b>860</b>	<b>888</b>	<b>890</b>	<b>761</b>	<b>768</b>
Rubber Tyres	337	213	336	569	540	551	564	467	476
Surgical Gloves and Other Gloves	117	114	137	181	177	195	176	165	176
Other Rubber Products	88	58	85	135	143	141	150	130	116
<b>Petroleum and Chemical Products</b>	<b>326</b>	<b>208</b>	<b>356</b>	<b>671</b>	<b>580</b>	<b>548</b>	<b>472</b>	<b>500</b>	<b>413</b>
<b>Gems, Diamonds and Jewellery</b>	<b>514</b>	<b>402</b>	<b>409</b>	<b>532</b>	<b>559</b>	<b>446</b>	<b>394</b>	<b>332</b>	<b>274</b>
Gems	76	69	70	95	118	130	173	164	149
Cut Diamonds	418	317	322	414	417	295	198	148	105
Jewellery	20	17	17	22	24	21	22	19	20
<b>Machinery and Mechanical Appliances</b>	<b>322</b>	<b>187</b>	<b>259</b>	<b>312</b>	<b>297</b>	<b>312</b>	<b>343</b>	<b>294</b>	<b>318</b>
<b>Food, Beverages and Tobacco</b>	<b>244</b>	<b>183</b>	<b>245</b>	<b>348</b>	<b>284</b>	<b>235</b>	<b>289</b>	<b>307</b>	<b>324</b>
Milling Industry Products	62	40	71	142	90	37	43	31	26
Vegetable, Fruit and Nut Preparations	49	55	51	61	59	63	80	87	100
Cereal Preparations	11	9	11	19	20	25	22	21	19
Fish Preparations	1	1	1	...	...	...	1	...	...
Manufactured Tobacco	28	24	26	41	47	49	56	58	73
Other	93	54	85	85	67	61	88	109	105
<b>Other Industrial Exports</b>	<b>686</b>	<b>602</b>	<b>914</b>	<b>1,053</b>	<b>801</b>	<b>813</b>	<b>944</b>	<b>1,003</b>	<b>960</b>
<b>Total</b>	<b>6,112</b>	<b>5,228</b>	<b>6,097</b>	<b>7,992</b>	<b>7,371</b>	<b>7,749</b>	<b>8,262</b>	<b>8,017</b>	<b>7,940</b>

Sources: Sri Lanka Customs, Department of Trade and Investment Policy, Central Bank of Sri Lanka

... Negligible

--Not Available

(a) Provisional

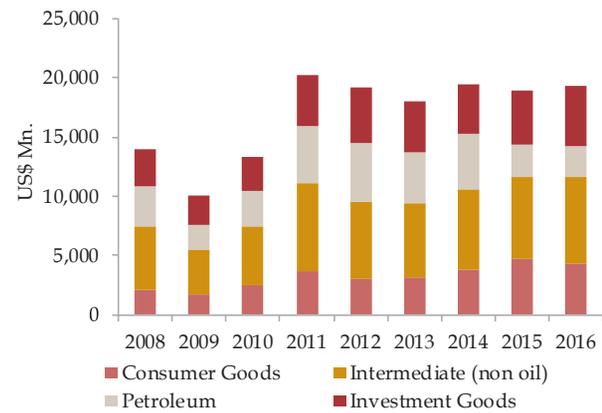
garments grew by 1.3 percent to US\$ 4,884.1 million in 2016 owing to higher demand arisen from the USA, Canada, China and the UAE. Similarly, export earnings from base metals and articles, leather, travel goods and footwear and machinery and mechanical appliances increased in 2016. However, industrial and agricultural exports showed a revived performance towards the end of 2016 owing to gradual improvements in global economic conditions and improved trade relations with major trade partners.

## Imports

The total expenditure on imports increased by 2.5 percent to US\$ 19,400.1 million in 2016 compared to US\$ 18,934.6 million in 2015 due to the increase in expenditure on investment goods followed by expenditure on intermediate goods. The import of machinery and equipment, textiles and textile articles and gold showed a significant increase in 2016. In addition, building material, sugar and confectionery and medical and pharmaceuticals also contributed considerably to the increase in import expenditure. However, expenditure on vehicles, fuel and fertilizer imports declined in 2016.

With the continued expansion in the construction sector, expenditure on investment goods, which accounted for about 26.8 percent of total imports, increased by 13.8 per cent to US\$ 5,198.0 million in 2016. Import expenditure on machinery and equipment including engineering equipment, electrical machinery and equipment increased by 20.3 per cent to US\$ 2,740.7 million in 2016 compared to US\$ 2,278.1 million in 2015. Expenditure on building material imports increased by 16.0 percent to US\$ 1,568.7 million in 2016 compared to US\$ 1,352.0 million in 2015. However, import expenditure on transport equipment declined by 5.5 percent to US\$ 880.2 million in 2016 compared to US\$ 930.9 million in 2015 owing to a substantial decline in imports of vehicles used for commercial purposes.

Chart 3.9 | Composition of Imports



Meanwhile, the expenditure on intermediate goods increased by 2.4 percent to US\$ 9,870.0 million in 2016 compared to US\$ 9,638.2 million in 2015. Accordingly, import expenditure on textiles and textile articles increased significantly by 17.8 percent to US\$ 2,704.9 million in 2016 compared to US\$ 2,296.2 million in 2015. Import expenditure on diamonds, precious stones, and metal grew substantially by 218.5 percent to US\$ 514.4 million in 2016 due to higher gold imports during the review period. However, the expenditure on fuel dropped by 8.1 percent to US\$ 2,481.0 million in 2016 compared to US\$ 2,699.6 million in 2015 owing to the decline in international oil prices despite the increase in import volumes.

However, the expenditure on consumer goods imports contracted by 8.4 per cent to US\$ 4,319.0 million in 2016 compared to US\$ 4,713.5 million in 2015. The drop in motor vehicle imports in 2016 by 41.5 percent to US\$ 794.8 million in 2016 from US\$ 1,359.6 million recorded in 2015 attributed mainly to this significant drop in consumer goods imports. This reflects the impact of policy measures taken by the Government to discourage vehicle imports. Meanwhile, import of vegetables dropped by 5.7 percent to US\$ 373.7 million in 2016 from 396.4 million in 2015. However, the import of medical and pharmaceuticals increased by 14.3 percent to US\$ 525.8 million in 2016 compared to US\$ 459.8 million in 2015. Import of sugar and confectionery increased by 35.5 percent to US\$ 344.6 million compared to US\$ 254.4 million in 2015. Meanwhile, China, India, the UAE, Singapore, and Japan were the main import origins in 2016, accounting for about 57 percent of total imports.

## Current Account

In 2016, the current account deficit widened due to the expansion of trade and primary income deficits despite the enhanced surpluses in the services and secondary income accounts. Accordingly, current account recorded a deficit

of US\$ 1,942 million in 2016 compared to US\$ 1,883 million in 2015. The current account deficit as a percentage of GDP increased marginally to 2.4 per cent of GDP in 2016 compared to 2.3 percent of GDP in 2015.

Table 3.16 | Value of Imports

Category	US\$ Mn.						
	2010	2011	2012	2013	2014	2015	2016(a)
<b>Consumer Goods</b>	<b>2,476</b>	<b>3,654</b>	<b>2,995</b>	<b>3,182</b>	<b>3,853</b>	<b>4,713</b>	<b>4,319</b>
Food and Beverages	1,322	1,567	1,304	1,368	1,634	1,627	1,627
Sugar	363	426	345	289	256	253	343
Milk and Milk Products	259	345	307	291	339	251	249
Rice	59	18	24	18	282	135	13
Flour	1	14	5	2	2	2	2
Fish	128	147	134	162	141	218	234
Other Food and Beverages	512	617	489	607	614	768	787
Potatoes	36.9	35.7	22.7	28.5	35.8	36	32
Chilies	44.2	82.4	46.4	49.3	59.6	77	93
Onions	96.0	86.0	51.9	100.1	65.3	122	100
Lentils	129.0	116.8	68.9	104.1	121.2	148	139
Green Gram	15.6	13.8	7.3	11.2	13.7	15	16
Peas	14.9	18.5	19.0	19.9	21.8	32	26
Chick Peas	17.8	26.9	25.6	20.5	20.0	24	30
Kurakkan	0.6	0.6	0.4	...	0.2	0	1
Oil and Fat	19.0	25.9	20.0	59.2	20	33	36
Spices	72.0	111.0	68.0	79.9	98	113	132
Other	66.5	99.3	158.7	134.1	172	169	184
Non-food Consumables	1,154	2,087	1,691	1,814	2,219	3,086	2,692
Vehicles	455	881	495	582	897	1,360	795
Home appliances-Radio and Television Sets	45	118	118	103	86	120	136
Rubber Products	72	83	80	88	90	114	112
Medical and Pharmaceutical Products	217	348	372	378	381	460	526
Household and Furniture Items	88	127	117	125	134	150	182
Other	277	530	509	538	632	882	941
Garments	94.4	112.0	131.9	157.6	227.0	321	291
Other Articals of Plastices	20.7	33.0	35.4	515.2	608.0	53	29
Printed Books	19.8	15.0	14.1	11.9	10.4	11	13
Fans	12.3	23.1	23.4	27.4	24.4	34	42
Washing Preparations	10.6	6.0	6.0	5.6	4.3	4	5
Powders, Makeup	5.6	10.7	6.8	8.1	6.7	9	14
Gas Cookers	5.0	9.4	6.4	6.8	5.7	9	12
<b>Intermediate Goods</b>	<b>8,054</b>	<b>12,274</b>	<b>11,578</b>	<b>10,554</b>	<b>11,398</b>	<b>9,638</b>	<b>9,869</b>
Fertilizer	240	407	311	239	272	290	137
Petroleum	3,041	4,795	5,045	4,308	4,597	2,700	2,481
Chemical Products	520	702	670	734	808	870	856
Paper and Paper Boards	350	427	363	380	490	477	487
Wheat and Maize	265	429	364	323	405	357	249
Textile	1,812	2,321	2,266	2,046	2,328	2,296	2,705
Diamond and Presious Metals	378	1,076	588	483	175	162	514
Base Metal	239	354	440	406	478	471	456
Vehicle and Machinery Parts	176	223	211	210	228	264	281
Other Intermediate Goods	1,033	1,540	1,320	1,425	1,616	1,752	1,703
Semi Finished Products of Iron	91	157	256	238	168	n.a.	n.a.
Polymer of Ethylene	103	109	99	106	142	147	144
Unmanufactured Tobacco	31	52	71	62	70	83	68
Palm Oil (Refined')	68	161	67	81	123	111	84

Table 3.16 | Value of Imports

Category	US\$ Mn.						
	2010	2011	2012	2013	2014	2015	2016(a)
<b>Investment Goods</b>	<b>2,758</b>	<b>4,286</b>	<b>4,590</b>	<b>4,253</b>	<b>4,152</b>	<b>4,567</b>	<b>5,198</b>
Machinery and Equipment	1,339	2,141	2,356	2,222	2,131	2,278	2,741
Recorders and Primary Batteries	87	124	138	152	n.a.	17	17
Medical Instrument and Appliance - Used	63	81	87	92	104	117	137
Wire Cables (Electrical)	38	33	32	34	33	37	31
Gas Cylinders (For Industries)	6	12	0	-	-	-	-
Transport Equipment	593	1,065	992	668	707	931	880
Building Material	822	1,076	1,237	1,357	1,309	1,352	1,569
Iron Pipe & Tube	108	85	84	70	56	70	79
Other Investment Goods	4	4	5	6	5	6	8
<b>Unclassified Imports</b>	<b>162</b>	<b>54</b>	<b>28</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>13</b>
<b>Total Imports</b>	<b>13,451</b>	<b>20,269</b>	<b>19,190</b>	<b>18,003</b>	<b>19,417</b>	<b>18,934</b>	<b>19,399</b>

Sources: Sri Lanka Customs, Ceylon Petroleum Corporation, Lanka IOC PLC, Department of Trade and Investment Policy and Central Bank of Sri Lanka

... Negligible

--Not Available

(a) Provisional

Trade deficit expanded due to the increase in import expenditure amidst the drop in export earnings in 2016. However, surpluses in the services and secondary income accounts, mainly

triggered by the increase in earnings from tourism and receipts from workers' remittances helped cushion the deficits in the trade and primary income accounts of the current account.

Table 3.17 | Import of Services (Gross Expenditure)

Item	US\$ Mn									
	2005	2008	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
Transportation Services	470	702	631	817	953	1,172	1,382	1,462	1,579	1,618
Computer and Information Services	-	-	-	-	-	-	281	300	327	337
Travel and Tourism	314	428	411	453	501	710	1,188	1,263	1,420	1,542
Communication Services	19	55	54	56	57	68	87	98	102	105
Construction Services	6	6	6	6	7	9	26	29	30	29
Insurance Services	34	47	46	50	55	64	85	90	92	89
Financial Services	-	-	-	-	-	-	-	350	380	403
Other Business Services	322	330	319	348	373	464	383	58	63	67
Government Expenditure n.i.e.	37	35	35	38	39	51	73	77	79	68
<b>Total</b>	<b>1,202</b>	<b>1,603</b>	<b>1,501</b>	<b>1,768</b>	<b>1,985</b>	<b>2,538</b>	<b>3,505</b>	<b>3,725</b>	<b>4,072</b>	<b>4,259</b>

Sources: Central Bank of Sri Lanka

- Not Available

(a) Provisional

(b) Revised

Table 3.18 | Export of Services (Gross Income)

Item	US\$ Mn									
	2005	2008	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
Transportation Services	685	1,000	865	1,162	1,392	1,634	1,784	1,923	2,105	2,250
Computer and Information Services	82	230	245	265	355	448	604	628	677	724
Travel and Tourism	429	342	350	576	830	1,039	1,715	2,431	2,981	3,518
Communication Services	44	81	80	83	85	109	114	120	128	134
Construction Services	29	40	40	42	43	50	55	58	60	63
Insurance Services	73	68	75	80	91	107	109	115	119	121
Financial Services	-	-	-	-	-	-	-	256	254	252
Other Business Services	188	222	219	245	266	387	275	43	42	42
Government Expenditure n.i.e.	21	21	19	21	22	27	28	31	31	33
<b>Total</b>	<b>1,551</b>	<b>2,004</b>	<b>1,892</b>	<b>2,474</b>	<b>3,084</b>	<b>3,800</b>	<b>4,685</b>	<b>5,605</b>	<b>6,397</b>	<b>7,137</b>

Sources: Central Bank of Sri Lanka

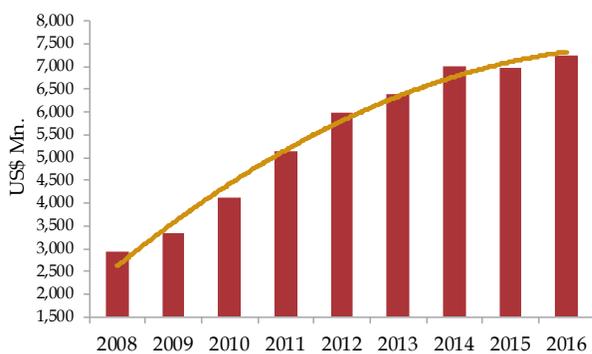
(a) Provisional

(b) Revised

### Workers' Remittances

In 2016, workers' remittances increased moderately by 3.7 percent to US\$ 7,242 million, compared to US\$ 6980.3 million in 2015. The total number of workers migrated for foreign employments declined by 7.8 percent to 242,930 in 2016 from 263,443 in 2015. The labor migration under skilled category including professionals decreased by 5.5 percent whereas the migration under semi-skilled and unskilled categories decreased by 8.8 percent. The decline in workers' migration in the unskilled category including housemaids due to the associated social issues, increased geopolitical uncertainty in oil-exporting countries in the Middle East followed by the drop in income of such countries as a result of the decline in oil prices contributed to the decline. In addition, this compositional transformation in workers' remittances is largely benefited by continuous efforts taken by the Government to discourage migration of unskilled labour while encouraging semi-skilled and skilled labour including professionals to high-income economies.

Chart 3.10 | Workers' Remittances



### Earnings from Tourism

Earnings from tourism continued its growth momentum in 2016 with the significant increase in strategic investments in the tourism sector. The increase in tourist arrivals and average tourist spending helped increase earnings from tourism by 18.0 percent to US\$ 3,518 million in 2016 compared to US\$ 2,981 million in 2015. The tourist arrivals increased by 14.0 percent to 2,050,832 persons in 2016 compared to 1,798,380 persons in 2015. The average spending per tourist

per day increased to US\$ 168.2 in 2016 compared to US\$ 164.1 in 2015 while the average duration of stay per tourist increased marginally to 10.2 days in 2016 from 10.1 days in 2015. Meanwhile, India continued to be the largest tourist origin with 356,729 arrivals in 2016 followed by China, UK, Germany, and France. These five countries accounted for 51.0 percent of tourist arrivals to Sri Lanka in 2016. The upward trend in the performance of the tourism sector is expected to continue in the coming years with continued investments in the tourism infrastructure of the country with the target to cater to 4.5 million tourist arrivals by 2020.

### Balance of Payments and External Reserves

The overall BOP in 2016 recorded a deficit of US\$ 500 million in 2016 compared to the deficit of US\$ 1,489 million in 2015. The deficit in BOP in 2016 can mainly be attributed to a widened current account deficit amidst moderate performance in the financial account. The sluggish performance in Foreign Direct Investments (FDIs) together with continued foreign debt service payments adversely impacted the financial account in 2016. As such, net international reserves declined to US\$ 4,529 million as at end 2016 from US\$ 5,029 million as at end 2015. Meanwhile, the gross official reserves declined to US\$ 6.0 billion by end 2016, which was equivalent to 3.7 months of imports, from US\$ 7.3 billion by end 2015. In 2016 major inflows to BOP included syndicated loan and issuance of an International Sovereign Bond (ISB) and the disbursement under IMF's EFF which is a three year arrangement amounting to US\$ 1.5 billion to strengthen the external sector in Sri Lanka.

Table 3.19 | Balance of Payments: 2009 - 2016

	US\$. Mn							
Item	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
<b>Trade Balance</b>	<b>-3,122</b>	<b>-4,825</b>	<b>-9,710</b>	<b>-9,417</b>	<b>-7,609</b>	<b>-8,287</b>	<b>-8,388</b>	<b>-9,090</b>
Exports	7,085	9,626	10,559	9,774	10,394	11,130	10,546	10,310
Imports	10,207	13,451	20,269	19,190	18,003	19,417	18,935	19,400
<b>Service (net)</b>	<b>391</b>	<b>707</b>	<b>1,099</b>	<b>1,262</b>	<b>1,180</b>	<b>1,880</b>	<b>2,325</b>	<b>2,879</b>
Receipts	1,892	2,474	3,084	3,800	4,685	5,605	6,397	7,138
Payments	1,501	1,768	1,985	2,538	3,505	3,725	4,072	4,259
<b>Income (net)</b>	<b>-488</b>	<b>-617</b>	<b>-647</b>	<b>-1,219</b>	<b>-1,751</b>	<b>-1,808</b>	<b>-2,013</b>	<b>-2,184</b>
Receipts	116	323	467	142	132	155	127	120
Payments	603	940	1,114	1,361	1,883	1,963	2,140	2,304
<b>Goods, Services and Income (net)</b>	<b>-3,219</b>	<b>-4,735</b>	<b>-9,258</b>	<b>-9,374</b>	<b>-8,180</b>	<b>-8,215</b>	<b>-8,076</b>	<b>-8,395</b>
<b>Current Transfers (net)</b>	<b>3,005</b>	<b>3,660</b>	<b>4,643</b>	<b>5,392</b>	<b>5,639</b>	<b>6,227</b>	<b>6,193</b>	<b>6,453</b>
Private Transfers(net)	2,927	3,608	4,583	5,339	5,619	6,199	6,167	6,434
Receipts (Workers' Remittances)	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242
Payments	403	508	562	646	788	819	814	807
Official Transfers (net)	77	52	60	53	21	28	27	19
<b>Current Account</b>	<b>-214</b>	<b>-1,075</b>	<b>-4,615</b>	<b>-3,982</b>	<b>-2,541</b>	<b>-1,988</b>	<b>-1,883</b>	<b>-1,942</b>
<b>Capital Account</b>	<b>233</b>	<b>164</b>	<b>164</b>	<b>130</b>	<b>71</b>	<b>58</b>	<b>46</b>	<b>26</b>
<b>Current and Capital Account</b>	<b>19</b>	<b>-911</b>	<b>-4,451</b>	<b>-3,851</b>	<b>-2,470</b>	<b>-1,930</b>	<b>-1,837</b>	<b>-1,916</b>
<b>Financial Account(c)</b>	<b>2,361</b>	<b>2,713</b>	<b>4,098</b>	<b>4,263</b>	<b>3,064</b>	<b>-1,536</b>	<b>-2,312</b>	<b>-2,117</b>
Long Term Capital (net)	1,303	2,380	3,308	2,587	2,314	-1,939	-2,562	-2,742
Direct Investment (net)	384	435	896	871	868	-827	-627	-661
Private Long Term (net)	79	149	175	724	605			
Govt. Long Term (net)	840	1,796	2,237	992	841			
Debt Securities (net)								
Commercial Bank Long Term (net)								
Reserve Assets (net) (c)								
Other Long Term (net)								
Short Term (net)	1,058	334	790	1,676	750			
Allocation of SDRs						-6	-2	-5
Errors & Omissions						393	-476	-201
<b>Overall Balance (Balance of Payments)</b>	<b>2,725</b>	<b>921</b>	<b>-1,059</b>	<b>151</b>	<b>985</b>	<b>1,369</b>	<b>-1,489</b>	<b>-500</b>
<b>As a percentage of GDP</b>								
Trade Deficit	-7.4	-8.5	-14.9	-13.8	-10.2	-10.4	-10.4	-11.2
Current Account Deficit	-0.5	-1.9	-7.1	-5.8	-3.4	-2.5	-2.3	-2.4

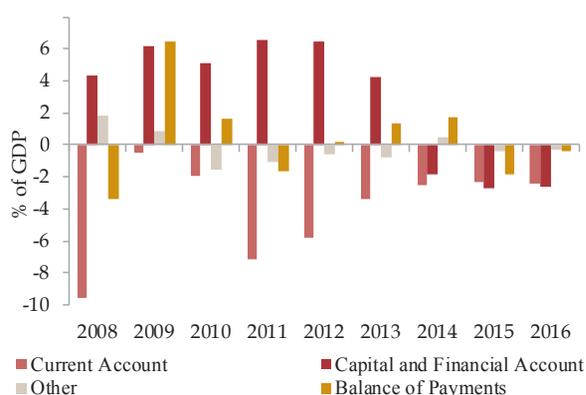
Source: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

(c) Includes additional components in the financial account based on BPM 6 new classification from 2012 onwards

Chart 3.11 | Balance of Payments



### 3.6 Monetary Sector Developments

The Central Bank of Sri Lanka (CBSL) tightened its monetary policy stance through several

policy adjustments to curtail the excessive demand pressures in the economy during 2016. Absorbing the excess liquidity in the domestic money market, the CBSL increased its Statutory Reserve Ratio (SRR) by 1.50 percentage points to 7.50 percent with effective from 16 January 2016. Subsequently, in February 2016, Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) were increased by 50 basis points to 6.50 percent and 8.00 percent, respectively in response to increasing inflationary pressures in the economy. The CBSL further tightened its monetary policy stance in July 2016 by increasing SDFR and SLFR by an additional 50 basis points to 7.00 percent and 8.50 percent, respectively. With the continuation of

inflationary pressures, the CBSL again tightened its monetary policy by increasing SDFR and SLFR by 25 basis points to 7.25 percent and 8.75 percent, respectively in March 2017. As a result, short-term interest rates increased substantially and the effect are gradually transmitting to the lending and deposit rates of the financial institutions. By end 2016, the Average Weighted Call Money Rate (AWCMR) increased to 8.42 percent and monthly Average Weighted Prime Lending Rate (AWPLR) increased to 11.73 percent in 2016.

Chart 3.12 | Reserve Money and Private Sector Credit Growth

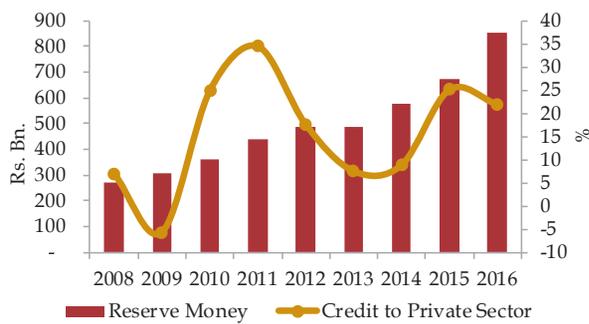
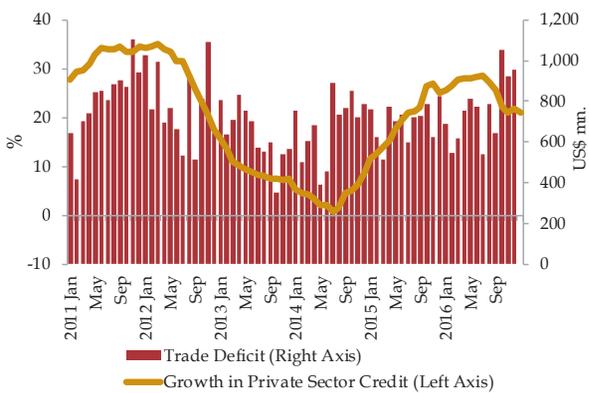


Chart 3.13 | Private Sector Credit Growth and Trade Deficit



Meanwhile, the Weighted Average Yield Rates on 91 days, 182 days and 364 days Treasury Bills also increased by 227, 280 and 287 basis points, respectively from end December 2015 to end December 2016. In line with the policy interest rates, Average Weighted Deposit Rate (AWDR) increased by 197 basis points to 8.17 percent by end 2016 while the Average Weighted Fixed Deposit Rate (AWFDR) increased by 289 basis points to 10.46 percent by end 2016. The Average Weighted New Lending Rate (AWNLR) increased to 14.37 percent by end 2016 from 10.79 percent at end 2015.

Table 3.20 | Outstanding Loans and Advances Granted by Commercial Banks <sup>(a)(b)</sup>

Item	2014	2015	2016	2016/2015 % Change
<b>Agriculture and Fishing</b>	<b>287.3</b>	<b>309.0</b>	<b>361.5</b>	<b>17.0</b>
o/w				
Tea	68.5	72.7	82.4	13.3
Rubber	20.8	18.5	23.8	29.0
Coconut	7.8	12.2	16.3	33.6
Paddy	16.9	19.0	28.9	52.1
Vegetable, Fruits and Minor Food Crops	16.4	20.0	25.1	25.4
Fisheries	11.7	11.0	14.0	27.0
<b>Industry</b>	<b>1,118.0</b>	<b>1,397.5</b>	<b>1,707.5</b>	<b>22.2</b>
o/w				
Construction	469.8	639.2	811.2	26.9
Food and Beverages	71.1	85.4	95.3	11.6
Textiles and Apperal	148.5	129.9	159.4	22.7
Machinery and Transport Equipment	101.0	87.5	102.8	17.5
<b>Services</b>	<b>709.3</b>	<b>950.9</b>	<b>1,287.6</b>	<b>35.4</b>
o/w				
Wholesale and Retail Trade	230.8	273.0	387.3	41.9
Tourism	76.8	102.9	138.7	34.8
Financial and Business Services	147.5	217.6	308.1	41.6
<b>Personal Loans and Advances</b>	<b>651.6</b>	<b>771.1</b>	<b>888.6</b>	<b>15.2</b>
o/w				
Consumer Durables	92.0	143.5	198.1	38.0
Pawning	172.7	133.4	132.4	-0.8
<b>Total</b>	<b>2,766.2</b>	<b>3,428.5</b>	<b>4,245.1</b>	<b>23.8</b>

Source: Central Bank of Sri Lanka

(a) Based on the Quarterly Survey of commercial banks' loans and advances to the private sector

(b) Includes loans, overdrafts and bills discounted and excludes cash items in the process of collection

Meanwhile, the year-on-year growth of credit extended to the private sector by commercial banks remained high at 21.9 percent by end 2016. The broad money growth ( $M_{2b}$ ) remained at the elevated level of 18.4 percent, on a year-on-year basis, mainly due to the expansion in credit flow to both public and private sectors at end 2016. However, credit obtained by public corporations recorded a declining trend reflecting the improved financial position of certain key public corporations. Private sector credit in absolute terms was Rs. 4,205 billion during 2016 compared to an increase of Rs. 754.9 billion in 2015. The sector-wise classification of

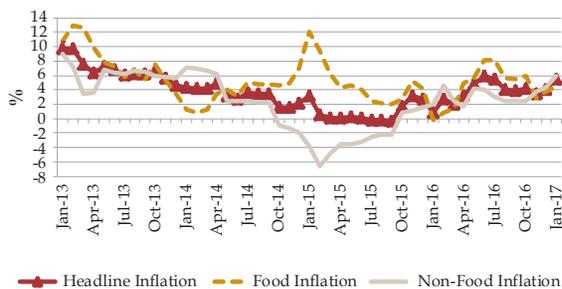
credit growth indicates that credit expansion was mainly driven by credit to Industry and Services sectors.

### 3.7 Inflation

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2013=100) annual average and year-on-year basis continued to remain low at single digit level, although there were some upward pressures during 2016. This could be attributed due to the adverse weather conditions and upward revisions of several taxes during the year. The headline inflation, as measured by the year-on-year change in the CCPI was 4.5 percent in December 2016. Core inflation, based on CCPI, decreased to 5.8 percent, year-on-year, at end 2016 in comparison to 6.7 percent at end 2015.

Meanwhile, headline inflation, measured by the year-on-year change in National Consumer Price Index (2013=100), a macroeconomic indicator, recorded upward trend registered the same rate of 4.2 percent as at end 2016 as in 2015. NCPI based headline inflation, on an annual average basis, increased to 4.0 percent as at end 2016 from 3.8 percent registered at end 2015. Meanwhile, NCPI based core inflation also increased to 6.7 percent at end 2016 compared to 5.8 percent at end 2015, on a year-on-year basis due to the drought condition, the impact of tax structure and increasing commodity prices in international market. The NCPI, on the annual average basis, increased to 6.0 percent in April 2017 from 5.6 percent recorded in March 2017.

Chart 3.14 | Headline Inflation, Food Inflation and Non-Food Inflation (Base year - 2013)



### 3.8 Unemployment

The unemployment rate declined to 4.4 percent in 2016 compared to 4.7 percent in 2015 benefiting from the increased employment opportunities in the economy. This was a combined effect of the decline in unemployment among males from 3.0 percent to 2.9 percent and females from 7.6 percent to 7.0 percent during the year. Unemployment rates by education and age with the exception of youth (15-24 years) declined in 2016. Unemployment among GCE (O/L) and GCE (A/L) and above categories dropped to 5.9 percent and 8.3 percent, respectively in 2016 from 6.4 percent and 9.2 percent, respectively in 2015; unemployment among age groups of 25-29 and 30-39 declined to 9.2 percent and 2.4 percent, respectively in 2016. However, youth unemployment continued to be a concern in the labour market with an incidence of youth unemployment in the double-digits of 21.6 percent in 2016 from 20.8 percent in 2015, despite a low overall unemployment in the country.

### 3.9 Equity Market Developments

The stock market activities showed a subdued performance in 2016 mainly due to the increased interest rates and depreciation of Sri Lankan rupee. The All Share Price Index (ASPI), S&PSL 20 Index and average annual turnover levels, market capitalization and net foreign sales declined during the year. As such, the ASPI which is the major stock market index with the performance of all companies listed in CSE declined by 9.7 percent to 6,228.3 points as at end 2016 compared to 6,894.5 points at end 2015. Similarly, the S&P SL 20 Index declined by 3.6 percent to 3,494.4 points at end 2016 compared to 3,625.7 points at end 2015. Accordingly, the market capitalization fell by 6.6 percent to Rs. 2,745 billion as at the end December 2016 compared to Rs. 2,938 billion as at the end December 2015. The average turnover declined significantly by 30.5 percent to Rs. 737 billion at end 2016 compared to Rs.1,060 billion at end 2015. The cumulative value of foreign sales declined by 17.3 percent to Rs. 74,275 million whereas foreign purchases declined by 11.6 percent to Rs. 74,625 million in 2016.

Table 3.21 | Movements in the Capital Market

Indicators	2008	2009	2010	2011	2012	2013	2014	2015	2016
All Share Price Index (1985=100)	1,503	3,386	6,636	6,074	5,643	5,913	7,299	6,895	6,228
Milanka Price Index*	1,631	3,849	7,061	5,229	5,119	-	-	-	-
S&P SL 20 Index	-	-	-	-	3,085	3,264	4,089	3,626	3,496
Market Capitalization (Rs. Bn.)	489	1,092	2,210	2,214	2,168	2,460	3,105	2,938	2,745
No. of Listed Companies in Trading	235	232	242	272	287	289	294	294	295
Annual Average Turnover (Rs.Bn.)	110	142	570	546	214	200	341	1,060	737
Foreign Sales (Rs. Mn.)	52,682	43,899	118,761	68,854	33,972	60,873	83,554	89,793	74,275
Foreign Purchases (Rs. Mn.)	66,632	43,253	92,426	49,875	72,653	83,657	104,771	84,421	74,625

Sources: Colombo Stock Exchange and Central Bank of Sri Lanka

\*Discontinued in the beginning of 2013



# Reforms | 04

## 4.1 Overview

The Government has identified legal and judicial reforms to update the laws and procedures to suit modern conditions of the 21st Century keeping new Goals of the New Government in mind and specifically focusing on addressing issues related to the maintenance of macroeconomic stability, lapses in the governance structure and impediments in the business environment for expansion and growth. Within this period several proposals for the reform of the law intended to create a more efficient, simple and predictable legal system for Sri Lanka. Such a system is an essential prerequisite to achieve the economic goals of the Government.

In order to give effect to better management of public finance, to ensure stronger Parliamentary control over public finance and better accountability in the use of public resources Government has introduced new mechanisms such as Audit Service Commission, National Procurement Commission and Right to Information Bill.

## 4.2 Reforms in the Investment Promotion Environment

**Land Alienation Act:** Required Amendments were brought to the Law to suspend the requirement of the payment of lease rentals upfront as it was considered a significant impediment to the sustainability of ongoing businesses while it also increased the cost of entry of foreign investments into the country.

**Special Deposit Account Act:** An Act to provide for a special deposit account for foreign nationals to permit foreign exchange into Sri Lanka and matters connected therewith.

### Credit Information Services Act

At present, Credit Information Services are provided only by the licensed Commercial Banks through a system of voluntary membership in the Credit Information Bureau. This Bureau established under the Credit Information Bureau

of Sri Lanka Act No. 18 of 1990 is the only authority empowered to access and provide credit information to lending institutions who are the shareholders of the Bureau and simultaneously to borrowers and prospective borrowers in Sri Lanka. The Bureau accesses information only from Licensed Commercial Banks and provides information only to such Banks to the exclusion of a wide range of other users who could benefit from accurate and complete credit information.

The need of credit information has grown extensively to other areas of finance and business including finance companies, micro finance companies, insurance companies, investment companies and such other institutions dealing with finance and credit at the macro level as well as at the micro level.

In the above circumstances, realizing the positive contribution the private credit information could make to the economy, Ministry of Finance has developed a framework based on which the draft law titled 'Credit Information Services Act' can be formulated. The final Draft is ready to submit in Parliament.

### Regulation of Insurance Industry (Amendment) Act

This is an Act to amend the Regulation of Insurance Industry Act, No. 43 of 2000. The following proposals are introduced to the Amendment.

- To change the name of the Insurance Board of Sri Lanka as "Insurance Regulatory Commission of Sri Lanka"
- To exempt National Insurance Trust Fund, and Sri Lanka Insurance Corporation from being listed on stock exchange licensed under the provisions of the Security and Exchange Commission Act, No. 36 of 1987.
- To regularize the Insurance Agents.
- To specify qualifications for the registration of a general insurance business or long term insurance business.

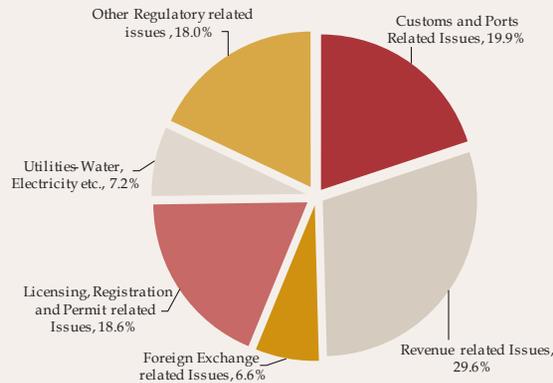
**BOX 4.1 | Ease of Doing Business (EODB) Unit**

It is common knowledge that economic development cannot be achieved by public sector initiatives alone. The private sector which is identified as the engine of economic growth, plays a key role in the development process of any country. Like in any emerging economies, absence of coherence in regulatory and operational procedures slowed down the smooth operations of business activities in Sri Lanka. This has not only hampered the business development of the country, but also has had a negative impact on attracting new investments to Sri Lanka. In order to address and remove such impediments, EODB Unit of Ministry of Finance has conducted five (05) Forums chaired by Hon. Minister of Finance and other Ministers during the year 2016 and provided “on the spot” solutions to the obstacles faced by the investors and the private sector business community.

In the year 2016, EODB Unit has received approximately 150 queries and out of which 75% of the queries have already been resolved. The balance queries which are related to policy matters are still in the process of being resolved, as they necessitate strategic level decisions, act amendments, obtaining cabinet approvals, issuing of gazette notifications, etc.

According to EODB forum statistics, it is observed that since its inception, the number of queries submitted to the forums has declined reflecting the improvements in operational efficiencies in the Government sector. Further, the analysis of the queries based on the subject matter reveals that a majority has been on “revenue related issues”, followed by on “customs and port related issues” (Chart 1).

**Chart 4.1 | Composition of EODB Queries**



Based on World Bank’s latest Ease of Doing Business Index, compared to Sri Lanka other countries have improved their standards in doing business environment and out spaced us in EODB global ranking in 2017. The report further states that Sri Lanka is still lagging behind in some key areas such as “dealing with construction permits”, “getting credit” and “getting electricity”. By identifying and resolving the regulatory and operational issues, EODB forums’ objective is to pave way to improve the global rating in doing business and push Sri Lanka to enter within top 100 in World Bank’s Ease of Doing Business Ranking.

### Sri Lanka Accounting and Auditing Standards (Amendment) Act

Based on the findings on a study done by the World Bank on Observations and Codes Accounting and Auditing (ROSC) we have identified the following areas to be incorporated into our Legislation.

- To incorporate provisions to take necessary action for non-submission of financial statements against Specified Business Enterprises (SBEs), who should submit their financial statements to the SLAASMB in terms of the provisions of the current Act.
- To change the name of SLAASMB in line with the scope assigned and names given to similar financial reporting monitoring agencies in other countries.
- To introduce proper mechanism to regulate public sector accounting standards, since there is no such mechanism.
- To establish a mechanism to receive complaints from the public relating to deficiencies in financial reporting of specified business entities and take necessary actions.
- To introduce provisions to resolve and mitigate legal and enforcement issues identified by the SLAASMB.
- To introduce penalty as well as on appeal procedure to existing Act.

### Financial Transaction (Amendment) Act.

An Act to amend the Financial Transactions Reporting Act, No. 06 of 2006.

The purpose of the Amendment is to strengthen the Financial Intelligence Unit (FIU) to provide legal provisions to combat against Money Laundering and Suppression of Terrorist financing activities. It is at final Draft stage.

### Institute of Valuers of Sri Lanka (Amendment) Act.

This is an Act to amend the Institute of Valuers of Sri Lanka Act, No. 33 of 1975. Salient features of the proposed amendment are as follows;

- Changes in the grading of Membership.
- Qualifications recognized for admission to Membership.
- Election Procedure.
- Code of Professional Ethics for members.
- Membership fees

### Excise Ordinance (Amendment) Act

This intends to amend the Excise (Special Provisions) Act to enable the Director General of Customs to levy, collect, recover and refund duties on excisable articles.

### The introduction of ICT systems:

The Ministry of Finance has taken steps to introduce new Integrated Treasury Management Information System (ITMIS) of the General Treasury, Revenue Administration and Management Information System (RAMIS) of the Inland Revenue Department and Customs Management Systems of Department of Customs are envisaged to facilitate a broad basing of the tax base, while ensuring better coordination and interfacing with each other and the system of other respective Government entities.

**Box 4.2 | Government Finance Statistics (GFS)**

Government Finance Statistics (GFS) are a basis for fiscal analysis, and they play a vital role in developing and monitoring sound fiscal programs and in conducting surveillance of economic policies. GFS preparation methodology has been introduced by the Statistics Department of International Monetary Fund (IMF) by issuing the 1986 Government Finance Statistics Manual (GFSM)<sup>1</sup>. In order to strengthen the worldwide effort to improve public sector reporting and transparency IMF introduced a new Manual in 2001 clarifying the standards for compiling and presenting fiscal statistics. The new manual contains a substantial modernization and expansion of the system described in the 1986 GFSM. The analytical framework of the new manual includes nonmonetary transactions, flows other than transactions and balance sheets. Flows recorded on the accrual basis automatically captures past-due obligations. Major changes can be seen in institutional coverage which is defined in unit basis in the new manual instead of functional basis of the government.

GFSM 2001 and its update GFSM 2014 provide guidance for a precise calculation of surplus or deficit (net lending/borrowing or overall balance) which helps to identify economic issues of a country and the high quality statistics generated are internationally comparable across countries. Compiled Government Finance Statistics are mainly presented by the Statement of Government Operation, the Statement of Other Economic Flows, the Statement of Sources and Uses of Cash and the Balance Sheet and published annually in the GFS Yearbook.

With the intention of gaining the above advantages and strengthening the capacity to formulate fiscal policy and monitoring fiscal developments, Ministry of Finance (MOF) and the Central Bank of Sri Lanka (CBSL) are in the process of migrating to the Government Finance Statistics Manual 2001 (GFSM 2001) and its update (GFSM 2014) for the purpose of preparing Government Finance Statistics, from currently used GFSM 1986. In facilitating these developments, Technical Assistance (TA) Missions of the IMF visited the country several times and as a result officers are capable to compile Government Finance Statistics (GFS) for the Budgetary Central Government using accounting records as the main source data. A GFS Coordinating Committee comprising the contributing departments of the MOF and CBSL has been established to facilitate the compilation of GFS. The Committee has taken several measures to extend the institutional coverage of the government and is in the process of compiling Extra-budgetary units as government entities. Transforming Extra-budgetary final accounts of three years in to the GFSM 2001/2014 formats is in progress with the sentiment of disseminating GFS time series for three years. With the aim of improving the institutional coverage further, monthly data from Provincial Councils is being collected by the MOF and a proper mechanism for collecting financial data of Local Authorities is being planned to develop in due course.

*1. GFSM provides economic and statistical reporting principles to be used in compiling the statistics and describes guidelines for presenting fiscal statistics within an analytical framework.*

**Box 4.3 | Digital Transformation in the Government Sector****Background**

The term Digital transformation has a wider meaning than merely enhancing and supporting traditional methods. The term embraces new types of innovation and creativity in any given domain, as well. It is true that transforming government through the power of digital technologies will be a long journey and government agencies worldwide are at different stages in this journey. Government agencies in Sri Lanka being rather late adopters of the digital technology are no exception, showing varied levels of maturity in their digital transformation of their processes, talent engagement, and citizen service models.

**Ministry of Finance**

Integrated Treasury Management Information System (ITMIS) has been the most important initiative envisioned to simplify the current business processes of the Ministry of Finance while automating internal business processes and workflows to a great extent. It intends to implement a comprehensive reporting and analysis of framework to support Ministry of Finance in effective planning and monitoring of Government finances. The key functions of the Ministry of Finance and spending units that are proposed to be digitized with the implementation of ITMIS include budget preparation budget execution, accounting for public expenditure and revenues, treasury and cash management and to support the government in the preparation of financial statements.

**Sri Lanka Customs**

Sri Lanka Customs started their automation in early as 1993 with the implementation of ASYCUDA for Customs Declaration Processing. ASYCUDA system itself evolved from a legacy system to an open standard system while embracing all other functions of a modern Customs Administration such as trade facilitation through risk management based on accumulated intelligence within the system. The latest version of ASYCUDA, ASYCUDA World allows connectivity with other Government Agencies paving way to implement important initiatives such as Single Window. At present all the declaration submission has been brought completely online while all the payments are made through online e-Payment mechanism. Sri Lanka Customs has been striving hard to take more citizen centric digitization initiatives fulfilling their commitments under World Trade Organization's Trade Facilitation Agreement.

**Inland Revenue Department**

The Department of Inland Revenue (IRD) envisioned to achieve their digitization objectives by implementing the Revenue Administration and Management Information System (RAMIS). In fact RAMIS has been a great step towards creating a more efficient and an

accountable tax environment in the economy while automating tax administration processes of the Department. The design of RAMIS is expected to facilitate a number of web based services such as registration, online filing of tax returns, tax payments, appeals, collections, cancellation, directions and clearances etc.

### **Digital Initiatives of Other Government Entities**

Department of Immigration & Emigration has started their online Electronic Travel Authorization (ETA) system in 2012 and it has been helped foreigners immensely in obtaining their visit visa to Sri Lanka prior to the arrival. All the documents submitted with the applications for the passports are scanned only digital images which are retained while returning all the documents submitted along with the application itself. Paper based photographs are not required for passports since only the digital photograph should be submitted through one of the authorized photo studios located island-wide for the purpose. The department has been receiving Advance Passenger Information for some time and steps are being taken to start Advance Passenger Processing to prevent unwanted passengers from boarding aircrafts destined to Sri Lanka at the origin port itself.

Department of Motor Traffic has introduced an e-service for motor vehicles. Details of any kind of registered vehicle and the ongoing registration number can be enquired through the system.

Vehicle owners of the Western Province can apply for the revenue license online and do the payments from credit cards through the Office of the Provincial Commissioner of Motor Traffic web site (eRevenue License).

EPF e-return system of Central Bank of Sri Lanka refers to a method of sending employees contribution details and payments electronically. This is mandatory for all employers who have more than fifty employees as an ICT solution consolidating the EPF and ETF Trust Funds related services to offer efficient services to stakeholder organizations.

Department of Pensions has taken steps to automate the registration of pensioners through the Pension Management System which facilitates the pensioners to be registered online and obtain an auto generated pension number. At different stages of the process pensioners will be informed via a text message (SMS).

### **Future of Digital Transformation of the Government Sector in Sri Lanka**

Present Government has shown its' commitment towards digitization in many ways assuring protection for ongoing digital transformations as a whole. The biggest information system tender for the National Digital Identity (NDI) which is expected to be budgeted over \$ 100 million is being processed. The NDI will ensure that every citizen will have an NFC (Near Field Communication) card with a cryptographic private key embedded in it. This card will enable every citizen to do secure transactions. Every citizen from birth will have a

digital wallet and this would mean that every citizen will be able to transact online. Digital documents can be digitally signed and dispatched digitally to Government institutions, reducing inefficiency and cost under this initiative.

The Government is also looking at introducing software coding to local schools and empowering every student from Grade 9 onwards with a tablet computer while planning digitally equipped 100 schools implementing digital classrooms as a pilot project. The Government has taken steps to grant connectivity to the World with Google Loon Project which articulates providing a 4G LTE network to the whole country.

The Department for Registration of Persons has initiated an e-NIC Project. This project is formulated to facilitate the general public an efficient and quality service through an identity card issued an e - NIC with modern technological security features. Under this project it is intended to establish a national persons registry as a database with bio data of persons of 15 years or above, fingerprints as biometrics and a photograph taken according to ICAO standards and issue an e-NIC during a specific time period for the persons completing the eligible age, in order to identify persons for the purpose of facilitating the general public to obtain their day to day services and facilitating national security and accelerated economic development of the country.

An electronic Document Attesting System (eDAS) at the Ministry of Foreign Affairs will provide citizens with the facility of getting their certificates attested and certified within five to fifteen minutes by simply accessing one single counter at the ministry's consular division under a new electronic system.

Sri Lanka is moving towards a smooth digital transformation and benefit from the merits of it through timely adoptions and proper monitoring of novel technologies.

**Box 4.4 | Circulars Issued by the Ministry of Finance – 2016**

Date	Circular No	Subject
<b>Ministry of Finance</b>		
17-10-2016	02/2016	Establishment of Procurement Monitoring Unit(PMU) at Ministry of Finance
26-04-2016	01/2016	Establishment of Procurement Monitoring Unit(PMU) at Ministry of Finance
<b>Department of National Budget Circulars</b>		
30-12-2016	04/2017	Guidelines to grant Compensation for the fishermen who died while engaging in fisheries activities in an Emergency Disaster Situation
30-12-2016	03/2017	Guidelines for provision of Relief to the disaster victims in an Emergency Disaster situation and Public evacuated from their residencies due to disaster risk and Restoration of Damaged Areas
30-12-2016	04/2016	Guidelines to grant Compensation for the fishermen who died while engaging in fisheries activities in an Emergency Disaster Situation
28-12-2016	05/2016	Authorization of Expenditure and Public Expenditure Management -2017 Budget
19-09-2016	1/2016(i)	Guidelines for procurement of vehicles Government Agencies under the operational Leasing Method - Tamil
02-08-2016	NBC-2016-02	Budget Call 2017 Guidelines and Directions for the Preparations of Annual Budget Estimates 2017
31-07-2016	NBC-136E	2008 - Budget Call 2007-07-25-
28-06-2016	NBC-130E	Grant of Property Loans Through Banks - Guidelines on Accounting
17-03-2016	NBC-2016-01	Guidelines for Procurement of Vehicles for Government Agencies under the Operational Leasing Method
11-01-2016	NBC-2015-06(I)	Monitoring of Financial Physical Performance of Activities Financed by the National Budget
<b>Department of Management Services Circulars</b>		
16-12-2016	01/2016 (I)	Cadre and Remuneration Management of Projects
24-03-2016	DMS Circular No 01/2016	Cadre and Remuneration Management of Projects
<b>Department of Treasury Operation Circulars</b>		
09-12-2016	09/2016	Statement of Arrears of Revenue
01-12-2016	08/2016	Collection of Information for the determination of annual imprest limit to each Department for the Payments under the budgetary provisions provided in the Appropriation Act of 2017
18-11-2016	07/2016	Closing of Cash Books for 2016 and Settlement of Imprest Accounts
20-10-2016	6/2016	Maintaining Idle Cash Balance in the Government Official Bank Accounts
15-09-2016	TOD-2016-05	Payment of Salaries, Salary Advances and pensions for the year 2017
09-09-2016	TOD-2015-05(i)	Advance the Date of Pension payment for the month of October 2016
31-05-2016	04/2016	Revenue Estimates for year 2017
31-05-2016	03/2016	Statement of Arrears of Revenue-30/06/2016
28-01-2016	TOD-01-2016	Payment of the Monthly Salary of Government Servants
<b>Department of State Accounts Circulars</b>		
27-12-2016	253/2016	Transmission of Accounting Data Through Monthly Summaries of Accounts to the Department of State Accounts during the year 2017
22-12-2016	254/2016	Revenue Accounts of the Year 2016
09-12-2016	252/2016	Appropriation Accounts-2016
17-10-2016	251/2016	Closing of Accounts for the Financial Year -2016
03-08-2016	250/2016(i)	Accounting Third Party Advance Payment -
11-04-2016	SAD-249-2016	Treasury General Deposit Accounts
06-01-2016	248/2016	Accounting the Value Added Tax
<b>Department of Management Audit Circulars</b>		
10-06-2016	DMA-2016-02	Appointment of Internal Auditors for Development Projects Funded by Foreign Financing
28-01-2016	DMA/2009/(I)(i)	Guidelines for Internal Auditing
01-01-2016	DMA/2016/01	Maintaining a Database for vehicles owned by Government Ministries, Departments, Corporations, Boards, all other Government Institutions and Projects

**Box 4.4 | Circulars Issued by the Ministry of Finance – 2016**

Date	Circular No	Subject
<b>Department of Trade and Investment Policy Circulars</b>		
14-07-2016	01/2016	Issuing Motor Vehicle Permits on Concessionary Terms
21-10-2016	01/2016(I)	Issuing Motor Vehicle Permits on Concessionary Terms
<b>Department of Fiscal Policy</b>		
9-01-2017	01/2015(V1)	Guidelines on Estimations , Collection, Monitoring & Reporting of Government Revenue
30-12-2016	01/2015(V)	Guidelines on Estimations , Collection, Monitoring & Reporting of Government Revenue
16-03-2016	01/2015(III)	Guideline on Estimation, Collection, Monitoring & Reporting of Government Revenue
15-02-2016	01/2015(II)	Guideline on Estimation, Collection, Monitoring & Reporting of Government Revenue
14-01-2016	01/2010(ii)	Transfer of Nation Building Tax (NBT) Revenue to the Provincial Councils
<b>Department of Public Enterprises Circulars</b>		
16-12-2016	PED 05/2016	Payment of Bonus to Staff of Government Corporations and fully Government owned Companies for year 2016
26-10-2016	PED 1/2015(I)	Transport facilities for officers in Commercial Corporations, Statutory Boards and State Owned Companies
19-10-2016	PED 4/2106(i)	Guidelines for Procurement of Vehicles for Government Agencies under the Operating Leasing Method
30-05-2016	2016/04	Guidelines for Procurement of Vehicles for Government Agencies under the Operating Lease Method
29-04-2016	PED- 03/2016	Deduction of PAYE Tax from the employees of State owned Enterprises (SOE)
08-03-2016	PED-02/2016	Voluntary Retirement Scheme (VRS) for Excess Employees of Government Owned
07-03-2016	PED-02/2016	Voluntary Retirement Scheme (VRS) for Excess Employees of Government Owned
01-01-2016	PED- 01/2016	Audit of State owned Companies(SOCs)
<b>Public Finance Department Circulars</b>		
30-09-2016	04/2016 (i)	Procurement of Works up to Rs.50 Million from Regional Contractors Under Domestic Funds
29-07-2016	PFD-2016-07S.pdf	ව්‍යවස්ථාපිත සහ ව්‍යවස්ථාපිත නොවන අරමුදල් සමාලෝචනය කිරීම - 2016 අයවැය යෝජනා
17-06-2016	06/2016	Revision of Non-Refundable Tender Deposits
31-03-2016	05/2016	Annual Board of Survey
31-03-2016	04/2016	Procurement of Works up to Rs.50 Million from Regional Contractors under Domestic Funds
19-02-2016	Circular Letter No: 03	Reservation of Import Cargo for the Ceylon Shipping Corporation Limited (CSCL)
18-02-2016	03/2016	Settlement of Outstanding Contract Commitments
16-02-2016	431(1)	Purchase of airline tickets to travel abroad
15-02-2016	02/2016	Amendment of FR. 108 Under Financial Regulation 1992
08-01-2016	01/2016	Payment of Fees for Urgent Services to Government

**Box 4.5 | International Trade Agreements**

Sri Lanka has been actively engaged in Bilateral, Plurilateral and Multilateral trade negotiations and has been undertaking trade reforms in line with the WTO's GATT principles and guidelines. There were effective negotiations and implementations of Bilateral, Plurilateral and Multilateral Trade Agreements. By end of 2016, following Bilateral, Plurilateral Free Trade Agreements to which, Sri Lanka is a party are in operation.

- India - Sri Lanka Free Trade Agreement (ISFTA)
- Pakistan - Sri Lanka Free Trade Agreement (PSFTA)
- South Asian Free Trade Agreement (SAFTA)
- Asia-Pacific Trade Agreement (APTA)
- Bay of Bengal Initiatives on Multi - Sectoral Technical and Economic Cooperation Agreement (BIMSTEC) - Free Trade Agreement

The ISFTA and the PSFTA aim at promoting economic linkages bilaterally through enhancement of bilateral trade and investment. In 2016, Sri Lanka has submitted a dossier consisting of all non-tariff barriers, encountered by the Sri Lankan exporters to India under the ISFTA for solutions. Under PSFTA, both countries have completed its phasing out commitments under the Tariff Liberalization Programme and now have the duty free market access for more than 4500 products in both countries.

At the forty-nine sessions of the APTA, held in August 2016, the APTA Council of Ministers was requested to amend the APTA protocol to include Mongolia as a member of the APTA and also to revise the National List of Concessions to implement the fourth round of concessions and the rules of origin as agreed.

At the BIMSTEC, it was decided to finalize the implementation of its Tariff Liberalization Programme as per the transposition of schedule of commitments from HS 2007 version to HS 2012 version at 6 digit level. However, the implementation of the Trade Liberalization Programme has not taken place in 2016 due to the non-completion of the internal procedures of some member states. It is further noted that member states of the BIMSTEC have, at present, proposed to begin the implementation of their Tariff Liberalization Programme as per HS 2017 version and the BIMSTEC Secretariat has planned to give effect to the proposed tariff liberalization programme in 2017.

Sri Lanka, in 2016, has continued with bilateral negotiations on the proposed Free Trade Agreement with China and Singapore and the proposed Economic and Technology Cooperation Agreement with India. By end of 2016, there were four rounds of FTA negotiations with China and three rounds of negotiations with Singapore were completed.

The scope of the proposed FTA between Sri Lanka and China as well as Sri Lanka and Singapore will cover trade in goods, trade in services (identified services) cooperation on Sanitary and Phytosanitary measures, investment cooperation on Customs procedures and trade facilitation and economic and technical cooperation. It is also proposed to conclude the FTA with China and Singapore by end of 2017.

The proposed Agreement with India will cover trade in goods (incorporation of Indo-Sri Lanka Free Trade Agreement), trade in services (identified services), investment, economic and technological cooperation, Customs cooperation and trade facilitation. During 2016, two rounds of negotiations on the proposed Economic and Technology Cooperation Agreement (ETCA) with India were completed.

### **Customs Cooperation and Trade Facilitation**

Sri Lanka has finalized its implementation schedule of the WTO Trade Facilitation Agreement with the classification of categories of A, B and C and already deposited to the WTO. The WTO Trade Facilitation Agreement will come into effect in early 2017. Sri Lanka has explored technical assistance from the International Trade Centre and the World Bank for implementation of its commitments to the WTO Trade Facilitation Agreement. Sri Lanka has also finalized the text of Agreement on Co-operation and mutual assistance in Customs matters with countries such as the United Arab Emirates, Turkey, Russian Federation and Iran.

**Fiscal Developments**

**05**

## 5.1 Overview

The fiscal consolidation process continued in 2016 with the aim of containing the budget deficit thereby curtailing the Government debt accumulation in the medium-term. Accordingly, the budget deficit was reduced to 5.4 percent of GDP from 7.6 percent of GDP in 2015 benefiting from increased revenue mobilization and the decline in expenditure growth. The deficit was financed mainly through foreign sources with the issuance of International Sovereign Bonds (ISBs) and a Foreign Currency Term Financing Facility (FTFF). However, Government debt as a percent of GDP increased to 79.3 percent at the end of 2016 from 77.6 percent of GDP at the end of 2015 due to a lower growth in nominal GDP and depreciation of the rupee, despite lower net borrowings during 2016. In 2015 and 2016, several measures were taken to reverse the declining trend in Government revenue to GDP ratio while rationalizing Government expenditure. Accordingly, the Government implemented several tax reforms to augment the Government revenue through broadening the tax base, simplifying the tax system, rationalizing tax exemptions and strengthening the tax administration. Similarly, the Government implemented various policy measures to rationalize expenditure in terms of improving efficiency of welfare expenditure, monitoring spending commitments, commencement of Integrated Treasury Management Information System (ITMIS) and improved financial discipline of State Owned Business Enterprises (SOBEs). Accordingly, the Government revenue to GDP ratio increased to 14.2 percent in 2016 from 13.3 percent in 2015 mainly due to sustaining the tax revenue and enhanced non-tax revenue emanating from profits and dividend transfers by the SOBEs.

Medium Term Fiscal Strategy of the Government envisages the gradual reduction of the budget deficit to 3.5 percent of GDP by 2020. Accordingly, the Government revenue is expected to increase to 16.5 percent of GDP while the public investment is expected to maintain at above 5.3 percent of GDP. Furthermore, the current and primary balances are expected to maintain

surpluses in 2017 and beyond implying the impact of envisaged revenue and expenditure based reforms.

Government tax revenue to GDP ratio remained at 12.4 percent sustaining the improved level in 2015. In nominal terms, the total revenue increased by 15.9 percent to Rs. 1,686.1 billion in 2016 compared to Rs. 1,454.9 billion in 2015. The total tax revenue increased by 8.0 percent to Rs. 1,463.7 billion while total non-tax revenue significantly increased by 124.4 percent to Rs. 222.4 billion in 2016. The reforms implemented by the Government helped increase the non-tax revenue to 1.9 percent of GDP in 2016 from 0.9 percent in 2015.

Revenue collected from domestic consumption-based taxes such as VAT on domestic activities and taxes on liquor and cigarettes significantly increased by 20.8 percent to Rs. 420.0 billion in 2016 while import-based taxes such as import duties, VAT on imports, Ports and Airports Development Levy (PAL) increased marginally by 4.9 percent to Rs. 738.8 billion. The revenue generated from both domestic and import VAT increased by 28.8 percent mainly due to the increase in VAT rate to 15 percent from 11 percent, the broadening of the tax base by removing VAT exemptions and increased compliance through the initiation of Revenue Management Information System (RAMIS) at Inland Revenue Department (IRD). Similarly, excise taxes on liquor, cigarettes and petroleum products increased by 14.3 percent, 11.0 percent, and 23.6 percent, respectively in 2016. The revenue from excise duty on motor vehicles declined by 29.2 percent to Rs. 186.5 billion in 2016 mainly due to the decline in vehicle imports stemming from the introduction of the unit rate in calculating excise duty in November 2015, the increase in the unit rate of excise duty in May 2016 and imposition of a maximum loan to value ratio (LTV) on loans. Revenue generated from PAL, Special Commodity Levy (SCL), Nation Building Tax (NBT) and Cess levy also showed improved performance in 2016. However, revenue collection from income taxes declined in 2016 due to the reduction of revenue from corporate and non-corporate income taxes and withholding taxes. Revenue from Pay-As-

Table 5.1 | Summary of Government Fiscal Operations

	Rs. Mn.			
Item	2013	2014	2015	2016 (Provisional)
<b>Total Revenue and Grants</b>	<b>1,153,306</b>	<b>1,204,621</b>	<b>1,460,892</b>	<b>1,693,557</b>
<b>Total Revenue</b>	<b>1,137,447</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>1,686,061</b>
Tax Revenue	1,005,896	1,050,362	1,355,779	1,463,689
Income Tax	205,666	198,115	262,583	258,857
Taxes on Goods and Services	572,324	615,832	803,798	841,967
Taxes on External Trade	227,906	236,415	289,398	362,865
Non Tax Revenue	131,552	144,844	99,099	222,372
<b>Grants</b>	<b>15,859</b>	<b>9,415</b>	<b>6,014</b>	<b>7,496</b>
<b>Total Expenditure &amp; Net Lending</b>	<b>1,669,396</b>	<b>1,795,865</b>	<b>2,290,394</b>	<b>2,333,883</b>
<b>Recurrent Expenditure</b>	<b>1,205,180</b>	<b>1,322,898</b>	<b>1,701,657</b>	<b>1,757,782</b>
Personnel Emoluments	393,229	440,982	561,730	570,761
Interest	444,007	436,395	527,227	610,895
Subsidies and Transfers	275,817	317,674	428,419	424,833
Other Goods and Services	92,127	127,847	184,281	151,293
<b>Capital and Net Lending</b>	<b>464,216</b>	<b>472,967</b>	<b>588,737</b>	<b>576,101</b>
Public Investment	481,204	486,610	602,768	594,012
Other	(16,988)	(13,643)	(14,031)	(17,911)
<b>Revenue Surplus(+)/Deficit(-)</b>	<b>-67,733</b>	<b>-127,692</b>	<b>-246,779</b>	<b>-71,721</b>
<b>Primary Surplus(+)/Deficit(-)</b>	<b>-72,083</b>	<b>-154,849</b>	<b>-302,275</b>	<b>-29,431</b>
<b>Budget Surplus(+)/Deficit(-)</b>	<b>-516,090</b>	<b>-591,244</b>	<b>-829,502</b>	<b>-640,326</b>
<b>Total Net Financing</b>	<b>516,089</b>	<b>591,243</b>	<b>829,502</b>	<b>640,326</b>
<b>Net Foreign Financing (Net)</b>	<b>88,421</b>	<b>315,564</b>	<b>369,257</b>	<b>429,130</b>
Gross Foreign Borrowing	183,317	422,543	556,370	574,249
Repayments	-94,896	-106,979	-187,113	-145,119
<b>Net Domestic Financing (Net)</b>	<b>427,668</b>	<b>275,679</b>	<b>460,245</b>	<b>211,196</b>
Non Bank Financing (Net)	256,942	192,812	196,737	398,575
Foreign Investment in T Bills and Bonds	140,148	20,971	222,967	(120,516)
Bank Borrowings (Net) (a)	30,578	61,897	40,541	(66,863)
	<b>As a % of GDP</b>			
<b>Revenue and Grants</b>	<b>12.0</b>	<b>11.6</b>	<b>13.3</b>	<b>14.3</b>
<b>Total Revenue</b>	<b>11.9</b>	<b>11.5</b>	<b>13.3</b>	<b>14.2</b>
Tax Revenue	10.5	10.1	12.4	12.4
Non Tax Revenue	1.4	1.4	0.9	1.9
<b>Grants</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Total Expenditure &amp; Net Lending</b>	<b>17.4</b>	<b>17.3</b>	<b>20.9</b>	<b>19.7</b>
Recurrent Expenditure	12.6	12.8	15.5	14.8
Public Investment	5.0	4.7	5.5	5.0
<b>Revenue Surplus(+)/Deficit(-)</b>	<b>-0.7</b>	<b>-1.2</b>	<b>-2.3</b>	<b>-0.6</b>
<b>Primary Surplus(+)/Deficit(-)</b>	<b>-0.8</b>	<b>-1.5</b>	<b>-2.8</b>	<b>-0.2</b>
<b>Budget Surplus(+)/Deficit(-)</b>	<b>-5.4</b>	<b>-5.7</b>	<b>-7.6</b>	<b>-5.4</b>
<b>Total Net Financing</b>	<b>5.4</b>	<b>5.7</b>	<b>7.6</b>	<b>5.4</b>
<b>Net Foreign Financing</b>	<b>0.9</b>	<b>3.0</b>	<b>3.4</b>	<b>3.6</b>
<b>Net Domestic Financing</b>	<b>4.5</b>	<b>2.7</b>	<b>4.2</b>	<b>1.8</b>

Sources: Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy  
(a) Including other borrowings (net)

You-Earn (PAYE) and Economic Service Charge (ESC) increased by 7.5 percent and 232.8 percent, respectively in 2016 due to the initiation of RAMIS at IRD and the broadening the tax base of ESC to profit making businesses coupled with increased ESC rate from 0.25 percent to 0.5 percent. The non-tax revenue increased by 124.4 percent to Rs 222.4 billion mainly due to the increased profits and dividends transfers by SOBEs in banking and insurance, Ceylon Petroleum Corporation (CPC) and Ceylon Electricity Board (CEB) and increased fees and charges.

The total expenditure and net lending as a percentage of GDP declined to 19.7 percent in 2016 from 20.9 percent in 2015. This was due to the decline in recurrent expenditure to 14.8 percent of GDP in 2016 from 15.5 percent in 2015 followed by the decline in capital expenditure and net lending to 4.9 percent of GDP in 2016 from 5.4 percent of GDP in 2015. In nominal terms, the recurrent expenditure increased by 3.3 percent to Rs. 1,757.8 billion in 2016 stemming from increased expenditure on interest payments by 16 percent to Rs. 610.9 billion in 2016. In contrast, capital expenditure and net lending declined by 2.1 percent to Rs. 576.1 billion in 2016 from Rs. 588.7 billion recorded in 2015. The overall budget deficit contained to Rs. 640.3 billion in 2016 in comparison to Rs. 829.5 billion in 2015.

The budget deficit was mainly financed through foreign sources contributing 67.0 percent of the total net financing and the rest, 33.0 percent, was financed through domestic sources. Net foreign financing during 2016 amounted to Rs. 429.1 billion while net domestic financing amounted to Rs. 211.2 billion in 2016.

Several measures have been introduced in 2016 to augment revenue generating from VAT, NBT, excise duties and SCL while strengthening the tax administration. On income taxes, a single corporate income tax rate of 17.5 percent and a higher tax rate of 40 percent for liquor, tobacco, lottery etc, and a rate of 28 percent on banking and financial services were proposed but yet to be implemented. The Government implemented an automated revenue collection system at IRD in order to facilitate an efficient and effective tax collection system through

RAMIS while strengthening automation of systems at the Department of Customs and the General Treasury. Initial steps have been taken to draft a new Inland Revenue Act to simplify tax laws incorporating policies for the increase of compliance and broadening the tax base. ESC rate increased to 0.5 percent from 0.25 percent while expanding the tax base to profit making businesses. On the indirect taxes, VAT rate increased to 15 percent from 11 percent and VAT base was broadened. However, several proposals on VAT remain yet to be implemented. NBT rate remained unchanged at 2.0 percent in 2016 and items such as printed books, magazines and solar panels etc., were exempted. In addition to the *ad volarem* rate, a unit rate of excise duty on the basis of cubic centimeters was introduced for the calculation of excise duty. Meanwhile, periodic excise duty tax revisions were made to discourage liquor and cigarette consumptions. It is also expected to implement a fool-proof sticker to be affixed in liquor and liquor based products to curb illicit liquor production while collecting due taxes to the Government. The three band tariff structure of exempt, 15 percent and 30 percent was introduced in custom duty and PAL rate was increased to 7.5 percent from 5.0 percent while introducing a low rate of 2.5 percent on selected items. The periodic revisions of SCL on selected items were implemented to protect farmers as well as consumers. The process of automation of revenue agencies continued to improve tax administration while increasing revenue.

On the expenditure front, several measures were implemented to rationalize current expenditure while maintaining public investment at a manageable level. All expenditure heads were controlled by the monthly budget monitoring meeting convened by the Department of National Budget of the Ministry of Finance as against the agreed action plan and Key Performance Indicators (KPI). Meanwhile, new salary scale for public servants was implemented with effect from January 2016 while continuing the welfare related expenditures such as Samurdhi, fertilizer subsidy, and assistance to differently-abled soldiers. Reforms were introduced to SOBEs to increase their financial viability.

Various measures introduced in 2015 and 2016 to enhance Government revenue and contain Government expenditure have helped curtail budget deficit at reasonably lower level. However, fiscal consolidation path requires further improvements over the medium-term. In particular, further reforms are needed to address certain shortcomings in expenditure and revenue management. The fiscal consolidation process is also confronted with challenges stemming from increased cost of borrowing due to the increasing interest rates, increased recurrent expenditure on public sector wage growth and pension payments etc. Meanwhile, sustainability of revenue mobilization amidst relatively lower economic growth remains a challenge. Therefore, structural fiscal adjustments are required to expand fiscal space in the medium-term.

Table 5.2 | Estimated and Actual Revenue and Expenditure - 2016

Item	Estimated	Actual	Rs. Mn. Deviation
<b>Total Revenue</b>	<b>1,576,000</b>	<b>1,686,061</b>	<b>110,061</b>
<b>Tax Revenue</b>	<b>1,432,000</b>	<b>1,463,689</b>	<b>31,689</b>
<b>Department of Inland Revenue</b>			
Tax on Income and Profit	236,000	258,857	22,857
VAT - Domestic (Net)	190,000	168,134	-21,866
Nation Building Tax (Domestic)	34,000	39,029	5,029
<b>Sub Total</b>	<b>460,000</b>	<b>466,020</b>	<b>6,020</b>
<b>Department of Customs</b>			
Import Duty	135,000	156,487	21,487
VAT - Imports (Net)	125,000	115,336	-9,664
Nation Building Tax (Import)	20,000	18,395	-1,605
PAL	92,000	88,823	-3,177
Cess Levy	55,000	61,730	6,730
Special Commodity Levy & Other	60,000	55,825	-4,175
Excise Special Provisions	314,000	334,714	20,714
Cigarettes	85,000	88,792	3,792
Petroleum	45,000	55,719	10,719
Motor Vehicles & other	184,000	190,203	6,203
<b>Sub Total</b>	<b>801,000</b>	<b>831,310</b>	<b>30,310</b>
<b>Department of Excise</b>			
Liquor/Tobacco	130,000	120,238	-9,762
<b>Sub Total</b>	<b>130,000</b>	<b>120,238</b>	<b>-9,762</b>
<b>Other</b>			
Telecommunication Levy	35,000	35,976	976
License Tax & Other	6,000	10,145	4,145
<b>Sub Total</b>	<b>41,000</b>	<b>46,121</b>	<b>5,121</b>
<b>Non Tax Revenue</b>	<b>144,000</b>	<b>222,372</b>	<b>78,372</b>
<b>Total Expenditure</b>	<b>2,286,000</b>	<b>2,333,883</b>	<b>47,883</b>
<b>Recurrent Expenditure</b>			
Salaries and Wages	590,000	570,761	-19,239
Interest Payments	603,000	610,895	7,895
Pension Payments	169,000	173,152	4,152
Transfers to Public Corporations & Institutions	55,714	70,904	15,190
Other	352,286	332,070	(20,216)
<b>Capital Expenditure and Net Lending</b>	<b>516,000</b>	<b>576,101</b>	<b>60,101</b>

Sources: Department of Treasury Operations and Department of Fiscal Policy

## 5.2 Government Revenue

The Government revenue to GDP ratio increased by 0.9 percentage points to 14.2 percent in 2016 from 13.3 percent recorded in 2015. This was a significant improvement amidst the declining trend experienced in recent decades. Tax revenue to GDP ratio remained at 12.4 percent of GDP sustaining the elevated level of tax revenue in 2015. However, non-tax revenue as a percentage of GDP increased to 1.9 percent in 2016 from 0.9 percent recorded in 2015. This increase of non-tax to GDP ratio was due to the enhanced profits and dividends transfers by SOBEs.

In nominal terms, the total revenue increased by 15.9 percent to Rs. 1,686.1 billion in 2016 from Rs.

1,454.9 billion in 2015. The tax revenue increased by 8.0 percent to Rs. 1,463.7 billion in 2016 from

Rs. 1,355.8 billion in 2015 and non-tax revenue expanded by 124.4 percent to Rs. 222.4 billion in 2016 from Rs. 99.1 billion in 2015.

Table 5.3 | Government Revenue

Item	2011	2012	2013	2014	2015	Rs. Mn.
						2016 (Provisional)
<b>Tax Revenue</b>	<b>845,697</b>	<b>908,915</b>	<b>1,005,895</b>	<b>1,050,362</b>	<b>1,355,779</b>	<b>1,463,689</b>
Income Tax	157,310	172,594	205,666	198,115	262,583	258,857
VAT	225,858	229,604	250,523	275,350	219,700	283,470
Nation Building Tax	35,667	38,736	40,937	44,583	45,004	57,424
Excise Duty	204,821	223,960	250,700	256,690	497,623	454,952
Import Duties	79,811	80,155	83,123	81,108	132,189	156,487
Ports & Airports Development Levy	66,028	70,111	61,987	68,646	58,644	88,823
Special Commodity Levy	15,622	33,666	46,705	47,953	52,276	55,825
Other	60,580	60,089	66,255	77,917	87,760	107,851
<b>Non Tax Revenue</b>	<b>122,165</b>	<b>142,547</b>	<b>131,552</b>	<b>144,844</b>	<b>99,099</b>	<b>222,372</b>
Interest/ Rent	13,426	11,686	11,995	13,647	7,321	15,806
Profit and Dividends	34,351	46,761	35,169	46,814	29,798	108,160
Sales and Charge	37,292	26,019	40,720	35,499	44,632	72,606
Social Security Contribution	12,628	11,738	15,145	14,919	15,213	18,046
Central Bank Profit Transfers	22,000	43,000	26,350	11,500	-	5,000
Other	2,468	3,343	2,173	22,466	2,135	2,754
<b>Total Revenue</b>	<b>967,862</b>	<b>1,051,462</b>	<b>1,137,447</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>1,686,061</b>
As a % of GDP						
<b>Tax Revenue</b>	<b>11.7</b>	<b>10.4</b>	<b>10.5</b>	<b>10.1</b>	<b>12.4</b>	<b>12.4</b>
Income Tax	2.2	2.0	2.1	1.9	2.4	2.2
VAT	3.1	2.6	2.6	2.7	2.0	2.4
Nation Building Tax	0.5	0.4	0.4	0.4	0.4	0.5
Excise Duty	2.8	2.6	2.6	2.5	4.5	3.8
Import Duties	1.1	0.9	0.9	0.8	1.2	1.3
Ports & Airports Development Levy	0.9	0.8	0.6	0.7	0.5	0.8
Special Commodity Levy	0.2	0.4	0.5	0.5	0.5	0.5
Other	0.8	0.7	0.7	0.8	0.8	0.9
<b>Non Tax Revenue</b>	<b>1.7</b>	<b>1.6</b>	<b>1.4</b>	<b>1.4</b>	<b>0.9</b>	<b>1.9</b>
Interest/ Rent	0.2	0.1	0.1	0.1	0.1	0.1
Profit and Dividends	0.5	0.5	0.4	0.5	0.3	0.9
Sales and Charge	0.5	0.3	0.4	0.3	0.4	0.6
Social Security Contribution	0.2	0.1	0.2	0.1	0.1	0.2
Central Bank Profit Transfers	0.3	0.5	0.3	0.1	-	-
<b>Total Revenue</b>	<b>13.4</b>	<b>12.0</b>	<b>11.9</b>	<b>11.5</b>	<b>13.3</b>	<b>14.2</b>

Sources: Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

... Negligible

- not available

Chart 5.1 | Government Revenue

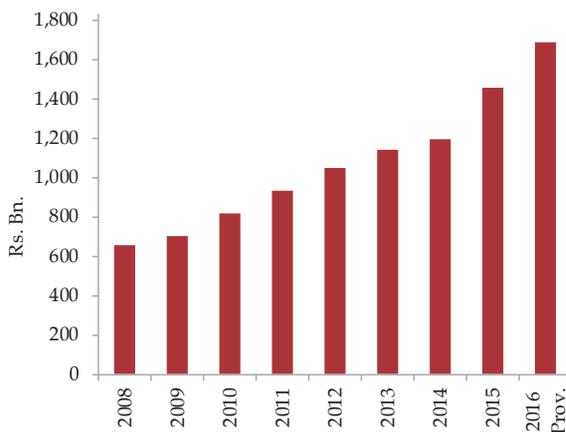


Chart 5.2 | Composition of Tax Revenue - 2016

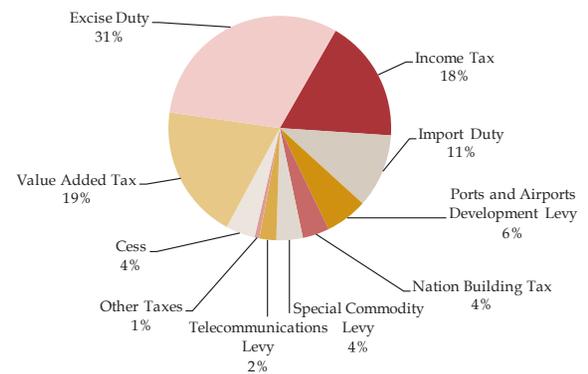


Table 5.4 | Government Tax Revenue - By Source

Source	2015	2016 (Provisional)	2016/2015 Change (%)	Rs. Mn.
<b>Income Tax</b>	<b>262,583</b>	<b>258,857</b>	<b>(1.4)</b>	
Corporate & Non Corporate	167,325	154,324	(7.8)	
PAYE	26,206	28,169	7.5	
ESC	6,148	20,458	232.8	
Tax on interest	62,904	55,906	(11.1)	
<b>Domestic Consumption Based Taxes</b>	<b>347,632</b>	<b>419,897</b>	<b>20.8</b>	
VAT - Domestic	130,527	168,134	28.8	
NBT - Domestic	28,044	39,029	39.2	
Tax on Liquor	105,234	120,238	14.3	
Tax on Cigarettes/Tobacco	80,015	88,792	11.0	
Other (Excise)	3,812	3,704	(2.8)	
<b>Import Based Taxes</b>	<b>704,093</b>	<b>738,814</b>	<b>4.9</b>	
Import Duties	132,189	156,487	18.4	
VAT - Import	89,173	115,336	29.3	
NBT - Import	16,960	18,395	8.5	
PAL	58,644	88,823	51.5	
SCL	52,276	55,825	6.8	
Cess Levy	46,289	61,730	33.4	
Petroleum - Excise	45,092	55,719	23.6	
Motor Vehicles - Excise	263,470	186,499	(29.2)	
<b>Licence and Other</b>	<b>41,471</b>	<b>46,121</b>	<b>11.2</b>	
Telecommunications Levy	33,358	35,976	7.8	
Other	8,113	10,145	25.0	
<b>Total Tax Revenue</b>	<b>1,355,779</b>	<b>1,463,689</b>	<b>8.0</b>	

Source: Department of Fiscal Policy

## 5.2.1 Tax Revenue

### Income tax

The total revenue from income tax includes corporate and non-corporate income tax, PAYE tax, ESC and withholding tax on interest income. The revenue collected from income tax declined moderately by 1.4 percent to Rs. 258.8 billion in 2016 from Rs. 262.6 billion in 2015. Income tax revenue to GDP ratio declined to 2.2 percent in 2016 from 2.4 percent in 2015. This was mainly due to the one-off tax collection of Rs. 49.8 billion from the Super Gain Tax (SGT) in 2015.

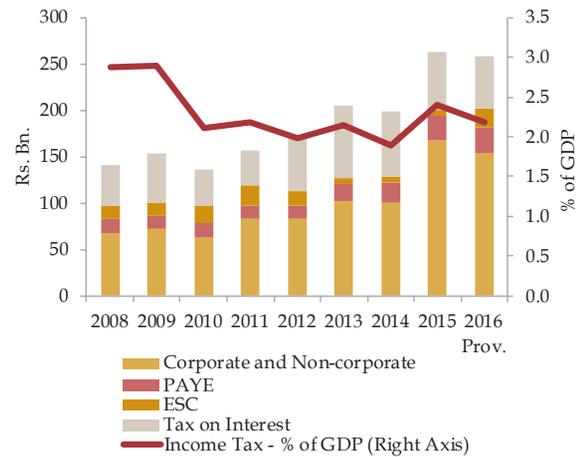
Table 5.5 | Performance of Income Tax

Item	2015	2016 (Provisional)	Growth %	Rs. Mn.
Income Tax	262,583*	258,857	-1.4	
Corporate & Non Corporate	167,325*	154,324	-7.8	
PAYE	26,206	28,169	7.5	
ESC	6,148	20,458	232.8	
Tax on Interest	62,904	55,906	-11.1	

Source: Department of Fiscal Policy

\* Including Super Gain Tax of Rs. 49.8 Bn.

Chart 5.3 | Performance of Income Tax



Revenue collected from corporate and non-corporate income tax dropped by 7.8 percent to Rs. 154.3 billion in 2016. Revenue from PAYE tax increased by 7.5 percent to Rs. 28.2 billion in 2016 from Rs. 26.2 billion in 2015 while revenue from ESC expanded significantly by 232.8 percent to Rs. 20.5 billion in 2016. This increase was mainly due to the increase of ESC rate to 0.50 percent from 0.25 percent coupled with the removal of the maximum tax liability of Rs. 120 million per year

and the exemption of profit-making businesses from ESC liability. However, withholding tax on interest income declined by 11.1 percent in 2016

due to the decline in the volume of issuance of Government Securities.

Table 5.6 | Value Added Tax Revenue

	Rs. Mn					
Item	2011	2012	2013	2014	2015	2016 (Provisional)
Domestic	111,245	112,214	124,658	140,413	131,662	168,817
Imports	120,961	120,539	126,538	136,221	89,174	115,339
<b>Gross Revenue</b>	<b>232,206</b>	<b>232,753</b>	<b>251,196</b>	<b>276,634</b>	<b>220,836</b>	<b>284,156</b>
Refunds	6,348	3,149	439	1,284	1,136	686
<b>Net Revenue</b>	<b>225,858</b>	<b>229,604</b>	<b>250,757</b>	<b>275,350</b>	<b>219,700</b>	<b>283,470</b>
<b>Net Revenue as a % of GDP</b>	<b>3.1</b>	<b>2.6</b>	<b>2.6</b>	<b>2.7</b>	<b>2.5</b>	<b>3.1</b>

Source : Department of Fiscal Policy

### Value Added Tax (VAT)

The total revenue collected from VAT increased by 29 percent to Rs. 283.5 billion in 2016 from Rs. 219.7 billion in 2015. VAT revenue as a share of total tax revenue expanded to 19.4 percent in 2016 from 16.2 percent in 2015. The increase of VAT revenue was due to the rise in tax revenue from domestic activities by 28.2 percent to Rs. 168.8 billion from Rs. 131.7 billion coupled with the increase in VAT revenue on imports by 29.3 percent to Rs. 115.3 billion in 2016 from Rs. 89.2 billion in 2015.

Policy measures taken to increase the VAT rate to 15 percent from 11 percent and the removal of the exemptions granted to sectors such as health services, telecommunication services and cigarette and tobacco products contributed to this increase. In addition, the improvement of VAT administration followed by the initiation of RAMIS helped increase the efficiency of VAT collection. Further, the increase in the value of imports by 2.5 percent in 2016 helped enhance the VAT revenue on imports.

### Excise Duty

The revenue generated from excise duty declined by 8.6 percent to Rs. 454.9 billion in 2016 from Rs. 497.6 billion in 2015. This was mainly due to the decline in excise duty collection from motor vehicle imports. However, revenue generated from excise duty remained as the largest single contributor, that is 31.1 percent to the total tax revenue.

The revenue from motor vehicle imports significantly declined by 29.2 percent to Rs. 186.5 billion in 2016 from Rs. 263.5 billion in 2015. This was mainly due to the declined motor vehicle imports by 28 percent (motor cars declined by 58.7 percent, passenger van, and buses by 40.7 percent, goods transport vehicles by 27.1 percent, three wheelers by 64.1 percent etc.) in 2016 stemming from the increased excise duty on motor vehicles during the reference period along with the Government policy towards discouraging the imports through the introduction of new valuation method and imposing a maximum loan to value ratio (LTV) on loans and advances. The unit tax rate applied to motor vehicles was revised to maintain its revenue buoyancy by minimizing revenue loopholes arising from the under-valuation while expanding its coverage for electric vehicles and motor bicycles in 2016. The use of zero-emission vehicles has been encouraged with the reduction of applicable excise duties. Further, the duty rates on lorries, vans, single cabs, doubles cabs, crew cabs, refrigerator trucks and garbage trucks were revised as a measure of correcting anomalies prevailed in the duty structure.

Meanwhile, the concessionary vehicle permit schemes for Government servants were reintroduced in 2016. The revenue forgone from excise duty under the scheme declined to Rs. 38.2 billion in 2016 from Rs. 40.0 billion in 2015. As an incentive for vehicle exporters, a duty concession has been granted for importing a vehicle under

Table 5.7 | Production and Excise Tax Collection from Liquor and Cigarettes

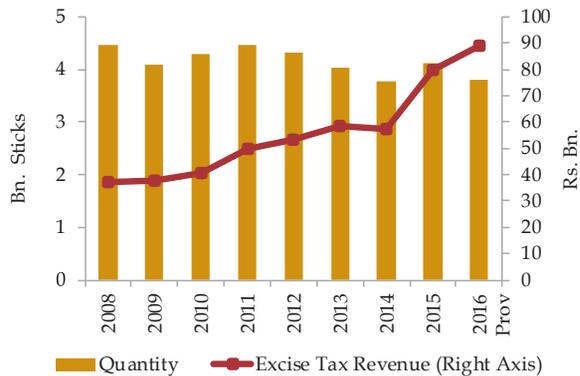
Year	Quantity Produced						Excise Tax Revenue			
	Hard Liquor (Liter Mn)	% Change	Malt Liquor (Liter Mn)	% Change	Cigarettes (Mn. Sticks)	% Change	Liquor (Rs.Bn)	% Change	Cigarettes (Rs. Bn)	% Change
2009	41.1	-10.3	55.5	-3.3	4,101	-8.2	28.1	2.9	37.6	0.8
2010	49.4	20.2	71.4	28.6	4,286	4.5	37.7	34.2	40.6	8.0
2011	53.8	8.9	87.5	22.5	4,469	4.3	55.8	48.0	49.6	22.2
2012	49.7	-7.6	99.3	13.5	4,320	-3.3	59.9	7.3	53.9	8.7
2013	44.2	-11.1	120.2	21.0	4,035	-6.6	66.0	10.2	58.6	8.7
2014	43.9	-0.6	124.5	3.6	3,777	-6.4	69.1	4.6	57.2	-2.3
2015	51.8	17.9	125.8	1.0	4,116	9.0	105.9	53.3	80.0	39.9
2016	55.6	7.3	52.2	(58.5)	3,789	-7.9	120.8	14.1	88.8	11.0

Sources: Department of Fiscal Policy, Department of Customs and Department of Excise

the specific conditions to encourage such vehicle export industries.

Moreover, the number of motor vehicle registrations declined by 26.2 percent to 493,328 in 2016 from 668,907 in 2015, the registration of motor cars declined by 57.2 percent, three-wheelers by 56.0 percent, buses by 35.1 percent and dual purpose vehicles by 31.9 percent.

Chart 5.4 | Cigarette Production and Excise Tax Revenue



Excise duty revenue from cigarette and tobacco increased by 11.0 percent to Rs. 88.8 billion in 2016 from Rs. 80.0 billion in 2015. This was mainly due to the upward revision of duty rates on cigarettes and tobacco products. However, the consumption of cigarettes declined by 7.9 percent in 2016 resulting from the Government policy on discouraging the consumption of cigarettes and tobacco and the strict enforcement of legislations such as National Alcohol and Tobacco Act.

Chart 5.5 | Liquor Production and Excise Tax Revenue



Table 5.8 | Excise Duty Revenue

Item	Rs. Mn					
	2011	2012	2013	2014	2015	2016 (Provisional)
Liquor	55,286	60,086	66,008	69,100	105,234	120,238
Cigarettes/Tobacco	49,623	53,563	58,567	57,240	80,015	88,792
Motor Vehicles	71,646	78,509	96,478	98,531	263,470	186,499
Petroleum Products	22,470	28,466	27,130	28,732	45,092	55,719
Other	5,798	3,336	2,516	3,087	3,812	3,704
<b>Total</b>	<b>204,821</b>	<b>223,960</b>	<b>250,700</b>	<b>256,690</b>	<b>497,623</b>	<b>454,952</b>

Source: Department of Fiscal Policy

Moreover, the excise revenue collected from liquor products increased by 14.3 percent to Rs. 120.2 billion in 2016 from Rs. 105.2 billion in 2015. This was due to the upward revision of excise

duty rates on both hard and malt liquor products at end 2015 despite the decline in production of malt liquor by 58.5 percent owing to the severe floods occurred during Mid-2016.

Table 5.9 | Motor Vehicle Imports

Item	No. of Motor Vehicles				% Change			
	2013	2014	2015	2016	2013	2014	2015	2016
Motor Bicycles	159,791	322,257	349,441	329,920	-14.3	101.7	8.4	-5.6
Three-Wheelers	80,586	83,233	132,865	47,724	-13.6	3.3	59.6	-64.1
Tractors	13,247	5,511	14,233	13,514	-30.2	-58.4	158.3	-5.1
Transport Vehicles	25,655	25,664	44,218	32,221	-43.7	0.0	72.3	-27.1
Passenger Van and Buses	1,627	3,906	4,687	2,781	-49.9	140.1	20.0	-40.7
Motor Cars	27,084	41,030	108,866	44,942	2.9	51.5	165.3	-58.7
Other	408	402	510	322	-6.2	-1.5	26.9	-36.9
<b>Total</b>	<b>308,398</b>	<b>482,003</b>	<b>654,820</b>	<b>471,424</b>	<b>-17.6</b>	<b>56.3</b>	<b>35.9</b>	<b>-28.0</b>

Source: Department of Customs

The excise duty revenue collected from petroleum products increased by 23.6 percent to Rs. 55.7 billion in 2016 from Rs. 45.1 billion in 2015. This was mainly due to the increase in excise duty on Gas oil/ Diesel to Rs 13/- per liter from Rs. 3/- per liter in August 2015 coupled with increased import volume of petroleum products by 12.0 percent in 2016.

### Import Duty and Special Commodity Levy (SCL)

Revenue collected from import duty increased by 18.4 percent to Rs. 156.5 billion in 2016 from Rs. 132.2 billion in 2015. This increase was mainly supported by the upward revision of import duty rates on certain items and simplification of tariff band structure in 2016. However, the import duty exempted items such as fertilizer, pharmaceutical manufacturing items and machinery and equipment used for supply and

distribution of electricity and exempted items under the investment agreements adversely affected to the performance of the revenue generated from import duty.

Meanwhile, the revenue from SCL increased by 6.8 percent to Rs. 55.8 billion in 2016 from Rs. 52.3 billion in 2015. This increase was mainly attributable to the increasing number of products coming under the SCL and upward revisions of the SCL rates to encourage domestic production of potatoes, big onions, onions, green gram, and sugar etc.

Table 5.10 | Special Commodity Levy Rates

Item	Rate (Rs. Per kg)	
	End 2015	End 2016
Sprats	11	11
Potatoes	15	40
Red Onions	5	25
B Onions	5	40
Garlic	40	40
Green Gram	10	40
Lentils - Whole	0.25	5
Split	0.25	10
Chilies - Not Crushed	25	25
Crushed	125	125
Canned fish	50	50
Sugar - White	30	13
Row/Brown		15
Watana - Whole	15	15
Split	18	18
Chick Peas - Whole	7	7
Split	10	10
Black Gram	60	60
Cowpea	70	70
Maldive Fish	102	102
Dried Fish	102	102
Orange-Fresh	65	65
Grapes - Fresh	130	130
Apples - Fresh	45	45
Seeds of Coriander - Neither Crushed nor Ground	26	26
Seeds of Coriander - Crushed or Ground	52	52
Seeds of Cumin	162	162
Seeds of Fennel	52	162
Turmeric - Neither Crushed nor Ground	102	102
Turmeric - Other	360	360
Mathe - Seed	50	50
Kurakkan	70	70
Millet/other	70	70
Kurakkan Flour	150	150
Black Gram Flour	200	200
Ground Nut - Shelled	112	112
Mustard Seeds	62	62
Palm oil / Veg.oil - Crude	110	150
Palm olen		155
Refine	130	170
Other Veg.oil Refine (RBD Palm oil)		175
Palm kernel -Crude	130	170
Palm kernel -Refine	145	185
Fish	10% of the CIF value or Rs. 10 per kg., whichever is higher	10% of the CIF value or Rs. 75 per kg., whichever is higher
Mackerel	6	6
Yoghurt	625	625
Butter	880	880
Margarine(Fat 80% or more)	175	215
Margarine (Other)	275	315
Salt	40	40
Dates	60	60
Dried Grapes	-	230
Mangoesteens	-	200
Dried Orange	-	200
Pears	-	175
Cherries	-	250
Plums and sloes	-	200
Kiwifruit	-	175
Pomegranate (other)	-	200
Maize	10	10

Sources :Department of Trade and Investment Policy

## Nation Building Tax (NBT)

Revenue collected from NBT significantly increased by 27.6 percent to Rs. 57.4 billion in 2016 from Rs. 45.0 billion in 2015. This increase was mainly due to the improvements in domestic and import related activities in 2016. The revenue collected from NBT on domestic activities significantly increased by 39.2 percent to Rs. 39.0 billion while the revenue from NBT on imports increased by 8.5 percent to Rs. 18.4 billion in 2016. Furthermore, there was an impact on the revenue with the policy measures taken in the latter part of 2016 to reduce the threshold for the registration from Rs. 3.75 million per quarter to Rs. 3 million per quarter and the removal of threshold applicable to hotel, guest house, restaurant, the processing of any locally procured agricultural produce in the preparation for sale, educational services and supply of labour (manpower) only for processing of any locally procured agricultural produce in the preparation for sale to Rs. 25 million per quarter. Meanwhile, Rs. 28.7 billion of revenue collected from NBT was transferred to Provincial Councils (PCs) under the revenue sharing mechanism.

Table 5.11 | Transfer of NBT Revenue to Provincial Councils - 2016

Provincial Council	Revenue (Rs. Mn)	% of the Total
Western Province	13,782	48
Central Province	2,584	9
Southern Province	2,584	9
North Western Province	2,584	9
Sabaragamuwa Province	1,436	5
North Central Province	1,436	5
Uva Province	1,436	5
Eastern Province	1,436	5
Northern Province	1,436	5
<b>Total</b>	<b>28,712</b>	<b>100</b>

Source: Department of Fiscal Policy

## Ports and Airports Development Levy (PAL)

Revenue collected from PAL significantly increased by 51.5 percent to Rs. 88.8 billion in 2016 from Rs. 58.6 billion in 2015. This surge

was mainly due to the increase in the PAL rate to 7.5 percent from 5.0 percent with effect from 1st January 2016. Although the standard rate of 7.5 percent applied to import of general goods, certain items such as plant and machinery used for construction, dairy, agricultural industries and machinery, the raw material used for pharmaceuticals industry were granted concessionary rate of 2.5 percent.

## Cess Levy

The total Cess revenue increased by 33.4 percent to Rs. 61.7 billion and accounted 4.2 percent of total tax revenue in 2016. The revenue from Cess on imports increased by 35.5 percent to Rs. 59.0 billion in 2016 which was mainly collected from cement, tiles, printed or colored woven fabrics, un-denatured ethyl alcohol, new pneumatic tyres and lubricants. However, the Cess revenue from exports declined marginally by 1.5 percent to Rs. 2.7 billion in 2016 due to the plunge in world demand for tea, rubber and mineral sectors. Meanwhile, the applicable Cess rates on imported meat such as beef, turkey, and sheep revised during the year 2016. In addition, the applicable Cess rates for export of raw rubber was reduced in order to encourage exporters of such products. Meanwhile, the revenue from Telecommunications Levy increased by 7.8 percent to Rs. 36.0 billion in 2016 from Rs. 33.4 billion in 2015 due to the enhanced telecommunication activities.

## 5.2.2 Non-tax Revenue

The total non-tax revenue, which accounted for 13.2 percent of the total revenue, increased by 124.4 percent to Rs. 222.4 billion in 2016 from Rs. 99.1 billion in 2015. This increase was mainly due to the increased profits and dividends transfers by SOBEs. The revenue from profits and dividends transfers by SOBEs such as Sri Lanka Insurance Corporation Limited, Telecommunication Regulatory Commission, Petroleum Corporation and the AirPort and Aviation Services (SL) Ltd. etc., increased by 263.0 percent to Rs. 108.2 billion in 2016 from Rs. 29.8 billion in 2015.

Table 5.12 | Cess Revenue from International Trade and Government Subsidy for Agriculture Sector Development : 2014-2016

Rs. Mn

Description	Cess Revenue			Description	Subsidy Cost		
	2014	2015	2016(a)		2014	2015	2016(a)
<b>Cess on Exports</b>	<b>3,085</b>	<b>2,713</b>	<b>2,672</b>	<b>Commercial Crop Development</b>			
Tea-under Tea (Tax and Control of Export) Act, Sri Lanka Tea Board Law	700	640	587	Tea	331	7,292	549
Rubber-under Rubber Replanting Subsidy Act	33	12	10	Rubber	763	2,871	713
Coconut-under Coconut Development Act	121	127	141	Coconut	485	471	709
EDB Cess- under Sri Lanka Export Development Act	2,230	1,934	1,832	Cashew	40	35	40
<b>Cess on Imports</b>				Minor Export Crops (Cinnamon, Cocoa, Coffee, Pepper)	254	360	380
Imports- under Sri Lanka Export Development Act	35,622	43,576	59,058	Fertilizer Subsidy for Total Agriculture Sector Development	31,858	49,571	27,771
<b>Total</b>	<b>38,707</b>	<b>46,289</b>	<b>61,730</b>	<b>Total</b>	<b>33,731</b>	<b>60,600</b>	<b>30,162</b>

Source: Department of Customs and Department of National Budget  
(a) Provisional

Table 5.13 | Non-tax Revenue

Rs. Mn.

Item	2011	2012	2013	2014	2015	2016 (Provisional)	2015/2016 (% change)	2016 (% of Total Non Tax Revenue)
Interest/Rent	13,426	11,686	11,995	13,647	7,321	15,806	115.9	7.1
Profits and Dividends	34,351	46,761	35,169	46,814	29,798	108,160	263.0	48.6
Sales and Charges	37,292	26,019	40,721	35,499	44,632	72,606	62.7	32.7
Social Security Contribution	12,628	11,738	15,145	14,919	15,213	18,046	18.6	8.1
Central Bank Profit Transfers	22,000	43,000	26,350	11,500	-	5,000	-	2.2
Other	2,468	3,343	2,173	22,466	2,135	2,754	29.0	1.2
<b>Total</b>	<b>122,165</b>	<b>142,547</b>	<b>131,552</b>	<b>144,845</b>	<b>99,099</b>	<b>222,372</b>	<b>124.4</b>	<b>100.0</b>

Sources : Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

The revenue from rent significantly increased by 115.9 percent to Rs. 15.8 billion in 2016 from Rs. 7.3 billion in 2015 due to the efficient management of public assets. Social Security Contributions increased by 18.6 percent to Rs. 18.0 billion reflecting the increase in public sector salaries.

Policy measures taken by the Government to increase embarkation levy to USD 30 per ship and air passengers coupled with increased passport and visa fees helped increase revenue from sales and charges.

Table 5.14 | Variance Analysis of Government Revenue

				Rs. Bn.
Item	2015	2016 Est.	2016	Reason
Income Tax	262.6	236.0	258.8	In 2015, Income tax revenue contained Rs. 49.8 billion of Super Gain Tax which was an one off Levy. When exclude the Super Gain Tax revenue, income tax revenue for 2016 recorded 21.7 percent growth compared to 2015. This increase of revenue is mainly due to the implementation of RAMIS in IRD. The revenue from ESC is also showed a substantial increase due to expansion of tax base by removing exemption on profit making companies and the increase in the ESC tax rate from 0.25 percent to 0.5 percent.
VAT	219.7	315.0	283.5	The significant increase in VAT revenue recorded in 2016 was mainly due to the effective implementation of RAMIS in IRD. This was further supported by the policy measures taken by government to increase the VAT rate to 15 percent from 11 percent, threshold reduction to Rs. 12 million per annum from Rs. 15 million per annum and the removal of the exemptions on health services, telecommunication services and cigarette and tobacco products.
Excise Tax	497.6	444.0	454.9	Excise duty revenue decreased by 8.6 percent compared to 2015 mainly due to a decline in the excise tax revenue from motor vehicles by 29.2%. However, during the period excise duty revenue from liquor, cigarettes and petroleum products increased by the 14.3%, by 11.0% and by 23.6% respectively in the corresponding period. Further, duty rate revision and volume increase contributed to this revenue enhance.
Import Duty	132.2	135.0	156.5	This growth was mainly supported by the upward revision of import duty and simplification of tariff band structure in the review period of 2016 and the increased in consumer goods importation during the year.
Port and Airport Development Levy (PAL)	58.6	92.0	88.8	Policy measures has taken to increase the standard rate of PAL from 5% to 7.5% and restriction of concessionary rate of 2.5 for certain selected items with effect from 01.01.2016, contributed for this revenue increase.
Nation Building Tax (NBT)	45.0	54.0	57.4	Broadening NBT tax base by reducing the threshold from Rs 3.75 million to Rs. 3.0 million for quarter and the removal the threshold of Rs.25 million per quarter applicable to hotel, guest house, restaurant, etc contributed to this revenue increase. This was further supported by the improvements in domestic and import related taxable activities during the year.
Other Taxes	140.1	156.0	163.8	Increased in number of items coming under the Special Commodity Levy (SCL) and the rate revision of the SCL coupled with the increase of Cess rate on textiles and footwear helped to increase the revenue. In addition, the rate increase of International Telecommunication Levy to USD 12 cents per minute from USD 9 cents per minute is contributed in revenue increase.
Non Tax Revenue	99.1	144.0	222.4	The increase in payment of profits and dividends by State Owned Business Enterprises and increased collection of Social Security Contribution from public sector employees due to basic salary increase were positively contributed for this revenue increase. Policy measures were taken by government to increase embarkation levy to USD 30 per ship and air passengers coupled with increased passport and visa fees are also helped to increase revenue from sales and charges.
<b>Total</b>	<b>1,454.9</b>	<b>1,576.0</b>	<b>1,686.3</b>	

Source : Department of Fiscal Policy

## Box 5.1 | Major Fiscal Measures: January 2016 – April 2017

Effective Date	Measures
<b>Excise (Special Provisions) Duty</b>	
12.01.2016	The concession on duty rates specified in the Extraordinary Gazette No. 1903/39 dated 26.02.2015 was granted for the vehicles imported for personal use and Letter of Credit (LC) opened on or before 20.11.2015.
29.04.2016	Excise duty concessions with certain conditions were granted for the vehicles imported on a concessionary permit by a member of Parliament, a Sri Lanka diplomatic officer who serves in missions abroad and a member of Provincial Council.
02.05.2016	Tax exemptions were granted for importing vehicles for the members of the 8th Parliament.
16.05.2016	Tax exemptions were granted for the articles/vehicles imported for the official use of the President or the Prime Minister of Sri Lanka.
19.05.2016	Excise duty concessions were granted for the vehicles imported on a concessionary permit for those who rendered distinguished service to the country or awarded to such persons under certain conditions.
27.05.2016	Excise duty on motor vehicles was revised based on unit rates of the motor vehicles and excise duty on electric vehicles was introduced based on kilowatt of the motor power of the engine.
19.08.2016	Excise duty concessions were granted to purchase a locally manufactured or imported motor vehicle on a concessionary permit issued for the public officers.
20.08.2016	Excise duty rate on gas oil/diesel was increased to Rs. 13 per litre from Rs. 3 per litre.
04.10.2016	Excise duty on the cigarette was revised.
11.11.2016	Excise duty rates on motor vehicles were revised and unit rate based excise duty on the motorcycle were introduced. In addition, excise duty on canned beer was imposed.
11.11.2016	Tax exemption was granted for vehicles imported for the Governor of a Provincial Council.
07.12.2016	Excise duty on vehicles with chassis fitted with engines and cabs less than four years old was imposed.
<b>Excise (Ordinance) Duty</b>	
01.01.2016	Restrictions on retail sale and transportation of foreign liquor were imposed.
01.01.2016	Excise duty rate on bottled toddy was increased.
01.04.2016	Excise duty on ethyl alcohol was revised.
01.09.2016	Excise duty on imported foreign liquor was imposed as follows: - Malt liquor                      Rs. 50 per bulk liter - Foreign wine                      Rs. 100 per bulk liter - Other foreign liquor              Rs. 200 per bulk liter
04.10.2016	Excise duty specified in the Extra Ordinary Gazette No. 1981/87 dated 26.08.2016 was exempted on foreign liquor imported for the purpose of re-exports or sell at the duty-free shops.
01.01.2017	The allowance for the loss of ethanol by evaporation and leakage in storage and transportation was reduced.
01.01.2017	Annual liquor license fees were revised.
01.01.2017	Excise duty on bottled toddy was increased to Rs. 50 per litre from Rs. 30 per litre.
01.01.2017	A license fee of Rs. 100,000 for arrack licenses which issued together with a foreign liquor license and Rs. 50,000 for the sale of bottled toddy were imposed.
<b>Stamp Duty</b>	
01.01.2016	Stamp duty on foreign purchases using credit cards was increased to 2.5 percent.
01.01.2016	- Stamp duty on local purchasing using credit cards was removed. - Stamp duty on issuing share certificates was removed.
<b>Ports and Airports Development Levy (PAL)</b>	
01.01.2016	- The PAL rate was increased to 7.5 percent from 5 percent. - Concessionary rate of 2.5 percent was extended to electronic and electrical items. - Selected machinery and equipment used for agriculture, dairy and construction industry were exempted from PAL.
11.11.2016	- Printed books, magazines, journals and periodicals other than news papers were exempted from PAL. - Concessionary rate of 2.5 percent was extended to the raw material used for pharmaceutical industry.
<b>Cess Levy</b>	
15.06.2016	Cess rate on the export of raw rubber was revised to Rs. 4 per Kg from Rs. 15 per Kg.
15.06.2016	Cess rates on the import of beef, turkey, and sheep were revised to 15 percent or Rs. 100 per Kg from 30 percent or Rs. 225 per Kg.
29.06.2016	Cess rates on the import of aerated beverages were revised.
13.07.2016	Cess rate on import of beedi leaves was revised.
24.08.2016	Cess rates on the import of aerated beverages were revised.

Effective Date	Measures
12.11.2016	Cess rates on the import of identified hundred items including prefabricated buildings, lard, cane molasses, sunflower seeds, defatted coconuts etc., were removed.
	<b>Economic Service Charge (ESC)</b>
01.04.2016	<ul style="list-style-type: none"> <li>- The ESC rate was increased to 0.5 percent from 0.25 percent.</li> <li>- The existing maximum liability of Rs. 120 Mn. per year was removed.</li> <li>- The existing exclusion of profit making business was removed.</li> <li>- The carry forward period of ESC credit was reduced to 3 years from 5 years.</li> <li>- ESC was imposed at the point of importation on SCL liable goods.</li> </ul>
24.11.2016	- ESC was imposed at the point of importation of gold and other precious metals.
01.04.2017	<ul style="list-style-type: none"> <li>- ESC was imposed at the point of importation of vehicles.</li> <li>- ESC threshold was reduced to Rs. 12.5 Mn. per quarter from Rs. 50 Mn. per quarter.</li> </ul>
	<b>Value Added Tax (VAT)</b>
Period of 02.05.2016 -11.07.2016 and 01.11.2016 onwards	<ul style="list-style-type: none"> <li>- The VAT rate was increased to 15 percent from 11 percent.</li> <li>- The VAT registration threshold was reduced to Rs. 12 Mn. per annum from Rs. 15 Mn. per annum.</li> <li>- The threshold for VAT liability for wholesale and retail trade was reduced to Rs. 12.5 Mn. per quarter.</li> <li>- The certain supplies such as the supply of telecommunication services, import or supply of telecom equipment or machinery, high tech equipment including copper cables for the telecom industry, the issue of licenses to local telecom operators by TRC, and supply of goods or services to any specified project other than housing project were made liable for VAT.</li> <li>- Imported milk powder and locally produced milk powder containing added sugar or sweetening matters were made liable for VAT.</li> <li>- Liquor, cigarettes, coal, perfumes, electrical and electronic goods and telecommunication equipment were made liable for VAT.</li> <li>- The cost of any health care services other than fees paid to medical practitioners, medical consultation fees, channeling fees and hospital room charges was excluded from VAT.</li> </ul>
10.11.2016	The specified items imported under the Standard Power Purchase Agreement with CEB (hydro, wind and Dendro only) was shortlisted.
11.11.2016	<ul style="list-style-type: none"> <li>The following items were exempted from the VAT;                             <ul style="list-style-type: none"> <li>- Plant, machinery, and accessories imported for renewable energy</li> <li>- Magazines, journals or periodicals other than newspapers</li> <li>- Medical machinery and medical equipment</li> <li>- Certain electrical goods</li> </ul> </li> </ul>
	<b>Nation Building Tax (NBT)</b>
Period of 02.05.2016 -11.07.2016 and 01.11.2016 onwards	<ul style="list-style-type: none"> <li>- NBT registration threshold was reduced to Rs. 3 Mn. per quarter from Rs. 3.75 Mn. per quarter.</li> <li>- The NBT exemptions applicable to telecommunication services, the supply of electricity, lubricants, the supply of goods or services to a specified project other than any housing project were removed.</li> </ul>
11.11.2016	NBT on printed books, magazines, journals or periodicals other than newspapers, solar panel modules and accessories were exempted.
	<b>Customs Import Duty</b>
01.02.2016	Import duty on rice was increased to Rs. 50 per Kg from Rs. 35 per Kg.
17.06.2016	H.S National Sub-Division was created for palm olein.
13.08.2016	Import duty on PP bags was revised to Rs. 15 per Kg.
25.08.2016	Import duty on ethyl alcohol was increased to Rs. 500 per liter from Rs. 400 per liter.
15.09.2016	Import duty on wheat grain was increased to Rs. 12 per Kg from Rs. 10 per Kg.
11.11.2016	<ul style="list-style-type: none"> <li>- Import duty on ethanol was increased to Rs. 800 per liter from Rs. 500 per liter.</li> <li>- 96 tariff lines of import duty were adjusted according to the bound rate commitment to the World Trade Organization (WTO).</li> <li>- A new H.S National Sub Divisions was created for selected commodities as requested by the business community.</li> <li>- Import duty on industrial raw materials was reduced.</li> </ul>
03.12.2016	<ul style="list-style-type: none"> <li>- Import duty on lubricants was reduced to 15 percent from 30 percent.</li> <li>- Import duty on steel billets was increased to Rs. 8 per Kg.</li> </ul>
07.01.2017	New HS National Sub Divisions was introduced for rice varieties.
	<b>Customs Valuation and Others</b>
01.03.2016 26.05.2016 14.06.2016	The method of Customs valuation of motor vehicles was revised.
19.05.2016 20.07.2016 29.09.2016	The value of motor vehicle imported and registered on 100 percent duty-free basis was depreciated for disposal purpose.

Effective Date	Measures
23.08.2016	A method for determination of Customs value on disposal of machinery and equipment imported on re-export basis was introduced.
11.11.2016 23.11.2016	A method for determination of cost of freight was introduced for Customs valuation purpose.
<b>Special Commodity Levy (SCL)</b>	
21.01.2016	The validity period of SCL on 8 items including Maldives fish, sprats, green gram, black gram, chillies, turmeric etc. was extended for a period of six months.
29.01.2016	The validity periods of SCL on maize and vegetable fats were extended for one month and three months, respectively.
01.03.2016	SCL on following items was revised: - Potatoes to Rs. 35 per Kg from Rs. 15 per Kg - B' Onions to Rs. 25 per Kg from Rs. 5 per Kg
08.03.2016	The validity period of SCL on 8 items including mackerel fish, peas, chickpeas, cowpeas, kurakkan, margarine, sugar etc. was extended for a period of six months.
02.04.2016	The validity period of SCL on 15 items including dried fish, yogurt, butter, red onions, oranges, grapes, apple etc. was extended for a period of six months.
13.05.2016	SCL on vegetable oil and margarine was increased by Rs. 20 per Kg
21.05.2016	- SCL on red onion was increased to Rs. 25 per Kg from Rs. 5 per Kg and SCL on fennel seeds was increased to Rs. 162 per Kg from Rs. 52 per Kg. - The validity period of SCL on fish, lentils, dates and cumin was extended for a period of six months.
17.06.2016	SCL on vegetable oil and margarine was increased by Rs. 20 per Kg.
01.07.2016	- SCL on maize was re-imposed at the rate of 10 percent. - The validity period of SCL on potatoes and B' Onions was extended for a period of three months.
19.07.2016	- SCL on sugar was reduced to Rs. 0.25 per Kg from Rs. 30 per Kg for a period of six months. - The validity period of SCL on 8 items including Maldives fish, sprats, green gram, black gram, chillies, coriander, turmeric etc. was extended for a period of six months.
20.08.2016	SCL on B' Onions was increased to Rs. 40 per Kg from Rs. 25 per Kg. for a period of six months.
25.08.2016	SCL on potatoes was increased to Rs. 40 per Kg from Rs. 35 per Kg for a period of six months.
08.09.2016	The validity period of SCL on mackerel fish, peas, chickpeas, cowpeas, and kurakkan was extended for a period of six months.
16.09.2016	SCL on sugar was revised for a period of six months: - Raw/ Brown sugar to Rs. 15 per Kg from Rs. 0.25 per Kg - White sugar to Rs. 2 per Kg from Rs. 0.25 per Kg
30.09.2016	SCL on following items was revised: - Whole lentils to Rs. 5 per Kg from Rs. 0.25 per Kg - Spilt lentils to Rs. 10 per Kg from Rs. 0.25 per Kg
02.10.2016	The validity period of SCL on 12 items including dried fish, yogurt, butter, garlic, orange, grapes, apples, kurakkan, groundnuts, mustard seeds, salt etc. was extended for a period of six months.
08.11.2016	- SCL on fish was increased to 10 percent or Rs. 75 per Kg from 10 percent or Rs. 50 per Kg. - SCL on green gram was increased to Rs. 40 per Kg from Rs. 10 per Kg. - SCL on six fruit items including mangosteen, pears, dried orange, plums etc. was imposed.
11.11.2016	SCL on white sugar was increased to Rs. 7 per Kg from Rs. 2 per Kg.
21.11.2016	The validity period of SCL on red onions, dates, cumin and fennel was extended for a period of six months.
10.12.2016	- SCL on vegetable oil was increased by 20 per Kg.
20.12.2016	SCL on imported maize was re-imposed at a rate of Rs. 10 per Kg and increased SCL on white sugar to Rs. 13 per Kg. from Rs. 7 per Kg.
07.01.2017	SCL on imported semi- milled or wholly milled raw rice (kakulu), Nadu (rice red or white) and Samba rice (red or white) was imposed at a rate of Rs. 15 per Kg.
19.01.2017	- The validity period of SCL on 8 items including Maldivian fish, dried sprats, black gram, chillies, turmeric, etc was extended for a period of six months. - SCL on vegetable oils was decreased by Rs. 20 per Kg for a period of six months.
28.01.2017	SCL duty waiver on imported semi- milled or wholly milled raw rice (kakulu), Nadu rice (red or white) and Samba rice (red or white) was granted by Rs. 10 per Kg for a period of 30 days.
17.02.2017	- The validity period of SCL on potatoes and B' Onions was extended for a period of six months. - SCL on red and yellow lentils was increased as follows; - Whole lentils to Rs. 10 per Kg from Rs. 5 per Kg - Spilt lentils to Rs. 15 per Kg. from Rs. 10 per Kg
24.02.2017	SCL on vegetable oils was reduced by Rs. 20 per Kg for a period of six months.
27.02.2017	The validity period of SCL duty waiver on imported semi- milled or wholly milled row (kakulu), Nadu rice (red or white) and Samba rice (red or white) was extended for a period of 30 days.

Effective Date	Measures		
08.03.2017	The validity period of SCL on 6 items including mackerel, peas, chickpeas, Kurakkan, sugar other than white sugar etc. was extended for a period of six months.		
<b>Taxes introduced under the Finance Act</b>			
01.01.2016	The rate on International Telecommunication Operator's Levy (ITOL) was increased to USD 12 Cents from USD 09 Cents.		
01.01.2016	Embarkation Levy rate was increased to USD 30 for both ship and air passengers.		
01.01.2016	Construction Industry Guarantee Fund Levy was removed.		
01.01.2016	Vehicle Entitlement Levy was introduced in lieu of Motor Vehicle Importers License Fee.		
01.01.2016	Share Transaction Levy was removed.		
01.04.2016	Share Transaction Levy was re-imposed at the rate of 0.3 percent.		
01.01.2017	Embarkation Levy rate was increased to USD 50 for both ship and air passengers.		
<b>Other Levies and Charges</b>			
01.01.2016	The tax imposed on the leasing of land to foreigners was removed.		
01.01.2016	- Fees for passport and dual citizenship were increased as follows;		
		Previous (Rs.)	New (Rs.)
	Passports fee one day service	7500	10,000
		3,500	5,000
	Passports fee Normal service	2,500	3,000
		1,500	2,000
	Dual citizenship fee	250,000	300,000
	- SAARC visa fee was increased to USD 20 from USD 10.		
<b>Administrative Changes</b>			
29.11.2016	The domestic Gas price was reduced by Rs. 25 to Rs. 1,321 for a 12.5 Kg cylinder.		
14.07.2016	The maximum retail prices on selected consumer goods were imposed.		
09.01.2017	The retail price of Kerosene was reduced by Rs. 5 to Rs. 44 Per liter.		
27.01.2017	The maximum retail prices on selected consumer goods were imposed.		
08.02.2017	The maximum retail prices on rice were imposed.		
17.02.2017	The maximum retail prices on locally produced and imported rice were imposed.		

### 5.3 Government Expenditure

The total Government expenditure and net lending to GDP ratio declined by 1.2 percentage points to 19.7 percent in 2016 compared to 20.9 percent in 2015 mainly due to the decline in both recurrent expenditure and capital expenditure and net lending relative to GDP. The recurrent expenditure declined to 14.8 percent of GDP in 2016 from 15.5 percent in 2015 due to the decline in non-interest expenditure. Meanwhile, capital expenditure and net lending as a percentage of GDP declined to 4.9 percent in 2016 from 5.4 percent in 2015. However, in nominal terms, the total Government expenditure expanded by 1.9 percent to Rs. 2,333.9 billion in 2016 from Rs. 2,290.4 billion in 2015.

#### Recurrent Expenditure

The total recurrent expenditure, in nominal terms, was Rs. 1,757.8 billion, a 3.3 percent increase, compared to Rs. 1,701.7 billion recorded in 2015 reflecting the overall increase in both interest and

non-interest expenditure. Expenditure on salaries and wages as a percentage of GDP declined by 0.3 percentage points to 4.8 percent of GDP from 5.1 percent in 2015 while interest payments increased to 5.2 percent of GDP in 2016 from 4.8 percent in 2015. Expenditure on subsidies and transfers declined to 3.6 percent of GDP in 2016 from 3.9 percent in 2015. Expenditure on goods and services declined by 0.4 percentage points to 1.3 percent of GDP in 2016 from 1.7 percent of GDP in 2015.

Chart 5.6 | Composition of Recurrent Expenditure - 2016

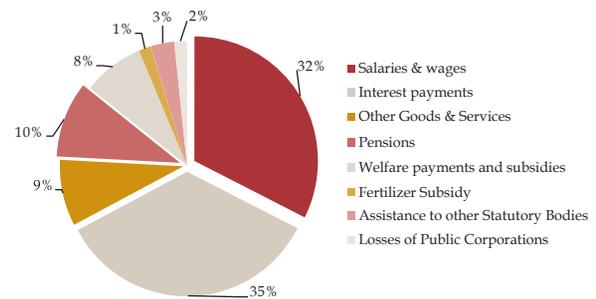


Table 5.15 | Recurrent Expenditure of the Government

Item	Rs. Mn.					
	2011	2012	2013	2014	2015	2016 (a)
<b>Total Recurrent Expenditure</b>	<b>1,024,906</b>	<b>1,131,021</b>	<b>1,205,181</b>	<b>1,324,854</b>	<b>1,701,657</b>	<b>1,757,782</b>
Salaries & Wages	319,601	347,747	393,229	440,982	561,730	570,761
Goods & Service	132,004	140,086	119,396	162,652	184,281	151,293
Interest Payments	356,699	408,498	444,007	436,395	527,227	610,895
Foreign	68,565	90,839	100,985	69,930	77,174	101,076
Domestic	288,134	317,659	343,022	366,465	450,053	509,819
Pensions	99,961	111,682	123,293	127,049	156,577	173,152
Operational Losses of Public Corporations	12,999	11,817	13,854	21,387	27,927	29,120
Operational Support to Statutory Bodies	32,164	34,979	39,407	46,577	46,008	54,364
Fertilizer Subsidy	29,802	36,456	19,706	31,858	49,571	27,771
Welfare Payments and Subsidies	41,676	39,756	52,289	57,954	148,336	140,426
<b>As a % of GDP</b>						
<b>Total Recurrent Expenditure</b>	<b>14.2</b>	<b>13.0</b>	<b>12.6</b>	<b>12.8</b>	<b>15.5</b>	<b>14.8</b>
o/w Salaries & Wages	4.4	4.0	4.1	4.3	5.1	4.8
Goods & Service	1.8	1.6	1.2	1.6	1.7	1.3
Interest Payments	4.9	4.7	4.6	4.2	4.8	5.2
Pensions	1.4	1.3	1.3	1.2	1.4	1.5
Losses of Enterprises	0.2	0.1	0.1	0.2	0.3	0.2
Assistance to Other Statutory Bodies	0.4	0.4	0.4	0.4	0.4	0.5

Sources: Department of State Accounts and Department of National Budget  
(a) Provisional

## Personal Emoluments and Pension

The expenditure on salaries and allowances for the Government sector employees including those who are in the Provincial Councils (PCs) and national security increased by 1.6 percent to Rs. 570.8 billion in 2016 from Rs. 561.7 billion in 2015. This moderate growth was mainly due to the increased overtime and other allowances with the implementation of new salary structure

with effect from 01st January 2016. It was a 32.5 percent of total recurrent expenditure and was the second large item in the recurrent expenditure.

The total pension payments increased to Rs. 173.2 billion in 2016 from Rs. 156.6 billion in 2015. This increase was mainly due to the increased pensioners coupled with the increment of basic salaries of public sector employees.

Table 5.16 | Salaries and Allowances of the Government

Sector	Rs. Mn.					
	2011	2012	2013	2014	2015	2016(a)
Central Government	83,072	95,965	113,223	133,584	172,491	184,856
Provincial Councils	90,818	88,217	105,035	121,789	150,796	143,740
Defence	112,703	126,950	134,295	141,138	176,810	180,829
Police and Public Security	33,008	36,615	40,677	44,471	61,633	61,336
<b>Total</b>	<b>319,601</b>	<b>347,747</b>	<b>393,230</b>	<b>440,982</b>	<b>561,730</b>	<b>570,761</b>

Sources: Department of State Accounts and Department of National Budget

(a) Provisional

## Interest payments

Interest payments on domestic and foreign debt accounted to Rs. 610.9 billion in 2016, an increase of 15.9 percent, from Rs. 527.2 billion in 2015. Interest payments amounted to 34.8 percent of total recurrent expenditure. Domestic interest payments increased by 13.3 percent to Rs. 509.8 billion in 2016 while foreign interest payments increased by 31.0 percent to Rs. 101.1 billion as

most of the loans have started to service after their grace period.

## Welfare Expenditure

Expenditure on Samurdhi programme enhanced moderately by 1.9 percent to Rs. 40.7 billion in 2016 from Rs. 40.0 billion in 2015. The expenditure on social welfare amounted to Rs. 256.5 billion in 2016, an increase of 10.5 percent from Rs. 232.3

Table 5.17 | Behaviour of Yield Rates

Period	Treasury Bills (%)			Treasury Bonds (%)			
	91 days	182 days	364 days	2 year	3 year	4 year	5 year
2014 Sep	6.15	6.23	5.89	-	-	-	-
2014 Dec	5.74	5.84	6.01	-	-	-	-
Change (Basis Point)	-180.00	-201.00	-228.00	-	-	-	-
2015 Mar	6.55	6.68	6.76	-	8.70	-	9.07
2015 Jun	6.11	6.21	6.28	6.70	7.18	8.15	8.16
2015 Sep	6.78	7.07	7.18	-	8.18	9.50	9.58
2015 Dec	6.45	6.83	7.30	-	-	8.91	9.79
Change (Basis Point)	71.0	99.0	129.0	-	-	-	86.0
2016 Mar	8.90	9.76	10.64	11.75	11.75	12.78	13.00
2016 Jun	8.88	9.86	10.55	11.42	11.58	11.93	11.89
2016 Sep	8.55	9.39	10.11	11.04	11.62	10.61	11.76
2016 Dec	8.72	9.63	10.17	-	-	11.94	-
Change (Basis Point)	227.00	280.00	287.00	434.00	344.00	303.00	197.00
2017 Mar	9.63	10.62	10.98	12.30	-	-	12.89

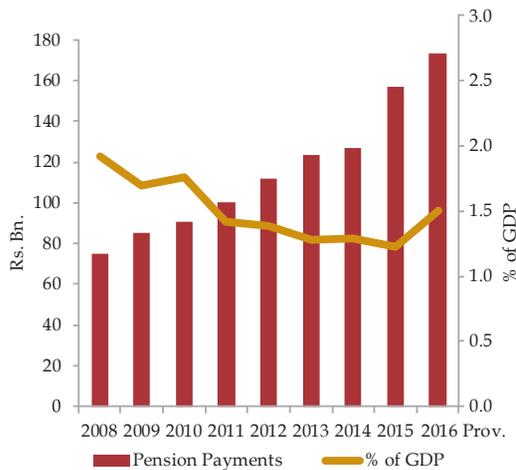
Sources: Department of Treasury Operations and Department of Public Debt

billion in 2015. The expenditure on pension increased by 10.6 percent, the social security for differently-abled soldiers increased by 13.9 percent, financial support for elders increased by 12.7 percent.

The expenditure on health and nutrition increased by 21.9 percent to Rs. 50.1 billion in 2016 from Rs. 41.1 billion in 2015. The expenditure on medical supplies for Government hospitals increased by 20.0 percent and Poshana Malla increased by 137.2 percent. Meanwhile, the expenditure on education increased by 13.5 percent to Rs. 15.1 billion in 2016 from Rs. 13.3 billion in 2015. The expenditure on school textbooks increased by 39.0 percent in 2016.

Expenditure on fertilizer subsidy significantly declined by 44.0 percent to Rs. 27.8 billion in 2016 from Rs. 49.6 billion incurred in 2015 reflecting the efforts made by the Government to target subsidies for the neediest people. Reflecting the rationalization of the school uniforms provision, expenditure on the uniforms declined by 4.6 percent to Rs. 2.2 billion in 2016.

Chart 5.7 | Pension Payments



### Public Investment

The expenditure on public investment, in nominal terms, declined marginally by 1.5 percent to Rs. 594.0 billion in 2016 from Rs. 602.8 billion in 2015. The public investment as a percentage of GDP declined to 5.0 percent in 2016 from 5.5 percent recorded in 2015. The public investment was directed towards sectors such as transport

and communication, agriculture and irrigation, education and health, water supply and power and energy etc.

Table 5.18 | Expenditure on Key Welfare Programmes: 2016

Item	Rs. Mn. Amount
<b>Health</b>	
Free Medicine	38,028
Infant Milk Food Subsidy & Fresh Milk	318
Poshana Malla	5,746
Thripasha Programme	1,351
<b>Education</b>	
School Text Books	5,415
School Uniforms	2,157
Mahapola & Bursaries etc.	1,590
School & Higher Education Season Tickets	1,998
School Nutritional Food Programme	3,916
<b>Divinaguma Back Yard Economy</b>	
Livelihood Support Programme	1,141
<b>Welfare Support</b>	
Samurdhi Cash Income Support	40,740
Assistance to Differently Aabled Soldiers	26,772
Food Assistance (with WFP assistance)	764
Flood and Drought Relief	132
<b>Livelihood and Production</b>	
Fertilizer Subsidy	27,771

Source: Department of State Accounts and Department of National Budget

Chart 5.8 | Public Investment



### 5.4 Financing Provincial Councils (PCs)

In 2016, out of Rs. 86,136 million of the total NBT revenue collection, Rs. 28,712 million was transferred to PCs under the revenue sharing arrangement with the Central Government. In addition, Rs. 10,585 million was transferred to PCs, in 2016 to support their devolved activities

Table 5.19 | Public Investment

Item	Rs. Mn.					
	2011	2012	2013	2014	2015	2016 (Provisional)
Education	22,326	28,930	31,982	50,363	55,447	57,079
Health	14,794	17,155	19,920	22,252	37,230	34,534
Police and Public Security	3,816	945	1,173	3,338	3,813	28,477
Civil Administration	28,668	26,565	31,631	40,282	44,886	61,027
Housing and Common Amenities	7,105	7,823	8,014	7,769	7,811	19,552
Community Service	19,141	17,267	17,727	31,954	23,882	7,556
Agriculture and Irrigation	28,617	30,351	36,721	57,099	54,447	80,633
Energy and Water Supply	83,186	85,598	87,517	51,314	55,499	39,236
Transport and Communication	190,026	204,539	210,398	177,471	239,279	199,124
Other	24,621	24,800	36,120	44,768	80,473	66,794
<b>Total</b>	<b>422,300</b>	<b>443,973</b>	<b>481,204</b>	<b>486,610</b>	<b>602,768</b>	<b>594,012</b>

Sources: Department of National Budget and Department of State Accounts

under the tax sharing mechanism.

The PCs own revenue generating from liquor license fees, Stamp duty and motor vehicle license fees increased by 18 percent to Rs. 33.0 billion in 2016 from Rs. 28 billion in the previous year. Non-tax revenue collected by the PCs in terms of interest, profits, dividends and sales and charges amounted to Rs. 5.3 billion and the total revenue of PCs including transfers by the Central Government amounted to Rs. 77.1 billion in 2016.

Furthermore, block grants to meet expenditure on salaries (Rs. 166.4 billion), criteria based grant (Rs. 4.0 billion), province-specific development grants (Rs. 28.0 billion), and foreign grants for special projects (Rs. 1.2 billion) continued as transfers to PCs in 2016. The transfers to PCs amounted to nearly Rs. 200.0 billion. In 2016, the

recurrent expenditure of the PCs increased by 7.0 percent to Rs. 231.0 billion.

## 5.5 Deficit Financing

The overall budget deficit contained to Rs. 640.3 billion in 2016 from Rs. 829.5 billion in 2015. Out of the overall deficit, 67 percent was financed by foreign borrowings and the balance, 33 percent was financed by domestic borrowings. Net foreign borrowings increased by 16.2 percent to Rs. 429.1 billion in 2016 from Rs. 369.3 billion in 2015 while net domestic financing declined by 54.1 percent to Rs. 211.2 billion in 2016 from Rs. 460.2 billion in 2015.

Gross foreign borrowings increased by 3.2 percent to Rs. 574.2 billion in 2016 from Rs.

Table 5.20 | Performance of NBT, Stamp Duty and Motor Vehicle Registration Fees

Item	Rs. Mn.								
	2015			2016			% Change 2016/2015		
	CG	PCs	Total	CG	PCs	Total	CG	PCs	Total
<b>NBT *</b>	<b>45,004</b>	<b>22,502</b>	<b>67,506</b>	<b>57,424</b>	<b>28,712</b>	<b>86,136</b>	<b>27.6</b>	<b>27.6</b>	<b>27.6</b>
Domestic	28,044	14,022	42,066	39,029	19,515	58,544	39.2	39.2	39.2
Import	16,960	8,480	25,440	18,395	9,198	27,593	8.5	8.5	8.5
Stamp Duty**	-	13,013	13,013	-	8,463	8,463	-	-35.0	-35.0
Motor Vehicle Registration Fees***	1,279	2,984	4,263	909	2,122	3,031	-28.9	-28.9	-28.9
<b>Total</b>	<b>46,283</b>	<b>38,499</b>	<b>84,782</b>	<b>58,333</b>	<b>39,297</b>	<b>97,630</b>	<b>26.0</b>	<b>2.1</b>	<b>15.2</b>

Source : Department of Fiscal Policy

\* Since 2011, 33 1/3 percent of the revenue collected from the NBT by the Central Government is transferred to Provincial Councils.

\*\* Since 2011, 100 percent of the revenue collected from the stamp duty by the Central Government is transferred to Provincial Councils.

\*\*\* Data represent 70 percent of the revenue collected by the central government from Motor Vehicles Registration Fee and transferred to PCs

Note: CG = Central Government, PCs = Provincial Councils

556.4 billion in 2015. Repayment of the foreign borrowings amounted to Rs. 145.1 billion in 2016 from Rs.187.1 billion in 2015.

The major source of domestic financing was non-bank sources, on net basis, such as Employees' Provident Fund (EPF) and Employees' Trust

Table 5.21 | Consolidated Budget

Item	Rs.Bn.						% of GDP						
	2011	2012	2013	2014	2015	2016 (d)	2010	2011	2012	2013	2014	2015	2016 (d)
<b>Total Revenue</b>	<b>1,024.0</b>	<b>1,116.7</b>	<b>1,203.0</b>	<b>1,263.7</b>	<b>1,527.0</b>	<b>1,770.7</b>	<b>13.6</b>	<b>14.2</b>	<b>12.8</b>	<b>12.5</b>	<b>12.2</b>	<b>13.9</b>	<b>15.0</b>
Government	983.0	1,067.5	1,153.3	1,204.6	1,460.9	1,693.6	13.0	13.6	12.2	12.0	11.6	13.3	14.3
Tax	845.7	908.9	1,005.9	1,050.4	1,355.8	1,463.7	11.3	11.7	10.4	10.5	10.1	12.4	12.4
Non Tax	122.2	142.5	131.6	144.8	99.1	222.4	1.4	1.7	1.6	1.4	1.4	0.9	1.9
Grants	15.1	16.1	15.9	9.4	6.0	7.5	0.3	0.2	0.2	0.2	0.1	0.1	0.1
Provincial Councils (a)	41.0	49.2	49.6	59.1	66.1	77.1	0.6	0.6	0.6	0.5	0.6	0.6	0.7
Tax	34.7	41.7	42.6	52.6	59.5	69.3	0.5	0.5	0.5	0.4	0.5	0.5	0.6
Non Tax	6.3	7.6	7.1	6.6	6.6	7.8	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total Expenditure</b>	<b>1,474.2</b>	<b>1,605.7</b>	<b>1,719.0</b>	<b>1,855.0</b>	<b>2,356.5</b>	<b>2,411.0</b>	<b>20.5</b>	<b>20.4</b>	<b>18.4</b>	<b>17.9</b>	<b>17.9</b>	<b>21.5</b>	<b>20.4</b>
Government (b)	1,433.2	1,556.5	1,669.4	1,795.9	2,290.4	2,334.8	20.0	19.9	17.8	17.4	17.3	20.9	19.7
Recurrent	1,024.9	1,131.0	1,205.2	1,322.9	1,701.7	1,757.8	14.6	14.2	13.0	12.6	12.8	15.5	14.8
Capital and Net Lending	408.3	425.5	464.2	473.0	588.7	576.1	5.3	5.7	4.9	4.8	4.6	5.4	4.9
Provincial Councils (c)	41.0	49.2	49.6	59.1	66.1	77.1	0.6	0.6	0.6	0.5	0.6	0.6	0.7
Recurrent	34.2	45.9	46.1	53.9	60.5	69.4	0.5	0.5	0.5	0.5	0.5	0.6	0.6
Capital	6.8	3.3	3.5	5.0	5.6	7.7	0.1	0.1	0.0	0.0	0.0	0.1	0.1
<b>Budget Deficit</b>	<b>(450.2)</b>	<b>(488.8)</b>	<b>(516.0)</b>	<b>(591.1)</b>	<b>(829.5)</b>	<b>(640.3)</b>	<b>-8.0</b>	<b>-6.9</b>	<b>-6.4</b>	<b>-5.9</b>	<b>-5.7</b>	<b>-7.6</b>	<b>-5.4</b>

Sources: Department of National Budget and Finance Commission

(a) Includes transfers from Government

(b) Includes transfers to PCs

(c) Represents expenditure incurred by PCs using their own funds and tax revenue transfers from the Government

(d) Provisional

Fund (ETF). Financing from non-bank sources accounted to Rs. 398.6 billion in 2016. However, the foreign investment in Treasury bills and Treasury bonds recorded a net repayment of Rs. 120.5 billion compared to the net borrowing of Rs. 223.0 billion in 2015. Meanwhile, financing from domestic banks recorded a net repayment of Rs. 66.9 billion in 2016 compared to the net borrowing of Rs. 40.5 billion in 2015.

## 5.6 Government Debt

The debt to GDP ratio increased to 79.3 percent in 2016 from 77.6 percent recorded in the previous year due to the lower nominal GDP growth recorded in 2016 and depreciation of the rupee despite lower net borrowings in 2016. The total Government debt, in nominal terms, increased by Rs. 884.1 billion to Rs. 9,387.3 billion at the end of 2016 from Rs. 8,503.2 billion at the end of 2015 with a domestic debt of Rs. 5,341.5 billion and foreign debt of Rs. 4,045.8 billion. The domestic

Table 5.22 | Domestic Financing of Budget Deficit

Item	Rs. Mn.					
	2011	2012	2013	2014	2015	2016(a)
<b>Total Domestic Financing (Net)</b>	<b>256,291</b>	<b>308,204</b>	<b>448,186</b>	<b>379,502</b>	<b>460,245</b>	<b>211,196</b>
Non- Bank Financing (Net)	44,171	70,984	82,414	265,155	196,737	398,575
Gross Borrowings	484,065	486,425	671,066	714,709	556,370	574,249
Repayments	-439,894	-415,441	-588,652	-449,554	-187,113	-145,119
Foreign Investment in Treasury Bills and Bonds (Net)	25,068	105,693	55,795	781	222,967	(120,516)
Bank Financing (Net)	191,850	131,527	296,977	126,929	40,541	(66,863)
Other Borrowings (Net)	-4,798	-	13,000	-13,363	-	-

Source: Department of Fiscal Policy

(a)Provisional

and foreign debt to GDP ratio was 45.1 percent and 34.2 percent, respectively at the end of 2016 compared to 45.3 percent and 32.4 percent, respectively recorded at the end of 2015.

In terms of donor-wise debt calcification, in the bilateral category, the outstanding debt to Japan,

China, and India amounted to Rs. 486.8 billion, Rs. 131.6 billion and Rs. 142.3 billion, respectively. In the multilateral category, the outstanding debt to Asian Development Bank (ADB) amounted to Rs. 569.7 billion while that to International Development Association (IDA) was Rs. 417.6 billion.

Table 5.23 | Total Government Debt

Item	Rs. Bn		
	End 2014	End 2015	End 2016
<b>Total Domestic Debt</b>	<b>4,277.8</b>	<b>4,959.2</b>	<b>5,341.5</b>
Short Term	941.2	913.3	968.4
Treasury Bills	694.8	658.2	779.6
Provisional Advances from the Central Bank	143.9	151.1	83.3
Other	102.5	104.0	105.5
Medium & Long Term	3,336.6	4,045.9	4,373.1
Rupee Securities	55.5	24.1	24.1
Treasury Bonds	2,844.1	3,305.2	3,714.8
Sri Lanka Development Bonds	391.1	668.5	572.2
Other	46.0	48.1	62.0
<b>Total Foreign Debt</b>	<b>3,113.1</b>	<b>3,544.0</b>	<b>4,045.8</b>
Concessional Loans	1,491.0	1,729.9	1,897.7
Multilateral	704.0	794.5	856.0
Bilateral	786.9	935.4	1,041.7
Non-concessional Loans	1,622.1	1,814.1	2,148.1
Multilateral	183.9	199.9	220.6
Bilateral	273.8	307.1	318.3
Market Borrowings	1,164.5	1,307.1	1,609.3
<b>Total Government Debt</b>	<b>7,390.9</b>	<b>8,503.2</b>	<b>9,387.3</b>

Sources: Department of External Resources and Department of Public Debt of Central Bank of Sri Lanka

Chart 5.9 | Government Debt

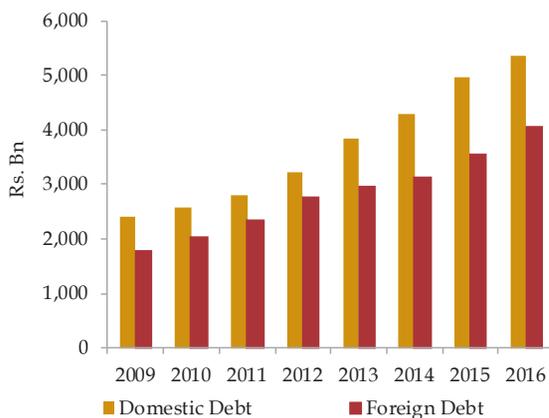


Chart 5.10 | Domestic Debt

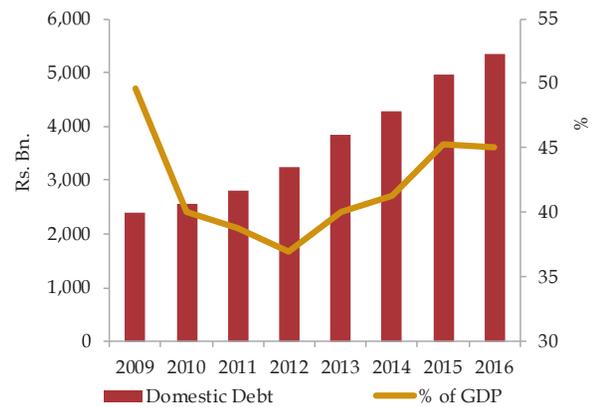


Chart 5.11 | Composition of Domestic Debt - 2016

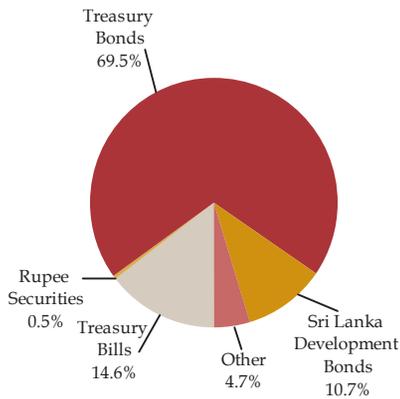


Table 5.24 | Foreign Debt by Source 2016

Source	Number of Loans	Amount (Rs.Mn)
<b>Bilateral</b>	<b>328</b>	<b>945,747</b>
Japan	101	486,820
China	4	131,614
Germany	15	39,143
France	30	24,447
India	11	142,280
Saudi Arabia	7	13,257
Other	160	108,186
<b>Multilateral</b>	<b>323</b>	<b>1,076,553</b>
ADB	164	569,689
IDA	121	417,642
Other	38	89,221
<b>Export Credit *</b>	<b>92</b>	<b>437,401</b>
<b>International Sovereign Bonds</b>	<b>9</b>	<b>1,220,870</b>
<b>Term Loan</b>	<b>1</b>	<b>104,860</b>
<b>Non Resident Investments in Treasury Bills</b>		<b>12,816</b>
<b>Non Resident Investments in Treasury Bonds</b>		<b>247,222</b>
<b>Total</b>	<b>753</b>	<b>3,785,431</b>

Sources: Department of External Resources and Department of Public Debt of Central Bank of Sri Lanka

\* Excludes outstanding foreign debt of SOEs

Table 5.25 | Currency Composition of the Government Foreign Debt (%)

Currency	2011	2012	2013	2014	2015	2016
SDR	25.8	24.6	24.0	22.7	20.7	18.7
US Dollars	29.1	30.9	34.1	52.5	48.9	54.6
Japanese Yen	24.1	20.8	16.4	14.4	13.3	12.3
Euro	6.3	6.3	6.3	5.6	5.1	4.5
Other	14.7	17.4	19.2	4.8	12.0	9.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Memo: Total Foreign Debt (Rs. Billion)	2,329.3	2,767.3	2,960.4	3,113.1	3,544.0	4,045.8

Sources: Department of External Resources and Department of Public Debt of Central Bank of Sri Lanka

Note: Loans received by State Owned Enterprises also included

Chart 5.12 | Foreign Debt

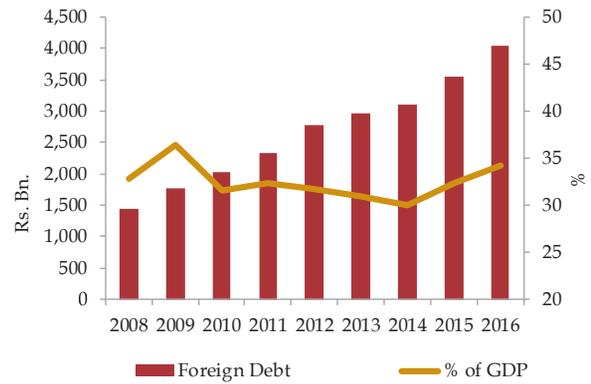
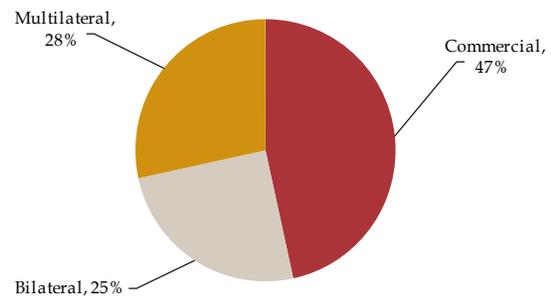


Chart 5.13 | Foreign Debt by Source - 2016



### 5.7 Debt Service Payments

In 2016, the total debt service payments increased by 2.6 percent to Rs. 1,352.4 billion of which Rs. 741.5 billion or 54.8 percent was for repayments while the balance 45.2 percent or Rs. 610.9 billion was on interest payments. The total debt service payments to GDP ratio declined to 11.4 percent in 2016 from 11.9 percent in 2015. The debt service payments as a percentage of Government revenue declined to 80.2 percent from 90.6 percent in 2015 due to the increase in Government revenue in 2016. The continued fiscal consolidation process coupled with improvements in the Government debt management and the Treasury cash flow operations will help contain the debt service ratio in the medium-term.

Table 5.26 | Government Debt Service Payments

Item	2011	2012	2013	2014	2015(b)	Rs. Bn.
						2016 Provisional
<b>Interest(a)</b>	<b>356.8</b>	<b>408.5</b>	<b>444.0</b>	<b>436.4</b>	<b>527.2</b>	<b>610.9</b>
Domestic	288.1	317.7	343.0	366.5	450.0	509.8
Foreign	68.7	90.8	101.0	69.9	77.2	101.1
<b>Repayments</b>	<b>538.7</b>	<b>609.0</b>	<b>700.0</b>	<b>632.7</b>	<b>846.4</b>	<b>741.5</b>
Domestic	439.9	415.4	496.0	449.6	659.3	596.4
Foreign	98.8	193.5	204.0	183.1	187.1	145.1
<b>Total</b>	<b>895.5</b>	<b>1,017.5</b>	<b>1,144.0</b>	<b>1,076.3</b>	<b>1,373.6</b>	<b>1,352.4</b>
Domestic	728.0	733.1	839.0	777.5	1,109.3	1,106.2
Foreign	167.5	284.4	305.0	298.8	264.3	246.2

Sources: Department of Treasury Operations and Department of Public Debt of Central bank of Sri Lanka, Department of State Accounts.

(a) 2013 and 2014 numbers include Rs. 18.9 billion and Rs. 7.2 billion of interest paid respectively in respect of the ongoing public investment projects which have been capitalized as per the State Account Circular No. 230/2013, dated 29.11.2013 and shown under public investment in the economic classification.

(b) Revised

Table 5.27 | Government Debt and Debt Service Indicators (Percentage)

Indicator	2011	2012	2013	2014	2015	2016 Provisional
Total Debt/GDP	71.1	68.7	70.8	71.3	77.6	79.3
Domestic Debt/GDP	38.8	37.0	40.0	41.3	45.3	45.1
Foreign Debt/GDP	32.3	31.7	30.9	30.0	32.4	34.2
Debt Service/GDP	12.4	11.7	12.1	10.4	11.9	11.4
Debt Service/Revenue	92.5	96.8	102.2	90.1	90.6	80.2
Foreign Debt Service/ Export Earnings and Remittances	9.6	14.2	14.4	12.6	16.8	11.6
Domestic Interest/ Recurrent Expenditure	28.2	28.1	29.4	27.7	23.2	27.5
Total Interest/ Government Revenue	36.9	38.9	40.7	37.1	35.0	36.2

Sources: Department of External Resources, Department of Treasury Operations and Department of Public Debt of Central bank of Sri Lanka

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## 6.1 Overview

The prudent expenditure management conducted by the Government created extra fiscal space in 2016. This was achieved with the rationalization of recurrent expenditure and streamlining capital expenditure. Several measures were implemented by the Government to curtail the expenditure. Overall expenditure as a percentage of GDP declined to 19.7 percent in 2016 from 20.9 percent in 2015 mainly due to the decline in recurrent expenditure and capital expenditure and net lending. The decline in non-interest expenditure including subsidies and transfers, goods and services had a impact on the drop of recurrent expenditure. However, interest payment increased to 5.2 percent of GDP in 2016 from 4.8 percent of GDP in 2015. Reflecting the prioritization of public investments, the public investment as a percentage of GDP declined to 5.0 percent in 2016.

With the attempts of facilitating the drastic changes of the administrative structure of the Government in 2015, the progress in 2016 was quite favorable in the area of public expenditure management. However, pressure from the external sector proved critical due to continued increase in exchange rates throughout the year which resulted in a drastic increase of public expenditure. This was increased the quantum of the expenditure, especially in debt servicing, i.e. interest payment and repayment of loans.

### 6.2. Appropriation Act for 2016

The Appropriation Bill for the year 2016 was presented to Parliament on 23<sup>rd</sup> October 2015 and it was passed by Parliament on 19<sup>th</sup> of November 2015 as the Appropriation Act, No 16 of 2015.

Appropriation Act included three schedules, namely the first schedule, the second schedule and the third schedule. Each schedule includes the following expenditure as shown in Table 6.1.

Table 6.1 | Schedules in Appropriation Act

<b>First Schedule</b>	Expenditure of General Services of the Government by programme	The total estimated expenses was Rs. 2,507 billion.
<b>Second Schedule</b>	Expenditure of the Government, authorized by law and to be charged on the Consolidated Fund.	Estimated expenditure was Rs. 1,192 billion
<b>Third Schedule</b>	Expenditure related to Advance Account Activities.	Contribution from the Government budget was Rs.5 billion

Source : Department of State Accounts/ Department of National Budget

Accordingly, the total expenditure of the Government as specified in the above three schedules was Rs. 3,704 billion for 2016.

### 6.3 Borrowing Limits

Section 2 (1) (b) of the Appropriation Act stipulates the maximum borrowing limit of the Government for financing the estimated expenditure of the Government for the respective year. Under the Appropriation Act, No 16 of 2015, the total amount of loan proceeds authorized to be raised during the financial year 2016 was Rs. 1,699 billion. This limit remained unchanged even when the Appropriation Act was revised.

### 6.4 Amendments to the Appropriation Act, No.16 of 2015

The prevailing system for the allocation of budgetary provisions for Provincial Councils (PCs) under separate expenditure heads was overturned in 2016 including budgetary provisions for all PCs into the expenditure head of the Ministry of Provincial Councils and Local Governments when implementing the Budget 2016. Due to the procedural issues and administrative bottlenecks of this present system, PCs continually requested to revise the process and to implement the system that prevailed until 2015. Acknowledging these requests, the Cabinet of Ministers has decided to reverse the process by amending the Appropriation Act, No. 16 of 2015 creating an Expenditure Head for each Provincial Council. Accordingly, the draft Appropriation (Amendment) Bill was published

in the Government Gazette on 15.07.2016 and submitted to the Parliament for approval.

Further, as a measure of correcting the issue raised by the Auditor General on the Financial Statements of the Government, actions have been taken to amend the Section 2. (1) (b) of the Appropriation Act to revise the system of reporting practiced during last decades. This amendment was made as a Committee Stage Amendment to the Appropriation (Amendment) Bill for 2016.

Endorsing the above changes the Appropriation (Amendment) Bill was approved by Parliament as the Appropriation (Amendment) Act, No. 23 of 2016 while all the estimated Revenue, Expenditure and Budget Deficit remained unchanged.

### 6.5 Supplementary Estimates

The Minister of Finance submitted a Supplementary Estimate to Parliament for settling the advance of Rs. 55 million drawn from the Contingencies Fund in 2015 in order to facilitate the 11 Ministries established by the extraordinary Gazette No. 1909/20 dated 06th April 2015 and Gazette No. 1909/54 dated 10th April 2015. Thereafter, Special Warrant No.01 was issued by the Minister of Finance enabling them to report the expenditure incurred using the said advance which has been withdrawn from the Contingencies Fund in 2015 referred in the Supplementary Estimate.

Similarly, the Ministry of Regional Development was established on 18th March, 2016 by appointing a Minister of Regional Development by the Extraordinary Gazette No. 1958/72. As this Ministry did not exist during the period of Budget formulation for the year 2016, a Supplementary Estimate was submitted to Parliament as a measure of providing an expenditure head to this Ministry. Following the procedure stipulated in Financial Regulations 74, 75 and 76, the Minister of Regional Development submitted a Supplementary Estimate of Rs. 592,925,000 (Recurrent - Rs. 469,425,000 and Capital - Rs. 123,500,000). When it was approved

by Parliament on 2016.09.20, the Expenditure Head No. 147 was created for the Ministry of Regional Development and Special Warrant No.02 was issued by the Minister of Finance, enabling to release imprest for expenditure earmarked in the Supplementary Estimate.

### 6.6 Funds Withdrawn from the Contingency Fund

In the absence of an Expenditure Head for the newly created Ministry of Regional Development, an advance of Rs. 15 million was withdrawn from the Contingencies Fund, in terms of the Article 151(2) of the Constitution as an interim measure, adhering to the procedure stipulated in the Financial Regulation No. 78. Advances drawn from the Contingencies Fund for a designated purpose should be settled before the end of the financial year by submitting a supplementary estimate to Parliament. The said amount was settled through the Supplementary Estimate submitted by the relevant Ministry.

### 6.7 Special Law Warrants as Supplementary Allocation

If there is any additional fund requirement for a purpose that has been referred to in the Special Law Services, in Schedule 2 of the Appropriation Act during the year, the Minister of Finance shall issue a supplementary special law warrant on the Form of Treasury 77 authorizing the release of money from the Consolidated Fund. As such, nine (9) special law warrants have been issued in 2016 as follows.

### 6.8 Budgetary Performance in 2016

The total actual expenditure for 2016 was Rs. 3,106 billion compared to the estimated expenditure of Rs. 3,699 billion, Rs. 98 billion lower than the total expenditure incurred in 2015. The total utilization of budgetary provisions was 84 percent in 2016, a 12 percent less than the performance in 2015. This was partly due to the bills in hand worth of Rs. 82 billions as at end of 2016 by spending agencies. If this amount was paid, the actual expected expenditure utilized would have been 86 percent.

Out of the provisions authorized under the Section 2 (1) of the Appropriation Act (expenditure on

supply services) only 69 percent was utilized during the year.

Table 6.2 | Special Law Warrants Issued In 2016

Authority No	Expenditure		Purpose /Objective	Amount (Rs).
	Head	Institution		
1	1	H.E. The President	To pay the revised pension amount of former President Ms. C.B. Kumarathunga, as per the resolution passed by Parliament.	870,000
2	20	Election Commission	To pay the remunerations of the members of Election Commission.	800,000
3	6	Public Service Commission	To pay the remunerations of the members of Public Service Commission.	5,670,000
4	253	Department of Pensions	To meet the shortfall of provisions provided for the payment of W&OP	7,585,000,000
5	8	National Police Commission	To pay the remunerations of the members of Police Commission.	7,100,000
6	10	Commission to Investigate Allegations of Bribery or Corruption	To pay the remunerations of the members of the Commission.	1,300,000
7	253	Department of Pensions	To meet the shortfall of provisions provided for the payment of W&OP	270,000,000
8	249	Department of Treasury operations	To meet the shortfall of provisions allocated on debt servicing	179,270,670,000
9	249	Department of Treasury operations	To meet the shortfall of provisions on debt servicing due to change of accounting policy of the Treasury Bills and Treasury Bonds	12,090,339,859

Source : Department of State Accounts/ Department of National Budget

The expenditure estimates under special law (Financing code 21) has also shown an overrun of Rs. 196 billion against the initial estimation of Rs. 1,192 billion. This was basically due to the increase in debt servicing, both repayment and interest payment of domestic and foreign loans and pension payments. The policy prevailed in reporting cash based accounting treatment for Treasury Bills and Treasury Bonds has been revised to the face value of the Treasury Bills and Treasury Bonds which contributed to this significant change in debt servicing.

Table 6.3 indicates the summary of utilization of budgetary provisions in 2016 compared to 2015.

Table 6.3 | Utilization of Budgetary Provisions 2015-2016

Expenditure Category	2015		2016	
	Budget	Expenditure	Budget	Expenditure
Appropriation Act	2,101	1,849	2,507	1,719
Programme - 1	1,085	1,102	1,021	988
Programme - 2	1,016	747	1,486	731
Special Law Services	1,237	1,354	1,192	1,388
<b>Total</b>	<b>3,338</b>	<b>3,203</b>	<b>3,699</b>	<b>3,106</b>

Source : Department of State Accounts

Table 6.4 shows the source of financing of the Government expenditure for 2015 and 2016.

Table 6.4 | Financing Source of Government Expenditure

Financing Code	Financing Source	Rs Bn	
		2015	2016
11	Domestic Funds	1,545.2	1,466.6
12	Foreign Loans	252.5	205.4
13	Foreign Grants	5.5	6.9
14	Reimbursable Foreign Loans	1.7	2.7
15	Reimbursable Foreign Grants	0.1	0.2
16	Counterpart Funds	0.5	0.3
17	Foreign Finance Associated Local costs	43	36.3
21	Special Laws	1,354.5	1,387.6
<b>Total</b>		<b>3,203.0</b>	<b>3,106.0</b>

Source : Department of State Accounts

The amount received as foreign grants increased by Rs. 1.4 billion. However, the disbursement ratio of the foreign grants is still only a 50 percent against the estimated amount.

### 6.9 Advance Account Activities

Actual expenditure of the Advance Account activities was Rs.19.75 billion against the estimate of maximum expenditure of Rs. 24.55 billion. The actual total receipt was Rs. 22.65 billion against the estimate of minimum receipt of Rs. 19.55 billion. Accordingly, the Advance Account activities were within the approved limits of Appropriation Act, No.16 of 2015. Activities under the Advance Account included activities of commercial nature as well as advances to public servants excluding the property loan interests. The total advances given to the public servants was Rs. 13.86 billion.

From the year 2005, property loans and vehicle loans for the public officers have been made through the State Banks. During the year, Rs.11.75 billion have been released for 12,649 Government servants as property loans by the State Banks and the Government has subsidized Rs.2.47 billion as loan interests.

## 6.10 Public Expenditure Management

### 6.10.1 Transfer of Funds

As per the Section 5 of the Appropriation Act No.16 of 2015 as amended, the General Treasury granted approval to reallocate or transfer unutilized provisions within the total expenditure limit approved by Parliament, following the procedures specified in financial regulations and printed Estimates. In this process, transfers or reallocation of budgetary provisions, allocated for recurrent expenditure, which have not been utilized or not likely to be utilized, to recurrent or capital expenditure within the same programme; or to capital expenditure in any other programme within the same head of expenditure have been allowed. Similarly, transfer or reallocation of capital expenditure which has not been utilized, to capital expenditure within the same programme have also been considered.

### 6.10.2. Supplementary Support Services and Contingent Liabilities

The Supplementary Support Services and Contingent Liabilities Project under the Expenditure Head 240, Department of National Budget was implemented in 2016 for facilitating the unforeseen urgent additional fund requirements.

The total provision of this project in 2016 was Rs 623.3 billion, including the provision for implementation of budget proposals for 2016 of which Rs 246.8 billion has been reallocated to relevant spending agencies as supplementary allocations on the basis of need assessments, undertaken by the Department of National Budget. All supplementary allocations have been provided in line with the specific guidelines specified in the printed Estimates for 2016. A summary of the allocations is given in Table 6.5.

Table 6.5 | Summary of re-allocated fund from Supplementary Support Services and Contingencies Liabilities

	Purpose as per the Printed Estimates	Amount (Rs. Mn)
1	Provisions for payment of salary increases proposed in the budget speech, rectification of salary anomalies, new recruitments and other related payments and Increase in Public Sector Pensions	7,317
2	Provisions to meet additional expenditure and liabilities arising from changes underlying assumptions based in the preparation of budget estimates	36,715
3	Provisions for implementation of budget proposals	110,537
4	Provision to meet any short-fall in capital expenditure of development projects funded through external financing and related counterpart -funding requirement inclusive of payment of taxes and duties	92,303
	<b>Total</b>	<b>246,872</b>

Source: Department of National Budget(Budget Estimate (Approved by Parliament) 2016)

A report containing the amount of provisions transferred and the reasons for such transfer, was submitted to Parliament within two months of the date of the said transfer made, in terms of Section 6(1) of the Appropriation Act. In addition, details of all transfers made out of this provision was incorporated into the Government Fiscal Management Report 2016 published as per the Fiscal Management (Responsibility) Act, No. 3 of

2003. Finally, actual utilization is reported under the relevant expenditure heads and object codes in printed Estimates for the following year.

### 6.10.3 Circulars Issued for Managing Expenditure

In 2016, four circulars have been issued in the areas of budget preparation, vehicle procurement and relief on disaster victims.

1. Circular No - NBD 01/2016 dated 17.03.2016 - Guidelines for procurement of vehicles for Government Agencies under the Operational Leasing Method.

Circular No - NBD 01/2016 (i) dated 19.09.2016 - Guidelines for procurement of vehicles for Government Agencies under the Operational Leasing Method (Amendment to NBD 01/2016 dated 17.03.2016).

2. Circular No - NBD 02/2016 dated 02.08.2016 - Budget Call 2017- Guidelines and Directions for the Preparation of Annual Budget Estimates for 2017.

3. Circular No - NBD 03/2016 dated 30.12.2016 - Guidelines to provide relief to the disaster victims in a disaster emergency situations and to the people evacuated from the residencies due to disaster risk and restoration of damaged areas.

4. Circular No - NBD 04/2016 dated 17.03.2016 - Guidelines to grant compensation for the fishermen who died while engaging in fisheries activities in a disaster emergency situation.

### 6.10.4 Procurement of Vehicles to the Public Sector

Procurement of vehicles to the Public sector was changed from Finance Lease Method (FLM) to Operating Leasing Method (OLM) as proposed by the Budget 2016. The objective of changing the system was to implement a more cost effective system to the Government than the previous system. Accordingly, all Government agencies were advised to follow the guidelines of the

National Budget Circular No. 1/ 2016 regarding the procurement of vehicles under OLM. As per the instructions given by the above guidelines, the Department of National Budget has granted approval to obtain 160 motor cars, 5 jeeps, 328 Double Cabs and 51 vans in 2016.

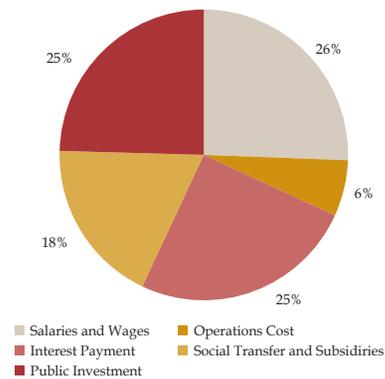
Provision of motorcycles to Government field officials was halted as per the Budget Proposal 2016. Under this category, 359 motorcycles/scooters were provided in 2016.

### 6.11 Composition of Government Expenditure

The main emphasis of the Government Budget 2016 was given to create regional development corridors, enter the global value chain, provide facilities to set up businesses, strengthen human resources, upgrade agriculture and fisheries sectors, facilitate the evolution of a strong digital technology, set up new industrial zones and develop the tourism sector.

Accordingly, priority has been given to develop infrastructure facilities such as roads, railways, expressways, irrigation, and physical infrastructure in health and education in 2016. Recurrent expenditure was also assigned to continue welfare programmes for children, elderly, pregnant mothers, differently-abled persons and for subsidy programmes such as fertilizer, Samurdhi and free medical supplies etc. The composition of the expenditure is shown in chart 6.1.

Chart 6.1 | Composition of Public Expenditure in 2016



### 6.11.1 Salaries and Wages

The expenditure on salaries and allowances for Government sector employees including those who are in Provincial Councils (PCs), Security Forces and Police was Rs. 570.8 billion in 2016. This was an increase of Rs. 9.0 billion (1.6 percent) when compared to Rs. 561.7 billion in 2015. Expenditure on salaries and allowances was 32.4 percent of the total recurrent expenditure for 2016.

Table 6.6 | Salaries and allowances of the Government

Sector	Rs. Mn				
	2012	2013	2014	2015	2016
Central Government	95,965	113,223	133,584	172,491	184,856
Provincial Councils	88,217	105,034	121,789	150,796	143,740
Defence	126,950	134,295	141,138	176,810	180,829
Police and Public Security	36,615	40,677	44,471	61,633	61,336
<b>Total</b>	<b>347,747</b>	<b>393,229</b>	<b>440,982</b>	<b>561,730</b>	<b>570,761</b>

Source: Department of National Budget

Salaries and allowances allocated for 2016 as opposed to the actual cadre of several major sectors in the public domain are shown in Table 6.7 as follows.

Table 6.7 | Personal Emoluments and Actual Cadre number for several major sectors of Government

Sectors	Actual Cadre No.	Amount of Salaries and allowances for 2016 (Rs. Mn)
Education Sector	307,089	166,808
Health Sector	136,476	106,889
Defence	411,598	242,164
Other	498,113	54,900
<b>Total</b>	<b>1,353,276</b>	<b>570,761</b>

The total pension payments was Rs. 173.1 billion in 2016 from Rs. 156.6 billion in 2015. This was due to the increase of basic salary stemmed from the salary conversation as per the Public Administration Circular No. 03/2016 dated 25.02.2016.

### 6.11.2 Operational Cost

The Operational Cost of the Government covering all costs associated with utilities and

services such as fuel, electricity, transport, traveling, maintenance of vehicles, machinery, building rent and other contractual services declined by 30 percent to Rs. 148.9 billion in 2016 from 193.3 billion in 2015. The operational cost accounted for 8.4 percent of the total expenditure.

### 6.11.3 Transfers and Subsidies

The Government spent Rs. 438.7 billion for social transfers and subsidy programmes in 2016 compared to Rs. 419 billion in 2015. This amounted to 24.8 percent of the total recurrent expenditure in 2016 covering subsidies and welfare payments provided by the Government. These subsidy and welfare schemes were targeted to the most vulnerable groups and selected categories of individuals in the society, such as infants, lactating mothers, elders, the differently-abled, kidney patients, farmers and members of low-income households in the society.

The Government incurred Rs. 40,740 million for Samurdhi cash grant in 2016 targeting the poorest segment in the society. In addition, Rs. 27,771 million was spent for the fertilizer subsidy in 2016. A total amount of Rs. 38,028 million was spent in 2016 to continue free medical supplies for Government hospital, a 20 percent increase compared to Rs. 31,703 million in 2015.

With the aim of increasing the nutrition level of lactating mothers, infants, school children, the Poshana Malla, Triposha Programme, Kiriweeduruwa and school nutrition programmes continued with a spending of Rs. 7,415 million in 2016.

### 6.11.4 Social Security

The expenditure on the pension increased by 10.6 percent in 2016, amounting to Rs. 173 billion compared to Rs. 157 billion in 2015. The cost of social security assistance for injured and differently-abled soldiers was Rs. 26,679 million in 2016 from Rs. 23,433 million in 2015. The expenditure on "Ranaviru Mapiya Rakawarana allowance", which is the social security scheme

for parents of deceased soldiers, amounted to Rs. 2,442 million. A total amount of Rs. 678 million was also spent on payments of monthly allowances for victims of the strike in July 1980.

### 6.11.5 Devolved Administration

Provincial Councils (PCs) were established by the thirteenth amendment to the Constitution with an objective of devolving political power to the Provincial level.

Rs. 169,038 million was transferred to the PCs in 2016 to cover the recurrent expenditure. These expenses mainly cover the personal emoluments of employees of PCs. Rs. 26,071 million was transferred to PCs as capital expenditure. These transfers were allocated from the national budget on the recommendation of and in consultation with the Finance Commission. Such funds were recommended by the Finance Commission after considering the requirements of the Provinces.

The above transfers were distributed among Provinces as follows.

Table 6.8 | Transfers to Provincial Councils

Provincial Council	Transfers	
	Recurrent	Capital
Western	21,744	2,194
Central	23,375	2,485
Southern	20,508	2,200
Northern	16,757	6,038
North Western	20,823	2,831
North Central	14,174	2,950
Uva	16,422	2,166
Sabaragamuwa	18,219	2,343
Eastern	17,016	2,864
<b>Total</b>	<b>169,038</b>	<b>26,071</b>

Source: - Ministry of Provincial Councils & Local Government and National Budget Department

### 6.11.6 Debt Servicing

The Government expenditure on interest payments in domestic and foreign debt was Rs. 610.9 billion in 2016, which is a 15.9 percent increase when compared with the previous year. However, domestic interest payments increased by 13.3 percent to Rs. 509.8 billion and foreign interest payments increased by 31.0 percent to Rs. 101.1 billion compared to 2015. This significant

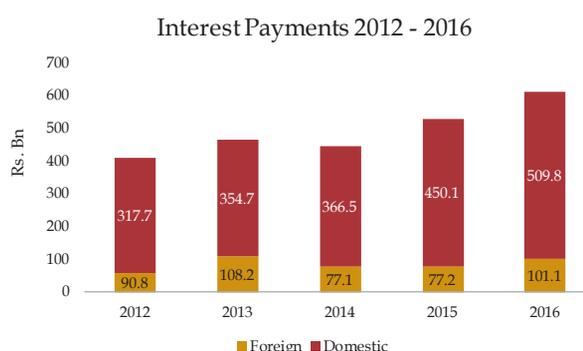
increase of interest payments on foreign debt was due to the depreciation of rupee against foreign currencies.

Table 6.9 | Domestic & Foreign Debt Servicing

Details	Rs.Bn		
	Domestic	Foreign	Total
Interest Payment	509.82	101.07	610.89
Debt Repayment	596.43	145.12	741.55
<b>Total</b>	<b>1,106.25</b>	<b>246.19</b>	<b>1,352.44</b>

Source: Department of State Accounts

Chart 6.2 | Interest Payments

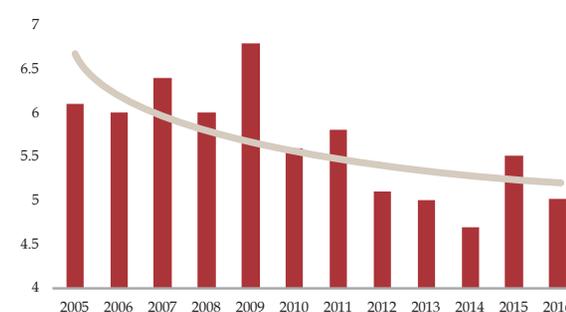


Source: Department of Treasury Operations

### 6.12 Public Investment

In 2016, public investment as a percentage of GDP amounted to 5 percent.

Chart 6.3 | Public Investment as a Percentage of GDP



Source: Annual Report, Central Bank of Sri Lanka

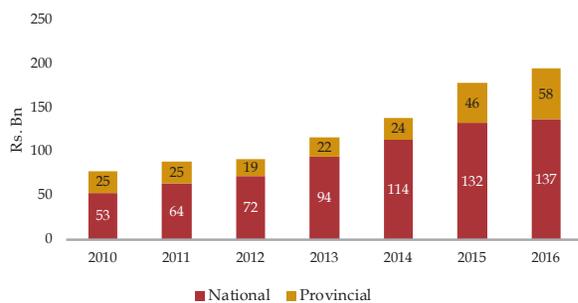
Even though the public investment moderately declined as a share of GDP, major projects are being continued in economic sectors as follows.

### 6.12.1 Investment in Healthcare

Free universal healthcare coverage is ensured with a higher investment in health sector by the Government. As a result, Sri Lanka has been able to maintain a high level of life expectancy, a low level of maternal and child mortality while achieving the desired levels in most of the healthcare indicators related to developed countries. Moreover, the World Health Organization (WHO) certified that Sri Lanka has eliminated Malaria, Lymphatic Filariasis and Maternal and Neonatal Tetanus by 2016. Sri Lanka is the second country to eliminate Malaria in the region after Maldives.

Investing in health is an important determinant of economic growth and competitiveness. The Government is mindful of the need to make timely investments in health to create healthier and more productive lives.

Chart: 6.4 | Expenditure by the Central Government



Source: Department of State Accounts, Finance Commission

The total Government expenditure, including central Government transfers to PCs for healthcare services was Rs. 136,690 million, to an increase of 4.4 percent compared to 2015. The total recurrent expenditure was Rs. 113,042 million of which 54.9 percent was assigned for the payment of salaries and wages of healthcare staff and 33.7 percent for providing uninterrupted supplies of medicine. The expenditure on essential requirements such as diets, laundry, electricity and water was Rs. 12,793 million in 2016.

The total capital expenditure in 2016 was Rs. 23,647 million, a decline of 18.6 percent from

2015. This was mainly due to the procurement delays. Hospital infrastructure development projects were continued in 2016 with the aim of increasing healthcare facilities at District and Provincial level hospitals while reducing overcrowding of hospitals. Accordingly, a state of the art cancer treatment building complex with 700 beds was handed over to the Apeksha Hospital, Maharagama.

### Curative Healthcare

The largest part of the capital investment has been allocated for curative health care. This was around 89.5 percent of the total capital expenditure in 2016. With the rapid increase of Non-Communicable Diseases (NCDs) such as cancer, cardiovascular disease, strokes, diabetes, new issues and challenges have taken place causing losses in productivity. Therefore, public investments for the curative of NCDs was Rs.1,034.3 million in 2016.

The Government took several steps to improve infrastructure of teaching hospitals and district general hospitals with necessary facilities, in order to reduce overcrowding in secondary and tertiary care institutions. Overcrowding in main hospitals occurred due to the non - adherence to a referral system and the lack of facilities in primary health care hospitals. Therefore, the Government's focus turned to improve primary healthcare institutions. These initiatives will reduce the unnecessary burden on investment to provide high level facilities in secondary and tertiary healthcare institutions.

Priority areas such as the supply of essential medicines and biomedical equipments were ensured through budgetary support in 2016 by allocating Rs. 4.2 billion and Rs. 3.4 billion, respectively.

Table 6.10 | Investment in Health Sector

Investment Area	Rs.Mn						
	2010	2011	2012	2013	2014	2015	2016
Hospital Development Projects	3920	3,194	7,775	8,117	11,431	15,429	10,373
Hospital Rehabilitation & Construction	1633	2,051	1,828	2,754	3,403	4,206	3,735
Medical Equipment & Machinery	1338	2,306	1,969	3,880	3,208	5,068	4,093
Beds & Furniture	88	119	114	127	200	224	324.94
<b>Total</b>	<b>6979</b>	<b>7,670</b>	<b>11,686</b>	<b>14,878</b>	<b>18,242</b>	<b>24,927</b>	<b>18,526</b>

Source: Department of National Budget and Department of State Accounts  
 Note: Includes only the Central Government Expenditure

### Preventive Healthcare

Investment in disease prevention in 2016 mainly targeted the control of wide spreading communicable diseases such as Dengue, Rabies, Tuberculosis and the prevention of non-communicable diseases including cancer, cardiovascular disease and stroke etc. Therefore, the Government investment for strengthening these activities was Rs. 2,360.6 million in 2016.

The National Programme for Nutrition (Thripasha) conducted successfully throughout the country covering the 1.1 million registered beneficiaries at a cost of Rs. 1,350.83 million in 2016.

### Promotion of Indigenous Medicine

In order to uplift the traditional medical practices and healing systems, the Government increased the investment in this area in 2016 by 21.7 percent. Several steps were taken to promote Indigenous Medicine through the conservation of medical plants and research programmes.

#### 6.12.2 Education

Considering the importance of providing increased access to education at all levels, the Government took many initiatives with higher investment for General Education, University Education, Technical and Vocational Education and Science and Technology Development. The total expenditure of the Education Sector was Rs. 260,158 million, an increase of 11 percent

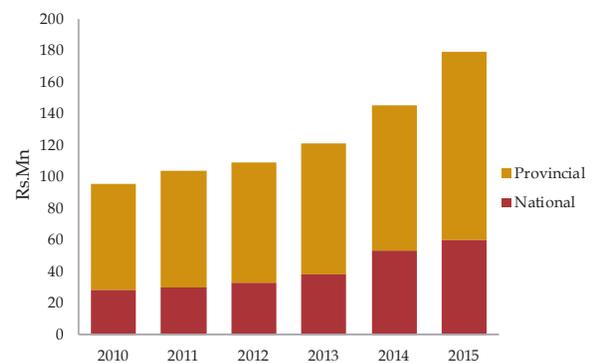
compared to 2015. The total recurrent expenditure and capital expenditure were Rs. 208,630 million and Rs. 51,528 million, respectively.

### General Education

The Government has focused on the importance of developing all schools as a priority need for providing equal educational opportunities to all children in the country. Accordingly, with the view of uplifting the education both quantitatively and qualitatively by eliminating inequalities in the school system, the allocation for general education activities increased significantly in 2016.

The total expenditure of Central Government on general education in 2016 was Rs.197,251 million, an increase of 11 percent in comparison to 2015. Service delivery expenditure by the Ministry of Education and the Provincial Councils were Rs. 49,324 million and Rs. 123,051 million, respectively. The capital investment was Rs. 24,889 million in 2016, of which, Rs. 15,606 million was spent by the Ministry of Education.

Chart 6.5 | Expenditure on General Education by the Central Government.



Source: Department of State Accounts, Finance Commission

In 2016, the “Nearest School is the Best School” program was introduced to ensure equitable access to quality education, minimizing regional and gender disparities. It is expected to develop 600 schools with two schools selected to represent each Divisional Secretariat Division and develop them as “smart school”, All the provinces and the school were requested to prepare master

plans at school level, based on the priorities, to improve essential infrastructure in schools under the areas of construction and repairs, provision of good and equipment, and human resource development. The program is being implemented under 3 main projects and 6 secondary projects. Since the Ministry of Education had to finalize the implementation mechanism with provinces as well as identify the required tasks, the implementation stage started in the latter part of 2016. The expenditure incurred for the identified works were Rs.6,068 million. In addition, Rs. 76 million has been allocated for 25 plantation schools to develop basic facilities and upgrade them into secondary level.

Table 6.11 | Projects under Nearest School is the best School Program

Project	Actual Expenditure (Rs Mn)
Facilitate Teacher Training Programmes	184
Providing Electricity Facilities through National Grid or Solar	560
Improving Facilities to Educate Science in Schools	1
Facilitate Dental Health Facilities in Schools	51
Providing Sanitary and Water Facilities for all Schools	1,717
Upgrading Facilities of 3,577 Primary Schools	1,611
Providing Facilities of Teacher Quarters, Rest Room etc.for Rural & Regional Schools	27
Upgrading facilities of 1000 Secondary Schools	710
Improve facilities of 1,360 Schools which were not included in recent projects	1,207

Source: Department of State Accounts, Department of National Budget

A total of Rs. 51.5 million was spent for providing foreign training to school principals and teachers to improve the teaching quality. In addition, the Ministry of Education has taken steps to promote

Table 6.12 | Expenditure on Welfare Programmes

Programme	Rs. Mn							
	2009	2010	2011	2012	2013	2014	2015	2016
School Nutrition food Programme	2,251	2,474	2,631	2,850	3,076	3,725	3,938	3,916
Text Books	2,196	1,941	2,294	2,400	2,329	2,700	3,896	5,415
Uniforms	1,260	949	1,364	1,600	1,739	3,574	2,261	2,157
Scholarships - Year 5	184	225	283	240	268	300	365	324
Season Tickets (a)	1,384	1,369	1,359	1,233	1,430	1,695	1,800	1,998

(a) Provided to the Ministry of Transport

Source: Ministry of Education and Ministry of Transport

e-learning activities in selected schools by introducing computer based office, library and evaluation systems.

With the aim of providing the equitable and a quality education for all, the government started restructuring the education system to introduce 13 years of compulsory education. Sound educational policies are being discussed and will be implemented to address the issues of the existing system.

In order to reduce the regional disparities, student welfare programs were continued by spending Rs.12,503 million in 2016 a 15 percent increase compared to 2015. Providing a voucher to purchase school uniforms was implemented successfully for the 2nd consecutive year with a cost of Rs. 2,157 million, a reduction, of Rs. 104 million from 2015. This saving was mainly due to the rectification of issues arisen in 2015. As the expenditure on school text books are on the rise, the Department of Educational Publication was requested to make the school children aware of the use of school text books properly. Further, the Ministry of Education took measures to print the text books of “Geography” subject of Grade 7 in high quality synthetic papers for enabling students to clearly identify maps, contour lines etc and also to increase the durability of the books. This change of text book printing papers, however, incurred an additional expenditure of Rs. 155 million.

Table 6.13 | Students Benefited by Welfare Programmes

Programme	No. of Beneficiaries							
	2009	2010	2011	2012	2013	2014	2015	2016
School Nutrition food Programme	654,206	778,435	834,306	839,643	1,048,892	890,404	937,178	973,245
Text Books	3,695,432	3,724,303	3,750,000	3,762,000	4,194,363	4,076,813	4,277,668	4,345,491
Uniforms	4,038,000	4,119,000	4,153,000	4,186,008	3,998,890	4,423,202	4,415,099	4,341,581
Scholarships - Year 5	85,000	85,000	85,000	85,000	97,309	122,309	129,614	72,480
Season Tickets	300,000	300,000	300,000	300,000	310,000	327,099	329,000	338,221

Source: Ministry of Education, Finance Commission and Ministry of Transport

## University Education

Creating a better learning environment with improved facilities for University students, the Government invested Rs. 49 billion in 2016. This was an increase of 11 percent in comparison to Rs. 44 billion in 2015. Rs. 28 billion was provided to 15 universities and 19 higher educational institutes to cover salaries and wages. The capital allocation of Rs. 15 billion was mainly used for infrastructure development in Universities such as lecture rooms, laboratories, hostel buildings, toilets, play grounds and library etc.

A total of 27,603 students were qualified to enter 15 Universities for the academic year 2015/2016. This was an increase of 8 percent compared to 25,676 students in the 2014/2015 academic year. In order to accommodate the additional number of students, 60 hostels were established up to 2015, Additional 24 hostel complexes are to be completed in 2017. The new building complexes of Faculties of Engineering, Arts, Business Studies in Vavuniya Campus, University of Jaffna have been completed.

Action was taken by the University Grant Commission to accommodate admissions for the first intake of technology stream, who sat for the G.C.E (A/L) examination in 2015. Out of the total student intake for the year 2015/2016, 1,825 students were selected for the Technology Stream.

Table 6.14 | Details on University Education

	2011	2012	2013	2014	2015	2016
No. of Students Admitted on university education	22,016	28,908	24,198	25,200	25,676	27,603
<b>Financial Assistance to University Students (Rs.Mn)</b>						
Mahapola	127	101	94	109	827	912
Bursary	357	283	386	414	937	832
Academics staff	5,064	5,176	5,439	5,610	5,897	5,423
<b>Total Investment</b>	<b>18,950</b>	<b>20,886</b>	<b>26,377</b>	<b>38,746</b>	<b>44,082</b>	<b>49,576</b>

Source: University Grants Commission and Department of National Budget

## Technical and Vocational Education

The Government expenditure on Technical and Vocational education in 2016 was Rs. 10,071 million, a 20 percent increase from 2015. A substantial portion of this increased expenditure was on infrastructure development and new construction works in vocational training institutes under the Ministry of Skills Development and Vocational Training. The total government investment in such infrastructure development in this sector in 2016 was approximately Rs. 2,000 million, a three-fold increase from 2015.

The Green University (NSBM) in Homagama which was declared open in Homagama could be considered as the pinnacle achievement in the Skills Development Sector in 2016. Following are highlighted as the major achievements in Technical and Vocational Training sector in 2016 along with the above.

01. Establishment of a Centre under the Sri Lanka German Technical Institute (SLGTI) in Killinochchi

02. Establishment of three Industrial Sector Councils for ICT, Tourism and light Engineering sectors in 2016

The Skills Sector Development Programme was continued to be funded by the annual budget with the aim of developing the skills education in the country for meeting the demand of local and foreign labor markets. The expenditure of this special programme in 2016 was Rs. 1.45 billion. The following table shows the breakup of expenditure of this programme.

Table 6.15 | Skills Sector Development Programme

Activity	Expenditure Rs. Mn
New Construction	272
Improvement of Training Centers	824
Capacity Building	74
Incentives for Lectures	140
Other	140
<b>Total</b>	<b>1,450</b>

Source: - Ministry of Skills Development and Vocational Training & Department of State Accounts

### Science, Technology and Research

Expenditure on Science, Technology and Research increased by 4 percent to Rs. 3,294 million in 2016 from Rs. 3,148 million in 2015 while capital expenditure decline by Rs. 28 million. The total expenditure on Scientific Development Programme of the Ministry of Science, Technology and Research increased by 81 percent to Rs. 55 million. The highly Successful Science and Technology for Society (STS) Forum was held in Colombo with the participation of distinguished Sri Lankan and foreign Scientists. The total spending on this international forum and other popularization programs was Rs. 60 million.

Some noticeable achievements being recorded in 2016 include scientific publications, obtaining patents, technology transfer, standard development, laboratory accreditation and technology commercialization.

#### 6.12.3 Agriculture

Agriculture sector plays a vital role as the backbone of the Sri Lankan economy. Although

the contribution of agriculture sector in the formulation of Gross Domestic Product has gradually decreased due to the structural changes, more than 70 percent of the rural population is engaged in agriculture related activities for their livelihood. The total investment in this sector amounted to Rs. 70.3 billion in 2016 including its subsectors such as crop agriculture, plantation, fisheries, livestock and irrigation and water resources management.

### Crop Agriculture

The crop agriculture sector consists of paddy, vegetables, other field crops, fruits, spices and other export oriented crops, flowers and ornamental plants. Paddy cultivation is the main economic activity in the crop agriculture sector. Several investment programs are being implemented in the cultivation of other field crops in order to reduce imports. Investments in the promotion of industries such as tropical fruits, medicinal plants, and ornamental flowers will boost the potential of earning a higher amount of foreign exchange. The Government has introduced a scheme of providing a cash subsidy for the fertilizer in 2016 in order to bring the prevailing system of providing fertilizer as a subsidy for the farmers to an end. The total investment for this in 2016 amounted to Rs. 47.7 billion including the investment on the fertilizer subsidy.

Table 6.16 | Value of Agriculture related Export and Import

Year	Rs. Mn	
	Value of Agriculture Export	Values of Imports of Food and Beverages
2012	297,715	166,003
2013	333,942	176,423
2014	364,763	213,308
2015	337,458	220,828
2016 (a)	338,726	237,038

Source: - Central Bank of Sri Lanka  
(a)Provisional

### Plantation Industry

Plantation industry plays a significant role to achieve economic, social and environmental development targets of the country. The Provision for capital expenditure to the plantation industry increased from Rs. 4,225 million to Rs. 7,807

million with the aim of developing tea, rubber, coconut and sugarcane industries.

Special attention was drawn to smallholders of Tea, Rubber and Coconut in 2016 and Rs. 2,194 million was provided for fertilizer subsidies to smallholders. Tea and Rubber revitalization project started in 2016 with the financial assistance of Rs. 1,080 million funded by the International Fund for Agricultural Development (IFAD).

Cultivations have been expanded to the nontraditional areas such as Ampara and Polonnaruwa in order to increase the production of rubber. For this purpose, Rs. 11,035 million had been provided for the plantation industry through the annual budget.

### Livestock

Livestock sector consisting of dairy cows, chicken, poultry and swine subsectors has considerably contributed to the development of livelihood of the people over the last few decades. The government has taken several measures to fulfill the domestic demand and to provide opportunities through enhancing the quantity and quality of livestock production. These measures include the direct investment and public sector interventions by way of consultation, implementation of hygiene management programmes and research and development.

The total investment of the sector amounted to Rs. 9.15 billion in 2016. Out of this Rs. 7.98 billion invested for the livestock development and training. Investment for Animal Health and Research was Rs. 0.18 billion.

### Fisheries

Fisheries sector aims at upgrading the nutrition level of people, creating employment opportunities, contributing towards earning foreign exchange, and upgrading socioeconomic status of the fisheries communities. The following projects were implemented to boost the sector.

Table 6.17 | Major Projects implemented during 2016

Key Projects	Rs. Mn
For the development and reconstruction of anchorages, landing sites and fisheries harbours	997
Introduce new technology for small and medium scale fishery industry	878
For the development of fisheries harbours in Chilaw, Mirissa, Kalmunai, Valvettithurai, Karai Nagar and Puranawella	192
For the program of empowering fisheries community	130
For the contributory program of fisheries sector to the National Food Production programme	112
Enhance fish breeding capacity	94

Source: - Ministry of Fisheries and Aquatic Resources

## Irrigation and Water Resources Management

The irrigation sector has provided a substantial contribution to the national economy. Its involvement can be seen mainly in providing irrigating water for agriculture, supplying water for domestic and industrial sectors and maintaining ground water stock. During the year, Rs. 25.6 billion has been invested in irrigation sector including Mahaweli development, development and construction of new reservoirs, enhancement of the water capacity of existing reservoirs and productivity and efficiency improvement in consumption of water. A major portion of investment has been allocated for the Yan Oya, Moragahakanda Kalu Ganga Development Project, and the Uma Oya Project.

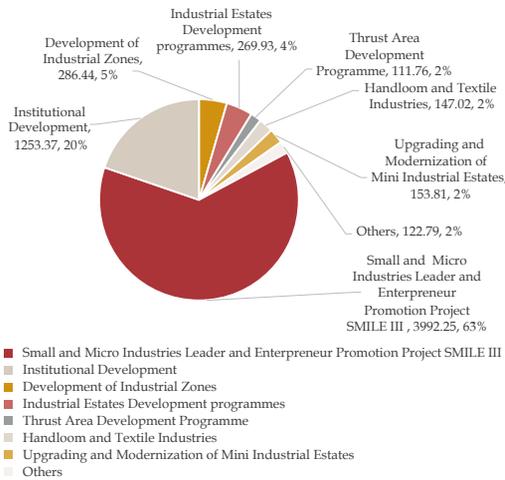
### 6.12.4 Industrial Development

Industrial development is a prime focus of the Government as it plays a critical role in the country's longterm prosperity by generating employment and revenue through investments and exports. Providing prerequisites such as infrastructure to spur the industrial development was key priority of the Government in 2016.

While investing a large sum on infrastructure facilities such as roads, highways, ports, airports, water and electricity through the relevant line Ministries, an additional sum of Rs. 6.34 billion had been spent for various industrial development programs including the Industrial Estate Development Program, Thrust Area Development Program and Upgrading

and Modernization of Mini Industrial Zones to support industries through the Ministry of Industry and Commerce in 2016. The project wise breakdown of the expenditure is as follows:

Chart 6.6 | Capital Expenditure on Industrial Development by Ministry of Industry and Commerce in 2016 (Rs.Mn)



Source : Department of National Budget

Small and Micro Industries Leader and Entrepreneur Promotion Project III – Revolving Fund project was launched in 2012 with a view to assist Small and Micro scale Enterprises (SMEs) financially to commence or expand projects via a revolving fund. The project would provide low interest loans to establish a new business or to strengthen the existing business by enhancing productivity and capacities. The interest rate would be around 8 percent. The loan is channeled through 10 Banks from both public and private sectors. These banks were referred to as Participating Credit Institutions acting as project management units. The loan disbursement commenced in 2013. In 2016, Rs. 3,985 million was disbursed for 903 projects.

### 6.12.5 Infrastructure Development

#### Power and Energy

The ultimate target of the Power sector development is to provide a high quality and uninterrupted supply of electricity island wide with sustainable and cost effective power generation, transmission and distribution. The Government took measures to strengthen the

financial position of the Ceylon Electricity Board in 2014. In order to support this policy decision, it was expected to enhance the investments made by the CEB on the power sector. In 2016, such investments made by the CEB for energy sector was Rs. 35.8 billion.

However, focusing on requirements in the energy sector and to fill the gaps in areas such as power generation, transmission and distribution, the government invested Rs. 13.2 billion.

A total installed capacity was 4,038 MW in 2016 from 4,052 MW in 2015. In contrast, the extent of gross electricity generation increased from 13,172 GWh in 2015 to 14,250 GWh in 2016. The average electricity coverage, which was 98.5 percent in 2015 increased to 99.3 percent at the end of 2016.

‘The Ratama Eliya Andura Duralai Jathika Viduli Sathkaraya’ programme was launched island wide to provide service connections to people in order to achieve the target of 100 percent access to electricity. A concessionary loan scheme was introduced and a maximum limit of Rs. 40,000 was provided to identified-families to obtain electricity connection. The number of households benefitted by this scheme was 234,655 by the end of 2016.

Table 6.18 | Expenditure on Power and Energy Sector Rs.(mn)

Category	2010	2011	2012	2013	2014	2015	2016
Generation	11,284	11,752	12,482	3,639	4,966	1,613	7,197
Transmission	4,281	2,447	8,114	5,782	5,230	5,963	5,690
Distribution	8,277	8,174	11,408	10,684	5,324	5,580	18,420
<b>Total</b>	<b>23,842</b>	<b>22,373</b>	<b>32,004</b>	<b>20,195</b>	<b>15,520</b>	<b>13,156</b>	<b>31,307</b>

Source: Ministry of Power & Renewable Energy

#### Non-Conventional Renewable Energy (NCRE)

In order to meet the growing electricity demand of the country through increasing generation capacity and using appropriate technologies in an economical manner, several measures were implemented in 2016. The Government aims to focus more on non-conventional renewable energy sources such as wind, dendro and solar power over the medium-term (Table 6.19). In

2016, the contribution of these sources to the national grid was 11 percent.

Several programmes were initiated and implemented to use non-conventional renewable energy sources. The 'Battle of solar energy', a community based solar electricity generation program was initiated to integrate the solar electricity generated in houses and premises of electricity customers through rooftop solar panels to the national grid. A loan scheme was introduced under this program where the consumers who produce electricity can earn Rs. 22 per unit during the first 7 years and thereafter Rs. 15 per unit. At the end of the year 2016, 4,292 KW of capacity was added to the national grid by 644 number of systems. In addition, the Ceylon Electricity Board and private parties have facilitated to implement Solar Parks in Valachchenai, Polonnaruwa and Wind Park in Chunnakum area.

Table 6.19 | Contribution of Non-Conventional Renewable Energy Sources

Non-Conventional Primary Source	Grid Connected 2015		Grid Connected 2016	
	No. of installations	Average Peak capacity (MW)	No. of installations	Average Peak capacity (MW)
Small Hydro	154	306.4	169	337.77
Wind	15	123.9	15	123.90
Solar PV	2	1.38	4	11.36
Biomass	8	23.6	9	24.10
<b>Total</b>	<b>179</b>	<b>455.3</b>	<b>179</b>	<b>497.13</b>

Source: Ministry of Power & Renewable Energy

### Public Passenger Transport

The general public expectation through the public transport is a comfortable, safe and speed movement. The Ministry of Transport and Civil Aviation, Department of Sri Lanka Railways, Sri Lanka Transport Board and other institutions coming under the Ministry are responsible to fulfill needs of the public. During the year 2016, Rs. 67,391 million incurred by the Ministry

and the agencies coming under the Ministry to achieve the target.

During the year, Rs. 4,530 million has been made to settle the liabilities of purchasing of buses and spare parts. Another Rs. 49 million was spent for construction of bus stands. As a solution to the current financial crisis faced by the Sri Lanka Transport Board (SLTB), a Volunteer Retirement Scheme was introduced to curtail the uneconomical cost of the SLTB. To implement this scheme, Rs. 6,505 million was allocated and as a result, 3,228 excess employees were made to retire which proved to be an advantage for the SLTB to minimize the operational cost.

Within the total recurrent expenditure of the transport sector, Rs 7,287 million was spent on financing the transport related subsidies such as season- tickets for students of schools and higher education, bus passes for Armed Forces and for the expenses of unremunerated routes. In addition, Rs.9,253 million has been provided to SLTB as financial assistance to pay salaries and settle the liabilities of EPF/ETF.

Rs. 6,470 million was contributed in 2016 for railway projects, Matara - Beliatta and Kurunegala - Habarana via Dambulla which are extending the existing rail line by 107 km. Replacing the Northern Railway Lines, Omanthai - Pallai, Medawachchiya - Madu, Madu - Thalaimannar, Pallai - Kankesanthurai (KKS) and a new railway signaling system from Anuradhapura to KKS were completed during the year 2015 with the payment of Rs. 8,126 million to settle liabilities.

An investment of Rs. 97 million was made for land and land improvement of the Kelani Valley Line under the rehabilitation of the existing capital stock of the Department of Sri Lanka Railways, incurring Rs. 2,825 million for new rails and sleepers for replacement of the existing.

Rs. 203 million was spent for the development of the Domestic Airport at Batticaloa in 2016.

Table 6.20 | Investment in Passenger Transport

Major Thrust Areas	(Rs. Mn)						
	2010	2011	2012	2013	2014	2015	2016
Service Delivery	12,222	14,498	16,079	19,177	26,506	28,737	32,815
Improvement of Bus Services	79	175	227	412	150	161	49
Bus Fleet Augmentation	849	1,900	579	898	1,877	2,633	4,530
Reconstruction of Rail Tracks	3,606	3,528	2,662	3,042	3,117	2,686	2,676
Construction of Rail Lines	2,599	18,381	15,045	14,586	32,144	24,600	13,451
Rail Fleet Improvement	5,828	4,016	8,758	3,944	5,405	419	-
Installation of Signaling & Telecommunication Systems	115	206	3,588	1,767	3,478	4,210	1,181
Domestic Airport Development Project	-	-	-	82	333	279	203
Other capital expenditure	1,203	1,838	954	1,228	4,158	4,836	12,488
<b>Total</b>	<b>26,708</b>	<b>44,884</b>	<b>48,155</b>	<b>45,329</b>	<b>77,411</b>	<b>68,782</b>	<b>67,392</b>

Source : Department of National Budget

## Drinking Water and Sanitation

In 2015, the Government issued Rs.13.9 billion worth of Treasury Bonds converting the debt of the National Water Supply and Drainage Board (NWS&DB) in order to strengthen their balance sheet and ensure the smooth functioning of NWS&DB through its own funds. In this context, the total investment in water supply and sanitation will not be mainly through the annual budgetary provisions in the future. However a cabinet decision has been taken in 2016 on the future financing mechanism of the water supply and sanitation projects. Accordingly, all borrowings to water supply and sanitation projects are done by the NWS&DB with the subsidized debt service system by the Government. Thus, following the percentages of debt service (Capital & Interest) of all foreign and local bank funded projects are borne by the General Treasury.

- Urban Water Supply Projects – 50%
- Rural Water Supply Projects – 75%
- Sewerage and Waste Water Projects – 100%
- Chronic Kidney Disease (CKD) Projects – 100% during 2016 to 2020

However, if the lender is not willing to lend to NWS&DB directly, the Government of Sri Lanka will consider such borrowings on a case by case basis. Further, domestic counterpart funds of foreign loans of all water supply and sewerage projects are provided by the General Treasury and remaining funds of Treasury Bonds are used for this purpose.

Accordingly, budgetary provisions amounting to Rs. 26 billion have been utilized to the water supply and sanitation sector in 2016. In addition, out of the Treasury Bonds proceeds, a sum of Rs. 4.8 billion was utilized as domestic counterpart funds of foreign funded water supply and sewerage projects. The total annual investment including loans obtained from local banks in water supply and sanitation sector was Rs. 38.7 billion in 2016.

Table 6.21 | Investment in Drinking Water and Sanitation Sector

Project	(Rs. Mn)
	Total Expenditure
Water Sector Community Facilitation	907
Small & Medium WSP	1,020
Large Scale Foreign Funded WSP	28,974
Local Bank Funded WSP	7,772
<b>Total</b>	<b>38,673</b>

Source : National Water Supply & Drainage Board

## Road Development

The Government has spent a considerable amount on road development in 2016. By the end of 2016, Rs. 146,089 million was spent on road and bridges development. The construction of the Central Expressway, Southern Extension expressway, Outer Circular III, 3 Flyovers, New Kelani bridge, Badulla Chenkaladi road, Kochchikade bridge commenced in 2016.

A sum of Rs 18,147 million was paid as capital re-payment of the local bank funded projects in 2016. This is an extra burden to the National Budget.

Out of the total investment Rs. 146 billion, Rs. 88 billion was financed through foreign loans and grants, while Rs. 58 billion was spent through domestic funds.

### 6.12.6 Urban Development

The prime objective of the Government through the new concept of Megapolis Development is

area to be part of a comprehensive development scheme within the next five years. In addition to the Western Region Megapolis, developing strategic cities such as Galle, Kandy, Jaffna, Anuradhapura and Trincomalee have been given priority during the medium term, ensuring the benefits of urbanization that will be evenly distributed across the country.

Table 6.22 | Comparison of Major Investment Programmes Undertaken in 2015 & 2016

S/N	Project / Programme	Expenditure			
		2015		2016	
		Domestic	Foreign	Domestic	Foreign
	<b>Expressways Development</b>	<b>11,419</b>	<b>33,817</b>	<b>7,161</b>	<b>42,194</b>
	Southern Transport Development Project	118	4,308	110	2,040
1	Extension of Southern Expressway	6,213	14,803	4,535	24,833
	Outer Circular Highway Project	4,333	1,928	1,592	6,987
	Other	755	12,778	924	8,334
	<b>Highways Development</b>	<b>32,279</b>	<b>63,388</b>	<b>30,935</b>	<b>36,561</b>
	Reh.& Improve. Of Priority Roads	3,885	32,744	2,183	11,931
2	Integrated Roads Investment(i-roads)	83	6,421	150	17,532
	National Highways Sector Project	1,480	3,110	470	1,283
	Local Bank loans repayment	12,031	-	18,147	-
	Other	14,800	21,113	9,985	5,815
3	<b>Widening and Improvement of Roads</b>	<b>17,270</b>	<b>-</b>	<b>10,888</b>	<b>-</b>
	<b>Construction of Bridges and Flyovers</b>	<b>2,858</b>	<b>5,811</b>	<b>2,267</b>	<b>9,062</b>
	Regional Bridge Project	497	1,857	531	1,013
4	Major Bridge Construction Project	55	2,099	120	2,150
	Second New Kelani Bridge Project	458	1,034	350	728
	Other(including construction of 3 flyovers)	1,848	821	1,266	5,171
5	<b>Natural Disaster Affected Road Rehabilitation</b>	<b>48</b>	<b>350</b>	<b>46</b>	<b>86</b>
6	<b>Rural Roads Reawakening Programme</b>	<b>4,395</b>	<b>-</b>	<b>581</b>	<b>-</b>
7	<b>Institutional Support</b>	<b>6,073</b>	<b>59</b>	<b>6,015</b>	<b>-</b>
	<b>TOTAL</b>	<b>74,342</b>	<b>103,425</b>	<b>57,893</b>	<b>87,903</b>

Source: Department of National Budget

to bring systematic changes and development processes into the urban community in Sri Lanka which will ensure that the inhabitants of urban areas become part of the socio economic development of the country while maintaining high levels in quality of life. This will pave the way for making Sri Lanka a commercial, naval and aviation hub in Asia.

In this context the Ministry of Megapolis and Western Development envisages transforming the entire Western Province into a Megapolis

Table 6.23 | Expenditure on Major Development Projects in 2016

Project	(Rs Mn)		
	Total Expenditure in 2016		
	Foreign	GOSL	Total
Metro Colombo Urban Development Project (GOSL-World Bank)	1,429	814	2,243
Development of Strategic Cities-Kandy & Galle Project -(GOSL-World Bank)	1,098	447	1,545
Townships Development & Urban Solid Waste Management	0	3,331	3,331
Beira Lake Rehabilitation and Redevelopment Project	0	1,200	1,200

Port City Development Project	0	656	656
Greater Colombo Urban Transport Development Project phase 1- Township Development Component - (GOSL Japan)	0	525	525
Relocation of Manning Market at Paliyagoda	0	303	303
Greater Colombo Flood Protection and Environment Development Project	0	218	218

Source: Department of National Budget

### 6.12.7 Housing Development

With the aim of providing decent houses and upgrading the existing houses for all, housing development programmes were strengthened and expedited in 2016, under the Theme of “shelter for all”. A sum of Rs 16,394 million was invested in 2016 through several line Ministries, as follows. This was a 163 percent increase compared to the investment made in 2015.

Table 6.24 | Housing Development Programmes

Ministry	Allocation in 2016 (Rs. Mn.)	Expenditure in 2016 (Rs. Mn.)
Ministry of Housing and Construction	6,482	6,479
Ministry of Prison Reform, Rehabilitation, Resettlement and Hindu Religious Affairs	9,436	9,188
Ministry of Hill Country new Villages	1,200	727
<b>Total</b>	<b>17,118</b>	<b>16,394</b>

The Ministry of Housing and Construction is responsible for providing assistance for housing development all over the country. In 2016, a sum of Rs. 6,479 million was spent by the Ministry of Housing and Construction. These investments were utilized under different programmes such as model villages, scattered housing programme and plastering programmes. Several modes of assistance such as, concessionary loans, financial grants and material grants have been provided for beneficiaries based on their income and the requirement. In these circumstances, housing loans have been provided for 40,188 beneficiaries. Out of the total houses which received housing loans, 20,461 houses were completed while the rest are in progress. Further, a grant of materials worth of Rs. 10,000 in cement was provided to 78,315 beneficiaries for plastering their houses. In addition to these housing loan programmes, construction of Lunawa housing scheme was

continued and Rs. 340 million was spent for this purpose. Under the Rehabilitation of Housing Schemes, access road to Soysapura housing scheme, water tower of Jalthara housing scheme and 983 housing units were rehabilitated at a cost of Rs. 240 million during the same period.

With the aim of providing housing facilities in the Eastern and Northern Provinces, especially for internally displaced peoples, Rs. 9,188 million has been spent for construction of 11,101 houses and upgrading 2,215 partially damaged houses.

Further, a sum of Rs. 727 million was utilized for the development of housing facilities in the estate sector in 2016, which was an increase of 107 percent in comparing to 2015. With this investment, assistance was given for 1,432 beneficiaries in the plantation sector. Out of the total beneficiaries, construction of houses for 493 were completed and houses for 939 are in progress.



**Public Investment  
Programme 2017-2020**

**07**

## 7.1 Overview

The Public Investment Programme (PIP) is a four year programming document accompanying the Sri Lanka Development Plan. The PIP contains the priority projects and programmes to be implemented by the Government in the medium term. The PIP is prepared following a 'rolling plan' approach and updated annually forecasting the future investment requirements based on the macroeconomic fundamentals and ongoing and new project portfolio. The PIP is closely connected to the national budget of the Government moving beyond the detailed estimation of the budget.

The PIP is one of the main policy directives of the Government which carefully translates the present Government's development priorities and policies into implementable projects and programmes in the medium-term. The PIP is prepared based on various policy communiques of the Government including the "Maithree Palanayak: A Compassionate Governance", the "Five Point Plan: A new Country in 60 months", the economic policy statements delivered by Hon. Prime Minister on 5th November 2015 and 26th October 2016 and "Powerful Sri Lanka" Document.

The main focus of the PIP is to ensure the achievement of five main development goals that reflects the broader objective of "Inclusive Development" which can be realized through much needed policy reforms and investment promotion. The five development goals of the Government are generating one million employment opportunities, enhancing income levels, development of rural economies, ensuring land ownership to rural and estate sectors, the middle class and Government employees and creating a wide and a strong middle class. These five goals are aligned with the Sustainable Development Goals (SDGs) which focus on ending poverty and ensuring peace and prosperity of all citizens.

## 7.2 Medium-Term Macroeconomic Perspectives

During the next four-year period, determined actions will be taken in achieving higher rates of economic growth. In managing the nation's development activities, the Government's role will be primarily supporting private investment. The private sector is expected to make the major contribution to economic growth and creation of employment opportunities. Thus, the private investor, both local and foreign, will be allowed sufficient space to invest in directly productive and profit-oriented ventures while the Government will invest on projects focusing on economic and social infrastructure development which are critically important to the overall development and generation of benefits to the society only in the long run.

The Medium-Term Development Strategy of the Government contains a number of reforms and innovations in institutional arrangements in order to enhance economic performance and promote equity. A number of 'Mega Zones' are proposed to be established as one such key initiative with the objective of concentrating and promoting economic activity and technology development.

### Main Components of the Economic Strategy Identified in the PIP

- Improve export productivity and competitiveness of industries
- Increase Government revenue and rationalize Government expenditure
- Restructure Government debt
- Upgrade quality of human resources
- Promote equity in economic and social spheres
- Minimize regional disparities
- Protect environment and conserve the natural resources

The macroeconomic targets for the four year period are shown in Table 7.1. The GDP growth

rate is expected to increase up to 7 percent in 2020 from the existing rate of 4.4 percent. The GDP is expected to grow up to US\$ 125 billion and GDP per-capita will be raised up to US\$ 5,797 by 2020. This will earmark the achievement of Upper Middle Income economic status by Sri Lanka. The Government revenue and grants as a share of GDP is expected to reach a level of 16.9 percent and the budget deficit will be gradually reduced to a level of 3.5 percent of the GDP by 2020.

Table 7.1 | Indicative Macroeconomic Targets 2020

Indicator	% of GDP			
	Projections			
	2017	2018	2019	2020
GDP Growth Rate	6.0	6.5	7.0	7.0
Investment	30.3	31.0	31.5	31.5
Private Investment	25.1	25.6	25.8	25.8
Public Investment	5.2	5.4	5.6	5.7
Total Expenditure	20.2	20.3	20.4	20.4
Revenue and Grants	15.5	16.0	16.4	16.9
Current Account Balance	0.5	1.1	1.6	2.2
Budget Deficit	-4.6	-4.3	-4.0	-3.5
Domestic Savings	23.8	25.0	25.9	26.4

Source: Public Investment Programme 2017-2020, Department of National Planning

Table 7.2 | Sectoral Investment 2017-2020

Sector	2017 Budget	Projections			2017-2020 Cumulative	As a % of Total
		2018	2019	2020		
		Rs. Bn				
1. Human Resource Development	153.5	173.3	200.4	229.1	756.3	21.4
o/w Education	99.1	111.4	129.1	148.3	487.8	13.8
Health	43.6	50.3	58.9	67.6	220.5	6.2
2. Agriculture	35.6	45.7	46.1	53.2	180.6	5.1
o/w Livestock	6.2	12.7	6.3	7.6	32.8	0.9
Plantation	8.3	9.5	11.1	12.7	41.5	1.2
Fisheries	6.0	7.0	8.2	9.4	30.5	0.9
3. Industry, Trade, Investment and Tourism	87.4	89.7	94.0	98.6	369.7	10.5
4. Infrastructure	268.4	327.6	412.8	479.3	1,488.1	42.1
o/w Roads	116.1	144.0	201.0	247.0	708.1	20.1
Land Transport	35.0	40.4	47.3	54.3	176.9	5.0
Ports and Aviation	1.3	2.2	3.0	3.5	10.0	0.3
Irrigation	67.5	77.0	89.7	95.2	329.4	9.3
Water Supply and Sewerage	26.7	38.7	42.0	45.4	152.7	4.3
5. Good Governance	72.1	81.6	91.0	94.3	338.9	9.6
6. Environmental Management	9.2	10.6	12.3	14.2	46.3	1.3
7. Social Protection	13.9	11.7	8.3	7.5	41.5	1.2
8. Regional Development	68.8	73.8	79.0	88.1	309.7	8.8
<b>Grand Total</b>	<b>708.8</b>	<b>814.0</b>	<b>943.9</b>	<b>1,064.2</b>	<b>3,530.9</b>	<b>100.0</b>

Source: Public Investment Programme 2017-2020, Department of National Planning

PIP 2017-2020 Highlights			
			Rs. Bn
Investment Summary	Project Portfolio		
Total Investment	19,907	On-going Projects	1,773
Public Investment	3,531	Annual Programmes	842
Foreign Investment	1,006	New Projects	916
Domestic Investment	2,525		
Private Investment	16,376		

Source: Public Investment Programme 2017-2020, Department of National Planning

The annual breakdown of the public investment during the 2017-2020 period is shown under eight main sectors in Table 7.2. Accordingly, the public investment is to be maintained at a level of 5.5 percent of the GDP during the reference period. The highest investment of Rs. 1,488 billion amounting to 42 percent of the total investment will be made to the infrastructure sector. This is followed by 21 percent investment in human resource development and 11 percent investment in industry and trade sectors. This indicates that the Government has to continuously allocate more resources for human capital development either through increased public investment or through private financing.

Table 7.3 shows the allocation of total investment according to the type of project i.e. ongoing projects, annual programmes and new projects. The ongoing projects receive the highest allocation of 51 percent, whereas the allocation for the annual programmes and new projects is

22 and 27 percent respectively.

The investment identified for the annual programmes could be further reviewed to obtain fiscal space to accommodate new priority projects during the planned period.

Table 7.3 | Sectoral Investment by Type of Project 2017-2020

Sector	Type	2017 Budget	2018	Projections		2017 - 2020 Cumulative
				2019	2020	
Human Resource Development	Ongoing	89.2	80.8	84.7	84.2	339.0
	Annual	21.3	40.7	46.8	54.3	163.2
	New	43.0	51.7	68.9	90.6	254.2
Agriculture	Ongoing	8.7	12.4	8.5	8.8	38.3
	Annual	15.2	15.3	18.2	19.4	68.2
	New	11.7	18.0	19.4	25.0	74.1
Industry, Trade, Investment & Tourism	Ongoing	39.3	39.2	42.0	44.1	164.6
	Annual	14.5	16.8	17.3	17.8	66.4
	New	33.6	33.8	34.7	36.7	138.8
Infrastructure	Ongoing	196.8	192.0	247.2	268.8	904.8
	Annual	55.2	79.7	74.8	77.4	287.1
	New	16.4	55.8	90.8	133.1	296.2
Good Governance	Ongoing	47.1	56.4	64.1	66.9	234.5
	New	24.9	25.3	26.8	27.5	104.5
Environmental Management	Ongoing	3.9	4.5	4.5	4.0	16.9
	Annual	4.2	3.7	3.7	5.8	17.4
	New	1.1	2.3	4.1	4.4	11.9
Social Protection	Ongoing	10.4	5.9	3.9	3.0	23.3
	Annual	2.0	2.8	2.7	2.7	10.3
	New	1.6	2.9	1.7	1.7	7.9
Regional Development	Ongoing	33.4	21.8	19.0	7.9	82.0
	Annual	18.8	36.6	48.1	64.1	167.6
	New	16.6	15.4	11.9	16.1	60.1
Allocation by Type of Project	Ongoing	428.8	413.0	473.9	487.7	1,803.40
	Annual	131.2	195.6	211.6	241.5	779.9
	New	148.9	205.2	258.3	335.1	947.5
<b>Grand Total</b>		<b>708.8</b>	<b>814.0</b>	<b>943.9</b>	<b>1,064.2</b>	<b>3,530.9</b>

Source: Public Investment Programme 2017-2020, Department of National Planning

Comparison of Sectoral Investments 2017-2020

Chart 7.1 | Industry, Trade, Investment & Tourism

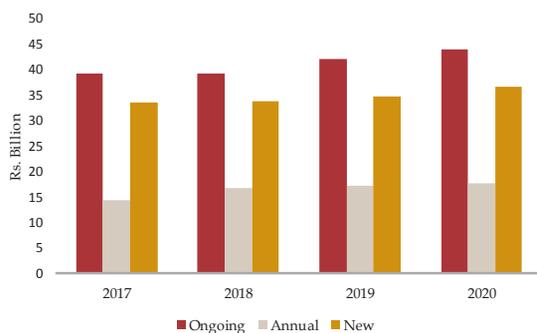


Chart 7.2 | Infrastructure

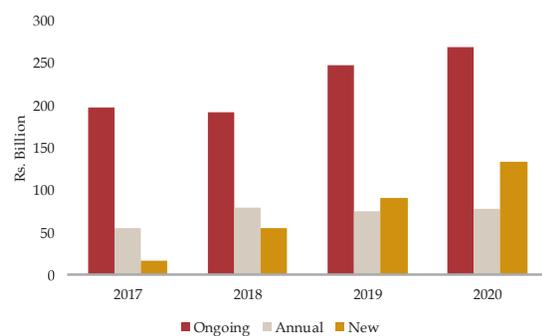
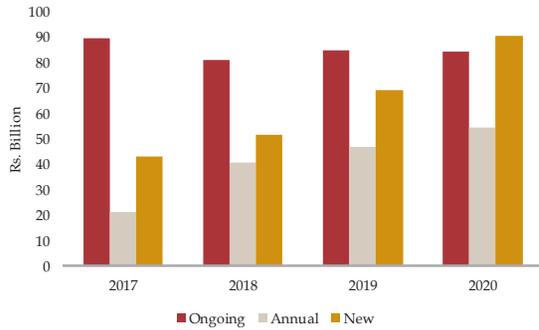


Chart 7.3 | Human Resource Development



Comparatively, there will be increasing investments in the new projects in sectors such as human resource development, industry and trade and agriculture during the period 2017-2020. This shows the Government’s commitment to promoting balanced growth in the country by allocating more resources from infrastructure development to other sectors. However, it should be also noted that the need for infrastructure development cannot be ignored considering its overall importance in creating investor-friendly environment and linking rural and urban commercial centers in the country.

### 7.3 Development Projects Implemented by State Owned Enterprises (SOEs): Off Budget

The PIP provides an account of the development

Table 7.4 | Off Budget Project Portfolio 2017-2020

Sector	Type	2017 Budget	Projections			2017-2020 Cumulative
			2018	2019	2020	
Ports*	New	9,100	35,100	10,400	-	54,600
Aviation*	New	6,380	6,380	9,970	9,571	31,901
Power and Energy*	On going	34,038	37,995	22,518	11,467	106,018
	New	70,253	50,967	36,289	80,873	238,381
Water Supply & Sanitation**	On going	52,650	33,450	25,331	18,000	129,431
	New	33,264	50,097	76,744	83,776	243,881
<b>Total</b>		<b>205,685</b>	<b>213,988</b>	<b>181,252</b>	<b>203,687</b>	<b>804,212</b>

\*Project costs and repayment commitments are with the relevant SOEs

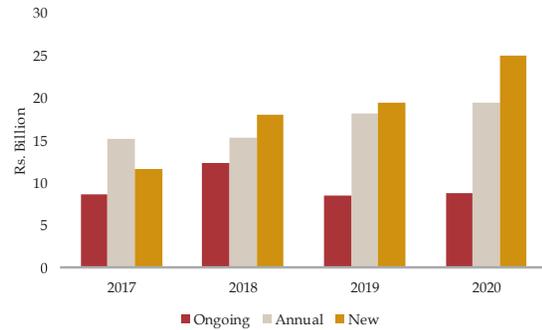
\*\* Projects costs are partly born by the SOEs, but the loan repayment commitments are with Treasury

Source: Public Investment Programme 2017-2020, Department of National Planning

### 7.4 Human Resource Development

The education policy is geared towards ensuring access to quality and inclusive education while laying the foundation for the creation of educated

Chart 7.4 | Agriculture



projects that are directly implemented by the State Owned Enterprises (SOEs) in five main sectors, i.e. the Ports, Aviation, Water Supply and Sanitation and Power and Energy (Table 7.4). The public investment requirement for the period 2017-2020 will be Rs. 3,531 billion which amounts to 18 percent of total investment requirement. Hence, the Government is expecting to meet remaining 82 percent of the total investment requirement from the private sector. As such, the Government is considering new financing options including the public-private partnerships (PPPs) to encourage more private sector participation in the development process to reduce the burden on the government budget. Also, the Government strives to create a conducive environment to attract more Foreign Direct Investment to the country. The off budgetary project pipeline could be considered for possible funding under PPPs.

and disciplined generation equipped with basic skills and competencies in order to achieve a sustainable economic development based on a knowledge driven economy.

In view of the above, some key policy reforms

are currently being introduced to the school education sector. The policy initiative for making 13 years of education mandatory is to be introduced with the vision to make “no child is left behind” in the education frontier and to ensure that after the completion of school education, students are directed to higher education, vocational education or to direct employment. In order to enhance the education administrative procedures, school boards and an education inspectorate are proposed to be established as key policy reforms. Investment is also directed towards reducing prevailing disparities by ensuring availability of required human resources and physical resources for the education process and their constant upgrading. Furthermore, regular revision and diversification of curriculum will be made while strengthening the mechanism available for teacher training in order to ensure the quality of education delivered.

The higher education sector aims at enhancing the quality and relevance of the university education to produce professionally competent and capable graduates. Steps are taken to increase the enrolment in state universities while promoting the engagement of non-state institutions in higher education with proper regulation and supervision. In addition, encouragement of university research and forging of links between industry and the universities are promoted through specific measures. In order to ensure the quality of higher education, a performance-based financing model will be introduced to obtain the maximum out of the public investment.

The investment in skills education would focus on improving access, quality and relevance of vocational training which would be facilitated by the policy reforms to introduce 13 years of compulsory education and thereby the creation of effective synergies between general and vocational education. In order to ensure that skills education is answerable to the demand created by the diversification of local and foreign labour markets, course curricula will be regularly revised and measures will be taken to provide comprehensive industrial exposure for trainees especially under public-private partnerships.

Investment in health emphasizes creating a healthy nation by ensuring easy access, improving quality and affordability of healthcare services to the people while recognizing the importance of co-existence of different forms of medicine and participation of private sector in health care services. Accordingly, necessary reforms are to be adopted to cover the areas of health insurance, national drug policy, quality of health care services delivery, patient’s safety, elderly care and establishment of a regulatory authority for cosmetics, beautician services and related products. Further, budgetary provisions will be increased to develop rural/primary healthcare institutions, meet healthcare needs of the elderly, address healthcare needs of the estate sector and to ensure the availability of equipment, drugs and devices across hospitals in the country. Both preventive and curative measures with regard to non-communicable diseases, Chronic Kidney Disease due to unknown etiology (CKDu), emerging and re-emerging diseases such as dengue, rabies, HIV, leprosy and tuberculosis will constitute a significant portion of the public investment in health.

In addition, sports sector will focus on the creation of necessary infrastructure facilities for the public to engage in sports activities paving the way for a healthy nation while encouraging school students to take part in sports.

The Government expects the enhancement of research and development of the country by building capacities and strengthening science and technology through the intensification of advancement and dissemination as well as the application of knowledge and technologies. At the same time with regard to Information and Communication Technology, the Government is committed to the policy of offering “ICT4ALL” with an acceptable quality of service and affordability in any part of the country leading to a digital economy. The digital economy would be characterized by new export-oriented ICT-enabled service industries and increased use of electronic transactions and digital services.

The national labour policy focuses on protecting

the rights of the domestic and migrant workers and achieving healthy industrial relations while enforcing existing laws and regulations. In order to improve labour productivity and better working conditions, the Government will take several steps including enhancing the coverage of Employees Provident Fund (EPF) beneficiaries, ensuring optimum occupational safety and promoting entrepreneurship for quality and high paid jobs in the country. The skilled and professional migration will be encouraged and the labour migration will be diversified while taking measures to ensure migrant worker safety.

The public investment in culture and heritage sector will be focused on conservation of natural heritage and promotion of cultural activities. Through these endeavours, it is expected to create a virtuous and responsible society that enables freedom to engage in artistic work.

## 7.5 Agriculture

The investment in agriculture expects to achieve the twin objectives of ensuring food security by substituting possible imports and promoting the export of agriculture and agro-based products through increased competitiveness in the international market. The private sector is predominantly engaged in agriculture, particularly in production, marketing, branding and value addition. The Government involvement in the sector is mainly limited to the provision of infrastructure, regulatory matters, research and development and management of input supply to ensure the quality of products and service delivery and safeguard the small scale producers. Therefore, new policy initiatives in the sector will particularly be implemented so as to facilitate and augment the private sector investments in agriculture development. Public Private Partnerships will be encouraged by providing land and necessary infrastructure facilities by the Government.

The National Food Production Programme which aims at making self-sufficiency in food crops, Agriculture Modernization Project that encourages private investment, Establishment

of Agricultural Mega Zones and Strengthening of Value Chain Development are some of the major initiatives which have been identified in the crop agriculture sector to be implemented over the medium term. Priority investments in the agriculture sector will be channelled to crop production and improvement, agribusiness development, the introduction of high yielding varieties and technologies with research and development and the establishment of large-scale agro-enterprises for value addition and product diversification. Furthermore, plantation sector will be modernized to increase its competitiveness and dynamism with the objective of capturing a considerable market share in the international market while ensuring the decent living of the plantation community. Measures will be taken to establish mega zones for export, explore new niche markets, promote re-export of tea with an added value, encourage private sector entrepreneurship in rubber, coconut and sugar production and value addition, restructure of regional plantation companies to enhance the competitiveness and make available better facilities for plantation community.

Investment in livestock sector will be focused on achieving the policy objectives of increasing production and quality of livestock products to satisfy local demand and to boost rural income. The export of certain livestock products such as chicken, processed meat and egg will also be encouraged simultaneously. By recognizing the necessity of promoting milk production, the Government will take necessary steps to improve the gene pool in the cattle industry. The importation of new breeds of cattle and buffalo will serve for this purpose, in particular. In addition, the advisory and extension services will be further strengthened and modern technological interventions will also be introduced. Low interest credit facilities will make popularized so as to encourage entrepreneurs to invest in value addition and development of milk based products. In view of increasing fish production, the fisheries sector will be developed with specific initiatives to promote deep sea fishing and regulate coastal fishing through improvements in harbours, affiliated facilities and upgrading fishing vessels and the infusion

of new innovations for fish harvesting. Private sector participation will be encouraged to initiate joint venture programmes in the areas of harbor centered business development, recreational fishing and aquaculture development. Establishment of fishery mega zones in selected areas is one such intervention going to be undertaken jointly with the private sector investment. The ornamental fishery will also be promoted providing financial and technical supports targeting export and domestic market demand. The production of fingerlings for inland fishery will be promoted through research and development and private sector participation is encouraged for commercial production.

Distribution of land allotments for the landless people, the establishment of a state land information system for effective utilization of land resource, speeding up land regularization and acquisition processes with the exclusion of legal and institutional barriers are some initiatives in the land development sector.

## 7.6 Industry, Trade, Investment and Tourism

The industry sector aims at supporting private sector development especially in export-oriented industries with emphasis on the diversification of products and geographical location and more effective industrial harmony, high value added and productivity driven industrialization. The development of the industry sector is decided by the investment made to the sector and by innovation, absorption of technology, proper regulations and legislation amendments as well. Accordingly, the Government will put in place a strategic roadmap aiming at improving and reforming investment climate for industrial development. The public investment in the industry sector will be mainly focused on the establishment of industry and technology mega zones with infrastructure facilities and services on par with the international standards and upgrading the existing industrial zones. The internationally accepted principles of supply chain management will be developed to upgrade the industries. The Government plans to establish economic corridors with the aim of unlocking

the unrealized industrial potential of defined locations. In addition, technology transfers and the special lending window for the SMEs will be provided while steps will be taken to uplift SOEs as success commercial entities. The private sector will be encouraged to invest in industries while creating an environment to attract more Foreign Direct Investment facilitating Public Private Partnership (PPP).

Trade and investment policy is directed towards ensuring high trade performances and increased global integration by creating business-friendly regulatory and operational environment while giving due consideration to the increased welfare. Accordingly, improved trade facilitation and economic integration through Free Trade Agreements (FTAs) and regional co-operations will be promoted to enhance market opportunities. Investment in trade and investment focuses on the formulation of a comprehensive trade and investment policy, promotion of production of high-tech export products and the establishment of agencies for development and international trade with the objective of simplifying administration and registration process. A competitive high value added export promotion strategy will also be adopted to encourage export product specialization.

The tourism sector will aim at transforming Sri Lanka as the World's most treasured island for tourism gaining recognition as a hub for nature, cultural, historical and adventure-based tourism. To this end, tourism development mega zones will be established while improving infrastructure facilities in attractive destinations to attract high spending tourists with a longer stay in the country. Furthermore, attention will be paid to the diversification of tourism products and preparation of a cohesive marketing strategy to attract tourists from key tourist generating and potential markets.

## 7.7 Infrastructure

Investment in infrastructure will set the stage for proper connectivity and increased access to basic amenities and for attracting foreign investment. The Government intends to ensure connectivity

and efficient mobility of goods and passengers through a properly designed road network and reduce the cost of transport to make Sri Lankan products competitive in the global market. Investment in road sector is directed towards facilitating the economic growth of the country by creating an efficient road network covering all levels of road administration while ensuring safety and equity.

Land transport aims at meeting the present and future demand for the transportation of passengers and goods ensuring quality, safety and affordability, with widest possible mode mix and technological innovations. Therefore, the modernization of railway and bus transport in urban and suburban areas will be a priority of the Government. Intermodal connectivity will be promoted through the establishment of multi-modal transport centers with park and ride facilities. More facilities for passengers will be provided with the deployment of modern buses and rail compartments to the service. Electrification of the existing railway system between Veyangoda and Panadura, constructing new rail tracks connecting Kurunegala and Habarana via Dambulla and introduction of new modes of transport such as Bus Rapid Transits (BRT) and Light Rail Transits (LRT) have been identified for development.

Ports and aviation sectors recognize the need for the development of ports and airports for improving domestic and international connectivity and promoting Sri Lanka as a tourist destination and a logistic hub. Port infrastructure and port-based industries will be developed. In parallel, the domestic airport network and water aerodromes will be improved covering the key tourist destinations while a number of open sky agreements will be entered into countries with emerging economies.

The energy sector policy is to ensure energy security by diversification of energy resources and energy mix considering economic cost, environmental impacts, the reliability of supplies, convenience to consumers and strategic independence. Therefore, the Government is committed to increasing the electricity generation

through renewable sources in line with the “sustainable clean green energy concept”. The private sector will be encouraged to undertake both small scale energy generation projects and large scale and solar power electricity generation projects.

The Government is fully committed to providing equitable access to safe drinking water and sanitation to the entire population. In this context, the strategies in this sector will be mainly focused on increasing access to pipe borne water supply facilities in un-served urban areas and rural and estate areas, while giving special attention to ensuring safe drinking water for areas affected by CKDu. The Government will make the required investment to meet the increasing industrial and commercial water demand. Furthermore, improved sanitation facilities will be developed in rural and estate sectors while establishing piped sewerage/waste water and septage disposal systems in densely populated cities.

Urban development of the country focuses on establishing large urban cities to facilitate the improvement of investment climate to attract business, industries, Foreign Direct Investment through sustainable city development and conversion of Western Region, the main economic hub of Sri Lanka into an environmentally sustainable and economically dynamic Megapolis.

Megapolis development will be facilitated by the adoption of the Western Megapolis Act in due course under which a Western Development Authority will be established. The region will be developed as a center of providing financial, naval, air, transport and supply services taking the advantage of geographical positioning of the country. Western Region Megapolis Plan (WRMPP) has already been launched intending to ensure economic growth and prosperity, social equity and harmony, environmental sustainability and individual happiness. Twelve cities have been identified to be developed as strategic cities out of which development of Kandy and Galle have been initiated.

The housing sector emphasizes affordable access to decent housing facilities for every family and thereby raising the quality of life of all citizens by addressing mainly the housing needs of targeted vulnerable groups. In addition, Government plays a vital role in creating a conducive environment for private sector to invest in housing for affordable groups.

The irrigation sector aims at ensuring water availability to water users by providing water in adequate quantities with improved management, enhanced productivity and water use efficiency while paying attention to spatial variation in water availability in the country. Intensive methods of cultivation, crop diversification and improved irrigation techniques are being used for reducing water usage. Investment in irrigation and water resources development sector would focus on the construction of new multipurpose irrigation schemes and trans-basin diversions to minimize spatial variations of water availability and enhance water retention capacity. The small tank improvement will also be undertaken. Management of river basins and catchment protections are given due consideration to ensure the sustainability of water resources and maintain the quality of ground water resources.

## 7.8 Good Governance

Ensuring good governance will lead towards increased reliance and trust on public service delivery systems and will be a critical factor in increasing investor confidence for attracting foreign investment to the country and ultimately ensuring the wellbeing of the people.

Sri Lanka's diversity will be used as a platform to move towards the common goal of socio-economic development while securing the social harmony between multi-ethnic and multi-cultural identities. Ongoing reconciliation efforts will be strengthened in order to ensure the rights of each citizen enabling one to feel as a Sri Lankan. A non-aligned, free and progressive foreign policy will be followed forging close ties of cooperation with all countries while protecting the country's sovereignty and territorial integrity.

New technologies in the management of court proceedings and developing professional standards to ensure efficient operation of the legal system will be introduced. At the same time, public service delivery will be re-oriented through transform management methodologies, avoidance of overlapping and duplications, simplification of systems, increased use of technology, capacity building at all levels and introduction of an outcome based performance evaluation system.

## 7.9 Environmental Management

Environmental management intends to ensure environmental quality and safety by mitigating climate change impacts and thereby reducing potential disaster risks on people, property and the economy to facilitate a robust economic growth leading to sustainable development. Environmental pollution and damage will be controlled through encouraging green energy production and usage and encouragement of environmentally sustainable vehicle usage and transportation. Natural forests and forest plantations will be conserved while ensuring peaceful co-existence among wildlife and humans.

A multi-hazard early warning system will be established along with a comprehensive centralized database for damage and loss data. In addition, a reserve fund will be established for reconstruction of infrastructure in disaster affected areas, while establishing insurance schemes for economically important sectors through proper fiscal measures. Harmonization of disaster mitigation and disaster risk reduction concept to the national development agenda will be a priority of the Government.

## 7.10 Social Protection

The Government intends to improve the living condition of certain segments of the country, mainly the vulnerable and the disadvantaged, and empower them by implementing specific welfare programmes to contribute to the development of the country. Although subsidy and welfare programmes and livelihood assistance schemes

Table 7.5 | Public Investment Programme - Targets 2020

Indicator	2015	2020
<b>Human Resource Development</b>		
Survival Rates (Grade 1-11) (%)	86	100
Qualified for G.C.E. (A/L) subject streams from G.C.E (O/L) (%)	69.33	80
Eligibility for University Entrance from G.C.E. (A/L) (%)	62.35	80
New admission to state universities (No.)	25,676	50,000
New admissions to Skills Education (No.)	182,829*	350,000
Youth unemployment rate (%)	20.7	14.1
Digital Literacy (%)	25*	40
IT/BPO export revenue (USD Million)	910*	5,000
Maternal mortality rate (per 100,000 live births)	34.2	25
Infant mortality rate (per 1,000 live births)	8.0	6.0
Premature deaths due to NCDs (<65 years) (%)	18	9
<b>Agriculture</b>		
Export revenue from selected agricultural exports such as fruits, vegetables, cut flower and foliage, spices and other export crops (USD Billion)	0.5	1
Export earnings of Tea, Rubber and Coconut (Rs. Billion)	295.3*	565.5
Export earnings of fish and fishery products (USD Billion)	0.2	1.5
Self-sufficiency in liquid milk (%)	44	100
<b>Industry, Trade, Investment and Tourism</b>		
Employment in industry sector (No. Million)	2	3
Industry contribution to GDP (%)	28.5	30
Export earnings (USD Billion)	11.1	17
Tourist arrivals (No. Million)	1.79	4.5
Tourism income (USD Billion)	2.92	10
<b>Infrastructure</b>		
Share of railway passenger transport (%)	5	10
Total container traffic (TEUs '000)	5.2	6.8
Share of electricity generation from non-conventional renewable energy sources (%)	11	20
Total irrigable extent (Hectares)	744,983	850,000
Reduce volume of runoff water (MCM)	28,000	21,500
Safe drinking water coverage (%)	86	100
Sanitation coverage (%)	86.7**	100
<b>Environment</b>		
Forest cover (%)	29.7	32
<b>Social Protection</b>		
Female labour force participation rate (%)	36	40
Preschool enrolment (%)	95	100

\*Data pertaining to 2014

\*\*Exclusively for the HHs

Source: Public Investment Programme 2017-2020, Department of National Planning

have been implemented over the years, studies have shown that existing welfare programs are poorly targeted. Therefore, it is necessary to introduce an integrated welfare and subsidy management and social security system characterized by entry and exit mechanisms to prevent the inclusion and exclusion errors to the welfare programmes.

Empowerment of women is a key priority of the Government and investment in this regard will be directed to address challenges identified with regard to low female labour force participation, low political representation by women, gender-based violence and women headed households. The Government strives to promote gender equality and women's empowerment with key measures such as ensuring 25 percent women's representation in local authorities. Similarly, children of the country should be nurtured and protected removing any impediment that halts their physical and mental growth such as child malnutrition and violence against children. In this context, the Government's policy directs to ensure children rights in a safe environment free from violence to provide opportunities for their development. The 'National Plan of Action for Sri Lanka' is currently being implemented focusing on the elimination of violence against children.

Sri Lanka's ageing population is growing as a consequence of changing fertility, mortality and international migration trends. Sri Lanka's ageing population has increased from 6.6 percent in 1981 to 9.2 percent in 2001 and 12.2 percent in 2012. It is projected that elder population will be doubled from the current level in 2041. To meet the increasing need for eldercare services and to support our seniors to age gracefully, the capacity of eldercare services will be increased, while raising their quality through enforcement of service standards and guidelines. Healthcare facilities will be made more affordable to the elders.

The Government will ensure that the differently abled are not marginalized and that their contribution is obtained in development efforts. Existing mechanisms to educate the differently

abled at the school level, higher education and vocation level will be strengthened ensuring their growth as individuals.

## 7.11 Regional Development

Regional development identifies the need for enhancing the living standard of communities to a decent level by identifying potentials, uniqueness and diverse nature of resources in respective regions. Improving inter-regional connectivity, linking regions to the national economic development process through economic development mega zones and Megapolis in Western Province, removing regional disparities by paying special attention to lagging areas and poverty pockets and strengthening disaster risk reduction measures in disaster vulnerable areas are the priority intervention areas of the Government. The importance of sustainable utilization and conservation of natural resources available at the regional level for achieving long-term regional development targets is also recognized.

In order to transform these policies into action, the Government has already implemented community development programmes such as Rural Infrastructure Development Programme, Decentralized Capital Budget Programme and "2500 Grama Rajjaya Sanwardana Kendra under Cluster Village System". In addition to these grass root level initiatives, proposed 45 Mega Zones for key sectors such as economic development, industry and technology, tourism, agriculture, fisheries covering 25 districts will enhance the agriculture and economic productivity, income generation activities and connectivity among different sectors and regions.

The implementation of relevant sectoral policies and strategies in the PIP enables the realization of five development goals and creation of investor-friendly environment in the country. Therefore, all relevant parties are encouraged to ensure the timely and effective implementation of the identified policies and strategies to reach a high-income status and thereby to improve the living standards of the people as envisaged.

# Financing of the Budget

08

## 8.1 Overview

Development orientation of the national budget 2016 demanded more resources for meeting expenditure requirements over the level of government revenue mobilized in the country. Such expenditure-revenue gap was filled with financing from domestic and foreign sources within the borrowing limits approved by Parliament for the fiscal year. Deficit financing in 2016 mostly utilized foreign sources comprising bilateral, multilateral and commercial arrangements. Foreign funded on-going development projects received substantial financing during the year meeting a part of the deficit financing requirements, while the proceeds from international debt issuances also made up a sizable portion of foreign deficit financing.

Meanwhile, the domestic financing strategy focused primarily on shifting the liability towards the medium to longer end, moving away from the near-term debt creating financing instruments. As such, treasury bonds issuances of longer tenure marked a notable share of domestic financing, while the reliance on short-term instruments such as bank borrowings lessened markedly.

The medium-term strategy for deficit financing tilts towards domestic sources. As fiscal deficit is projected to shrink along the envisaged path of fiscal consolidation, requirements for financing would ease over the medium term. For instance, foreign financing is projected to decrease from 67 percent of total financing in 2016 to 15 percent of total financing in 2020.

Chart 8.1 | Composition of Government Debt

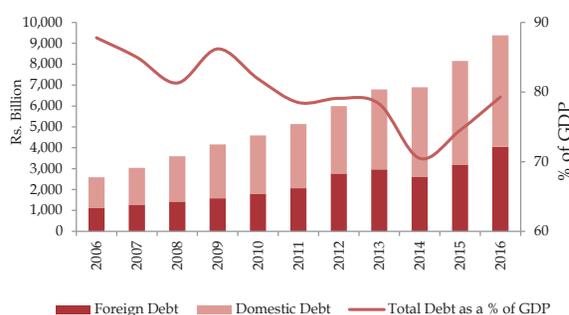
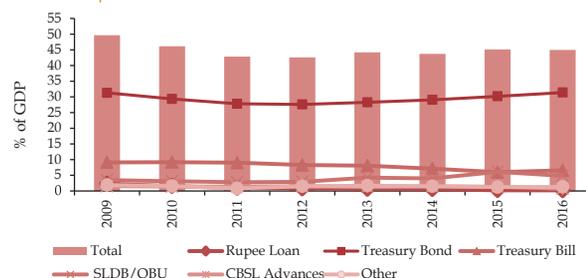


Chart 8.2 | Domestic Debt to GDP Ratio: 2009 - 2016



## 8.2 Government Borrowing Programme - 2016

The draft Appropriation bill submitted to the Parliament relates to year 2016 budget determined the borrowing limit as Rs.1,699 billion for financing the resource gap. Approval of the Parliament of Sri Lanka was granted for this limit under the Appropriation Act No. 16 of 2015.

Out of the above borrowing limit of Rs.1,699 billion, the actual total borrowing was Rs.1,519 billion which contributed from domestic sources amounting to Rs.945 billion while foreign sources amounting to Rs. 574 billion. Borrowings from foreign sources were comprised the Sovereign Bond of Rs. 218 billion issued at the foreign market, Foreign Financing Syndicated Term Loan of Rs.102 billion and Development Policy, Project and Program loans of Rs.254 billion. Total borrowing of Rs.1,519 billion in 2016 is a 13 percent decrease compared to that of Rs.1,745 billion in 2015.

Table 8.1 | Government Borrowing Limits and Usage

Item	2015		2016	
	Approved Limit	Usage	Approved Limit	Usage
<b>Gross Borrowing</b>	<b>1,780,000</b>	<b>1,744,524</b>	<b>1,699,000</b>	<b>1,519,485</b>
Domestic	1,222,000	1,188,154	1,180,000	945,236
Foreign	558,000	556,370	519,000	574,249
<b>Total Financing</b>	<b>1,780,000</b>	<b>1,744,524</b>	<b>1,699,000</b>	<b>1,519,485</b>

Sources : Department of Treasury Operations and Central Bank of Sri Lanka

The actual total domestic borrowing of Rs.945 billion in 2016 is a 20 percent decrease over that of Rs. 1,188 billion in 2015. Mainly this decrease was due to settlement of a part of Bank Overdrafts

obtained from the state banks and settlement of part of Provisional Advance to the Central Bank of Sri Lanka in 2016.

## 8.3 Domestic Financing

### 8.3.1 Net Domestic Financing (NDF)

Total net borrowings from domestic sources to finance the budget deficit decreased by 58 percent in 2016 to Rs. 248 billion. This accounted for 38 percent of budget deficit. The total net borrowing to finance the deficit in 2016 through marketable debt instruments amounted to Rs. 328 billion while there was a repayment of non-marketable debt of Rs. 79.4 billion. In 2016, contribution to the

NDF through the marketable debt instruments of Rs.328 billion indicates a significant reduction compared to Rs.639 billion in 2015.

During the year, borrowings from Treasury bills reflected a net inflow of Rs.98.5 billion since the issuances exceeded the repayments. Compared to the net outflow of Rs.26.4 billion in 2015 resulting an increase in NDF by 39.6 percent in 2016. There was a repayment of Rs. 79.4 billion of non-marketable borrowings in 2016. This amount mainly consisted settlement of part of provisional advance amounted to Rs.67.8 billion to the Central Bank of Sri Lanka.

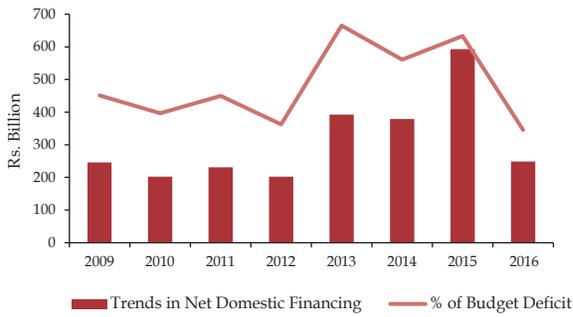
Table 8.2 | Net Domestic Financing of the Government Budget: 2015 and 2016

Item	Amount (Rs. Bn)		As a % of Total	
	2015	2016	2015	2016
<b>By Type</b>	592.7	248.4	100.0	100.0
Borrowing from Instruments	607.7	327.8	102.5	132.0
Treasury Bonds*	442.6	349.8	74.7	140.8
Treasury Bills*	-26.4	98.5	-4.4	39.6
Rupee Loans	-31.4	0.0	-5.3	0.0
Sri Lanka Development Bonds	223.0	-120.5	37.6	-48.5
Non Instrument Borrowings	-15.0	-79.4	-2.5	-32.0
Provisional Advances from the Central Bank	7.2	-67.8	1.2	-27.3
Other	-22.3	-11.5	-3.8	-4.6
<b>By Maturity</b>	592.7	248.4	100.0	100.0
Medium to Long Term	634.1	229.3	107.0	92.3
Treasury Bonds*	442.6	349.8	74.7	140.8
Rupee Loans	-31.4	0.0	-5.3	0.0
Sri Lanka Development Bonds	223.0	-120.5	37.6	-48.5
Short term	-41.4	19.1	-7.0	7.7
Treasury Bills*	-26.4	98.5	-4.4	39.6
Provisional Advances from the Central Bank	7.2	-67.8	1.2	-27.3
Other	-22.3	-11.5	-3.8	-4.6
<b>By Marketability</b>	592.7	248.4	100.0	100.0
Marketable	639.2	327.8	107.8	132.0
Treasury Bills*	-26.4	98.5	-4.4	39.6
Treasury Bonds*	442.6	349.8	74.7	140.8
Sri Lanka Development Bonds	223.0	-120.5	37.6	-48.5
Non - Marketable	-46.5	-79.4	-7.8	-32.0
<b>By Ownership</b>	592.7	248.4	100.0	100.0
Banks	291.8	139.9	49.2	56.3
Central Bank	80.3	183.0	13.5	73.7
Commercial Banks	211.6	-43.1	35.7	-17.4
Non Bank Sector	300.9	108.5	50.8	43.7

Sources : Department of Treasury Operations and Central Bank of Sri Lanka

\*Excluding investment by non residents

Chart 8.3 | Trends in Net Domestic Financing



## 8.4 Domestic Debt

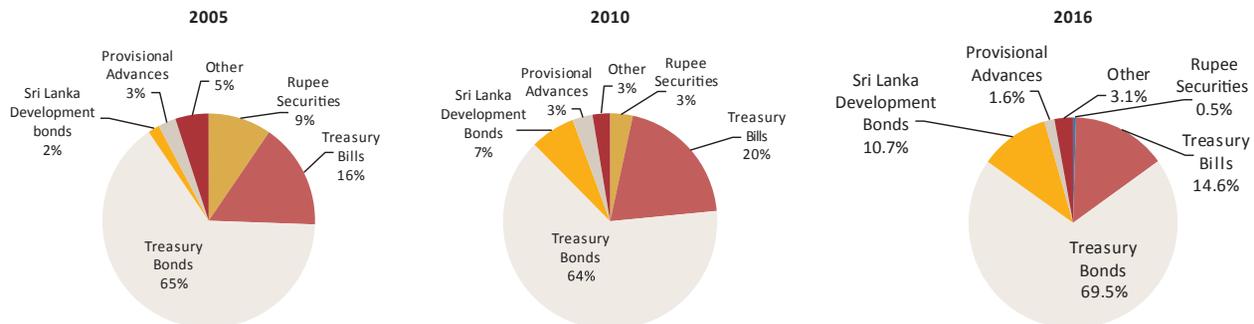
Government domestic debt, excluding the rupee denominated Treasury bills and bonds issued to non-residents, stood at Rs.5,342 billion as at end 2016 which is an increase of 7.7 percent in comparison to Rs.4,959 billion at the end of 2015.

### 8.4.1 Composition of Domestic Debt

#### 8.4.1.1 Composition by Type

Out of the total domestic debt in 2016, the share of Treasury bonds, Treasury bills and SLDBs accounted for 69.5 percent and 14.6 percent and 10.7 percent respectively while the share of Treasury bills increased from 13.3 percent as of end 2015 to 14.6 percent as at end 2016. The balance accounted for provisional advances from the Central Bank of Sri Lanka (1.6 percent), Rupee loans (0.5 percent) and other borrowings (3.1 percent). The share of provisional advances obtained from the Central Bank of Sri Lanka reduced from 3 percent in 2015 to 1.6 percent in 2016 since the government settled a part of advance.

Chart 8.4 | Composition of Domestic Debt



The stock of Treasury bonds increased by 8 percent to Rs.3,715 billion in 2016 while stock of Treasury bills increased by 2 percent to Rs.780 billion in comparison to 2015. The stock of SLDBs decreased slightly by 2 percent to Rs. 572 billion as at end 2016.

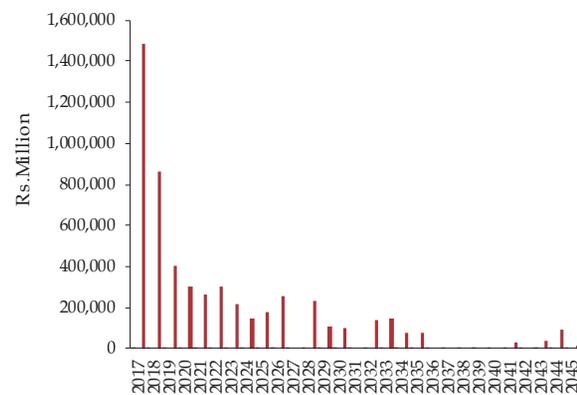
#### 8.4.1.2 Composition by Maturity

Out of the total domestic debt at the end of 2016, medium and long term debt accounted to 82 percent while short term debt accounted 18 percent.

The total of medium to long term debt portfolio included Treasury bonds worth of Rs. 3,715 billion (85 percent) while remaining 15 percent constituted the SLDBs (13 percent), Rupee Loans (0.6 percent) and other (1.4 percent).

The maturity pattern of the domestic debt as per the below chart 8.5, reveals that the 50% of the domestic debt are maturing within next 3 years. Therefore, the government has initiated in redeeming short term maturing loans by replacing with longer term maturity debt.

Chart 8.5 | Domestic Debt Maturity Profile



### 8.4.1.3 Composition by Marketability of Domestic Debt

Reflecting the increased utilisation of marketable debt instruments over the years where the trend further continued in 2016, the stock of

marketable debt increased by 9.4 percent to Rs. 5,067 billion over 2015. Out of the total domestic debt, marketable debt instruments accounted for 95 percent while non- marketable debt stood at 5 percent (Rs. 275 billion) at the end of 2016. Out of the total value of marketable debt instruments

Table 8.3 | Central Government Domestic Debt(a)

	Rs. Mn							
Item	2009	2010	2011	2012	2013	2014	"2015 Revised"	"2016 Provisional"
<b>Total Domestic Debt</b>	2,400,955	2,565,662	2,804,085	3,232,813	3,832,825	4,277,783	4,959,196	5,341,507
<b>By Type</b>								
Rupee Loans	112,292	87,709	61,961	58,386	55,518	55,518	24,088	24,088
Treasury Bills	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581
Treasury Bonds	1,513,512	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787
Sri Lanka Development Bonds	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199
Provisional Advances	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307
Other	92,160	67,869	53,400	116,017	146,428	148,463	152,031	167,545
<b>By Maturity</b>								
Short term	560,646	619,549	698,190	813,273	909,156	941,162	913,291	968,396
Treasury Bills	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581
Provisional Advances	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307
Other	45,733	27,228	12,562	72,911	99,852	102,498	103,920	105,508
Medium and Long - Term	1,840,309	1,946,113	2,105,895	2,419,541	2,923,670	3,336,620	4,045,905	4,373,111
Treasury Bonds	1,513,512	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787
Rupee Loans	112,292	87,709	61,961	58,386	55,518	55,518	24,088	24,088
Sri Lanka Development Bonds	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199
Other	46,426	40,640	40,838	43,107	46,577	45,966	48,111	62,037
<b>By Marketability</b>								
Marketable	2,122,623	2,332,206	2,593,981	2,947,118	3,521,712	3,929,904	4,631,946	5,066,567
Treasury Bills	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581
Treasury Bonds	1,513,512	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787
Sri Lanka Development Bonds	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199
Non - Marketable	278,332	233,456	210,104	285,695	311,113	347,879	327,251	274,940
<b>By Ownership</b>								
Banks	705,766	691,716	886,221	1,060,317	1,433,773	1,669,882	1,924,036	2,114,901
Central Bank	109,593	78,376	263,330	265,198	112,396	267,677	256,050	414,950
Treasury Bills	37,451	2,993	169,797	154,005	3,053	123,496	104,754	331,389
Provisional Advances	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307
Other	-1,739	-2,496	-1,210	-99	176	282	164	254
Commercial Banks	596,173	613,341	622,893	795,119	1,321,377	1,402,205	1,667,986	1,699,951
Rupee Loans	17,251	17,615	16,234	15,870	15,870	15,870	15,870	15,870
Treasury Bills	160,081	220,358	185,756	219,748	443,951	278,296	340,664	244,139
Treasury Bonds	188,576	162,215	206,547	244,770	386,398	595,067	517,613	731,942
Sri Lanka Development Bonds	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199
Other	62,186	39,276	30,511	91,737	105,943	121,890	125,382	135,802
<b>By Institution</b>	596,172	613,340	622,892	795,119	1,321,377	1,402,205	1,667,986	1,699,951
State Banks	167,860	138,708	193,698	283,426	435,111	527,641	507,164	506,647
Other	428,313	474,632	429,194	511,693	886,267	874,564	1,160,822	1,193,304
Non Bank Sector	1,695,189	1,873,945	1,917,864	2,172,496	2,399,053	2,607,901	3,035,160	3,226,606
By Type	1,696,189	1,873,945	1,917,864	2,172,496	2,399,053	2,607,901	3,035,160	3,226,606
Rupee Loans	95,040	70,094	45,727	42,516	39,648	39,648	8,118	8,218
Treasury Bills	243,499	291,091	235,333	255,317	253,133	292,975	212,822	204,052

Table 8.3 | Central Government Domestic Debt(a) contd...

Item	Rs. Mn							
	2009	2010	2011	2012	2013	2014	"2015 Revised"	"2016 Provisional"
Treasury Bonds	1,324,936	1,481,672	1,612,704	1,850,284	2,065,962	2,248,987	2,787,635	2,982,845
Other	31,713	31,089	24,100	24,379	40,310	26,291	26,585	31,490
<b>By Institution</b>	<b>1,695,189</b>	<b>1,873,945</b>	<b>1,917,864</b>	<b>2,172,495</b>	<b>2,399,053</b>	<b>2,607,901</b>	<b>3,035,160</b>	<b>3,226,606</b>
National Savings Bank	257,084	286,514	314,319	330,150	358,243	379,877	428,236	426,771
Savings Institutions & Individuals	410,540	482,305	436,221	408,827	350,562	441,106	592,220	556,750
Employees' Provident Fund	806,192	861,341	950,474	1,173,870	1,393,458	1,474,244	1,614,256	1,778,276
Insurance Institutions	34,490	31,089	34,356	33,768	30,849	30,536	50,597	76,944
Finance Companies	10,756	12,856	11,064	17,040	27,839	59,667	55,587	68,097
Other	176,127	198,090	171,431	208,841	238,102	222,470	294,265	1,021,559

Sources : Department of Treasury Operations and Department of State Accounts of the General Treasury, and Public Debt Department of the Central Bank of Sri Lanka

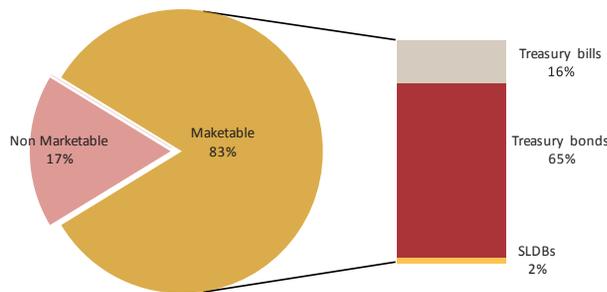
(a) Excludes non-residents' investments in Treasury bills and Treasury bonds, which are included in foreign debt.

portfolio of Rs.5,067 billion (95 percent of domestic debt), Treasury Bonds represented 69.5

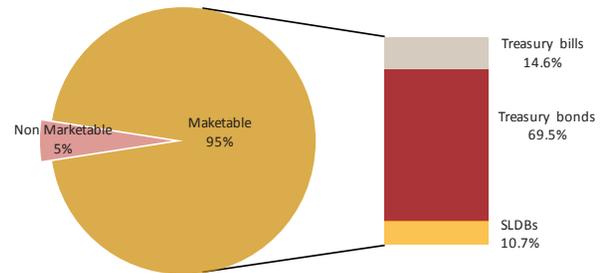
percent, Treasury Bills 14.6 percent and Sri Lanka Development Bonds were 10.7 percent .

Chart 8.6 | Marketability of Government Domestic Debt

#### Marketability of Government Debt: 2005



#### Marketability of Government Debt: 2016



#### 8.4.1.4 Ownership of Domestic Debt

The ownership of government domestic debt increased in both banking sector and non-banking sector by 10 percent and 6 percent, respectively, as at end of 2016 over the previous year. However, the total outstanding domestic debt as at end 2016, non-banking sector share decreased to 60.4 percent from 61.2 percent as at end 2015, while the share of banking sector increased marginally over 2015.

#### 8.5 Domestic Debt Service Payments

Total government domestic debt service payments in 2016 increased by 15 percent to Rs. 1,057 billion in comparison to Rs. 918 billion recorded in 2015. Out of the total debt service payments, amortisation amounted to Rs. 572 billion (54 percent) while the balance Rs.484

billion (46 percent) represented the interest payment. Both the amortization payments and the interest payments on domestic debt increased by Rs. 49 billion and Rs. 90 billion respectively in 2016 over the previous year.

Total domestic debt service payments as a percentage of GDP increased to 8.9 percent in 2016 from 8.4 percent in 2015. Domestic interest payments as a percentage of GDP also increased to 4.1 percent from 3.6 percent in 2015 while indicating domestic amortization payment as 4.8 percent in both 2015 and 2016. Domestic debt service payments to the total government revenue decreased to 62.7 percent from 63.1 percent in 2015 since the increase of revenue in 2016 was higher than the increase in debt service payments. In comparison to the increase in debt service payment of 15.1 percent, against the increase in revenue of 15.9 percent, resulted indicating a decrease in the domestic debt service

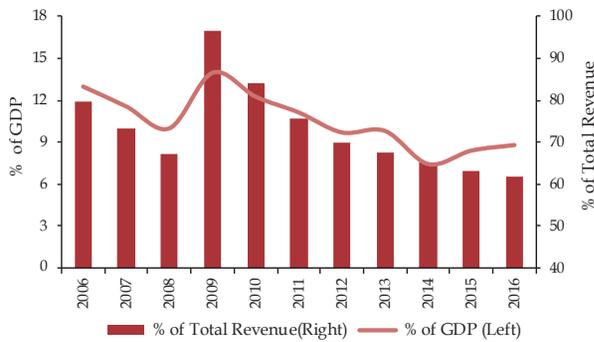
payments to the total government revenue from 63.1 percent to 62.7 percent in 2016.

Table 8.4 | Domestic Debt Service Payments

Year	Rs. Mn		
	Principal payments	Interest payments	Total
2006	247,536	133,787	381,323
2007	252,165	161,370	413,535
2008	258,720	182,198	440,918
2009	401,296	273,977	675,273
2010	389,672	297,127	686,799
2011	439,894	288,134	728,028
2012	415,441	317,659	733,100
2013	496,042	354,706	850,748
2014	449,554	327,934	777,488
2015	523,824	394,289	918,113
2016	572,442	484,182	1,056,624

Sources : Department of Treasury Operations, Department of State Accounts and Central Bank of Sri Lanka

Chart 8.7 | Domestic Debt Service Payments as a % of GDP and Total Government Revenue: 2006- 2016



## 8.6 Foreign Financing

The external financing plays an important role in a way of deficit financing of the Budget by providing resources to bridge domestic savings-investment gap in order to meet the required investment levels to support the targeted growth of the economy. The Government is committed to maintain 6-8 percent of GDP annually for public investments. External credit financing arrangement in recent years consisted of concessional loans from IDA, ADB, Japan, China, India, Korea, Saudi Arabia, Kuwait, OFID and from certain nations in the Euro zone. Semi concessional borrowings from Exim Bank arrangements and market borrowings to supplement available domestic resources to finance import content and capacity enhancement have altered the traditional character of external resources.

While the country is advancing towards an upper middle income status, the availability of concessional financing will shrink further. As such, the requirement for funds will have to be supplemented through non-concessional borrowings including export credit, commercial credit etc and tapping of international capital markets to finance viable development projects will have to be considered. All concessional, non-concessional and blended options in both domestic and foreign sources will have to be explored when financing for the implementation of major flagship projects such as Central Highway project are concerned. Further, the Government has recognized that the international capital market as an avenue to explore plenty of opportunities in diversifying its funding base. Meanwhile, major bilateral partners including China, India, Japan, Middle East and multilateral partners including World Bank (WB) and the Asian Development Bank (ADB) will continue to perform as major development partners during the next 5 years in terms of their continued assistance and ongoing projects.

### 8.6.1 Foreign Development Financing Commitments

Sri Lanka has been accessing foreign assistance by way of loans, grants and technical assistance to finance its development activities for more than 4 decades. As such, at the end of 2016, the Government foreign debts stood at US\$ 25.3<sup>1</sup> billion which is a 12.5 percent increase from the year 2015. During 2016 itself, to finance the public investments recognized in 2017- 2020 Medium Term Fiscal Framework in line with public debt management targets, the Government has entered into 56 foreign financing commitment agreements with foreign creditors and lending agencies amounting to US\$ 3,078.8 million. This included US\$ 2,378.8 million of Official Development Assistance (ODA), in form of loans US\$ 2,138.3 million and the balance as grants, and US\$ 700 million raised from Foreign Currency Term Financing Facility loan.

<sup>1</sup> Project and programme loans received from external sources and funds raised through International Bond Issuances are included. Foreign loans obtained by State Owned Enterprises (SOEs) and Treasury bills/bonds held by foreigners are not included. Financial values in different currencies are converted into US\$ as per the exchange rates applicable to 31 December 2016.

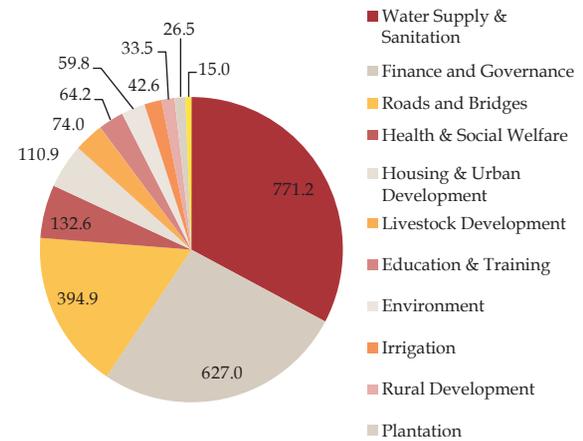
During 2016, the Government entered into 27 loan contracts for commitments amounting to US\$ 2,838.3 million, while entering into 29 agreements for grants amounting to US\$ 240.5 million. Compared to the previous year during 2016, the loan commitment entered into, to implement development projects and programs has increased almost by 70 percent from US\$ 1,268 million in 2015 whereas, grant commitments has increased by 270 percent from US\$ 65 million in 2015.

Composition of commitments made by development partners in the form of ODA are depicted in Chart 8.8 whereas, sector-wise decomposition is shown in the Chart 8.9. Accordingly, in 2016, the total commitments by the ADB is the highest followed by China, France, Japan and the World Bank respectively.

Water Supply and Sanitation sector received the highest commitments in 2016, which amounted to US\$ 771.2 million or almost 33 percent of the total loan and grant commitments towards the implementation of project and programmes. They are to be utilized mainly for the following flagship projects; Anuradhapura North Water Supply Project (Phase 2) - US\$ 212.2 million, Implementation of Greater Matale Water Supply

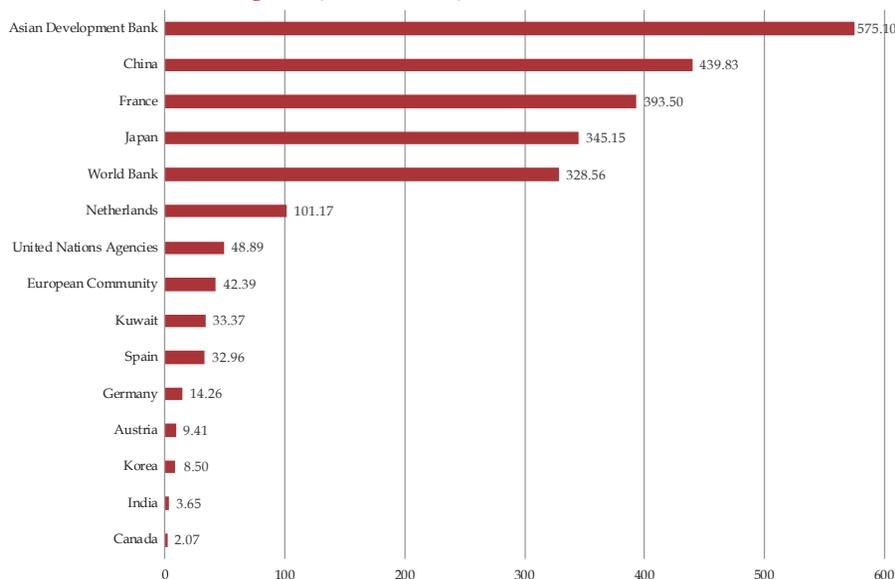
Project - US\$ 139.1 million, Implementation of Kelani Right Bank Water Supply Project- Phase 2 - US\$ 108.5 million, Greater Colombo Water and Wastewater Management Improvement Investment Programm - US\$ 128.0 million. Other significant commitments were by way of the Small and Medium-Sized Enterprises Line of Credit - US\$ 100 million, Capital Market Development Program - US\$ 250.0 million and Competitiveness Transparency and Fiscal Sustainability Development Policy Financing - US\$ 100 million.

Chart 8.9 | Sector-Wise ODA Commitments in 2016 (US\$ million)



Source : Department of External Resources  
 Note : Other = Media, Agriculture, Disaster Management, Rehabilitation, SME development, Youth and Sports, Power and Energy, Trade and Defense

Chart 8.8 | Lender-wise Commitments during 2016 (in US\$ million)



Source : Department of External Resources  
 Note: Financial values committed in different currencies have been converted into US\$ as per the prevailing exchange rates applicable to each agreement date.

Table 8.5 | List of ODA Grants Committed in 2016

Development Partner	Agreement Date	Project/Program	Currency	Amount committed		
				Amount (million)	Rupees (million)	US\$ (million)
<b>Bilateral</b>						
Canada	2016-03-03	Uniterra 2015 - 2020 Volunteer Cooperation Program	CAD	2.8	298.5	2.1
France	2016-03-16	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase I	EUR	5.7	910.6	6.3
India	2016-02-05	Construction of a Surgical Unit and Supply of Medical Equipment at Teaching Hospital Betticaloa	LKR	275.0	275.0	1.9
	2016-02-05	Renovation of 27 Schools in Northern Province Sri Lanka	LKR	250.0	250.0	1.7
Japan	2016-07-04	The Project for Human Resource Development Scholarship	JPY	231.0	326.8	2.3
	2016-05-18	The Project for the Establishment of Research and Training Complex at the Faculty of Agriculture, University of Jaffna	JPY	1,667.0	2,225.1	15.3
	2016-06-30	The Project for the Maritime Safety Capability Improvement	JPY	1,830.0	2,588.0	17.8
	2016-09-13	The Project for the Improvement of TV Programmes of Sri Lanka Rupavahini Corporation	JPY	52.6	75.2	0.5
South Korea	2016-10-06	Matara District Maternal and Newborn Health Care Strengthening Project	US\$	8.5	1,247.4	8.5
Germany	2016-07-25	Technical Cooperation	EUR	13.0	2,077.7	14.3
China	2016-04-07	Provide Eight Kidney Disease Mobile Screening Vehicles	CNY	15.0	333.3	2.3
	2016-04-07	Economic and Technical Cooperation	CNY	500.0	11,111.5	77.2
<b>Multilateral</b>						
Asian Development Bank	2016-06-13	Sri Lanka Flood and Landslide Disaster Response	US\$	2.0	290.0	2.0
	2016-12-09	Technical Assistance for Developing Capital Market	US\$	2.0	297.4	2.0
	2016-09-21	Technical Assistance for National Port Mast	US\$	1.5	218.7	1.5
	2016-06-02	Technical Assistance for Preparing the Capital Market Development Program	US\$	0.5	73.0	0.5
	2016-05-23	Technical Assistance for Mobilizing Finance for Sri Lanka	US\$	0.5	72.9	0.5
	2016-02-17	Technical Assistance for Enhancing Access to Finance for Small and Medium - Sized Enterprises	US\$	2.0	287.8	2.0
	2016-01-21	PPTA - Colombo Suburban Railway Project (TA 9021 - SRI)	US\$	1.0	143.9	1.0
	2016-12-19	Supporting Electricity Supply Rehabilitate Improvement Project	US\$	1.8	268.4	1.8
	2016-12-19	Supporting Electricity Supply Reliability Improvement Project	US\$	2.0	298.2	2.0
	European Community	2016-02-16	Support to Integrated Rural Development in the Most Vulnerable Districts of Central & Uva Provinces in Sri Lanka	EUR	30.0	4,823.2	33.5
2016-03-16		Trade Related Assistance in Sri Lanka	EUR	8.0	1,278.0	8.9
Food & Agriculture Organization	2016-03-02	Strengthening the e-agriculture Environment and Developing ICT-Mediated Agricultural Solutions for Countries in Asia-Pacific	US\$	0.05	6.5	0.05
	2016-03-18	Rehabilitation of degraded agricultural lands in Kandy, Badulla and NuwaraEliya Districts of the Central Highlands	US\$	1.3	193.5	1.3
World Bank (International Bank for Reconstruction & Development)	2016-03-24	Trust Fund for Statistical Capacity Building Improving Poverty Estimation Project (IBRD/ IDA Blended)	US\$	0.2	23.0	0.2
World Bank (International Development Association)	2016-08-18	AusAid, DFAT+IDA Grant Transforming the School Education System as the Foundation of Knowledge Hub Project (Enhancement)	US\$	11.6	1,682.9	11.6
	2016-07-05	Emergency Operation (EMOP)	US\$	1.8	261.4	1.8
World Food Programme	2016-01-01	Country Programme Action Plan 2016-2017(CPAP)	US\$	19.7	2,839.0	19.7
<b>Total</b>						<b>240.5</b>

Source : Department of External Resources.

Note : Financial values committed in different currencies have been converted into US\$ as per the prevailing exchange rates of each agreement date.

Table 8.6 | List of ODA Loans and Capital Market Instruments Committed in 2016 along with Their Financial Terms

Development Partner/Lending Agency	Agreement Date	Project/ Program/ Instrument Name	Currency	Original Amount (million)	Rupees (million)	US\$ (million)	Interest		Financial Terms		Maturity Period (from the date of signing) (years)	
							Type	Annual Rate (%)	Margin (100 basis points)	Other fees (based on annual rate)		Grace Period (years)
Bilateral												
France	2016-06-01	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase I	EUR	76.0	12,333.84	84.5	Variable	EURIBOR 6 months	1.31	- Commitment fee 0.5 % of undisbursed Balance - Appraisal fee (one time payment 0.5 % of total commitment)	7	25
Japan	2016-10-10	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPY	10,000.0	14,264.00	97.1	Fixed	1.4	N/A	- Front end fee 0.2% of total commitment (one time payment)	7	25
	2016-11-17	Anuradhapura North Water Supply Project (Phase 2)	JPY	23,137.0	31,346.01	212.16	Fixed	1.4	N/A	Front end fee 0.2%	7	25
Kuwait	2016-03-16	Building Complex for The Faculty of Healthcare Sciences, Eastern University, Sri Lanka Project	KWD	10	4,801.40	33.4	Fixed	1	N/A	Commitment fee 0.05% of undisbursed balance	5	25
Spain	2016-02-16	Implementation of Anamaduwa Integrated Water Supply Project	EUR	29.5	4,743.13	33.0	Fixed	0.15	N/A	- Availability Commission 0.10 % of undisbursed Balance - Management Commission 0.05 % of total commitment (one time payment)	5	40
Export Credit Facilities												
Agence Francaise De Development (France)	2016-12-01	Implementation of Anuradhapura Integrated Urban Development Project	EUR	52.0	8,150.00	55.1	To be selected by GOSL upon starting of disbursements			Appraisal Fee 0.5% of total commitment - Commitment fee 0.5 % of undisbursed Balance	7	20
Calyon Credit Agricole CIB (France)	2016-04-25	Implementation of Greater Matale Water Supply Project (Syndicated loan with Natixis, BNP Paribas and Unicredit Bank Austria)	EUR	123.7	20,019.68	139.1	Variable	EURIBOR 6 months	1.7	- Commitment fee 0.75 % of undisbursed Balance - Management Fee 0.1 % of total commitment (one time payment)	3	14
	2016-05-17	Implementation of Kelani Right Bank Water Supply Project-Phase II	EUR	95.8	15,806.73	108.5	Variable	EURIBOR 6 months	1.33	- Commitment fee 0.5 % of undisbursed Balance - Arrangement Fee 0.5 % of total commitment (one time payment) - Legal fee EUR 33360	3	14
Co-op Centrale Raiffeisen-Boerenleenbank (Netherlands)	2016-02-19	Development of General Hospital Kaluthara	EUR	24.5	3,917.64	27.2	Variable	EURIBOR 6 months	1.5	-	3	13
	2016-12-06	Implementation of Importation of 20,000 Dairy Animals Project (Balance Part-62.86 US\$)	US\$	62.9	9,322.28	62.9	Variable	LIBOR 6 months for US\$	2	- Commitment fee 0.25 % of undisbursed Balance - Establishment Fee 0.25% of total commitment (one time payment)	2	8
	2016-12-06	Implementation of Importation of 20,000 Dairy Animals Project (Advance Payment-11.09US\$)	US\$	11.1	1,645.11	11.1	Fixed	5	N/A	-	3	4

Table 8.6 | List of ODA Loans and Capital Market Instruments Committed in 2016 along with Their Financial Terms contd...

Development Partner/Lending Agency	Agreement Date	Project/ Program/ Instrument Name	Currency	Original Amount (million)	Rupees (million)	US\$ (million)	Interest		Financial Terms			
							Type	Annual Rate (%)	Margin (100 basis points)	Other fees (based on annual rate)	Grace Period (years)	Maturity Period (from the date of signing) (years)
RAIFFEISEN ZENTRAL BANK (Austria)	2016-01-13	Implementation of the Kochchikade Bridge	EUR	8.7	1,353.00	9.4	Interest free		-Commitment fee 0.45% of undisbursed Balance -Management Fee 0.45% of total commitment (one time payment) - Guarantee fee of EURO 11,962.50 (onetime payment) Guarantee Margin 1% - Handling fee EUR 1440	9	18	
The Export-Import Bank of China (China)	2016-04-07	Construction of Extension of Southern Expressway, Section 2 from Bellaitta to Wetiya Project	US\$	360.3	51,846.30	360.3	Fixed	2%	- Commitment fee 0.25 % of undisbursed Balance - Management Fee 0.25% of total commitment (onetime payment)	5	20	
Commercial Loans												
Citicorp International Limited	2016-06-27	Foreign Currency Term Financing Facility	US\$	300.0	43,575.00	300.0	Variable	LIBOR 6 months for US\$	2.5	-	1	3
Singapore (Agent)	2016-08-15	Foreign Currency Term Financing Facility (Enhancement)	US\$	400.0	58,200.00	400.0	Variable	LIBOR 6 months for US\$	2.5	-	1	3
Multilateral												
	2016-02-23	Small and Medium-Sized Enterprises Line of Credit	US\$	100.0	14,391.92	100.0	Variable	LIBOR 6 months for US\$	0.5		10	13
	2016-08-11	Grater Colombo Water and Wastewater Management improvement Investment Programme - Project 3	SDR	3.6	727.03	5.0	Fixed	2%			5	24
Asian Development Bank	2016-08-11	Grater Colombo Water and Wastewater Management Improvement Investment Programme - Project 3 (OCR)	US\$	123.0	17,908.80	123.0	Variable	LIBOR 6 months for US\$	0.5		5	25
	2016-10-28	Technical Assistance Loan Agreement - (Transport Project Preparatory Facility)	SDR	17.5	3,548.01	24.1	Fixed	2%			5	25
	2016-11-02	Local Government Enhancement Sector Project - Additional Financing	SDR	43.3	8,794.38	59.7	Fixed	LIBOR 6 months for US\$	0.5		5	25
	2016-11-24	Capital Market Development Program	US\$	250.0	36,987.03	250.0	Variable	2%			3	14.5
International Fund for Agricultural Development	2016-04-26	Sri Lanka Smallholder Tea and Rubber Revitalization Project	SDR	18.4	3,740.35	26.0	Fixed	1.25%	N/A	Service fee 0.75% of outstanding Balance	5	25
	2016-12-28	Social Safety Nets project	SDR	53.7	10,905.30	73.0	Fixed	2.73%	N/A	Commitment fee 0.25 % of undisbursed Balance & Upfront fee 0.25% of loan amount	6	24

Table 8.6 | List of ODA Loans and Capital Market Instruments Committed in 2016 along with Their Financial Terms contd...

Development Partner/Lending Agency	Agreement Date	Project/ Program/ Instrument Name	Currency	Original Amount (million)	Rupees (million)	US\$ (million)	Financial Terms			Maturity Period (from the date of signing) (years)		
							Type	Annual Rate (%)	Margin (100 basis points)		Other fees (based on annual rate)	Grace Period (years)
	2016-07-20	Additional Financing for Strategic Cities Development Project	SDR	39.9	8,106.96	55.8	Fixed	1.25%	N/A	Service fee 0.5% of outstanding Balance	5	25
International Development Association	2016-09-05	Additional Financing for Climate Resilience Improvement Project	SDR	30.5	6,193.94	42.6	Fixed	1.25%	N/A	Service fee 0.5% of outstanding Balance	5	25
	2016-09-05	Ecosystem Conservation and Management Project	SDR	32.6	6,620.41	45.5	Fixed	1.25%	N/A	Service fee 0.75% of outstanding Balance	5	25
	2016-09-05	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing**	US\$	100.0	14,549.11	100.0	Fixed	3.67%	N/A	Front End Fee US\$ 250,000	8	27
Total						2,838.29						

Source : Department of External Resources

Note : Financial values committed in different currencies have been converted into US\$ as per the prevailing exchange rates applicable to each agreement date.

LIBOR = London Interbank Offer Rate

EURIBOR = Euro Interbank Offer Rate

N/A = Not Applicable

- = no value

## International Sovereign Bond Issuance (ISB) and Foreign Currency Term Financing Facility Loan

During the year the Government has issued two ISBs in 2016 amounting to US\$ 500 million with a tenure of 5 long at an interest rate of 5.750 percent. A 10 year ISB was also issued for US\$ 1,000 million at an interest rate of 6.825 percent. As such, at the end of 2016, the total outstanding ISB's amounted to US\$ 8, 150 million.

Table 8.7 | Sovereign Bond Issuances

Date of Issuance	Amount (US\$ million)	Annual Interest Rate (%)	Tenure (Years)	Maturity Date
30/10/2010	1,000	6.25	10	30/10/2020
27/07/2011	1,000	6.25	10	27/07/2021
25/07/2012	1,000	5.875	10	25/07/2022
01/06/2014	1,000	6.0	5	01/06/2019
04/07/2014	500	5.125	5	04/07/2019
06/03/2015	650	6.125	10	06/03/2025
11/03/2015	1,500	6.85	10	11/03/2025
18/07/2016	500	5.75	6	18/01/2022
18/07/2016	1,000	6.825	10	18/07/2026

Source: Central Bank of Sri Lanka

Apart from the ISBs, Government has raised US\$ 700 million through a Foreign Currency Term Financing Facility at an interest rate of LIBOR +2.5 percent with 3 year maturity with repayments being made in 5 equal installments.

### 8.6.2 Foreign Financing Disbursements and Utilization

Committed amounts are to be utilized within next 4 to 5 years depending on the project implementation progress and borrowing limit approved by the Parliament each year. The disbursements made through the development projects and programs funded by foreign development partners and lending agencies in 2016 amounted to US\$ 1,640.4 million, of which, US\$ 1,586.6 million disbursed through loans and US\$ 53.8 million through grants. A complete list of disbursements made in 2016 along with the financial terms they have obtained, is shown in Annex 8.1

Table 8.8 | Foreign Financing Disbursements of Official Development Assistance 2016

Development Partner	Amount Disbursed (US\$ million)		
	Loan	Grant	Total
<b>Bilateral</b>			
China	440.76	-	440.76
Japan	152.69	7.01	159.7
Netherlands	47.98	-	47.98
UK	45.54	-	45.54
India	44.07	-	44.07
Spain	29.26	-	29.26
Korea	18.37	-	18.37
United States	-	23.83	23.83
Singapore	16.6	-	16.6
Saudi Arabia	14.12	-	14.12
Germany	5.43	3.98	9.41
Kuwait	8.57	-	8.57
<b>Export Credit</b>			
United States	16.55	-	16.55
Hungary	11.43	-	11.43
Austria	7.54	-	7.54
Belgium	3.18	-	3.18
Australia	2.95	-	2.95
France	2.33	-	2.33
Sweden	2.12	-	2.12
<b>Multilateral</b>			
World Bank (IBRD & IDA)	345.58	9.28	354.86
Asian Development Bank	336.63	-	336.63
UN Agencies	22.63	9.7	32.34
OPEC Fund	12.29	-	12.29
Grand Total	1,586.62	53.81	1,640.43

Source : Department of External Resources

Note: Financial values disbursed in different currencies have been converted into US\$ as per the prevailing exchange rates applicable to yearend rate.

Of the total disbursements made for development and economic cooperation in 2016, highest amount of disbursements has been utilized for Road & Bridges sector followed by Governance & Economic Cooperation sector, Water Supply & Sanitation and Power & Energy sectors.

Table 8.9 | Sector-Wise composition of Disbursements Made as ODA in 2016

Economic Sector	Amount (US\$ million)
Roads and Bridges	666.73
Governance & Economic Cooperation	185.34
Water Supply & Sanitation	129.31
Power & Energy	120.52
Disaster Management	118.74
Ground Transport	70.88
Education & Training	55.25
Health & Social Welfare	46.46
Irrigation	42.84
Defense	42.30
Labor & Vocational Training	41.25

Table 8.9 | Sector-Wise composition of Disbursements Made as ODA in 2016 contd...

Economic Sector	Amount (US\$ million)
Management & Institutional Development	24.57
Housing & Urban Development	21.76
Livestock Development	17.63
Agriculture	14.86
Finance & Banking	12.5
Other	29.48
<b>Total</b>	<b>1,640.43</b>

Source : Department of External Resources

### 8.6.3 Cumulative Undisbursed Balance (CUB)

Once a loan agreement is signed to proceed with the implementation of a development project, the disbursements are mostly taken place over a period of 3-5 years. Since about US\$ 12.4 billion worth of loans and grants have been signed during last 5 years for the implementation of development projects and programs, a considerable amount of funds for the development projects are to be disbursed during next few years from the development partners and lending agencies.

China is accounted for the majority (almost 26 percent) of the committed foreign financing yet to be disbursed in next few years as China had a substantial commitment on project financing specially infrastructure projects in the country during last few years. Similarly, World Bank and ADB, also have a considerable amount of funding from commitments already made and to be disbursed during next 3-5 years.

Table 8.10 | CUB as of End 2016

Lender	Rs million	US\$ million	%
<b>Bilateral</b>			
China	313,882.20	2,095.30	25.9
Japan	217,439.00	1,451.50	18.0
France	72,989.50	487.2	6.0
Iran	59,827.20	399.4	4.9
India	42,336.70	282.6	3.5
<b>Russia</b>	<b>20,181.90</b>	<b>134.7</b>	<b>1.7</b>
Saudi Arabia	17,415.20	116.3	1.4
Kuwait	12,736.90	85	1.1

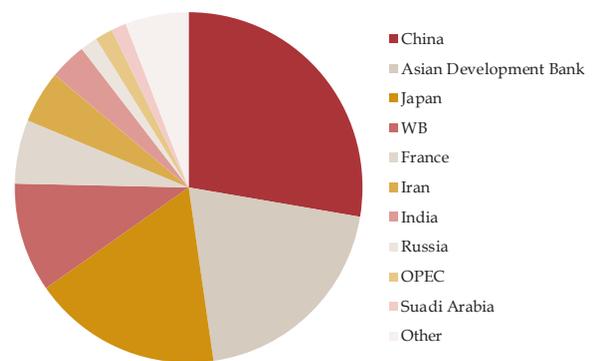
Table 8.10 | CUB as of End 2016 contd...

Lender	Rs million	US\$ million	%
Korea	12,519.90	83.6	1.0
Spain	8,915.60	59.6	0.7
Netherlands	6,938.80	46.3	0.6
United Kingdom	6,520.30	43.5	0.5
Denmark	4,789.40	32.0	0.4
Germany	4,185.20	27.9	0.3
US	3,880.10	25.9	0.3
Pakistan	2,229.30	14.9	0.2
Australia	1,659.20	11.1	0.1
Austria	1,386.90	9.2	0.1
Hungary	787.6	5.3	0.1
Belgium	493.5	3.3	0.0
Sweden	450.8	3.1	0.0
<b>Multilateral</b>			
Asian Development Bank	248,267.40	1,657.3	20.5
World Bank (IDA)	105,524.30	704.4	8.7
World Bank (IBRD)	19,426.80	129.7	1.6
OPEC	19,930.60	133.0	1.6
IFAD	5,389.60	36.0	0.4
<b>Total</b>	<b>1,210,103.90</b>	<b>8,078.10</b>	<b>100.0</b>

Source : Department of External Resources

Note : Financial values in different currencies are converted into US\$ as per the exchange rates applicable to 31 December 2016

Chart 8.10 | CUB as of end 2016 - Donor-wise Composition



Source : Department of External Resources

### 8.6.4 Outstanding Foreign Debt

For the foreign assistance acquired to finance development projects and for balance of payments support activities, the total accumulated foreign debt stock of the country amounted to US\$ 25.3<sup>2</sup> billion at the end of 2016, which is an increase of US\$ 2.8 billion (or about 12 percent) when compared with the amount of US\$ 22.5 billion as at the end of 2015. As depicted in Chart 8.12, the commercial loans through the frequent issuances of international sovereign bonds during last few years has caused the commercial loans to represent about 35 percent of the total government foreign debt stock. In this circumstance, commercial loans obtained through international sovereign bond issuances are almost equivalent to the accumulated foreign debt obtained for a long period of time from multilateral donors as well as loans obtained from bilateral creditors.

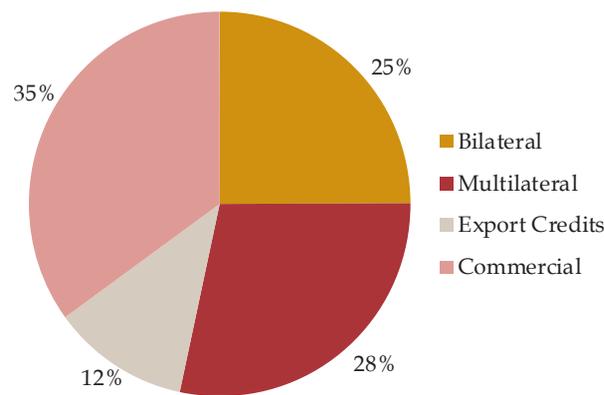
Table 8.11 | Composition of the Existing Government Debt Stock during 2010-2016 by Lender Category (in US\$ billion)

Creditor Category	2010	2011	2012	2013	2014	2015	2016
Bilateral	5.94	6.49	6.66	6.31	6.14	6.18	6.31
Multilateral	6.08	6.34	6.64	6.91	6.88	6.91	7.19
Export Credits	1.13	1.45	1.78	2.46	2.59	2.75	2.94
Commercial	2.00	3.00	3.50	3.50	5.00	6.65	8.86
Total	15.15	17.28	18.58	19.18	20.61	22.49	25.3

Source : Department of External Resources

Note : Financial values in different currencies are converted into US\$ as per the exchange rates applicable to 31 December 2016

Chart 8.11 | Composition of Outstanding Debt Stock at the end of 2016 – By Creditor Category

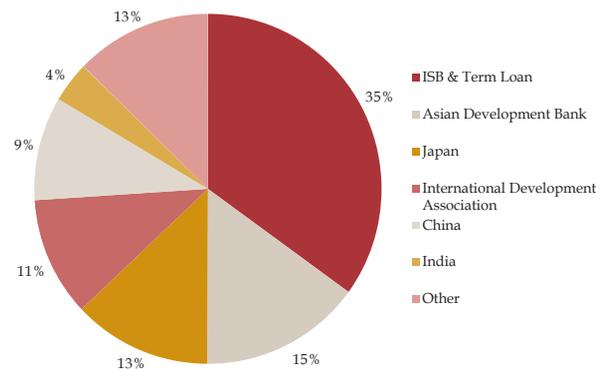


Source : Department of External Resources

2-This Includes International Sovereign Bond Issuances worth of US\$ 8,150 million and foreign Currency Term Financing Facility of US\$ 700 million. Non-residential holdings of Treasury Bills/Bonds are not included. Financing commitments made by development partners and lending agencies to SOEs are also not included.

Majority of the external debt stock consisted of International Bond Issuance and term loan by end of 2016. These non-concessional loans are to be matured during 2020 - 2026 period. Second highest stock consists of finance obtained from ADB followed by Japan, and World Bank. These loans have higher maturity periods, generally 30 - 40 years from the date of signing.

Chart 8.12 | Composition of Debt Stock by Lender

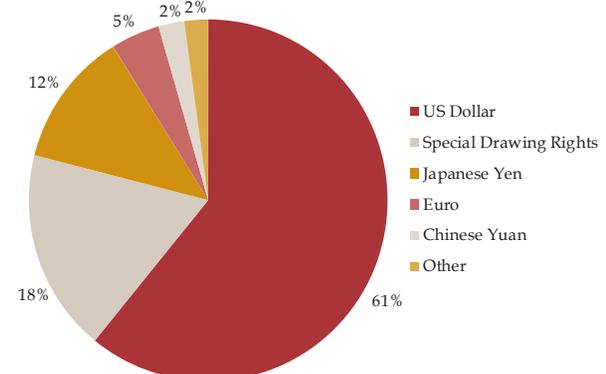


Source : Department of External Resources

### Currency Composition of Foreign Debt

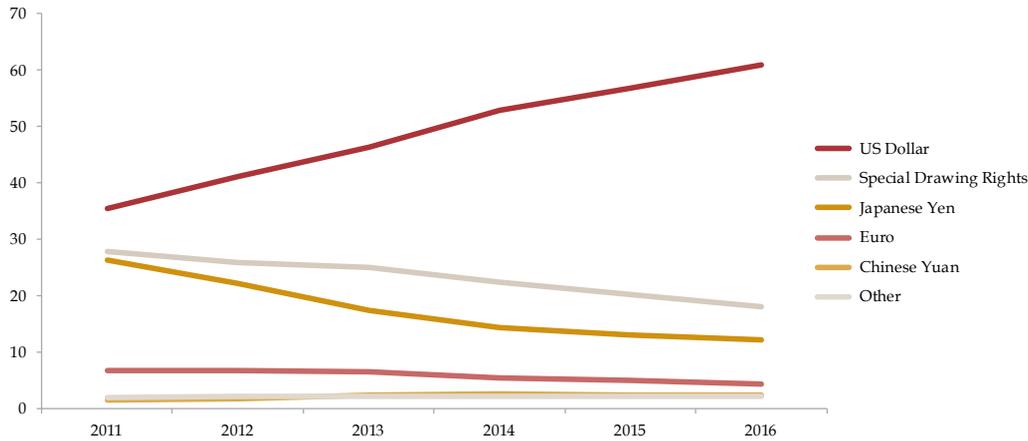
The total foreign debt at the end 2016 comprised 95.5 percent in 4 major currencies; US\$, SDR, Japanese Yen and Euro. Among them, 61 percent consisted of US\$ denominated debt stock while SDR and Japanese Yen represented 18 percent and 12 percent respectively. As shown in the Chart 8.13, US\$ denominated debt has increased substantially over last 6 years while Japanese Yen and SDR denominated debt has declined during this period.

Chart 8.13 | Currency Composition of Total Debt



Source : Department of External Resources

Chart 8.14 | Currency Composition of Outstanding Debt Stock and its Trend from 2011



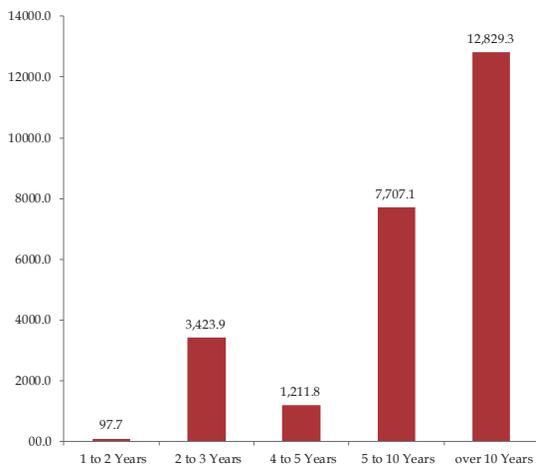
Source : Department of External Resources

Note : Financial values committed in different currencies are converted into US\$ as per the exchange rates applicable to end of December each year

### Maturity Structure of External Debt as of End 2016

International Sovereign Bond issuances and currency term facility loan are to be matured by 2026. All other concessional loans which consist of financial assistance extended mainly by ADB, WB and Japan in the form of Official Development Assistance, have higher maturities and will be matured after next 10 years.

Chart 8.15 | Maturity Structure of Existing Debt Stock as of End of 2016 (US\$ million)



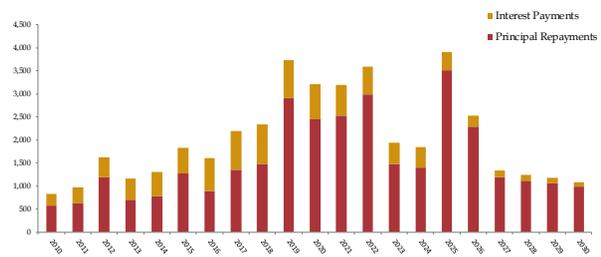
Source : Department of External Resources

Note : Calculation made as per remaining maturities. Includes International Sovereign bond Issuances and Currency Term Loan Facility. Financial value in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December 2016.

### 8.6.5 Debt Service Payments

Total debt service payments<sup>3</sup> in 2016 amounted to US\$ 1,601.4 million, of which US\$ 895.6 million accounted for principal repayments and US\$ 705.8 million for interest payments. Debt service payments during last 7 years and forecast up-to 2030 is shown in Chart 8.16. Heaps of the middle of the chart are due to maturity of International Sovereign Bond issuances.

Chart 8.16 | Debt Service Payments from 2010 and Forecast up-to 2030 (US\$ million)



Source : Department of External Resources

Note : 1 Forecast was made based on existing portfolio only, i.e. debt stock to be accumulated due to new commitments were not included

Note : 2 Included development loans, ISBs and Foreign currency term financing facility loan. SOEs are not included.

Note 3 : Financial values in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December of each year and forecasted values have been calculated based on the exchange rates prevailed to 31st December 2016

3. Total Debt Service = Interest Payments + Principal Repayments

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed (millions)		Annual Interest Rate			Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Amount in Loan Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
<b>Bilateral</b>											
<b>China Development Bank Corporation</b>	Loan	Improvement and Rehabilitation of Priority Roads Phase 2	US\$	7.4	7.4	Variable	LIBOR -6 Month for US\$	2.90%	Mgt. Fee 0.5% Risk Premium 5.0%	3	15
	Loan	Moragahakanda Development Project	US\$	39.6	39.6	Variable	LIBOR -6 Month for US\$	2.90%	Mgt. Fee 0.5% Risk Premium 5.9%	4	15
	Loan	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	US\$	59.3	59.3	Variable	LIBOR -6 Month for US\$	2.95%	Mgt. Fee 0.5% Risk Premium 5.0%	3	15.5
	Loan	Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	US\$	14.9	14.9	Variable	LIBOR -6 Month for US\$	2.95%	Mgt. Fee 0.5% Risk Premium 5.9%	3	15
<b>France</b>	Loan	Green Power Development & Energy Efficiency Improvement Investment Program	EUR	2.1	2.3	Variable	EURIBOR -6 Month	1.31%	Appraisal Fee 0.5%	6	20
<b>India</b>	Loan	India Dollar Credit Line Agreement	US\$	2.4	2.4	Variable	LIBOR -6 Month for US\$	0.50%	Management Fee 0.5%	5	19
	Loan	Greater Dambulla Water Supply Project 1	US\$	1.1	1.1	Variable	LIBOR -6 Month for US\$	2.00%	Management Fee 0.5%, Insurance 6.5%	3	14
	Loan	Restoration of Northern Railway Services	US\$	0.7	0.7	Variable	LIBOR -6 Month for US\$	0.50%	Management Fee 0.5%	6	24
	Loan	Procurement of two Advanced Offshore Patrol Vessels	US\$	39.9	39.9	Variable	LIBOR -6 Month for US\$	3.50%	Management Fee 0.5%, Insurance Premium 5%, Guarantee Fee US\$ 19,086	4	11
<b>Japan</b>	Loan	Eastern Province Water Supply Development Project	JPY	948.4	9.0	Fixed	Tranche 1-0.65% Tranche 2-0.01%	N/A		10	40
	Grant	Rehabilitation of Kilinochchi Water Supply Scheme	JPY	617.3	5.6	N/A					
	Loan	Kandy City Wastewater Management Project	JPY	747.6	6.9	Fixed	Tranche 1-10.65% Tranche 2-0.01%	N/A		10	40
	Loan	Greater Colombo Urban Transport Development Project Phase 2	JPY	1,061.1	9.6	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A		10	40
	Loan	Vavuniya- Kilinochchi Transmission Line Project (II)	JPY	221.1	2.0	Fixed	0.65%	N/A		10	40
	Loan	Habarana-Veyangoda Transmission Line Project	JPY	22.8	0.2	Fixed	Tranche 1-0.3% Tranche 2-0.01%	N/A		10	40
	Loan	Improvement of Basic Social Services Targeting Emerging Regions	JPY	560.3	5.1	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A		10	40
	Loan	Greater Colombo Transmission and Distribution Loss Reduction Project	JPY	1,490.9	13.2	Fixed	Tranche 1-0.3% Tranche 2-0.01%	N/A		10	40
	Loan	Major Bridges Construction Project of the National Road Network	JPY	1,629.7	14.8	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A		10	40
	Loan	Landside Disaster Protection Project of the National Road Network	JPY	64.5	0.6	Fixed	Tranche 1-1.4% Tranche 2-0.01%	N/A		7	25

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd...

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed		Annual Interest Rate		Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)	
			Amount in Loan Currency	US\$	Interest Type	Rate					Margin (100 basis points)
	Loan	Anuradhapura North Water Supply Project (Phase I)	JPY	76.0	0.7	Fixed	Tranche 1-1.4% Tranche 2- 0.01%	0.10%	-	7	25
	Grant	Human Resource Development Scholarship (JDS)	JPY	18.2	0.2	N/A					
	Grant	The Project for Human Resource Development Scholarship 2014	JPY	62.7	0.5	N/A					
	Loan	New Bridge Construction Project over the Kelani River	JPY	551.6	5.0	Fixed	Tranche 1-0.1% Tranche 2- 0.01%	-	-	10	40
	Loan	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPY	24.7	0.2	Fixed	0.30%	-	Front End Fee Yen 49.9 million	10	40
	Grant	The Project for Human Resource Development Scholarship 2015	JPY	81.6	0.7	N/A					
	Loan	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPY	10,000.0	85.3	Fixed	1.40%	-	- Front end fee 0.1 % of total commitment (one time payment)	7	25
<b>Kuwait</b>	Loan	Bridges Reconstruction & Rehabilitation Project	KWD	0.01	0.02	Fixed	2.00%	-	Service Fee 0.5%	5	30
	Loan	Kalu Ganga Development Project	KWD	1.3	4.3	Fixed	1.50%	-	Service Fee 0.5%	8	27
	Loan	South Eastern University of Sri Lanka Development Project Phase 1 'B'	KWD	0.9	3.1	Fixed	1.00%	-	Service Fee 0.5%	5	25
	Loan	Reconstruction of 25 Bridges Project	KWD	0.4	1.2	Fixed	0.50%	-	Service Fee 0.5%	7	27
<b>Korea</b>	Loan	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project Sri Lanka	KRW	5,905.7	5.0	Fixed	0.15%	-		11	40
	Loan	Hatton-Nuwara Eliya Road Improvement Project (supplementary Loan)	KRW	2,843.3	2.5	Fixed	0.15%	-		10	39.5
	Loan	Construction of Solid Waste Disposal Facilities Project	KRW	461	0.4	Fixed	0.15%	-		11	40
	Loan	Deduru Oya Water Supply Project	KRW	12,633.7	10.5	Fixed	0.15%	-		10	40
<b>Germany</b>	Loan	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	EUR	0.3	0.3	Fixed	0.75%	-	0.25	10	40
	Loan	Construction of the Mahamodara Maternity Hospital, Galle	EUR	4.6	5.1	Fixed	2.20%	-	0.25	2	13
	Grant	Vocational Training in the North of Sri Lanka	EUR	2.6	2.9	N/A					
	Grant	Establishment of 8 Satellite Centres to the Vocational Training Centre in the Northern Province	EUR	1.0	1.1	N/A					
<b>USA</b>	Grant	Increased Competitiveness in the Global Market Place	US\$	3.1	3.1	N/A					
	Grant	Improved Integration of Targeted Disadvantaged Groups into the Community	US\$	6.8	6.8	N/A					
	Grant	Peace, Good Governance & Citizens Rights	US\$	1.1	1.1	N/A					

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd....

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed (millions)		Annual Interest Rate		Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			US\$	US\$	Interest Type	Rate				
	Grant	Peace Process Supported	US\$	0.6	N/A					
	Grant	Strengthened Partnership for Social Integration	US\$	3.5	N/A					
	Grant	Increased and Equitable Economic Growth	US\$	8.7	N/A					
Saudi Fund For Arab Economic Development	Loan	Epilepsy Hospital & Health Centers Project	SAR	16.3	Fixed	2%	-	-	5	25
	Loan	Kalu Ganga Development Project	SAR	10.7	Fixed	2%	-	-	5	20
	Loan	Baticoloo-Trincomalee Road Project	SAR	0.8	Fixed	2%	-	-	5	19.5
	Loan	-Epilepsy Hospital and Health Centers Project (Additional Finance)	SAR	2.1	Fixed	2%	-	-	5	20
	Loan	Road Network Development Project	SAR	24.2	Fixed	2%	-	-	5	20
Spain	Loan	Supply of three Flyovers in Ganemulla, Polgahawela & Rajagiriya (Bilateral Portion)	EUR	20.2	Fixed	0.15%	0.10%	Management Fee EUR 18,798.32	5	40
Export Credit										
AB Svensk Export Credit (Sweden)	Loan	Ratmalana & Ja-Ela Wastewater Treatment Facilities Project	US\$	2.1	Fixed	0.92%	0.15%	Administration Fee 0.03%, Management Fee 0.1%	10	17
Australian & New Zealand Investment Bank (Australia)	Loan	Integrated Water Supply Scheme for the Unserviced Areas of Ampara District - Phase 111	US\$	0.2	Variable	LIBOR -6 Month for US\$	1.00%	Guarantee Fee US\$ 14,495,000	3	14.5
Export Finance & Insurance Corporation (Australia)	Loan	Supply and purchase of Clinical waste disposal Systems and related Equipment	US\$	2.8	Variable	LIBOR -6 Month for US\$	1.00%	Legal Fee US\$ 20,000 other fee	2	11
								US\$243,106 & US\$ 100,000		
Banco Bilbao Vizcaya Argentaria S.A. (Spain)	Loan	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	EUR	6.6	Variable	EURIBOR -6 Month	1.95%	Management Fee EUR 80,564.24	3	12.5
BNP Paribas (Belgium)	Loan	Reconstruction of (7) Railway Steel Bridges Project	EUR	0.04	Fixed	1.00%	0.25%	Upfront fee 0.5%	3	16
Co-op Centrale Raiffeisen-Boerenleenbank (Netherlands)	Loan	Sri Lanka Dairy Development Project - Phase 11	US\$	1.0	Variable	LIBOR -6 month	1%	Upfront fee 0.5%	1.5	11
	Loan	Construction of 463 Rural Bridges	EUR	42.1	Variable	EURIBOR 6 Month	0.25%	Management Fee 0.5%	3	13
					Variable	EURIBOR 6 Month	0.25%	Management Fee 0.5%		
Deutsche Bank AG (United Kingdom)	Loan	Construction of 537 Steel Beam Bridges	US\$	35.8	Variable	LIBOR -6 Month for US\$	0.25%	Management Fee US\$167,500	3	13

## Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd...

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed (millions)		Annual Interest Rate		Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Amount in Loan Currency	US\$ Currency	Interest Type	Rate					Margin (100 basis points)
Export Import Bank of United States	Loan	Badulla, Haliela and Ella Integrated Water Supply Project	US\$ 16.6	16.6	Variable	LIBOR -6 Month for US\$ 2-1.5%	0.25%	Management Fee US\$ 643,000	4	15
HSBC Bank Plc(EKF Denmark)	Loan	Establishment of Dairy Processing Plant of Badalgama	EUR 15.1	16.6	Variable	LIBOR -6 Month for US\$ T1- 1.9%, T2-5%	0.50%	Commitment Fee US\$ 355,576.57, Exposure Fee 4.6%  Tranche 1 -Structuring Fee US\$ 99,759, Tranche 2- Structuring Fee US\$ 285,759 ,Upfront Fee US\$ 2,234,919	3	13
HSBC Bank Plc(UK)	Loan	Construction of 210 permanent Rural Steel Bridges	US\$ 2.7	2.7	Variable	LIBOR -6 Month for US\$ 2%	0.20%	-	5	14
RAIFFEISEN ZENTRAL BANK (Austria)	Loan	Regional Bridges project - Phase 11 - Buyer's credit facility	US\$ 7.0	7.0	Variable	LIBOR -6 Month for US\$ 2%	0.25%	Structuring Fee US\$ 150,179,06	4	14
Export Import Bank of Hungary	Loan	Rehabilitation of Kalatuwawa Water Treatment Plant	EUR 5.3	5.8	Fixed	1.03%	-	Management Fee 0.45% of total commitment (one time payment)	8	20
KBC Bank of Belgium	Loan	Rehabilitation of Labugama Water Treatment Plant project	EUR 5.1	5.6	Fixed	1.03%	-	- Guarantee Fee of EURO 11,962.50 (onetime payment)	8	20
The Export-Import Bank of China	Loan	Implementation of Monaragala - Buttala Water Supply Project	EUR 2.8	3.1	Fixed	1.2%	0.50%	Service Fee 1.2%	3	10
	Loan	Highway Section from Pinnaduwa to Kodagoda	US\$ 13.1	13.1	Variable	LIBOR -6 Month for US\$ 2.40%	0.70%	Management Fee 0.5%,Exposura fee 6%	5	15
	Loan	Highway Section from Kodagoda to Godagama	US\$ 1.0	1.0	Variable	LIBOR -6 Month for US\$ 2.40%	0.70%	Management Fee 0.5%,Exposura fee 6%	5	15
	Loan	Matarara Beliatta Section of Matarara - Kataragama Railway Extension Project	US\$ 14.6	14.6	Fixed	2.00%	0.50%	Management Fee 0.5%	6	19
	Loan	Hambantota Hub Development Project	CNY 316.1	47.9	Fixed	2.00%	0.25%	Management Fee 0.5%	6	20
	Loan	Construction of Extension of Southern Expressway, Section 2 from Beliatta to Wetiya Project	US\$ 48.8	48.8	Fixed	2.00%	0.25%	Management Fee 0.5%	5	20
	Loan	Matarara Beliatta Section of Matarara - Kataragama Railway Extension Project	CNY 119.6	18.0	Fixed	2.00%	0.50%	Management Fee 0.5%	8	21

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd....

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed (millions)			Annual Interest Rate			Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Currency	Amount in Loan Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
	Loan	Greater Kurunagala Water Supply and Sewerage Project	CNY	50.8	7.8	Fixed	2.00%	N/A	Management Fee 0.25%	5	19	
	Loan	Construction of Outer Circular Highway Project Phase 3 from Kerawalapitiya to Kadawatha	US\$	47.8	47.8	Fixed	2%	N/A	Management Fee 0.25%	5	20	
	Loan	Construction of Extension of Southern Expressway, Section 4 from Mattala to Hambantota Via Andarawewa Project	CNY	161.6	23.7	Fixed	2%	N/A	Management Fee 0.25%	5	20	
	Loan	Construction of Extension of Southern Expressway Section 1 from Matara to Beliatta	US\$	96.9	96.9	Fixed	2%	N/A	Management Fee 0.25%	5	20	
UniCredit Bank Austria AG (Austria)	Loan	Augmentation of Mahiyangana Water Supply Project	EUR	2.0	2.2	Amount Based Interest			Handling Fee EUR 1,440, Upfront Fee EUR 74,568.83, Management Fee EUR 46,823.29	7	16	
	Loan	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area	EUR	2.5	2.7	Amount Based Interest			Handling Fee EUR 1,440, Guarantee Fee 59,062.5, Management Fee EUR 47,250	8	17	
<b>Multilateral</b>												
<b>Asian Development Bank</b>	Loan	Clean Energy and Access Improvement Project	US\$	7.3	7.3	Variable	LIBOR +6 Month for US\$	0.20%	-	5	25	
	Loan	Clean Energy and Access Improvement Project	SDR	2.0	2.0	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32	
	Loan	Dry Zone Urban Water and Sanitation Project	SDR	6.5	9.0	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32	
	Loan	Eastern & North Central Provincial Road Project	SDR	-0.08	-0.1	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32	
	Loan	Greater Colombo Wastewater Management Project (OCR)	US\$	4.3	4.3	Variable	LIBOR +6 Month for US\$	0.20%	-	5	25	
	Loan	Greater Colombo Wastewater Management Project (ADF)	SDR	2.8	3.9	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32	
	Loan	ADB Funded Fiscal Management Efficiency Project	US\$	4.0	4.0	Variable	LIBOR +6 Month for US\$	0.20%	-	5	25	
	Loan	Conflict-Affected Region Emergency Project	US\$	-0.1	-0.1	Variable	LIBOR +6 Month for US\$	0.20%	-	8	32	
	Loan	Northern Road Connectivity Project (OCR)	US\$	2.6	2.6	Variable	LIBOR +6 Month for US\$	0.20%	-	5	25	
	Loan	Northern Road Connectivity Project (ADF)	SDR	1.6	2.3	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32	

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd...

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed		Annual Interest Rate			Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Currency	Amount in Loan Currency (millions)	US\$	Interest Type	Rate					Margin (100 basis points)
	Loan	Jaffna & Kilinochchi Water Supply & Sanitation Project (OCR)	US\$	0.4	0.4	Variable	LIBOR -6 Month for US\$	0.3%	-	6	25
	Loan	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	SDR	8.0	10.9	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Sustainable Power Sector Support Project (OCR)	US\$	14.2	14.2	Variable	LIBOR -6 Month for US\$	0.30%	-	5	25
	Loan	Sustainable Power Sector Support Project (ADF)	SDR	0.6	0.9	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Secondary Towns & Rural Com-Based Water Supply (Additional Financing)	SDR	-0.2	-0.3	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Local Government Enhancement Project	SDR	12.4	17.1	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	National Highways Sector Project Additional Finance OCR	US\$	8.9	8.9	Variable	LIBOR -6 Month for US\$	0.60%	-	5	25
	Loan	Northern Road Connectivity Project - Additional Finance	US\$	2.3	2.3	Variable	LIBOR -6 Month for US\$	0.40%	-	5	26
	Loan	Northern Road Connectivity Project - Additional Finance	SDR	6.5	8.9	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Clean Energy and Network Efficiency Improvement Project	US\$	31.5	31.5	Variable	LIBOR -6 Month for US\$	0.6%	-	5	20
	Loan	Clean Energy and Network Efficiency Improvement Project	SDR	2.5	3.4	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Dry Zone Urban Water and Sanitation Project- Additional Finance	SDR	1.0	1.4	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Education Sector Development Program -OCR	US\$	12.5	12.5	Variable	LIBOR -6 Month for US\$	0.40%	-	5	26
	Loan	Education Sector Development Program -ADF	SDR	8.3	11.6	Fixed	2%	N/A	-	5	25
	Loan	Greater Colombo Wastewater Management Investment Project 1	US\$	9.1	9.1	Variable	LIBOR -6 Month for US\$	0.4%	-	5	25
	Loan	Greater Colombo Wastewater Management Investment Project 1	SDR	0.6	0.6	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Skills Sector Enhancement Program -Result based Lending	US\$	9.0	9.0	Variable	LIBOR -6 Month for US\$	0.50%	-	5	25
	Loan	Skills Sector Enhancement Program - Result based Lending	SDR	5.9	7.9	Fixed	2%	N/A	-	5	25
	Loan	Southern Road Connectivity Project	US\$	8.4	8.4	Variable	LIBOR -6 Month for US\$	0.4%	-	5	25

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd...

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed		Annual Interest Rate			Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Amount in Loan Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
	Loan	Southern Road Connectivity Project	SDR	1.3	1.7	Fixed	2%	N/A	-	5	24
	Loan	Greater Colombo Water & Wastewater Management Project 2	US\$	6.3	6.3	Variable	LIBOR -6 Month for US\$	0.40%	-	5	25
	Loan	Greater Colombo Water & Wastewater Management Project 2	SDR	0.7	0.9	Fixed	2%	N/A	Service Fee 0.75%	4	24
	Loan	Integrated Road Investment Programme	SDR	22.3	30.7	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Programme - Tranche 2	SDR	0.07	0.1	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Programme - Tranche 2	US\$	64.2	63.5	Variable	LIBOR -6 Month for US\$	0.5	-	5	25
	Loan	Green Power Development & Energy Efficiency Improvement Project	US\$	1.9	1.9	Variable	LIBOR -6 Month for US\$	0.50%	-	5	20
	Loan	Green Power Development & Energy Efficiency Improvement Project	SDR	0.6	0.8	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Program - Tranche 3	SDR	16.9	23.3	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Program - Tranche 3	US\$	0.1	0.1	Variable	LIBOR -6 Month for US\$	0.50%	-	5	26
	Loan	Small and Medium-Sized Enterprises Line of Credit	US\$	12.5	12.5	Variable	LIBOR -6 Month for US\$	0.15%	-	10	13
<b>Food &amp; Agriculture Organization</b>	Grant	Promotion of Appropriate Feeding Techniques to - Dairying	US\$	0.043	0.043	N/A					
	Grant	Improving Seabass Aquaculture in Sri Lanka	US\$	0.015	0.015	N/A					
	Grant	Agro-Economic Development Project (ADP)	CAD	0.162	0.013	N/A					
	Grant	Rehabilitation of Degraded Agricultural Lands in kandy, Badulla and Nuwara Eliya Districts of the Central Highlands	US\$	0.0001	0.0001	N/A					
<b>World Bank -International Bank for Reconstruction &amp; Development</b>	Loan	Metro Colombo Urban Development Project (MCUDP)	US\$	11.8	11.8	Variable	LIBOR -6 Month for US\$	0.70%	0.50%	5	24
	Loan	Disaster Risk Mgt. Development Policy loan with a Catastrophe Deferred Drawdown Option CAI-DDO	US\$	101.5	101.5	Variable	IBRD Specific Rate	0.00%	Front-end fee US\$ 510,000	3	19
	Grant	Trust Fund for Statistical Capacity Building Improving Poverty Estimation Project (IBRD/IDA Blended)	US\$	0.2	0.2	N/A					
<b>International Fund for Agricultural Development</b>	Loan	Smallholder Plantations Entrepreneurship Development Programme	SDR	1.5	2.1	N/A	N/A	N/A	Service Fee 0.75%	10	39
	Grant	Post Tsunami Coastal Rehabilitation & Resources Management II	US\$	1.5	1.5	N/A					

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd....

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed		Annual Interest Rate			Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Amount in Loan Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
World Bank -International Development Association	Loan	National Agribusiness Development Programme	SDR	9.1	12.6	Fixed	0.75%	-	-	11	30
	Loan	Iranamadu Irrigation Development Project	SDR	5.7	7.9	N/A	N/A	-	Service Fee 0.75%	11	26
	Loan	Second Community Development and Livelihood Improvement Project	SDR	-0.1	-0.2	N/A	N/A	0.50%	Service Fee 0.75%	10	20
	Loan	Higher Education for the Twenty First Century Project	SDR	1.1	1.5	N/A	N/A	0.50%	Service Fee 0.75% calculated on outstanding amount & behave as an interest	10	20
	Loan	North East Local Services Improvement Project (NELSIP)	SDR	0.5	0.6	N/A	N/A	0.50%	Service Fee 0.75% calculated on outstanding amount & behave as an interest	10	19
	Loan	Small and Medium Enterprise Development Facility Project	SDR	-1.1	-1.5	N/A	N/A	0.50%	Service Fee 0.75% calculated on outstanding amount & behave as an interest	10	19
	Loan	Second Additional Financing for Road Sector Assistance Project	SDR	-1.8	-2.4	N/A	N/A	0.50%	Service Fee 0.75% calculated on outstanding amount & behave as an interest	10	20
	Loan	Transforming the School Education System as the Foundation of a Knowledge Hub Project	SDR	1.2	1.2	Fixed	1.25%	0.50%	Service Fee 0.75%	5	25
	Loan	Second Health Sector Development Project	SDR	11.3	15.6	Fixed	1.25%	0.50%	Service Fee 0.75%	5	25
	Loan	Climate Resilience Improvement Management -CRIP	SDR	15.2	21.3	Fixed	1.25%	0.50%	Service Fee 0.75%	5	25
Loan	Strategic Cities Development Project	SDR	8.0	8.0	Fixed	1.25%	0.50%	Service Fee 0.75%	5	25	
Loan	Additional Financing for Dam Safety & Water Resources Planning Project	SDR	12.6	17.4	Fixed	1.25%	0.50%	Service Fee 0.75%	5	25	
Loan	Skills Development Project (Portion A)	SDR	7.1	10.0	Fixed	1.25%	0.50%	Service Fee 0.75%	5	25	
Grant	GPOBA Increasing Household Access to Domestic Sanitation in Greater Colombo Project	US\$	1.2	1.2	N/A	N/A					
Grant	AusAid DFAT + IDA Grant Transforming the School Education System as the Foundation of Knowledge Hub Project	US\$	8.0	8.0	N/A	N/A					
Grant	Disaster Reduction & Recovery Support to Mainstreaming Disaster Risk Management Project	US\$	-0.2	-0.2	N/A	N/A					

Annex 8.1 | ODA Disbursement with Financial Terms: January - December 2016 contd....

Development Partner/ Lending Agency	Instrument Type	Project / Programme	Amount Disbursed		Annual Interest Rate			Commitment Fee	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Amount in Loan Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
	Loan	Water Supply and Sanitation Improvement Project	SDR	6.9	9.6	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Loan	Early Childhood Development Project	US\$	1.0	1.4	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Loan	Additional Financing for North East Local Services Improvement Project [NELSIP]	US\$	14.3	19.9	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Loan	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	US\$	100.0	100.0	Fixed	3.67	N/A	Front end Fee 0.25%	8	27
<b>OPEC Fund for International Development</b>	Loan	Kalu Ganga Development Project	US\$	4.1	4.1	Fixed	3.20%	N/A	Service Fee 1%	5	20
	Loan	Road Network Development Project	US\$	5.9	5.9	Fixed	3.10%	N/A	Service Fee 1%	5	20
	Loan	Colombo National Highways Project	US\$	2.3	2.3	Fixed	4.60%	N/A	-	5	20
<b>UNDP</b>	Grant	UN-REDD National Programme - Sri Lanka	US\$	0.04	0.04	N/A					
	Grant	Promoting Sustainable Biomass energy Production	US\$	0.04	0.05	N/A					
	Grant	National Bio - diversity Strategic Action plan	US\$	0.05	0.05	N/A					
	Grant	Comprehensive Disaster Management Program 2014 -18	US\$	0.05	0.05	N/A					
	Grant	Equal Access to Justice Phase II	US\$	0.2	0.2	N/A					
	Grant	Control of Alien Invasive Species	US\$	0.4	0.4	N/A					
	Grant	Sri Lanka Community Forestry Programme	US\$	0.3	0.3	N/A					
	Grant	Law, Access to Justice & Social Integration in Sri Lanka	US\$	0.05	0.05	N/A					
	Grant	Strengthening the Resilience of Post Conflict Recovery and Development to Climate Change Risks in Sri Lanka	US\$	0.03	0.03	N/A					
	Grant	Enhancing Biodiversity Conservation and Sustainance of Ecosystem Services in Environmentally Sensitive Areas	US\$	0.08	0.08	N/A					
	Grant	Ensuring Global Environment Concerns and Best Practices Mainstreamed in the Post-Conflict rapid Development Process of SL through Improved Information Management Project	US\$	0.02	0.02	N/A					
<b>UNICEF</b>	Grant	UNICEF Country Programme 2013-2017	US\$	6.9	6.9	N/A					
<b>Grand Total</b>											<b>1,640.4</b>

Source : Department of External Resources

Note : Financial values disbursed in different currencies have been converted into US\$ as per the prevailing exchange rates of yearend 2016.



**Performance of State  
Owned Business  
Enterprises**

**09**

## 9.1 Overview

SOE's and specially the SOBE's which are engaged in key sectors such as Energy, Banking, Ports and etc could play a catalytic role in transforming the country's economy to a high growth trajectory.

The 400 State Owned Enterprises (SOEs) can be broadly categorised into entities that operate with a commercial orientation and SOE's that are non-commercial entities. 55 SOEs have been identified as strategically important State Owned Businesses Enterprises (SOBEs) and 350 have been identified as Non Commercial SOE's (NCSOE).

In 2015, 19 SOE's were gazetted under the Ministry of Public Enterprise Development. All SOEs are monitored by the Treasury and the Department of Public Enterprises monitors 127 SOBE's while the Department of National Budget monitors the performance of 129 NCSOE's.

During the year, out of the 55 SOBEs 39 were profitable and 16 made losses. At the same time, the total asset base of the SOBEs grew by 4.5% in 2016 over 2015. The exposures to the Banking sector through both long term and short term loans and credit facilities also reduced to Rs. 308 billion in 2016 from Rs.354 billion in 2015, due mainly to the decrease in liabilities of the Ceylon Petroleum Corporation and the Ceylon Electricity Board.

Table 9.1 | Asset Bases of SOBEs on Sector Wise

Sector	Number of SOBEs	Rs. Billion		
		Total Assets as at 31.12.2015	Total Assets as at 31.12.2016	Growth (%)
Energy	2	981.51	1,004.29	2.30
Water	1	332.11	383.82	15.40
Ports	1	337.27	332.77	(1.50)
Commuter transportation	1	26.99	26.88	(0.40)
Aviation	3	126.03	128.59	1.20
Construction	3	40.91	38.88	(4.90)
Banking and Finance	9	3,968.95	4,130.68	4.08
Insurance	4	185.83	192.23	3.40
Lotteries	2	5.17	6.91	33.60
Livestock	2	10.99	21.67	97.20
Plantations	6	13.03	12.97	(0.46)
Non-Renewable Resources	3	4.01	3.81	(4.98)
Health	4	14.98	14.63	6.70
Media	3	8.78	9.38	6.83
Marketing and Distribution	11	108.87	136.82	25.80
Total	55	6,165.43	6,444.33	4.50

Sources: SOBEs and Department of Public Enterprises

1. State Owned Enterprises are Public Corporations, Statutory Boards or any other entity vested in the Government under any written law and Companies which have majority ownership to the Government, registered under the Companies Act which carry out commercial or non - commercial activities.
2. State Owned Business Enterprises are those State Owned Enterprises engaged in business activities and generate revenue by way of sale of goods or services.

Table 9.2: Sectoral Contribution to GDP – 2016

Sector	Number of SOBEs	PBT/ LBT *	Total Revenue	Rs. Million
				Contribution to GDP** (%)
Energy	2	55,121	639,781	5.72
Water	1	835	23,585	0.2
Ports	1	1,212	43,743	0.37
Commuter transportation	1	(3,617)	35,738	0.3
Aviation	3	(17,297)	161,492	1.36
Construction	3	(111)	17,941	0.15
Banking and Finance	9	84,035	413,546	3.49
Insurance	4	12,835	53,341	0.45
Lotteries	2	3,247	36,683	0.31
Livestock	2	266	11,666	0.1
Plantations	6	(356)	2,503	0.02
Non-Renewable Resources	3	208	1,992	0.02
Health	4	2,375	36,312	0.31
Media	3	(238)	4,997	0.04
Marketing and Distribution	11	(1,940)	57,768	0.49
Total	55	136,575	1,541,088	13.32

Sources: SOBEs and Department of Public Enterprises

\*Profit before Tax / Loss before Tax

\*\*Gross Domestic Product at Market price

As such although, the performance of SOBEs have improved over time, they are by no means operating at the optimum, due to years of low investments in productivity enhancing technologies and practices, lack of accountability for performance with weak Boards of Management and staff that lack the necessary skills due to the inability to attract competent Human Resources.

It is in this background that the government's reform agenda has been focused on improved accountability, autonomy and productivity through a multiple of policy interventions. Such policy interventions include the introduction of Statements of Corporate Intent (SCI), a tripartite agreement between the SOBE, the line Ministry and the Treasury is expected to infuse into the SOBE a sense of responsibility for its performance, ensuring better resource mobilisation especially into the acquisition of capital assets and a more realistic pricing policies.

Given that the appointments to the Boards of Management have been made without due thought to skills and competence, the guidance from the boards towards the entity in achieving

their stated objectives and their accountability to Parliament were both severely compromised. As such, during the year the Ministry of National Policies and Economic Affairs issued criteria for consideration for appointment of Chairman and Board of Directors of SOEs. The main purpose of issuing such criteria was to ensure that the SOEs were guided by professionals with the necessary leadership skills and competence.

The government strategy also envisages providing more autonomy to the Boards of Management based on Key Performance Indicators (KPIs). SOBEs are encouraged to adopt a rating mechanism which will facilitate them to access the domestic and foreign capital markets.

At the same time with the introduction of the 19th Amendment to the constitution, all the subsidiary companies of SOEs will be audited by the Auditor General's which is expected to improve accountability of such entities in which public funds have been invested.

The Ministry of Public Enterprises Development (MPED) which was established to provide a more focused oversight function of SOEs have been

engaged in, introducing market based pricing mechanisms in public utilities on a selective basis, rationalizing recruitments while adopting measures to improve productivity of the existing workforce and exploring avenues to improve efficiency of SOEs through various mechanisms including public - private partnership (PPP) is focused by the MPED.

MPED is also engaged in divesting at appropriate

level non- strategic investments of the government such as Hilton Hotels, Waters Edge, Celestial Towers, etc.

### Investment and Return on Investment of SOEs

During the year 2016, 46 SOEs have contributed to consolidated fund as levy and dividends amounting to Rs.108 billion which is a 260 percent increase over 2015.

Table 9.3 | Levy/ Dividend Income from SOEs

Description	Rs. Million					
	2011	2012	2013	2014	2015	2016
<b>Levy</b>	<b>28,629</b>	<b>31,514</b>	<b>30,400</b>	<b>42,137</b>	<b>26,118</b>	<b>92,338</b>
National Savings Bank	4,500	8,200	5,000	4,000	2,800	12,026
Bank of Ceylon	4,000	5,000	5,000	6,500	5,000	18,000
Peoples Bank	4,500	4,500	4,500	6,000	3,000	8,000
Telecommunication Regulatory Commission	9,050	7,200	10,100	10,000	10,000	28,000
Ceylon Petroleum Corporation				10,000		10,000
State Mortgage & Investments Bank	-	25	40	10	10	10
Regional Development Bank	-	500	500	-	87	88
State Timber Corporation	75	50	50	25	50	175
State Pharmaceuticals Manufacturing Corporation	59	20	20	25	30	65
National Insurance Trust Fund	3,495	4,200	3,200	4,000	3,000	2,500
Geological Survey and Mines Bureau	740	750	700	650	850	900
National Gem and Jewellery Authority	-	-	100	-	75	175
Sri Lanka Convention Bureau	-	12	-	-	-	-
Sri Lanka Rupawahini Corporation	-	5	-	2	-	-
Ceylon Electricity Board	2,000	-	-	-	-	8,000
Board of Investment	210	200	-	100	141	115
National Lotteries Board	-	502	500	-	50	550
Sri Lanka Tourism Promotion Bureau						
Securities and Exchange Commission	-	-	94	-	-	-
Insurance Board of Sri Lanka	-	-	300	-	-	-
Sri Lanka Standard Institution	-	-	20	-	-	-
Sri Lanka Export Credit Insurance Corporation	-	-	25	-	-	25
National Livestock and Development Board,	-	-	1	-	-	-
Central Engineering Consultancy Bureau	-	-	-	-	25	25
Sri Lank Tourism promotion Bureau	-	-	-	500	500	1,500
Civil Aviation Authority	-	350	200	250	400	768
State Pharmaceutical Corporation	-	-	50	75	100	216
National Transport Medical Institute	-	-	-	-	-	200
Sri Lanka Bureau of Foreign Employment	-	-	-	-	-	1,000
<b>Dividends</b>	<b>5,722</b>	<b>4,548</b>	<b>-</b>	<b>4,664</b>	<b>3,678</b>	<b>15,821</b>
National Savings Bank	60	60	-	60	60	60
Bank of Ceylon	20	346	-	346	346	346
People's Bank	-	158	-	316	316	316
Lankaputhra Development Bank	6	18	-	36	36	36
National Development Bank	2	4	-	6	5	2
Sri Lanka Insurance Corporation Ltd	1,750	1,001	-	2,001	1,003	11,857
Airport and Aviation Services Ltd	2,406	-	-	500	497	1,500
Lanka Mineral Sands Ltd	500	1,700	-	43	14	-
Lanka Phosphate Ltd	20	40	-	35	30	-
Independence Television Network Ltd	49	88	-	125	84	-
Lanka Leyland Ltd	35	5	-	11	54	34
Rakna Arakshaka Lanka Ltd	-	10	-	68	93	-
Manthai Salt Ltd	-	-	-	1	-	-
Ceylon Fertilizer Ltd	12	4	-	38	54	116

Table 9.3 | Levy/ Dividend Income from SOEs contd....

Description	Rs. Million					
	2011	2012	2013	2014	2015	2016
Colombo Commercial Fertilizer Ltd	-	8	-	12	10	25
Paranthan Chemicals Company Ltd	2	3	-	10	5	-
Kahatagaha Graphite Lanka Ltd	-	-	-	1	-	-
STC General Trading Company	-	-	-	-	-	5
Sri Lanka Telecom PLC	536	759	-	759	795	795
De La Rue Lanka Ltd	68	42	-	49	61	62
Lanka Electricity Company Ltd	-	75	-	25	87	152
Lanka Industrial Estates Ltd	31	47	-	55	55	47
Skills Development Fund	-	-	-	-	2	-
Ceylon Agro Industries	-	-	-	7	6	12
Lanka Sugar Company Ltd	-	-	-	80	-	-
Asien Reinsurance Corporation	6	-	-	-	-	-
Lanka Logistics Limited	-	-	-	2	2	5
Ceylon Petroleum Storage Terminals Ltd	-	-	-	-	-	438
Plantation Companies*	219	179	-	80	62	10
Others**	-	1	-	-	1	3
<b>Total</b>	<b>34,351</b>	<b>36,062</b>	<b>30,400</b>	<b>46,801</b>	<b>29,796</b>	<b>108,159</b>

Sources: Department of Treasury Operations and Department of Public enterprises

\* includes Kurunegala, Kalubowititiyana, Chilaw, Pussellawa, Kotagala, Namunuluka, Elpitiya

\*\*includes, Carsons Management, Lanka Canneries, United motors Lanka Ltd, Bogala Graphite Lanka Ltd, Autogrill Lanka Ltd, Hunnasfalls Hotel, Lanka Hydraulic

### Introduction of Statement of Corporate Intent (SCI)

#### For Selected State owned Business Enterprises (SOBEs)

SCI is a tripartite Memorandum of Understanding (MOU) signed by the respective State Owned Business Enterprises (SOBEs), line Ministry and Ministry of Finance for enhancing transparency in management of public resources and accountability for results.

Introduction of SCI for 05 SOBEs namely CEB, CPC, NWS&DB, AASL and SLPA is one of the structural benchmark to be fulfilled before end of this year by the GOSL to enhance oversight and financial discipline of SOBEs.

Enhancing oversight and financial discipline of SOBEs was a major concern by various agencies including the International Monetary Fund (IMF) the World Bank and the Asian Development Bank, in order to grant financial assistants for the government of Sri Lanka. As a result, introduction of the concept of Statement of Corporate Intent (SCI) was brought in and it has been decided to implement this on pilot basis for five (SOBEs).

Thus the SCI would enable to contribute positively to the strategically important SOBEs towards achieving Sri Lanka's economic goals. In achieving these objectives, the key strategy would be encouraging and facilitating these SOBEs to be self-sufficient through improved corporate practices, management reforms, innovative financing, strong and prudent financial management, exposure to competitiveness and international best-practices and effective human resource management while enhancing public accountability.

SCI includes key performance indicators in line with SOBE's Corporate Plan. This will include,

- Target for each Key Performance Indicator (KPI) for next three years.
- Forecast for the financial impact of all non-commercial goods and services.
- Detailed budget and financial forecast for next three years.
- Capital investment plan.

The effectiveness of the SCI process will depend fundamentally to what extent that the SCI will be used as an owned management tool by the selected SOBEs and the line Ministries.

## 9.2 Energy

The country’s energy sector is mainly driven by the operations of 2 key SOBEs, i.e Ceylon Petroleum Corporation (CPC) and the Ceylon Electricity Board (CEB). Although the CPC and the CEB together account for almost 16 percent of the total asset base of the SOBE’s their annual investment in capital assets in the last 5 years amounts to only Rs 20 billion which is only around 2 per cent of their asset base. However, the efficient and effective performance of both these entities are significantly dependent on the quantum of investments made to build high quality assets continuously (such as power plants, improve the refinery etc.), climate changes and oil price volatilities.

In this context, although the depressed oil prices create significant opportunities for generating profits, climate changes that has occurred with either extended droughts or floods coupled with under investments in the required infrastructures have created significant vulnerabilities in the energy sector. This could be exacerbated in the background of projected economic growth of around 5 percent in the next 3-5 years, where the demand for energy will also increase. This is more so given that the country’s per capita energy consumption at 495 KWh is still relatively low, and therefore any increase in demand by the consumers will create significant pressures on the sector.

Therefore it is important that the sector vigorously pursues alternative strategies such as new technology, alternative energy sources, and new financing models, to meet the demands of the sector to be more efficient and effective

To this end, government policy to adopt a cost reflective pricing mechanism will also ensure efficacy in resource allocations.

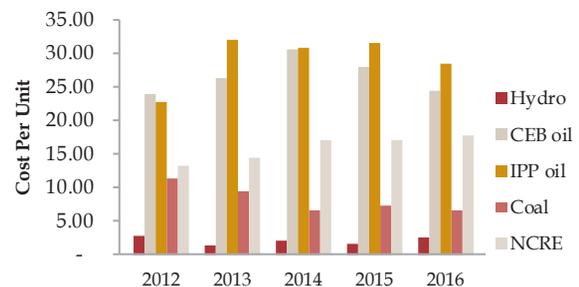
### Ceylon Electricity Board (CEB)

During the year 2016, CEB expanded its household electrification network covering 99 percent in the country with an installed generation capacity of 4,916MW and about 303,000 km of transmission and distribution lines. Over 5.8 million users

consume more than 35 million units of electricity on an average day and their annual demand in 2016 was approximately 12,833 million units. With improvements in the system CEB has been able to gradually reduce its system losses up to 10 percent in 2016 from 17 percent in 2007.

Due to the dry weather conditions which prevailed in 2016, power generation composition changed from Hydro: Thermal: Coal 38:28:34 in 2015 to 25:40:35 in 2016 resulting in an increase in cost per unit to Rs. 17.53 from Rs. 15.06 in 2015. As the cost reflective tariff methodology is not yet validated, CEB has recorded an operating loss of Rs. 14,499 million in 2016.

Chart 9.1 | Generation Cost per Unit (Including O & M Cost)



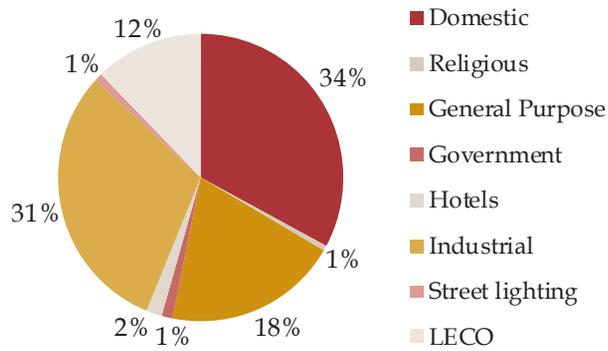
Source: Ceylon Electricity Board

In the last 5 years, the year on year demand for electricity has been increased on average around 4.5 percent due to more industries coming into the economy, with the advent of electric cars and increase of use of more electric appliances. As such, the government strategy is driven by the twin objectives of ensuring low cost generation that are environmentally sustainable. Hence, CEB’s Long Term Generation plan (LTGP) approved by the Public Utilities Commission of Sri Lanka (PUCSL) focuses on augmenting the generation capacity by at least 870MW every year from 2015 to 2034, at an investment of at least Rs. 20 billion or USD 132 million every year.

It is in this context that the Cabinet of ministers has approved in 2016 to develop a 300MW LNG power plant at Kerawalapitiya, to set up a 170MW dual fuel plant at Hambantota, to purchase 50MW of mobile power generation units as early as possible, to purchase 25MW HFO power plant at Matara, to purchase 100MW

Heladanavi power plant at Puttalam, to purchase 100MW HFO power plant at Embilipitiya, to call international tenders to procure LNG for existing thermal plant and to set up a LNG Terminal at Colombo Fort or the Kerawalapitiya area.

Chart 9.2 | Electricity Usage GWh 2012



Source: Ceylon Electricity Board

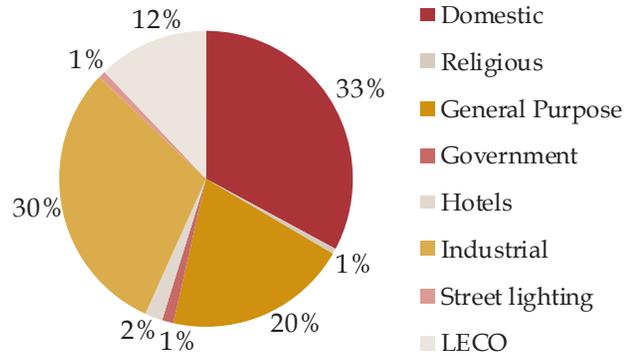
At the same time, for the first time in Sri Lanka, “Soorya Bala Sangramaya” a solar power generation program has been implemented to encourage people to generate electricity for themselves and commenced 200MW wind power project in Mannar. Such initiatives will support the country to achieve its policy objective of 20 percent Non-Conventional Renewable Energy (NCRE) by 2020.

As per an initiative taken in 2016, CEB also entered into a Statement of Corporate Intent (SCI) in 2017. The main key performance targets in the SCI are to improve quality of electricity

to customers, to become a low- cost electricity supplier, Optimizing generation capacity and ensuring the Financial Stability of CEB.

It is expected that CEB will incur a loss of Rs.35

Chart 9.3 | Electricity Usage GWh 2016



billion, Rs. 41 billion and Rs.48 billion in 2017, 2018 and 2019 respectively. However, with the expected severe drought condition, it is expected that the loss of CEB will be further increased in the year 2017.

At the same time, the imposition of 15 percent VAT on coal imports from 2017 and 2 percent NBT on sales from 2016, has resulted in the CEB’s cash position being negatively affected by almost Rs.11 billion per annum during the period 2017 – 2020.

Table 9.4 | Installed Capacity and Power Generation of CEB - 2014-2016

	2014			2015			2016 Provisional		
	Installed capacity MW	Percentage on Total Generation	GWh	Installed capacity MW	Percentage on Total Generation	GWh	Installed capacity MW	percentage on Total Generation	GWh
Hydro	1,377	29%	3,652	1,377	38%	4,925	1,382	25%	3,504
Thermal - CEB Oil	544	14%	1,744	604	8%	1,085	1,504	17%	2,362
Thermal - IPP Oil	671	21%	2,610	511	9%	1,226	611	15%	2,164
Thermal - Coal	900	26%	3,202	900	34%	4,457	900	35%	5,066
NCRE & Wind	440	10%	1,215	455	11%	1,466	519	8%	1,195
Total	3,932	100%	12,423	3,847	100%	13,159	4,916	100%	14,291

Source: Ceylon Electricity Board

Table 9.5 | Financial Outturn of Ceylon Electricity Board

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Operational Statement					
Revenue	170,043	200,931	205,638	198,363	216,647
Sale of Electricity	163,513	194,147	202,645	188,684	206,811
Other Income	6,530	6,784	2,993	9,679	9,836
Expenditure	247,812	188,082	222,924	177,408	231,147
Direct Generation Cost	173,878	120,410	164,762	107,836	152,030
IPP (With NCRE)	120,264	80,308	101,149	63,731	81,752
CEB - Fuel Cost (Oil & Coal)	53,614	40,102	63,613	44,105	70,278
Generation, Transmission & Distribution O&M Cost	25,481	26,196	25,236	33,297	40,975
Corporate Expenses	19,075	8,172	4,536	3,882	4,487
Interest on Borrowings and Delayed Payments	8,246	12,813	7,027	5,133	4,276
Depreciation	21,131	20,491	21,362	27,260	29,379
Operating profit / (loss)	(77,769)	12,849	(17,286)	20,955	(14,499)
Liquidity Position					
Borrowings from Banks	19,455	58,760	27,000	318	6,108
Payments to Banks	8,308	37,143	16,612	13,495	14,387
Outstanding Debt to Banks	22,788	44,404	54,791	41,614	33,468
Purchases from CPC and IPP	142,164	157,998	132,939	62,427	110,096
Payments to CPC and IPP	120,264	134,048	140,750	72,177	85,014
Outstanding to CPC and IPP	21,900	23,950	16,140	6,390	31,603
Operational Statistics					
Units Sold ( GWh)	10,474	10,628	11,063	11,786	12,785
Unit Generated (GWh)	11,801	11,959	12,423	13,159	14,291
Cost Per Unit	22.13	16.75	20.15	15.05	18.06
Sales Per Unit	15.66	18.91	18.32	16.01	16.08
Generation Composition					
Thermal(Fuel)CEB	2,029	1,326	1,744	1,085	2,362
Thermal(Fuel)IPP	4,903	1,975	2,610	1,226	2,164
Hydro	2,729	6,011	3,652	4,925	3,504
Mini Hydro, Wind & NCRE	727	1,176	1,215	1,466	1,195
Coal	1,413	1,469	3,202	4,457	5,066
Total	11,801	11,959	12,423	13,159	14,291

Source: Ceylon Electricity Board

### Ceylon Petroleum Corporation (CPC)

At the end of 2016, CPC's market share stood at 85 percent. The total petroleum imports by the CPC has reduced substantially to USD 1,708 million compared to USD 3,187 million recorded in 2014 due to the significant dip in the international oil prices. As such, CPC as well as the country as a whole benefited from the lower oil price regime which has prevailed since 2014 enabling CPC to reduce the overall debt position. However, given the volatility in the Middle East, the risk of a potential increase in the crude oil prices remains a significant threat to the country's macro stability.

CPC closed the year 2016 with a net profit of

Rs. 69.6 billion compared to the net loss of Rs. 19.4 billion in 2015. The high demand from the electricity sector for Diesel and Furnace Oil for electricity generation due to drought which has been prevailing during the latter part of 2016 boosted the profits of CPC as both these products were being sold at a better margin. A relatively stable Rupee resulted in the CPC being able to reduce total import cost as well as the exchange losses to Rs 8.8 billion in 2016 from 32.8 billion in 2015. As such, with the improvement in the cash flow position CPC reduced their exposure to banks by around USD 313 million, and thereby saw a decrease in their interest cost by 24 percent or Rs 3,600 million.

Chart 9.4 | Tax Collection from CPC (Rs. mn)



The total tax collection from CPC including direct and indirect taxes has been continuously growing and it has increased from 6.7 percent in 2012 to 9.9 percent in 2016 of total tax revenue of the country.

Chart 9.5 | Composition of total of taxes paid in year 2016 (Rs. million)

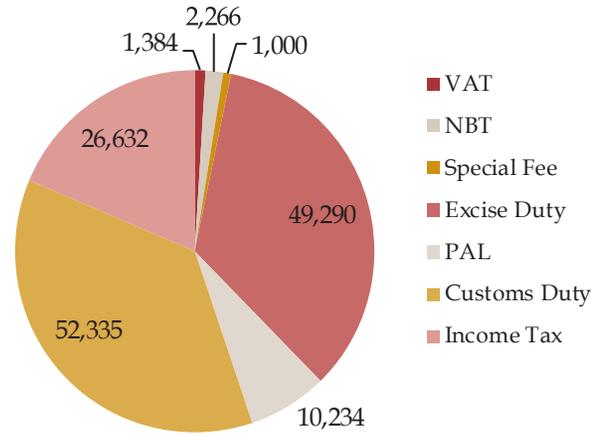
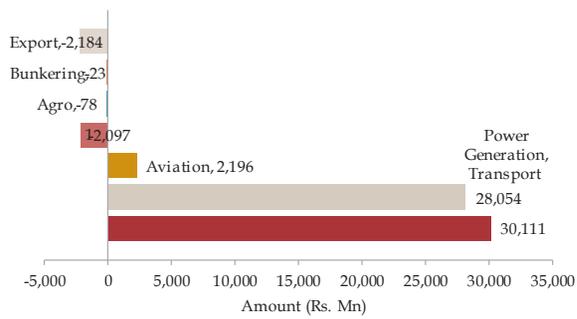


Table 9.6 | Financial Outturn of Ceylon Petroleum Corporation

Description	Rs. Million				
	2012	2013	2014	2015	2016
Total Revenue	520,916	494,010	525,182	385,980	435,091
Octane90	91,301	102,733	106,302	86,747	96,836
Octane 95	5,451	7,739	9,954	10,470	13,932
Diesel	237,996	211,233	237,497	168,156	190,387
Super Diesel	3,445	4,037	4,944	5,774	7,418
HF 800cc	5,750	5,882	5,109	21,860	43,539
HF 1500cc	43,827	45,095	39,159	16,801	3,165
HF 3500cc	14,071	12,708	16,196	1,110	-
LSHF	21,295	8,668	13,628	4,983	6,950
Naptha	7,645	13,026	13,478	12,003	15,442
Kerosene	18,099	16,746	15,230	9,824	7,998
JET- A-1	49,921	52,609	54,622	34,641	31,559
Other Products	14,110	9,905	9,061	4,367	5,909
Other Income	8,006	3,629	7,944	9,246	11,957
Total Expenditure	618,226	501,780	531,490	405,866	365,471
Cost of Sales	573,692	467,638	500,734	337,119	326,441
Imports-Refine oil	397,696	285,034	201,590	223,648	233,056
Refinery- crude oil	175,996	182,604	299,144	113,471	93,385
Sales and Distribution	12,633	11,480	10,937	13,401	14,413
Administration	5,466	3,600	5,244	2,838	3,741
Finance Cost	25,972	18,540	13,962	15,049	11,405
Depreciation	335	485	378	754	643
Other Cost	128	37	232	-	-
Profit/ (Loss)	(97,310)	(7,770)	1,633	(19,886)	69,620
Outstanding dues to state banks	402,517	419,000	373,000	388,885	333,489

Sources: Ceylon Petroleum Corporation and Department of Public Enterprises

Chart 9.6 | Composition of Losses by Different Sectors



The transport sector contributed 43 percent of the total profits of the entity in 2016 while profit generated from the power sector also accounted for almost 40 percent. However, export of locally refined bottom products i.e. Furnace Oil due to unavailability of prospective local market has negatively affected to the profitability during the period. The domestic sector also reported a loss in 2016 mainly due to the sale of Kerosene at Rs.50 per litre while the average cost has ranged between Rs. 55 and Rs. 60 per litre.

Table 9.7 | CPC Bank exposure as at 31.12.2015 and 31.12.2016 and the change

Commitment	Rs. Million						
	As at 31.12.2015			As at 31.12.2016			Different
	Loan (Within the period)	Over Due	Total Value	Loan (Within the period)	Over Due	Total Value	
<b>BOC</b>							
- Foreign Currency Loans (Imports)	73,083	24,074	97,157	74,235	-	74,235	(22,922)
- Import Bills	60,616	-	60,616	67,115	-	67,115	6,499
Total - BOC	133,699	24,074	157,773	141,350	-	141,350	(16,423)
<b>PB</b>							
- Foreign Currency Loans (Imports)	73,226	88,416	161,642	42,723	76,356	119,079	(42,563)
- Import Bills	34,679	-	34,679	48,087	-	48,087	13,408
Total - PB	107,905	88,416	196,321	90,810	76,356	167,166	(29,155)
Total	241,604	112,490	354,094	232,160	76,356	308,516	(45,578)

Sources: Ceylon Petroleum Corporation and Department of Public Enterprises

Due to the improved cash flow position and the reduction in bank exposure, Treasury reduced the guarantee limit for Ceylon Petroleum Corporation to USD 1,600 million from USD 1,800 million at the beginning of year 2017.

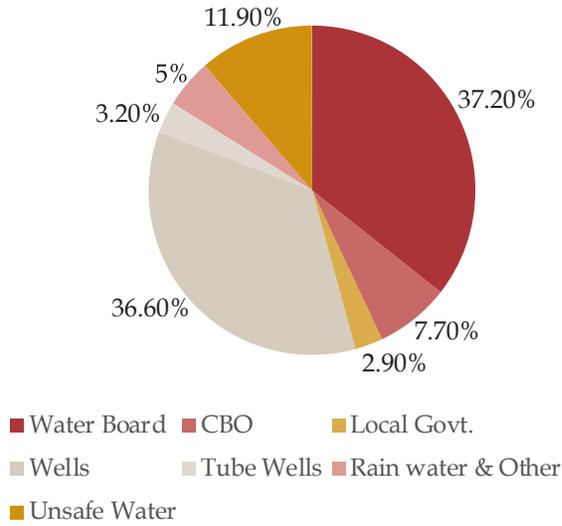
With oil prices increasing to almost USD 60 / bbl during the first quarter of 2017, all products record a negative margin. As such, to ensure financial viability of both CPC and Lanka Indian Oil Company (LIOC), the government withdrew a part of import duties which had been imposed on petrol and diesel on 01.02.2017 to assist the oil operating companies to survive, incurring heavy losses.

### 9.3 Water

The National Water Supply & Drainage Board (NWS&DB) plays a significant role in providing

Safe drinking water to the country. The safe drinking water coverage in Sri Lanka at the end of 2016 has reached 88 percent with domestic sources accounting for 40.3 percent, while pipe borne water providing the balance 47.7 percent. The increase in pipe borne water coverage to 47.7 percent in 2016 from 45.2 percent in 2015, indicates that it is possible to reach the government's policy target of 60percent of pipe borne water coverage by 2020. As such, there are currently 337 water supply projects and 4,500 community based water supply projects and to accomplish this objective, new water supply projects in different regions of Sri Lanka have been identified requiring an investment of almost Rs 588 billion in order to implement those projects, the borrowing limit of NWS&DB had to be enhanced up to Rs. 220 billion.

Chart 9.7 | Water Consumption



and 75 percent of the debt servicing of the rural water supply projects. Additionally, considering the need for provisioning safe drinking water to CKD affected areas and promoting sewerage and waste water related services in the country, government will take over 100 percent of the debt services of these projects.

Being the sole provider of sanitation, NWS&DB aims to facilitate access to sanitation by 100 percent by 2025 which is one of the Millennium Development Goals.

NWS&DB produced 649 million cubic meters (M3) of drinking water in 2016, which is a 6 percent increase over 2015, at a cost of Rs.13,486 million. Cost to the doorstep of the customer has

Table 9.8 | Financial Outturn of NWS&DB

Description	Rs.Million				
	2012	2013	2014	2015	2016
Revenue	14,559	17,216	18,710	19,584	23,585
Water	13,348	16,161	17,447	18,374	21,318
Water Related Income	1,211	1,056	1,263	1,210	2,267
Cost of Sales	(9,030)	(10,157)	(11,326)	(12,315)	(13,486)
Gross Profit	5,529	7,059	7,384	7,269	10,099
Other Income	1,586	1,195	1,390	1,666	1,478
Administration Expenses	(5,838)	(5,832)	(5,985)	(8,571)	(9,136)
Other Operating Expenses	(54)	(559)	(334)	(464)	(704)
Operating Profit/(Loss)	1,223	1,863	2,455	(100)	1,737
Finance Income	(799)	(814)	(1,030)	1,186	1,245
Other Expenses + Taxes	40	(47)	53	(56)	(67)
Net Profit/(Loss)	384	1,002	1,372	1,030	2,978
Key Performance Indicators					
Connections (Nos.)	1.6	1.7	1.8	1.9	2.1
Water Production (m3 Million)	525	547	585	612	649
Water Sales (m3Million)	398	381	416	442	484
Non-Revenue Water (percent)	29.9	30.2	29	28	25.4
Water Supply Projects (Nos.)	323	325	329	331	337
Community Based Water Supply Projects (Nos)	4,500	4,500	4,500	4,500	4,500
Safe Drinking Water Supply Coverage (percent)	84.1	84	84	86	89
Sewerage Connections for institutions (Nos)	699	831	997	726	1,349
Sewerage Connections for households (Nos)	13,578	13,946	12,192	9,643	14,523

Sources: National Water Supply & Drainage Board and Department of Public Enterprises

### National Water Supply & Drainage Board (NWS & DB)

In achieving the government policy of providing safe drinking water to 100 percent of the population the water board is required to increase coverage of pipe borne water to 60 percent by 2020. In this regard the government has decided to assist NWS&DB by providing a 50 percent of debt servicing of urban water supply projects

remained at Rs.48.00 per m3 in 2016, similar to the year 2015.

During 2016 NWS&DB distributed 484 million m3 of water reflecting an increase of 10 percent compared to 2015, through 2,092,471 water connections and browsers. NWS&DB has recorded a revenue of Rs.21.3 billion in 2016. In line with the government policy to ensure accessibility to safe drinking water, NWS&DB

has been successful in increasing total water connections by 144,610 in 2016.

Due to the continuous leakages in the distribution system, 25.4 percent of total water production has been wasted recording 165 million m<sup>3</sup> of Non- Revenue Water (NRW) in 2016. The board was able to marginally reduce the NRW to 25.4 percent in 2016 from 28 percent in 2015.

The NWS&DB will have to explore alternative methods to produce safe drinking water by means of developed technologies and other scientific methodologies to meeting the challenges posed in providing an uninterrupted supply of clean water given the erratic rain patterns, urbanisation related issues such as garbage management.

#### 9.4 Ports

The Sri Lankan ports and shipping industry with 7 major ports and 20 fishery harbors plays a vital role in sustaining growth in the country's trade and commerce. Sri Lanka was ranked 33 out of top 50 container operating ports in the world in 2015.

The Port of Colombo is the principal Port in Sri Lanka that handles 87 percent of the total ship arrivals, 93 percent of the total tonnage and 100 percent of the containers at present. The Colombo port reached to 5.7 million TEUs and became the second highest growth container port in the world by recording 10.6 percent growth while major container handling ports such as Singapore, Hong Kong and Shenzhen have reported negative growth. Total ship arrivals in the Port of Colombo during the year 2016 was 4,405 which is an increase of 5 percent compared to the ships arrivals of 4,197 in the previous year. Further the overall tonnage handled by the Port of Colombo has also improved by 11 percent in 2016. As such, as per Alphaliner rankings, the Colombo Ports ranking has improved to 23rd best container port in the world in 2016 from the 26th position it occupied in 2015.

The Sri Lankan Government plays an important role in developing the ports sector. It has allowed Foreign Investments for port and harbour construction and maintenance projects.

Hambantota port development project phase II, East Container Terminal (ECT) Quay and Yard and Construction of Galle Breakwater and facilities are the Major development projects successfully completed in 2016. Further, projects such as Cargo distribution and Value Added Service Centres, Construction of Business Centre (Preparation of Conceptual Model) have already been initiated during the year 2016.

#### Sri Lanka Ports Authority (SLPA)

Total revenue of Sri Lanka Ports Authority (SLPA) has increased to Rs. 44.1 billion during the year 2016, an increase of 8 percent compared to the revenue of Rs. 40.81 billion in 2015. As such SLPA's performance has improved with the SLPA recording a profit before tax of Rs.1,035 million in 2016 against loss incurred of Rs. 14.17 billion in 2015. This was also supported by the increased margins, and an almost 50 percent decrease in the foreign exchange loss to Rs.10 billion in 2016 from Rs. 20.5 billion in 2015. During the year 2016, total number of ship arrivals at the SLPA increased to 5,782 from 5,450 in 2015. At the same time, Colombo, Galle and Trincomalee ports also recorded profits.

Outstanding debt at the end of 2016 has marginally increased by 1.7 percent to Rs. 237 billion compared to Rs. 233 billion in the previous year. The interest cost which accounts for almost 28 percent of their operating costs has increased in 2016 by 14 percent, giving rise to concerns on debt sustainability.

With the introduction and implementation of new terminal operation management system and introduction of high capacity equipment, the average turnaround time of SLPA has gradually improved.

#### 9.5 Commuter Transportation

##### Sri Lanka Transport Board (SLTB)

Sri Lanka Transport Board (SLTB) is a major player in the area of public transportation, in country with a market share in urban areas of almost 40 percent and while being the dominant player in the rural areas with a market share of around 60 percent.

Table 9.9 | Financial Outturn of Sri Lanka Ports Authority

	Rs.Million				
	Actual				Provisional
	2012	2013	2014	2015	2016
<b>Total Revenue</b>	<b>37,125</b>	<b>35,240</b>	<b>36,676</b>	<b>40,805</b>	<b>44,080</b>
Navigation	4,860	4,967	5,303	6,789	7,963
Stevedoring	19,433	19,741	19,078	18,431	18,520
Wharf Handling	3,643	3,633	3,920	4,553	5,066
Port Facilities	3,682	2,851	3,278	4,165	4,020
Other	752	965	797	1,190	1,230
Other Income	4,762	3,073	4,400	5,677	7,281
Share of Associate Profit					
<b>Total Expenditure</b>	<b>31,914</b>	<b>33,615</b>	<b>27,789</b>	<b>34,870</b>	<b>33,006</b>
Operational Expenses	13,667	16,191	15,851	17,847	15,329
Repair and Maintenance Expenses	4,459	4,209	3,956	4,829	4,873
Administrative Expenses	13,033	10,272	5,123	8,309	8,458
Net Finance Cost	755	2,943	2,949	3,795	4,386
<b>Profit/(Loss) (Before Tax &amp; Foreign Exchange Loss)</b>	<b>5,211</b>	<b>1,625</b>	<b>8,897</b>	<b>6,025</b>	<b>11,074</b>
<b>Foreign Exchange Loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>10</b>
<b>Profit for the Year</b>	<b>5,211</b>	<b>1,625</b>	<b>8,897</b>	<b>(14,168)</b>	<b>1,035</b>
Outstanding debts to Banks	5,435	7,151	11,968	14,889	12,505
Outstanding debts to Government/ (Foreign Loan)	141,365	188,625	206,271	218,259	224,840
Interest on Foreign Loans		3,921	3,639	3,761	4,302
<b>Key Performance Indicators</b>					
TEU's Handling (Nos Mn)	2.32	2.50	4.90	5.19	5.70
Ship Arrivals (Nos)	4,134	3,862	5,072	5,450	5,782
Colombo	3,870	3,582	4,407	4,772	5,085
Galle	69	31	157	162	162
Trincomalee	161	113	160	209	248
MRRMP	34	136	348	307	287

Source: Sri Lanka Ports Authority

Although the SLTB's running fleet of buses decreased to 6,927 by the end 2016 from 7091 in 2015 due to the removal of depleted buses, the quality of the running fleet of SLTB was increased mainly due to the addition of 2,200 new buses to the fleet on lease basis (half of the cost of lease is provided by the General Treasury) and 80 small busses during the last two years. Further it has augmented the existing bus fleet by repairing of 419 engine kits, 195 gear boxes and 281 bus bodies.

SLTB continued to provide some specific services to the public transportation. In 2016, with 719 buses being deployed under the 'SisuSeriya' project to provide school children with a safe mode of transportation to schools. SLTB also

operates 68 luxury buses in the Southern and Katunayake expressways.

Enterprise Resource Planning (ERP) system has expanded to cover 104 depots and is expected to cover all depots under SLTB, which will facilitate a more efficient and effective service to be provided.

The total revenue of SLTB has increased by Rs. 1,983 million to Rs. 35,738 million in 2016 compared to 2015 recording a growth of 6 percent, due to mainly an increase in operational revenue by 16 percent generated by the increase in operated kilometres from 440 million in 2015 to 452 million in 2016.

SLTB's total expenditure has increased by 4 percent in 2016 over 2015 by Rs. 1,472 million. 2015 cash loss at SLTB which stood at Rs. 4,129 million at the end of 2015 decreased to Rs 3,617 million by the end of 2016. As such, SLTB continued to be supported through the national budget with cash infusion of Rs.9,253 million in 2016 compared to Rs. 1378 million in 2015. This helped SLTB to settle unpaid statutory dues such as EPF and gratuity.

In order to solve the issue of overstaffing, A Voluntary Retirement Scheme (VRS) was introduced in 2016, and 3,822 employees retired. As such at the end of 2016, the total number of employees stood at 31,584 which is a decrease of 11 percent over 2015. This resulted in the number of employees per bus to decrease in 2016 to 6

from 7 Employees per bus in 2015.

Although SLTB has no exposures to Banks, unpaid statutory payments including EPF, and gratuity which stood at Rs 9,610 million and Rs 2,322 million respectively in 2015 saw a significant reduction of EPF payments outstanding to Rs. 5,921 million and Gratuity to Rs 697 by the end of 2016. To address this issue, during the year 2016, SLTB formed a company named Provident Property Lanka Limited to settle the SLTB's outstanding EPF liabilities. The Company will be vested with the unutilized lands owned by the SLTB along with the liability of unpaid statutory dues of over Rs 6 billion. Equity shares or preferential shares will be issued to the Employee Provident Fund (EPF) with the expectation of repurchasing them when the properties are sold.

Table 9.10 | Financial Outturn of Sri Lanka Transport Board

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Revenue	23,894	22,182	31,418	33,755	35,738
Operational Income	23,403	21,497	30,280	32,917	34,889
Other income	491	685	1,138	838	849
Expenditure	28,181	30,844	32,677	37,884	39,355
Salary	13,205	14,034	15,209	20,949	21,454
Fuel	11,405	12,545	13,387	12,639	12,894
Other Running Cost	2,809	3,477	3,222	3,283	3,569
Overhead	762	788	859	1,013	1,438
Cash Profit/(Loss) Before Gov. financial Assistance	(4,287)	(8,662)	(1,259)	(4,129)	(3,617)
Gov. financial Assistance	1,508	1,552	1,377	1,378	9,253
Cash Profit (Loss)	(2,779)	(7,110)	118	(2,751)	5,636
Depreciation	1,332	1,978	1,978	1,978	1,978
Accounting Profit (Loss)	(4,111)	(9,080)	(1,860)	(4,729)	3,658
Other Financial Information					
Treasury Subsidy	5,894	7,471	8,562	8,842	25,164
Recurrent	5,319	6,565	6,965	7,275	16,251
Capital	575	906	1,597	1,567	8,913
Outstanding Statutory Dues	2,971	4,022	7,369	11,932	6,618
Key Performance Indicators					
Fuel Cost per km	33.76	36.5	35	27.91	27.88
No. of Employees per bus	8	8	8	7	6
Running Fleet	4,919	4,806	5,222	7,091	6,927
Break - down buses	2,721	2,337	1,781	688	841
Operated km Million	337	344	371	440	452
Avg. buses operated per day	4,694	4,720	4,596	5,270	5,318
Bus Fleet Age Analysis					
Less than 5 yrs	742	884	2,189	3,140	3,039
Less than 10 Yrs	1,819	2,014	2,133	2,098	1,636
10 > 15	2,978	2,486	1,611	667	741
Over 15 Yrs	2,101	1,759	1,736	1,874	2,352
Total	7,640	7,143	7,669	7,779	7,768

Sources: Sri Lanka Transport Board and Department of Public Enterprise

### 9.6 Aviation

The Aviation sector is central in the country’s tourism strategy. Passenger movements in 2016 has increased by 11.7 percent with total passenger handling at 9.5 million compared to 8.5 million in 2015. At the same time, cargo handling has also increased by 18 percent over 2015 in spite of the prevalence of the global recession. The sector is experiencing significant investments of almost USD 950 million for the expansion of the BIA, relaying the runway and other major infrastructure development.

Chart 9.8 | Passanger Movement in 2011-2016 (excluding transit passengers)

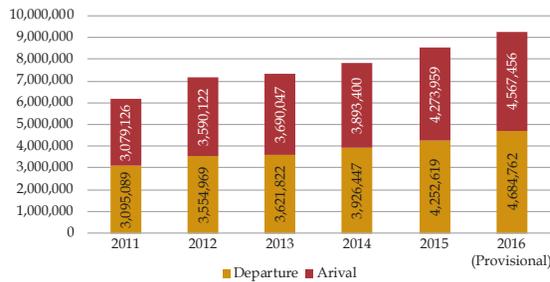


Chart 9.9 | International Flights Movements

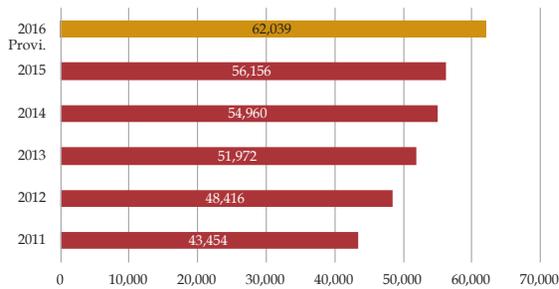
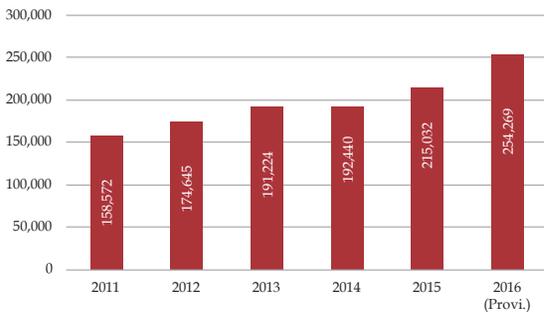


Chart 9.10 | Details of Cargo Handling (MT)



### Airport and Aviation Services (Sri Lanka) Limited - (AASL)

AASL, the statutory service provider for developing and maintaining all aerodromes in Sri Lanka as empowered by the Civil Aviation Act of 2010, engages in the management of all

domestic airports including the three largest being Bandaranayaike International Airport (BIA), Matthala Rajapakse International Airport (MRIA) and Rathmalana Airport (RMA).

Table 9.11 | Financial Outturn of Airport and Aviation Services (Sri Lanka) Ltd.

Description	Rs. Million				
	2012	2013	2014	2015	2016
<b>Revenue</b>	<b>11,819</b>	<b>14,537</b>	<b>15,750</b>	<b>16,745</b>	<b>20,231</b>
Aeronautical	2,708	3,045	3,367	3,737	4,379
Non Aeronautical	7,980	9,174	10,245	11,481	13,649
Other Income	426	(110)	262	480	316
Non-operating Income	705	2,428	1,876	1,047	1,887
<b>Expenditure</b>	<b>7,960</b>	<b>9,792</b>	<b>10,254</b>	<b>14,367</b>	<b>13,343</b>
Personal Expenses	3,716	4,338	4,599	5,658	6,007
Administration expenses	372	1,623	505	566	546
Establishment Expenses	916	1,066	1,220	992	1,137
Depreciation	1,011	1,751	2,664	2,660	2,682
Repairs and Maintenance Expenses	210	440	434	249	299
Exchange loss on creditor Conversion	-	-	132	335	190
Exchange loss on Loan Conversion	1,440	-	-	3,190	1,777
Finance Expenses	295	574	700	717	705
<b>Net Profit before tax</b>	<b>3,859</b>	<b>4,745</b>	<b>5,496</b>	<b>2,378</b>	<b>6,888</b>
Total Borrowings	38,839	37,317	35,920	37,730	37,679
Borrowings during the year	10,164	1,321	531	161	764
<b>Key Performance Indicators</b>					
Passengers Movements (Nos) (Million.)	7.1	7.3	7.8	8.5	9.5
Transits passengers (Nos) (Million.)	1.3	1.4	1.3	1.2	1.3
Passenger Processing Time - Arrival (in Min.)	-	22	23	23	24
Passenger Processing Time - Departure (in Min.)	-	23	23	21	24
Aircraft Movements (Nos) (BIA & MRIA)	48,416	51,972	54,960	56,156	62,039

Source; Airport and Aviation Services (Sri Lanka) Limited

Aircraft movements have increased by 10.5 percent to 62,039 during 2016 while passenger movements (including transit passengers) has also increased by 11.7 percent. Although the BIA’s passenger handling capacity is only 6 million during 2016, it handled almost 9.5 million passengers. This resulted in the BIA increasing its passenger processing time to 24 minutes in 2016. However it is expected that with the proposed

expansion of the BIA the total passenger capacity will increase to 15 million by 2020 reducing the unnecessary traffic at the BIA.

AASL was able to increase its operating profit by Rs. 4.5 billion mainly due to increase in aeronautical and non- aeronautical revenue by 17 percent and 19 percent respectively. Further exchange loss of Rs. 3.2 billion incurred in 2015 has been reduced to Rs. 1.8 billion in 2016.

### Sri Lankan Airlines (SLA)

SLA has been able to record considerable operational improvement during the financial year 2015/16 mainly due the continuation of the low oil price regime and the rationalization of route networks which resulted a decrease in the loss by 23 percent to Rs. 12.6 billion in 2015/16. Nevertheless, accumulated loss of the company has increased to Rs. 141 billion and total negative net worth increased to Rs. 88 billion at the end of the financial year 2015/16.

During 2016, SLA cancelled four A350-900 aircrafts to be delivered in 2016 and 2017 considering the uneconomical nature of the wide body aircrafts under normal circumstances. One of four aircraft lease agreements was cancelled in financial year 2015/16 while the rest were cancelled in October 2016 subjected to certain conditions. As such, loss of the first nine months of 2016/17 increased to Rs. 20.8 billion despite the favourable trend mainly due to the incurring an additional cost of Rs. 14.3 billion on the cancellation of the leases on 3 . In line with the government policy, the fleet operation of Mihin Lanka was amalgamated with SLA operation with effect from 30th October 2016.

SLA handled almost 50 percent of the total passenger movements in 2016, thus becoming the single largest player in the country.

Table 9.12 | Financial Outturn of SriLankan Airlines LTD

Description	Actual				Rs. Million
	2012/13	2013/14	2014/15	2015/16	01-04-2016 to 31.12.2016
<b>Total Revenue</b>	<b>122,115</b>	<b>123,259</b>	<b>134,448</b>	<b>132,986</b>	<b>102,665</b>
Passenger	98,582	99,670	106,601	103,945	76,108
Cargo	12,896	12,425	13,595	12,074	9,267
Excess Baggage	509	715	958	842	692
Other Income	10,129	10,449	13,293	16,126	16,598
<b>Total Expenditure</b>	<b>148,204</b>	<b>155,617</b>	<b>150,881</b>	<b>145,608</b>	<b>123,528</b>
Aircraft fuel cost	63,865	59,947	53,451	33,199	24,121
Employee cost *	7,938	8,353	9,214	10,693	8,680
Airport, enroute and passenger expenses	22,556	21,960	22,419	22,272	18,725
Aircraft Maintenance and overhaul costs	14,330	17,356	11,988	14,515	14,403
Rentals on Leased Aircraft	14,514	14,555	16,316	20,130	16,775
Selling , Marketing and advertising expenses	9,653	10,250	11,773	11,315	8,699
Crew Expenses *	8,141	8,992	10,644	11,539	8,637
Other Operating Expenses	4,517	7,373	7,903	10,848	2,647
Depreciation and Amortization	1,187	1,603	2,276	2,684	1,641
Net Financial Cost	1,503	5,228	4,897	5,851	4,888
Lease Cancellation	-	-	-	2,562	14,312
<b>Profit / (Loss) Before Tax</b>	<b>(26,089)</b>	<b>(32,358)</b>	<b>(16,433)</b>	<b>(12,622)</b>	<b>(20,863)</b>
<b>Key performance Indicators</b>					
Passenger carried (RPK Million)	12,968.74	12,810.95	12,963.71	12,727.66	9,476
Aircraft Fleet (Nos)	22	21	21	21	23
Passenger Capacity (ASK Million)	15,944.31	15,780.54	16,180.27	15,790.28	11,905
% of Fuel Cost on Total Revenue	52%	49%	40%	25%	24%
Passenger Load Factor	81.34	81.18	80.12	80.6	79.6

Source: Sri Lankan Airlines Ltd

In line with the government policy of restructuring State Owned Enterprises, Sri Lankan Airlines has been undergoing a restructuring process so as to ensure that SLA can operate without any burden

on the national budget. As such, SLA is due to finalize its restructuring process by end of June 2017.

Government supported the weak financials at SLA and MLL by issuing comfort letters amounting to Rs. 26,250 million and USD 210 million up to end of February 2017.

### Mihin Lanka (Pvt) Limited (MLL)

During the financial year 2015/16, MLL recorded a loss of Rs. 1,196 million against the loss of Rs. 1,406 recorded in previous year. Continuous losses incurred by MLL resulted a negative net worth of Rs. 2,797 million as at 31.03.2016. Considering the continuous additional financial burden, GOSL directed to reorient the business operation of the MLL through an amalgamation with Srilankan Airline.

Table 9.13 | Financial Outturn of Mihin Lanka (Pvt) Ltd.

Description	Rs.Million				
	2012/13	Actual			Provisional
		2013/14	2014/15	2015/16	2016 (Apr. -Dec.)
<b>Revenue</b>	<b>7,481</b>	<b>9,973</b>	<b>10,262</b>	<b>11,702</b>	<b>8,462</b>
Passenger	6,963	9,556	9,278	10,727	7,848
Cargo	151	193	266	375	265
Other	367	224	718	600	349
<b>Expenditure</b>	<b>10,774</b>	<b>12,540</b>	<b>11,668</b>	<b>12,898</b>	<b>10,041</b>
Fuel Cost	4,534	5,463	4,453	3,600	2,316
Lease Rentals	1,303	1,492	1,359	1,510	992
Aircraft Maintenance	1,529	1,707	1,748	2,914	2,690
Staff Cost	726	519	690	888	635
Finance Cost	458	516	329	198	314
Others	2,224	2,842	3,089	3,788	3,094
Total Comprehensive Profit/(Loss)	(3,293)	(2,567)	(1,406)	(1,196)	(1,579)
Outstanding Debt to Banks	351	257	164	3,372	4,789
Capital Contribution	-	-	6,528	-	-
<b>Key performance Indicators</b>					
Passengers carried	401,476	511,176	462,931	594,852	476,565
Aircraft Fleet (Nos)	3	3	4	4	-
Routes (Nos)	10	12	10	12	-

Source: Mihin Lanka (Pvt) Ltd and Department of Public Enterprises

Accordingly, route networks of MLL have been amalgamated with SLA's business operation with effect from 30.10.2016. Whereby MLL carries out any operational activities at present. Therefore, financial statements of MLL for 2015/16 have been prepared on a breakup basis.

### 9.7 Construction

The contribution of construction industry to GDP in the year 2016 at 7.6 percent is an increase from 6.9 percent in 2015. The three main SOBEs which engaged in construction industry are State Engineering Corporation (SEC), Central

Engineering Consultancy Bureau (CECB) and the State Development and Construction Corporation (SD & CC). Total turnover of these SOBEs in construction Sector has indicated almost an 11 percent decrease in revenue over 2015. Liquidity crunch faced by SEC, CECB and SD & CC has resulted in insufficient investments being made in modern machinery and equipment thereby the capacities and the productivity of these entities has been compromised.

### State Engineering Corporation - (SEC)

During the year 2016, SEC was able to complete contracts to the value of Rs.1, 154 million. Such work included the design and construction of

a 6 storied building for National Agricultural Information and Communication Center at Department of Agriculture at Kandy, construction of a 3 storied building at University Colleges at Anuradhapura and Jaffna, construction of hostel for Buddhashrawaka Bikku University at Anuradhapura. During the year 2016, SEC has been awarded contracts amounting to Rs. 1,316 million.

Table 9.14 | Financial Outturn - State Engineering Corporation

Description	Actual				Rs.Million Provisional
	2012	2013	2014	2015	2016
<b>Revenue</b>	<b>7,978</b>	<b>8,104</b>	<b>7,714</b>	<b>3,594</b>	<b>2,188</b>
Construction	6,832	6,391	6,055	2,996	1,824
Consultancy	253	270	307	172	262
Other Income	893	1,443	1,352	426	102
<b>Expenditure</b>	<b>7,774</b>	<b>7,982</b>	<b>7,667</b>	<b>4,337</b>	<b>2,891</b>
Operating Expenditure	5,770	5,713	5,391	2,475	1,126
Staff Cost	1,547	1,758	1,668	1,678	1,528
Financial Cost	18	87	73	62	113
Other Expenditure	439	424	535	122	124
<b>Profit/ (loss)</b>	<b>204</b>	<b>122</b>	<b>47</b>	<b>(743)</b>	<b>(703)</b>
Outstanding Debts to Banks	595	490	450	431	560
Receivables	4,707	3,231	3,177	5,745	5,833

Source: State Engineering Corporation, Department of Public Enterprises

SEC's revenue has decreased by 39 percent to Rs. 2,188 million in 2016 from Rs. 3,594 million in 2015. In spite of the decrease in revenue, the decrease in expenditure by 34 percent from 4,337 million in 2015 to Rs. 2,891 million in 2016, resulted in SEC's losses decreasing by Rs. 40 million in 2016 from Rs. 743 million in 2015. Operational losses coupled with long outstanding receivables amounting to almost Rs. 5,833 million has led

to the Corporation facing a liquidity crunch. As such, to support the operations of SEC, a Treasury Guarantee for a sum of Rs. 250 million was issued so as to facilitate the SEC to obtain a loan from Bank of Ceylon to meet their working capital requirements. Budgetary support amounting to Rs. 75 million was provided to SEC for the year 2016 to supplement its working capital requirements.

### Central Engineering Consultancy Bureau - (CECB)

CECB which is currently engaged in providing engineering consultancy, construction and other related services, was awarded the "CIDA Award of Eminence-2016" for the life time contribution to the upliftment of the construction industry & the Profession of Engineering in 2016. CECB has completed projects to the value of Rs. 10,328 million during 2016 including the construction of a dental hospital building at National Hospital of Sri Lanka, National Science Center at Nano Park Premises at Homagama, main university Building at University of Sabaragamuwa, and new district hospital at Hambanthota, prison complex at Jaffna, and the sports complex at Digana.

Table 9.15 | Financial Outturn - Central Engineering Consultancy Bureau

Description	Rs. Million				
	Actual				Provisional
	2,012	2,013	2,014	2,015	2,016
<b>Revenue</b>	<b>13,629</b>	<b>15,490</b>	<b>13,574</b>	<b>11,033</b>	<b>10,810</b>
Construction	11,542	13,042	11,127	8,734	8,204
Consultancy	1,509	2,089	2,132	1,976	2,124
Other Income	578	359	315	323	482
<b>Expenditure</b>	<b>12,946</b>	<b>14,905</b>	<b>13,022</b>	<b>10,438</b>	<b>9,977</b>
Operating Expenditure	10,737	12,486	10,694	8,378	8,185
Staff Cost	837	1,031	1,069	1,190	1,102
Financial Cost	20	18	18	9	6
Other Expenditure	1,352	1,370	1,241	861	684
<b>Profit/(loss)</b>	<b>683</b>	<b>585</b>	<b>552</b>	<b>595</b>	<b>833</b>
Outstanding Debts to Banks	-	-	-	-	-
Receivables	7,370	8,432	7,675	7,477	7,658

Source: Central Engineering Consultancy Bureau, Department of Public Enterprises

Although CECB saw a 2 percent decrease in revenue to Rs. 10,810 million in 2016 from Rs.11,033 million in 2015, profits have increased to Rs. 833 million by 40 percent in 2016 compared to the previous year due to a decrease in operational expenditure. Total receivables of CECB remain at Rs. 7,658 million at the end of the year 2016.

### State Development & Construction Corporation - (SD&CC)

State Development & Construction Corporation (SD & CC) is a one of leading construction SOBEs who is capable of constructing long span bridges under design and build basis. During 2016, SD & CC has undertaken projects to the value of Rs. 2,084 million. SD&CC has completed the projects to the value of Rs. 3,828 million which includes the construction of the Hunugamuwa Bridge, Carpeting of 132 Km road in the Polonnaruwa District, Rehabilitation of the Gregory's Canal and Sewanagala Canal. SD & CC was awarded CIDA awards for construction performance and innovative techniques in 2016.

Table 9.16 | Financial Outturn - State Development & Construction Corporation

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
<b>Revenue</b>	<b>3,706</b>	<b>3,764</b>	<b>3,643</b>	<b>2,607</b>	<b>2,302</b>
Construction	2,960	2,579	2,449	2,429	2,137
Others	746	1,185	1,194	178	165
<b>Total Expenditure</b>	<b>3,640</b>	<b>3,667</b>	<b>3,531</b>	<b>2,557</b>	<b>2,274</b>
Operating Expenditure	2,935	2,895	2,740	1,724	1,349
Staff Cost	533	526	595	602	652
Financial Cost	62	67	93	87	97
Others	110	179	103	144	176
<b>Profit/ (loss)</b>	<b>66</b>	<b>97</b>	<b>112</b>	<b>50</b>	<b>28</b>
Outstanding Debts to Banks	192	519	621	650	650
Receivables	2,202	2,440	2,132	2,045	1,736

Source: State Development & Construction Corporation, Department of Public Enterprises

SD &CC's expenditure amounting to Rs. 2,557 million, total revenue amounting to Rs. 2,607 million and profit amounting to Rs. 50 million in 2015 has decreased by 11<sup>12</sup> percent, 17<sup>12</sup> percent and 44 percent respectively in 2016.

### 9.8 State Banks

Bank of Ceylon (BOC), People's Bank (PB) and National Savings Bank (NSB) are the main state owned licensed commercial banks in Sri Lankan banking sector while the State Mortgage and Investment Bank (SMIB), Pradeshiya Sanwardena Bank (PSB), Lankaputra Development Bank (LDB), Sri Lanka Savings Bank (SLSB) and HDFC Bank (HDFC) are the other specialised licensed state banks. These state banks with their extensive branch network, continued its dominance in the country's Banking sector accounting for almost 44.7 percent of the total lending portfolio at Rs.2.5 trillion as at the end of 2016 which is an increase of 19 percent compared to the year 2015. The deposit base of the state banks increased by 14.8 percent to Rs.3.1 trillion during 2016 and is almost 49.7 percent of the total deposit base of the banking industry.

With a view of maintaining the capital adequacy ratios, during the year 2016, shares worth of Rs.3 billion were issued by the NSB utilizing the Unclaimed Deposit Reserve and a Treasury Bond worth of Rs.5 billion was issued to BOC to augment their tier II capital.

In line with the government policy of improving financial accessibility and financial inclusiveness, State Owned banks extended their coverage further with the opening of a total of 05 new banking outlets, SME centres and service delivery points in 2016, increasing the total branch network to 1,907.

Table 9.17 | Sector Wise Credit Concentration

Description	2015		2016	
	Rs. Million	%	Rs. Million	%
Agriculture & Fishing	123,163	5.87	210,339	8.47
Manufacturing	73,860	3.52	108,744	4.38
Tourism	30,008	1.43	48,266	1.94
Transport	48,679	2.32	66,417	2.67
Housing	433,269	20.68	491,314	19.78
Trading	274,772	13.11	273,005	10.99
Financial & Business Services	52,478	2.5	120,599	4.86
Infrastructure	308,210	14.71	268,496	10.82
Construction	89,399	4.26	111,855	4.5
Credit Card	4,548	0.21	5,226	0.21
Pawning	183,842	8.77	110,141	4.43
Others	472,726	22.55	669,255	26.95
<b>Total</b>	<b>2,094,954</b>	<b>100</b>	<b>2,483,657</b>	<b>100</b>

Source: State Owned Banks and Department of Public Enterprises

Similar to 2015, the housing, trading, and infrastructure sectors remained the main sectors where credit has been channelled in 2016 as well in spite of a dip in the credit facilities extended. Pawning too has experienced a decrease driven by low gold prices.

The lack of capital infusion in state banks by the government has resulted in the banks facing difficulties in meeting the Tier I capital requirements. At the same time, state banks should reduce their operational expenditure with the use of better technology and processes.

### Bank of Ceylon - (BOC)

BOC has managed to maintain an assets base above Rs. 1 trillion over last four years which is the largest total assets base in Sri Lankan banking industry. The bank's lending portfolio has recorded a growth of 19 percent and deposit base has recorded a growth of 13 percent as at the end of the year 2016, when compared to 2015.

Table 9.18 | Financial Outturn of Bank of Ceylon

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Total Income	109,483	124,592	127,130	132,915	156,368
Interest Income	95,022	110,883	106,384	114,159	133,423
Interest Expense	59,701	78,434	69,345	66,419	81,730
Net Interest Income	35,321	32,449	37,039	47,739	51,693
Other Income	14,461	13,709	20,746	17,685	20,742
Total Operating Expenses	20,870	30,899	36,929	40,146	40,799
Personnel Expenses	12,927	13,470	12,595	16,744	15,961
Other Expenses	7,943	17,429	24,334	23,402	24,838
Profit Before Tax	19,794	15,258	20,856	25,279	31,635
Key Performance Indicators					
Investments	229,880	346,648	446,171	510,099	481,651
Deposits	693,441	819,891	916,421	1,082,337	1,228,337
Loans and advances	714,847	735,037	760,871	870,730	1,034,276
Non Performing Advances	19,254	31,754	28,762	36,978	29,786
ROA (%)	2.1	1.4	1.65	1.7	1.9
ROE (%)	31.24	22.1	22.64	22.2	28.3
NPL Ratio (%)	2.8	4.3	3.78	4.3	2.9

Sources: Bank of Ceylon, Department of Public Enterprises

Interest income increased by 16.8 percent in 2016 in comparison to the previous year. Bank has recorded a net profit before tax of Rs.31.6 billion

in the year 2016, in comparison to Rs.25.3 billion in 2015 which is an increase of 24 percent. BOC has paid Rs.18, 000 million as levy and Rs.346 million as dividends to the Government in 2016.

The decline in non-performing pawing portfolio by 81 percent and other non-performing loans by 6 percent, resulted in the average non-performing loan ratio (NPL) to improve significantly to 2.9 percent in 2016 in comparison to 4.3 percent in 2015.

During the year BOC introduced many new initiatives such as the "Semata Ginumak", "Branch on Wheels", "BOC Mithru" to expand their operations in the country.

### People's Bank - (PB)

With an asset base that reached Rs.1.3 trillion in 2016, Peoples Bank is the second largest bank in the Country. However PB has the largest branch network with 737 branches covering almost all parts of the island.

Table 9.19 | Financial Outturn of People's Bank

Description	Rs.Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Total Income	94,633	120,456	96,378	103,649	120,484
Interest Income	85,241	110,441	84,480	92,404	109,155
Interest Expense	51,323	73,791	54,362	48,732	66,853
Net Interest Income	33,918	36,649	30,118	43,672	42,302
Other Income	9,392	9,880	11,776	11,071	11,120
Total Operating Expenses	24,186	22,509	26,093	31,483	32,089
Personnel Expenses	13,819	11,958	13,083	17,056	16,953
Other Expenses	10,367	10,551	13,010	14,427	15,136
Profit Before Tax	15,249	10,304	17,231	19,520	19,339
Key Performance Indicators					
Investments	176,380	227,138	290,486	307,719	276,442
Deposits	683,951	762,249	793,342	899,238	1,077,760
Loans and advances	660,624	681,467	685,310	829,234	950,824
Non Performing Advances	17,407	33,435	20,942	19,144	17,338
ROA (%)	2	1.1	1.8	1.8	1.6
ROE (%)	41.7	22.8	35.5	27.1	25.5
NPL Ratio (%)	2.8	5.3	3.2	2.4	1.9

Sources: People's Bank, Department of Public Enterprises

PB has recorded an interest income of Rs.109.1 billion in the year 2016 which is an increase of 18 percent over the previous year in spite of the net interest margins declining to 3.4 percent from 4.0 percent in 2015 reflecting high cost of deposit mobilization. During the year 2016, PB has paid Rs.8, 000 million and Rs.316 million as levy and dividends respectively.

The total loan portfolio of the bank recorded a growth of 15 percent with 21 percent of loans being extended to the housing sector in 2016. Agriculture & Fisheries, Infrastructure sector and Trading Sector accounts for 12 percent, 15 percent and 10 percent of total portfolio respectively. Non-performing loan ratio of the bank has improved by the end of 2016 to 1.9 percent over 2.4 percent in 2015 and total non-performing advances stood at Rs.17.3 billion at the end of 2016.

The bank has recorded a deposit growth rate of 20 percent in 2016 compared to growth rate of 13 percent in 2015 and credit to deposit ratio has decreased from 92.2 percent in 2015 to 88.2 percent in 2016.

### National Savings Bank (NSB)

National Savings Bank (NSB) is a Licensed Specialized Bank. NSB was recently adjudged as the Safest Bank in Sri Lanka by Global Finance for 2016.

Table 9.20 | Financial Outturn of National Savings Bank

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Total Income	53,045	65,573	77,890	79,282	87,329
Interest Income	52,673	64,248	74,023	78,128	86,320
Interest Expense	39,142	54,141	52,642	51,146	60,923
Net Interest Income	13,531	10,107	21,380	26,983	25,397
Other Income	372	1292	3,798	1,043	872
Total Operating Expenses	7,734	9,120	14,706	14,992	13,027
Personnel Expenses	4,077	4,209	4,797	5,911	6,235
Other Expenses	3,657	4,911	9,908	4,802	6,791
Profit Before Tax	6,169	2,279	10,472	13,034	13,242
Key Performance Indicators					
Investments	329,532	465,766	534,485	549,743	554,235
Deposits	457,650	501,890	554,060	595,776	657,280
Loans and advances	168,619	166,420	222,696	271,751	323,741
Non Performing Advances	3,469	10,003	16,275	9,077	4,792
ROA (%)	1.3	0.4	1.5	1.6	1.5
ROE (%)	18.3	5.1	30.2	31.1	29.3
NPL Ratio (%)	1.8	7	7.6	3.5	1.6

Source: National Savings Bank, Department of Public Enterprises

The Bank has a branch network of 250 branches, including 12 postal banking units and 06 loan

centers and the banking network is further strengthened by 4,063 Post Offices and sub Post Offices which functions as mini-branches..

NSB's asset base grew by 7.5 percent to Rs.911.7 billion at the end of 2016. Loan Portfolio of the bank recorded a growth of 19 percent to Rs. 323.7 billion at the end of 2016 of which 22 percent, 19 percent and 24 percent accounts for loans granted to infrastructure sector, housing sector and personal loans respectively.

In spite of the declines in the net interest margin to 2.9 percent in 2016 over 3.3percent in 2015, the Bank recorded a marginal increase in its profit before tax at Rs13,242 million in 2016 over Rs.13,034 million in 2015. NSB's deposit base grew by 10 percent to Rs.657.3 billion at the end of 2016 as against the growth of 7.5 percent recorded in 2015.

The bank's non-performing loan ratio has significantly improved to 1.6 percent in 2016 in comparison to 3.5 percent in 2015 mainly due to decrease in pawning non-performing loans by 57 percent to Rs.2.3 billion at the end of 2016. NSB retained the AAA (Ika) national long term rating by Fitch Ratings Lanka for the fourteenth consecutive year in 2016.

### Housing Development and Finance Corporation Bank (HDFC)

HDFC Bank is a specialist in housing finance. The Bank is listed on the Colombo Stock Exchange and the Government of Sri Lanka holds approximately 51% of shares through National Housing Development Authority, Urban Development Authority and Condominium Development Authority.

The lending portfolio of HDFC grew by 13 percent to Rs.30 billion of which 85 percent has been granted for the construction of small and medium housing units. Deposit base of the bank has increased by 12 percent to Rs.32 billion by the end of 2016. NPL ratio of the bank has improved from 20.8 percent in 2015 to 17.6 percent in 2016.

Table 9.21 | Financial Outturn of HDFC Bank

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Total Income	2,744	3,803	4,566	4,909	5,902
Interest Income	2,634	3,528	4,378	4,660	5,465
Interest Expense	1,805	2,469	2,535	2,539	3,509
Net Interest Income	829	1,059	1,843	2,121	1,955
Other Income	110	275	188	249	437
Total Operating Expenses	763	1,024	1,254	1,377	1,567
Personnel Expenses	458	660	671	829	894
Other Expenses	305	365	583	548	673
Profit Before Tax	176	309	777	993	825
Key Performance Indicators					
Investments	3,571	6,333	9,559	13,687	13,622
Deposits	14,695	18,909	244,479	28,593	32,123
Loans and advances	16,290	19,701	23,899	26,685	30,260
Non Performing Advances	3,291	3,843	5,198	5,486	5,301
ROA (%)	0.2	1.28	1.21	2.5	1.9
ROE (%)	2.4	6.36	13.72	15.8	11.2
NPL Ratio (%)	20.9	19.85	22.57	20.8	17.6

Sources: HDFC Bank, Department of Public Enterprises

With declines in the net interest margins to 4.5 percent at the end of 2016 from 5.5 percent in 2015, NSB's profit before tax recorded a decrease of 17 percent to Rs.825 million for the year 2016. This also resulted in a return on equity of 11.2 percent in 2016 as against 15.8 percent in 2015.

HDFC Bank has an inherent assets liabilities maturity mismatch as over 80 percent of the total loan portfolio comprise of housing credits which is traditionally a long term facility in which the span is 10 years or longer, while the deposits are skewed towards short term.

### State Mortgage and Investment Bank (SMIB)

The State Mortgage and Investment Bank (SMIB) is incorporated as a licensed specialized bank with the objective of engaging in mortgage loan business for housing and housing related purposes.

The SMIB has reduced its personnel and other expenses while net interest income has increased by 8.6 percent even though the net interest margins has shown a minimal decline. SMIB's profit has increased by 9.5 percent or Rs. 746 million in 2016 in comparison to Rs. 699 million in 2015. Although the NPL ratio remain above

the industry average, it has shown a downward trend with the NPL ratio at 25.2 percent in 2016 from 29.4 percent in 2015.

Table 9.22 | Financial Outturn of State Mortgage and Investment Bank

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Total Income	2,958	3,737	3,746	3,999	4,344
Interest Income	2,879	3,635	3,633	3,879	4,214
Interest Expense	1,725	2,459	2,214	2,057	2,423
Net Interest Income	1,154	1,176	1,419	1,822	1,792
Other Income	79	102	113	120	130
Total Operating Expenses	711	835	996	1099	975
Personnel Expenses	464	469	575	699	654
Other Expenses	247	366	421	400	321
Profit Before Tax	522	343	413	681	746
Key Performance Indicators					
Investments	3,566	5,124	5,574	7,071	6,379
Deposits	17,237	21,201	24,146	27,836	28,844
Loans and advances	18,550	21,186	24,263	26,523	28,151
Non Performing Advances	8,024	8,241	8,830	8,538	7,815
ROA (%)	2.01	1.39	1.44	2.11	2.15
ROE (%)	7.43	6	6.87	9.9	10.03
NPL Ratio (%)	34.41	35.33	33.42	29.4	25.17

Sources: State Mortgage and Investment Bank, Department of Public Enterprises

### Pradeshya Sanwardana Bank (PSB)

The objective of the Pradheshiya Sanwardana Bank (PSB) is to improve the living standards of the rural masses by providing them with accessible and affordable credit facilities that in turn would contribute to strengthen the rural economy. PSB was established in 2010 by merging 6 Regional Development Banks.

Even though the net interest margin has decreased by 0.2 percent, the net profit has increased by 33.7 percent during 2016. Further the NPL ratio has also reduced to 2.86 percent in 2016 from 4 percent in 2015 which is less than industry average of 3.8 in 2016. Both deposits and Loans & Advances have also increased by 21 percent over the previous year.

**Table 9.23 | Financial Outturn of Pradheshiya Sanwardana Bank**

Description	Actual				Rs. Million
	2012	2013	2014	2015	Provisional 2016
Total Income	9,645	10,995	11,186	12,510	15,646
Interest Income	9,049	10,388	10,593	11,759	14,715
Interest Expense	4,612	5,939	5,311	5,169	7,099
Net Interest Income	4,937	4,449	5,282	6,590	7,616
Other Income	596	607	593	751	931
Total Operating Expenses	3,541	4,369	4,476	5,779	6,458
Personnel Expenses	2,489	2,527	3,004	4,082	4,609
Other Expenses	1,052	1,840	1,472	1,697	1,849
Profit Before Tax	1,492	689	1,400	1,562	2,089
Key Performance indicators					
Investments	11,381	14,754	27,505	16,385	20,879
Deposits	54,735	62,606	72,525	86,324	104,689
Loans and advances	53,667	60,093	62,006	88,396	106,806
Non Performing Advances	2,330	1,235	4,734	3,538	3,050
ROA (%)	1.7	0.54	1.05	1.57	1.76
ROE (%)	3.3	5.08	9.11	11.18	10.76
NPL Ratio (%)	4.3	7.3	7.64	4	2.86

Sources: Pradheshiya Sanwardana Bank, Department of Public Enterprises

### Employees Trust Fund Board (ETF)

Employees Trust Fund Board is one of the largest retirement benefit schemes operating in Sri Lanka, where the employer makes a contribution on behalf of the employee and hence, it is a non-contributory benefit to the member. During the past 35 years, the Fund has grown rapidly and achieved a total Fund about Rs 245.6 billion by end of December 2016. Total contribution to the fund by the employers during the year 2016 amounted to Rs.20.2 billion.

A main objective of establishing the Fund was to provide non-contributory welfare benefits to its members while at present 08 schemes are in operation. These benefits are granted irrespective of the balance in the members account and also no deductions are made from their accounts for the benefits paid.

Over 91 percent of the ETF investments are placed in Government Securities yielding a guaranteed return. During the year 2016, fund has earned Rs.23.4 billion from financial investments held and profit and dividends earned on shares

accounts for Rs. 537 million.

In 2016, the Fund earned a net profit of Rs. 20.2 Billion and has proposed to declare a total Dividend + Interest rate of 9 percent to all members.

**Table 9.24 | Financial Outturn of Employees Trust Fund Board**

Description	Actual				Rs. Million
	2012	2013	2014	2015	Provisional 2016
Total Income	13,488	16,477	18,833	19,863	22,070
Investment Income	13,229	16,122	17,621	19,513	21,774
Other Income	259	286	317	350	296
Income Net of Tax	13,322	16,224	18,631	19,758	21,981
Total Expenditure	1,174	1,310	1,559	1,724	1,751
Operating Expenses	766	867	951	1,146	1,123
Member Expenses	290	314	430	578	628
Net Income	12,148	14,913	17,072	18,034	20,260
Profit for Distribution	14,130	15,875	17,680	18,052	20,413
Key Performance Indicators					
Interest on Member Fund 3%	4,190	4,752	5,287	6,014	6,746
Dividend	10,777	11,089	12,337	12,028	13,493
Total Rate of Interest & Dividend (%)	10	10	10	9	9

Sources: Employees Trust Fund Board, Department of Public Enterprises

### 9.9 Insurance

The Insurance Industry at the end of 2016 constituted of 21 insurance companies. Of these, SOBEs such as Sri Lanka Insurance Corporation, Agricultural and Agrarian Insurance Board, National Insurance Trust Fund and Sri Lanka Export Credit Insurance Corporation are significant players in the insurance market. Insurance sector represents 3.4 percent of assets in financial sector. The total Gross Written Premiums which stood at Rs.124,221 million at the end of 2015 recorded a considerable growth of around 16 percent to Rs.144,480 million at the end of 2016. The insurance penetration in the country increased to 1.22 during 2016 from 1.13 while the insurance density is Rs.6,814 million. One of the key issues faced by the Insurance industry is the lack of adequate long term instruments with longer maturities to invest their funds.

Table 9.25 | Performance of Insurance Industry

Description	Rs Million	
	2015	2016
Gross Written Premium	124,221	144,480
Life	53,691	63,495
General	70,531	80,985
Total Assets	465,862	524,788
Life	314,472	347,502
General	151,390	177,286
Insurance Penetration <sup>1</sup>	1.13	1.22
Insurance Density (Rs) <sup>2</sup>	5,925	6,814

Source: Insurance Board of Sri Lanka and Department of Public Enterprises

1. Insurance Penetration is the percentage of insurance premium to GDP

2. Insurance Density is the ratio of premium to total population

### Sri Lanka Insurance Corporation - (SLIC)

SLIC is the market leader for general insurance with 20 percent market share. SLIC has a market share of 19 percent in the Life insurance business. SLIC's total assets at Rs.177 billion constitutes almost 34 percent of the total assets in the domestic insurance industry in 2016.

Table 9.26 | Financial outturn of Sri Lanka Insurance Corporation

Description	Rs. Million				
	Actual			Provisional	
	2012	2013	2014	2015	2016
Revenue	25,644	27,625	29,301	31,156	42,049
Gross written premium	20,173	21,254	20,665	24,520	27,594
Net earned premium	16,768	17,823	17,804	20,393	23,963
Benefit, Losses & Expenses	(15,625)	(17,080)	(18,928)	(21,359)	(25,745)
Investment income	7,301	9,221	11,216	9,506	16,674
Operating & Administrative Expenses	4,156	5,533	6,000	4,975	6,402
Profit from operations	5,863	5,012	4,373	4,820	9,903
Net Profit for the year	4,236	3,401	3,257	3,439	8,414
Key Performance Indicators					
Claims ratio - General (%)	64	47	63	64	72
Capital Adequacy ratio- Life (%)	-	-	-	402	412
Capital Adequacy ratio- General (%)	-	-	-	225	174
Life Fund	-	-	-	78,858	90,808

Source: Sri Lanka Insurance Corporation and Department of Public Enterprises

Total revenue increased by almost 35 percent to Rs. 42,049 million during the year over 2015.

The Gross Written Premium (GWP) increased to Rs.27, 594 million in 2016 from Rs.24,520 million in 2015, which is a growth of 12.5 percent.

The GWP for the General insurance increased from Rs. 14,050 million in 2015 to Rs. 15,700 million in 2016 which is an 11.7 percent growth while at the same time GWP for the life insurance business at Rs. 11,894 million in 2016, is an increase of 13.6 percent over the previous year. SLIC manages the largest life insurance fund in the country, which at the end of 2016 stood at Rs 90,808 million. This is an increase of 17 percent over 2015. SLIC paid a dividend of Rs.11,857 million in 2016.

### National Insurance Trust Fund - (NITF)

NITF's main insurance product is the Agrahara insurance scheme for public sector officers. NITF manages the Strike, Riots, Civil Commotion and Terrorism Fund and also acts as the reinsurer and underwriter, for the domestic insurance companies who channels almost 30 percent of their reinsurance.

The fund also provides a crop insurance and operates and manages the national Natural Disaster and Emergency Relief Insurance scheme which was inaugurated in 2016.

GWP increased to Rs. 6,732 million in 2016 from Rs.5,062 million in 2015, an increase of 33 percent. Total claims increased by almost 66 percent in 2016 over 2015 due to the increase in claims made through the on National Natural Disaster Insurance Scheme due to the severe floods that was experienced in mid-2016. Floods in May also resulted in the Fund experiencing an increase in reinsurance claims as well.

NITF also collects 1 percent from the profit after tax of Banks as its crop insurance levy. During 2016, the fund received Rs 1,511 million which is an increase of 20 percent over 2015.

During 2016, NITF has contributed a Levy of Rs. 3,200 million to the Consolidated Fund.

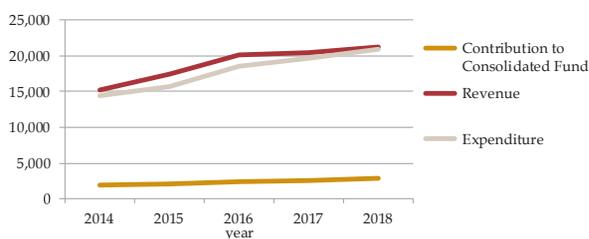
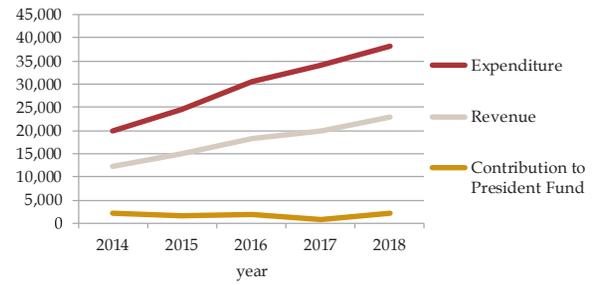
**Table 9.27 | Financial outturn of National Insurance Trust Fund (NITF)**  
 Rs. Million

Description	Actual			Provisional	
	2012	2013	2014	2015	2016
Total Revenue	4,528	6,149	8,016	8,787	9,813
Gross Written Premium	3,886	5,265	5,842	5,063	6,732
Contribution received for Agrahara	863	1,407	1,495	1,637	1,954
Crop insurance levy collected	-	441	1,185	1,259	1,511
Net earned premium income	3,886	5,265	8,016	7,932	8,870
Other income	642	670	640	856	980
Reinsurance ceded	1	-	-	-	(624)
Insurance Claims & Benefits	(2,281)	(1,385)	(3,205)	(3,227)	(5,048)
Underwriting & acquisition cost	(348)	(382)	(695)	(947)	(1,067)
Total other operating Expenditure	164	176	173	226	388
Staff Related Costs	72	66	85	133	165
Administration & Other Expenses	91	109	88	93	223
Income over Expenditure	2,083	4,374	4,583	4,390	2,179
Agrahara Claims received(Nos)	121,273	123,105	118,232	137,962	138,579
Agrahara Claims paid(Nos)	105,413	105,829	103,176	122,563	124,580
Agrahara premium collected(Nos)	1,490	1,407	1,494	730	820
Agrahara Claims paid (Nos)	1,187	1,079	1,229	1,562	1,950

Source: National Insurance Trust Fund and Department of Public Enterprises

## 9.10 Lotteries

The National Lotteries Board (NLB) and the Development Lotteries Board (DLB), together dominate the lottery market and the NLB's product portfolio consists of 10 brands of lotteries while DLB's product portfolio consists of 13. The profits from the sale of lotteries of the DLB are channelled to the Presidents Fund that engages in and the Mahapola Trust Fund, while the NLB profits/revenue is channelled to Consolidated Fund.

**Chart 9.11 | Comparison of NLB's Revenue, Expenditure and Contribution to Consolidated Fund**

**Chart 9.12 | Comparison of DLB's Revenue, Expenditure and Contribution to President Fund**


## National Lotteries Board - (NLB)

NLB's turnover in 2016, amounting to Rs. 20,170 million is an increase of 15.9 percent compared to previous year. The increase in revenue is mainly due to the increasing the number of draws per week under the concept of product mix change. During 2016, NLB's expenditure increased to Rs. 18,530 million with prizes declared increasing by 16 percent over 2015, to Rs.9,723 million. Although revenue increased by 16 percent in 2016 over 2015, the increase in the expenditure by 17 percent, resulted in the NLB's profits declining to Rs. 897 million in 2016 from Rs. 911 million in 2015. NLB has contributed Rs. 2,446 million to the Consolidated Fund in 2016.

**Table 9.28 | Financial Outturn of National Lotteries Board**  
 Rs. Million

Description	Actual				
	2012	2013	2014	2015	2016
Revenue	11,683	14,047	14,490	16,660	19,427
Lottery Sale Income	12,004	14,537	15,153	17,394	20,170
Less Indirect Taxes - VAT	428	507	540	573	707
- NBT	168	203	211	253	286
Other Income	275	220	88	92	250
Expenditure	11,097	12,935	14,379	15,749	18,530
Agency Commission	2,232	2,071	2,818	3,245	3,772
Prizes Declared	5,787	7,083	7,311	8,368	9,723
Tickets Printing Cost	393	459	475	494	610
Distribution, Sales & Marketing	739	1,144	1,284	872	1,246
Admin Expenses	346	388	573	602	693
Finance Cost	26	37	30	37	40
Contribution to Consolidated Fund	1,574	1,753	1,888	2,131	2,446
Net Profit Before Tax	581	476	109	911	897
Income Tax	269	610	118	670	482
Net Profit After Tax	312	-133	-8.66	241	415
Key performance indicators					
Agency network	2,593	2,600	2,500	2,500	2,664
Contribution to consolidated fund as a % of revenue	13	12	12.46	12.25	12.13

Source: National Lotteries Board and Department of Public Enterprises

## Development Lotteries Board - (DLB)

While DLB's revenue of Rs. 14,921 million during 2016 was an increase of 25 percent compared with 2015, its main expenditure items, Agency commissions, prizes, and distribution and sales expenditure have increased to Rs.11,081 million which is an increase of 27 percent over 2015.

During 2016 DLB has contributed Rs. 1,771 million to the President Fund which is an increase of 2.5 percent compared to the contribution made in previous year.

Table 9.29 | Financial Outturn of Development Lotteries Board

Description	Rs. Million				
	2012	2013	2014	2015	2016
Revenue	8,406	10,320	10,157	11,994	14,921
Lottery sale income	8,624	10,612	10,388	12,280	15,314
Less Indirect Taxes - VAT	350	448	461	405	554
NBT	159	203	199	194	241
Other Income	111	143	151	58	119
Prize Write back	180	216	278	255	283
Expenditure	6,444	8,103	7,734	9,601	12,229
Agency Commission	125	156	154	2,310	2,861
Prizes Declared	5,113	6,481	6,211	6,150	7,755
Draw Cost	194	255	273	261	322
Tickets Printing Cost	359	410	378	325	444
Distribution, Sales & Marketing	375	471	371	223	465
Admin Expenses	278	330	347	332	382
Net Profit Before Tax	1,962	2,195	2,422	2,393	2,692
Income Tax	52	68	69	56	302
Net Profit After Tax	1,910	2,126	2,353	2,337	2,390
Contribution to President Fund	1,894	2,026	2,068	1,727	1,771
Prior year income tax	57	-	285	606	614
Key Performance Indicators - (KPIs)					
Dealers	2,235	2,337	2,196	2,242	2,363
Contribution to President fund as a % of revenue	22	19	19.91	14.06	11.57

Source: development Lotteries Board and Department of Public Enterprises

## 9.11 Livestock and the Dairy

Milco (Pvt) Ltd and National Livestock Development Board (NLDB), are the two State Owned Enterprises engaged in this sector. The domestic milk production of the country increased by 3.65 percent from 374 million liters in 2015 to 384 million liters in 2016 while NLDB has produced a total of 17 million liters, which

is about 4 percent of the total domestic milk production.

Development programs such as popularization of fresh milk consumption, establishing of breeding farms, importing of milking cows, establishing of a new milk processing center at Badalgama, strengthening of distributing services for milk processing through enhancing of knowledge, integrating rural development through development of export agriculture and dairy sector, launching of programmes for small scale farmers at veterinary range level to improve the quality of milk production conducting whole island competition series to the school students for facilitation and promotion of liquid milk consumption has been implemented.

Towards achieving self-sufficiency in milk production, the government had been importing cows from Australia and the last batch of 2,500 heifers was imported in the 1st quarter of 2016 and located them in NLDB farms.

## Milco (Pvt) Ltd

Table 9.30 | Financial Outturn of MILCO (Pvt) Limited

Description	Rs. Million				
	2012	2013	2014	2015	2016
Revenue	6,488	7,163	7,653	8,403	8,964
Sale of Milk Production	6,385	7,020	7,382	7,584	8,676
Other Income	103	143	271	819	288
Expenditure	6,755	7,002	7,365	8,399	8,690
Direct Expenses	5,899	6,014	6,359	7,012	7,845
Selling & Distribution	152	213	242	202	219
Administration	517	592	621	1,065	574
Finance cost	130	153	134	108	52
Other Expenditure	57	30	9	12	-
Profit/(Loss) Before Tax	-267	161	288	4	274
Outstanding Debt to Banks	581	612	727	879	497
Key Performance Indicators					
Milk Collection (lt, Million)	69.2	66	64.5	62	67
Earnings per share Rs.	-9.33	4.4	8.67	0.52	8.59

Source: MILCO (Pvt) Limited and Department of Public Enterprises

Milco managed to retain its market leadership status in yoghurt, butter and sterilized milk segments, while competing with many others in the market, leveraging on its brand name

“Highland”. Milco has been successful in retaining almost a 30 percent share of the milk products market and 8 percent share of the milk powder market.

MILCO has been able to increase revenue from milk production by 14 percent, supported by the upward revision of milk product prices, reorganization of product distribution method and increasing of milk production at the renovated Digana and Polonnaruwa milk processing factories in 2016. Although the total operational cost of the company including overheads has increased marginally by 3.4 percent, Milco has been able to record a profit before tax of Rs. 274 million compared to the profit of Rs.3.8 million in 2015.

Fresh milk collection, which is one of the key functions of Milco, is performed by 50,000 Farmer Managed Societies (FMSs) and the present milk collection is sufficient for the requirement of the company. However in the peak period, when there is an unavoidable over-collection, such milk is transferred to Ambewela and Nestle Companies.

In order to cater the increasing demand for Highland products in the local market, a project funded by Denmark has commenced to refurbish Milco’s three factories in Ambewela, Digana and Polonnaruwa at a cost of Euro 33.8 million. Milco expects to increase the production capacity from 200,000 liters to 400,000 liters per day with the implementation of this project which will facilitate the increase of the company’s market share of all dairy based products. As such, under phase I of the project, two of the three factories of Milco which were being renovated have been completed during 2016 and while the Ambewela Milk powder factory’s renovation is expected to be completed in 2017. Under phase II of the project, a new milk processing factory is being constructed to shift Narahenpita Milco factory at a cost of Euro 64 million.

### National Livestock Development Board - (NLDB)

NLDB which was established in 1973 at present engages in breeding and multiplication of

livestock issuing quality breeding materials to farmers at reasonable price, maintaining coconut plantations at optimum level to generate maximum profit, practicing livestock/crop integrated farming system wherever feasible, establishing and maintaining marketing outlets to supply quality farm products at reasonable price, providing training and demonstration facilities to farmers, school children, officials involved in agriculture and livestock small holders, establishing and maintaining sales outlets to supply quality farm products at reasonable prices, produce value added products using new materials produced in farms to get a high profit margin and sale of fresh cow milk to the public to popularize consumption of fresh milk.

The NLDB presently manages 8 dairy farms (neat cattle), 2 buffalo farms, 1 goat and sheep farm, 4 poultry and poultry breeder farms, 1 swine farm, 10 coconut and dairy buffalo farms, 3 coconut with swine farms, 1 draught cattle farm, 1 training center and 39 milk stalls.

Table 9.31 | Financial Outturn of National Livestock Development Board

Description	Rs. Million				
	2012	2013	2014	2015	2016
Revenue	1,292	1,447	1,677	1,799	2,574
Expenditure	1,263	1,397	1,617	1,761	2,566
Profit/(Loss) Before Tax	29	-86	60	38	8
Outstanding Debt to Banks	1,005	1,738	1,738	82.5	154
Key Performance Indicators					
Neat Cattle Milk (lt,'000)	3,442	8,699	10,000	10,238	17,240
Buffaloes Milk (lt,'000)	684	700	771	803	697
Goat Milk (lt,'000)	5	5.6	7.7	11	9
Curd Production (lt,'000)	396	411	429	442	500
Yoghurt (80ml Cups) (Nos,'000)	526	485	509	516	421

Sources: National Livestock Development Board and Department of Public Enterprises

NLDB’s revenue has increased by 43 percent during 2016, while the profit before tax for 2016 of Rs.8 million is a 79 percent decrease from 2015 at Rs. 38 million. This is mainly due to the increase in expenditure to Rs.2,566 million in 2016 from Rs.1,761 million in 2015. The main expenditure increases are due to increase of cost of sales from Rs. 1,109 million to Rs. 1,715 million and finance

cost from Rs. 89 million to Rs. 122 million by 55 percent and 37 percent respectively.

Out of 4,500 high yielding heifers imported from Australia, 2,000 have been located at Menik Palama, Bopaththalawa and Dayagama farms, while the other 2,500 heifers have been located at the Ridiyagama farm. With the implementation of this project, total daily milk production of the board has increased from 28,000 liters to 47,000 liters per day.

NLDB has further implemented projects such as a curd processing unit at Polonnaruwa farm, a swine development project and a duck shed at Horakale farm, four cattle sheds at Roshita farm, a sheep shed at Oyamaduwa farm, a feed mill unit at Weerawila farm, a new grass chopper machine for Menikpalama farm, a new piggery shed at Mahaberyathenna farm, a close house for Horakele farm in 2016.

## 9.12 Marketing and Distribution

Lanka Sathosa Limited (LSL) operates with 320 outlets providing essential items to consumers at affordable prices as a government owned retail store network. Aggressive expansion in private sector super market networks has been a challenge to the rapid expansion of LSL's market share which at the end of 2016 was about 25 percent. LSL was able to achieve a significant growth from the year 2011 to 2016 due to the outlet expansion program.

The total revenue of LSL has increased from Rs. 28, 479, million in the year 2015 to Rs.29, 180 million in the year 2016 while the net profit

of Rs.1, 259 million in the year 2015 has been converted to a net loss of Rs. 4,805 million at the end of the year 2016, due to mainly the sale of imported rice at a subsidised price.

Table 9.32 | Financial Outturn of Lanka Sathosa Limited

Description	Rs. Million				
	Actual				
	2012	2013	2014	2015	2016
Revenue	20,715	25,308	31,678	28,479	29,180
Sales	20,567	25,098	31,320	28,412	28,955
Indirect Income	148	210	358	67	225
Expenditure	20,623	24,155	30,449	27,220	33,985
Cost of Sales	18,622	21,710	26,864	23,321	30,058
Other Expenditure	2,001	2,445	3,585	3,899	3,927
Profit/ (Loss) Before Tax	92	1,153	1,229	1,259	(4,805)
Key Performance Indicators					
No. of Outlets	270	287	303	303	320

Source: Lanka Sathosa Limited and Department of Public Enterprises

LSL expanded its number of outlets to 320 at the end of 2016 from 303 in 2015.

## 9.13 Plantation

Janatha Estate Development Board (JEDB), Sri Lanka State Plantation Corporation (SLSPC), Chilaw (CPL), Kurunegala (KPL), Elkaduwa (EPL) Plantation Companies and Kalubowitiyana Tea Factory Ltd. (KTFL) are the state owned enterprises which are currently operate in the country's plantation sector and the government owns a golden share in each of the 18 Regional Plantation Companies. JEDB, SLSPC, EPL and KTFL engage in both tea and rubber plantation while CPL and KPL along with the Coconut Development Authority and the Coconut Research Institute manage a total of 9,303 ha of

Table 9.33 | Financial Outturn of State owned Plantation Enterprises

	Actual			Provisional		
	2012	2013	2014	2015	2016	
Kurunegala Plantations Ltd	<b>Operational Performance</b>					
	Coconut Production (Nuts Mn)	18	13	17	14	17
	Rubber Production (Kgs)	209,898	157,434	157,434	140,678	144,682
	Yield per Ha. - Coconut(Nuts )	5,328	3,893	5,117	4,414	5,356
	- Rubber(Kgs)	1,115	981	818	767	811
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	484	476	577	492	472
	Coconut Sales (Rs. Mn)	396	402	514	442	414
	Rubber Sales (Rs. Mn)	78	62	40	31	30
	Total Cost of Sales (Rs. Mn)	275	269	326	317	323
	Net Profit/ (Loss) Before Tax (Rs. Mn)	186	208	217	166	156
Dividends (Rs. Mn)	50	40	50	35	35	

Table 9.33 | Financial Outturn of State owned Plantation Enterprises

	Actual			Provisional		
	2012	2013	2014	2015	2016	
Chilaw Plantations Ltd	<b>Operational Performance</b>					
	Coconut Production(Nuts Mn)	16	10	12	12	16
	Yield per Ha (Nuts)	4,350	2,715	2,935	2,833	4,318
	Financial Performance					
	Total Revenue (Rs. Mn)	396	287	412	477	444
	Coconut Sales (Rs. Mn)	339	76	375	399	383
	Cost of Sales (Rs. Mn)	215	174	222	250	287
	Net Profit/ (Loss) Before Tax (Rs. Mn)	86	82	(61)	85	78
Dividends (Rs. Mn)	75	20	20	30	20	
Sri Lanka Cashew Corporation	<b>Operational Performance</b>					
	Yield per Ha	340	147	216	186	175
	Average Price Rs/Kg	2,150	1,918	2,297	250	250
	Financial Performance					
	Total Revenue (Rs. Mn)	150	134	115	75	95
	Net cashew sale	47	79	64	68	86
	Net Profit/ (Loss) Before Tax (Rs. Mn)	44	1	22	17	32
	Treasury Grants - Revenue	59	53	50	66	48
- Capital	28	49	40	35	40	
Janatha Estate Development Board	<b>Operational Performance</b>					
	Tea Production (MT)	1,750	2,234	1,914	1,833	1,314
	Rubber Production (MT)	250	224	241	0	0
	Yield per Ha. - Tea		586	517	483	358
	- Rubber		611	567	617	758
	Financial Performance					
	Total Revenue (Rs. Mn)	926	862	633	585	504
	Cost of Production (Rs.Mn)	1,177	1,110	915	1,012	892
Net Profit/ (Loss) Before Tax (Rs. Mn)	(235)	(248)	(282)	(413)	(443)	
Treasury Grants - Revenue	-	176	254	617	486	
- Capital	-	-	-	-	-	
Sri Lanka State Plantation Corporation	<b>Operational Performance</b>					
	Tea Production (MT)	2,102	1,928	1,552	1,625	1,453
	Rubber Production (MT)	39	45	40	36	37
	Yield per Ha. -Tea	654	575	494	525	513
	-Rubber	603	690	618	547	563
	Financial Performance					
	Total Revenue (Rs. Mn)	670	654	488	487	483
	Cost of Production (Rs.Mn)	678	731	646	690	617
Net Profit/ (Loss) Before Tax (Rs. Mn)	(117)	(228)	(157)	(202)	(134)	
Treasury Grants - Revenue	-	118	484	204	100	
- Capital	-	-	-	-	-	
Kalubowitiyana Tea Factory Ltd (KTFL)	<b>Operational Performance</b>					
	Made Tea Production (MT)	1,412	1,534	1,423	1,792	2,384
	Sales Quantity (MT)	1,301	1,554	1,261	1,582	2,384
	Financial Performance					
	Total Revenue (Rs. Mn)	639	769	779	775	1,137
Cost of Production (Rs. Mn)	536	730	747	769	1,062	
Net Profit/ (Loss) Before Tax (Rs. Mn)	91	28	27	(10)	43	
Lanka Sugar Company Ltd	<b>Operational Performance</b>					
	Suger Production (MT)	32,343	42,528	32,364	42,984	51,422
	Sprit Production (000 Liters)	2,849	10,708	10,326	7,317	11,917
	Financial Performance					
	Total Revenue (Rs. Mn)	1,474	5,747	5,539	4,882	7,757
	Suger Sale (Rs.Mn)	1,180	2,812	3,168	3,270	4,060
Sprit Sales (RS.Mn)	294	2,916	2,371	1,611	3,668	
Net Profit/ (Loss) Before Tax (Rs. Mn)	(155)	1,346	-211	(1,052)	1,103	

coconut plantations and other minor crops.

Total tea production of JEDB, SLSPC and KTFL increased to 5.2 kg million which is a 1.9 percent decrease over 2015 and accounted for around 1.8 percent of the total tea production in the country, although the land held by these companies' accounts for almost 4 percent of the total land used for tea production in the country. In 2016 the average yield from the JEDB and SLSPC plantations were around 450 kg/ha which is almost 66 percent below the average yield in the country of 1,509 kg/ha.

JEDB, SLSPC and KPL together produced 534,207 kg of rubber in 2016 which is a 20 percent increase over 2015 and accounted for 0.7 percent of the total rubber production in the country. The average yield of 714 kg/ha at the JEDB, SLSPC and KPL in 2016 is almost same as the average

yield of 731 kg/ha in the country.

CPL, KPL, Coconut Cultivation Board and the Coconut Research Institute produced 45 million coconuts (Nuts) which is a 9.7 percent increase over 2015 which accounts for 1.4 percent of the total coconut production in the country.

Kalubowitiyana, Cashew Corporation and Sugar Company have shown a marked increase in its profit before tax and KPL, CPL recorded a marginal decrease in their profit before tax while SLSPC has been able to reduce its losses by almost by 34.46 percent. JEDB has been the outlier in the sector with increased losses of almost 7.26 percent. The Ministry of Public Enterprises is in the process of restructuring these plantation entities to operate them in a commercially viable manner.

Table 9.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
<b>Banking &amp; Finance</b>			
Lankaputhra Development Bank	cater to the financial needs of the local economy with particular emphasis on local construction industry, agricultural and industrial activities of the rural economy by channeling finances specially to SMEs	<ul style="list-style-type: none"> <li>Total Revenue for the year 2016 of Rs.723 million is an increase of 10% compared to the 2015.</li> <li>Profit before tax of Rs.255 million, is an increase of 25 percent as against the previous year.</li> <li>Total loans and advances has increased by 11percent to Rs.3, 740 million as at the end of 2016.</li> <li>Deposit base of the bank as at the end of 2016 has recorded a decline of 21% compared to the previous year.</li> <li>NPL ratio as at the end of year stood at 39.2% which is much higher than the industry average.</li> <li>A dividend amounting to Rs.36 million was paid to the Treasury in the year 2016.</li> </ul>	<ul style="list-style-type: none"> <li>underutilization of capital for core banking activities and poor asset management which resulted in lower profitability</li> <li>Gross NPL ratio remained significantly poor.</li> <li>Non availability of proper credit and recovery procedures.</li> <li>The Bank does not have proper recruitment and promotion procedures.</li> <li>LDB's overall asset quality is supported by its substantial investments in government securities and deposits in state-owned commercial banks.</li> </ul>
Sri Lanka Savings Bank	Provide relief to the depositors of Pramuka Savings and Development Bank (PSDB). Involves mainly in granting micro finance loans, leasing and hire purchase facilities for small sectors in the economy.	SLSB has recorded a Rs. 458 million profit for 2016, which is 38 percent increase compared to 2015. Further, the NPL ratio which was significantly high at 41 percent in 2015 has reduced to 36 percent in 2016.	It was proposed by the Budget Speech 2016 to merge SLSB with the NSB to improve balance sheets. Accordingly, the Ministry of Public Enterprise Development has initiated the merging process and is currently finalizing the procedures. The bank is highly dependent on investment income rather than earning from core banking business.
<b>Insurance</b>			
Sri Lanka Export Credit Insurance Corporation	Provides support services to the export sector through the provision of export credit insurance and credit guarantee services to the exporters.	Total operating income in 2016 was Rs. 213 million which is a 13 percent decrease compared to Rs. 245 million in 2015. The total number of insurance Policies issued decreased during 2016 by 15 percent.	As existing insurance coverage for exports is insignificant, SLEIC should introduce new product development strategies to increase the market share.
Agricultural & Agrarian Insurance Board	Operates Agricultural Insurance Scheme, Farmers Pension Scheme and Fishermen Pension Scheme	Total income for 2016 of Rs. 1,063 million is a decrease of almost Rs.294 Million, compared to Rs. 1,357 million in 2015. This is due to the decline in the premium collected from "Kethata Aruna" insurance scheme which was carried out by the National Insurance Trust Fund and acquired by AAIB in 2015.	Introduce new strategies to strengthen the Farmers and Fishermen pension schemes.

Table 9.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
<b>Non Renewable Resources</b>			
Lanka Mineral Sands Ltd	Mines, processes and markets heavy mineral sands. Manufacture and sell any by product which may be produced as a result of refining and processing mineral sands.	LMSL's Revenue decreased by 27 percent to Rs. 1,327 million in 2016 in comparison to 2015, driven by the non-issuance of mining license from Geological Survey and Mines Bureau. As such, profit before tax decreased almost by half to Rs.206 million in 2016, from Rs. 503 million in 2015.	LMSL has been operating for almost 03 months without a properly appointed Board of Directors in 2015. This will have to be rectified to ensure the smooth operations of the Company. Lack of proper strategy to optimize the sale of minerals especially during times of low mineral prices.
Lanka Phosphate Ltd (LPL)	Excavate, process and sell rock phosphate which is used as a fertilizer for perennial agricultural crops such as Tea, Rubber and Coconut.	LPL recorded a decrease in revenue by 30 percent to Rs. 387 million in 2016/17 in comparison to the previous year with revenue at Rs. 554 million, mainly due to bad weather condition and change in fertilizer subsidy. Consequently LPL has incurred a loss of Rs. 34 million in 2016/17 as against a profit of Rs. 14 million in 2015/16. During the year, LPL's s production decreased by almost 32 percent to 36,811MT in 2016/17, as against 2015/16.	LPL need to adapt to advanced technologies in order to quantify its deposits.
Kahatagaha Graphite Lanka Ltd	Excavate, process and sell Graphite as industrial raw material	KGLL's revenue for the year 2016/17 has decreased to 82 million by 25 percent in comparison to 2015/2016. Driven by a 37 percent decrease in expenditure, profit has increased to Rs. 14 million in 2016/17 from Rs. 2 million in 2015/16.	KGLL should have a marketing strategy to diversify its customer base and penetrate new markets Measures should be initiated to increase value added products to attract new buyers.
<b>Health</b>			
State Pharmaceuticals Manufacturing Corporation (SPMC)	Engaged in manufacturing high quality pharmaceuticals in Sri Lanka and making them available at affordable prices.	SPMC was able to increase its revenue by 20 percent to Rs. 2,542 million in 2016 compared to Rs. 2,112 million in 2015. SPMC continued to be a profitable entity recording a profit of Rs. 459 million in 2016 which is an 11 percent increase compared to previous year. A levy amounting to Rs 65 Million has been paid to the Treasury during 2016.	Lack of adequate and properly equipped storage facilities.
Sri Lanka Ayurvedic Drugs Corporation (SLADC)	Manufacturing and distributing quality ayurvedic drugs. It manufactures 156 varieties of drugs and supplies to government hospitals, Ayurvedic physicians and the private sector	Total revenue increased by 30 percent to Rs. 687 million in 2016. Expenditure has increased by 44 percent to Rs.168 million and recorded a Rs. 18 million profit for the year 2016.	Scarcity of herbs as raw material has been a major challenge for SLADC. SLADC should expand its herbal cultivation to ensure smooth flow of raw materials while using modern processing methods to improve productivity.
State Pharmaceuticals Corporation (SPC)	Major supplier and importer of essential medicines and surgical devices for all government hospitals and other state institutions.	Total revenue has increased by 28 percent to Rs. 31,214 million in 2016 compared to the revenue of Rs.24, 463 million recorded in 2015. With only a marginal increase in the expenditure, profit has been increased by 36 percent in 2016 over previous year to Rs.1,940 million . SPC has opened 3 new Osusala outlets in 2016. SPC has been paid Rs. 216 million as a levy during 2016.	Streamline the procurement process with a sound database considering the pharmaceutical requirements. Expediting the ERP (Enterprise Resource Planning) system for the optimum utilization of resource.
Sri Jayawardenapura General Hospital (SJGH)	Provision of a quality healthcare service, while serving as a center for training medical undergraduates and post graduates and other health sector personnel as required by the country.	Although total revenue has increased by 33 percent to Rs.3,273 million in 2016, the increase in total expenditure to Rs.3,691 million from Rs.2,814 million in 2015 has resulted in SJGH's operating loss increasing to Rs.418 million in 2016, from Rs.353 million in 2015. SJGH receives budgetary support since its inception as the hospital's pricing structure is not fully cost reflective. As such, in 2016, the SJGH received Rs.2,100 million from the national budget.	SJGH should focus on physical expansion as well as modernization of its equipment in specialty units and upgrade general wards within the medium term budget framework.
<b>Media</b>			
Independent Television Network Ltd (ITN)	produce and broadcast a variety of different programmes in Sinhala, Tamil, and English languages including news, tele dramas, documentaries, educational programmes, children entertainment, reality TV, religious programmes etc. through ITN,ITN FM, Vasantham TV, Vasantham FM and Lakhandha Radio	ITN recorded a loss of Rs. 162 million in 2016, against a profit of Rs. 587 million in 2015. With the decrease in revenue ty by 27 percent together with a marginal increase in expenditure resulted in the ITN incurring a loss of Rs.162 million in 2016 as against the profit of Rs.587 million in 2015. ITN has commenced the construction of a high definition studio complex to expand easy public access for information.	Implement strategies to improve the quality of their programs while expanding coverage in order to maintain their high viewership among competitors. Strengthen the debt recovery system of ITN.

Table 9.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
Sri Lanka Rupavahini Corporation (SLRC)	Produce and broadcast informative, educational and entertaining programmes through channels namely Rupavahini, channel Eye and Nethra TV	SLRC revenue decreased marginally from Rs. 2,147 million in 2015 to Rs. 2,111 million in 2016. However, SLRC has been able to decrease its loss by almost 38 percent to Rs.231 million in 2016 in comparison to the loss of Rs.374.million incurred in 2015.	Adopt strategies to improve the quality of programmes Expand the coverage with the aim of increasing its customer base to incline the market share.
Sri Lanka Broadcasting Corporation (SLBC)	Carrying out radio broadcasting relating to various fields such as economic, social, cultural, and educational and entertainment through six regular programme channels.	In the year 2016 SLBC's revenue declined by 17 percent due to the decline in sale of air time and as such, operating losses increased by 35 percent during the year 2016 compared to previous year. Budgetary support of Rs.550 million was granted to SLBC for capital and recurrent expenditure during the year 2016.	In order to improve its viability, SLBC should implement strategies to expand and diversify its customer base to increase market share and introduce new technologies to rationalize its operations.
<b>Marketing &amp; Distribution</b>			
Sri Lanka Handicraft Board (SLHB)	Marketing of gift and souvenir items both locally and in export markets to improve the traditional Handicraft industry and broadening the network of the production of handicraft items.	SLHB recorded a profit before tax of Rs. 4.48 million in 2016 over the loss recorded amounting to Rs. 21.91 million in 2015. The increase in profit before tax is mainly due to the decrease in cost of sales and administrative expenses. SLHB's cost of finance increased during 2016 due to the payment of interest and loan installment amounting to Rs.129 million. The "Ape Gama" which was constructed at a cost of Rs.221 million was financed through a loan amounting to Rs. 199.4 million while the balance Rs.21.6 million was from the SLHB's own funds. As such, although the SLHB bears the cost of interest on the loan taken to construct "Ape Gama", since it has been gazetted under the Ministry of Education from December 2015 SLHB does not get the benefit of revenue, creating a mismatch between assets and liabilities. SLHB was awarded Industrial Excellency Award in 2016 by Sri Lanka Chamber of Small and Medium Industries (SLCSMI)	Establish and expand the product categories and promote the brand "Laksala" Renovate outlets to attract both foreign and local customers with modern facilities. Implement strategies to set up outlets in areas popular for tourists to obtain maximum benefit from the expanding tourism industry. Formulate proper strategic plan aligned to the institute being sustainable and increasing its market share.
State Timber Corporation (STC)	Extracting and Purchasing of timber and converting them into Value added products. Sale of logs, sawn timber and finished products. Reforestation.	STC was able to increase its revenue by almost 10 percent to Rs. 4,213 million in 2016 over Rs. 3,836 million recorded in 2015. Timber logs represents approximately 60 percent of the revenue. Although STC continued to be a profitable entity recording a profit of Rs. 83 million in 2016, the profit has decreased by 77 percent compared to year 2015. Total expenditure of STC increased by 32 percent to Rs. 1,691 million in 2016 from Rs. 1,284 million in 2015. STC's cost of sales accounted for 52 percent of the total turnover resulting Rs. 2,307 million gross profit on operation in 2016. STC's contribution to the consolidated fund was through the Levy amounting to Rs. 175 million in 2016	Build strategic partnerships for furniture manufacturing Undergo a cadre revision and introduce proper recruitment policies and enhance the profitability of the organization through a competent workforce. Take necessary measures to ensure the viability of the industry by focusing more on eco-friendly products to cater to niche market demands which in turn gives higher profit margins.
STC General Trading	Engaged in a diversified retail business, supplying chemicals and allied products, office supplies, construction materials, agricultural products, motor cycles, machinery and equipment and automotive tire products.	Total revenue of STC in 2016/17 has increased drastically by 24 percent in comparison with the previous year. This is driven by the increased sales of Information Technology related equipment and chemical and elite sector goods. Further, the operations of household products have also been a success. As a result, the company recorded a profit before tax of Rs. 35 million, which is a 40 percent improvement in comparison with the previous year.	Adopt new strategies for general products to penetrate the private sector enabling them to reduce the business risk over the public sector market while identifying products which can be offered to niche markets. Develop strategies to promote its brand name in these markets. Take necessary actions to get the maximum output from the large investments like the proposed Mega Showroom in Narahenpita in order to enhance the diversification of the STC's product portfolio.

Table 9.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
State Printing Corporation	SPC's income accounts for 59 percent of school text book printing, 18 percent of exercise book printing and 23 percent of lottery ticket printing indicating a considerable market share.	SPC's revenue has increased by 14 percent mainly due to the increase in school text books printing. Accordingly, the profit before tax has increased to Rs. 4.6 million in 2016 from Rs. 3 million in 2015. In 2016, SPC was able to reduce the stocks holding period (the time for which inventories are held before utilized for the production) to 2.5 months from 4.5 months in the previous year. Further, the Debtors Collection Period has reduced to 5.8 months in 2016 from 6.1 months in 2015. As a whole, in the year 2016, SPC has been able to improve the working capital management when compared with the previous year.	The corporation needs further improvement in working capital management to reduce its finance cost and improve its profitability. Further, SPC should maximize the utilization of its capacity and improve its market share by adopting strategies to be more cost efficient, to improve its profitability in the medium term.
Hotel Developers Lanka Ltd	Engages in the business of hospitality trade, owning Hilton Colombo Hotel.	HDL's revenue increased to Rs. 2,540 million in 2015/16 from Rs. 2,018 million in 2014/15 by 25.8 percent. HDL recorded a profit before tax amounting to Rs. 203 million during 2015/2016 financial year compared to profit recorded in 2014/2015 amounting to Rs 77 million.	Formulate flexible pricing packages in order to attract both local and foreign tourists of each spending layer.
<b>Fisheries</b>			
Ceylon Fisheries Corporation (CFC)	Engages in procurement of fish from fishermen and supplying to the market in order to maintain a stable fish price in the market.	CFC's loss making position worsened, with the Corporation incurring a loss of Rs. 288 million in 2016 as against the loss of Rs. 365 million incurred in 2015. Budgetary support to the CFC amounted to Rs. Rs 126 million 2016. As there was an excess cadre of 543, CFC has implemented a voluntary retirement scheme (VRS) in 2016.	Absence of a proper business plan to improve sales and margins.
Ceylon Fishery Harbours Corporation (CFHC)	Provide fishery harbour related services and supporting infrastructure facilities to the fishing communities through its harbours situated around the country.	During the year 2016, CFHC's operational revenue increased to Rs. 71 million in comparison to 2015. However, with the increase in the expenditure, CFHC's losses increased to Rs. 31million. Budgetary support to CFHC amounted to Rs. 562 million.	Absence of a proper strategic plan to at least reach breakeven in the short to medium term.
<b>Fertilizer</b>			
Colombo Commercial Fertilizer Co. Ltd (CCFL)	Engages in importing, mixing, packing and distribution of fertilizer and CCFL is the second largest state owned fertilizer importer of the country.	Although CCFL's revenue has increased from Rs.1,566 million in 2015 to Rs.1,839 million in 2016 by 17 percent, the cost of sales have almost doubled to Rs.10,135 million which resulted in a gross loss of Rs.8.7 million. Further, administrative and selling expenditure have also increased by 19 percent and 27 percent respectively. CCFL's profits decreased by 35 percent to Rs.181 million in 2016.	CCFL's cost of sales, administrative costs and selling costs need to be thoroughly monitored and controlled to ensure profitability of the company.
Ceylon Fertilizer Co. Ltd. (CFC)	Engages in importing, blending and distributing 65 percent of fertilizer to paddy farmers under the fertilizer subsidy scheme.	The increase in revenue by 10.6 percent to Rs.4,243 million in 2016 from Rs. 3,836 in 2015 together with an increase in expenditure to Rs.3,698 million by 4 percent, has resulted in the CFC's profits increasing by almost 56 percent to Rs.603 million.	FCL need to strengthen the marketing function to face the completion from the private sector.

## Annex I | Profitability of State Owned Business Enterprises

Enterprise							(Rs. Million)	
	Profit/(Loss)				Profit/ (Loss) 2016	Business Turnover 2016 *	Budgetary Support 2015	
	2006	2013	2014	2015			Recurrent	Capital
1 Bank of Ceylon	4,137	15,258	20,777	25,109	31.635	156,368	-	-
2 People's Bank	4,079	10,304	17,200	19,497	19.399	120,275	-	-
3 National Savings Bank	3,501	2,279	10,472	13,034	13.251	87,329	-	-
4 State Mortgage & Investment Bank	318	343	411	731	460	4,345	-	-
5 HDFC Bank	309	309	818	972	636	5,906	-	-
6 Lankaputhra Development Bank Ltd	52	371	193	204	255	733	-	-
7 Pradeshiya Sanwardhana Bank (RDB)	633	689	1,268	2,112	2,089	15,646	-	-
8 Sri Lanka Savings Bank Ltd	-	616	236	348	464	874	-	-
9 Employee's Trust Fund Board	43,202	15,167	17,274	18,152	15,846	22,070	-	-
10 Sri Lanka Insurance Corporation	1,111	5,012	4,511	3,017	9,903	42,050	-	-
11 National Insurance Trust Fund	73	4,374	4,674	4,449	6,000	10,118	-	-
12 Sri Lanka Export Credit Insurance Corporation	108	207	190	224	193	377	-	-
13 Agriculture and Agrarian Insurance Board	137	(1,887)	(1,941)	(256)	(3,261)	796	2,690	4
14 Ceylon Electricity Board	(1,417)	22,945	(13,303)	24,845	(14,499)	206,811	-	-
15 Ceylon Petroleum Corporation	(1,721)	(7,770)	1,633	(19,468)	69,620	428,488	-	-
16 Sri Lanka Ports Authority	155	1,625	7,950	(9,575)	1,212	43,743	-	-
17 National Water Supply and Drainage Board	(214)	1,193	1,432	(252)	835	23,583	-	-
18 Airport and Aviation Services (SL )Ltd	2,120	4,745	5,496	2,378	6,888	20,231	-	-
19 Sri Lankan Airlines Ltd	684	(32,358)	(16,433)	(12,622)	(28,140)	136,219	-	-
20 Mihin Lanka (Pvt) Ltd	-	(2,567)	(1,406)	(1,196)	(1,579)	8,462	-	-
21 Sri Lanka Transport Board	(984)	(10,640)	(9,407)	(3,438)	(3,617)	35,738	14,937	1,800
22 State Engineering Corporation	97	128	81	(586)	(703)	2,188	75	-
23 Central Engineering Consultancy Bureau	23	570	426	510	833	10,810	-	-
24 State Development and Construction Corp.	22	90	90	80	28	2,302	-	-
25 Milco (Pvt) Ltd	21	160	185	(243)	274	8,676	-	-
26 National Livestock Development Board	(23)	2	87	39	(8)	2,702	-	-
27 Sri Lanka State Plantations Corporation	(83)	(228)	(69)	(189)	(134)	483	-	-
28 Janatha Estates Development Board	1,113	(248)	(237)	-	(404)	415	-	-
29 Kurunegala Plantations Ltd	20	208	227	155	132	472	-	-
30 Chilaw Plantations Ltd	37	82	85	79	69	383	-	-
31 Kalubovitiyana Tea Factory Ltd	19	28	24	7	33	660	-	-
32 Sri Lanka Cashew Corporation	(17)	1	2	17	(52)	90	48	40
33 Lanka Mineral Sands Ltd	127	221	61	509	206	1,327	-	-
34 Lanka Phosphate Ltd	11	172	179	57	(34)	387	-	-
35 Kahatagaha Graphite Lanka Ltd	0.3	21	17	13	14	82	-	-
36 Development Lotteries Board	120	2,126	2,345	1,669	2,833	15,314	-	-
37 National Lotteries Board	224	477	109	700	414	20,170	-	-
38 State Pharmaceuticals and Manufacturing Corp.	8	328	270	414	262	2,549	-	-
39 SL Ayurvedic Drugs Corporation	0.8	42	47	49	72	564	-	-
40 State Pharmaceuticals Corporation	179	777	654	1,230	1,677	32,303	-	-
41 Sri Jayawardenapura General hospital	(79)	92	549	(250)	418	890	1,300	725
42 Independent Television Network Ltd	64	847	566	327	(162)	1,885	-	-
43 SL Rupavahini Corporation	206	48	(182)	(375)	(160)	2,115	-	-
44 Sri Lanka Broadcasting Corporation	(87.2)	(130)	(51)	(288)	84	997	365	185
45 Sri Lanka Handicraft Board	(25.2)	24	21	(40)	4	787	-	-
46 State Timber Corporation	138	382	425	425	531	4,413	-	-
47 STC General Trading Company	(58.3)	78	46	19	26	2,949	-	-
48 Lanka Sathosa Ltd	(18)	663	364		(4,805)	29,180	-	-
49 State Printing Corporation	38	78	71	3	10	1,477	-	-
50 Ceylon Fisheries Corporation	(27.6)	(80)	(56)	(190)	(161)	2,775	78	389
51 Ceylon Fishery Harbour Corporation	(34.8)	(42)	20	(91)	(113)	478	475	145
52 Ceylon Fertilizer Company Ltd	21	241	288	411	713	3,835	-	-
53 Colombo Commercial Fertilizer Company Ltd	107.8	209	366	436	147	1,839	-	-
54 Hotel Developers Lanka PLC	(752)	253	316	433	605	2,540	-	-
55 Lanka Sugar Company Ltd	-	1,346	(31)	(981)	1,103	7,729	-	-
<b>Total</b>	<b>58,503.8</b>	<b>37,991</b>	<b>58,353</b>	<b>76,952</b>	<b>131,342</b>	<b>1,523,970</b>	<b>19,968</b>	<b>3,288</b>

## Annex II | Submission of Annual Reports - State Owned Business Enterprises

		(Rs. Million)				
		2011	2012	2013	2014	2015
1	Bank of Ceylon	√	√	√	√	√
2	People's Bank	√	√	√	√	√
3	National Savings Bank	√	√	√	√	√
4	State Mortgage & Investment Bank	√	√	√	√	√
5	HDFC Bank	√	√	√	√	√
6	Lankaputhra Development Bank Ltd	√	√	X	√	X
7	Pradeshiya Sanwardhana Bank (RDB)	√	√	√	√	√
8	Sri Lanka Savings Bank Ltd	√	√	X	X	X
9	Employee's Trust Fund Board	√	√	√	√	√
10	Sri Lanka Insurance Corporation	√	√	√	√	√
11	National Insurance Trust Fund	√	√	√	X	X
12	Ceylon Electricity Board	√	√	√	√	X
13	Ceylon Petroleum Corporation	√	√	√	√	X
14	Sri Lanka Ports Authority	√	√	√	√	X
15	National Water Supply and Drainage Board	√	√	√	√	X
16	Airport and Aviation Services (SL) Ltd	√	√	√	√	√
17	Sri Lankan Airlines Ltd	√	√	√	√	√
18	Mihin Lanka (Pvt) Ltd	√	X	X	√	X
19	Sri Lanka Transport Board	√	√	X	X	X
20	State Engineering Corporation of Sri Lanka	√	√	√	X	X
21	Central Engineering Consultancy Bureau	√	X	√	X	X
22	State Development and Construction Corporation	√	√	√	X	X
23	Milco (Pvt) Ltd	√	√	√	√	X
24	National Livestock Development Board	√	√	√	√	X
25	Ceylon Fisheries Corporation	√	√	X	X	X
26	Ceylon Fishery Harbour Corporation	√	√	X	X	X
27	State Pharmaceuticals and Manufacturing Corporation	√	√	√	√	X
28	SL Ayurvedic Drugs Corporation	√	√	√	X	X
29	State Pharmaceuticals Corporation	√	√	√	X	X
30	Sri Jayawardenapura General hospital	√	√	√	X	X
31	Independent Television Network Ltd	√	√	√	√	√
32	SL Rupavahini Corporation	√	√	√	X	X
33	Sri Lanka Broadcasting Corporation	√	X	X	X	X
34	Ceylon Fertilizer Company Ltd	√	√	√	√	√
35	Colombo Commercial Fertilizer Company Ltd	√	√	√	√	X
36	State Timber Corporation	√	√	√	√	X
37	STC General Trading Company	√	√	X	X	X
38	Hotel Developers Lanka PLC	√	√	√	√	√
39	Lanka Sugar Company Ltd	-	-	√	X	X
40	Lanka Sathosa Ltd	X	X	X	X	X
41	Development Lotteries Board	√	√	√	√	√
42	National Lotteries Board	√	√	√	√	√
43	Lanka Mineral Sands Ltd	√	√	√	√	√
44	Lanka Phosphate Ltd	√	√	√	√	√
45	State Printing Corporation	√	√	X	X	X
46	Sri Lanka Export Credit Insurance Corporation	√	√	X	X	X
47	Agriculture and Agrarian Insurance Board	√	√	X	X	X
48	Sri Lanka State Plantations Corporation	√	X	X	X	X
49	Kurunegala Plantations Ltd	√	√	√	√	√
50	Janatha Estates Development Board	X	X	X	X	X
51	Chilaw Plantations Ltd	√	√	√	√	X
52	Kalubovitiyana Tea Factory Ltd	√	√	√	X	X
53	Sri Lanka Cashew Corporation	√	√	√	X	X
54	Sri Lanka Handicraft Board	√	√	√	√	X
55	Kahatagaha Graphite Lanka Ltd	√	√	√	X	X

Source: SOBEs and Department of public Enterprises



**Cadre Management in  
the Public Sector**

**10**

## 10.1 Overview

The public sector<sup>1</sup> in the country at the end of 2016, was operating with a total cadre of 1,353,318 although the approved cadre stood at 1,518,613. Accordingly, while there is almost 1

public official per every 15 citizens in the country, almost 11 percent of the approved cadre remains unutilized.

Table 10.1 given below depicts the total public sector cadre during the past decade.

Table 10.1. | Public Sector Cadre Composition 2007-2016

Administrative Level	App/ Act	Year									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
National	App	579,615	635,711	680,442	698,335	705,331	710,909	796,266	844,948	858,680	865,788
	Act	505,900	557,590	607,717	643,748	643,399	661,837	683,719	703,600	722,950	754,590
Provincial Councils and Local Authorities	App	358,604	362,755	364,396	367,207	367,730	385,562	391,647	392,698	394,812	412,796
	Act	283,885	290,162	296,714	332,107	363,248	378,933	375,752	377,445	374,330	372,033
Total Public Service	App	938,219	998,466	1,044,838	1,065,542	1,073,061	1,096,471	1,187,913	1,237,646	1,253,492	1,278,584
	Act	789,785	847,752	904,431	975,855	1,006,647	1,040,770	1,059,471	1,081,045	1,097,280	1,126,623
SOEs and State Banks	App	222,377	226,197	227,224	227,792	228,326	245,100	245,687	245,339	244,800	240,029
	Act	224,443	229,445	234,547	236,121	236,543	239,079	239,058	221,213	219,583	226,695
Total Public Sector	App	1,160,596	1,224,663	1,272,062	1,293,334	1,301,387	1,341,571	1,433,600	1,482,985	1,498,292	1,518,613
	Act	1,014,228	1,077,197	1,138,978	1,211,976	1,243,190	1,279,849	1,298,529	1,302,258	1,316,863	1,353,318
Cadre Utilization (%)		87	88	90	94	96	95	91	88	88	89
No. of Pensioners		438,190	445,120	456,113	473,762	493,549	510,343	521,699	546,379	564,472	579,414

Source: Department of Management Service, Department of Pensions

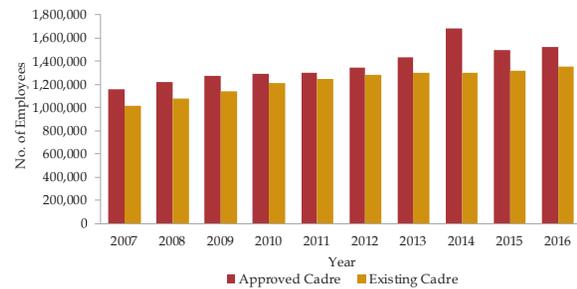
App - Approved Cadre

Act -Actual Number of Employees

In adapting to the growing needs of the public sector, the approved cadre has increased by around 30 percent during the period 2007 -2016. However, the total utilization of cadre positions remains at around 88-92 percent during this period with the highest cadre utilization in 2011 at 96 percent and the cadre utilization remaining constant during the period 2014-2016 at 88 percent. This decline in cadre utilization is mainly due to a deceleration in new recruitments in spite of an acceleration of retirements during this period.

At the same time, the unutilized cadre levels is also due to the delays at the management level to fill vacancies as and when they arise, the non integrated approach taken in filling vacancies and lack of candidates with the relevant qualifications. The inability for the public sector to attract and retain qualified professionals is also a key feature that contributes to this issue.

Chart 10.1 | Distribution of Approved Cadre and Existing Cadre 2007-2016



Sources: Department of Management Services

## 10.2 The growth of population versus the growth of public sector employees

While in 2016, according to the population data of the country, the ratio of public sector officials to the population remains at 1: 15 in 2016, it was only 1:18 in 2001. The increase in the ratio is mainly due to the government undertaking recruitments of graduates in large numbers.

1. Public sector includes Public Service, State Owned Enterprises and State Banks

At the same time, the composition of the public sector cadre also changed with key features including the formation of a management assistant cadre which combined clerks, typists stenographers etc, and the formation of Sri Lanka Information and Communication Technology service, etc.

Table 10.2 | Total population vs. public sector employees

Year	Total Population	Public Sector Employees			Ratio of Total Govt Employees / Total Population
		Public Service Employees	Semi Govt. <sup>2</sup> Employees	Total Govt. Employees	
1946	6,657,339	60,901	n.a.	60,901	1:110
1953	8,097,895	222,845	n.a.	222,845	1:36
1963	10,582,064	365,292	n.a.	365,292	1:35
1971	12,689,897	323,718	145,810	469,528	1:31
1981	14,846,750	368,849	228,531	597,380	1:29
2001	18,732,400	587,805	247,845	835,650	1:23
2012	20,359,439	1,122,734	244,989	1,367,723	1:16
2016	-	*874,395	*243,413	*1,117,808	-

\*Triforces are not included.

Source : Department of Census and Statistics

### 10.3 Public Sector Cadre based on the Profession

Table 10.3 | The Existing Cadre of Different types of Professions of the Public Sector - 2016

Profession	National	Provincial Councils	Total
Administrator/Manager	5,510	1,945	7,455
Medical Officer	12,275	7,337	19,612
Ayurvedic Medical Officer	531	1,459	1,990
Accountant	1,346	375	1,721
Engineer	3,104	416	3,520
Lecturer	7,059		7,059
Veterinary Surgeon	79	556	635
Nursing Officer	21,015	11,384	32,399
Public Health Inspector	159	1,389	1,548
Midwife	1,204	7,234	8,438
Teacher	35,987	194,538	230,525
Development Officer	36,621	14,283	50,904
Technical Officer	1,880	2,293	4,173
Management Assistant	35,103	14,328	49,431
Grama Niladhari	12,303		12,303
Postal Services Officer	4,522		4,522
Driver/Skilled Labourer	19,083	6,562	25,645
Semi Skilled Labourer	64,247	7,787	72,034
Office Aide/Unskilled Labourer	107,476	59,112	166,588
Other	611,781	41,035	652,816
<b>Total</b>	<b>981,285</b>	<b>372,033</b>	<b>1,353,318</b>

Source : Department of Management Services

In analyzing the public sector cadre, it is divided into 20 categories. The professionals which include the Medical Officers, Ayurvedic Medical Officers, Accountants, Engineers, Lecturers and Veterinary Surgeons are grouped into separate categories. The category of 'Administrator/Manager' includes all the other officers of different professions and at the executive level, whose main duties involve Human Resource Management activities. The category "Other" includes all the other professions, which are not included in any of the professions given in Table 10.3.

In line with the country's policy of providing free health care and education, the highest number of public servants at 22 percent out of the total cadre, are employed in these two sectors. In that, the country has maintained an average annual intake of almost 1359 cadre of medical officers during the period 2014-2016.

Teachers are the single highest profession in the public sector at 230,525. However, there are significant disparities in the availability of teachers in schools, with some schools experiencing a surplus in the cadre while schools mostly in the rural areas or under developed areas facing a chronic lack of qualified teachers specially in Mathematics, English and Science.

### 10.4 The number of professions of public service based on the salary codes

The public service consists of 1811 designations. Table 10.4 depicts the salary codes of the public service and the number of designations under each salary code.

The 38 Salary Codes given in Table 10.4 have been categorized into 4 categories, namely Primary, Secondary, Tertiary and Senior levels. The duties and responsibilities of the professions and the qualifications considered at recruitment are taken into consideration during the said categorization.

The positions coming under Primary Level

2. Semi Government Organizations are State Owned Enterprises and State Banks

## Box 10.1

### Human Resources in the public sector to support the implementation of ICT solutions

As enunciated in the Budget 2016 and 2017, government policy is to move towards digitalization in key sectors to boost efficacy of investments, improved service delivery and better transparency and accountability of public sector actions. In this regard Information and Communication Technology (ICT) based solutions will be key in achieving the desired results.

In this context, during the year 2009 a decision was taken to form a service called Sri Lanka Information and Communication Service (SLICT Service) in the public sector and in 2016 a decision was taken to recruit executive level officers having taken into account the importance of ICT in the public service. At the same time, during the year 2016 alone, a significant number of public sector officials both from executive and non executive sectors have been trained in the use of ICT based solutions as has been the case in the last few years. Continuous training in ICT, has resulted in almost 62.7 percent of the public servants being computer literate in the country. However, their use of such knowledge remains quite underutilized in the background of lack of proper ICT solutions such as integrated systems, e-filing, computerized human resource management systems, etc. It is in this context, that the government must utilize the capacity of the recruits to the ICT service to develop ICT based solutions that will allow the public sector to deliver its services more efficiently and effectively, with wider accessibility and transparency.

*Sources: Department fo Census and Statistics, Department of Management Services*

includes unskilled (PL1), semi-skilled (PL2) and skilled (PL3) employees. The secondary level includes such designations, which provide supporting services for Administrative and Managerial positions. Management Assistants - technical and non-technical, Supervisory Management Assistants, Associate Officers, Sri Lanka Teacher Service, Nursing Service/ the posts of Service of Professions Supplementary to Medicine, Para Medical Services, excluding the

special grade posts, the post of Sub Inspector of Police and similar posts of regulatory services are included in the secondary level.

The non-executive supervisory officers including the administrative officers, are categorized under the Tertiary Level, while the Executive, Supervisory, Legal and Medical Officers are in the Senior Category.

Table 10.4 | Numbers of Designations

	Salary Code	Number of Designations
Primary	PL 1	197
	PL 2	203
	PL 3	86
Secondary	MN 1	211
	MN 2	27
	MN 3	125
	MN 4	162
	MT 1	56
	MT 2	16
	MT 3	13
	MT 4	12
	MT 5	13
	MT 6	39
	MT 7	11
	GE 1	1
	GE 2	2
	MP 1	3
	MP 2	2
	Tertiary	RS 1	9
RS 2		21
RS 3		3
MN 5		54
MN 6		24
MN 7		112
MT 8		4
Senior	GE 4	1
	RS 4	2
	RS 5	2
	SL 1	263
	SL 2	24
	SL 3	68
	SL 4	11
	SL 5	15
	SL 6	9
	SL 7	4
SL 8	3	
Total	SF 1	2
	SF 3	1
<b>Total</b>		<b>1811</b>

Source: Department of Management Services

### 10.5 Creation of new positions - 2016

Table 10.5 | Creation of new Position - 2016

Administrative Level	Approved New Cadre
National	7,108
Provincial Councils and Local Authorities	17,984
<b>Total Public Service</b>	<b>25,092</b>
State Owned Enterprises and State Banks	-
<b>Total Public Sector</b>	<b>25,092</b>

Source: Department of Management Services

Considering the service delivery priorities and the demands in line with the government policies, requests for creating new posts were considered in 2016.

As prevalence of chronic kidney disease and mosquito-borne dengue has been on the rise in the country, several initiatives have been taken mainly towards preventive care. Thus the health sector’s cadre saw the approval of 7,142 new positions which included the 1,500 health care workers under the Dengue prevention programme.

315 new posts on contract basis were approved to accommodate the practical needs of accelerating the new projects and the existing projects. Thus, priority was given to the relevant megapolis development and water resource development sectors.



**Public Finance  
Review-2016**

**11**

## 11.1 Overview

Public Financial Management entails mobilizing resources effectively and efficiently for the public service delivery while ensuring fiscal sustainability, macroeconomic stability and economic growth. Improving the effectiveness of Public Financial Management system will help generate widespread economic benefits such as, reduced poverty, increased employment opportunities and balanced economic growth through greater transparency and accountability. Since the private sector generally lacks the incentive to provide public services for various segments of the economy including the underprivileged, the role of the Public sector is significant especially providing such services to the mass. However, in terms of meeting government policy objectives, an effective Public Financial Management system would form an essential legal framework to ensure optimum utilisation of scarce resources in economic development through precise fiscal discipline.

As per the vision of the Ministry of Finance (MOF) "Creating a new Sri Lanka through an economic environment that facilitates rapid development and investment" the Ministry of Finance is entrusted with the task of designing and implementing a prudent Public Financial Management framework. Such framework would strengthen the economic governance of the country, particularly the system of institutions, policies and procedures in order to promote economic and social progress for the citizens.

### 11.2 Public Financial Management Reforms

The Government confers utmost importance to the need for improving governance and service delivery to the public. One of the important tenets in this direction is the Public Financial Management Reforms. Department of Public Finance is currently working with other agencies to develop and implement an array of Public Financial Management reforms to support continuous improvement in the efficiency and effectiveness of the public service delivery to the citizenry. The purpose of this collective approach

for reforms is to improve the transparency, accountability, citizens' participation in public policy formation. The major Public Financial Management (PFM) reforms initiated by the Public Finance Department during 2016 are as follows.

#### 11.2.1 Public Financial Management Bill (PFM)

The Public Financial Management Bill expected to consolidate current Financial Regulations (FRR), Treasury circular instructions and new PFM practices proposed into a single piece of legislation which governs public sector transactions with improved performance and accountability complying with fundamental principles of Public Finance. Public sector transactions include revenues, expenditures, financing arrangements, cash flow management, assets and liabilities, inventory management, accounting and reporting requirements. While providing the legal framework for better use of resources and improved delivery of services, this new PFM law will set out the principles, procedures and practices governing the management of public finances in the public sector of Sri Lanka. This includes the roles and responsibilities of ministries, public entities, public officials and public office holders, procedures for responsible fiscal management, requirements for the formulation and adoption of annual budget requirements for the management of public resources including internal controls, accounting, reporting, and auditing frameworks and accountability to the Parliament and the public. Currently the Department of Public Finance is working with the World Bank and other government organisations in formulating the Public Financial Management law which is considered as a highest priority of the Public Financial Management Reform Agenda. Public Financial Management law is anticipated to regulate public financial management system at the national and provincial government level encouraging provincial authorities to adopt the same within provincial jurisdictions entrusting defined responsibilities to provincial officials involved in public financial management in those Councils.

The PFM Bill which has been drafted by the Committee appointed for the task is further improved by the Public Finance Department with the assistance of the Public Finance Legal Expert sponsored by the World Bank. Once the Bill is sanctioned by Parliament the PFM law will bring international best practices into the public financial management system of the country which helps provide better institutional and legal framework and generate data and information for informed decision making ensuring much stronger oversight over public entities.

### 11.2.2. Public Private Partnership (PPP) Guidelines

With continuing economic growth and expansion, the role of government in the provision of public services and economic infrastructure has evolved over time. Due to the resource constraints in national budgets of countries and inadequacy of government and foreign funds particularly for the provision of economic infrastructure, it is compelled to look for private sector participation both locally and foreign to provide these services in partnership with the public sector.

Thus the Government of Sri Lanka (GoSL) has identified private sector participation and financing as the key to provide new and improved infrastructure. The GoSL is determined that facilitation and encouragement of public private partnerships (PPPs) is the way to enhance the provision of economic infrastructure services such as roads, water, public transportation, ports and aviation services. Since the private sector generally looks for profitable ventures to invest, there is natural reluctance to invest in the delivering of public services which is deemed unprofitable. In this context, PPP is a mechanism used for attracting private capital strategically for identified sectors where the “risk factor” is crucial elements in these mega infrastructure services with guaranteed return for investment. The PPP approach is clearly recognised as the key instrument in the Sri Lankan government policy framework and the commitment of the government to do so is explicitly indicated in 2016 and 2017 Budgets with numerous budget proposals to implement on PPP basis. Therefore,

a legal framework for PPP is a compelling need of the government to attract private investors currently.

Furthermore, the GoSL recognizes that better value for money can be achieved through a competitive tendering process rather than directly awarding projects on unsolicited or stand-alone development (negotiated transaction) basis which would result in significant amount of public resources being wasted without acquiring desirable level of value for money.

PPP projects are currently being implemented pursuant to the Guidelines on Private Sector Infrastructure Projects (BOO/BOT/ BOOT Projects) Part II of the Government Tender Procedure-1998.

Instead of accepting unsolicited proposals, Department of Public Finance has issued “Swiss Challenge” procedure to solicit unsolicited proposals by closely scrutinizing all potential offers during the selection process to ensure that the investors are capable, financially and technologically sound, realistic and fair.

In order to avoid the fiscal risk associated with unsolicited projects, under the guidance and assistance of United States Agency for International Development (USAID, Short-Term Assistance to Improve Public Financial Management Reform Project (STAIR)) Project, the Department of Public Finance prepared draft Guidelines on PPP incorporating ideas, suggestions and thoughts and experience of a wide range of participants attended at awareness workshops on Public Private Partnership (PPP) and brainstorming sessions. Accordingly, new PPP Guidelines will be implemented in due course.

### 11.2.3. Project Management and Contract Management Guidelines for Infrastructure Projects

Some of the infrastructure development projects implemented in Sri Lanka during the past decades have experienced delays, cost overruns and disputes. This has resulted government of Sri Lanka to incur additional costs, prolongation of social and environmental impacts during

construction, depriving the people of the country of the use of infrastructure facilities for years and also underutilization of foreign funds.

With the assistance of Asian Development Bank, a draft Contract Management Guideline has been put into the debate and fine-tuned to adopt into the current context under the guidance of the Public Finance Department. This is another major reform completed under the coordination of the Department of Public Finance. This move is considered as a gap filling exercise of the present procurement process, which is a need required by all stakeholders engaged in contracts. This “Guide to Project Management and Contract Management for Infrastructure Development Projects (Works)” is now on the Ministry of Finance website.

## 11.3 New Procurement Methodologies

### 11.3.1. Swiss Challenge

In the absence of comprehensive guidelines for the selection of projects under PPP method and funding available from the Consolidated Fund and the capacity of the public sector to implement the increasing number of infrastructure projects is limited, the Government of Sri Lanka is considering obtaining funds from alternative sources while ensuring an efficient economic infrastructure service maximizing value for money. As per the directive of the Cabinet of Ministers, Department of Public Finance in consultation with the National Procurement Commission of Sri Lanka, has introduced “Swiss Challenge” procurement method to solicit unsolicited proposals presented by the private proponents on their own initiative without offers are being called by the government. Inviting counter proposals under this method, the government encourages private parties to submit innovative project ideas without compromising transparency, competition, efficiency, and value for money gained through open competitive process. Supplement number 30 to the Government Tender Procedure, “Guidelines for Swiss Challenge Procedure” has been issued to deal with the unsolicited project proposals presented by private proponents. Such unsolicited proposals should be dealt in accordance with the

“Swiss Challenge” procurement method which requires the Government agency to publish a Request for Proposals (RFP) and invite counter proposals from interested parties on development projects or services in competitive manner. Further, this method encourages innovation and discovery of unforeseen potentials of suppliers as well.

### 11.3.2. E- Government Procurement (e-GP)

Public Procurement is an influential factor in the national economy and an important function of government. E-Government Procurement mechanism (e-GP) has already been in the reform agenda of the Department for many years and the transition from manual to e-procurement is long overdue. In spite of the use of Information and Communication Technology in procurement globally, Sri Lanka is yet to adopt e-procurement methodology. It has been observed during the Fourth South Asia Region Public Procurement Conference held in Sri Lanka in February 2017, under the theme of “Electronic Government Procurement (e-GP) in South Asia – Achievements, Opportunities and Challenges” that Sri Lanka needs to catch up with implementation of e-GP being implemented in many other countries in the region. Difficulty in access to information related to procurement such as tender opportunities and contract awards, high transaction costs of bidding on business and government agencies, including costs associated with preparing and submitting bids, manual procurement administration and anti-competitive practices in the procurement market have led number of irregularities in public procurement. Hence the Department is considering to introduce the e-GP in order to find the way of solving the issues encountered in the manual procurement system.

Given the high demand for accountability and transparency the government has recognized the benefits of e-procurement (e-GP) and the USAID has helped the government of Sri Lanka to complete readiness assessment for e-procurement and develop a roadmap to e-procurement in Sri Lanka public sector. The assessment and roadmap highlighted the results of the e-readiness survey,

identified key benefits and costs of implementing e-procurement, compare Sri Lanka's current e-procurement capacity through various case studies and identified potential scenarios that the government of Sri Lanka could follow in transforming manual system into e-procurement system.

Following the Fourth South Asia Region Public Procurement Conference held in February, 2017, the Department of Public Finance prepared a Cabinet Memorandum seeking the approval to initiate actions in this regard. As the next step an e-GP system will be devised and operated on a pilot basis at key ministries in consultation with the National Procurement Commission after preliminary requirements are met. After the introduction of the e-GP, a transformational change is expected to occur in the field of public procurement of Sri Lanka as this system makes procurement activities more effective, transparent and accountable in terms of both time and cost and changing the way of purchasing goods, works and services within public sector organisations.

#### **11.4. Other Procurement related Regulations:**

##### **I. Public Finance Circular No 08/2016 dated 16.01.2017 on "Delays caused in finalizing Tenders in the Government Procurement Procedure"**

To ensure transparency, efficiency, timeliness and value for money in procurements, the Department of Public Finance has time to time issued supplements and circulars to be used along with the Procurement Guidelines-2006 (Goods & Works) and the Procurement Manual. However, having identified the reasons for undue delays occurred in finalizing the bidding process affecting the efficient and timely implementation of government programmes, circular instructions issued on "Delays caused in finalizing Tenders in the Government Procurement Procedure" in order to overcome deficiencies that cause delays in public procurement, as per the directives of the Cabinet of Ministers.

##### **II. Public Finance Circular No 04/2016 (i) dated 30.09.2016 on "Procurement of Works up to Rs.50 Million from Regional Contractors under Domestic Funds"**

In the past the regional development policy in Sri Lanka, tended to achieve the development by means of large scale infrastructure developments by attracting inward investments where investors and contractors were from other regions or countries. Although, there are sufficient number of regional contractors who are capable of undertaking various construction and renovation projects, it has been reported that such contracts were awarded to large scale national level contractors coming from outside the respective regions, especially, Western Province. Consequently, the absence of adequate comprehensive development policies and programs for sub-national regions in the periphery of the country has led the following major issues today in spatial development in Sri Lanka.

- Growing polarization between Colombo Metropolitan region and other regions.
- Lagging and slow growth of many regions
- Spatially imbalanced growth patterns

Therefore, the government has decided to restrict the invitation of bids for construction contracts of small scale with a value up to Rs. 50 million within regional contractors under the equivalent Construction Industry Development Authority (CIDA) registration grades of relevant estimated project values within this financial ceiling.

##### **III. Public Finance Circular No 06/2016 dated 17.06.2016 on "Non-refundable Tender Deposits"**

As per the guideline 6.1.1(a) of the Government Procurement Guidelines-2006 (Goods and Works), bidding documents should be issued upon payment of a prescribed fee. It was observed that various government agencies charge different fees when issuing bidding documents as non-refundable tender fees without any rationale. Therefore, as proposed in the 2016 - Budget, a Circular was issued regarding the fees charged

for tender documents based on the estimated tender value and the complexity of the document (number of pages, designs, artworks, preparation of BOQs and specifications) with the consent of the National Procurement Commission.

#### **IV. Supplement 31-Time frame for procurement actions**

Time taken for procurement actions to be used with the Procurement Guideline has now revised and simplified with effect from 01.03.2017 in order to expedite the procurement process and ensure timely completion of the procurements. By this revision Procurement Committee/ Procuring Entity is given discretion to decide suitable time periods for individual procurement activities (such as bid evaluation, contract award determination by the Procurement Committee, appeal procedure etc.) other than compulsory bidding period depending on the nature and complexity of the procurement.

#### **V. Supplement 32 - Payments for members of Procurement Committees, Technical Evaluation Committees, staff officers and other officers assisting procurement activities**

In order to motivate and prevent delays in procurement process payments for officers engaged in procurement activities have been revised upward.

#### **VI. Supplement 33 - Authority limits of Procurement Committees for contract award**

Current authority limits related to determination/ recommendation under open competitive bidding procedure, shopping procedure, direct contracting and repeat orders for procurement of Works, Goods and Services other than Consultancy Services are revised to match with the practical requirements to expedite the procurement actions.

## **11.5 Other Achievements**

### **11.5.1. South Asia Region Public Procurement Conference**

The Fourth South Asia Region Public Procurement Conference was held under the theme of “Electronic Government Procurement (e-GP) in South Asia - Achievements, Opportunities and Challenges” in Colombo and Kandy, from February 20 to 23, 2017. The Conference hosted by the Department of Public Finance, Ministry of Finance and co-sponsored by the World Bank, Asian Development Bank, and Islamic Development Bank. The heads of public procurement of South Asian countries, high level government officials responsible for public procurement policy making; oversight agencies; and representatives from several Development Partners active in Sri Lanka are among the participants of the conference. The Director General, Department of Public Finance has bestowed the current Chairmanship of the South Asia Region Public Procurement Network (SARPPN) and the Chairman is expected to strengthen the network among all South Asian Regional Countries by conducting knowledge exchange sessions on procurement related policies and best practises including e-GP and scrutinize the implementation of outcomes of the conference in the coming year.

### **11.5.2. First South Asia Procurement Innovation Awards 2016-2017**

The country case study on a most productive and effective policy reform introduced to reduce the regional disparity by maximizing the opportunities of regional contractors in regional construction contracts, thus increasing employment opportunities in the regions submitted by the Department of Public Finance has received the admiration with the 1st Prize Award at the First South Asia Procurement Innovation Awards 2016-2017 in the Fourth South Asia Region Public Procurement Conference held in Sri Lanka. This policy initiative is considered as an attempt to use preferential procurement as a tool for regional development which allows regions to foster the regional growth.

### 11.5.3. Committee on Outstanding Contract Commitments

There were outstanding dues and unsettled claims on goods and services and works procured by various government institutions mainly in respect of infrastructure development projects accumulated from years as far back as 2011 which ran into billions of rupees. This was due to various reasons, such as commencement without budgetary allocations, delays in completing obligations under contracts, contravening fundamental principles of governance in public procurement. Necessity has arisen to review such claims comprehensively enabling the government to settle them early. Therefore, a committee was appointed to review outstanding contract commitments and the Committee has completed its review by the end of March 2017 and the Final Report has been submitted.

The committee has issued total of 54 reports for 678 claims received by the committee from various government agencies with the value of Rs.7, 842 Mn and outstanding bills of Rs.7, 351.10 Mn were recommended for settlement.

### 11.5.4. Committee to Review of Statutory and Non- Statutory Funds – 2016 Budget Proposal

According to the Articles 148 and 149 of the Constitution of Democratic Socialist Republic of Sri Lanka, Parliament shall have full control over Public Finance. It has been identified that there are 205 Statutory and Non- Statutory funds established and maintained by various institutions for various purposes. Therefore, it was proposed in the 2016 Budget that all Statutory and Non- Statutory Funds should be reviewed and brought under the control of Parliament according to an accepted procedure. Public Finance Circular No 07/2016 dated 29.07.2016 on “Review of Statutory and Non- Statutory Funds – 2016 Budget proposal” has been issued in this regard. Those funds were reviewed by the Committee appointed and Final Reports has already been submitted.

From the total of 210 funds reported to the Department of Public Finance, 105 Nos. of funds

are not considered for review by the committee as they do not fall under the definition of public funds. Considering the wide acceptance by the public and the common and widespread services provided to the public, high sensitivity to public opinion, 10 Nos. of funds were recommended for further review at a later stage with specific approval to review those funds on an individual basis. Remaining 95 Nos. of funds were recommended to take either of the following actions as depicted in Table 11.1.

Table 11.1 | Recommendations for Funds Under Review

Recommendations	Number of Funds
1 Continue at present	21
2 Continue with the adherence to proposed changes	29
3 Continue with inclusion of a budget line	12
4 Wind up with a Cabinet Approval	13
5 Wind up with amending the relevant Acts	14
6 Amalgamation of funds	06

Source: Committee Report of the Public Funds Review Committee

### 11.6 Procurement Management

Governments around the world are spending a significant portion of their budgets on procurement. Public procurement associated spending is estimated to account for around 15% of the world’s GDP. Procurement is particularly prominent in developing countries with the government responsibility for developing economic infrastructure facilities while continuing with social programmes to keep up their status of living. Any attempt, therefore, to bring fiscal discipline by efficient allocation of resources and then prudent spending shall consider public procurement to be an integral part of the public financial management.

Advantages of having a sound public procurement framework are that it helps achieve optimum value for money for available resources for development, leads better outcomes of expenditure by assigning the tasks and risk to best possible service provider, allows number of firms and suppliers to take part in government affairs and development programs, helps create procurement related data and information for analysis and decision making. This ultimately has a positive bearing on the service delivery. A

better procurement system improves spending efficiency, thereby saving a significant amount of tax payers' money as a percentage of GDP. This saving could be allocated to other sectors such as education, health and or any other sector of national priority.

Public procurement is considered as a critical function in the public financial management within last two to three decades as a quantum of public procurement particularly in economic infrastructure has been increased as part of the government expenditure. There has been a firm belief that an increased transparency and accountability will help control wasteful expenditure in public procurement and generate substantial public savings which lead to better utilization of available resources.

Under the Section 156c (1) of 19th amendment

to the constitution, the National Procurement Commission (NPC) has been established. Until the NPC getting into full swing, the Department of Public Finance is helping the NPC in carrying out its functions relating to formulate fair, equitable, transparent, competitive and cost effective procedures and guidelines for the procurement of goods, works, services, consultancy services and information systems by Government institutions and cause such guidelines to be published in the Gazette as is now vested with the National Procurement Commission.

### 11.6.1. Public Procurement Review -2016

The Public Procurement is increasingly becoming a critical function in Sri Lanka economy. The Table 11.2 shows a comparison of the procurement related spending of 2016 with compared to 2015 spending.

Table: 11.2 | Procurement Expenditure in 2015-2016

	2015			2016		
	Value	Share		Value	Share	
	Rs.Bn.	As a % of Total Exp.	As a % of GDP	Rs.Bn.	As a % of Total Exp.	As a % of GDP
<b>Public Investment</b>	<b>408</b>	<b>71</b>	<b>3.7</b>	<b>461</b>	<b>77</b>	<b>3.9</b>
Acquisitions and rehabilitations of Fixed Assets	233	41	2.1	250	42	2.1
Infrastructure Development	175	30	1.6	211	35	1.8
<b>Other goods and services (Supply of consumables and other recurrent items)</b>	<b>163</b>	<b>29</b>	<b>1.5</b>	<b>135</b>	<b>23</b>	<b>1.1</b>
Total	571	100	5.2	596	100	5.0

Source: Department of State Accounts

The total spending of the government (through the Ministries and Departments) for year 2016 was Rs. 3106.44 Bn. As depicted in Table 11.2, out of the total expenditure, approximately Rs.596 Bn which is about 19 per cent of the total government spending or 5 per cent of GDP has been disbursed through public procurement system.

Public investments is the expenditure in connection with the economic infrastructure development of the country mainly on public roads, irrigation systems, water and 461 Bn has been reported in 2016 financial year on these infrastructure services. This is about 3.9% of GDP compared with 3.7% of GDP in 2015.

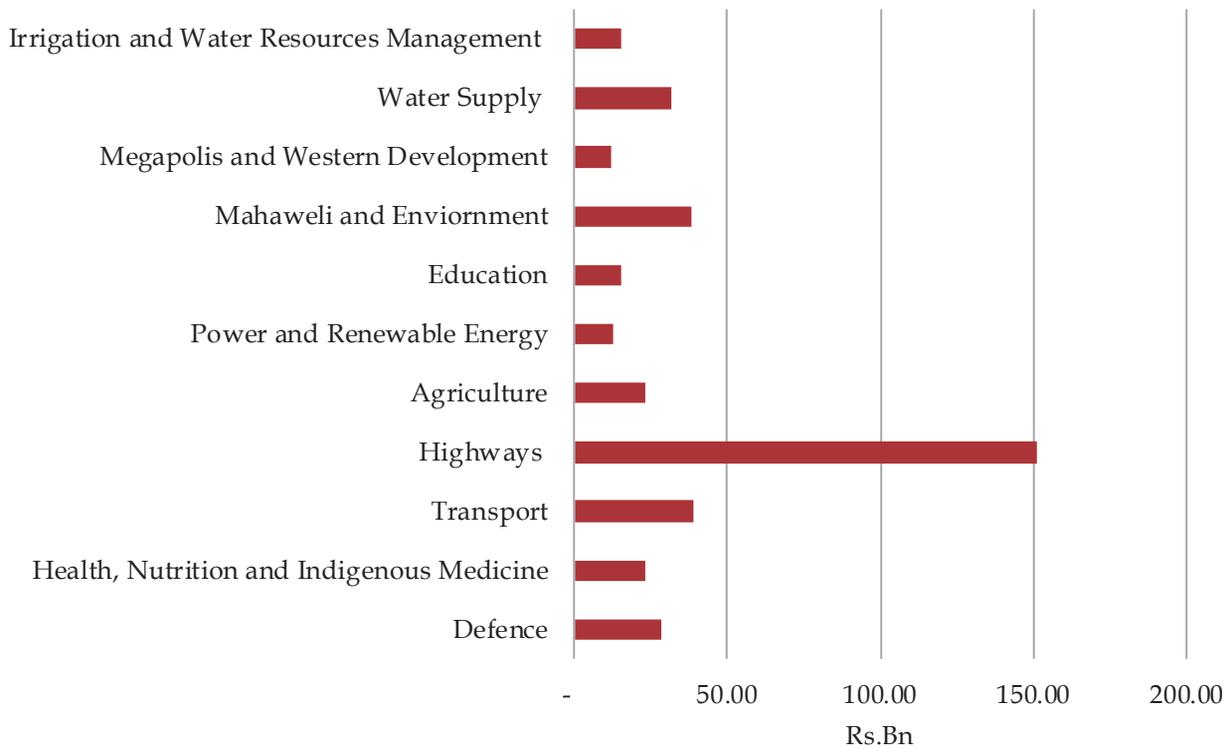
Out of this total capital expenditure of 461 Bn, 33 per cent or Rs. 151Bn has been incurred on construction of roads, highways and bridges which is the major capital investment for

2016. The second largest capital expenditure was on transport which is about Rs.38.89Bn. Furthermore, investment in health sector in 2016 was Rs.23.03Bn which reflects the government investment on hospitals, medical equipment and related infrastructure.

Total recurrent expenditure for other goods and services includes major procurements such as pharmaceuticals, diets and uniforms for Armed Forces, etc. with compared to 2015, a decline of Rs.28Bn. in expenditure of other goods and services can be seen in 2016.

Annual procurement value of petroleum and petroleum related products is not included in the total recurrent expenditure of Rs.149Bn as the expenditure is incurred by the Ceylon Petroleum Corporation.

Chart 11.1 | Capital Expenditure by Key Ministries



### 11.6.2 Current Procurement Process

Procurement entities are requested to prepare Procurement Plans for the coming year in line with their Action Plans and budget. Procurement committees including Technical Evaluation Committees are jointly and severally responsible for procurement decisions they make and the transparency and accountability in the procurement process to ensure that their decisions help achieve value for money. High value procurements which is over Rs.250 million (domestic funds), for goods, services and works are handled by the Cabinet Appointed Procurement Committees (CAPCs) with the assistance of Technical Evaluation Committees under the line ministries. Accordingly, various procurement committees are being functioned at Ministry level, Department level as well as Project

level under the different financial authority levels (thresholds) to implement their own expenditure programmes according to the procurement plans. All the procurement committees are bound to follow the Procurement Guidelines and manuals and subsequent amendments which have been issued time to time to the guidelines for local funded procurements. At the same time, depending on loan agreements with different development partners’ respective Procurement Guidelines are applicable for foreign funded procurement, unless otherwise stated different guidelines govern the procurement. Further, under the Cabinet level procurement, any unsatisfied bidder can make their appeal to the Procurement Appeal Board established under the Presidents Secretariat against the recommendations of the procurement committee.

Table 11.3 | Procurement Innovations and Initiatives

Reason	Initiative	Stage	Remarks
To solicit potential unsolicited proposals received from the private proponent	Swiss Challenge Method	Introduced	Globally accepted more transparent method.
To reduce delays in procurement, improve accuracy, transparency and efficiency using the technology	e- Government Procurement(e-GP)	In progress	The global trend of public procurement practices is more with using technology reducing wastage of time and resources.
To minimize the environment hazards and maximize the utilization of resources	Green Procurement	In progress	To consider the lifetime cost, resources and its cost can be utilized efficiently.
To establish the Partnerships with private sector	Public Private Partnership	In progress	This can be the most effective and efficient way to implement infrastructure projects by the government.
Reduce the issues in the implementation of the contract / project	Guide to Contract Management and Project Management for Infrastructure Development Projects (Works)	Finalized	Identified the number of issues after awarding the contract

**Development Finance**

**12**

## 12.1 Overview

During 2016, the Government of Sri Lanka initiated and continued an extensive number of programmes and schemes that aimed at developing key areas in the industry and service sectors of the economy that would ensure long term growth and sustainability of the country. One of the areas the heavily invested was the Small and Medium Enterprises (SME) sector through providing the financial needs. Having identified the SMEs as a key partner in achieving sustainable growth, the Government carried out schemes such as the Small and Medium Sized Enterprises Line of Credit, SME Credit Guarantee Scheme, and venture capital for SMEs to address the main issues that the SMEs are facing in access to finance. In order to regulate and formalize the growing microfinance sector of the country, the Government introduced the Microfinance Act and carried out various micro financing programmes.

Another sector the Government invested heavily was the agriculture sector. The fertilizer subsidy was changed into a fertilizer cash subsidy to curtail the negative effects of chemical fertilizers. The fertilizer cash subsidy scheme was extended from paddy to 5 other field crops as well as to benefit small holder plantation sector. The existing programmes such as the New Comprehensive Rural Credit Scheme (NCRCS) for 33 crops, 'Kethata Aruna Pohora Diriya' crop insurance scheme and the Farmers Pension Scheme were also continued.

The small holder plantation sector experienced an influx of incentives and subsidies during 2016 such as the replanting and new planting subsidy for the smallholder plantation sector, working capital loan schemes for registered tea factory owners and development policies for the local sugar industry.

The Government focused on the issue of food security as well and the Government Paddy Purchasing Programme was continued in 2016 with changes made to the guaranteed prices. Further, rice was imported for local consumption, with a view to mitigate price escalation affecting

the cost of living. Stemming from the lower paddy production due to unfavorable weather condition that prevailed in the country, the Maximum Retail Prices (MRP) were introduced for 16 essential food commodities including rice to manage the cost of living. New modern warehouses were constructed in Buttala and Manner in collaboration with the World Bank to provide quality storage facilities for farmer's produce such as paddy, maize, green gram and other grains, which also helped them to get a good prices.

Special loan schemes were introduced for the development of the livestock sector and also the "5 crop strategy" was introduced for Maize, Soy Bean, Potatoes, Big onions and Chillies. The floriculture and horticulture sectors were focused upon as well.

Furthermore, special incentives were provided for targeted groups through incentive schemes such as the special interest rates for senior citizens, self-employment loan schemes for socially re-integrated trainees and special vehicle loan schemes for artists and journalists.

As a result, a substantial growth was achieved in the SME sector resulting in a significant contribution to GDP while managing cost of living at a lower level with ensuring food security in the country.

## 12.2 SME Development

### 12.2.1. SME Financing

The Government of Sri Lanka recognizes Small and Medium Enterprises (SMEs) as the backbone of the economy since this sector plays a major role in employment generation, contribution to GDP and ensuring equitable development in the country. Therefore, the Government encouraged financial institutions to reach out to the SME sector by moving beyond the conventional banking in order to enhance the financial facilities available for SMEs to support them in reaching the next level of the business sector. In 2016, approximately Rs. 719 billion was granted by both state and private sector commercial and development banks to fulfill the funding needs of

Table 12.1 | Funds Disbursed by Commercial and Development Banks to SMEs – 2016

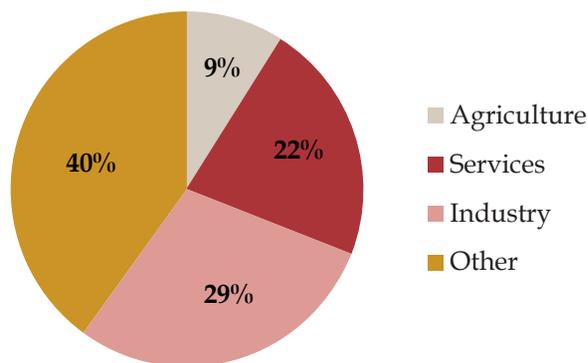
Bank	Agricultural		Services		Industries		Other		Total	
	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)
Bank of Ceylon	1,294	6,072	630	1,678	815	3,481	61,182	112,708	63,921	123,939
People's Bank	742	866	226	1,017	369	1,107	1,194	2,551	2,531	5,541
Regional Development Bank	0	0	0	0	23	781	8	185	31	966
Lankaputhra Development Bank	643	190	46	163	103	381	172	113	964	847
Sanasa Development Bank	5,022	4,158	2,481	4,245	14,210	11,176	5,790	4,347	27,503	23,926
National Development Bank PLC	2,328	5,717	513	2,362	24,941	28,551	1,902	3,017	29,684	39,647
DFCC Bank PLC	530	5,062	3,029	17,241	1,622	11,954	2,272	3,829	7,453	38,086
Commercial Bank of Ceylon PLC	3,724	11,763	25,814	169,896	14,284	35,806	14,941	55,449	58,763	272,914
Sampath Bank PLC	371	4,279	218	3,527	1,707	12,064	2,727	18,233	5,023	38,103
Seylan Bank	525	2,516	1,739	16,254	1,532	9,405	856	4,307	4,652	32,482
Hatton National Bank PLC	6,016	11,198	16,715	75,271	4,200	19,694	2,147	6,782	29,078	112,945
Nations Trust Bank PLC	155	2,264	19	78	197	1,090	1,121	5,458	1,492	8,890
Standard Chartered Bank	1	46	46	507	52	500	1	1	100	1,054
Union Bank of Colombo	154	1,157	712	1,331	4,274	17,093	285	491	5,425	20,072
Total	21,505	55,288	52,188	293,570	68,329	153,083	94,598	217,471	236,620	719,412

Source: Respective Banks

SMEs. The details are in Table 12.1.

In 2016, out of the total SME loans granted by both state and private sector commercial and development banks, 9 percent was to the agriculture sector, 22 percent to the service sector, 29 percent to the industry sector while 40 percent went to all other sectors.

Chart 12.1 | Sector wise SME Loan Disbursements



### 12.2.2 Small and Medium Enterprises Line of Credit (SMELoC)

Having identified the importance of the Small and Medium-sized Enterprises (SME) sector

and its issues, the Government recognized the importance of increasing their access to finance as this was a key hindrance to the growth of the sector. Accordingly, a Loan Agreement was signed between the Ministry of Finance and the Asian Development Bank (ADB) on 23<sup>rd</sup> February 2016 to obtain a USD 100 million loan from the ADB's Ordinary Capital Resources Fund in order to fulfill the capital requirement of the SME sector at an affordable rate.

Furthermore, based on a comprehensive selection criteria, the ADB selected 10 banks i.e. People's Bank, Bank of Ceylon (BOC), Regional Development Bank (RDB), Commercial Bank of Ceylon PLC, Sampath Bank PLC, Hatton National Bank PLC (HNB), DFCC Bank PLC, National Development Bank PLC (NDB), Nations Trust Bank PLC (NTB) and Seylan Bank as eligible Participating Financial Institutions (PFIs) to implement this project.

The SMELoC was initially implemented through an Auction Mechanism and the First Auction was held on 27<sup>th</sup> April 2016 where 9 PFIs participated and NDB won the entire amount of USD 12.5

Table 12.2 | Progress of the Auctions - SMELoC

Auction	PFI	Bidder Interest Rate (%)	Amount Allocated (USD. Mn)
1	NDB Bank	6.01	12.5
	DFCC Bank	11.01	4.166
2	Hatton National Bank	8.6	4.166
	Sampath Bank	8.25	4.166
<b>Total</b>			<b>24.998</b>

Source : Department of Development Finance

Table 12.3 | Progress of the SMELoC as at 30<sup>th</sup> April 2017

Name of the Auction	Name of the Bank	Amount Allocated		No. of Loans	Refinanced Amount	
		USD Mn	Rs. Mn		Amount (Rs. Mn.)	Progress (%)
1 <sup>st</sup> Auction	NDB	12.5	1,821.83	160	1,821.83	100
Sub Total		12.5	1,821.83	160	1,821.83	100
2 <sup>nd</sup> Auction	HNB	4.166	624.99	47	624.99	100
	DFCC	4.166	624.99	48	624.29	99
	Sampath	4.166	624.99	34	540.91	86
<b>Sub Total</b>		<b>12.498</b>	<b>1,874.98</b>	<b>129</b>	<b>1,790.19</b>	<b>95</b>
<b>Grand Total</b>		<b>24.998</b>	<b>3,696.81</b>	<b>289</b>	<b>3,612.02</b>	<b>97</b>

Source: Department of Development Finance

### 12.2.3. GIZ - SME Development Programme

A Technical Cooperation Agreement between the Federal Republic of Germany and the Government of Sri Lanka was initially signed in 2012, providing a grant amounting to EURO 2.785 million through German International Cooperation (GIZ) for the implementation of the SME Sector Development Programme. The project period was extended upto December 2016 and provided an additional budget of Euro 3.00 million. The programme consists of following three components;

- 1) SME Policy
- 2) Access to Technology
- 3) Access to Finance

According to the progress report, around Rs. 217 million has been spent by the GIZ for SME sector development activities in 2016.

Further, the second phase of the GIZ - SME

million at an interest rate of 6.01 percent per annum.

The Second Auction was held on 28<sup>th</sup> September 2016 and three PFIs were able to obtain funds. The details of the First and Second Auctions are given in Table 12.2.

The following Table 12.3 indicates the progress of the SMELoC as at 30<sup>th</sup> April 2017.

Development programme commenced from January 2017 which will be implemented upto March 2019. This is called "SME Sector Development in Sri Lanka II" with EURO 3 million.

The goal of the new phase of the SME Programme is to increase the competitiveness, inclusiveness and environmental sustainability of SMEs in the lagging regions. The programme has covered the following four fields :

- 1) Policies and Institutional Framework Conditions
- 2) Access to Finance
- 3) Access to Technology and Markets
- 4) Innovation and Entrepreneurship

### 12.2.4. The National Credit Guarantee Institution

Even though the SME sector has been considered as the backbone of the economy, the country

still was not able to obtain their maximum contribution to the economy due to their poor performance. One of the main causes behind that is inability to obtain their financial requirements from the formal financial sector at an affordable rate, especially due to lack of collaterals.

Generally, the existing traditional banking system prefers to provide collateral based loans instead of cash flow based loans even though the cash flow based loan is more convenience to the SMEs. Therefore, most of the SMEs fail to obtain credit facilities as they are unable to provide suitable collateral/third party guarantees requested by the banks. Further, it is important to highlight that the SMEs in the North and East constantly face this problem since they cannot produce their land as collateral due to their land titles not properly cleared yet.

Considering these issues, the Government proposed to introduce a National Credit Guarantee Scheme to provide guarantees for the financial facilities obtained by the SMEs from the formal banking sector. Accordingly, initial discussions were conducted with the ADB and they agreed to provide a USD 100 million loan facility to establish the National Credit Guarantee Institution (NCGI). The demand analysis was done with the support of ADB and the NCGI was proposed to be established as a public limited company under the Companies Act of Sri Lanka. In line with this, the Government has allocated Rs. 500 million as the seed capital for the establishment of NCGI through the Budget 2017.

### 12.2.5. Venture Capital Fund for Small and Medium-sized Enterprises

The concept of establishing a SMEs oriented Venture Capital Fund (VCF) was introduced through the Budget 2016. Accordingly, the Government requested the ADB to conduct a market analysis in order to design a VCF to provide equity funding options to Sri Lanka's SMEs. As a result, the ADB has conducted a comprehensive market analysis and developed a draft report with the recommendations regarding the implementation of the proposed VCF.

Accordingly, a draft report on establishing a VCF was prepared based on the findings of the market survey and a seminar was conducted to obtain the stakeholders' concerns on the proposed VCF.

In terms of development impact, this VCF could promote a range of policy objectives that the Government of Sri Lanka may have, including:

- Creating a larger number of higher-quality skilled jobs that align the talent base with Sri Lanka's increasingly service-oriented economy
- Expanding youth employment opportunities
- Enabling and incentivizing innovation
- Boosting Sri Lanka's export capacity
- Developing the local capital markets through a catalyzing follow-on equity investment and foreign investment and also expanding SME debt capacity

Accordingly, the Government is working further with ADB to establish this SME oriented VCF with immediate effect.

### 12.3. Microfinancing

Microfinance played a vibrant role in the economy over the past few years. It is an effective tool to reduce poverty and empower the poor and economically and socially vulnerable segments of society. Microfinance builds financial sectors that are closely interconnected with the local economy by facilitating lending to micro and small enterprises, enabling payment systems and creating new saving opportunities for private households. It contributed to the quantitative growth of other sectors of the economy such as small scale industries, construction and trade.

The microfinance sector in Sri Lanka has gained a considerable level of maturity over the years and as a result, the regulation of Microfinance institutions has become a significant policy issue. Accordingly, the Microfinance Act No. 6 of 2016 was enacted with the objective of providing a regulatory framework to cover microfinance institutions that are not regulated at present. The purpose of the Act is to improve the delivery

of financial services to low income peoples and micro enterprises, increase financial inclusion, strengthen the soundness and systems of microfinance institutions, facilitate microfinance institutions to access wider sources of funding, promote consumer protection and promote a safe and stable financial system.

The Microfinance Act came in to effect on 15<sup>th</sup> July 2016 and the Monetary Board of the Central Bank of Sri Lanka (CBSL) has been empowered to issue licenses for applicant companies carrying on microfinance business, issue rules and directions for Licensed Microfinance Companies (LMFCs) and issue guidelines to the Registrar of Voluntary Social Services Organizations for regulation and supervision of Microfinance Non-Governmental Organizations (MNGOs). With the aim to ensure that the objectives of the Act are achieved, the Department of Supervision of Microfinance Institutions was established at CBSL.

Consistent with the Microfinance Act, the Monetary Board has taken steps to issue two rules under Section 13 of the Act, namely licensing criteria and licensing fee and issued

eight directions under Section 11 of the Act on minimum core capital, liquid assets, statutory reserves, deposits, accommodations, fitness and propriety of relevant personnel governing LMFCs, assessment of shareholders and reporting requirements with effect from 27<sup>th</sup> October 2016.

Under Section 28(1) of the Act, the Monetary Board approved a set of principles, standards and guidelines to the Registrar of Voluntary Social Service Organizations in respect to MNGOs. The registrar is required to give effect to the said principals, standards and guidelines by making appropriate rules for governing MNGOs.

The Government plays a key role in providing concessional funding through various agencies in order to alleviate poverty and create financial inclusion for underprivileged citizens in rural and remote areas of the country. Various Government led micro financing programmes targeting low income families were continued in 2016. The progress of micro financing programmes carried out by Government affiliated institutions in 2016 are as follows:

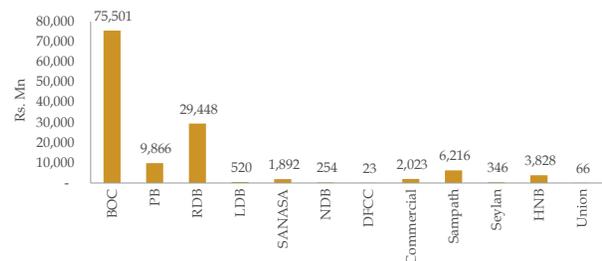
Table 12.4 | Progress of Major Microfinance Institutions – 2016

Microfinance Institute	No. of Branches	No. of Depositors	No. of Borrowers	Total Deposits (Rs. Mn)	Total Investment (Rs. Mn)	Total Loan Portfolio (Rs. Mn)
Divineguma Community based Bank	1,074	7,417,540	1,272,504	76,961	68,782	42,982
Co-operative Rural Bank	2,227	9,394,710	548,910	101,225	102,567	49,722
Agrarian Bank	551	521,101	571,384	323	8,302	1,207
Regional Development Bank	268	5,730,651	564,080	43,792	20,926	106,802
Lankaputhra Development Bank	8	63,987	8,848	396	5,361	3,740
<b>Total</b>	<b>4,128</b>	<b>23,127,989</b>	<b>2,965,726</b>	<b>222,697</b>	<b>205,938</b>	<b>204,453</b>

Source: Department of Development Finance

These microfinance institutions provide financial services either through loans or deposit facilities. The outstanding loan portfolio of major microfinance institutions stood at Rs. 204 billion out of which 52 percent (Rs. 106 billion) is held by Regional Development Bank, 24 percent (Rs. 49 billion) is held by the Co-operative Rural Bank and 20 percent (Rs. 42 billion) is held by the Divineguma Community based Banks. The savings of the indigent reached Rs. 222 billion by the end of 2016, out of which Rs. 205 billion was placed on long and short term investment by these institutions.

Chart 12.2 | Loan Disbursements to Microfinance Sector by Formal Banks - 2016



In 2016, the banking sector disbursed Rs. 130 billion in loans to the microfinance sector. Of this Rs. 75 billion was disbursed by the BOC providing

small loans under NCRCS, Poverty Alleviation Microfinance Project (PAMP) and “Saubhagya” Loan Schemes. Regional Development Bank and People’s Bank disbursed Rs. 29 billion and Rs. 10 billion respectively in 2016. Compared to state banks, Sampath Bank and HNB were the private banks with significant microfinance portfolios providing access to finance through various microfinance programs.

## 12.4. Enhancing the Agriculture Sector

### 12.4.1. Fertilizer Subsidy to Improve Farmer Productivity

The Paddy sector has been given higher priority in the agricultural economy of Sri Lanka. Therefore, the Government has always ensured that the paddy farmer was protected through various incentives such as the fertilizer subsidy, guaranteed price for paddy, interest subsidy for cultivation loans, crop insurance etc. Among such

incentives, the fertilizer subsidy is considered the most important incentive as around one million paddy farmers island wide have benefitted from this subsidy.

Maintaining an annual budget of over Rs. 35 billion for fertilizer subsidy, the total expenditure on this programme is around 60 percent of the agriculture budget. During the 2015/16 Maha season, 185,615 Mt of fertilizer was distributed among 910,320 paddy farmers at a subsidized rate of Rs. 350/- per 50 kg bag by the two state owned fertilizer companies through the network of Agrarian Development Centers.

Almost 90 percent of the cost of fertilizer was borne by the Government under this subsidy scheme and during the last decade, chemical fertilizer imports have increased drastically as a result of providing the subsidy.

Table 12.5 | Progress of Fertilizer Subsidy Scheme - 2015/16 Maha Season

District	No of Farmers who Received Fertilizer	Cultivated Extent (Ha)	Distributed Fertilizer Quantity (Mt)			
			Urea	TSP	MOP	Total
1 Colombo	7,682	2,790	262	138	289	689
2 Gampaha	25,978	8,416	911	357	787	2,054
3 Kalutara	27,187	4,314	985	524	1,093	2,602
4 Kandy	29,522	5,035	2,113	2,976	779	5,869
5 Matale	34,322	20,154	3,592	877	1,036	5,504
6 Nuwara Eliya	13,035	4,671	871	229	262	1,362
7 Galle	23,456	9,529	827	503	876	2,206
8 Matara	23,633	9,811	1,320	422	773	2,515
9 Hambantota	50,463	37,600	7,737	1,827	2,020	11,584
10 Kurunegala	156,585	30,695	13,726	3,293	3,598	20,616
11 Puttalam	24,260	22,502	3,590	869	944	5,403
12 Anuradhapura	56,265	50,755	11,632	1,795	1,745	15,172
13 Polonnaruwa	70,598	26,730	13,639	3,194	3,424	20,257
14 Badulla	47,928	25,111	4,929	1,181	1,330	7,440
15 Monaragala	56,974	36,932	6,674	1,550	1,813	10,038
16 Ratnapura	30,418	5,086	2,075	578	908	3,562
17 Kegalle	19,562	5,395	511	270	551	1,332
18 Ampara	76,044	39,145	15,498	3,542	3,823	22,863
19 Trincomalee	37,417	15,891	6,732	1,544	1,740	10,016
20 Batticaloa	32,730	42,193	7,459	1,661	1,960	11,080
21 Vavuniya	14,300	17,277	3,073	830	938	4,842
22 Jaffna	15,127	9,479	1,525	331	414	2,270
23 Mannar	15,998	19,519	4,084	968	1,056	6,108
24 Mullaitivu	11,351	14,213	2,743	637	720	4,099
25 Kilinochchi	9,485	10,257	2,581	2,311	1,241	6,134
<b>Total</b>	<b>910,320</b>	<b>473,501</b>	<b>119,090</b>	<b>32,408</b>	<b>34,117</b>	<b>185,615</b>

Source: Department of Agrarian Development

Chart 12.3 | Annual Fertilizer Imports



This unbearable quantity of imported chemical fertilizer has caused negative impacts such as Chronic Kidney Disease, water impurification and soil contamination, resulting in various social and environmental issues. Moreover, farmers were compelled to overuse or misuse chemical fertilizer while deviating from good agricultural practices. Since chemical fertilizer was provided at a very low rate under this scheme, paddy farmers were discouraged from purchasing organic fertilizer which was relatively expensive compared to this extremely subsidized rate of chemical fertilizer.

At this endeavor, the Government has considered the fertilizer subsidy policy as one of the key policies to be rationalized under the agriculture policy. A different approach was taken to replace the ongoing paddy fertilizer subsidy scheme without deviating from the ultimate objectives of the fertilizer subsidy while mitigating the misuse/ overuse of chemical fertilizer which causes negative impacts.

**12.4.2 The Fertilizer Cash Subsidy Policy**

The fertilizer cash subsidy policy was introduced by the Government allowing the paddy farmer a greater flexibility in selecting the farming inputs instead of providing subsidy in-kind. As a turning point, the Budget 2016 has proposed to implement a cash subsidy with a maximum

of Rs. 25,000/- per hectare per annum for a paddy farmer up to a maximum of two hectares. Accordingly, a small scale paddy farmer who owns two hectares has been entitled to receive a cash subsidy of Rs. 50,000/- per annum and they will receive their cash subsidy separately in the Yala and Maha seasons.

This new initiative was implemented from the 2016 Yala season and the paddy farmers were given the freedom to purchase chemical fertilizer or organic fertilizer from state owned or private sector fertilizer outlets island wide. In order to facilitate the new policy, fertilizer companies agreed to keep their MRP for the three major fertilizer types used for paddy, namely, Urea, Triple Super Phosphate (TSP) and Muriate of Potash (MOP) at Rs. 2,500/- per 50kg bag. This cash subsidy was credited to the respective paddy farmer’s bank account and was published online in the website of the Ministry of Agriculture in a transparent manner.

During 2016 Yala season, an amount of Rs. 6,468,572,147.00 has been distributed among 760,347 paddy farmers under the fertilizer cash subsidy scheme.

Table 12.6 | Progress of Fertilizer Cash Subsidy Scheme - 2016 Yala

District	No of Farmers who Received Cash Subsidy	Cultivated Extent (Ha)	Cash Subsidy Paid (Rs)
1 Colombo	3,490	1,378	17,125,600
2 Gampaha	16,864	6,090	80,813,900
3 Kalutara	22,684	9,302	117,545,750
4 Kandy	29,606	11,522	148,184,250
5 Matale	32,292	13,756	178,470,750
6 NuwaraEliya	11,971	4,823	60,712,400
7 Galle	18,918	8,300	105,621,750
8 Matara	25,220	13,895	177,552,450
9 Hambantota	45,926	35,768	448,741,550
10 Kurunegala	143,883	73,813	940,756,127
11 Puttalam	23,465	18,732	234,804,000
12 Anuradhapura	97,621	89,173	1,109,084,000
13 Polonnaruwa	61,423	60,589	757,331,000
14 Badulla	41,143	20,122	255,162,370
15 Monaragala	24,283	14,616	182,934,050
16 Ratnapura	21,029	10,017	127,290,950
17 Kegalle	17,151	5,036	68,627,000
18 Ampara	57,392	57,639	722,083,500
19 Trincomalee	22,933	21,645	271,375,000
20 Batticaloa	17,607	21,590	269,878,250
21 Vavuniya	3,316	2,615	32,687,500
22 Jaffna	7,208	5,655	70,686,250
23 Mannar	6,611	2,312	28,897,500
24 Mullaitivu	4,709	3,165	39,560,000
25 Kilinochchi	3,602	1,670	22,646,250
<b>Total</b>	<b>760,347</b>	<b>513,223</b>	<b>6,468,572,147</b>

Source: National Fertilizer Secretariat

### 12.4.3 The Fertilizer Cash Subsidy Scheme for Other Crops

As an incentive for small scale farmers to reduce their cost of production and to increase the productivity of crops other than paddy, the Government has launched the fertilizer cash subsidy for smallholder planters and small

scale farmers who are engaged in cultivating maize, soybean, potatoes, big onions and chillies. These five crops were selected in line with the Government policy initiative of the "Food Production National Programme". The annual fertilizer cash subsidy rates applicable for crops other than paddy are given in Table 12.7.

Table 12.7 | Limits of Annual Cash Subsidy for Plantation and Other Crops

Crop	Maximum Land Area Entitled to Receive the Cash Subsidy (Ha)	Cash Subsidy Payment per Annum (Rs)
Tea	1	15,000
Rubber	2	5,000
Coconut	2	9,000
Maize, Soybean, Potatoes, Big onions and Chillies	1	10,000

Source: Ministry of Agriculture and Ministry of Plantation Industries

Around 318,032 plantation sector smallholders have received the cash subsidy during 2016.

Table 12.8 | Progress of Cash Subsidy for Plantation Crops - 2016

Plantation Crop	Beneficiaries	Cultivated Extent (Ha)	Cash Subsidy Paid (Rs. Mn)
Tea	207,176	84,884	1,273
Rubber	38,472	18,220	91
Coconut	72,384	55,245	495
<b>Total</b>	<b>318,032</b>	<b>158,349</b>	<b>1,859</b>

Source: Ministry of Plantation Industries

Around 41,931 small scale farmers have received the cash subsidy during 2016 for maize, soybean, potatoes, big onions and chillies.

Table 12.9 | Progress of Cash Subsidy for Other Crops - 2016

Province	No. of Farmers who Received Cash Subsidy	Cultivated Extent (Ha)	Cash Subsidy Paid (Rs.)
1 Western	1	0.40	4,000
2 Central	3,056	938.03	9,629,000
3 Southern	229	121.50	1,215,000
4 North Western	4,068	2,707.93	27,077,500
5 North Central	5,707	3,692.16	36,941,000
6 Uva	14,484	9,285.82	93,221,600
7 Sabaragamuwa	96	39.10	391,000
8 Eastern	7,682	6,743.70	67,388,000
9 Northern	6,608	2,626.92	27,687,000
<b>Total</b>	<b>41,931</b>	<b>26,155.56</b>	<b>263,554,100</b>

Source: National Fertilizer Secretariat

#### 12.4.4 New Comprehensive Rural Credit Scheme (NCRCS)

Enhancing the rural sector production and uplifting the living standards of the rural community, the NCRCS was continued during

2016. The continuation of this scheme reflects the willingness of the PFIs as well as the vast requests from farmers, collectors, and agro based industrialists. The loans given for cultivation purposes under the scheme are mostly utilized by small farmers. The credit facility for cultivation is being implemented at a concessionary rate of 7 percent by the PFIs and the General Treasury provides a 5 percent interest subsidy to PFIs. The scheme covers about 33 major crops including paddy, chilli, maize, onion, potato, and vegetables. In 2016, the Treasury provided Rs. 210 million of interest subsidy to PFIs for the cultivation loans they have granted under this scheme.

Table 12.10 | Loan Disbursements under NCRCS - 2016

Crop	Maximum Loan Limit (Rs.)	Maximum Land Units (Acres)	No. of Loans Granted	Amount Released (Rs. Mn)	Extend of Land (Acres)
Paddy -					
Irrigated	300,000	10	56,884	5,006	201,932
Rain fed	320,000	10			
Maize	340,000	10	8,877	684	27,032
Potato	504,000	2	3,150	526	4,283
Onion	280,000	2	6,335	803	11,309
Chillies	176,000	2	3,728	256	6,760
Vegetables	62,000-238,000	2	4,753	436	12,587
Other - Ginger	140,000	2	3,333	298	11,094
<b>Total</b>			<b>87,060</b>	<b>8,009</b>	<b>274,997</b>

Source: Regional Development Department, CBSL

During 2016, the demand for loans under NCRCS increased due to the economic situation and peaceful environment in the country. The number of farmers benefiting under this scheme increased to 87,060 in 2016 from 86,143 in 2014 while the total loan disbursement increased from Rs. 7,138 million in 2015 to Rs. 8,009 million in 2016. In terms of loan distribution, the loans below the maximum loan limit of Rs. 320,000 per acre have been provided mostly to the paddy sector, accounting for 62 percent of the total loan disbursement in 2016. In 2016, the extent of land totaling to 274,997 acres have been utilized for crop cultivation of which 73 percent was for paddy.

Chart 12.4 | Loans Granted under NCRCS in 2016 - District Wise

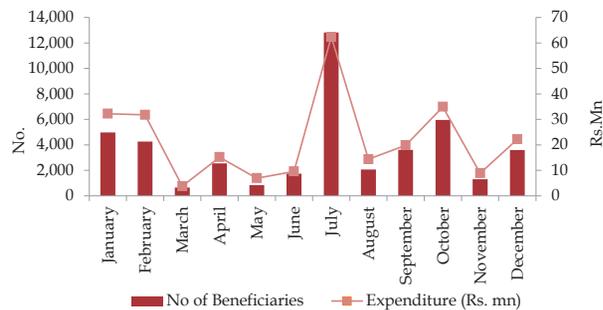


Considering the regional distribution of the beneficiaries and loan disbursements, the highest amount of Rs. 1,365 million loan disbursements was recorded in the Anuradhapura District, which was 17 percent of the total loan disbursement of Rs. 8,009 million in 2016. The number of farmers who benefitted under this credit scheme were considerably high in the Polonnaruwa, Hambantota, Matale, Ampara and Baddulla districts in comparison to other Districts.

### 12.4.5 “Kethata Aruna Pohora Diriya” Crop Insurance

The “Kethata Aruna Pohora Diriya” Crop Insurance Scheme which was established to provide relief to farmers for the damage caused to their cultivations from droughts, floods and wild elephants was continued successfully during the year 2016 through the Agricultural and Agrarian Insurance Board (AAIB). In 2016, approximately Rs. 262 million was paid among 44,367 farmers for crop damages.

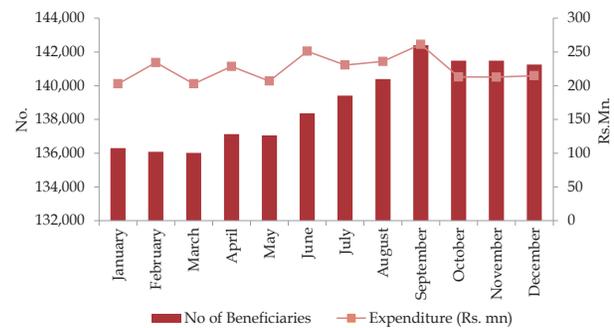
Chart 12.5 | Performance of “Kethata Aruna Pohora Diriya” Crop Insurance Scheme - 2016



### 12.4.6 Social Security for Farmers

The main purpose of the Farmers Pension Scheme is to ensure the wellbeing of the elderly farmers who have contributed their youth for the country’s agricultural development. This scheme is implemented through the AAIB. 141,260 elderly farmers benefitted under this scheme by the end of 2016 and total of Rs. 2,695 million was distributed among them during the year 2016. Since the Farmers’ Pension Fund is not at a level of self-sufficiency, the Treasury provided Rs. 205 million per month to the AAIB to provide the pension on time. Currently, the entitled farmers receive their monthly pension within the first week of each month through the post offices.

Chart 12.6 | Performance of Farmer’s Pension Scheme - 2016



### 12.5 Assistance to the Smallholder Plantation Sector

A healthy performance of the plantation sector is very important for the country as it plays a vital role as a major foreign exchange earner. Therefore, all Governments that came to power after the independence took timely actions to

facilitate the proper functioning of this sector. Accordingly, 2016 can be identified as one of the years that provided more intensives and subsidies to encourage the smallholder plantation sector.

The plantation sector contributes 1.9 percent to the Gross Domestic Product (GDP) and shares 17.5 percent of total exports. At present, the

plantation sector is led by the small holders who have plots of land less than 10 acres in tea and rubber, and less than 5 acres in coconut. Further, this smallholder sector contributes 72 percent to tea, 65 percent to rubber and 82 percent to coconut production.

Table 12.11 | Performance of Small Holder Plantation Sector, 2010 – 2016

Year	Tea		Rubber		Coconut	
	Extent (Ha)	Total Production (Kg Mn)	Extent (Ha)	Total Production (Kg Mn)	Extent (Ha)	Total Production (Mn nuts)
2010	204,619	331	125,645	153	394,836	1,900
2011	206,104	328	128,120	158	394,836	2,303
2012	203,020	328	130,780	152	394,836	2,411
2013	202,408	340	133,668	130	394,836	2,061
2014	202,800	338	134,137	99	394,836	2,890
2015	202,800	329	134,906	89	394,836	3,027
2016	202,490	292	133,500	79	440,000	3,098

Source: Ministry of Plantation Industries, Department of Rubber Development, Sri Lanka Tea Board

### 12.5.1 Re-planting and New Planting Subsidy Provided to Smallholder Plantation Sector

In order to encourage the smallholder plantation sector, the Government continuously provides incentives for re-planting and new planting of tea and rubber. Accordingly, subsidies of Rs. 500,000 and Rs. 400,000 per hectare were given for the re-planting and new planting of tea respectively. Further, subsidies of Rs. 175,000 and Rs. 150,000

per hectare were given respectively for the re-planting and new planting of rubber.

The Government has provided around Rs. 905 million as subsidy for re-planting and new planting of tea and rubber for smallholders in 2016. In terms of the number of beneficiaries, 30,965 people received this subsidy and it is indicated that this was a 29.5 percent increase compared to year 2015.

Table 12.12 | Progress of the Replanting and New Planting Subsidies provided to Tea and Rubber Small holder Sector

Year	Re-planting Subsidy				New Planting Subsidy			
	Tea		Rubber		Tea		Rubber	
	No. of Beneficiaries	Subsidy Amount (Rs. Mn.)	No. of Beneficiaries	Subsidy Amount (Rs. Mn.)	No. of Beneficiaries	Subsidy Amount (Rs. Mn.)	No. of Beneficiaries	Subsidy Amount (Rs. Mn.)
2012	28,133	226.83	1,702	95.73	3,319	23.2	2,374	125.43
2013	30,955	351.87	2,622	171.31	3,759	42.41	2,938	167.73
2014	16,555	258.09	2,004	219.07	3,381	66.98	2,247	213.47
2015	17,252	420.07	852	173.36	4,732	128.12	1,076	189.83
2016	23,840	484.03	942	192.98	5,363	48.28	820	179.9

Source: Ministry of Plantation Industries

### 12.5.2 Working Capital Loan Scheme for Registered Tea Factory Owners

This loan scheme which was launched in 2015 to support tea factory owners to meet their working capital requirement was further continued during the year 2016. It is implemented by the Sri

Lanka Tea Board through the state and private commercial banks on a short term basis under the supervision of the Department of Development Finance.

The applicable interest rate for this loan is 6 percent per annum and the Treasury provides

an interest subsidy of 2 percent to PFIs. The Government has allocated Rs. 516 million to settle the interest subsidies for a period of two years (2016 - 2017).

In the year 2016, a total number of 219 working capital loans were granted to tea factory owners and the total amount of those loans is around Rs. 6,959 million. In terms of the number of loans granted, it is indicated that there was a 217 percent significant increase from 69 loans in 2015 to 219 loans in 2016.

In 2016, the Government reimbursed around Rs. 114.4 million among participatory financial institutions as interest subsidy of this loan scheme.

Table 12.13 | Quarter-wise Progress of the Working Capital Loan Scheme - 2016

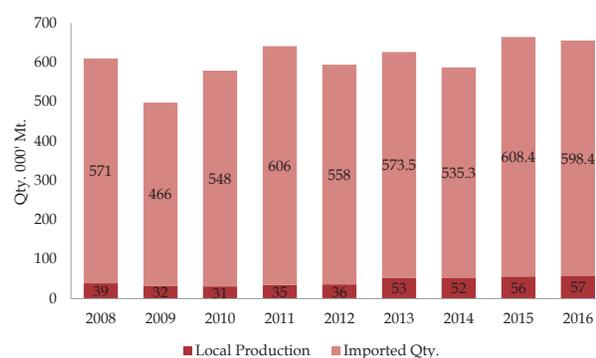
Description	No. of Tea Factories benefitted	Interest Subsidy Paid (Rs. Mn)
Quarter 1	154	24.54
Quarter 2	190	28
Quarter 3	213	33.3
Quarter 4	219	28.56

Source: CBSL, Department of Development Finance

### 12.5.3 Development Policy for Sugar Industry in Sri Lanka

The annual sugar requirement of Sri Lanka (for human consumption, confectionary and other industries) is approximately 720,000 Mt (Monthly around 60,000 Mt) and the current local production of sugar is around 56,000 Mt which is 8 percent of the total annual requirement. Therefore, around 650,000 Mt of sugar, which is 92 percent of the total annual requirement, is being imported and approximately Rs. 35 billion of foreign exchange is flowing out annually for this purpose.

Chart 12.7 | Local Production Vs Imported Qty



In 2016, an upward trend in the price of sugar was evidenced in the world market. Therefore, the local market price of sugar increased up to Rs.120 per kg in the middle of the year. Accordingly, the Government imposed the MRP of sugar as Rs. 95/- for kg by reducing the Special Commodity Levy (SCL) in order to maintain a reasonable retail price in the local market.

However, the world market price declined in the latter part of the year and the SCL was adjusted from time to time to convert the world market price gain for Government revenue while maintaining a reasonable MRP.

Chart 12.8 | World Sugar Market



The local sugar industry has vast potential to contribute to GDP, employment, food and energy security and poverty alleviation. It could also lead to an upliftment of the economic status of the underdeveloped areas of the country since a large amount of foreign exchange flowed out from the country.

Considering the above facts, the “Development Policy for Sugar Industry” was published in 2016 which included seven policy pillars with comprehensive strategies. The pillars were, Institutional Policy, Investment Policy, Production and Land Policy, Pricing

Policy, Import Policy, Water Resources and Infrastructure Development Policy and Manpower Development Policy.

As per the targets set in the policy, through modernizing and expanding the existing sugar mills, establishing sugarcane cultivation and new processing complexes in rural areas which have suitable climate and weather conditions, a self-sufficiency level of 50 percent is expected to be achieved from local sugar consumption by the year 2020.

## 12.6 Food Security

### 12.6.1 Government Paddy Purchase Programme (GPPP)

Food security of Sri Lanka is concentrated around

paddy as rice is the staple food of the country. Accordingly, the Government encouraged paddy cultivation in 2016 through providing input subsidies, a guaranteed price for paddy, cultivation loans at concessionary interest rates, technical and extension services as have been done previously.

Annual paddy production of 2016 was reported to be 4.42 million Mt. However, the paddy production of 4.81 million Mt reported in 2015, still remains as the highest production of paddy recorded thus far. (Source: Department of Census and Statistics).

The Government Paddy Purchase Programme of 2016 was implemented by the Ministry of Rural Economic Affairs through the Paddy Marketing Board (PMB). The PMB purchased 157,419 Mt

Chart 12.9 | Annual Paddy Production 2000 - 2016



of paddy by spending Rs. 6,195 million during 2016. Of that, an amount of Rs. 5,139 million was utilized in Maha 2015/16 and the quantity of paddy purchased was 131,981 Mt. The drought situation which prevailed in the country during the Yala 2016 season created an adverse impact on domestic production of paddy. Due to the drop in production, maintaining a stable price for paddy became less challenging during Yala 2016. Accordingly, only 25,438 Mt of paddy has been purchased under the GPPP by spending Rs. 1,056 million.

After reviewing the guaranteed price of paddy which prevailed by the end of 2015 yala season, attention was given to several factors including the cost of production, the expected price of rice to the consumer and the need to have a reasonable disposal price to prevent any loss in the paddy disposal stage while discouraging chances of fraud in the GPPP. Accordingly, it was proposed to revise the guaranteed prices to Rs. 50/- per kg of Keeri Samba, Rs. 41/- per kg of Samba and Rs. 38/- per kg of Nadu paddy respectively. These revised prices were enforced in the year 2016 for the GPPP.

Eventually, the Government took precautions to make the GPPP more transparent and to make it free of vulnerabilities. The High Powered Committee (HPC) appointed to find solutions to the problems faced by the PMB, reviewed the conditions applicable on paddy purchase and introduced new measures to smoothen the process of paddy purchase. Accordingly, the PMB registered farmers with them through their website with a view of improving the transparency of the programme while minimizing chances of frauds. On the directives of the HPC, the paddy disposal programme was implemented by the PMB. To avoid delays in paddy disposal, the Committee initiated a method of maintaining

a pre-registered list of paddy millers selected according to the Government tender procedure. Accordingly, out of the total stock of 335,890 Mt of paddy that was available at PMB of at 17.02.2016, it was able to dispose an amount of around 254,219 Mt by the end of year 2016. Based on the recommendations of the HPC, for the first time, the PMB was able to dispose the stocks of paddy at a profit in the year 2016.

However, the conditions applicable on paddy purchase, other than the guaranteed price, remained unchanged for the year 2016. Therefore, the Government involvement was not critical as compared to the previous season.

**Table 12.14 | Quantity of Paddy Purchased under Government Paddy Purchasing Program**

Season	Nadu (Mt)	Samba (Mt)	Total (Mt)	Value (Rs. Mn)
2009/10 Maha	63,850	6,919	70,769	1,995
2010 Yala	83,819	27,910	111,729	3,184
<b>Total</b>	<b>147,669</b>	<b>34,829</b>	<b>182,498</b>	<b>5,179</b>
2010/11 Maha	2,913	556	3,469	98
2011 Yala	58,967	16,205	75,172	2,137
<b>Total</b>	<b>61,880</b>	<b>16,761</b>	<b>78,641</b>	<b>2,235</b>
2011/12 Maha	107,319	8,467	115,786	3,259
2012 Yala	9,936	540	10,476	294
<b>Total</b>	<b>117,255</b>	<b>9,007</b>	<b>126,262</b>	<b>3,553</b>
2012/13 Maha	107,445	31,205	138,650	4,530
2013 Yala	81,834	12,542	94,376	3,058
<b>Total</b>	<b>189,279</b>	<b>43,747</b>	<b>233,026</b>	<b>7,588</b>
2013/14 Maha	3,971	592	4,563	148
2014 Yala	0	0	0	0
<b>Total</b>	<b>3,971</b>	<b>592</b>	<b>4,563</b>	<b>148</b>
2014/15 Maha	126,203	34,366	160,569	7,510
2015 Yala	162,526	12,487	175,013	7,950
<b>Total</b>	<b>288,729</b>	<b>46,853</b>	<b>335,582</b>	<b>15,460</b>
2015/16 Maha	91,785	40,196	131,981	5,139
2016 Yala	11,054	14,384	25,438	1,056
<b>Total</b>	<b>102,839</b>	<b>54,580</b>	<b>157,419</b>	<b>6,195</b>
<b>Grand Total</b>	<b>911,622</b>	<b>206,369</b>	<b>1,117,991</b>	<b>40,358</b>

Source : Paddy Marketing Board

Both state banks and private banks assisted the private sector by granting pledge loans to a value of Rs. 43,643 million in 2016. This is an increase of around 27 percent compared to the amount granted in 2015 which was Rs. 34,440 million. Despite the considerably high harvest of the 2015/16 Maha season and the revised Government guaranteed price of paddy, the increased contribution of the private sector eased the process of ensuring a reasonable price to the farmer.

In the year 2016, state banks granted a larger share of 70 percent of total pledge loans to the private sector. The balance 30 percent was given by private banks. Further, the number of loans granted increased from 1,831 in 2015 to 2,265 in year 2016 showing an increased involvement of the private sector paddy buyers.

Table 12.15 | Loans Granted to Private Sector for Paddy Purchasing - 2016

Bank	2015/16 Maha		2016 Yala		Total	
	No. of Loans	Total Loan Amount (Rs.Mn)	No of Loans	Total loan Amount (Rs.Mn)	No of Loans	Total loan Amount (Rs.Mn)
People's Bank	130	1,141.00	106	1,955.00	236	3,096.00
Bank of Ceylon	400	15,524.45	377	11,552.15	777	27,076.60
RDB	4	29.7	44	141.25	48	170.95
Total for State Banks	534	16,695.15	527	13,648.40	1061	30,343.55
Commercial Bank	45	137.43	88	1,561.15	133	1,698.58
Sampath Bank	179	2,782.70	186	2,824.20	365	5,606.90
DFCC Bank	21	817.7	16	455.75	37	1,273.45
Seylan Bank	132	325.97	84	490.39	216	816.36
National Development Bank	97	732.36	102	725.23	199	1,457.59
Hatton National Bank	137	1,259.50	117	1,187.20	254	2,446.70
Total of Private Bank	611	6,055.66	593	7,243.92	1204	13,299.58
<b>Grand Total</b>	<b>1145</b>	<b>22,750.81</b>	<b>1120</b>	<b>20,892.32</b>	<b>2265</b>	<b>43,643.13</b>

Source : Respective Banks

### 12.6.2 Rice Donation to the World Food Program

The rice donation to the World Food Program (WFP) has continued in 2016 as well. The Government of Sri Lanka implemented this according to a budget proposal in 2014. Accordingly, the Government of Sri Lanka agreed to donate 50,000 Mt of rice to the WFP to recognize the WFP assistance to Sri Lanka in the past during difficult situations in the country. Further, it was aimed to graduate Sri Lanka to the status of a commercial supplier of rice to the WFP instead of being a recipient of assistance from WFP.

Hence, the WFP rice donation programme consisted of two sub categories; the local programme and the international programme. 10,000 Mt of rice out of the total rice donation of 50,000 Mt was designated towards the local program which was named as the "Sri Lankan Humanitarian Solidarity" programme conducted by the WFP. The balance of 40,000 Mt was to be donated to the WFP member countries outside Sri Lanka who sought assistance from the WFP.

Accordingly, by the end of 2016, the Government donated 6,341 Mt of rice to the WFP local programme.

### 12.6.3 Managing Cost of Living

As a remedy for the rising trend in prices of essential food commodities during the mid-year period of 2016, the Government implemented

Table 12.16 | Established MRPs for 16 Essential Food Commodities

Product	Maximum Retail Price (Rs.)
1 Mysore Dhal	Rs.169/- per kg
2 Dried Sprats (Imported - Thailand)	Rs.495/- per kg
Dried Sprats (Imported - Dubai)	Rs.410/- per kg
3 Gram	Rs.260/- per kg
4 Green Moong	Rs.220/- per kg
5 Canned Fish (Imported)	Rs.140/- per Net weight of 425 g
	Drained weight of 280g
	Rs.70/- per Net weight of 155 g
	Drained weight of 105 g
6 White Sugar	Rs.95/- per kg
7 Wheat Flour	Rs.87/- per kg
8 Full Cream Milk Power - Imported	
400g	Rs.325/-
1Kg	Rs.810/-
9 Full Cream Milk Power - Local	
400g	Rs.295/-
1Kg	Rs.735/-
10 Frozen or chilled Broiler Chicken Meat (whole Chicken)	
With Skin	Rs.410/- per kg
Without Skin	Rs.810/- per kg
11 Potatoes - Imported	Rs.120/- per kg
12 B' Onions - Imported	Rs.78/- per kg
13 Dried Chilies - Neither crushed nor ground	Rs.385/- per kg
14 Dried Fish - Katta	Rs.1,100/- per kg
Dried Fish - Salaya	Rs.425/- per kg
15 Sustagen 400g	Rs.1,500/-
16 Maldives Fish	Rs.1,500/- per kg

Source: Consumer Affairs Authority

many programmes to reduce cost of living of the general public. Consequently, the Government enforced the Maximum Retail Prices (MRPs) for the following sixteen essential food commodities

with effect from 14.07.2016 to ensure affordable prices to the consumer.

Extending the concessions further to the consumers on essential food commodities, the Budget 2017 proposed additional price reductions in support of reducing the cost of living.

Accordingly, the concessionary prices were further reduced. Price of green gram reduced by Rs. 15/- per kg, and price of dhal reduced by Rs. 10/- per kg. Price of potato reduced by Rs. 5/- per kg, while price of sprats reduced by Rs.5/- per kg. Price of sugar reduced by Rs. 5/- per kg and price of kerosene oil reduced by Rs.5/- per liter.

#### **12.6.4 Importation of Rice to ensure Food Security.**

A rice shortage was anticipated with the drought situation which prevailed in the country during Yala 2016. Accordingly, the manipulation of the price of rice to create a price hike in the market was observed. Due to this circumstance, the Government intervened to encourage rice importation to meet any shortage which could occur and to stabilize the retail price of rice in the open market throughout the country.

All taxes that were in effect previously on rice imports were removed and only a Special Commodity Levy (SCL) of Rs. 15 per kg was imposed on rice imports with effect from 07.01.2017 in order to facilitate importation. All private sector importers were allowed to import rice while the total rice imports were to be limited to a quantity of 250,000 Mt. The SCL of Rs 15 per kilogram was reduced to Rs. 5/- per kg with effect from 28.01.2017. Later this concession was extended further till end of May. The MRP of Rs. 80/- per kg of Samba rice, Rs. 72/- per kg of Nadu rice and Rs. 70/- per kg of raw rice was enforced with effect from 08 February 2017. These MRP prices were revised by enforcing a separate MRP for domestic rice at Rs. 90/- per kg of Samba rice, Rs. 80/- per kg of Nadu rice and Rs. 78/- per kg of raw rice with effect from 17.02.2017 while the MRP prices enforced on imported rice remained unchanged. Accordingly, 254,196 Mt of rice has been imported in total by 30.03.2017.

Further, the PMB issued 20,000 Mt of paddy to the Co-operative Wholesale Establishment (CWE) in lots of 10,000 Mt to be milled and sold through Lanka Sathosa outlets island wide. The Treasury has issued Letters of Comfort to the PMB on behalf of those paddy purchases by CWE.

Accordingly, the Government was able to make rice available in the market at affordable prices without any shortage.

## **12.7 Implementing Budget Proposals**

### **12.7.1 Providing Prominent Shelf Space in Super Markets for SME Sector Products at a Reasonable Price**

The Budget 2016 recognized the difficulty faced by the SME's in marketing their products due to lack of funds for advertising and marketing activities and hence their inability to get their products displayed prominently in super markets. Therefore, the budget 2016 proposed to provide prominent shelf space to such SMEs. Accordingly, SMEs were allowed to get shelf space in super markets such as Cargills and Keells.

### **12.7.2 Budget Proposal on Floriculture Industry**

Floriculture industry has a demanding trend in the world. However, at the moment, Sri Lanka contributes just 0.2 percent to the world requirement. Further, it is apparent that the domestic demand for flowers is also increasing. Therefore, there is a high potential for expansion of the floriculture industry in Sri Lanka, thereby creating opportunities for higher income generation and creation of employment opportunities. Recognizing this potential, the Budget 2017 encouraged the establishment of 2,000 nurseries for which the Government will support by providing a 50 percent interest subsidy. Accordingly, this will be an initiation for creating more opportunities to popularize the floriculture industry in Sri Lanka.

### 12.7.3 Storage Facilities - Construction of Warehouses

The Government, with the assistance of the World Bank, has introduced a state-of-the-art technology with an innovative mechanism to assist farmers in selected agricultural districts by providing them with quality storage facilities to store their produce such as paddy, maize, soya bean, sesame, black gram, pepper and peanut during harvesting period. The main objective of this warehouse is to facilitate farmers to use such produce as collateral to access financial services by developing an electronic and negotiable warehouse receipt finance mechanism. Construction of three warehouses has been initiated in the districts of Anuradhapura, Monaragala and Mannar and these warehouses have a total storage capacity of 24,000 Mt.

It was reported that 150 farmers have stored their commodities at the Upuldeniya warehouse

during 2016 and of that, 80 farmers have obtained Rs. 6.6 million short term credit facilities as pledge loans from the Regional Development Bank using the warehouse receipts. In the Buttala warehouse, 34 farmers have stored their produce during the same period and out of that, 14 have obtained Rs. 1.5 million short term credit facilities using the warehouse receipt system.

As at 31st December 2016, five types of grains have been stored of the Upuldeniya warehouse namely paddy, maize, sesame, soya bean and cowpea of which the majority being paddy (230.60 Mt) followed by soya bean (94.90 Mt), maize (68.70 Mt) and sesame (24.90 Mt). The farmers in the area use the storage facility offered to them to store the produce during the harvesting period and sell once the prices have stabilized.

The total value of the stock at the time of storage was valued at Rs. 20,447,750.20 and the value at the time of selling was Rs. 24,923,803.75 and

Table 12.17 | Income Report - Government Grain Warehouse - Upuldeniya - up to 2016 .12.31

Grain	Quantity (Mt)	Value when stocked (Rs.)	Value when sold (Rs.)	Gross value (Rs.)	Store charges (Rs.)	Polysac charges (Rs.)	Cleaning charges (Rs.)	Net value (Rs.)
Maize	65	2,258,279	3,045,442	787,163	29,432	24,542		733,189
Paddy	231	6,751,718	8,963,171	2,211,453	200,739	117,020		1,893,695
Sesame	25	3,370,370	3,898,703	528,333	148,135	14,025		366,173
Soya Bean	95	8,067,384	9,016,488	949,104	78,869	95,220	210,428	949,104
<b>Total</b>	<b>415</b>	<b>20,447,750</b>	<b>24,923,804</b>	<b>4,476,054</b>	<b>457,175</b>	<b>250,807</b>	<b>210,428</b>	<b>3,942,161</b>

Source: Government Grain Warehouse - Upuldeniya

therefore farmers were directly benefitted by Rs. 4,476,053.55. The store charges and cleaning charges for the total stored quantity of grain were Rs. 457,174.54 and Rs. 210,428.30 respectively.

Considering the success of the above system, the Government proposed to construct three new warehouses in the districts of Polonnaruwa, Killinochchi and Ratnapura. Initial construction was commenced in the Killinochchi and Ratnapura warehouses through the 2016 budget and the proposed three warehouses are under construction.

## 12.8 Livestock Sector Development

### 12.8.1 Poultry Sector

Poultry industry in Sri Lanka has significantly contributed to fulfill the nutritional requirements of consumers. As a bird flu free country, Sri

Lanka maintains a satisfactory level of quality in this industry with the new technological improvements of the livestock sector, marked competition and producing improvements.

Table 12.18 | Chicken and Egg Local Production

Year	Chicken Production		Egg Production	
	Estimation (000'Mt)	Actual (000' Mt)	Estimation (Mn)	Actual (Mn)
2010	N/A	104.16	N/A	1,384.80
2011	N/A	116.76	N/A	1,711.22
2012	N/A	137.39	N/A	2,278.72
2013	142.99	144.54	2,077.69	2,074.94
2014	143.37	150.32	2,086.31	2,232.02
2015	160.57	164.45	2,203.00	2,294.08
2016	168.41	173.83	2,187.00	2,204.17

Source: Department of Animal Production and Health

According to the available data, chicken production has increased by 104,160 Mt to 173,830 Mt from year 2010 to 2016 respectively.

Consumption of chicken as well as eggs have been improved gradually due to increasing buying power, raising availability of poultry products and relatively low prices compared to fish and other protein substitutes in the market.

In order to protect the poultry producers and to provide chicken at a reasonable price in the market, the Government has provided relief to poultry sector by issuing permits to import maize under concessionary duty rates. The control price of chicken has been removed to provide chicken at competitive price at the open market with providing opportunities for poultry industrialists for further expansion and productivity improvement of the industry.

The local maize stockiest have stored around 67,000 Mt of maize expecting higher price during 2016 and the Government has intervened to assure them a reasonable price, while ensuring the supply of these stocks to animal feed industry at an affordable price. Accordingly, this maize stock was purchased at a rate of Rs. 52.50 per kg and was provided to the poultry producers at Rs. 45.00 per kg in order to reduce the cost of production of poultry products. In this regard, the Government paid the balance Rs. 7.50 per kg as a subsidy. Considering the annual maize requirement of the animal feed industry, 70,200 Mt of maize was allowed to import under a Special Commodity levy of Rs. 10.00 per kg during 2016 in order to fulfill the shortage of the poultry products.

### 12.8.2 Dairy Sector

The dairy sector has been identified as an emerging sector in the rural economy. It plays an important role in building the rural economy by assisting to ensure food security, reduce unemployment and poverty levels and improve the nutritional standards of rural families. Though the country has a large dairy market, the local dairy production is not sufficient to fulfill the dairy requirement of the country and around 55 percent of the milk and milk products is being imported. On this back ground, the Government from time to time introduced various policy measures to develop the dairy industry in the country. Policies on promoting commercial

dairying, raw milk pricing and trade and tariffs have been adopted in the recent past to increase the availability of locally produced milk and milk products in the domestic market at affordable prices in order to increase the national milk production and save foreign exchange on milk imports.

As proposed by the budget 2016, the price of local milk powder was brought down with the objective of encouraging the production of local milk powder and offering a price relief to consumers. In line with this price reduction, a price subsidy was granted to the local milk powder companies on the recommendation of the Ministry of Rural Economic Affairs. Accordingly, Milco (Pvt) Company Ltd and Pelwatte Dairy Industries Company, two local milk producing companies, have brought down the prices of 400 gram and 1 kg milk powder packets as proposed and the re-imburements in 2016 were as follows.

Table 12.19 | Grant of Re-imburements to the Local Milk powder Producers in 2016

Company	Unit	Market Price	Sale Price Based on Budget	Price Subsidy (Rs.)
Milco (Pvt) Ltd	400 g	Rs. 320	Rs. 295	234,191,350
	1 KG	Rs. 790	Rs. 735	7,172,000
Pelwatte Dairy Industries Company Ltd	400g	Rs.325	Rs.295	200,714,670
	1 KG	Rs.810	Rs.735	41,079,675

Source: Department of Development Finance

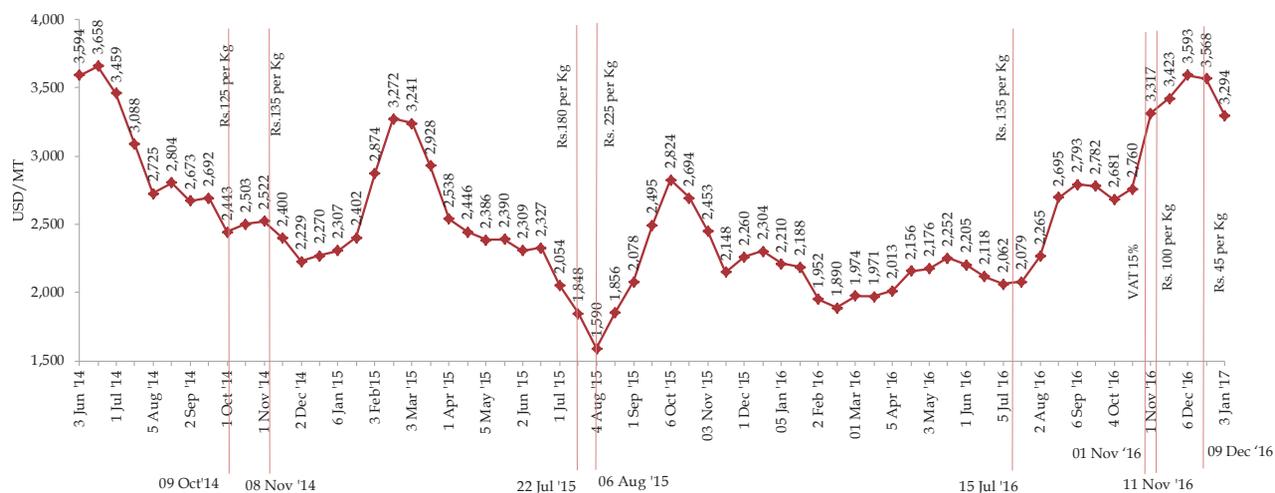
As shown in the above table, the Government spent Rs. 483 mn to pay the price subsidy for the local milk powder producers in 2016. In addition, Rs. 650 mn has already been allocated for this purpose in 2017.

Compared to local milk powder, imported milk also has a significant impact on the dairy industry of the country as it represent around 55 percent of the domestic dairy requirement. Annually, around 80,000 Mt of milk and milk products have to be imported to the country to fulfill the local demand. Due to the MRP imposed on milk powder by the Government to protect the local milk consumers, milk importers were not allowed to adjust domestic milk powder prices parallelly with the global price changes. By understanding

the situation faced by the milk importers in the country, steps were taken by the Government to a grant duty waiver to the local milk powder importers considering the fluctuations of the global market price. Accordingly, the applicable

duty on milk powder was revised several times in 2016 on the request of milk importers and the last revision was done in December 2016 as shown in Chart 12.10.

Chart 12.10 | Global Price of Milk Powder (from June 2014 - Jan 2017)



According to the available data at the Department of Animal Production and Health, there is a shortage of high yield dairy animals in the country and only around 4 percent of the farms out of 20,000 produce over 20 liters per day which is the economically sustainable production level as a commercial unit. Though 4,500 dairy cows had already been imported to the country, it is not sufficient to cater to the country demand. Considering the need of uplifting the domestic milk production and increase the high yield dairy herd in the country, actions were already taken by the Government to import 5,000 high yield dairy animals from Australia at the initial stage and 15,000 animals on second stage. As the initial cost of a new farm with imported cows is costly and not profit making activity Government expects to assist to Private investors/farmers who are willing to invest in dairy project through a gap financing scheme.

### 12.8.3 Dairy Development Loan Scheme

Commercial Scale Dairy Development Loan Scheme (CSDDL) commenced in 2013 with the objective of establish at least 1,000 mega farms with minimum of 25 cows per farm encouraging medium scale entrepreneurs to engage in

Table 12.20 | Progress of Commercial Scale Dairy Development Loan Scheme

Year	No. of Beneficiaries	Loan Amount (Rs. Mn)	Subsidy Paid (Rs. Mn)
2013	60	202.2	1.8
2014	604	950.9	4.9
2015	1,424	1,227.77	80.1
2016	2,667	1,633.49	139.4
<b>Total</b>	<b>4,755</b>	<b>4,014.36</b>	<b>263.2</b>

Source: Central Bank of Sri Lanka

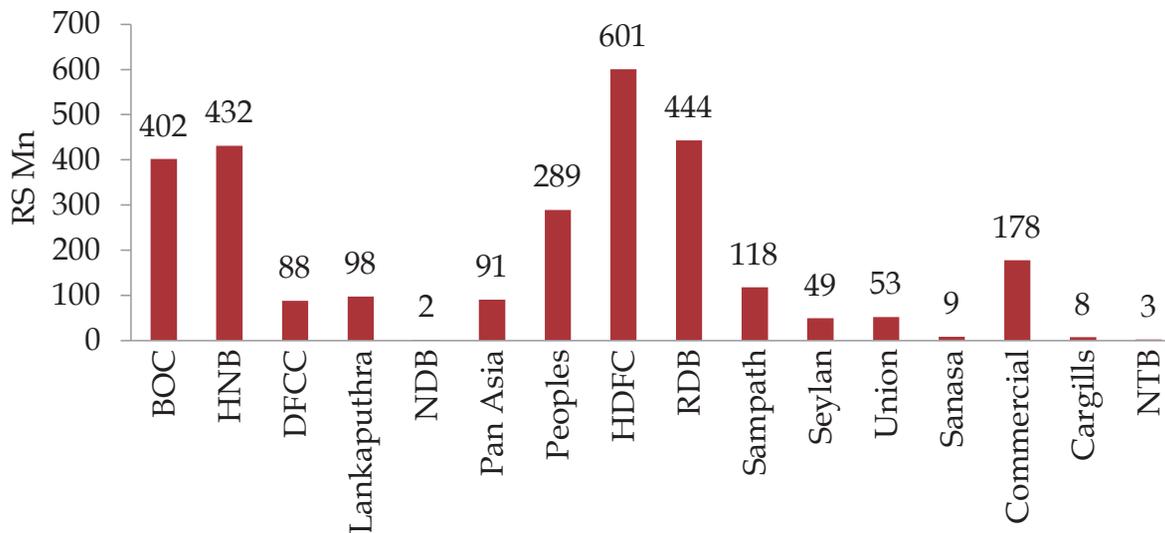
commercial scale dairy farming activities related to milk value chain. The scheme facilitated the medium to large scale dairy developers to obtain credit facilities for commercial dairy activities at a rate of 6 percent per annum and 6 percent paid by the Government as an interest subsidy to the selected 13 PFIs. The maximum loan amount disbursed under thus loan scheme is Rs. 25 million with the loan repayment period of 5 years inclusive of 6 month grace period. On the request of entrepreneurs the minimum requirement of number of cows per farm reduced up to 7 in 2014 to support to the dairy farming in SMEs sector. The progress of this loan scheme as at 31.12.2016 is shown in Chart 12.11.

Due to reduction of applicable interest rate to the borrowers from 8 percent to 6 percent at the end

of 2014 the demand for loans under CSDDLs loan scheme has been increased considerably during last two years. There were 4,755 dairy farmers benefitted under this loan scheme and the total

loan disbursements exceeded Rs. 4 billion by the end of 2016. The Government has paid Rs. 263 million to the selected PFIs as interest subsidy by December 2016.

Chart 12.11 | Loan Disbursements under CSDDLs 2015 - 2016



In term of loan disbursements, the highest amount of Rs. 601 million loans has been provided by HDFC Bank during 2015 to 2016 and the RDB and HNB disbursed Rs. 444 million and Rs. 432 million respectively. Compared with state banks HNB, Sampath Bank and Commercial Bank were the private banks with significant amount of loans offered to dairy sector during this time period.

### 12.9 Support for the Development of Essential Crops

According to the Public Investment Programme 2017 - 2020, many initiatives have been proposed by the Government to ensure the food security via means of producing supplementary food crops with increased production and increased productivity while minimizing food imports. Food Production National Programme, establishment and development of agricultural mega zones and strengthening of value chain development are such initiatives to be implemented in the medium term.

At present, many essential field crops are being imported to meet the domestic demand due to inadequate supply in the local market. Among

these field crops, maize, soybean, chillies, big onions and potatoes are given high priority as these crops have caused a significant foreign exchange outflow annually and the Government has continued providing many relief to enhance the productivity of those crops such as providing the fertilizer cash subsidy. At the same time, as a facilitator and as a regulator, the Government has ensured a certified price where necessary and adjusted the tax policy consequently to protect the local farmers who are cultivating such essential crops.

#### 12.9.1 Potatoes

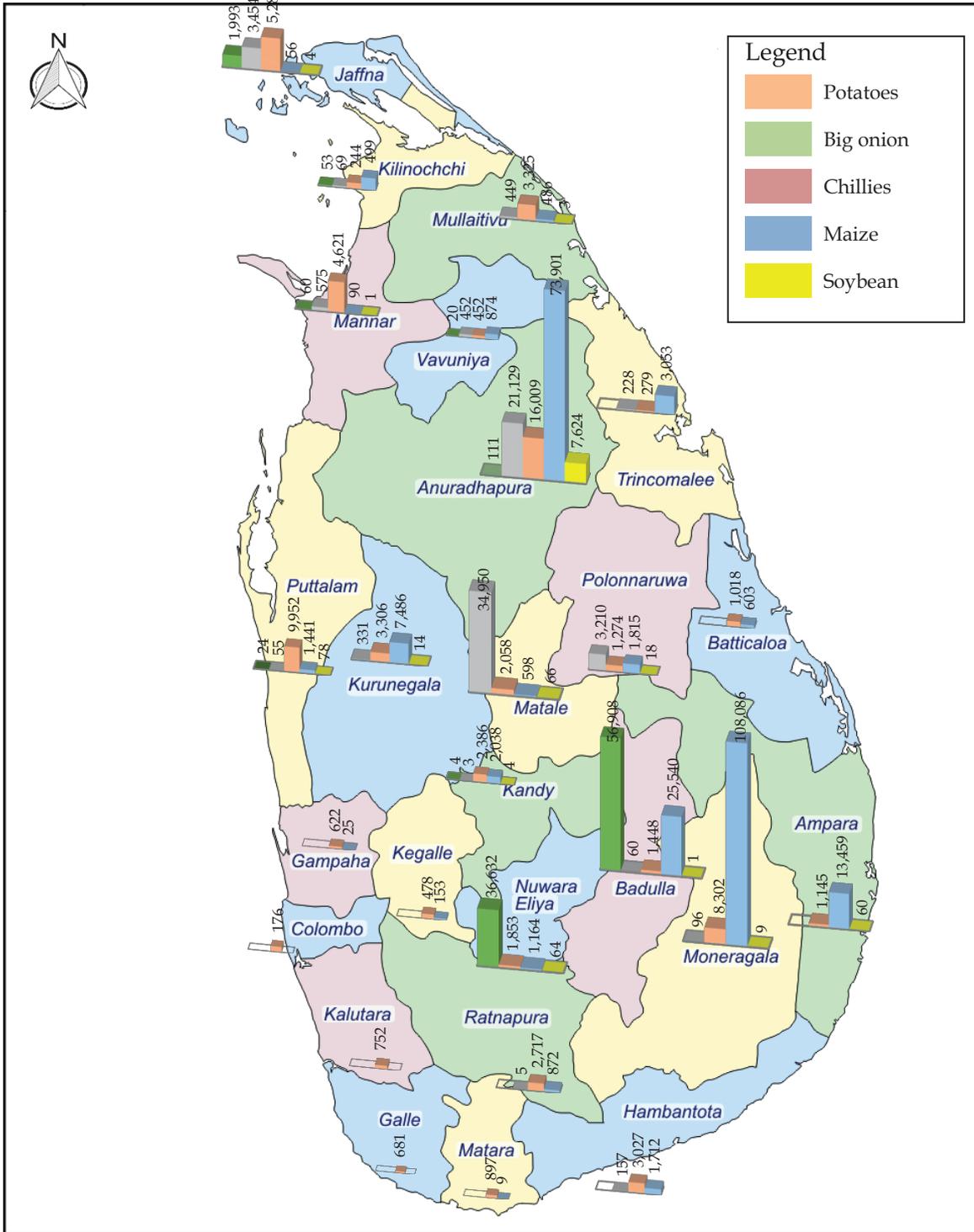
The average annual requirement of potatoes is around 160,000 Mt and the local production is only 50 percent of the total requirement. Potatoes are mainly cultivated in Badulla and Nuwara Eliya Districts. The SCL on potatoes was increased up to Rs 35/- per kilogram by the Government on 22.07.2016 when the local potatoes production has reached the market with the objective to protect the local farmers. It is targeted to reduce the potatoes imports to 35 percent by 2018 while increasing the cultivation extent up to 6,500 Ha and productivity up to 20 Mt per Ha.

### 12.9.2 Big onion

The average annual requirement of big onions is around 235,000 Mt and the average annual production is approximately 100,000 Mt. Big onions are mainly cultivated in Matale, Anuradhapura, Hambantota and Monaragala Districts. The SCL on big onion was increased

up to Rs 25/- per kg by the Government on 22.07.2016 when the local big onion production has reached the market with the objective to protect the local farmers. By 2018, it is targeted to increase the big onion production up to 148,000 Mt while increasing the cultivation extent up to 7,400 Ha and productivity up to 20 Mt per Ha.

Map 12.1 | Production of Maize, Soybean, Potato, Big onion and Chillies during 2016 (Mt)



Source: Department of Census and Statistics

### 12.9.3 Chillies

The average annual requirement of green chillies is around 30,000 Mt and it is catered by the domestic production. However, out of the annual requirement of dried chillies which is approximately 50,000 Mt, only 20 percent is produced domestically. Chillie is mainly cultivated in Anuradhapura, Puttalam and Monaragala Districts. An SCL of Rs 125/- per kg was imposed on dried chillies which are crushed and ground and an SCL of Rs 25/- per kg was imposed on dried chillies which are not crushed and not ground during 2016. It is targeted to reduce chillie imports to 50 percent by 2018 while increasing the cultivation target to 30,000 Ha.

### 12.9.4 Soybean

The total annual requirement of soybean is 220,000 Mt and the average annual production is around 22,250 Mt. Therefore, 90 percent of the annual soybean requirement is imported. Soybean is used as a major raw material in manufacturing “Thriposha” and it is usually cultivated in Mahaweli “H” area, Anuradhapura and Ampara Districts. It has been targeted to reduce the importation of soybean to 70 percent by 2018 while increasing the cultivation target to 42,175 Ha and increasing the productivity target to 2 Mt per Ha.

### 12.9.5 Maize

Maize is the major raw material used for animal feed manufacturing and at present the annual maize requirement is around 400,000 Mt. It is mainly cultivated in Anuradhapura, Monaragala, Badulla and Ampara Districts and the domestic production of maize is approximately 250,000 Mt. It has been targeted to be self-sufficient in maize by 2018 while increasing the cultivation target to 110,000 Ha and increasing the productivity target to 5 Mt per Ha.

## 12.10 Special Incentives for Targeted Groups

### 12.10.1 Special Interest Rate for Senior Citizens

Senior citizens, who spent their youth to support the country’s development, were provided a special interest rate for their fixed deposits with the intension of providing financially stable and secure retirement life. Accordingly, it was proposed to provide 15 percent special interest rate for Senior Citizens’ fixed deposits through the Interim Budget 2015. Accordingly, Sri Lankan senior citizens who open a one-year fixed deposit of a total of rupee one million or less at a Licensed Commercial Bank (LCB) or Licensed Specialized Bank (LSB) in an individual basis are eligible to receive this special interest rate of 15 percent per annum. Moreover, the additional interest cost incurred by banks, over and above normal interest rates to implement this scheme, is reimbursed by the Treasury on a quarterly basis.

This scheme was successfully implemented during the year 2016 and the Government received reimbursement claims around Rs. 14,618 million from participatory LCBs and LSBs for the additional interest paid for the senior citizens.

Table 12.21 | Quarter-wise Progress of the Special Interest Scheme for Senior Citizens - 2016

Description	Beneficiaries	Reimbursement requests (Rs.)
Quarter 1	401,765	4,590,898,130.52
Quarter 2	421,728	4,445,488,474.77
Quarter 3	423,461	3,061,407,261.56
Quarter 4	431,609	2,520,150,309.17
<b>Total</b>		<b>14,617,944,176.02</b>

Source: Department of Development Finance

Further, the Budget 2017 proposed to continue the scheme during the year 2017 by providing a special interest rate of 15 percent for the one-year rupee fixed deposits up to Rs. 1.5 million in total or less opened in LCBs and LSBs on an individual basis by Sri Lankan senior citizens.

### 12.10.2 Self-Employment Loan Scheme for Socially Re-Integrated Trainees

The phrase I of self-employment loan scheme for socially re-integrated trainees was successfully completed in 2014 by providing concessionary credit facilities through the BOC, Peoples' Bank and Sri Lanka Savings Bank amounting to Rs. 302 million among the 1,799 targeted beneficiaries. The Government continued to pay interest subsidies to the selected PFIs and Rs. 46 million has been paid by the end of 2016.

On the Cabinet approval, the phrase II of socially re-integrated trainees' loan scheme was initiated in 2016 and the Tri-party Agreement was signed among Ministry of Finance, Rehabilitation of Persons, Properties and Industries Authority (REPPIA) and relevant PFIs (BOC, Peoples Bank and RDB) with the objective of provisioning of capital to improve the income generating avenues for socially re-integrated trainees. The expected amount to be disbursed among the target beneficiaries under the phrase II is Rs. 525 million through the banking system.

This loan scheme has given great opportunities to the socially re-integrated youth to commence their livelihood activities successfully. These youth are eligible to participate in Entrepreneurship Development Training Programme and post-supervision programmes to develop their social and economic activities and this also provide a strong base for its trainees to become good citizens and an economic environment to successfully carry out their livelihood pursuits. The loans are provided to eligible rehabilitees up to a maximum Rs. 250,000 with a maximum repayment period of 10 years inclusive of maximum one year grace period, if required to purchase of equipment for the development of agriculture and dairy farming activities, extension services for agricultural activities, animal husbandry, purchase of productive enterprise equipment, domestic industries, fisheries activities, and small business activities.

Under the phase II on-lending rate to the target beneficiaries is 4 percent per annum and interest subsidy at 8 percent is to be paid by the Government to the PFIs.

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## Financial Statements 2016

Financial Statements of the Democratic Socialist Republic of Sri Lanka for the year ended 31st December 2016 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flow, Statement of Changes in Net Assets / Equity, Accounting Policies and Notes to the Accounts are forwarded herewith.

By these Financial Statements, the utilization process of financial resources allocated by Appropriation Act No. 16 of 19th December 2015 for 2016 and amendments thereto, for recurrent and capital expenditure of nineteen (19) Special Spending Units, fifty one (51) Government Ministries, ninety five (95) Government Departments and twenty five (25) District Secretariats have been described. In addition, the actual position regarding the process of collection of revenue approved by the above Act has also been illustrated. Further, the Financial Statements reveal the information relating to capital contribution or shareholdings in the, thirty five (35) Commercial Public Corporations, eighty eight (88) Government Owned Companies / Plantation Companies / US Dollar denominated Companies, three (03) Development Banks and also information relating to allocation of financial resources to nine (09) Provincial Councils by the Central Government.

These financial statements are prepared under historical cost convention in conformity with Generally Accepted Accounting Principles. Historical cost is applied as the measurement base and the modified cash based accounting method is adopted for reporting. In addition, information on movable assets required for accrual based accounting has been included as a Note from the year 2004 onwards. The Department of Valuation has commenced assessing the value of government owned land and buildings in the year 2012 and the progress is reported as 89% by end of 2016. Further, actions have been initiated to record government assets on accrual basis as a pilot project from the year 2013 onwards.

The Computerized Integrated Government Accounting System (CIGAS), which uses to record accounting transactions has been further improved enabling to facilitate recording of non financial assets in the Financial Statements starting from the year 2015.

Similarly, according to the Handbook on Government Finance Statistics (GFS) 2014, actions have been initiated to compile financial data in the GFS data format with a view to improve comparison of government data with those of other countries.

## Statement of Financial Performance

for the Year ended 31st December 2016

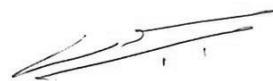
Budget Estimate			Actual	
2016		Note	2016	2015
Rs.			Rs.	Rs.
	<b>REVENUE</b>			
1,474,000,000,000	<b>Tax Revenue</b>		1,463,688,860,659	1,282,120,577,706
261,300,000,000	Income Tax	1	258,856,786,003	262,583,388,229
846,200,000,000	Taxes on Domestic Goods & Services	2	840,563,919,917	756,108,962,960
366,500,000,000	Taxes on International Trade	3	364,268,154,738	263,428,226,517
193,700,000,000	<b>Non Tax Revenue &amp; Others</b>	4	235,066,299,613	112,124,825,023
<b>1,667,700,000,000</b>	<b>TOTAL REVENUE (a)</b>		<b>1,698,755,160,272</b>	<b>1,394,245,402,730</b>
	<b>LESS : EXPENDITURE</b>			
462,326,738,130	Salaries, Wages and Other Employment Benefits	5	452,700,758,165	429,742,326,857
312,484,248,993	Other Goods & Services	6	148,955,501,716	162,965,683,901
577,307,863,970	Subsidies, Grants and Transfers	7	557,162,914,046	552,848,681,528
617,253,159,859	Interest Payments	8	610,894,570,875	527,227,571,912
1,307,966,744	Other Recurrent Expenditure	9	1,168,007,855	137,187,257
<b>1,970,679,977,696</b>	<b>Total Recurrent Expenditure (b)</b>		<b>1,770,881,752,657</b>	<b>1,672,921,451,455</b>
<b>302,979,977,696</b>	<b>REVENUE DEFICIT (a) - (b)</b>		<b>72,126,592,385</b>	<b>278,676,048,725</b>
1,184,819,007,163	Public Investments	10	594,012,706,930	683,963,424,066
<b>1,487,798,984,859</b>	<b>BUDGET DEFICIT</b>		<b>666,139,299,315</b>	<b>962,639,472,791</b>
	<b>FINANCING THE BUDGET DEFICIT</b>			
299,946,087,900	Foreign Borrowings	11	574,248,733,877	556,370,365,051
(146,004,830,000)	Foreign Debt Repayments		(145,119,354,547)	(187,112,820,912)
<b>153,941,257,900</b>	<b>NET FOREIGN BORROWINGS</b>		<b>429,129,379,330</b>	<b>369,257,544,138</b>
15,554,239,700	Foreign Grants	12	7,495,973,314	6,013,856,669
<b>169,495,497,600</b>	<b>TOTAL FOREIGN FINANCING</b>		<b>436,625,352,644</b>	<b>375,271,400,807</b>
2,137,692,381,406	Domestic Borrowings	13	1,041,541,256,617	1,187,230,889,942
(597,375,860,000)	Domestic Debt Repayments	14	(596,429,280,381)	(659,282,286,890)
<b>1,540,316,521,406</b>	<b>NET DOMESTIC BORROWINGS</b>		<b>445,111,976,236</b>	<b>527,948,603,052</b>
14,000,000,000	Recoveries from On-Lending	15	18,619,493,425	12,960,805,528
300,000,000	Sale of Capital Assets		407,249,378	97,929,768
	- Net Change in Deposit Accounts and Liabilities		(204,849,978,399)	13,053,564,559
	- (Increase)/ Decrease in Cash & Cash Equivalents		(29,774,793,969)	33,307,169,077
<b>1,724,112,019,006</b>	<b>TOTAL FINANCING</b>		<b>666,139,299,315</b>	<b>962,639,472,791</b>

## Statement of Financial Position

as at 31st December 2016

	Note	Actual	
		2016 Rs.	2015 Rs
<b>Non Financial Assets</b>	16	346,654,695,824	21,287,299,721
<b>Financial Assets</b>			
Advances to Public Officers	17	23,032,301,539	22,326,681,273
Advances to Government Departments	18	16,092,914,751	9,878,043,209
Membership Fees	19	3,517,179,875	3,517,179,876
On Lending	20	169,547,195,852	174,196,100,153
Capital Contributions to State Owned Enterprises	21	526,907,427,450	492,129,872,096
Investments on Borrowings	22	8,793,959,329,494	7,684,953,706,734
Stamps Stock Account		1,274,815,192	1,315,218,449
Rent & Work Advance		228,769,715	-
<b>Total Financial Assets</b>		<b>9,534,559,933,869</b>	<b>8,388,316,801,790</b>
<b>Total Assets</b>		<b>9,881,214,629,693</b>	<b>8,409,604,101,511</b>
<b>Statutory &amp; Other Funds</b>			
Consolidated Fund	23	(187,247,051,579)	(403,025,504,824)
Contingency Fund		500,000,000	100,000,000
Foreign Loan Revolving Funds	24	21,625,057,252	25,747,620,522
Investment Based Funds - SOES	25	696,454,623,302	666,325,972,249
Miscellaneous Funds	26	1,525,387,106	1,397,008,734
Non Current Assets Reserve Funds	27	346,883,465,539	21,287,299,722
<b>Total Funds</b>		<b>879,741,481,620</b>	<b>311,832,396,403</b>
<b>Liabilities</b>			
Bank Overdrafts	28	167,880,236,656	197,655,030,624
Advance from the Central Bank	29	83,306,771,400	151,131,671,400
Government Borrowings	30	8,793,959,329,494	7,684,953,706,734
Deposits & Other Liabilities	31	64,342,790,904	63,142,399,483
Accounts Operating with Government Departments	32	(108,635,044,897)	277,042,446
Sundry Accounts	33	619,064,516	611,854,421
<b>Total Liabilities</b>		<b>9,001,473,148,073</b>	<b>8,097,771,705,108</b>
<b>Total Funds and Liabilities</b>		<b>9,881,214,629,693</b>	<b>8,409,604,101,511</b>
Contingent Liabilities & Commitments	34	563,337,457,000	431,954,283,000

The accompanying "Statement of Accounting Policies" and "Notes to the Financial Statements" form an integral part of these Financial Statements. The Department of State Accounts is responsible for the preparation and presentation of these Financial Statements.



S.G. Senarathna  
Director General  
Department of State Accounts



R.H.S. Samarathunga  
Secretary, Ministry of Finance and  
Secretary to the Treasury

General Treasury  
Colombo-01  
23<sup>rd</sup> March, 2017

## Statement of Cash Flows

for the Year ended 31<sup>st</sup> December 2016

	Actual	
	2016 Rs.	2015 Rs.
<b>Cash Flow from Operating Activities</b>		
Tax Receipts	1,463,688,860,659	1,282,120,577,706
Fees, Fines, Penalties and Licenses	32,565,881,521	26,226,585,972
Profits	97,338,234,835	26,118,625,539
Other Receipts	84,513,925,906	51,602,111,948
<b>Total Cash Flow from Operating Activities (a)</b>	<b>1,678,106,902,922</b>	<b>1,386,067,901,165</b>
<b>Less - Cash disbursed for:</b>		
Personal Emoluments & Operating Payments	601,656,259,882	592,708,010,758
Subsidies & Transfer Payments	557,162,914,046	552,848,681,528
Finance Costs	612,062,578,729	527,364,759,169
<b>Total Cash disbursed for Operating Activities (b)</b>	<b>1,770,881,752,657</b>	<b>1,672,921,451,455</b>
<b>Net Cash Flows from Operating Activities (c)=(a)-(b)</b>	<b>(92,774,849,735)</b>	<b>(286,853,550,290)</b>
<b>Cash Flows from Investing Activities</b>		
Interest	4,826,406,488	4,498,365,750
Dividends	15,821,850,862	3,679,135,814
Divestiture Proceeds & Sale of Physical Assets	407,249,378	97,929,768
Recoveries from On Lending	18,619,493,425	12,960,805,528
<b>Total Cash Flow from Investing Activities (d)</b>	<b>39,675,000,153</b>	<b>21,236,236,861</b>
<b>Less - Cash disbursed for:</b>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	594,012,706,930	683,963,424,066
<b>Total Cash disbursed for Investing Activities (e)</b>	<b>594,012,706,930</b>	<b>683,963,424,066</b>
<b>Net Cash Flow from Investing Activities (f)=(d) - (e)</b>	<b>(554,337,706,777)</b>	<b>(662,727,187,205)</b>
<b>Net Cash Flow from Operating &amp; Investment Activities (g)=(c) + (f)</b>	<b>(647,112,556,512)</b>	<b>(949,580,737,495)</b>
<b>Cash Flow from Financing Activities</b>		
Local Borrowings	1,041,541,256,617	1,187,230,889,942
Foreign Borrowings	574,248,733,877	556,370,365,051
Grants Received	7,495,973,314	6,013,856,669
<b>Total Cash Flow from Financing Activities (h)</b>	<b>1,623,285,963,808</b>	<b>1,749,615,111,661</b>
<b>Less - Cash disbursed for:</b>		
Repayment of Local Borrowings	596,429,280,381	659,282,286,890
Repayment of Foreign Borrowings	145,119,354,547	187,112,820,912
Net Change in Deposit Accounts and Other Liabilities	204,849,978,399	(13,053,564,559)
<b>Total Cash disbursed for Financing Activities (i)</b>	<b>946,398,613,327</b>	<b>833,341,543,243</b>
<b>Net Cash Flow from Financing Activities (j)=(h) - (i)</b>	<b>676,887,350,481</b>	<b>916,273,568,418</b>
<b>Net movement in Cash (k)=(g) + (j)</b>	<b>29,774,793,969</b>	<b>(33,307,169,077)</b>
<b>Opening Cash Balance as at 01<sup>st</sup> January 2016</b>	<b>(197,655,030,624)</b>	<b>(164,347,861,546)</b>
<b>Closing Cash Balance as at 31<sup>st</sup> December 2016</b>	<b>(167,880,236,655)</b>	<b>(197,655,030,624)</b>

## Statement of Changes in Net Assets / Equity

for the Year ended 31<sup>st</sup> December 2016

Rs.

Description	Attributable to Government Entities						Total Net Assets / Equity
	Consolidated Fund	Contingency Fund	Foreign Loan Revolving Fund	Miscellaneous Funds	Investment Based Funds	Non Current Assets Reserve Funds	
<b>Balance at 31st December 2014</b>	(356,664,771,188)	140,000,000	25,835,286,956	1,284,802,968	605,803,373,550	-	276,398,692,286
	(356,664,771,188)	140,000,000	25,835,286,956	1,284,802,968	605,803,373,550	-	276,398,692,286
<b>Changes in Net Assets/ Equity for 2015</b>							
Net Change in Consolidated Fund	(46,360,733,636)	-	-	-			(46,360,733,636)
Net Change in Contingency Fund	-	(40,000,000)	-	-			(40,000,000)
Net Change in Foreign Loan Revolving Fund	-	-	(87,666,434)	-			(87,666,434)
Net Change in Miscellaneous Funds				112,205,766			112,205,766
Net Change in Investment Based Funds					60,522,598,699		60,522,598,699
Net Change in Non Current Assets Reserve Funds						21,287,299,722	21,287,299,722
<b>Balance at 31st December 2015</b>	(403,025,504,824)	100,000,000	25,747,620,522	1,397,008,734	666,325,972,249	21,287,299,722	311,832,396,403
<b>Changes in Net Assets/ Equity for 2016</b>							
Add : Prior Year Adjustments	(18,846,319,120)						(18,846,319,120)
Net Change in Consolidated Fund	234,624,772,365						234,624,772,365
Net Change in Contingency Fund		400,000,000					400,000,000
Net Change in Foreign Loan Revolving Fund			(4,122,563,270)				(4,122,563,270)
Net Change in Miscellaneous Funds				128,378,372			128,378,372
Net Change in Investment Based Funds					30,128,651,053		30,128,651,053
Net Change in Non Current Assets Reserve Funds						325,596,165,817	325,596,165,817
<b>Balance at 31st December 2016</b>	(187,247,051,579)	500,000,000	21,625,057,252	1,525,387,106	696,454,623,302	346,883,465,539	879,741,481,620

## Comparison of Budgets and Actuals

for the Year ended 31<sup>st</sup> December 2016

Rs. '000

Description	Original Budget	Adjustments	Revised Budget	Actual	Difference in Performance
<b>Tax &amp; Non Tax Revenue</b>					
Income Tax	260,200,000	1,100,000	261,300,000	258,856,786	(2,443,214)
Taxes on Domestic Goods and Services	892,750,000	(46,550,000)	846,200,000	840,563,920	(5,636,080)
Taxes on International Trade	308,050,000	58,450,000	366,500,000	364,268,155	(2,231,845)
Non Tax Revenue and Others	298,650,000	(104,950,000)	193,700,000	235,066,300	41,366,300
<b>Total Tax &amp; Non Tax Revenue</b>	<b>1,759,650,000</b>	<b>(91,950,000)</b>	<b>1,667,700,000</b>	<b>1,698,755,160</b>	<b>31,055,160</b>
<b>Other Revenue</b>					
Foreign Grants	13,800,495	1,753,745	15,554,240	7,495,973	(8,058,266)
Recoveries from On-lending	14,000,000	-	14,000,000	18,619,493	4,619,493
Sale of Capital Assets	350,000	(50,000)	300,000	407,249	107,249
<b>Total Other Revenue</b>	<b>28,150,495</b>	<b>1,703,745</b>	<b>29,854,240</b>	<b>26,522,716</b>	<b>(3,331,524)</b>
<b>Total Revenue</b>	<b>1,787,800,495</b>	<b>(90,246,255)</b>	<b>1,697,554,240</b>	<b>1,725,277,876</b>	<b>27,723,637</b>
<b>Expenditure</b>					
Salaries, Wages & Other Employment Benefits	450,790,975	11,535,763	462,326,738	452,700,758	(9,625,980)
Other Goods & Services	309,456,615	3,027,634	312,484,249	148,955,502	(163,528,747)
Subsidies, Grants and Transfers	542,204,072	35,103,792	577,307,864	557,162,914	(20,144,950)
Interest Payments	520,452,000	96,801,160	617,253,160	610,894,571	(6,358,589)
Other Recurrent Expenditure	44,495,400	(43,187,433)	1,307,967	1,168,008	(139,959)
<b>Total Recurrent Expenditure</b>	<b>1,867,399,062</b>	<b>103,280,916</b>	<b>1,970,679,978</b>	<b>1,770,881,753</b>	<b>(199,798,225)</b>
Capital Expenditure	1,182,750,098	2,068,909	1,184,819,007	594,012,707	(590,806,300)
<b>Total Recurrent &amp; Capital Expenditure</b>	<b>3,050,149,160</b>	<b>105,349,825</b>	<b>3,155,498,985</b>	<b>2,364,894,460</b>	<b>(790,604,525)</b>
<b>Public Debt Repayment</b>					
Domestic	505,408,440	91,967,420	597,375,860	596,429,280	(946,580)
Foreign	143,442,400	2,562,430	146,004,830	145,119,355	(885,475)
<b>Total Debt Repayment</b>	<b>648,850,840</b>	<b>94,529,850</b>	<b>743,380,690</b>	<b>741,548,635</b>	<b>(1,832,055)</b>
<b>Total Expenditure</b>	<b>3,699,000,000</b>	<b>199,879,675</b>	<b>3,898,879,675</b>	<b>3,106,443,095</b>	<b>(792,436,580)</b>

## Significant Accounting Policies

### Reporting Entity

These Financial Statements of the Government of the Democratic Socialist Republic of Sri Lanka encompass the Reporting Entity of the Central Government comprising of Government Ministries, Departments, Special Spending Units and District Secretariats. However Commercial Public Corporations, State Owned Enterprises and Government Owned Companies or other Companies and Statutory Boards, are not covered in these Financial Statements. Cash outflows from Central Government to those entities taken place during the reporting period and the Government's total interest in the Commercial Public Corporations, State Owned Enterprises and Government owned Companies or other Companies held in the form of equity and loans are taken into consideration. The Revenue and Expenditure of Provincial Councils are not considered as a part of these financial statements, since there is no significant control by the Central Government over the financial and operating activities of Provincial Councils.

### Basis of Preparation

These Financial Statements have been prepared on the historical cost convention in conformity with Generally Accepted Accounting Principles. Historical cost basis has been adopted for measurement while adopting modified cash based accounting for reporting.

### Reporting Period

The reporting period of these Financial Statements is from 1st of January 2016 to 31st December 2016.

### Basis of Consolidation

Expenditure incurred and revenue collected under revenue codes specified in the budget classification by respective Ministries and Departments in the form of financial assets, liabilities, revenue and expenditure are reported using same classification codes for preparation of consolidated accounts.

### Revenue

The Central Government provides non income generating goods, services and benefits to the general public. The revenue is raised by way of taxes, levies, fees and charges imposed under various statutes approved by Parliament to finance the expenditure incurred on provision of such goods, services and benefits. All revenue, so collected through relevant Ministries and Departments are identified and accounted at the time of collection. Investment Income is accounted for the period during which such income is actually collected.

### Premiums and Discounts

Premiums and discounts on issue of debt instruments are adjusted against the cost of borrowings.

### Gains

Gains arising from the sale of assets are accounted during the period in which the transaction has taken place. Foreign exchange gains realized on monetary assets and liabilities are duly accounted in the Statement of Financial Position for the reporting period.

### Expenses

All expenses are accounted in the period in which payments have been made.

### Foreign Currency Transactions

Foreign Currency Transactions are converted into Sri Lanka Rupees using the exchange rate prevailed on the date of the transaction. Exchange differences arising from the settlement of these transactions are duly accounted and presented in the Statement of Financial Performance.

### Investments

Value of the Government's equity investments in State Owned Enterprises is recorded at cost and shown separately in the financial statements. However, investments in Statutory Boards are not separately identified and disclosed since such entities are relying on the Central Government

for their recurrent and capital expenditure requirements similar to those of the other Government Departments.

### **Borrowings**

In the Statement of Financial Position, all local borrowings are recorded at cost. Since foreign borrowings are subject to change in exchange rates, foreign monetary liabilities are converted to Sri Lanka Rupees using exchange rates prevailed at the end of the reporting period. Statement of individual loan details are shown in the Note - 30(I), Statement of Foreign Loan Balances.

### **Employee Entitlements**

Employee entitlements to salaries and wages, annual leave, pre-retirement leave and other similar benefits have been recorded when they actually accrue to or utilized by the employees. Retired Government employee entitlements for pension payments are also recorded on the same basis.

### **Contingent Liabilities & Commitments**

Contingent Liabilities and Commitments are recorded at the point of contingency or commitment is evident.

### **Comparatives**

To ensure consistency with the current period and classification method adopted in making a fair presentation of financial information, comparative figures have been restated where appropriate.

### **Bank Overdrafts**

The Bank Overdraft comprises of all favorable and unfavorable cash book balances for the bank accounts operated in the name of the Deputy Secretary to the Treasury, sum of unsettled imprest balances of Ministries and Departments which are treated as cash in transit and Rupee equivalent amount of all foreign currency bank accounts balances as at end of the reporting period.

## **Compilation of Government Finance Statistics**

The Budget Outturn presented in Economic Classification of Government Finance Statistics (GFS) varies from the information presented in these Financial Statements due to the different classification methods adopted for economic analysis.

## Notes to the Financial Statements

Budget Estimate 2016 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2016 Rs.	2015 Rs.
	<b>NOTE - 1</b>	<b>INCOME TAX</b>		
123,000,000,000	1004.01.01	Income Tax	121,836,210,216	139,395,472,789
14,000,000,000	1004.01.02	Dividend Tax	15,901,812,381	12,339,851,440
2,000,000,000	1004.01.03	Remittance Tax	6,395,736,301	4,135,636,530
<b>139,000,000,000</b>	<b>1004.01.00</b>	<b>Total Corporate Tax (a)</b>	<b>144,133,758,898</b>	<b>155,870,960,759</b>
<b>28,000,000,000</b>	<b>1004.02.01</b>	<b>PAYE</b>	<b>28,169,489,461</b>	<b>26,205,527,535</b>
<b>15,000,000,000</b>	<b>1004.02.99</b>	<b>Other</b>	<b>10,189,520,258</b>	<b>11,454,386,864</b>
<b>58,300,000,000</b>	<b>1004.03.00</b>	<b>Withholding Tax</b>	<b>55,905,842,024</b>	<b>62,904,065,381</b>
58,000,000,000	1004.03.01	On Interest	47,839,315,743	62,411,593,160
300,000,000	1004.03.99	On Fees & Other	8,066,526,281	492,472,221
<b>21,000,000,000</b>	<b>1004.04.00</b>	<b>Economic Service Charge</b>	<b>20,458,175,363</b>	<b>6,148,447,689</b>
<b>122,300,000,000</b>	<b>1004.02.00</b>	<b>Total Non -Corporate Tax (b)</b>	<b>114,723,027,105</b>	<b>106,712,427,470</b>
<b>261,300,000,000</b>		<b>Total Income Tax (a+b)</b>	<b>258,856,786,003</b>	<b>262,583,388,229</b>
	<b>NOTE - 2</b>	<b>TAXES ON DOMESTIC GOODS &amp; SERVICES</b>		
<b>290,000,000,000</b>	<b>1002.01.00</b>	<b>Value Added Tax</b>	<b>283,451,513,779</b>	<b>214,236,985,483</b>
35,000,000,000	1002.01.01	Financial Services	36,096,746,925	27,896,349,397
85,000,000,000	1002.01.02	Other Services	96,605,622,977	73,719,682,143
55,000,000,000	1002.01.03	Manufacturing	35,412,908,090	28,894,521,159
115,000,000,000	1002.01.04	Imports	115,336,235,788	83,726,432,785
-	1002.01.05	Wholesale and Retail Trade	-	-
-	<b>1002.02.00</b>	<b>Goods and Services Tax</b>	<b>1,585,883</b>	<b>881,931</b>
-	1002.02.01	Services	1,201,492	616,445
-	1002.02.02	Manufacturing	384,391	264,236
-	1002.02.03	Imports	-	1,250
-	<b>1002.03.00</b>	<b>National Security Levy</b>	<b>8,091,202</b>	<b>11,633,297</b>
-	1002.03.01	Services	8,091,202	11,633,297
-	1002.03.02	Manufacturing	-	-
-	1002.03.03	Imports	-	-
<b>125,000,000,000</b>	<b>1002.04.00</b>	<b>Excise (Ordinance) Duty</b>	<b>120,238,067,703</b>	<b>105,263,548,521</b>
125,000,000,000	1002.04.01	Liquor	120,238,067,703	105,263,548,521
<b>334,050,000,000</b>	<b>1002.05.00</b>	<b>Excise (Special Provisions) Duty</b>	<b>334,673,620,794</b>	<b>352,298,412,798</b>
90,000,000,000	1002.05.01	Cigarettes	88,751,726,056	79,980,671,667
50,000,000	1002.05.02	Liquor	-	906
50,000,000,000	1002.05.03	Petroleum Products	55,719,125,920	45,091,920,582
190,000,000,000	1002.05.04	Motor Vehicles	186,499,204,654	223,413,689,349
4,000,000,000	1002.05.99	Other	3,703,564,164	3,812,130,293
<b>35,000,000</b>	<b>1002.06.00</b>	<b>Tobacco Tax</b>	<b>39,819,451</b>	<b>34,049,349</b>
-	<b>1002.07.00</b>	<b>Stamp Duty</b>	<b>-</b>	<b>-</b>
-	<b>1002.08.00</b>	<b>Debits Tax</b>	<b>-</b>	<b>-</b>
-	<b>1002.09.00</b>	<b>Turnover Tax</b>	<b>16,639,038</b>	<b>15,770,891</b>
-	<b>1002.10.00</b>	<b>Social Responsibility Levy</b>	<b>8,999,016</b>	<b>21,355,996</b>
<b>35,000,000,000</b>	<b>1002.11.00</b>	<b>Telecommunication Levy</b>	<b>35,975,781,752</b>	<b>33,358,098,253</b>

## Notes to the Financial Statements contd...

Budget Estimate 2016 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2016 Rs.	2015 Rs.
54,000,000,000	1002.12.00	<b>Nation Building Tax</b>	57,424,138,359	43,938,771,964
22,000,000,000	1002.12.01	Services	29,120,398,350	21,243,984,039
12,000,000,000	1002.12.02	Manufacturing	9,908,497,868	6,800,014,798
20,000,000,000	1002.12.03	Imports	18,395,242,141	15,894,773,127
3,680,000,000	1003	<b>Licence Taxes and other</b>	4,281,373,639	4,286,657,243
1,330,000,000	1003.01.00	Luxury Motor Vehicle Tax	1,400,413,589	1,306,502,923
-	1003.02.00	Transfer Tax	-	-
900,000,000	1003.03.00	Betting & Gaming Levy	1,884,498,652	831,922,843
1,200,000,000	1003.04.00	Share Transaction Levy	737,659,559	1,394,916,707
250,000,000	1003.05.00	Construction Industry Guarantee Fund Levy	258,801,839	753,314,770
-	1003.06.00	Environment Conservation Levy	-	-
4,400,000,000	1003.07.00	<b>Other Licences</b>	4,394,617,293	1,561,720,844
185,000,000	1003.07.01	Pharmaceuticals, Equipment, Perfumes and Pharmacies Registration Fee	-	93,508,804
1,300,000,000	1003.07.02	Registration fees relevent to the Department of Registrar General	1,240,387,535	1,129,026,863
90,000,000	1003.07.03	Private Timber Transport	111,567,175	87,651,559
65,000,000	1003.07.04	Tax on sale of Motor Vehicles	64,541,739	63,562,923
15,000,000	1003.07.05	Licence Taxes relevent to the Ministry of Defence	13,728,189	12,997,877
25,000,000	1003.07.06	Licence fees relevent to the Dept. of Fisheries & Aquatic Resources	22,804,170	22,781,450
-	1003.07.07	Levy on Rooms of Five Star Hotels	-	-
1,100,000,000	1003.07.08	Company Registration Levy	1,162,760,000	-
1,450,000,000	1003.07.10	Vehicle Entitlement Levy	1,579,133,507	-
170,000,000	1003.07.99	Other	199,694,977	152,191,368
20,000,000	1003.08.00	<b>Fees under the Certificate to be granted yearly to Notary Registrar of the High Court</b>	15,951,778	14,438,827
-	1003.09.00	<b>Taxes on Lands leased out to Foreigners</b>	22,665,681	1,066,637,564
15,000,000	1003.10.00	<b>Emigration Tax</b>	11,054,550	-
846,200,000,000		<b>Total Taxes on Domestic Goods &amp; Services</b>	840,563,919,917	756,108,962,960
	NOTE - 3	<b>TAXES ON INTERNATIONAL TRADE</b>		
160,000,000,000	1001.01.00	<b>Import Duties</b>	156,487,111,914	108,115,913,117
300,000,000	1001.02.00	<b>Export Duties</b>	31,254,165	33,379,919
1,200,000,000	1001.03.00	<b>Import &amp; Export Licences Fees</b>	1,370,454,992	1,089,115,878
90,000,000,000	1001.04.00	<b>Ports &amp; Airports Development Levy</b>	88,822,937,477	56,733,269,874
57,000,000,000	1001.05.00	<b>Cess Levy</b>	61,730,397,202	45,180,681,547
55,000,000,000	1001.05.01	Import Cess Levy	59,058,386,074	42,467,401,787
2,000,000,000	1001.05.02	Export Cess Levy	2,672,011,128	2,713,279,760
-	1001.06.00	<b>Motor Vehicle Concessionary Levy</b>	-	300
-	1001.07.00	<b>Regional Infrastructure Development Levy</b>	876,456	286,733
58,000,000,000	1001.08.00	<b>Special Commodity Levy</b>	55,825,122,532	52,275,579,150
-	1001.99.00	<b>Other</b>	-	-
366,500,000,000		<b>Total Revenue from Taxes on International Trade</b>	364,268,154,738	263,428,226,517

## Notes to the Financial Statements contd...

Budget Estimate 2016 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2016 Rs.	2015 Rs.
	<b>NOTE - 4</b>	<b>NON-TAX REVENUE AND OTHERS</b>		
6,800,000,000	2001.01.00	Railways	6,521,806,512	6,412,930,769
7,000,000,000	2001.02.00	Postal	6,578,133,637	6,710,879,008
100,000,000	2001.03.00	Stores Advance Accounts (Explosive Items )	65,000,000	49,996,648
50,000,000	2001.04.00	Prisons Industrial and Agricultural Advance Account	51,029,428	49,987,564
<b>13,950,000,000</b>		<b>Revenue From Other Sources (a)</b>	<b>13,215,969,576</b>	<b>13,223,793,990</b>
<b>3,460,000,000</b>	<b>2002.01.00</b>	<b>Rent</b>	<b>10,980,204,123</b>	<b>2,823,375,329</b>
750,000,000	2002.01.01	Rent on Government Building & Housing	789,821,218	727,333,851
1,500,000,000	2002.01.02	Rent on Crown Forests	2,170,576,942	1,318,518,534
60,000,000	2002.01.03	Rent from Land and Other	64,197,522	36,969,740
900,000,000	2002.01.04	Lease rental from Regional Plantation Companies	767,329,817	645,464,568
-	2002.01.05	National Rent Income from Land & Building	275,000	-
250,000,000	2002.01.99	Other Rental	7,188,003,624	95,088,636
<b>5,250,000,000</b>	<b>2002.02.00</b>	<b>Interest</b>	<b>4,826,406,488</b>	<b>4,498,365,750</b>
4,250,000,000	2002.02.01	On-lending	3,954,098,923	3,544,814,131
1,000,000,000	2002.02.99	Other	872,307,565	953,551,620
<b>87,400,000,000</b>	<b>2002.03.00</b>	<b>Profits</b>	<b>92,338,234,835</b>	<b>26,118,625,539</b>
<b>4,600,000,000</b>	<b>2002.04.00</b>	<b>Dividends</b>	<b>15,821,850,862</b>	<b>3,679,135,814</b>
-	<b>2002.05.00</b>	<b>Transferring Surplus Fund from Public Enterprises</b>	-	-
<b>120,000,000</b>	<b>2003.01.00</b>	<b>Departmental Sales</b>	<b>139,078,653</b>	<b>143,190,277</b>
<b>40,380,000,000</b>	<b>2003.02.00</b>	<b>Administrative Fees &amp; Charges</b>	<b>51,521,586,875</b>	<b>32,283,325,306</b>
120,000,000	2003.02.01	Audit Fees	169,006,330	109,335,620
-	2003.02.02	Air Navigation Fees	1,250	2,500
150,000,000	2003.02.03	Fees under Registration of Persons	235,396,330	172,101,133
320,000,000	2003.02.04	Fees of Department of Survey	465,022,955	308,091,450
500,000,000	2003.02.05	Service Charges of Government Pess	519,472,692	690,332,310
20,000,000	2003.02.06	Fees under the Fauna & Flora Protection Ordinance	25,397,683	22,449,208
15,000,000,000	2003.02.07	Fees of Passports, Visas & Dual Citizenship	15,604,069,714	10,107,772,153
7,000,000,000	2003.02.08	Embarkation Levy	6,809,667,239	3,963,229,542
100,000,000	2003.02.09	Fees of Department of Valuation	132,085,895	53,047,156
100,000,000	2003.02.10	Fees of Registrar of Companies	83,315,613	85,387,195
35,000,000	2003.02.11	Legal fees from Corporations & Statutory Bodies	38,520,245	32,594,615
20,000,000	2003.02.12	Fees recovered under the Public Contract Act	29,950,500	20,568,000
280,000,000	2003.02.13	Examinations & Other Fees	392,156,108	240,949,011
8,500,000,000	2003.02.14	Fees under the Motor Traffic Act & other receipts	8,847,544,781	9,345,570,004

## Notes to the Financial Statements contd...

Budget Estimate 2016 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2016 Rs.	2015 Rs.
900,000,000	2003.02.15	Registration Fees on motor vehicle transfers under the issuing motor vehicle permits on concessionary terms	692,537,158	1,218,952,372
300,000,000	2003.02.16	Air craft rentals	193,757,480	246,312,150
130,000,000	2003.02.17	Fee on Local Sale of Garments	167,138,313	121,637,031
250,000,000	2003.02.18	Fees relevant to the Department of Agriculture	265,933,519	268,070,106
630,000,000	2003.02.19	Botanical and Gardens Revenue	744,698,456	545,295,285
-	2003.02.20	Accounting & Auditing Standards Cess Levy	-	-
25,000,000	2003.02.21	Fees relevant to the Ministry of Petroleum Industries	32,271,859	21,147,223
6,000,000,000	2003.02.99	Sundries	16,073,642,755	4,710,481,242
<b>2,500,000,000</b>	<b>2003.03.00</b>	<b>Fines and Forfeits</b>	<b>4,101,978,707</b>	<b>2,091,234,799</b>
1,500,000,000	2003.03.01	Fines and Forfeits - Customs	2,134,252,773	1,129,217,161
1,000,000,000	2003.03.02	Fines and Forfeits - Other	1,967,725,933	962,017,638
40,000,000	2003.04.00	Public Officer's Motor Cycle Premium	19,383,414	772,048,802
10,000,000,000	2003.99.00	Other Receipts	16,824,399,928	9,342,846,931
19,000,000,000	2004.01.00	Social Security Contributions	18,046,217,274	15,213,299,355
12,500,000,000	2004.01.00	Central Government	11,956,575,722	10,049,801,371
6,500,000,000	2004.02.00	Provincial Councils	6,089,641,553	5,163,497,984
<b>7,000,000,000</b>	<b>2005</b>	<b>Current Transfers</b>	<b>7,230,988,878</b>	<b>1,935,583,130</b>
5,000,000,000	2005.01.00	Central Bank Profits	5,000,000,000	-
-	2005.01.99	Other Transfers	-	-
2,000,000,000	2005.99.00	National Lotteries Board and Other Transfers	2,230,988,878	1,935,583,130
-	2006.03.00	Domestic Capital Transfer	-	-
-	2006.20.00	Other	-	-
179,750,000,000		Revenue from Other Sources (b)	221,850,330,037	98,901,031,033
193,700,000,000		Total Non - Tax Revenue & Other Revenue (a) + (b)	235,066,299,613	112,124,825,023
1,667,700,000,000		Total Revenue (Note 1 - 4)	1,698,755,160,272	1,394,245,402,730

Notes to the Financial Statements contd...

Budget Estimate 2016 Rs.	Object Code	Object Title	Actual 2016 Rs.	2015 Rs.
	NOTE-5	<b>OBJECT CODE-WISE CLASSIFICATION OF SALARIES, WAGES &amp; OTHER EMPLOYMENT BENEFITS</b>		
		<b>Personal Emoluments</b>		
182,637,636,019	1001	Salaries and Wages	180,814,221,278	159,857,834,824
17,146,431,234	1002	Overtime and Holiday Payments	17,047,807,455	15,105,727,665
262,542,670,876	1003	Other Allowances	254,838,729,432	254,778,764,369
<b>462,326,738,130</b>		<b>Total</b>	<b>452,700,758,165</b>	<b>429,742,326,857</b>
	NOTE - 6	<b>OBJECT CODE-WISE CLASSIFICATION OF OTHER GOODS AND SERVICES</b>		
		<b>Travelling Expenditure</b>		
12,285,804,898	1101	Domestic	12,070,947,509	11,979,117,201
2,113,362,409	1102	Foreign	1,982,246,286	1,514,140,933
<b>14,399,167,306</b>		<b>Total (a)</b>	<b>14,053,193,795</b>	<b>13,493,258,134</b>
		<b>Supplies</b>		
2,916,522,271	1201	Stationery and Office Requisites	2,786,731,835	2,625,788,201
16,097,538,689	1202	Fuel	14,270,106,113	16,228,047,126
31,938,848,966	1203	Diets and Uniforms	24,846,002,577	34,322,355,598
47,771,443,000	1204	Medical Supplies	40,474,448,434	34,386,922,305
5,556,234,968	1205	Other	4,917,737,372	5,921,540,411
<b>104,280,587,893</b>		<b>Total (b)</b>	<b>87,295,026,331</b>	<b>93,484,653,641</b>
		<b>Maintenance Expenditure</b>		
3,453,815,221	1301	Vehicles	3,271,543,195	3,164,916,365
2,249,497,070	1302	Plant and Machinery	1,864,969,718	2,023,967,408
966,592,287	1303	Buildings and Structures	890,969,991	924,358,778
<b>6,669,904,579</b>		<b>Total (c)</b>	<b>6,027,482,904</b>	<b>6,113,242,551</b>
		<b>Services</b>		
4,500,034,173	1401	Transport	3,966,765,216	4,110,535,361
3,232,405,393	1402	Postal and Communication	3,060,668,447	2,538,246,018
11,138,802,884	1403	Electricity and Water	10,357,062,517	10,643,201,421
6,490,221,956	1404	Rents and Local Taxes	6,045,376,634	4,372,832,162
20,313,901,008	1405	Other	15,923,736,913	25,965,422,733
2,223,516,800	1406	Interest Payment for Leased Vehicles	2,223,313,649	2,244,291,879
139,230,000,000	1407	Capital Carrying Cost of Government - Lands & Buildings	-	-
5,707,000	1408	Lease Rental for Vehicles Procured under Operational Leasing	2,875,310.00	-
<b>187,134,589,215</b>		<b>Total (d)</b>	<b>41,579,798,686</b>	<b>49,874,529,574</b>
<b>312,484,248,993</b>		<b>TOTAL EXPENDITURE ON OTHER GOODS AND SERVICES (a+b+c+d)</b>	<b>148,955,501,716</b>	<b>162,965,683,901</b>
	NOTE - 7	<b>OBJECT CODE-WISE CLASSIFICATION OF TRANSFERS, GRANTS &amp; SUBSIDIES</b>		
		<b>Transfers</b>		
108,539,323,917	1501	Welfare Programmes	102,340,737,947	92,744,323,028
174,566,179,883	1502	Retirement Benefits	173,151,753,659	156,577,095,355

## Notes to the Financial Statements contd...

Budget Estimate 2016 Rs.	Object Code	Object Title	Actual	
			2016 Rs.	2015 Rs.
73,936,850,341	1503	Public Institutions	70,903,607,144	61,256,421,115
42,322,846,610	1504	Development Subsidies	34,807,816,927	67,173,004,317
1,465,478,072	1505	Subscriptions and Contributions Fees	1,302,632,032	2,443,873,517
2,884,666,731	1506	Property Loan Interest to Public Servants	2,466,312,883	2,435,692,345
169,262,595,900	1507	Contribution to Provincial Councils	169,106,043,526	167,551,163,300
3,969,922,516	1508	Other	2,724,009,926	2,667,108,551
360,000,000	1509	Contribution to Contingencies Fund	360,000,000	-
<b>577,307,863,970</b>		<b>Total</b>	<b>557,162,914,046</b>	<b>552,848,681,528</b>
	<b>NOTE - 8</b>	<b>OBJECT CODE-WISE CLASSIFICATION OF INTEREST PAYMENTS</b>		
514,250,689,859	1601	Domestic Debt	509,818,769,732	450,053,200,358
103,002,470,000	1602	Foreign Debt	101,075,801,143	77,174,371,554
<b>617,253,159,859</b>		<b>Total</b>	<b>610,894,570,875</b>	<b>527,227,571,912</b>
	<b>NOTE - 9</b>	<b>OBJECT CODE-WISE CLASSIFICATION OF OTHER RECURRENT EXPENDITURE</b>		
1,209,608,531	1701	Losses and Write off	1,129,314,209	137,187,257
98,358,213	1702	Contingency Services	38,693,646	-
<b>1,307,966,744</b>		<b>Total</b>	<b>1,168,007,855</b>	<b>137,187,257</b>
<b>1,970,679,977,696</b>		<b>Grand Total (Notes 5 to 9) Total Recurrent Expenditure</b>	<b>1,770,881,752,657</b>	<b>1,672,921,451,455</b>
	<b>NOTE - 10</b>	<b>OBJECT CODE-WISE CLASSIFICATION OF PUBLIC INVESTMENT</b>		
		<b>Rehabilitation and Improvements of Capital Assets</b>		
22,241,188,196	2001	Buildings and Structures	14,718,979,580	20,699,326,826
6,926,996,727	2002	Plant, Machinery and Equipment	5,191,009,022	5,492,379,786
4,897,830,586	2003	Vehicles	4,547,825,013	3,945,074,125
<b>34,066,015,508</b>		<b>Total (a)</b>	<b>24,457,813,615</b>	<b>30,136,780,737</b>
		<b>Acquisition of Capital Assets</b>		
4,032,887,596	2101	Vehicles	1,306,655,003	1,522,866,573
7,912,565,622	2102	Furniture and Office Equipment	5,500,947,806	8,462,079,501
15,701,637,899	2103	Plant, Machinery and Equipment	11,423,305,803	14,787,389,033
199,481,666,572	2104	Buildings and Structures	146,251,172,163	177,647,866,087
67,901,233,267	2105	Lands and Land Improvements	44,021,255,513	69,791,747,649
5,793,200,000	2108	Capital payment for Leased Vehicles	5,792,703,689	4,799,911,222
<b>300,823,190,955</b>		<b>Total (b)</b>	<b>214,296,039,977</b>	<b>277,011,860,065</b>
		<b>Capital Transfers</b>		
92,289,169,734	2201	Public Institutions	76,959,699,835	68,415,494,650
9,125,313,641	2202	Development Assistance	7,933,892,745	5,595,842,426
31,394,140,000	2203	Contribution to Provincial Councils	15,212,123,000	17,097,640,000
2,246,000,000	2204	Transfers Abroad	2,191,375,495	668,222,160
<b>135,054,623,375</b>		<b>Total (c)</b>	<b>102,297,091,076</b>	<b>91,777,199,236</b>

## Notes to the Financial Statements contd...

Budget Estimate 2016 Rs.	Object Code	Object Title	Actual	
			2016 Rs.	2015 Rs.
		<b>Acquisition of Financial Assets</b>		
19,426,635,936	2301	Equity Contribution	19,426,635,936	89,387,108,925
20,992,321,225	2302	On-lending	16,976,835,296	14,591,639,259
<b>40,418,957,161</b>		<b>Total (d)</b>	<b>36,403,471,232</b>	<b>103,978,748,184</b>
		<b>Capacity Building</b>		
5,739,495,104	2401	Staff Training	5,144,133,807	6,252,151,228
<b>5,739,495,104</b>		<b>Total (e)</b>	<b>5,144,133,807</b>	<b>6,252,151,228</b>
		<b>Other Capital Expenditure</b>		
8,448,230,678	2501	Restructuring	8,442,078,321	1,270,129,439
309,141,364,696	2502	Investments	188,296,810,487	156,571,098,659
332,366,219,186	2503	Contingency Services		
18,760,910,500	2504	Investments in Provincial Councils	14,675,268,415	16,965,456,517
<b>668,716,725,060</b>		<b>Total (f)</b>	<b>211,414,157,223</b>	<b>174,806,684,616</b>
<b>1,184,819,007,163</b>		<b>TOTAL EXPENDITURE ON PUBLIC INVESTMENTS (a+b+c+d+e+f)</b>	<b>594,012,706,930</b>	<b>683,963,424,066</b>
<b>3,155,498,984,859</b>		<b>Total Expenditure (Notes 5 to 10)</b>	<b>2,364,894,459,587</b>	<b>2,356,884,875,521</b>

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2016

Funding Agency	Project	Loan Key	Loan Currency	Actual		
				2016 Amount (Loan Currency)	2015 Amount (Rs.)	2015 Amount (Rs.)
	<b>AB SVENSK EXPORT CREDIT</b>				<b>501,504,340</b>	<b>439,287,229</b>
1	Ratmalana & Ja-Ela Wastewater Treatment Facilities Project	2007029	USD	3,472,697	501,504,340	439,287,229
	<b>AGENCY FRANCAISE DE DEVELOPMENT</b>				-	<b>26,982,742</b>
2	Implementation of Jaffna & Killinochchi Water Supply & Sanitation Project	2011036	EUR		-	26,982,742
	<b>ASIAN DEVELOPMENT BANK (ADB)</b>				<b>51,225,174,832</b>	<b>48,198,446,504</b>
3	TA Loan - Road Project Preparatory Facility	2004006	XDR		-	34,746,062
4	Education for Knowledge Society Project	2007031	XDR		-	212,678,925
5	Dry Zone Urban Water and Sanitation Project	2009008	XDR	6,816,758	1,372,263,865	1,512,888,172
6	Clean Energy and Access Improvement Project	2009006	USD	7,883,500	1,138,032,377	2,488,776,804
7	Clean Energy and Access Improvement Project	2009007	XDR	1,675,656	336,593,212	344,262,310
8	Eastern and North Central Province Road Project	2009018	XDR		-	171,199,478
9	Greater Colombo Wastewater Management Project (OCR)	2009028	USD	4,274,465	623,509,743	2,614,567,449
10	Greater Colombo Wastewater Management Project (ADF)	2009029	XDR	2,814,519	568,582,739	514,898,822
11	ADB Funded Fiscal Management Efficiency Project	2010019	USD	4,030,402	589,129,539	180,683,070
12	Conflict Affected Region Emergency Project	2010021	USD			4,158,781,361
13	Northern Road Connectivity Project (OCR)	2010025	USD	2,624,392	379,745,490	1,368,452,637
14	Northern Road Connectivity Project (ADF)	2010026	XDR	1,629,463	330,191,367	424,406,909
15	Jaffna & Killinochchi Water Supply & Sanitation Project (OCR)	2011001	USD	358,086	51,873,907	121,511,078
16	Jaffna & Killinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR	9,328,728	1,866,651,901	458,724,098
17	Sustainable Power Sector Support Project	2011012	USD	15,937,065	2,301,074,501	1,616,021,953
18	Sustainable Power Sector Support Project	2011013	XDR	1,786,733	331,615,865	74,178,344
19	Secondary Towns & Rural Community/Based Water Supply Additional Financing	2011015	USD		-	32,620,435
20	Secondary Towns & Rural Community/Based Water Supply Additional Financing	2011016	XDR		-	144,962,205
21	Local Government Enhancement Project	2011028	XDR	12,449,329	2,514,206,405	2,886,189,918
22	National Highways Sector Project (ADF)(OCR)	2011035	USD	8,868,191	1,279,615,468	3,124,530,105
23	Northern Road Connectivity Project (ADF)	2012029	XDR	6,503,529	1,293,406,732	2,942,278,180
24	Northern Road Connectivity Project (ADF)	2012030	USD	2,320,846	333,706,272	1,243,115,498
25	Clean Energy and Network Efficiency Improvement Project	2013015	USD	29,721,207	4,344,441,446	1,390,421,110
26	Clean Energy and Network Efficiency Improvement Project	2013017	XDR	2,495,203	504,434,267	417,886,429
27	Dry Zone Urban Water and Sanitation Project (ADF)	2013021	XDR	1,016,398	205,353,311	1,801,744,308
28	Education Sector Development Programme (OCR)	2013034	USD	12,500,000	3,530,101,595	-
29	Education Sector Development Programme (ADF)	2013035	XDR	8,321,751	-	4,202,823,622
30	Greater Colombo Water Wastewater Management Improvement Project	2013042	USD	9,135,713	1,347,486,946	2,068,259,910
31	Greater Colombo Water Wastewater Management Improvement Project	2013043	XDR	640,703	128,768,277	153,886,924
32	Southern Road Connectivity Project	2014017	USD	8,412,433	1,224,975,946	522,335,445
33	Southern Road Connectivity Project	2014018	XDR	1,257,509	254,609,347	239,141,955
34	Skills Sector Enhancement Programme	2014005	USD	9,000,000	2,523,635,656	-
35	Skills Sector Enhancement Programme	2014006	XDR	5,868,000		3,012,468,675
36	Integrated Road Investment Programme	2014041	XDR	22,321,280	4,483,066,356	4,284,613,901
37	Greater Colombo Water and Wastewater Management Programme-2	2014029	USD	6,326,245	937,190,717	22,715,885
38	Greater Colombo Water and Wastewater Management Programme-3	2014030	XDR	698,941	141,364,596	45,022,961
39	Integrated Road Investment Programme	2015009	XDR	69,145	13,940,183	1,118,303,265
40	Integrated Road Investment Programme	2015010	USD	64,226,120	9,312,532,800	1,288,157,382
41	Mahaweli Water Security Investment Programme	2015025	USD			960,190,919
42	Mahaweli Water Security Investment Programme	2015024	XDR	6,562,419	1,311,150,206	-
43	Green Power Development and Energy Efficiency Improvement Programme	2014036	XDR	691,263	138,066,506	-
44	Green Power Development and Energy Efficiency Improvement Programme	2014037	USD	1,907,096	274,056,003	-
45	Integrated Road Investment Programme - Tranch 3	2015036	USD	113,750	16,522,188	-
46	Integrated Road Investment Programme - Tranch 3	2015037	XDR	16,862,882	3,401,404,102	-

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2016

Funding Agency	Project	Loan Key	Loan Currency	Actual		
				2016 Amount (Loan Currency)	2016 Amount (Rs.)	2015 Amount (Rs.)
47	Small and Medium Sized Enterprises Line of Credit	2016014	USD	12,500,000	1,821,875,000	-
	<b>EXPORT IMPORT BANK OF UNITED STATES</b>				<b>2,743,497,534</b>	<b>1,170,996,524</b>
48	Badulla Haliela & Ella Water Supply Project	2013025	USD	18,941,452	2,743,497,534	1,170,996,524
	<b>BOERENLEEN BANK</b>				-	<b>7,878,332,632</b>
49	Extension of a Disaster Management & Emergency Response System	2009031	EUR		-	-
50	Importation Dairy Animals (Netherlands & Australia)	2011026/ 2011025	USD		-	-
51	Devolpment of Hambantota Hospital	2012010	EUR		-	2,436,895,911
52	Devolpment of Nuwara Eliya Hospital	2012009	EUR		-	2,323,518,231
53	Upgrading of the National Blood Transfusion Services Sri Lanka	2013001	USD		-	1,077,230,859
54	Upgrading of Periperal Blood Bank coming under the National Blood Transfusion Services	2013024	EUR		-	2,040,687,632
	<b>EUROPEAN INVESTMENT BANK</b>				<b>7,357,487,094</b>	<b>3,946,099,243</b>
55	Sri Lanka SME & Green Energy Global Loan	2013047	USD	46,874,649	7,357,487,094	3,946,099,243
	<b>FORTIS EXPORT NV/FORTIS BANQUE SA</b>					<b>353,310,118</b>
56	Kolonna Balangoda Water Supply Project	2011029	EUR			353,310,118
	<b>HSBC BANK PLC (UK)</b>				<b>1,460,915,522</b>	<b>5,808,456,974</b>
57	Construction of 210 Permanent Rural Steel Bridges	2012023	USD	3,099,675	447,941,713	2,628,947,097
58	Modernization of Processing Factories of MILCO (Pvt) Ltd	2013012	USD	-	-	1,322,737,023
59	Regional Bridge Project - Phase ii	2013027	USD	7,011,642	1,012,973,809	1,856,772,854
	<b>HSBC (With Guarantee of EKF Denmark)</b>				<b>4,434,421,566</b>	-
60	Establishment of Dairy Processing Plant at Badalgama	2015019	EUR	27,719,365	4,434,421,566	-
	<b>INTERNATIONAL DEVELOPMENT ASSOCIATION</b>				<b>35,673,925,764</b>	<b>17,827,019,074</b>
61	Dam Safety & Water Resources Planning Project	2008031	XDR			323,353,381
62	Provincial Roads Project	2010001	XDR			767,782,050
63	Higher Education for the Twenty First Century Project	2010024	XDR	1,069,015	216,117,650	1,333,943,408
64	North East Local Services Improvement Project	2010043	XDR	454,002	92,700,160	28,212
65	Small & Medium Enterprise Development Facility Project	2010044	XDR		-	2,244,053,345
66	2nd & 3rd Additional Financing for Community Livelihood in Conflict Affected Areas	2011037	XDR		-	27,481,598
67	Second Additional Financing for Road Sector Assistance Project	2011010	XDR		-	1,396,893,693
68	Transforming the School Education System as the Foundation of a Knowledge Hub Project	2012012	XDR	16,730,904	3,343,177,281	1,459,378,866
69	Second Health Sector Development Project	2013030	XDR	15,167,119	3,080,081,940	5,399,884,572
70	Climate Resilience Improvement Management Programme	2014010	XDR	12,604,825	2,537,070,030	504,867,764
71	Strategic Cities Development Project	2014019	XDR	7,128,193	1,457,501,711	1,297,558,748
72	Skills Development Project	2014022	XDR	10,900,758	2,224,541,233	871,359,840
73	Additional Financing for Dam Safety & Water Resources Planning Project	2014020	XDR	17,038,811	3,432,144,666	2,200,433,597
74	Water Supply and Sanitation Improvement Project	2015028	XDR	6,922,062	1,380,245,301	-
75	Early Childhood Development Project	2015030	XDR	1,039,775	206,584,497	-
76	Additional Financing for North East Local Services Improvement Project (NELSIP)	2015031	XDR	14,300,000	2,908,951,294	-
77	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	2016030	USD	100,000,000	14,794,810,000	-
	<b>INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT</b>				<b>16,471,525,600</b>	<b>2,496,714,406</b>
78	Metro Colombo Urban Development Project	2012011	USD	11,762,000	1,692,551,800	2,496,714,406
79	Disaster Risk Management Development Policy Loan	2014013	USD	101,490,000	14,778,973,800	-
	<b>INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT</b>				<b>3,304,239,908</b>	<b>1,072,012,667</b>
80	Dry Zone Livelihood Support & Partnership Programme	2004022	XDR		-	-
81	Post Tsunami Coastal Rehabilitation & Resource Management Programme	2005022	XDR		-	12,275,813
82	Smallholder Plantations Entrepreneurship Development Programme	2007011	XDR	1,513,114	306,519,536	373,164,869

## Notes to the Financial Statements contd...

**NOTE - 11 - FOREIGN BORROWINGS - 2016**

Funding Agency	Project	Loan Key	Loan Currency	Actual		
				2016 Amount (Loan Currency)	2015 Amount (Rs.)	2015 Amount (Rs.)
83	Post Tsunami Coastal Rehabilitation & Resource Management Programme II	2008025	XDR		-	20,226,783
84	National Agri Business Development Programme	2010009	XDR	9,089,474	1,840,724,183	162,191,376
85	Iranamadu Irrigation Development Project	2012008	XDR	5,701,789	1,156,996,188	504,153,826
<b>ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)</b>					<b>1,808,068,645</b>	<b>2,460,801,592</b>
86	Kalu Ganga Development Project	2010038	USD	4,223,183	616,390,454	335,779,169
87	Road Network Development Project	2012024	USD	5,904,396	860,456,837	1,415,545,923
88	Colombo National Highways Project	2013023	USD	2,287,197	331,221,354	709,476,500
<b>RAIFFISEN ZENTRAL BANK</b>					<b>379,682,666</b>	-
89	Implementation of the Kochchikade Bridge	2016001	USD	2,391,643	379,682,666	-
<b>GOVERNMENT OF THE RUSSIAN FEDERATION</b>					-	<b>12,257,775,512</b>
90	Russian Line of Credit	2010018	USD		-	12,257,775,512
<b>AUSTRALIAN &amp; NEWZELAND INVESTMENT BANK</b>					<b>695,547,861</b>	<b>683,079,227</b>
91	Intergrated Water Supply Scheme for the Unserved Areas of Ampara District - Phase III	2010023	USD	5,188,798	695,547,861	683,079,227
<b>UNICREDIT BANK AUSTRIA AG</b>					<b>815,774,036</b>	<b>866,453,884</b>
92	Augmentation of Mahiyangana Water Supply Project	2013004	EUR	2,020,543	322,905,261	433,389,602
93	Supply of 2 Nos Cardiac Catheterization System to Cardiology Department of the NHSL	2013006			-	-
94	Sewerage Infrastructure at Kataragama Sacred City Area	2013045	EUR	3,092,081	492,868,775	433,064,282
<b>BNP PARIBAS</b>					<b>24,570,837</b>	<b>464,186,190</b>
95	Reconstruction of (7) Railway Steel Bridges	2013032	EUR	162,408	24,570,837	464,186,190
<b>CALYON CREDIT AGRICOLE CIB</b>					<b>39,394,862</b>	-
96	Rehabilitation of Wimalasurendra and New Laxapana Power Stations	2008042	USD	300,688	39,394,862	-
<b>CO-OP CENTRALE RAIFFEISEN-BOERENLEEN BANK</b>					<b>7,572,563,068</b>	<b>6,909,836,103</b>
97	Sri Lanka Dairy Development Project Phase-II	2014032	USD	4,804,011	654,764,898	1,592,259,046
98	Sri Lanka Dairy Development Project Phase-II	2014033	USD		-	407,740,954
99	Construction of 463 Rural Bridges	2014035	USD	43,136,495	6,917,798,171	4,909,836,103
<b>CHINA DEVELOPMENT BANK CORPORATION</b>					<b>18,532,844,112</b>	<b>35,673,770,598</b>
100	Rehabilitation and Improvement of Priority Road Project	2010051	USD		-	1,719,579,036
101	Improvement and Rehabilitation of Priority Roads	2011007	USD	7,375,956	1,062,413,068	13,752,050,266
102	Moragahakanda Development Project	2012017	USD	45,331,717	6,601,139,560	2,928,840,165
103	Improvement and Rehabilitation of Priority Roads Project 3 (Phase i)	2014001	USD	59,334,818	8,675,319,232	17,273,301,131
104	Improvement and Rehabilitation of Priority Roads Project 3 (Phase ii)	2014034	USD	14,855,169	2,193,972,251	-
<b>GOVERNMENT OF FRANCE</b>					<b>719,870,391</b>	<b>1,469,872,937</b>
105	Greater Trincomalee Water Supply Project	2005052	EUR	941,294	150,865,113	55,663,543
106	Widening and Reconstruction of 46 Bridges on National Road Network	2012028	EUR	1,435,168	229,887,591	719,036,894
107	Implementation of Ambathale Water Supply System Improvement & Energy Savings Project	2014027	EUR		-	695,172,500
108	Green Power Development & Energy Efficiency Improvement Investment Programme	2015023	EUR	2,062,184	339,117,688	-
<b>GOVERNMENT OF GERMANY</b>					<b>1,596,556,041</b>	<b>211,163,874</b>
109	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	2005051	EUR		-	86,420,371
110	Reconstruction of Wter Supply Galle District - Phase ii	2010036	EUR	99,872	17,661,983	-
111	Construction of the Mahamodara Maternity Hospital Galle	2012022	EUR	9,902,810	1,578,894,058	124,743,503
<b>GOVERNMENT OF INDIA</b>					<b>6,553,283,881</b>	<b>23,520,993,882</b>
112	Upgrading of Railway Line Colombo Matara	2008011	USD		-	30,509,365
113	Upgrading of Railway Line Colombo Matara Phase II	2010010	USD		-	322,329,803
114	Railway Line Omanthai -Pallai, Madhu- Tallaimannar & Medawachchiya	2010052	USD		-	7,711,041,313
115	India Dollar Credit Line Agreement	2008006	USD	2,370,207	344,152,537	1,071,885,619
116	Greater Dabulla Water Supply Project i	2012002	USD	2,234,002	323,570,772	714,190,418

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2016

Funding Agency	Project	Loan Key	Loan Currency	Actual		
				2016 Amount (Loan Currency)	2015 Amount (Rs.)	2015 Amount (Rs.)
117	Restoration of Northern Railway Services	2012003	USD	654,855	95,445,140	9,267,401,903
118	Procurement of Two Advanced Offshore Petrol Vessels	2013046	USD	39,930,000	5,790,115,432	4,403,635,462
<b>GOVERNMENT OF KUWAIT</b>					<b>1,322,404,228</b>	<b>1,422,224,758</b>
119	Bridges Reconstruction & Rehabilitation Project	1995013	KWD	6,484	3,105,987	44,032,553
120	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	2005048	KWD	-	-	37,000,000
121	Kalu Ganga Development Project	2009002	KWD	1,367,458	657,086,129	875,642,314
122	South Eastern University of Sri Lanka Development Project Phase I "B"	2011030	KWD	928,071	443,449,430	406,320,053
123	Reconstruction of 25 Bridges Project	2014002	KWD	457,301	218,762,681	59,229,838
<b>GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA</b>					<b>1,539,306,000</b>	<b>-</b>
124	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	2000073	CNY	20,000,000	308,234,000	-
125	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	2002076	CNY	30,000,000	483,027,000	-
126	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	2003077	CNY	50,000,000	748,045,000	-
<b>SAUDI FUND FOR ARAB ECONOMIC DEVELOPMENT</b>					<b>2,828,708,611</b>	<b>5,102,996,752</b>
127	Baticoloo - Trincomalee Road Project	2004043	SAR	1,493,523	56,838,274	-
128	Epilepsy Hospital & Health Centers Project	2008001	SAR	16,253,419	618,901,524	360,400,396
129	Kalu Ganga Development Project	2010028	SAR	14,423,908	547,262,329	1,881,338,317
130	Road Network Development Project	2012025	SAR	39,796,620	1,524,384,856	2,861,258,040
131	Epilepsy Hospital & Health Centers Project (ADF)	2015027	SAR	2,092,569	81,321,628	-
<b>GOVERNMENT OF JAPAN</b>					<b>22,845,591,557</b>	<b>26,980,841,322</b>
132	Greater Colombo Transport Development Project	2007004	JPK		-	3,148,119,875
133	Water Sector Development Project	2007006	JPK		-	2,012,933,848
134	Water Sector Development Project (II)	2008014	JPK		-	3,167,687,117
135	Poverty Alleviation Micro Finance Project -II	2008015	JPK		-	156,091,345
136	Provincial Rural Road Development Project	2010013	JPK		-	2,196,804,596
137	Eastern Province Water Supply Development Project	2010015	JPK	1,017,148	1,386,124,220	908,776,248
138	Kandy City Wastewater Management Project	2010016	JPK	747,615	1,017,608,550	494,592,179
139	Greater Colombo Urban Transport Development Project - Phase II	2011003	JPK	1,061,127	1,382,077,360	10,172,497,454
140	Vavuniya Killinochchi Transmission Line Project - Phase II	2011004	JPK	412,228	517,884,286	108,232,284
141	Habarana Veyangoda Transmission Line	2012006	JPK	22,839	31,782,711	25,436,896
142	Improvement of Basic Social Services Targeting Emerging Region	2012007	JPK	627,128	782,977,831	692,330,989
143	Greater Colombo Transmission and Distribution Loss Reduction Project	2013016	JPK	1,490,903	1,902,697,844	243,269,122
144	Major Bridges Construction Project	2013018	JPK	1,619,303	2,150,000,000	2,098,708,195
145	Landslide Disaster Protection Project	2013019	JPK	64,462	85,588,886	349,856,024
146	Anuradhapura North Water Supply Project	2013020	JPK	80,137	103,746,535	172,400,555
147	New Bridges Construction Project over the Kelani River	2014003	JPK	551,632	728,300,021	1,033,104,595
148	National Transmission and Distribution Network Development and Efficiency Improvement Project	2015018	JPK	24,743	34,803,313	-
149	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	2016032	JPK	10,000,000	12,722,000,000	-
<b>BANCO BILBAO VIZCAYA ARGETARIA (SPAIN)</b>					<b>1,074,960,992</b>	<b>2,086,595,972</b>
150	Implementation of the Greater Rathnapura Water Supply Project	2013003	EUR		-	2,086,595,972
151	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	2015033	EUR	6,572,164	1,074,960,992	-
<b>GOVERNMENT OF THE REPUBLIC OF KOREA</b>					<b>2,734,374,988</b>	<b>5,114,806,900</b>
152	Ruhunupura Water Supply Development Project	2009004	KRK		-	2,570,982,485
153	Hatton - Nuwara Eliya Road Improvement Project	2010041	KRK		-	571,875,074
154	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project in Sri Lanka	2013033	KRK	5,905,696	748,251,690	108,720,418
155	Construction of Solid Waste Disposal Facilities	2013031	KRK	460,971	59,833,983	-

## Notes to the Financial Statements contd...

**NOTE - 11 - FOREIGN BORROWINGS - 2016**

Funding Agency	Project	Loan Key	Loan Currency	Actual		
				2016 Amount (Loan Currency)	2016 Amount (Rs.)	2015 Amount (Rs.)
156	Hatton - Nuwara Eliya Road Improvement Project (Supplementary Loan)	2015011	KRK	2,843,335	355,915,739	1,863,228,924
157	Deduru Oya Water Supply Project	2014038	KRK	12,633,738	1,570,373,576	-
<b>EXPORT FINANCE &amp; INSURANCE CORPORATION</b>					<b>405,306,147</b>	<b>-</b>
158	Supply and Purchase of Clinical Waste Disposal System & Related Equipment	2015034	USD	2,773,837	405,306,147	-
<b>THE EXPORT - IMPORT BANK OF CHINA</b>					<b>48,788,007,232</b>	<b>33,511,991,401</b>
159	Highway Section Pinnaduwa to Kodagoda Project	2011005	USD	13,057,899	1,895,442,780	3,090,948,659
160	Highway Section Kodagoda to Godagama Project	2011006	USD	1,004,818	145,176,427	1,216,691,118
161	Rehabilitation & Improvement of 67km Length of Navatkuli, Karaitivu, Mannar Road Project	2011008	USD		-	758,022,023
162	Rehabilitation & Improvement of 113km Length of Puttalam Marichchikade, Mannar Road Project	2011009	USD		-	3,753,154,705
163	Lighting Eastern Province Project	2012001	USD		-	336,021,881
164	Matara - Beliatta Section of Matara - Kataragama Railway Line Extension	2013005	USD	20,861,427	3,035,582,769	3,280,122,763
165	Kurunegala Water Supply & Sewerage Project	2013041	CNY	87,986,449	1,957,132,605	2,779,244,229
166	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013022	CNY	136,998,063	3,012,579,912	1,657,648,800
167	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	2014024	USD	47,825,410	6,957,363,694	1,836,152,890
168	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatha	2014025	CNY	161,616,271	3,495,132,671	5,166,730,663
169	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatha	2014040	USD	96,874,812	14,163,945,461	9,637,253,671
170	Hambantota Hub Development Project	2014026	CNY	316,061,411	6,951,480,758	-
171	Construction Extension of Southern Expressway Section 2 from Beliatha to Wetiya Project	2016015	CNY	48,835,435	7,174,170,155	-
<b>EXPORT IMPORT BANK OF HUNGARY</b>					<b>2,171,443,287</b>	<b>724,210,488</b>
172	Rehabilitation of Kalatuwawa Water Treatment Plant Project	2013008	EUR	7,488,473	1,182,198,486	359,369,429
173	Rehabilitation of Labugama Water Treatment Plant Project	2013009	EUR	6,204,262	989,244,801	364,841,059
<b>DEUTSCHE BANK AG</b>					<b>5,223,591,358</b>	<b>9,109,278,567</b>
174	Construction of 537 Steel Beam Bridges	2014028	GBP	26,587,841	5,223,591,358	9,109,278,567
<b>KBC BANK OF BELGIUM</b>					<b>1,151,415,796</b>	<b>399,188,993</b>
175	Implementation of Monaragala -Butthala Water Supply Project	2014007	USD	7,231,077	1,151,415,796	399,188,993
<b>KINGDOM OF SPAIN</b>					<b>3,207,796,413</b>	<b>-</b>
176	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	2015032	EUR	20,166,151	3,207,796,413	-
<b>CITICROP INTERNATIONAL LIMITED SINGAPORE</b>					<b>101,814,320,000</b>	<b>-</b>
177	Foreign Currency Term Financing Facility	2016025	USD	700,000,000	101,814,320,000	-
<b>OTHERS INTERNATIONAL BOND ISSUES</b>					<b>217,875,000,000</b>	<b>298,500,650,000</b>
178	Sovereign Bond Issue 2015 - USD 1500 mn	2015029	USD		-	211,465,650,000
179	Sovereign Bond Issue 2015 - USD 650 mn	2015008	USD		-	87,035,000,000
180	Sovereign Bond Issue 2016 - USD 1000 mn	2016024	USD	1,000,000,000	145,250,000,000	
181	Sovereign Bond Issue 2016 - USD 500 mn	2016026	USD	500,000,000	72,625,000,000	
<b>REFUNDS</b>					<b>(644,341,289)</b>	<b>(318,012,016)</b>
182	Local Government Infrastructure Improvement Project	2006001	XDR		-	(2,898,409)
183	Second North East Irrigated Agriculture Project	2004020	XDR		-	(287,338,557)
184	Road Sector Assistance Project	2006020	XDR		-	(147,595)
185	Additional Financing for Road Sector Assistance Project	2008036	XDR		-	(465,809)
186	Second Community Development Livelihood Improvement Project	2009020	XDR	122,379	(24,402,198)	(27,161,647)
187	Conflict Affected Region Emergency Project	2010021	USD	83,277	(12,088,754)	-
188	Eastern and North Central Province Road Project	2009018	XDR	43,227	(8,891,718)	-
189	Secondary Towns & Rural Community/Based Water Supply Additional Financing	2011016	XDR	184,308	(36,737,379)	-
190	Small & Medium Enterprise Development Facility Project	2010044	XDR	1,050,816	(209,775,447)	-
191	Second Additional Financing for Road Sector Assistance Project	2011010	XDR	1,771,333	(352,445,794)	-
<b>Total</b>					<b>574,248,733,878</b>	<b>556,370,365,051</b>

## Notes to the Financial Statements contd...

## NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2016 Rs.	2015 Rs.
<b>Grants received in the form of Cash for Projects</b>		
Asian Development Bank (ADB)	1,508,637	-
Government of Japan (JICA)	21,128,639	157,479,766
International Labour Organization (ILO)	24,297,685	1,636,555
United States Agency for International Development (USAID)	247,628	2,413,757
Save the Children	649,799	-
International Development Research Centre (IDRC)	2,764,693	-
University of Surrey	2,022,359	-
Swedish International Development Agency (SIDA)	14,449,514	-
United Nations Industrial Development Organization	2,245,761	-
International Development Association (IDA)	336,504	-
United Kingdom (UK)	71,320,545	55,008,101
United Nations Development Programme (UNDP)	242,103,977	278,069,405
United Nations Educational, Scientific and Cultural Organization (UNESCO)	1,931,670	4,340,875
United Nations Fund for Population (UNFPA)	13,132,796	21,426,086
United Nations Children's Education Fund (UNICEF)	101,448,257	159,031,743
World Health Organization (WHO)	43,405,965	40,925,914
World Food Programme (WFP)	384,628,818	37,026,250
World Bank (WB)	555,000,619	470,522,216
United Nations Environment Programme (UNEP)	46,064,926	19,687,396
Global Alliance Vaccination Immunization (GAVI)	-	20,648,653
South Asian Association for Regional Cooperation (SAARC)	77,432,067	24,334,200
Food and Agricultural Organization (FAO)	21,951	200,000
FAIRMED Foundation	-	210,530
Gnanam Foundation	-	19,781,000
Government of Korea	13,992,418	10,270,899
Government of Italy	16,224,351	10,271,931
Government of Norway (NORAD)	7,992,259	23,921,834
Government of Germany	8,078,574	986,514
Government of Canada	836,074	22,715,404
Government of Bahrain	32,375,000	97,600,000
Government of China	4,516,624	-
Government of Pakistan	32,300,000	99,400,000
<b>Total (a)</b>	<b>1,722,458,110</b>	<b>1,577,909,030</b>
<b>Grants received through Special Foreign Currency Accounts</b>		
International Development Association (IDA)	2,301,740,807	2,189,903,418
Asian Development Bank (ADB)	479,985,591	484,159,737
United Nations Development Programme (UNDP)	2,992,351	11,936,670
International Fund for Agricultural Development (IFAD)	222,707,253	181,384,676
World Bank (WB)	182,205,110	19,685,191
<b>Total (b)</b>	<b>3,189,631,112</b>	<b>2,887,069,693</b>
<b>Grants received and reported in the form of Materials &amp; Equipments</b>		
World Food Programme (WFP)	338,127,342	489,962,380
Korea International Cooperation Agency (KOICA)	257,784,105	37,720,050
The Government of India	-	81,658,935
Japan International Cooperation Agency (JICA)	73,509,846	360,304,209
Germany (GIZ)	9,347,876	-
<b>Total (c)</b>	<b>678,769,169</b>	<b>969,645,574</b>
<b>Direct Payments</b>		
The Government of Japan (JICA)	142,993,804	42,675,863
The Government of India	189,092,686	110,367,473

## Notes to the Financial Statements contd...

### NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2016 Rs.	2015 Rs.
The Government of Germany (GIZ)	1,358,212,843	335,859,215
United States Agency for International Development (USAID)	128,485,778	-
Global Fund to Fight Aids Tuberculosis & Malaria (GFATM)	86,329,813	-
Asian Development Bank (ADB)	-	143,189,752
<b>Total (d)</b>	<b>1,905,114,924</b>	<b>632,092,303</b>
<b>Total = (a)+(b)+(c)+(d)</b>	<b>7,495,973,314</b>	<b>6,066,716,599</b>
<b>Less: Adjustments for correction of errors</b>	<b>-</b>	<b>52,859,930</b>
<b>Grand Total</b>	<b>7,495,973,314</b>	<b>6,013,856,669</b>

## Notes to the Financial Statements contd...

	Actual	
	2016	2015
	Rs.	Rs.
<b>NOTE - 13 - DOMESTIC NON BANK BORROWINGS</b>		
Net Borrowings through Treasury Bills - 8085	159,111,758,933	(73,658,159,335)
Treasury Bonds - 9093	668,013,220,000	926,357,237,277
Foreign Currency Banking Unit - 9107	17,437,368,276	-
Sri Lanka Development Bonds - 9105	196,978,909,408	334,531,812,000
	<b>1,041,541,256,617</b>	<b>1,187,230,889,942</b>
<b>Net Borrowings through Treasury Bills - 8085</b>		
Borrowings through Treasury Bills	1,635,348,810,000	1,532,545,103,903
Less: Total Repayments	1,476,237,051,067	1,606,203,263,238
Net of Borrowings/Repayment	<b>159,111,758,933</b>	<b>(73,658,159,335)</b>
<b>NOTE - 14 - DOMESTIC DEBT REPAYMENTS</b>		
Treasury Bonds - 9093	269,438,012,627	471,327,274,291
Rupee Loans - 8249		31,429,766,290
Sri Lanka Development Bonds - 9105	317,494,790,900	111,565,121,000
Local Loans in Foreign Currency - 9107	8,735,403,412	654,197,200
Deferred Loan Re-Payment	761,073,442	44,305,928,109
	<b>596,429,280,381</b>	<b>659,282,286,890</b>
<b>Note :-</b> Net Borrowings through Treasury Bills reflects the difference between borrowings through Treasury Bills and their settlements on maturity taken place during the year.		
<b>NOTE - 15- RECOVERIES FROM ON-LENDING</b>		
<b>Foreign Funded Lending</b>		
National Development Bank	436,945,222	394,457,424
Sri Lanka Ports Authority	5,301,446,502	5,034,600,870
Development Finance Corporation of Ceylon	2,197,915,255	1,987,013,580
Hatton National Bank	648,603,564	632,107,909
Sampath Bank	553,617,499	535,300,098
Commercial Bank	464,267,401	569,456,030
Seylan Bank	50,344,965	44,011,632
Ceylon Petroleum Corporation	399,643,712	647,368,644
Lanka Orix Leasing Company	160,546,668	160,546,668
Local Loan Development Fund	94,166,669	-
Revolving Funds of Central Bank with Regional Development Banks	4,191,902,485	1,236,061,580
Lankaputhra Development Bank	8,878,643	8,878,643
Other Institutions	1,576,469,666	1,420,114,203
<b>Total (a)</b>	<b>16,084,748,250</b>	<b>12,669,917,281</b>
<b>Treasury Funded Lending</b>		
AHF Loan Scheme	217,745,834	229,091,770
Other Loans	2,316,999,342	61,796,477
<b>Total (b)</b>	<b>2,534,745,176</b>	<b>290,888,246</b>
<b>Grand Total (a+b)</b>	<b>18,619,493,425</b>	<b>12,960,805,528</b>

## Notes to the Financial Statements contd...

**NOTE - 16 - STATEMENT OF NON CURRENT ASSETS - 2016**

Head No.	Ministry/Department	9151	9152	9153	9160	9180	Total
		Building and Structures	Machinery and Equipment	Land	Work in Progress of Building & Structure	Lease Assets	
1	His Excellency the President	6,823,906.71	110,614,433		25,568,647	-	143,006,986
2	Office of the Prime Minister	7,169,000,000	23,802,714		156,601,963	-	7,349,404,677
4	Judges of the Superior Courts		591,500			-	591,500
5	Office of the Cabinet of Ministers		71,468,227			-	71,468,227
6	Public Service Commission		6,761,967			-	6,761,967
7	Judicial Service Commission		734,325			-	734,325
8	National Police Commission		2,108,100			-	2,108,100
9	Administrative Appeals Tribunal					-	-
10	Commission to Investigate Allegations of Bribery or Corruption	155,900,000.00	234,697,320	1,075,750,000	1,631,792	-	1,467,979,112
11	Office of the Finance Commission		1,117,681		59,256,799	-	60,374,480
12	National Education Commission		9,358,498			-	9,358,498
13	Human Rights Commission of Sri Lanka	28,060.00	69,748,967			-	69,777,027
16	Parliament		31,742,649			-	31,742,649
17	Office of the Leader of the House of Parliament		5,821,694			-	5,821,694
18	Office of the Chief Govt. Whip of Parliament		56,707,950			-	56,707,950
19	Office of the Leader of the Opposition of Parliament		26,414,520			-	26,414,520
20	Department of Elections	212,773,291	33,558,548	1,041,973,000	-	-	1,288,304,839
21	Auditor General		7,563,992			-	7,563,992
22	Office of the Parliamentary Commissioner for Administration					-	-
101	Ministry of Buddha Sasana		17,330,947			-	17,330,947
102	Ministry of Finance	111,385,742.28	175,302,202		694,369,923	-	981,057,867
103	Ministry of Defence		34,620,455			-	34,620,455
104	Ministry of National Policies and Economic Affairs		785,860,337			-	785,860,337
106	Ministry of Disaster Management		199,451,439			-	199,451,439
108	Ministry of Posts, Postal Services and Muslim Religious Affairs		249,372,400			-	249,372,400
110	Ministry of Justice		21,348,968			-	21,348,968
111	Ministry of Health, Nutrition and Indigenous Medicine	28,978,200.507	3,523,206,693	13,274,311,250	193,662,201	-	45,969,380,650
112	Ministry of Foreign Affairs	(183,516,428)	66,492,788			-	(117,023,640)
114	Ministry of Transport & Civil Aviation	29,393,119.457	378,970,889	21,960,831	340,440,721	-	30,134,491,899
117	Ministry of Higher Education and Highways	76,922,000	453,034,929	794,700,000	1,030,850,700	-	2,355,507,629
118	Ministry of Agriculture		14,256,764			-	14,256,764
119	Ministry of Power and Renewable Energy		3,745,906			-	3,745,906
120	Ministry of Women and Child Affairs		57,292,803			-	57,292,803
121	Ministry of Home Affairs		125,724,946			-	125,724,946
122	Ministry of Parliamentary Reforms and Mass Media		1,778,480			-	1,778,480
123	Ministry of Housing and Construction		2,987,607			-	2,987,607
124	Ministry of Social Empowerment and Welfare	17,877,002	444,301,917		44,091,793	-	506,270,711
126	Ministry of Education	(58,378,964)	811,659,617		20,218,594	-	773,499,247
130	Ministry of Public Administration and Management	1,562,441,373	349,381,255	3,389,180,000	-	-	5,301,002,628
135	Ministry of Plantation Industries		4,281,892			-	4,281,892
136	Ministry of Sports	53,831,013	14,584,563		44,392,397	-	112,807,973
140	Ministry of Hill Country New Villages, Infrastructure and Community Development		110,115,067			-	110,115,067
145	Ministry of Rehabilitation, Resettlement and Hindu Religious Affairs		65,882,027			-	65,882,027
147	Ministry of Regional Development					-	-
149	Ministry of Industry and Commerce	20,620,000	218,875,025			-	239,495,025
150	Ministry of Petroleum Resources Development		151,859,409			-	151,859,409
151	Ministry of Fisheries and Aquatic Resources Development	(7,666,123)	1,832,498			-	(5,833,626)
153	Ministry of Lands		47,707,889	2,931,342		-	50,639,231
154	Ministry of Rural Economic Affairs		754,424			-	754,424
155	Ministry of Provincial Councils and Local Government		37,992,738			-	37,992,738
157	Ministry of National Dialogue		124,964,762			-	124,964,762
158	Ministry of Public Enterprise Development		63,616,576			-	63,616,576
159	Ministry of Tourism Development and Christian Religious Affairs		9,458,677			-	9,458,677
160	Ministry of Mahaweli Development and Environment		213,671,943	6,695,799,712	936,030,634	-	7,845,502,290
161	Ministry of Sustainable Development and Wildlife		301,903,313			-	301,903,313
162	Ministry of Megapolice and Western Development		72,547,880			-	72,547,880
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	530,645,319	125,995,064	168,075,768		-	824,716,151
165	Ministry of National Intergration and Reconciliation		15,005,790			-	15,005,790
166	Ministry of City Planning and Water Supply		329,223,233	4,586,133		-	333,809,367
167	Ministry of Special Assignments		47,382,779			-	47,382,779
176	Ministry of Ports and Shipping		254,054,853			-	254,054,853

## Notes to the Financial Statements contd...

## NOTE - 16 - STATEMENT OF NON CURRENT ASSETS - 2016

Head No.	Ministry/Department	9151 Building and Structures	9152 Machinery and Equipment	9153 Land	9160 Work in Progress of Building & Structure	9180 Lease Assets	Total
182	Ministry of Foreign Employment		72,750,315			-	72,750,315
192	Ministry of Law and Order and Prisons Reform	(1,012,472)	160,303,305			-	159,290,833
193	Ministry of Labour and Trade Union Relations		797,395			-	797,395
194	Ministry of Telecommunication and Digital Infrastructure		3,089,077			-	3,089,077
195	Ministry of Development Strategy and International Trade		52,838,744			-	52,838,744
196	Ministry of Science, Technology and Research		193,356,205		12,170,667	-	205,526,872
197	Ministry of Skills Development and Vocational Training	710,948,107	164,367,008	577,500,000	16,010,643	-	1,468,825,757
198	Ministry of Irrigation and Water Resources Management	183,837	2,263,673	8,233,657	13,036,246	-	23,717,413
199	Ministry of Primary Industries		1,153,376			-	1,153,376
201	Department of Buddhist Affairs		49,201,463			-	49,201,463
202	Department of Muslim Religious and Cultural Affairs		1,823,018			-	1,823,018
203	Department of Christian Religious Affairs		92,282,321			-	92,282,321
204	Department of Hindu Religious and Cultural Affairs		2,039,319			-	2,039,319
205	Department of Public Trustee		9,518,664			-	9,518,664
206	Department of Cultural Affairs		9,394,339			-	9,394,339
207	Department of Archaeology		6,244,686		487,533	-	6,732,220
208	Department of National Museums		10,358,397			-	10,358,397
209	Department of National Archives		4,123,000			-	4,123,000
210	Department of Information		17,631,788			-	17,631,788
211	Department of Government Printer		32,242,702			-	32,242,702
212	Department of Examinations	1,517,700,684	210,402,522	630,000,000	8,140,748	-	2,366,243,954
213	Department of Educational Publications	83,000,000	42,903,423	77,000,000	7,712,572	-	210,615,995
214	University Grants Commission					-	-
215	Department of Technical Education and Training		53,794,282		76,670,837	-	130,465,118
216	Department of Social Services		37,253,904			-	37,253,904
217	Department of Probation and Child Care Services		456,624			-	456,624
219	Department of Sports Development	11,389,755	78,188		291,334,912	-	302,802,854
220	Department of Ayurveda	480,000,000	6,777,161		92,565,278	-	579,342,438
221	Department of Labour		772,915,173	1,339,450,000		-	2,112,365,173
222	Sri Lanka Army	18,157,800	247,792,707		357,862,853	-	623,813,359
223	Sri Lanka Navy	148,827,143	354,829,940		215,985,069	-	719,642,152
224	Sri Lanka Air Force	(6,859)	45,715,922,958	8,005,866,000	88,025,454	-	53,809,807,553
225	Department of Police	8,180,941	96,026,404		10,092,836	-	114,300,181
226	Department of Immigration and Emigration	35,075,000	259,788,787	66,945,000	19,079,739	-	380,888,526
227	Department of Registration of Persons		5,092,810			-	5,092,810
228	Courts Administration		58,769,661			-	58,769,661
229	Department of Attorney General	155,630,000	650,143,684	357,600,000		-	1,163,373,684
230	Department of Legal Draftsman		96,865,862			-	96,865,862
231	Department of Debt Conciliation Board					-	-
232	Department of Prisons		94,137,221			-	94,137,221
233	Department of Government Analyst	1,100,000,000	642,406,764	83,000,000		-	1,825,406,764
234	Registrar of Supreme Court		1,190,519			-	1,190,519
235	Department of Law Commission					-	-
236	Department of Official Languages	147,000,000	34,616,763	160,000,000		-	341,616,763
237	Department of National Planning		83,587,945			-	83,587,945
238	Department of Fiscal Policy		27,046,715			-	27,046,715
239	Department of External Resources		102,150,837			-	102,150,837
240	Department of National Budget		43,076,605			30,400,467,949	30,443,544,554
241	Department of Public Enterprises		7,645,448			-	7,645,448
242	Department of Management Services		24,527,574			-	24,527,574
243	Department of Development Finance		8,309,778			-	8,309,778
244	Department of Trade and Investment Policy		35,731,952			-	35,731,952
245	Department of Public Finance	3,956,900	13,835,234			-	17,792,134
246	Department of Inland Revenue	2,657,250,000	398,180,286	2,033,950,000		-	5,089,380,286
247	Sri Lanka Customs		26,913,616			-	26,913,616
248	Department of Excise	2,674,360	5,423,419		129,464,696	-	137,562,475
249	Department of Treasury Operations		22,697,386			-	22,697,386
250	Department of State Accounts		17,013,803			-	17,013,803
251	Department of Valuation		1,683,951	4,300,000		-	5,983,951
252	Department of Census and Statistics	123,540,090	491,448,201		38,748,370	-	653,736,661
253	Department of Pensions	581,259,000	47,666,500	1,198,405,000		-	1,827,330,500
254	Department of Registrar General		15,769,703			-	15,769,703
255	District Secretariat - Colombo	112,313	37,074,788		40,868,213	-	78,055,313
256	District Secretariat - Gampaha	542,925,308	276,130,129	653,550,126	166,915,695	-	1,639,521,257
257	District Secretariat - Kalutara	361,005,883	11,550,387	87,700,000	78,991,107	-	539,247,376
258	District Secretariat - Kandy	449,848,000	148,806,238	96,130,000	28,317,824	-	723,102,062
259	District Secretariat - Matale	347,578,650	1,166,784	521,190,500	185,126,152	-	1,055,062,086

## Notes to the Financial Statements contd...

**NOTE - 16 - STATEMENT OF NON CURRENT ASSETS - 2016**

Head No.	Ministry/Department	9151 Building and Structures	9152 Machinery and Equipment	9153 Land	9160 Work in Progress of Building & Structure	9180 Lease Assets	Total
260	District Secretariat - Nuwara Eliya					-	-
261	District Secretariat - Galle	80,475,025	14,912,450	54,200,000	39,201,108	-	188,788,583
262	District Secretariat - Matara	729,690,900	346,080,752	456,272,199	19,801,459	-	1,551,845,309
263	District Secretariat - Hambantota	4,202,338,810	297,001,994	216,130,000	2,046,317	-	4,717,517,122
264	District Secretariat/ Kachcheri - Jaffna	950,551,901	1,394,773	266,110,000	71,186,888	-	1,289,243,562
265	District Secretariat/ Kachcheri - Mannar	5,328,555	123,329,760	38,052,177	225,581,829	-	392,292,321
266	District Secretariat/ Kachcheri - Vavuniya	-	-	-	-	-	-
267	District Secretariat/ Kachcheri - Mullaitivu	227,985,572	162,495,785	89,900,000	-	-	480,381,357
268	District Secretariat/ Kachcheri - Killinochchi	654,603,521	280,171,403	666,319,229	112,442,349	-	1,713,536,502
269	District Secretariat/ Kachcheri - Batticaloa	516,575,732	322,233,864	347,201,400	235,233,219	-	1,421,244,215
270	District Secretariat - Ampara	15,146,735	49,500,873	-	24,857,877	-	89,505,485
271	District Secretariat - Trincomalee	346,159,156	128,879,371	(50,924)	31,347,494	-	506,335,097
272	District Secretariat - Kurunagala	1,425,391,207	257,190,984	636,451,965	205,440,523	-	2,524,474,679
273	District Secretariat - Puttalam	1,446,724,351	102,493,000	46,988,940	30,996,546	-	1,627,202,837
274	District Secretariat - Anuradhapura	1,059,439,037	92,533,085	309,034,025	43,056,614	-	1,504,062,761
275	District Secretariat - Polonnaruwa	560,302,979	117,479,388	206,865,860	108,784,844	-	993,433,071
276	District Secretariat - Badulla	6,623,997	7,362,118	158,254,575	57,811,483	-	230,052,173
277	District Secretariat - Monaragala	-	304,000	197,075,000	-	-	197,379,000
278	District Secretariat - Rathnapura	233,200,486	10,428,208	186,723,965	120,486,160	-	550,838,819
279	District Secretariat - Kegalle	288,794,522	71,685,049	160,755,850	2,758,775	-	523,994,197
280	Department of Project Management and Monitoring		32,326,440				32,326,440
281	Department of Agrarian Development	4,270,469	163,830,610		6,692,819		174,793,898
282	Department of Irrigation	159,861,000	79,350,350	4,951,538,987	1,407,678		5,192,158,015
283	Department of Forests		12,719,261	225,579			12,944,840
284	Department of Wildlife Conservation		1,506,155,398	9,274,143	1,862,607		1,517,292,147
285	Department of Agriculture	681,919,840	231,513,206	4,065,129,961	28,871,504		5,007,434,511
286	Department of Land Commissioner General	855,506,500	2,283,500	2,268,484			860,058,484
287	Department of Land Title Settlement		2,485,970		8,400,000		10,885,970
288	Department of Surveyor	1,006,657,500	819,513,937	5,684,129,500	26,800,497		7,537,101,434
289	Department of Export Agriculture	3,672,000	5,029,440	4,597,576			13,299,016
290	Department of Fisheries and Aquatic Resources		15,039,363		13,486,947		28,526,310
291	Department of Coast Conservation	266,570	71,603,489		3,999,730		75,869,789
292	Department of Animal Production and Health	837,486,500	4,985,059	1,292,874,500	1,282,002		2,136,628,061
293	Department of Rubber Development	114,598,000	959,311	138,485,000			254,042,311
294	Department of National Zoological Gardens	212,261,176	4,935,123		107,628,335		324,824,634
295	Department of Commerce		60,896,604				60,896,604
296	Department of Import and Export Control		2,321,528				2,321,528
297	Department of the Registrar of Companies						-
298	Department of Measurement Units, Standards and Services		48,535				48,535
299	National Intellectual Property Office of Sri Lanka						-
300	Department of Food Commissioner		1,176,225				1,176,225
301	Department of Co-Operative Development		10,977,874				10,977,874
302	Co-Operative Employees Commission						-
303	Department of Textile Industries	3,000	34,993,159				34,996,159
304	Department of Meteorology		8,076,539	434,750			8,511,289
306	Department of Sri Lanka Railways		72,815,025,989	151,791,425			72,966,817,414
307	Department of Motor Traffic	197,392,720	8,901,863	1,657,075,000	113,056,099		1,976,425,681
308	Department of Posts		50,809,965				50,809,965
309	Department of Buildings	(1,970,956)	10,816,028				8,845,072
310	Government Factory	777,571,201	57,928,207	480,000,000	3,364,976		1,318,864,384
311	Department of National Physical Planning		61,978,243				61,978,243
312	Western Provincial Council						-
313	Central Provincial Council						-
314	Southern Provincial Council						-
315	Northern Provincial Council						-
316	North Western Provincial Council						-
317	North Central Provincial Council						-
318	Uva Provincial Council						-
319	Sabaragamuwa Provincial Council						-
320	Department of Civil Security		601,664,944				601,664,944
321	Eastern Provincial Council						-
322	Department of National Botanical Gardens	344,168,354	8,474,632	6,799,668,130			7,152,311,115
323	Department of Legal Affairs		4,210,637				4,210,637
324	Department of Management Audit		11,901,730				11,901,730
325	Department of Coast Guard of Sri Lanka		2,406,984		6,939,761		9,346,745
326	Department of Community Base Corrections		25,942,039				25,942,039
327	Department of Land Use Policy Planning		111,291,127	786,620			112,077,747
328	Department of Manpower and Employment		328,150				328,150
329	Department of Information Technology Management		27,324,538				27,324,538
331	Department of Divineguma Development		5,614,661				5,614,661
332	Department of National Community Water Supply		64,454,872				64,454,872
<b>Total</b>		<b>95,468,226,952</b>	<b>142,061,798,642</b>	<b>71,644,652,236</b>	<b>7,079,550,045</b>	<b>30,400,467,949</b>	<b>346,654,695,824</b>

## Notes to the Financial Statements contd...

	Actual	
	2016 Rs.	2015 Rs.
<b>NOTE - 17 ADVANCES TO PUBLIC OFFICERS</b>		
Advances to Public Officers Transferred to Provincial Councils (7004)	194,275,195	196,869,508
Advances to Public Officers of the Central Government (8493)	22,838,026,344	22,129,811,765
	<b>23,032,301,539</b>	<b>22,326,681,273</b>
<b>NOTE - 18 ADVANCES TO GOVERNMENT DEPARTMENTS</b>		
Treasury Authorized Advance Account (7000 )	16,092,914,751	9,878,043,209
	<b>16,092,914,751</b>	<b>9,878,043,209</b>
<b>NOTE - 19 MEMBERSHIP FEES PAID</b>		
International Monetary Institutions Membership Fees (8234) and (8339)	1,885,484,942	1,885,484,943
Foreign Aid Counterpart Fund - Grants (8317)	1,631,694,933	1,631,694,933
	<b>3,517,179,875</b>	<b>3,517,179,876</b>

## Notes to the Financial Statements contd...

**NOTE - 20 - ON LENDING**

	Institution	Balance as at	New Loan	Amount Settled	Balance as at
		31.12.2015	During 2016	During 2016	31.12.2016
		Rs.	Rs.	Rs.	Rs.
1	Sri Lanka Ports Authority	58,938,190,496	-	5,301,446,502	59,171,852,349
	Add / (Less) : Parity Variance	5,535,108,355			3,395,574,362
	<b>Balance</b>	<b>64,473,298,851</b>	<b>-</b>	<b>5,301,446,502</b>	<b>62,567,426,711</b>
2	Development Finance Corporation of Ceylon	20,817,768,382	4,471,852,633	2,197,915,255	23,392,767,971
	Add / (Less) : Parity Variance/ Adjustment	301,062,212			90,042,221
	Less: Revolving Recovaries/ Disbursement				(63,777,370)
	<b>Balance</b>	<b>21,118,830,593</b>	<b>4,471,852,633</b>	<b>2,197,915,255</b>	<b>23,419,032,822</b>
3	Lankaputhra Development Bank	2,456,876,552	0	8,878,643	2,665,642,637
	Add / (Less) : Parity Variance	217,644,728			93,106,410
	<b>Balance</b>	<b>2,674,521,280</b>	<b>0</b>	<b>8,878,643</b>	<b>2,758,749,047</b>
4	People's Bank	1,104,484,491	124,100,001	179,186,521	1,049,397,971
	Less: Revolving Recovaries/ Disbursement				(38,405,897)
	<b>Balance</b>	<b>1,104,484,491</b>	<b>124,100,001</b>	<b>179,186,521</b>	<b>1,010,992,074</b>
5	National Development Bank	4,210,059,564	806,526,733	436,945,222	4,579,641,076
	Add / (Less) : Parity Variance/ Adjustment	-			-
	Less: Revolving Recovaries/ Disbursement				(168,550,373)
	<b>Balance</b>	<b>4,210,059,564</b>	<b>806,526,733</b>	<b>436,945,222</b>	<b>4,411,090,703</b>
6	NLDB (National Livestock Development Board)	4,772,414,522	152,355,156	-	4,924,769,678
	Add / (Less) : Parity Variance/ Adjustment				183,845,175
	<b>Balance</b>	<b>4,772,414,522</b>	<b>152,355,156</b>	<b>-</b>	<b>5,108,614,853</b>
7	Colombo Municipal Council	4,252,401,675	(3,408,541,124)	46,839,098	797,021,453
	Add / (Less) : Parity Variance/ Adjustment	-			-
	<b>Balance</b>	<b>4,252,401,675</b>	<b>(3,408,541,124)</b>	<b>46,839,098</b>	<b>797,021,453</b>
8	MILCO (Pvt) Ltd	5,735,026,751	-	-	5,735,026,751
	Add / (Less) : Parity Variance/ Adjustment	-			214,994,846
	<b>Balance</b>	<b>5,735,026,751</b>	<b>-</b>	<b>-</b>	<b>5,950,021,597</b>
9	Sampath Bank Ltd.	3,271,606,046	687,066,238	553,617,499	3,405,054,785
	Add / (Less) : Parity Variance/ Adjustment	-	-	-	-
	Less: Revolving Recovaries/ Disbursement				(121,708,523)
	<b>Balance</b>	<b>3,271,606,046</b>	<b>687,066,238</b>	<b>553,617,499</b>	<b>3,283,346,262</b>
10	Hatton National Bank PLC	3,193,380,920	503,384,999	648,603,564	3,048,162,355
	Add / (Less) : Parity Variance/ Adjustment	-			-
	Less: Revolving Recovaries/ Disbursement				(137,335,083)
	<b>Balance</b>	<b>3,193,380,920</b>	<b>503,384,999</b>	<b>648,603,564</b>	<b>2,910,827,272</b>
11	Commercial Bank of Ceylon PLC	3,814,966,868	1,833,340,713	464,267,401	5,184,040,179
	Add / (Less) : Parity Variance/ Adjustment	-	-	-	-
	Less: Revolving Recovaries/ Disbursement				(163,658,701)
	<b>Balance</b>	<b>3,814,966,868</b>	<b>1,833,340,713</b>	<b>464,267,401</b>	<b>5,020,381,477</b>
12	Seylan Bank PLC	289,269,266	325,610,000	50,344,965	564,534,301
	Less: Revolving Recovaries/ Disbursement				(41,432,504)
	<b>Balance</b>	<b>289,269,266</b>	<b>325,610,000</b>	<b>50,344,965</b>	<b>523,101,797</b>

## Notes to the Financial Statements contd...

## NOTE - 20 - ON LENDING

	Institution	Balance as at	New Loan	Amount Settled	Balance as at
		31.12.2015	During 2016	During 2016	31.12.2016
		Rs.	Rs.	Rs.	Rs.
13	Ceylon Petroleum Corporation	703,481,270	0	399,643,712	303,837,558
14	Sri Lanka Savings Bank	1,358,955,202	-	9,607,640	1,349,347,562
15	Sarvodaya Economic & Enterprises Dev. Service	633,395,759	1	-	633,395,760
16	Local Loan Development Fund	5,433,242,612	-	94,166,669	5,339,075,943
17	Lanka Orix Leasing Co. Ltd.	682,963,459	-	160,546,668	522,416,791
	<b>Add / (Less) : Parity Variance/ Adjustment</b>	-	-	-	-
	<b>Less: Revolving Recovaries/ Disbursement</b>	-	-	-	-
	<b>Balance</b>	<b>682,963,459</b>	<b>-</b>	<b>160,546,668</b>	<b>522,416,791</b>
18	Bank of Ceylon	993,642,579	128,585,793	222,530,746	899,697,626
	<b>Add / (Less) : Parity Variance/ Adjustment</b>	-	-	-	-
	<b>Less: Revolving Recovaries/ Disbursement</b>	-	-	-	(86,001,439)
	<b>Balance</b>	<b>993,642,579</b>	<b>128,585,793</b>	<b>222,530,746</b>	<b>813,696,187</b>
19	Urban Development Authority	276,749,960	-	-	276,749,960
20	Ceylinco Leasing Company Ltd.	43,949,013	-	14,649,677	29,299,336
21	People's Leasing Company Ltd	92,610,183	-	-	92,610,183
	<b>Add / (Less) : Parity Variance/ Adjustment</b>	-	-	-	-
	<b>Less: Revolving Recovaries/ Disbursement</b>	-	-	-	(14,110,982)
	<b>Balance</b>	<b>92,610,183</b>	<b>-</b>	<b>-</b>	<b>78,499,201</b>
22	Regional Development Bank (Kandurata)	26,651,851	-	-	26,651,851
	<b>Add / (Less) : Parity Variance/ Adjustment</b>	-	-	-	-
	<b>Less: Revolving Recovaries/ Disbursement</b>	-	-	-	(3,423,830)
	<b>Balance</b>	<b>26,651,851</b>	<b>-</b>	<b>-</b>	<b>23,228,021</b>
23	Distance Learning Centre Ltd	12,824,641	-	4,809,240	8,015,401
24	Central Bank of Sri Lanka	163,815,840	0	132,980,298	30,835,542
25	Prajashakthi District Organization-Badulla	5,820,000	-	-	5,820,000
26	Sanasa Development Bank (IFAD 283)	12,056,479	-	-	12,056,479
	<b>Balance</b>	<b>194,516,960</b>	<b>0</b>	<b>137,789,539</b>	<b>56,727,422</b>
27	Sanasa Development Bank	126,587,964	193,824,000	3,854,492	316,557,472
	<b>Less: Revolving Recovaries/ Disbursement</b>	-	-	-	(16,211,700)
	<b>Balance</b>	<b>126,587,964</b>	<b>193,824,000</b>	<b>3,854,492</b>	<b>300,345,772</b>
28	Regional Development Bank	599,132,337	196,719,148	110,821,152	685,030,333
29	Min.of Agricultural Dev. Agrarian Services	1,493,466,290	1,754,912,123	1,932,265	3,246,446,148
30	Alliance Finance Company Ltd.	123,926,223	-	15,509,909	108,416,313
31	Revolving Funds with Central Bank of Sri Lanka	25,949,901,344	998,945,565	4,191,902,485	22,756,944,424
	<b>Add: Parity Variance/ Adjustment</b>	-	-	-	-
	<b>Add: Revolving Recovaries/ Disbursement</b>	-	-	-	897,039,757
	<b>Balance</b>	<b>25,949,901,344</b>	<b>998,945,565</b>	<b>4,191,902,485</b>	<b>23,653,984,181</b>
32	Regional Development Bank	198,626,477	333,013,200	-	531,639,677
	<b>Less: Revolving Recovaries/ Disbursement</b>	-	-	-	(42,423,353)
	<b>Balance</b>	<b>198,626,477</b>	<b>333,013,200</b>	<b>-</b>	<b>489,216,324</b>
33	HDFC / NHDA	242,877,183	-	28,033,938	214,843,245

## Notes to the Financial Statements contd...

**NOTE - 20 - ON LENDING**

	Institution	Balance as at	New Loan	Amount Settled	Balance as at
		31.12.2015	During 2016	During 2016	31.12.2016
		Rs.	Rs.	Rs.	Rs.
34	Airport & Aviation Services (Sri Lanka) Ltd	9,558,184,928	-	805,714,688	9,544,950,149
	Add / (Less) : Parity Variance/Adjustment	792,479,909	-	-	816,330,929
	<b>Balance</b>	<b>10,350,664,837</b>	-	<b>805,714,688</b>	<b>10,361,281,080</b>
	<b>On Lending Based on Foreign Aids</b>	<b>168,435,602,333</b>	<b>9,101,695,179</b>	<b>16,084,748,250</b>	<b>166,246,443,208</b>
35	Local Loans & Development Fund	237,393,165	-	22,200,790	215,192,375
36	Sri Lanka Rubber Manufacture & Dev. Corporation	773,340,000	-	-	773,340,000
37	Sri Lanka Handicraft Development Board	4,767,000	-	1,475,500	3,291,500
38	Lankaputhra Development Bank - Sml./Med. Gar.Pr.	-	-	-	-
39	Other Local Loan (NLDB & Lady Lahore)	51,500,000	-	750,000	50,750,000
40	AHF Loan Scheme 2004/2005	952,820,679	1	217,745,834	735,074,846
41	Real Estate Exchange Pvt Ltd	250,000,000	-	250,000,000	-
42	Min. of Petroleum & Pet.Resos. Dev.	313,155,138	-	-	313,155,138
43	Department of Treasury Operations - (RFPDFP)	1,999,025,150	-	1,999,025,150	-
44	Department of Treasury Operations - (PLGF)	916,231,000	-	-	916,231,000
45	Ceylon Hotel Corporations	-	-	-	-
46	Ceylon Ceramic Corporations	8,676,923	-	-	8,676,923
47	Ceylon Fisheries Corporations	50,000,000	-	-	50,000,000
48	Ceylon Fisheries Corporations	11,600,000	-	-	11,600,000
49	Ceylon Fisheries Corporations	50,000,000	-	-	50,000,000
50	National Paper Company Ltd	50,000,000	-	-	50,000,000
51	Central Bank - (SPIRDP)	328,250	-	197,250	131,000
52	Selacine Rupavahini	4,185,000	-	1,860,000	2,325,000
53	Central Bank - SEPI Loan Scheme	87,475,516	75,000,000	41,490,652	120,984,864
	<b>On Lending Based on Domestic Funds</b>	<b>5,760,497,822</b>	<b>75,000,001</b>	<b>2,534,745,176</b>	<b>3,300,752,646</b>
	<b>Total (Before Parity Variance/Adjustment)</b>	<b>167,349,804,952</b>	<b>9,176,695,180</b>	<b>18,619,493,425</b>	<b>164,753,301,909</b>
	<b>Total Parity Variance</b>	<b>6,846,295,203</b>	-	-	<b>4,793,893,943</b>
	<b>Total (After Parity Variance/Adjustment)</b>	<b>174,196,100,155</b>	<b>9,176,695,180</b>	<b>18,619,493,425</b>	<b>169,547,195,852</b>

## Notes to the Financial Statements contd...

### NOTE - 21 - CAPITAL CONTRIBUTION / SHAREHOLDING IN THE COMMERCIAL PUBLIC CORPORATIONS/STATE OWNED COMPANIES / PLANTATIONS COMPANIES / DEVELOPMENT BANKS (8468 / 8548)

Institution	Balance as at 01.01.2016 Rs.	Additions/ Adjustments in 2016 Rs.	Reduction/ Adjustments in 2016 Rs.	Balance as at 31.12.2016 Rs.
Note - 21.1 (a) Capital Contribution in Commercial Public Corporations	376,468,640,248	26,596,983,925	352	403,065,623,821
Note - 21.1 (b) Contribution from Central Bank of Sri Lanka	15,000,000			15,000,000
Note - 21.2 Shareholdings in Government Owned or Other Companies	109,135,664,306	7,209,635,936		116,345,300,242
Note - 21-3 Shareholdings in Plantation Companies	1,677,234,650			1,677,234,650
Note - 21.4 Shareholdings in Companies in US Dollor Denomination	283,914,570	970,935,845		1,254,850,415
Note - 21.5 Shareholdings in Development Banks	4,549,418,322			4,549,418,322
<b>Total</b>	<b>492,129,872,096</b>	<b>34,777,555,706</b>	<b>352</b>	<b>526,907,427,450</b>

### NOTE - 21.1 (a) - CAPITAL CONTRIBUTION IN COMMERCIAL PUBLIC CORPORATION

Name	Balance as at 01.01.2016 Rs.	Additions/ Adjustment in 2016 Rs.	Deduction/ Adjustment in 2016 Rs.	Balance as at 31.12.2016 Rs.
1 Bank of Ceylon	10,000,000,000	5,000,000,000		15,000,000,000
2 Central Engineering Consultancy Bureau	500,000			500,000
3 Ceylon Ceramics Corpoartion	2,640,000			2,640,000
4 Ceylon Electricity Board	269,324,368,069			269,324,368,069
5 Ceylon Fisheries Corporation	326,609,805			326,609,805
6 Ceylon Fisheriy Harbours Corporation	50,100,195	300,000,000	352	350,099,843
7 Ceylon Petroleum Corporation	28,487,125,000			28,487,125,000
8 Development Lotteries Board	2,200,000			2,200,000
9 Housing Development Finance Corporation Bank	346,490,000			346,490,000
10 National Films Corporation of Sri Lanka	10,000,000			10,000,000
11 National Institute of Business Management	57,175,766			57,175,766
12 National Livestock Development Board	576,587,649			576,587,649
13 National Lotteries Board	21,263,100			21,263,100
14 National Savings Bank	3,200,000,000	3,000,000,000		6,200,000,000
15 National Water Supply & Drainage Board	39,989,850,448	13,899,983,925		53,889,834,373
16 People's Bank	7,198,133,000			7,198,133,000
17 Sri Lanka Ayurvedic Drugs Corporation	5,000,000			5,000,000
18 Sri Lanka Broadcasting Corporation	307,386,085			307,386,085
19 Sri Lanka Cashew Corporation	427,287,074			427,287,074
20 Sri Lanka Cement Corporation	966,971,844			966,971,844
21 Sri Lanka Transport Board	3,944,890,550			3,944,890,550
22 Sri Lanka Export Credit Insurance Corporation	40,000,000			40,000,000
23 Sri Lanka Handicraft Board	69,629,000			69,629,000
24 Sri Lanka Land Reclamation & Development Corporation	1,000,000			1,000,000
25 Sri Lanka Ports Authority	7,535,916,027			7,535,916,027
26 Sri Lanka Rupavahini Corporation	537,743,000			537,743,000
27 State Development & Construction Corporation	16,671,650			16,671,650
28 State Engineering Corporation of Sri Lanka	70,000,000			70,000,000
29 State Mortgage & Investment Bank	889,813,000			889,813,000
30 State Pharmaceuticals Corporation of Sri Lanka	59,055,258			59,055,258
31 State Pharmaceuticals Manufacturing Corporation	690,079,000			690,079,000
32 State Printing Corporation	15,000,000			15,000,000
33 State Timber Corporation	41,503,668			41,503,668
34 Urban Development Authority	1,257,651,060			1,257,651,060
35 CWE Co-oporative Wholesale Establishment		4,397,000,000		4,397,000,000
<b>Total</b>	<b>376,468,640,248</b>	<b>26,596,983,925</b>	<b>352</b>	<b>403,065,623,821</b>

## Notes to the Financial Statements contd...

### NOTE - 21.1 (b) - CENTRAL BANK OF SRI LANKA

	Name	Balance as at 01.01.2016	Additions/ Adjustment in 2016	Reductions/ Adjustment in 2016	Balance as at 31.12.2016
		Rs.	Rs.	Rs.	Rs.
1	Central Bank of Sri Lanka	15,000,000	-	-	15,000,000

### NOTE - 21.2 - SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

	Company	Number of Shares			Nominal Value per Share (Rs.)	Value of the Investment as at 01-01-2016 (Rs)	Value of the Investment as at 31.12.2016 (Rs)	Percentage of Share holdings by the Treasury	
		As at 01.01.2016	Additions/ Adjustments	Deductions/ Adjustments					As at 31.12.2016
1	Airport & Aviation Services (Sri Lanka) Ltd	200,000			200,000	100.00	20,000,000	20,000,000	98.00
2	BCC Lanka Ltd	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00
3	Bogala Graphite Lanka Ltd	254,500			254,500	10.00	2,545,000	2,663,331	0.91
			254,500		254,500	0.46495			
4	Building Materials Corporation	1,000,000			1,000,000	10.00	10,000,000	10,000,000	100.00
5	Ceylon Agro Industrial Ltd	11,903,402			11,903,402	5.00	59,517,010	59,517,010	8.50
6	Ceylon Fertilizer Co. Ltd	50,245,608			50,245,608	10.00	502,456,080	502,456,080	100.00
7	Ceylon Hotel Corporation PLC (Preference Shares Only)	1,200,000			1,200,000	2.00	2,400,000	2,400,000	2.00
8	Ceylon Shipping Corporation Ltd	5,000,000			5,000,000	10.00	50,000,000	50,000,000	100.00
9	Ceylon Shipping Lines Ltd	156,493			156,493	10.00	1,564,930	1,564,930	-
10	Ceynor Foundation Ltd	4,000,000			4,000,000	10.00	40,000,000	40,000,000	100.00
11	Colombo Commercial Fertilizer Ltd	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00
12	Commercial Bank of Ceylon Ltd	30,029	472		30,501	5.00	150,145	152,505	0.00418
13	Cultural Publication Company Ltd	600			600	100.00	60,000	60,000	-
14	CWG Hambanethota 2018	-	10,000,000		10,000,000	10.00	-	100,000,000	79.00
15	Distance Learning Center Ltd	14,206,509			14,206,509	10.00	142,065,090	142,065,090	99.99
16	Galadari Hotels Lanka Ltd	292,200			292,200	10.00	2,922,000	2,922,000	0.06
17	Hotel Developers (Lanka) Ltd	1,346,645,686	700,000,000		2,046,645,686	10.00	13,466,456,860	20,466,456,860	100.00
18	Human Resources Services Agency (Guarantee) Ltd.							5,000,000	100.00
19	Kigsbury PLC (Hotel Services Ltd)	2,263			2,263	10.00	22,630	22,630	0.0128
20	Hunas Falls Ltd	1			1	10.00	10	10	-
21	Independent Television Network Ltd	9,500,000			9,500,000	10.00	95,000,000	95,000,000	100.00
22	Kahatagaha Grafite Lanka Ltd	1,300,000			1,300,000	10.00	13,000,000	13,000,000	100.00
23	Kalubowitiyana Tea Factory Ltd	4,637,500			4,637,500	10.00	46,375,000	46,375,000	99.90
24	Kantale Sugar Industries Ltd	2,689,993			2,689,993	100.00	268,999,300	268,999,300	100.00
25	Lafarge Mahaweli Cement (Pvt) Ltd	480,000			480,000	10.00	4,800,000	4,800,000	10.00
26	Laxapana Batteries Ltd -(Elephant Lite Corporation Ltd) (Preference)	1,000			1,000	10.00	10,000	10,000	5.00
27	Lanka Canneries Ltd	40,002			40,002	100.00	4,000,200	4,000,200	9.09
28	Lanka Cement Ltd	22,246,000			22,246,000	10.00	222,460,000	222,460,000	13.00
29	Lanka Coal Company(Pvt) Ltd	400,000			400,000	10.00	4,000,000	4,000,000	-
30	Lanka Electricity Company (Pvt) Ltd	49,880,000			49,880,000	10.00	498,800,000	498,800,000	43.56
31	Lakdiwa Engineering Company (Pvt) Ltd	2			2	10.00	20	20	100.00
32	Lanka Fabrics Ltd	210,000			210,000	10.00	2,100,000	2,100,000	93.30
33	Lanka Hydraulic Institute Ltd	50,000			50,000	10.00	500,000	500,000	4.54
34	Lanka Industrial Estates Ltd	7,800,000			7,800,000	10.00	78,000,000	78,000,000	48.84
35	Lanka Layland Ltd	1,289,900			1,289,900	6.94	8,951,906	8,951,906	100.00
36	Lanka Layland Ltd	860,000			860,000	0.01	8,600	8,600	
37	Lanka Logistics and Technologies Ltd	205	800,000		800,205	10.00	2,050	80,002,050	100.00
38	Lanka Mineral Sands Ltd	80,000,000			80,000,000	10.00	800,000,000	800,000,000	100.00
39	Lanka Phosphate Ltd	7,251,000			7,251,000	10.00	72,510,000	72,510,000	100.00
40	Lanka STC General Trading Co. Ltd	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00

## Notes to the Financial Statements contd...

## NOTE - 21.2 - SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

Company	Number of Shares			As at 31.12.2016	Nominal Value per Share (Rs.)	Value of the Investment as at 01-01-2016 (Rs)	Value of the Investment as at 31.12.2016 (Rs)	Percentage of Share holdings by the Treasury
	As at 01.01.2016	Additions/ Adjustments	Deductions/ Adjustments					
41 Lanka Textile Mills Emporium Ltd	700,000			700,000	10.00	7,000,000	7,000,000	-
42 Mantai Salt Ltd	300,000			300,000	100.00	30,000,000	30,000,000	100.00
43 Mihin Lanka (Private) Ltd	51,406,108			51,406,108	100.00	14,476,251,900	14,476,251,900	100.00
44 MILCO (Pvt) Ltd - Kiriya Milk Industries	31,945,403			31,945,403	10.00	319,454,030	319,454,030	99.99
45 National Paper Company Ltd	32,300,000			32,300,000	10.00	323,000,000	323,000,000	100.00
46 World Duty Free Group Lanka Ltd. (Autogrill Lanka Ltd.)	1,048			1,048	10.00	10,480	10,480	0.035
47 Paranthan Chemicals Company Ltd	4,000,000			4,000,000	10.00	40,000,000	40,000,000	100.00
48 Rakna Arashana Lanaka Ltd	500,205			500,205	10.00	5,002,050	5,002,050	100.00
49 Rajarata Food Grain Ltd	386,249			386,249	10.00	3,862,490	3,862,490	-
50 Skills Development Fund Ltd	10,000,001			10,000,001	10.00	100,000,010	100,000,010	98.00
51 Sri Lanka Insurance Corporation Ltd	599,568,144			599,568,144	10.00	5,995,681,440	5,995,681,440	99.93
52 Sri Lanka Rubber Manufacturing & Export Corporation Ltd	7,798,000			7,798,000	10.00	77,980,000	77,980,000	100.00
53 Sri Lanka Savings Bank Ltd	4,584,460			4,584,460	100.00	458,446,000	458,446,000	100.00
54 Sri Lanka Telecom Ltd	893,405,709			893,405,709	10.00	8,934,057,090	8,934,057,090	49.50
55 Sri Lankan Airlines Ltd	490,986,328			490,986,328	100.00	55,363,729,135	55,388,244,380	95.12
56 State Resource Management Corporation Ltd				4,100,000	10.00	41,000,000	41,000,000	100.00
57 The Selinsing Company Ltd	615			615	10.00	6,150	6,150	1.00
58 Thomas De La Rue Lanka Currency & Security Print (Pvt) Ltd	2,800,000			2,800,000	10.00	28,000,000	28,000,000	40.00
59 Wakers & Greig Ltd	2,850			2,850	2.00	5,700	5,700	-
60 Wakers & Greig Ltd	100			100	10.00	1,000	1,000	-
61 West Coast Power (Pvt) Ltd (Ordinary)	55,000,000			55,000,000	112.95	6,212,500,000	6,212,500,000	50.00
<b>Total</b>	<b>3,839,458,113</b>	<b>711,054,972</b>	<b>-</b>	<b>4,554,613,085</b>		<b>109,135,664,306</b>	<b>116,345,300,242</b>	

## Notes to the Financial Statements contd...

### NOTE - 21.3 - SHAREHOLDING IN PLANTATION COMPANIES

Company	Number of Shares			As at 31.12.2016	Nominal Value per Share (Rs.)	Value to the Investment at cost as at 01-01-2016 (Rs)	Value to the Investment at cost as at 31.12.2016 (Rs)	Percentage of Share holdings by the Treasury
	As at 01.01.2016	Additions/ Adjustment	Deductions/ Adjustment					
1 Agaraptana Plantation Ltd	23,284,644			23,284,644	10.00	232,846,440	232,846,440	30.39
2 Agalawatta Plantation Ltd	741			741	10.00	7,410	7,410	0.003
3 Bagawantalawa Plantation Ltd	21,664			21,664	6.67	144,430	144,430	0.03
4 Balangoda Plantation Ltd	4,761			4,761	10.00	47,610	47,610	0.02
5 Chilaw Plantation Ltd	20,000,001			20,000,001	10.00	200,000,010	200,000,010	100.00
6 Elkaduwa Plantation Ltd	18,000,001			18,000,001	10.00	180,000,010	180,000,010	100.00
7 Elpitiya Plantation Ltd	15,613,092			15,613,092	5.00	78,065,460	78,065,460	21.43
8 Gal oya Plantation Ltd	51,600,000			51,600,000	10.00	516,000,000	516,000,000	51.00
9 Hapugastenne Plantation Ltd	1			1	10.00	10	10	-
10 Horana Plantation Ltd	5,889			5,889	10.00	58,890	58,890	0.023
11 Kahawatte Plantation Ltd	1			1	10.00	10	10	-
12 Kegalle Plantation Ltd	4,387			4,387	10.00	43,870	43,870	0.02
13 Kelani Valley Plantation Ltd	1			1	10.00	10	10	-
14 Kotagala Plantation Ltd	3,800,557			3,800,557	10.00	38,005,570	38,005,570	11.88
15 Kurunegala Plantation Ltd	20,000,001			20,000,001	10.00	200,000,010	200,000,010	100.00
16 Madulsima Plantation Ltd	3,805,653			3,805,653	10.00	38,056,530	38,056,530	13.12
17 Malwatta Valley Plantation Ltd.	1			1	10.00	10	10	-
18 Maskeliya Plantation Ltd.	9,008			9,008	10.00	90,080	90,080	0.30
19 Maturata Plantation Ltd.	7,806,020			7,806,020	10.00	78,060,200	78,060,200	22.30
20 Namunukula Plantation Ltd.	3,763,301			3,763,301	10.00	37,633,010	37,633,010	15.85
21 Pussellawa Plantation Ltd.	7,816,790			7,816,790	10.00	78,171,230	78,171,230	32.70
22 Talawakelle Plantations Ltd	368			368	10.00	3,680	3,680	0.0015
23 Udapussellawa Plantation Ltd	1			1	10.00	10	10	-
24 Watawala Plantation Ltd.	151			151	10.00	160	160	-
<b>Total</b>	<b>175,537,034</b>	<b>-</b>	<b>-</b>	<b>175,537,034</b>		<b>1,677,234,650</b>	<b>1,677,234,650</b>	

## Notes to the Financial Statements contd...

### NOTE - 21.4 - SHAREHOLDING IN COMPANIES IN US DOLLAR DENOMINATION

Company	Number of Shares			As at 31.12.2016	Nominal Value per Share (Rs)	Value of the Investment as at 01-01-2016 (Rs)	Value of the Investment as at 31.12.2016 (Rs)	Percentage of Share holdings by the Treasury (Rs)
	As at 01.01.2016	Additions/ Adjustment	Deduction/ Adjustment					
1 Asian Reinsurance Corporation	980			980	US\$1000	139,101,200	144,883,200	
2 Ceylon Shipping Agency	24,500			24,500	1(Singapore Dollar)	2,447,550	2,497,775	99.00
3 International Finance Corporation	1,003	6,488		7,491	US\$1000	142,365,820	1,107,469,440	
<b>Total</b>	<b>26,483</b>	<b>6,488</b>		<b>32,971</b>		<b>283,914,570</b>	<b>1,254,850,415</b>	

### Exchange Rate (Buying Rate) as at 01.01.2016/ 31.12.2016

Currency	01.01.2016	31.12.2016
	Rate	Rate
US Dollar	148.71	147.84
Singapore Dollar	104.17	101.95

### NOTE - 21.5 - SHAREHOLDING IN DEVELOPMENT BANK

Company	Number of Shares			As at 31.12.2016	Nominal Value per Share (Rs.)	Value of the Investment as at 01-01- 2016 (Rs)	Value of the Investment as at 31.12.2016 (Rs)	Percentage of Share holdings by the Treasury
	As at 01.01.2016	Additions/ Deduction	Deduction/ Adjustment					
1 Pradeshiya Sanvardhana Bank	87,744,671			87,744,671	10.00	877,446,710	877,446,710	79.81
2 Lankaputhra Development Bank	15,000,000			15,000,000	100.00	1,500,000,000	1,500,000,000	99.99
3 Lankaputhra Development Bank	21,071,022			21,071,022	103.07	2,171,971,612	2,171,971,612	
<b>Total</b>	<b>123,815,693</b>			<b>123,815,693</b>		<b>4,549,418,322</b>	<b>4,549,418,322</b>	

### NOTES - 21.2, 21.3, 21.4, 21.5 - SUMMARY

Currency	Number of Shares	Nominal Value of Shares as at 31.12.2016 (Rs.)
1 General	4,554,613,085	116,345,300,242
2 Plantation	175,537,034	1,677,234,650
3 Shares in Dollar Value	32,971	1,254,850,415
4 Development Banks	123,815,693	4,549,418,322
<b>Total</b>	<b>4,853,998,783</b>	<b>123,826,803,629</b>

## Notes to the Financial Statements contd...

	2016 Rs.	2015 Rs.
<b>NOTE - 22- INVESTMENT ON BORROWINGS</b>		
Capital Expenditure Investment- Appropriation Loan Account (8341)	24,088,000,000	24,088,000,000
Capital Investment Inland & Foreign Consolidated Loan Account (8342)	3,675,812,055,800	3,200,352,577,580
Treasury Bond Repayment Account (9103)	3,566,513,751,206	3,186,784,862,953
SL Development Bond Investment Account (9106)	572,198,550,000	612,882,354,231
Foreign Currency Banking Unit Investment Account (9108)	41,594,973,831	21,992,389,866
Treasury Bills Utilization Account (9109)	792,396,360,000	633,284,601,067
Least Asset Investment Account (9183)	16,495,638,658	5,568,921,038
Foreign Currency Term Financing Facility (9191)	104,860,000,000	-
	<b>8,793,959,329,494</b>	<b>7,684,953,706,734</b>
<b>NOTE - 23 - CONSOLIDATED FUND</b>		
Opening Balance of the Consolidated Fund as at 1st January	(403,025,504,824)	(356,664,771,188)
Add: Prior Year Adjustments	(18,846,319,120)	-
<b>Add Receipts to the Consolidated Fund</b>		
Total Cash flow from Operating Activities	1,678,106,902,922	1,386,067,901,165
Total Cash flow from Investing Activities	39,675,000,153	21,236,236,861
Total Cash flow from Financing Activities	1,623,285,963,808	1,749,615,111,661
<b>Total Cash Receipts (a)</b>	<b>3,341,067,866,884</b>	<b>3,156,919,249,687</b>
<b>Less Total Payments of the Consolidated Fund</b>		
Total Cash Disbursement for Operating Activities	1,770,881,752,657	1,672,921,451,455
Total Cash Disbursement for Investing Activities	594,012,706,930	683,963,424,066
Total Cash Disbursement for Repayment of Debt	741,548,634,932	846,395,107,802
<b>Total Cash Payments (b)</b>	<b>3,106,443,094,519</b>	<b>3,203,279,983,323</b>
<b>Net Cash Flow (a) - (b)</b>	<b>234,624,772,365</b>	<b>(46,360,733,636)</b>
<b>Closing Balance of the Consolidated Fund as at 31st December</b>	<b>(187,247,051,579)</b>	<b>(403,025,504,824)</b>
<b>NOTE - 24 - FOREIGN LOAN REVOLVING FUNDS</b>		
Reimbursable Foreign Aid Revolving Fund ( 8760 )	2,754,566,691	2,431,163,295
IDA Revolving Fund (8814)	10,769,850,148	12,777,289,483
ADB Special Dolor Revolving Fund (8919)	2,667,530,472	3,406,206,062
CBSL Special Dollar Account (International Fund for Agr. Dev. Revolving Fund) (8974)	1,020,635,599	1,002,612,286
IBRD Revolving Fund (8982)	1,570,884,206	1,570,884,207
CBSL Revolving Fund ( Yen ) - (9095)	857,234,233	898,067,656
CBSL Special Deutsche Mark Revolving Fund (9102)	127,907,606	127,907,606
Central Bank Special Nordic Revolving Fund (9111)	99,027,033	99,027,033
Special Foreign Currency Account Italy (9119)	(2,195,120,403)	(7,445,493,454)
Special Rupee Revolving Fund (9120)	(476,985)	(476,985)
Special Foreign Currency Revolving Fund (Euro Italy) (9121)	2,528,085,651	9,470,837,012
Special Rupee Revolving Fund (9122)	498,950,000	498,950,000
Special Foreign Currency Revolving Fund (9126)	925,983,001	910,646,321
	<b>21,625,057,252</b>	<b>25,747,620,522</b>
<b>NOTE - 25 - INVESTMENT BASED FUNDS</b>		
Government Corporations Capital Fund (8467)	403,080,623,821	376,483,640,248
Government Shares Account (8547)	123,826,803,629	115,646,231,848
On-lent Loan Investment Account (9117)	169,547,195,852	174,196,100,153
	<b>696,454,623,302</b>	<b>666,325,972,249</b>
<b>NOTE - 26 - MISCELLANEOUS FUNDS</b>		
Public Service Provident Fund Account (8098)	828,908,299	759,501,089
Teachers' Widows & Orphans Pension Fund (8186)	696,478,807	637,507,645
	<b>1,525,387,106</b>	<b>1,397,008,734</b>

## Notes to the Financial Statements contd...

	2016 Rs.	2015 Rs.
<b>NOTE -27 - NON CURRENT ASSET RESERVE FUNDS</b>		
Property Plant & Equipment Reserve Fund Account (9165)	309,177,036,991	8,807,729,400
Work in Progress Reserve Fund Account (9166)	7,077,190,884	578,324,146
Least Asset Resrve Fund Account (9182)	30,400,467,949	11,901,246,176
Rentral & Work Advance Reserve (9189)	228,769,715	-
	<b>346,883,465,539</b>	<b>21,287,299,722</b>
<b>NOTE - 28 - BANK OVERDRAFTS</b>		
Treasury Authorized Imprest Account (7002)	7,431,589,929	11,343,609,316
Treasury Authorized Imprest Account- (RFA) (7003)	48,362,068	254,203,551
DST Cash Account (8020) <b>Note 28(I)</b>	(158,890,226,219)	(193,535,386,657)
Crown Agent Current Account (8030)	10,402,435	17,345,451
Temporary Employed Balances of CBSL (8192)	(27,388,999,302)	(29,559,467,649)
Central Bank of Sri Lanka - IDA Special Dollar Accounts (8813)	5,890,186,227	6,335,537,760
ADB Loan SLCB Special Dollar Account (8918)	3,857,344,761	6,283,256,594
International Fund for Agriculture Development Special Dollar Account (8973)	842,083,261	452,514,559
Central Bank of Sri Lanka Special Yen Account (9094)	-	10,863,423
Special Foreign Currency French Development Agency Account (9125)	319,020,184	742,493,029
	<b>(167,880,236,656)</b>	<b>(197,655,030,624)</b>
<b>NOTE - 28(1)</b>		
<b>Sub Accounts of DST Accounts - (8020)</b>		
Bank of Ceylon - 0002026450	(128,351,716,794)	(134,766,847,792)
Peoples Bank - 014100130110432	(37,176,856,301)	(69,992,700,898)
Central Bank of Sri Lanka - 50516	476,262	439,296
Bank of Ceylon - 0007040004	224,552,863	1,117,379,150
Bank of Ceylon - 0007040501	1,473,969,582	2,122,394,158
Bank of Ceylon -0007041570	2,978,028,795	5,656,558,055
Bank of Ceylon -0007041571	1,961,319,374	2,327,391,374
	<b>(158,890,226,219)</b>	<b>(193,535,386,657)</b>
<b>NOTE - 29 - ADVANCES FROM CENTRAL BANK OF SRI LANKA</b>		
Advance from CBSL - Monetary Law Act (8176)	83,306,771,400	151,131,671,400
	<b>83,306,771,400</b>	<b>151,131,671,400</b>
<b>NOTE - 30 - GOVERNMENT BORROWINGS</b>		
<b>Domestic</b>		
Treasury Bills (8085)	792,396,360,000	633,284,601,067
Treasury Bonds (9093)	3,566,513,751,205	3,186,784,862,953
<b>Total (a)</b>	<b>4,358,910,111,205</b>	<b>3,820,069,464,020</b>
Rupee Loans (8249)	24,088,000,000	24,088,000,000
Sri Lanka Development Bonds (9105)	572,198,550,000	612,882,354,231
Local Loans in Foreign Currency (9107)	41,594,973,831	21,992,389,866
Foreign Currency Term Financing Facility (9190)	104,860,000,000	-
<b>Total (b)</b>	<b>742,741,523,831</b>	<b>658,962,744,096</b>
<b>Total Borrowings - Domestic = (a)+(b)</b>	<b>5,101,651,635,036</b>	<b>4,479,032,208,116</b>
Lease Creditors (9181)	16,495,638,658	5,568,921,038
<b>Foreign</b>		
<b>Total Borrowings - Foreign (8343) Note 30(I)</b>	<b>3,675,812,055,800</b>	<b>3,200,352,577,580</b>
	<b>8,793,959,329,494</b>	<b>7,684,953,706,734</b>
<b>NOTE - 31 - DEPOSITS &amp; OTHER LIABILITIES</b>		
Treasury General Deposit Account (6000)	64,347,225,770	62,756,010,987
Treasury Deposit Account for District Secretaries (6003)	(12,861,285)	67,856,977
Public Service Mutual Guarantee Association (8013)	8,426,419	18,531,519
Director General of Customs - Cess Recovery Account (8105)	-	300,000,000
	<b>64,342,790,904</b>	<b>63,142,399,483</b>

## Notes to the Financial Statements contd...

	2016 Rs.	2015 Rs.
<b>NOTE - 32 - OPERATING ACCOUNTS WITH GOVERNMENT DEPARTMENTS [(Dr.)/ Cr.]</b>		
General Manager - Railway Department (8003)	(977,606,985)	(654,004,324)
Director General of Customs (8005)	(18,720,172)	(25,895,605)
Post Master General (8037)	-	6,602,795
Treasury Operations Department (8233) and (8583)	(400,071,183)	868,602,171
Treasury Operations Department (9092)	219,379,544	144,458,529
Cheques Return from Banks (8657)	(3,995,094)	(3,995,094)
Collection of GST (9098)	(37,953,565)	(37,953,565)
Non Operating Accounts (9100)	(20,772,460)	(20,772,460)
Agency Transaction in Postal Department (9184)	3,247,560,146	-
Value Added Control Account (9185)	(26,505,220)	-
Treasury Bill Discount Account (9187)	(80,667,872,022)	-
Accrued Interest on Treasury Bond (9192)	650,774,056	-
Discount On Treasury Bill Issuance (9193)	(30,599,261,942)	-
	<b>(108,635,044,897)</b>	<b>277,042,446</b>
<b>NOTE - 33 - SUNDRY ACCOUNTS [(Dr.)/ Cr.]</b>		
Sinking Fund Investment Account (8574)	(46,492,720)	(46,492,720)
Sinking Fund Account (8575)	46,492,720	46,492,720
Parity Variance Account on Crown Agent Account (8029)	84,183,758	76,973,664
Foreign Aid Expenditure Account (8301)	(80,558,007)	(80,558,007)
Investment Account for National Housing Bonds (8859)	(1,284,200)	(1,284,200)
Stock Certificates received from Inland Revenue Commissioner as Capital Tax (8491)	(88,589)	(88,589)
Currency Payments Accounts-International Monetary Institutions Fund (8340)	616,811,554	616,811,553
	<b>619,064,516</b>	<b>611,854,421</b>

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
<b>Canada</b>											
1967001	Import of Asbestos Fiber & News Print	CAD	18,742	1,947,125			12,495	1,373,564	120,965	6,247	694,526
1968004	Import of Newsprint	CAD	62,500	6,493,038			31,250	3,435,302	416,289	31,250	3,474,025
1969004	Import of Newsprint	CAD	87,500	9,090,252			25,000	2,748,241	606,039	62,500	6,948,050
1969005	Import of Asbestos Fiber	CAD	62,500	6,493,037			25,000	2,748,241	424,033	37,500	4,168,829
1969007	Import of Commodities	CAD	175,000	18,180,505			50,000	5,496,483	1,212,078	125,000	13,896,100
1970006	Import of Commodities	CAD	287,500	29,867,972			57,500	6,320,955	2,021,807	230,000	25,568,824
1971004	Import of Commodities	CAD	343,750	35,711,706			62,500	6,870,603	2,425,122	281,250	31,266,225
1972003	Import of Newsprint & Radio Telecom Equipment	CAD	175,000	18,180,505			25,000	2,748,241	1,243,056	150,000	16,675,320
1973004	Import of Asbestos, Nylon & Tyre Cord	CAD	323,000	33,556,017			40,375	4,438,410	2,301,475	282,625	31,419,082
1974005	Import of Commodities	CAD	467,500	48,567,920			55,000	6,046,131	3,335,341	412,500	45,857,130
1975004	Import of Commodities	CAD	472,500	49,087,363			52,500	5,771,307	3,374,840	420,000	46,690,896
1975005	Import of Commodities	CAD	3,150,000	327,249,090			300,000	32,978,895	22,560,885	2,850,000	316,831,080
1977009	Import of Fertilizer & Commodities	CAD	2,875,000	298,679,723			250,000	27,482,413	20,620,790	2,625,000	291,818,100
1978005	Import of Fertilizer, Alum, Rods & Asbestos	CAD	6,250,000	649,303,750			500,000	54,964,825	44,881,675	5,750,000	639,220,600
<b>France</b>											
2002048	Import of Commodities	EURO	7,139	1,123,480			7,140	1,145,425	21,760	(1)	(185)
<b>Germany</b>											
2001049	Purchase of 16 Locomotives (11 a)	EURO	4,320,416	679,919,800			332,340	52,665,942	2,360,442	3,988,076	629,614,300
2001054	General Commodity Aid 1995 for Potash	EURO	3,802,580	598,426,025			185,088	29,330,879	2,013,504	3,617,492	571,108,650
2001058	Import of Commodities	EURO	1,990,971	313,326,512			113,507	17,987,445	1,064,130	1,877,464	296,403,197
2001060	Commodity Aid for Electronic Equipment for CBSL	EURO	364,040	57,290,332			16,361	2,592,785	191,953	347,679	54,889,500
2001064	Import of Commodities	EURO	2,881,640	453,494,405			151,342	23,983,260	1,532,461	2,730,298	431,043,606
2001067	Import of Commodity Loan XIII	EURO	1,636,132	257,484,200			102,258	16,204,906	879,831	1,533,874	242,159,125
2001068	Import of Commodities XVI	EURO	2,492,546	392,261,128			127,823	20,256,133	1,323,704	2,364,723	373,328,699
2001106	Import of Commodities XVII	EURO	2,848,920	448,345,015			125,778	19,932,033	1,500,848	2,723,142	429,913,830
2001108	Import of Commodities XVIII	EURO	2,939,929	462,667,569			127,823	20,256,133	1,547,618	2,812,106	443,959,054
2001111	Import of Commodities (12)	EURO	887,602	139,685,177			63,400	10,047,042	482,031	824,202	130,120,166
2001112	Import of Commodities XIX	EURO	2,431,704	382,686,319			167,704	26,576,045	1,317,020	2,264,000	357,427,293
2001113	Import of Commodities X	EURO	1,585,005	249,438,175			126,800	20,094,082	868,870	1,458,205	230,212,963
2001116	Import of Commodities (11 b)	EURO	837,497	131,799,980			64,423	10,209,091	457,563	773,074	122,048,452
2001123	Import of Commodities IX	EURO	951,003	149,662,844			40,903	6,561,773	524,734	910,100	143,625,805
<b>Japan</b>											
1982014	Import of Commodities			67,161					(67,161)		

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
<b>Germany</b>											
200117	Small Entrepreneur Promotion Program by DFCC	EURO	2,452,668	385,985,437			125,778	19,932,033	1,302,523	2,326,890	367,355,927
<b>USA</b>											
1976007	Supply of Wheat PL 480-Title 1-1976	USD	624,699	89,995,603			624,699	91,659,419	1,663,825	(0)	9
1976008	Supply of Wheat PL 480-Title 1-1977	USD	2,295,414	330,682,597			1,147,707	166,896,687	8,140,570	1,147,707	171,926,480
1978019	Supply of Wheat PL 480-Title 1-1978	USD	3,315,505	477,639,247			1,105,168	162,094,811	15,563,975	2,210,337	331,108,411
1979012	Supply of Wheat PL 480-Title 1-1979	USD	2,091,235	301,268,111			522,809	76,074,839	9,756,970	1,568,426	234,950,242
1980030	Supply of Wheat PL 480-Title 1-1980	USD	3,759,587	541,614,737			751,917	109,591,963	18,526,116	3,007,670	450,548,890
1981026	Supply of Wheat PL 480-Title 1-1981	USD	3,278,356	472,287,521			546,393	79,958,284	16,918,885	2,731,963	409,248,122
1982018	Supply of Wheat PL 480-Title 1-1983	USD	5,454,439	785,779,016			681,805	99,032,152	28,193,721	4,772,634	714,940,585
1982019	Supply of Wheat PL 480-Title 1-1982	USD	3,761,779	541,930,566			537,397	78,325,616	19,407,504	3,224,382	483,012,454
1983016	Supply of Wheat PL 480-Title 1-1984	USD	6,587,837	949,059,014			731,982	106,679,054	34,827,188	5,855,855	877,207,148
1984016	Supply of Wheat PL 480-Title 1-1985	USD	8,071,588	1,192,346,020			829,696	120,305,980	12,795,424	7,241,892	1,084,835,464
1985009	Supply of Wheat PL 480-Title 1-1986	USD	11,278,607	1,624,822,008			1,063,290	156,540,431	61,972,869	10,215,317	1,530,254,446
1986004	Supply of Wheat PL 480-Title 1-1987	USD	8,599,263	1,238,829,566			727,614	106,822,837	47,166,180	7,871,649	1,179,172,909
1987026	Supply of Wheat PL 480-Title 1-1988	USD	10,367,018	1,493,496,505			797,463	116,690,599	56,713,493	9,569,555	1,433,519,399
1988046	Supply of Wheat PL 480-Title 1-1989	USD	15,186,666	2,187,826,038			1,106,112	161,949,796	83,390,849	14,080,554	2,109,267,091
1989054	Supply of Wheat PL 480-Title 1-1990	USD	17,369,568	2,502,299,936			1,157,971	171,085,613	97,282,899	16,211,597	2,428,497,222
1991042	Supply of Wheat PL 480-Title 1-1991	USD	1,228,744	177,015,658			204,791	29,783,377	6,155,904	1,023,953	153,388,185
1992024	Supply of Wheat PL 480-Title 1-1992	USD	3,782,861	544,967,697			540,409	80,142,618	20,894,311	3,242,452	485,719,390
1993006	Supply of Wheat PL 480-Title 1-1993	USD	3,301,002	475,549,928			412,625	59,933,816	17,062,715	2,888,377	432,678,827
1994002	Supply of Wheat PL 480-Title 1-1994	USD	6,722,867	968,511,641			746,985	110,102,853	36,778,264	5,975,882	895,187,052
1994040	Supply of Wheat PL 480-Title 1-1995	USD	8,107,246	1,167,948,494			810,725	119,095,444	44,165,844	7,296,521	1,093,018,894

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1995055	Supply of Wheat PL 480-Title 1 -1996	USD	4,379,978	630,989,633			398,180	57,298,069	22,781,736	3,981,798	596,473,300
1997013	PL 480 Title 1 for FY 1997	USD	4,585,042	660,531,734			382,087	55,498,115	24,569,103	4,202,955	629,602,722
1998007	PL 480 Title 1 for FY 1998	USD	4,965,755	715,378,139			381,981	55,664,209	26,935,441	4,583,774	686,649,371
2000031	Import of Wheat- PL 480-Title 1, 2000	USD	2,867,301	413,069,958			191,153	28,070,284	15,887,217	2,676,148	400,886,891
2001047	Import of Wheat- PL 480 Title 1, FY 2001	USD	4,775,558	687,977,836			298,472	43,845,590	26,535,148	4,477,086	670,667,394
<b>India</b>											
2001041	Line of Credit	USD	19,685,873	2,835,992,141			2,420,000	350,468,998	100,904,632	17,265,873	2,586,427,775
2002056	Import 300,000 tonnes of Indian Wheat	USD	10,282,820	1,481,366,700			2,940,030	433,286,858	52,311,100	7,342,790	1,100,390,943
2003049	Indian Line of Credit	USD	16,874,051	2,430,914,553			1,584,194	233,470,591	93,214,199	15,289,857	2,290,658,161
2004040	Indian Line of Credit	USD	12,780,103	1,841,131,001			1,494,000	216,277,864	65,805,059	11,286,103	1,690,658,196
2008006	Indian Dollar Credit Line Agreement	USD	56,148,967	8,088,943,170	2,370,207	344,152,537	6,550,165	950,453,817	302,315,640	51,969,009	7,784,957,530
<b>China</b>											
2000037	Economic & Technical Cooperation	CNY	20,000,000	443,708,000			5,000,000	109,233,305	(10,951,695)	15,000,000	323,523,000
<b>India</b>											
2002057	Economic Stabilization Programme	USD	2,400,000	345,749,520			2,400,020	349,349,588	3,597,072	(20)	(2,996)
<b>Japan</b>											
1991057	Economic Restructuring Programme	JPK	708,108	846,897,168			708,108	952,334,449	105,437,281	-	(0)
2003041	Power Sector Restructuring Programme	JPK	3,175,585	3,797,999,660			181,462	244,411,168	298,949,572	2,994,123	3,852,538,064
2016032	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPK			10,000,000	12,722,000,000			145,000,000	10,000,000	12,867,000,000
<b>China Dev. Bank</b>											
2010051	Rehabilitation and Improvement of Priority Road Project Ph I	USD	117,215,455	16,885,863,691			11,750,000	1,707,249,150	620,110,579	105,465,455	15,798,725,120
2011007	Improvement and Rehabilitation of Priority Roads Ph II	USD	413,268,837	59,526,981,503	7,375,956	1,062,413,068	38,460,000	5,561,235,234	2,223,122,642	382,184,793	57,251,281,979
2012017	Moragahakanda Development Project	USD	125,443,794	18,072,977,024	45,331,717	6,601,139,560	20,000,000	2,910,626,000	822,681,076	150,775,512	22,586,171,660
2014001	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	USD	149,359,530	21,507,184,009	59,334,818	8,675,319,232			1,079,910,001	208,694,348	31,262,413,242

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2014034	Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	USD	-	-	14,855,169	2,193,972,251	-	-	31,332,091	14,855,169	2,225,304,342
<b>China</b>											
2000073	Economic and Technical Cooperation-National Performance Art Theater (Vellum Poking)	CNY			20,000,000	308,234,000			123,130,000	20,000,000	431,364,000
2002076	Economic and Technical Cooperation-National Performance Art Theater (Vellum Poking)	CNY			30,000,000	483,027,000			164,019,000	30,000,000	647,046,000
2003077	Economic and Technical Cooperation-National Performance Art theater (Vellum Poking)	CNY			50,000,000	748,045,000			330,365,000	50,000,000	1,078,410,000
<b>Canada</b>											
1968003	Maskeiyaya Oya Hydro Electric Development Project	CAD	20,740	2,154,644			13,827	1,519,953	133,857	6,913	768,548
1971003	Mechanical Logging Project	CAD	459,103	47,695,588			83,473	9,176,197	3,238,928	375,630	41,758,319
1973003	Purchase of 14 Locomotives	CAD	1,132,144	117,616,840			152,000	16,709,307	8,053,884	980,144	108,961,417
1976002	Agricultural Sector Support Credit	CAD	1,935,307	201,056,298			182,109	20,019,165	13,863,758	1,753,198	194,900,891
1977004	Water Supply Project	CAD	1,725,000	179,207,834			150,000	15,911,910	11,794,934	1,575,000	175,090,858
1980014	Maduruoya Reservoir Complex	CAD	26,880,000	2,792,525,558			1,920,000	211,064,928	193,312,607	24,960,000	2,774,773,237
1983008	Maduruoya Right Bank - Mahaweli System B.	CAD	4,812,500	499,963,842			275,000	30,230,654	34,695,193	4,537,500	504,428,381
<b>France</b>											
1997077	Expansion of Telephone Exchanges in Colombo	EURO	795,429	125,180,599			49,710	7,918,484	467,799	745,719	117,729,914
1997078	TA/Maintenance Water Treatment Plant Colombo	EURO	196,289	30,890,787			11,556	1,843,463	117,369	184,733	29,164,693
1997080	Cardio Thoracic Equipment for Kandy Hospital	EURO	908,802	143,021,533			51,608	8,346,615	653,899	857,194	135,328,817
1997081	Elihouse & F/S on Colombo North Water Supply	EURO	469,299	73,855,320			27,002	4,334,562	306,527	442,297	69,827,285
1997082	Modernization - Colombo Water Distribution Network	EURO	183,804	28,925,934			10,930	1,743,373	109,802	172,874	27,292,363
1997084	Improvement of Government Film Unit	EURO	251,319	39,551,001			13,250	2,111,789	145,741	238,069	37,584,953
1998021	Water Treatment Plant in Anuradhapura	EURO	3,183,963	501,072,081			406,130	65,297,444	2,773,568	2,777,833	438,548,205
1998083	Modern,Rathmalana Air Traffic Control System	EURO	921,174	144,968,561			105,442	16,822,615	637,091	815,732	128,783,037

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1998084	Expansion of E 10B Telecom Exchange - 1996	EURO	766,757	120,667,386			95,276	15,184,842	526,982	671,481	106,009,526
1998090	Improvement of Government Film Unit	EURO	319,060	50,211,653			31,756	5,053,062	199,298	287,304	45,357,889
1999100	Extension of Colombo Telecommunication Units	EURO	792,423	124,706,486			49,526	7,888,516	466,180	742,897	117,284,150
1999102	Ambathale Water Treatment Plant Project	EURO	3,845,065	605,112,180			624,277	99,980,363	3,347,599	3,220,788	508,479,416
1999103	Samanalawewa Transmission Project	EURO	1,682,459	264,774,754			379,551	60,444,646	1,365,393	1,302,908	205,695,501
1999104	Mixed Credit for Telecommunication & CEB	EURO	1,337,797	210,534,130			191,022	30,614,738	1,126,866	1,146,775	181,046,258
1999105	Mixed Credit for Irrigation, Telecommunication CEB	EURO	962,970	151,546,162			299,699	48,018,322	1,185,521	663,271	104,713,361
2000100	Rehabilitation of Ambathale Water Plant	EURO	1,417,515	223,079,508			97,566	15,769,714	1,075,994	1,319,949	208,385,788
2000101	Water Supply Network of Colombo	EURO	1,484,297	233,901,053			150,924	24,222,912	827,125	1,333,373	210,505,266
2002052	Colombo Airport Telecommunication Project	EURO	347,095	54,623,615			182,121	28,891,698	313,251	164,974	26,045,168
2002053	Mixed Credit for Airport, Telecommunication, Irrigation, NWSDB	EURO	476,645	75,011,408			258,457	41,000,902	435,791	218,188	34,446,297
2002054	Nilwala Ganga Project	EURO	452,489	71,209,937			343,010	54,356,813	430,905	109,479	17,284,029
2002055	Mixed Credit for Airport, Telecommunication, Irrigation, NWSDB	EURO	659,382	103,769,429			262,952	41,670,110	486,742	396,430	62,586,061
2005049	Trincomalee Integrated Infrastructure Project (TIIP)	EURO	62,592,480	9,850,410,156			6,259,248	990,485,630	33,639,389	56,333,232	8,893,563,915
2005052	Greater Trincomalee Water Supply Project	EURO	11,156,161	1,759,384,568	941,294	150,865,113	12,687	2,080,529	(296,058)	12,084,768	1,907,873,094
2007040	Construction Sector Support Project (for Post Tsunami Reconstruction)	EURO	10,000,000	1,573,737,000					5,005,000	10,000,000	1,578,742,000
2007042	Spatial Information Infrastructure for Reconstruction Monitoring Project	EURO	6,250,738	983,701,830					3,128,494	6,250,738	986,830,324
2008030	Trincomalee Integrated Infrastructure Project	EURO	14,550,156	2,289,811,912					7,282,353	14,550,156	2,297,094,265
2010008	Provision of Oxygen Concentrators, Operating Theaters & Medical Equipment to Tsunami Affected & Remote Hospitals Project	EURO	9,522,931	1,498,658,855			321,429	51,724,879	5,745,695	9,201,502	1,452,679,671

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2012028	Widening and Reconstruction of 46 Bridges on National Road Network	EURO	20,385,988	3,219,999,302	1,435,168	229,887,591			(4,889,318)	21,821,156	3,444,997,575
2014027	Implementation of Ambatale Water Supply System Improvement & Energy Saving Project	EURO	5,000,000	720,311,500					28,688,500	5,000,000	749,000,000
2015023	Green Power Development & Energy Efficiency Improvement Investment Programme	EURO			2,062,184	339,117,688			(13,551,991)	2,062,184	325,565,697
<b>Germany</b>											
1997065	Private Sector Infrastructure Development Project	EURO	1,783,367	280,655,102			80,952	12,828,426	940,823	1,702,415	268,767,499
1998037	Grib Substation Kelaniya & Rathmalana	EURO	5,378,919	844,253,387			234,172	37,109,233	5,267,469	5,144,747	812,411,623
1998057	Nawalapitiya Water Supply Project	EURO	2,983,196	469,476,617			129,704	20,554,251	1,570,394	2,853,492	450,492,760
1998058	Ampara Water Supply Project	EURO	1,782,347	280,494,540			77,493	12,280,388	938,250	1,704,854	269,152,402
1999026	Koggala water Supply Project	EURO	3,607,952	567,796,786			153,530	24,329,911	1,897,284	3,454,422	545,364,159
1999054	NDB IV Project	EURO	6,135,503	965,566,742			255,646	40,512,263	3,223,184	5,879,857	928,277,663
2000010	DFCC Bank (DFCC iii)	EURO	6,163,112	969,911,796			251,556	39,864,066	3,234,565	5,911,556	933,282,295
2001042	Colombo Grib Substation Project	EURO	7,705,990	1,212,720,128			343,588	54,448,481	4,061,625	7,362,402	1,162,333,272
2001061	Kirindioya Irrigation & Settlement Project	EURO	2,783,371	438,029,459			158,500	25,117,603	1,487,543	2,624,871	414,399,399
2001063	Railway Wagons for Fertilizer Distribution	EURO	2,578,957	405,860,073			151,342	23,983,260	1,380,967	2,427,615	383,257,780
2001065	Expand of two 132/11KV Substation in Colombo	EURO	4,090,336	643,711,307					2,047,214	4,090,336	645,758,521
2001100	Randenigala Dam Project	EURO	81,806,701	12,874,223,164			5,112,919	810,245,268	43,991,553	76,693,782	12,107,969,449
2001101	2nd Extension of Sapugaskanda Diesel Power Plant	EURO	22,450,827	3,533,169,638			631,957	100,146,314	11,613,285	21,818,870	3,444,636,609
2001102	Rantambe Dam Project	EURO	34,796,477	5,476,050,386			1,697,489	269,001,428	18,427,341	33,098,988	5,225,476,299
2001103	Railway Bridges Project	EURO	951,004	149,662,979			63,400	10,047,042	513,763	887,604	140,129,700
2001104	Small Entrepreneur Promot Programme (DFCC II)	EURO	702,004	110,476,996			31,700	5,023,521	370,246	670,304	105,823,721
2001105	Kirindioya Irrigation & Settlement Project	EURO	4,595,493	723,209,702			328,249	52,017,745	2,495,682	4,267,244	673,687,639
2001110	Supply of a Railway Crane	EURO	776,652	122,224,580			31,700	5,023,521	407,608	744,952	117,608,667
2001115	Railway Bridges II	EURO	5,503,548	866,113,662			223,946	35,488,742	2,887,997	5,279,602	833,512,917
2001118	Embilpitiya Paper Mills Project	EURO	741,374	112,597,234			51,129	8,102,451	4,477,054	690,245	108,971,837
2001122	NDB Small Loan Programme iii	EURO	776,142	122,144,270			74,649	11,749,770	408,571	701,493	110,803,071

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2003047	NDB VI - Small and Micro Enterprises	EURO	1,884,757	296,611,245			68,000	10,775,974	1,816,757	286,819,121
2005043	DFCC IV Private Sector Development	EURO	5,029,919	791,576,936			166,000	26,306,053	4,863,919	767,887,293
2005044	NDB V - Private Sector Promotion Programme	EURO	5,029,919	791,576,933			166,000	26,306,053	4,863,919	767,887,291
2005051	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	EURO	6,122,349	964,149,110			414,000	65,606,663	5,708,349	902,208,749
2006040	DFCC V Credit Line for SME in the North and East	EURO	5,000,000	786,868,500			166,000	26,306,053	4,834,000	763,163,883
2010036	Reconstruction of Water Supply Galle District - Phase ii	EURO	1,158,332	197,992,538	99,872	17,661,983			1,258,204	198,637,969
2012022	Construction of Mahamodara Maternity Hospital, Galle	EURO	(1,407,000)	(229,384,979)	9,902,810	1,578,894,058			5,681,811	897,011,256
<b>Denmark</b>										
1986001	Construction of 2 Coast Protection Scheme	DKK	12,910,074	272,274,744			2,800,000	61,451,013	10,110,074	220,575,520
2004077	Colombo Sewerage Rehabilitation Project	EURO	4,030,579	634,307,193			2,015,290	325,288,713	2,015,289	318,162,251
2006079	Nuwara Eliya District Group Water Supply Project	EURO	7,014,700	1,103,929,293			2,004,200	325,765,775	5,010,500	791,028,679
2008028	Kalani Right Bank Water Treatment Plant (Denmark)	EURO	26,287,066	4,136,892,882			5,257,413	854,548,100	21,029,653	3,320,039,647
2008029	Oluvil Port Development Project (Denmark)	EURO	23,004,635	3,620,324,490			4,600,927	747,841,796	18,403,708	2,905,470,649
<b>India</b>										
2008011	Upgrading of Railway Line Colombo Matara	USD	70,067,098	10,118,119,999			13,106,114	1,901,789,046	56,960,984	8,532,755,357
2010010	Upgrading of Railway Line Colombo Matara Phase II	USD	57,154,524	8,209,719,464			8,410,682	1,220,455,212	48,743,842	7,301,827,575
2010052	Railway Line Olanthai - Pallai, Madhu- Tallaimannar & Medawachchiya	USD	405,478,886	58,414,220,947			6,211,168	903,096,694	399,267,718	59,810,304,210
2012002	Greater Dambulla Water Supply Project i	USD	44,653,947	6,433,586,712	2,234,002	323,570,772	5,277,391	763,698,156	41,610,557	6,233,261,461
2012003	Restoration of Northern Railway Services	USD	223,922,969	32,258,493,855	654,855	95,445,140			224,577,824	33,641,758,040
2013046	Procurement of Two Advanced Offshore Patrol Vessels	USD	33,275,000	4,793,673,033	39,930,000	5,790,115,432			73,205,000	10,966,109,000
<b>Japan</b>										
1986016	Samanalawewa Hydroelectric Power Project	JPY	707,314	845,947,544			707,314	952,681,227		0

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	8343 Balance as at 01-01-2016			Accounted during the year			Repayments			Closing Balance as at 2016.12.31 (8343)		
		Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.
1987022	Samanalawewa Hydroelectric Power Project II	JPK	1,358,044	1,624,220,624				679,022	932,840,424	182,317,407	679,022	873,697,607	
1987024	Port of Colombo Expansion Project	JPK	190,432	227,756,672				95,216	130,807,741	25,565,496	95,216	122,514,427	
1988009	Mahaweli Development (system c) Project II	JPK	354,560	424,053,768				141,824	190,739,098	40,412,750	212,736	273,727,420	
1988011	Minipe & Nagadeepa Irrigation Rehabilitation Project	JPK	250,092	299,110,031				83,364	108,164,790	23,583,677	166,728	214,528,918	
1988012	Road Maintenance & Rehabilitation Project	JPK	837,132	1,001,209,871				279,044	362,059,590	78,941,549	558,088	718,091,830	
1988066	Transmission System Augmentation Development Project	JPK	560,658	670,546,968				186,886	251,342,981	61,728,445	373,772	480,932,432	
1988067	Commuter Train Improvement Project	JPK	986,280	1,179,590,880				328,760	442,149,324	108,589,428	657,520	846,030,984	
1990010	Towns East of Colombo Water Supply Project	JPK	431,685	546,295,262				95,930	129,208,117	14,928,815	335,755	432,015,960	
1990011	Greater Colombo Drainage Rehabilitation Project	JPK	65,484	78,318,864				14,552	19,600,089	6,815,429	50,932	65,534,204	
1990012	Transmission & Grid Substation Development Project	JPK	514,008	614,753,568				114,224	153,848,306	53,496,811	399,784	514,402,073	
1990014	Port of Colombo Extension Project (i)	JPK	1,251,954	1,497,336,984				278,212	374,723,743	130,300,590	973,742	1,252,913,831	
1990015	Colombo -Katunayake Expressway Construction Project	JPK	112,212	134,205,552				24,936	33,586,298	11,678,775	87,276	112,298,029	
1990049	Railway Rehabilitation Project	JPK	2,222,820	2,658,492,720				444,564	600,717,105	230,306,380	1,778,256	2,288,081,995	
1991005	Greater Colombo Telecommunication Network (II) Project	JPK	2,729,914	3,264,977,144				496,348	668,531,121	277,483,349	2,233,566	2,873,929,372	
1991006	Port of Colombo Extension Project (II)	JPK	2,798,906	3,347,491,576				508,892	685,426,635	284,496,073	2,290,014	2,946,561,014	
1991007	Samanalawewa Hydroelectric Power (III) Project	JPK	875,699	1,047,336,004				159,218	214,450,724	89,010,823	716,481	921,896,103	
1992008	Port of Colombo Extension Project III	JPK	6,329,492	7,570,072,432				973,768	1,311,568,119	632,705,758	5,355,724	6,891,210,071	
1992009	Greater Colombo Flood Control & Environment Improvement (I)	JPK	3,310,554	3,959,422,584				509,316	685,997,720	330,928,071	2,801,238	3,604,352,935	
1992010	Upper kotmale Hydroelectric Power (Engineering Services)	JPK	325,962	389,850,552				50,148	67,544,341	32,583,663	275,814	354,889,874	
1993023	Baseline Road Project	JPK	1,922,416	2,299,209,536				240,302	324,708,078	189,874,626	1,682,114	2,164,376,084	
1993024	Port of Colombo Extension Project IV	JPK	2,664,656	3,186,928,576				333,082	450,077,053	263,184,743	2,331,574	3,000,036,266	

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1993025	Transmission System Augmentation & Development Project	JPK	256,752	307,075,392			32,094	43,367,018	25,359,075	224,658	289,067,449
1993026	Sri Lanka-Japan Friendship Bridge Widening Project	JPK	844,352	1,009,844,991			105,544	142,616,330	83,395,593	738,808	950,624,254
1993027	The Regional Telecommunications Development Project	JPK	3,719,216	4,448,182,336			464,902	628,198,828	367,342,316	3,254,314	4,187,325,824
1993028	Greater Colombo Water Supply System Extension Project	JPK	1,308,352	1,564,788,991			163,544	220,988,830	129,224,293	1,144,808	1,473,024,454
1994015	Grater Colombo Flood Control & Environment Project (II)	JPK	1,557,576	1,862,860,896			173,064	224,550,540	143,141,234	1,384,512	1,781,451,590
1994016	Industrial Estates Development Project	JPK	1,660,608	1,986,087,168			184,512	239,404,320	152,609,875	1,476,096	1,899,292,723
1994017	Kukule Ganga Hydroelectric Power Project	JPK	8,460,864	10,119,193,344			940,096	1,219,774,560	777,553,402	7,520,768	9,676,972,186
1994018	Port of Colombo North Pier Development Project	JPK	2,141,622	2,561,379,912			237,958	308,750,505	196,815,062	1,903,664	2,449,444,469
1994019	Walawe L.B. Irrigation, Upgrading & Expansion Project	JPK	166,374	198,983,304			18,486	23,985,585	15,289,771	147,888	190,287,490
1994020	Coal Fired Thermal Development Project	JPK	295,452	353,360,592			32,828	42,594,330	27,152,039	262,624	337,918,301
1995028	Samanalawewa Hydro Electric Power Project	JPK	1,528,680	1,828,301,302			152,868	206,562,885	148,518,908	1,375,812	1,770,257,325
1995029	Walawe Left Bank Irrigation, Upgrade & Extension Project	JPK	1,217,200	1,455,771,200			121,720	164,474,150	118,257,066	1,095,480	1,409,554,116
1996053	Kelantissa Combined Cycle Power Plant	JPK	7,193,692	8,603,655,632			653,972	898,426,734	709,428,826	6,539,720	8,414,657,724
1996054	Walawe Left Bank Irrigation & Extension Project (II)	JPK	4,623,190	5,529,335,232			420,290	577,394,402	455,930,591	4,202,900	5,407,871,421
1996055	Towns North of Colombo Water Supply Project	JPK	2,745,622	3,283,763,913			249,602	342,903,228	270,768,249	2,496,020	3,211,628,934
1996056	G.C. Flood Control & Environment Imp. Project (III)	JPK	3,152,116	3,769,930,742			286,556	393,670,633	310,855,949	2,865,560	3,687,116,058
1996057	Plantation Reform Project	JPK	2,187,108	2,615,781,168			198,828	273,149,906	215,688,614	1,988,280	2,558,319,876
1997032	Transmission & Substation Development Project	JPK	1,447,704	1,731,453,984			120,642	163,017,503	139,094,194	1,327,062	1,707,530,675
1997051	Baseline Road Project (II)	JPK	1,341,024	1,603,864,704			111,752	151,004,890	128,844,468	1,229,272	1,581,704,282
1997052	Telecom. Network Expand Project in Colombo	JPK	4,885,776	5,843,388,096			407,148	550,158,735	469,421,287	4,478,628	5,762,650,648
1997053	Kalu Ganga Water Supply Project for Greater Colombo	JPK	6,493,584	7,766,326,469			541,132	731,204,615	623,898,140	5,952,452	7,659,019,994
1997054	Mahaweli System C. Upgrading Project	JPK	1,801,992	2,155,182,432			150,166	202,911,808	173,133,890	1,651,826	2,125,404,514

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	8343 Balance as at 01-01-2016			Accounted during the year			Repayments			Closing Balance as at 2016.12.31 (8343)		
		Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.
1997055	Small & Micro Ind. Leader & Entrepreneur Project	JPK	3,166,872	3,787,578,912				263,906	356,602,983	304,270,423	2,902,966	3,735,246,352	
1998053	Transmission & Substation Development Project II	JPK	1,780,852	2,129,898,992				131,944	177,715,374	169,466,306	1,648,908	2,121,649,924	
1998054	Medium Voltage Distribution Network	JPK	2,179,186	2,606,306,456				164,682	221,810,186	207,566,027	2,014,504	2,592,062,297	
1998055	Telecom. Network Expansion - Colombo Metro	JPK	184,184	220,284,064				14,168	19,082,879	17,558,402	170,016	218,759,587	
1998056	Environmentally Friendly Solution Fund	JPK	1,786,686	2,136,876,456				77,682	104,629,886	166,728,877	1,709,004	2,198,975,447	
1999029	Bandaranayake International Airport Development Project	JPK	8,358,876	9,997,215,696				570,514	770,907,043	794,976,732	7,788,362	10,021,285,385	
1999030	Road Network Improvement Project	JPK	2,136,456	2,555,201,385				144,494	195,247,518	203,103,647	1,991,962	2,563,057,514	
1999031	Poverty Alleviation Micro Finance Project	JPK	934,136	1,117,226,656				66,724	90,160,805	89,033,169	867,412	1,116,099,020	
1999032	Engineering Service for the Southern Highway	JPK	298,512	357,020,352				12,438	16,806,848	27,877,912	286,074	368,091,416	
1999033	Reduction of Non Revenue Water Project	JPK	193,692	231,655,632				9,178	12,401,773	18,160,305	184,514	237,414,164	
1999034	Urgent Upgrading of Colombo Port Project	JPK	1,096,080	1,310,911,675				73,200	98,911,500	104,139,515	1,022,880	1,316,139,690	
2000015	Port of Colombo North Pier Development Project II (Modification Agreement)	JPK	1,870,239	2,236,805,845				128,982	173,725,856	177,395,393	1,741,257	2,240,475,382	
2001043	Small & Micro Ind. Leader & Entrepreneur Project II	JPK	3,238,942	3,873,774,631				208,964	271,130,790	296,028,852	3,029,978	3,898,672,693	
2001044	Improvement of National Blood Transfusion Services	JPK	1,015,700	1,214,777,667				63,222	82,030,545	92,806,691	952,478	1,225,553,813	
2001045	Southern Highway Construction Project	JPK	14,270,856	17,067,943,778				899,472	1,211,498,837	1,348,514,853	13,371,384	17,204,959,794	
2001046	Greater Kandy Water Supply Project	JPK	3,882,681	4,643,686,470				152,262	205,081,688	361,325,339	3,730,419	4,799,930,121	
2001051	Colombo City Electricity Distribution Development Project	JPK	4,710,420	5,633,662,442				276,290	363,597,640	435,330,404	4,434,130	5,705,395,206	
2001052	Lunawa Environment Improvement & Community Development Project	JPK	4,996,504	5,975,818,787				296,564	390,278,224	461,872,239	4,699,940	6,047,412,802	
2002040	Upper Kotmale Hydro Power Project	JPK	28,365,547	33,925,193,909				1,070,398	1,441,719,066	2,637,193,049	27,295,149	35,120,667,892	
2003042	Plantation Reform Project II	JPK	1,448,720	1,732,669,107				82,784	111,501,770	136,382,501	1,365,936	1,757,549,838	
2003043	Provincial Road Improvement Project	JPK	4,940,145	5,908,413,423				282,294	380,221,789	465,065,250	4,657,851	5,993,256,884	

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2003044	Pro-poor Economic Advnt. & Commu. Enhancement (PEACE)	JPK	5,103,105	6,103,313,576			291,606	392,764,121	4,811,499	6,190,955,758
2003045	Power Sector Restructuring Project (Kerawalapitiya)	JPK	2,452,555	2,933,255,783			140,146	188,762,647	2,312,409	2,975,376,663
2003046	Small Scale Infrastructure Rehabilitation & Upgrading	JPK	8,190,455	9,795,784,181			468,026	630,384,219	7,722,429	9,936,449,394
2004044	Small Scale Infrastructure Rehabilitation & Upgrading (SIRUP II)	JPK	11,189,766	13,382,960,136			385,854	507,783,864	10,803,912	13,901,393,570
2004045	Small And Micro Industries Leader And Entrepreneur Promotion (SMILE iii)	JPK	9,139,872	10,931,286,916			315,168	414,761,088	8,824,704	11,354,746,642
2004046	Environmentally Friendly Solution Fund (II)	JPK	4,917,588	5,881,435,253			154,629	204,310,988	4,762,959	6,236,003,151
2005040	Vavuniya Killinochchi Transmission Line Project	JPK	1,213,571	1,451,430,916			41,138	54,137,608	1,172,433	1,508,569,541
2005041	Sri Lanka Tsunami Affected Area Recovery & Take off (STAART) Project	JPK	9,677,829	11,574,683,484			328,062	431,729,592	9,349,767	12,030,345,199
2006041	The Galle Port Development Project (I)	JPK	458,849	548,782,940			356,201	460,811,733	102,648	132,077,182
2006042	Pro - poor Eastern Infrastructure Development Project	JPK	4,460,000	5,334,159,929			146,333	197,087,484	4,313,667	5,550,395,256
2006043	Tourism Resources Improvement Project	JPK	1,809,045	2,163,617,807			172,290	232,057,401	1,636,755	2,106,012,644
2007004	Greater Colombo Transport Development Project	JPK	21,913,371	26,209,592,539				1,986,341,943	21,913,371	28,195,934,482
2007005	Pro-Poor Rural Development Project	JPK	4,053,524	4,848,014,205				367,654,589	4,053,524	5,215,668,794
2007006	Water Sector Development Project	JPK	13,231,000	15,825,390,507				1,198,937,190	13,231,000	17,024,327,697
2008012	Greater Colombo Urban Transport Development Project -Phase 2(i)	JPK	5,713,683	6,833,565,001				518,231,058	5,713,683	7,351,796,059
2008013	Southern Highway Construction Project (II)	JPK	17,412,408	20,825,240,236				1,579,305,426	17,412,408	22,404,545,662
2008014	Water Sector Development Project (II)	JPK	8,269,185	9,893,411,390				746,548,870	8,269,185	10,639,960,260
2008015	Poverty Alleviation Micro Finance Project-II	JPK	2,561,731	3,063,827,803				232,351,324	2,561,731	3,296,179,127
2008016	Energy Diversification Enhancement Project (Engineering Services)	JPK	486,664	582,050,624				44,140,461	486,664	626,191,085

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2010013	Provincial /Rural Road Development Project (Central Province and Sabaragamuwa Province)	JPK	9,143,653	10,940,172,655					824,966,212	9,143,653	11,765,138,867
2010014	Provincial /Rural Road Development Project (Eastern Province)	JPK	3,956,899	4,732,451,717					358,890,778	3,956,899	5,091,342,495
2010015	Eastern Province Water Supply Development Project	JPK	3,830,065	4,582,933,306	1,017,148	1,386,124,220			267,849,519	4,847,213	6,236,907,045
2010016	Kandy City Waste Water Management Project	JPK	1,367,909	1,636,283,945	747,615	1,017,608,550			68,152,527	2,115,524	2,722,045,022
2010017	Upper Kotmale Hydro Power Project II	JPK	4,548,933	5,440,523,799					412,588,217	4,548,933	5,853,112,016
2011003	Greater Colombo Urban Transport Development Project - Phase II	JPK	28,429,402	34,031,718,065	1,061,127	1,382,077,360			2,531,668,899	29,490,529	37,945,464,324
2011004	Vavuniya Killinochchi Transmission Line Project - Phase II	JPK	952,173	1,144,227,248	412,228	517,884,286			93,462,613	1,364,401	1,755,574,147
2011027	Emergency Natural Disaster Rehabilitation Project	JPK	6,987,376	8,356,901,639					633,754,998	6,987,376	8,990,656,637
2012006	Habarana Veyangoda Transmission Line	JPK	150,839	180,403,266	22,839	31,782,711			11,285,922	173,678	223,471,899
2012007	Improvement of Basic Social Services Targeting Emerging Region	JPK	1,668,777	1,999,333,700	627,128	782,977,831			168,825,071	2,295,905	2,951,136,602
2013016	Greater Colombo Transmission and Distribution Loss Reduction Project	JPK	479,700	574,111,168	1,490,903	1,902,697,844			61,072,297	1,970,604	2,537,881,310
2013018	Major Bridges Construction Project of the National Road Network	JPK	2,041,787	2,443,545,511	1,619,303	2,150,000,000			117,444,936	3,661,090	4,710,990,447
2013019	Landslide Disaster Protection Project of the National Road Network	JPK	454,453	543,882,504	64,462	85,588,886			38,216,493	518,915	667,687,883
2013020	Anuradhapura North Water Supply Project (i)	JPK	289,323	345,855,862	80,137	103,746,535			25,781,654	369,460	475,384,051
2014003	New Bridge Construction Project over the Kelani River	JPK	899,556	1,075,869,048	551,632	728,300,021			63,074,244	1,451,188	1,867,243,313
2015018	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPK			24,743	34,803,313			(2,966,670)	24,743	31,836,643
<b>Korea</b>											
1996037	Hospital Rehabilitation & Reconstruction	KRK	327,626	40,101,422			327,626	40,703,543	602,121	-	0

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
1996038	Horana Area Telecom. Facility Improvement	KRK	2,767,578	338,751,547			503,196	65,206,640	2,264,382	281,462,683
1996039	Expansion of Telecom Centre Gampaha	KRK	3,047,429	373,005,309			554,078	69,597,947	2,493,351	309,923,529
1996040	Power Sector Development Project	KRK	208,478	25,517,707			208,478	25,900,854	383,147	0
1996041	Medical Equipment Project	KRK	520,944	63,763,545			520,944	65,032,722	1,269,176	(1)
1996042	Ratnapura-Balangoda Road Rehabilitation	KRK	13,481,578	1,650,145,147			1,225,598	152,999,120	12,255,980	1,523,418,314
1996043	Housing Project for Public Servants	KRK	4,490,970	549,694,728			408,270	50,966,916	4,082,700	507,479,610
2001048	Greater Galle Water Supply Project	KRK	28,204,576	3,452,240,103			1,762,786	225,513,423	26,441,790	3,286,714,497
2001050	Medical Equipment Project	KRK	1,268,172	155,224,253			211,362	26,385,650	1,056,810	131,361,483
2003048	Balangoda -Bandarawela Road Rehabilitation Project	KRK	17,102,683	2,093,368,459			950,150	118,613,211	16,152,533	2,007,759,913
2005042	Greater Galle Water Supply Project Phase II	KRK	15,111,018	1,849,588,604			774,924	97,694,187	14,336,094	1,781,976,484
2005046	Re-Engineering Government Component of e-Sri Lanka Project	KRK	14,432,651	1,766,556,463			721,643	93,603,747	13,711,008	1,704,278,294
2006044	Administrative Complex in Hambantota Project	KRK	18,989,780	2,324,349,091			474,764	59,894,862	36,962,260	2,301,416,489
2007013	Greater Galle Water Supply Project Phase II (Supplementary)	KRK	6,743,445	825,397,662					12,812,545	838,210,207
2007016	Upgrading of Niyagama National Vocational Training Centre Project	KRK	7,603,134	930,623,601			460,796	58,092,265	7,142,338	887,792,613
2008040	Lanka Government Network Stage II Project	KRK	8,328,330	1,019,387,587					15,823,827	1,035,211,414
2008041	Improvement Of Padeniya-Anuradhapura Road Project	KRK	75,883,150	9,288,097,609					144,177,986	9,432,275,595
2009004	Ruhunupura Water Supply Development Project	KRK	87,048,316	10,636,409,940					183,695,719	10,820,105,659
2010041	Hatton - Nuwara Eliya Road Improvement Project	KRK	42,917,197	5,246,946,166					87,661,451	5,334,607,617
2012027	Improvement Of Padeniya-Anuradhapura Road Project (Supplementary Loan)	KRK	12,923,423	1,581,826,961					24,554,503	1,606,381,464
2013031	Construction of Solid Waste Disposal Facilities	KRK	614,627	75,230,401	460,971	59,833,983			1,075,598	133,696,838
2013033	Establishment of Colombo Central Vocational Training Center & Gampaha College of Technology Project in Sri Lanka	KRK	916,698	111,608,018	5,905,696	748,251,690			6,822,394	848,023,618

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2015011	Hatton-Nuwara Eliya Improvement Project (Supplementary Loan)	KRK	15,983,361	1,863,240,774	2,843,335	355,915,739	-	-	18,826,696	2,340,158,344
2014038	Deduru Oya Water Supply Project				12,633,738	1,570,373,576	-	-	12,633,738	1,570,373,576
<b>Kuwait</b>										
1995013	Bridges Reconstruction & Rehabilitation Project	KWD	1,308,752	620,987,170	6,484	3,105,987	267,800	128,865,763	1,047,436	512,512,838
1999017	Rehabilitation of Irrigation Schemes - Hambantota	KWD	864,000	409,952,624			96,000	46,358,140	768,000	375,784,400
2000023	Rural Electrification Project V	KWD	1,149,500	545,417,291			114,950	55,664,215	1,034,550	506,208,007
2005048	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	KWD	4,718,374	2,238,815,650			300,000	144,360,452	4,418,374	2,161,921,742
2007041	South Eastern University of Sri Lanka Development Project Phase I "A"	KWD	1,700,000	806,619,740			100,000	48,120,151	1,600,000	782,884,160
2009002	Kalu Ganga Development Project	KWD	3,251,876	1,542,957,047	1,367,458	657,086,129	250,000	120,729,685	4,369,334	2,137,926,277
2011030	South Eastern University of Sri Lanka Ddevelopment Project Phase I "B"	KWD	1,137,914	539,630,658	928,071	443,449,430			2,065,985	1,010,892,123
2014002	Reconstruction of 25 Bridges Project	KWD	127,048	60,282,016	457,301	218,762,681			584,349	285,923,411
<b>Sweden</b>										
2004072	Education Reforms in Plantation Schools	SEK	30,853,742	528,228,412			3,644,708	60,587,262	27,209,034	448,701,461
<b>USA</b>										
1977015	Co-ordination Rice Research Project	USD	314,661	45,330,804			154,988	22,788,395	159,673	23,918,990
1977016	Mahaweli Development Project Stage 2	USD	532,766	76,751,551			208,360	30,153,235	324,406	48,596,143
1978016	Malaria Control Project	USD	2,187,075	315,075,114			541,685	78,973,571	1,645,390	246,479,475
1978017	Agricultural Base Mapping Project	USD	481,473	69,362,060			155,736	22,898,308	325,737	48,795,329
1978018	Paddy Storage & Processing Project	USD	675,471	97,309,955			218,487	31,643,845	456,984	68,456,258
1978020	Agricultural Inputs Project	USD	1,708,079	246,069,847			552,492	81,081,552	1,155,587	173,106,876
1979017	Water Management Project	USD	1,090,618	157,116,913			229,890	33,225,747	860,728	128,937,021
1979018	Agricultural Inputs Project	USD	2,569,145	370,116,883			613,889	89,217,264	1,955,256	292,897,310
1979068	Malaria Control Project	USD	1,178,554	169,785,176			166,806	24,120,802	1,011,748	151,559,861
1980026	Mahaweli Basin Development Phase I	USD	2,403,079	346,193,049			408,168	59,079,321	1,994,911	298,837,631

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
1980027	Reforestation & Watershed Management Project	USD	798,717	115,064,975	135,664	19,667,019	3,927,431	663,053	99,325,387	
1980028	Jaffna Market Town Water Supply	USD	874,028	125,914,483	123,705	18,188,629	4,672,497	750,323	112,398,351	
1980029	Agricultural Inputs Project	USD	1,122,533	161,714,722	212,807	30,757,581	5,319,847	909,726	136,276,988	
1980034	Water Management Project	USD	578,044	83,274,418	53,437	7,733,738	3,045,469	524,607	78,586,149	
1980115	Reforestation & Watershed Management Project	USD	875,440	126,118,008	72,087	10,482,288	4,706,591	803,353	120,342,311	
1981024	Mahaweli Basin Development Phase 2 Maduruoya	USD	7,372,106	1,062,042,550	1,043,406	153,179,588	39,176,317	6,328,700	948,039,279	
1981084	Mahaweli Sector Support	USD	5,543,824	798,655,967	784,641	114,032,929	28,302,501	4,759,183	712,925,539	
1982093	Mahaweli Basin Development Phase 2	USD	9,367,981	1,349,572,840	983,081	142,217,555	48,702,810	8,384,900	1,256,058,095	
1982094	Mahaweli Sector Support (Rupee Expenditure)	USD	5,328,059	767,572,483	598,696	86,887,772	27,773,972	4,729,363	708,458,683	
1982100	Mahaweli Development Phase 2 & Maduruoya Project	USD	825,778	118,963,420	76,339	11,041,148	4,343,619	749,439	112,265,891	
1983013	Private Enterprise Promotion Project	USD	412,456	59,419,378	38,130	5,513,656	2,168,451	374,326	56,074,173	
1983082	Mahaweli Sector Support	USD	6,653,957	958,584,311	615,126	89,012,486	35,044,997	6,038,831	904,616,822	
1983083	Mahaweli Development Phase 2- Maduruoya System B.Project	USD	6,606,221	951,707,329	610,713	88,329,172	34,748,916	5,995,508	898,127,073	
1983084	Malaria Control Project	USD	1,890,871	272,403,217	185,955	27,039,954	10,033,116	1,704,916	255,396,379	
1983089	Water Management Project	USD	444,170	63,988,114	36,575	5,315,111	2,384,764	407,595	61,057,767	
1984006	Mahaweli Development Phase 2- Maduruoya System B.Project	USD	10,516,441	1,515,022,673	916,404	132,732,469	55,795,268	9,600,037	1,438,085,472	
1984007	Malaria Control Project	USD	1,421,919	204,844,921	110,891	16,270,102	7,817,093	1,311,028	196,391,912	
1984008	Mahaweli Basin Development Phase-2 ( Maduru Oya System B)	USD	3,631,885	523,217,710	283,240	40,955,247	19,364,523	3,348,645	501,626,986	
1984013	Water Supply & Sanitation Project	USD	638,307	91,955,887	55,622	8,048,863	3,379,094	582,685	87,286,118	
1984014	Diversified Agriculture Research Project	USD	787,507	113,450,072	44,080	6,371,010	4,286,246	743,427	111,365,308	
1984068	Water Supply & Sanitation Project	USD	1,596,892	230,051,942	112,377	16,249,141	8,577,662	1,484,515	222,380,463	
1984072	Malaria Control Project	USD	754,794	108,737,334	53,116	7,809,938	4,183,883	701,678	105,111,279	
1984074	Diversified Agriculture Research Project	USD	801,472	115,461,832	69,840	10,253,075	4,389,639	731,632	109,598,396	
1984084	Mahaweli Development Phase 2- Maduruoya System B.Project	USD	89,842	12,942,866	6,649	963,051	482,436	83,193	12,462,251	
1986002	Water Supply & Sanitation Project	USD	527,092	75,934,174	28,293	4,160,023	2,945,970	498,799	74,720,121	

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016			Accounted during the year			Repayments			Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.
1986010	Irrigation System Management Project	USD	4,106,598	591,605,994		266,059	38,910,350	22,617,131	3,840,539	575,312,775				
1986011	Agricultural Planning & Analysis Project	USD	610,935	88,012,772		40,948	5,925,374	3,296,660	569,987	85,384,058				
1987009	Mahaweli Agriculture & Rural Development	USD	1,764,448	254,658,279		107,159	15,523,301	9,613,430	1,660,537	248,748,408				
1987010	Mahaweli Downstream Support Project	USD	1,919,911	276,586,751		107,466	15,791,380	10,708,941	1,812,445	271,504,312				
1987027	Irrigation System Management Project	USD	2,026,649	291,963,614		118,432	17,221,134	11,108,419	1,908,217	285,850,899				
1988087	Mahaweli Agriculture & Rural Development	USD	337,808	48,665,347		20,635	3,035,606	1,882,719	317,173	47,512,460				
1989019	Water Supply & Sanitation Project	USD	906	130,518		45	6,526	5,026	861	129,018				
	<b>Spain</b>													
2006086	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	7,323,634	1,152,547,305		1,220,606	196,953,255	7,916,604	6,103,028	963,510,654				
2006087	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,980,000	1,098,468,426				3,493,490	6,980,000	1,101,961,916				
2007001	Design Supply & Setting up of Two Water Treatment Plants at Galle & Negambo	EUR	12,937,325	2,035,994,700				6,475,131	12,937,325	2,042,469,831				
2015032	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Bilateral Portion)	EUR			20,166,151		3,207,796,413	(24,081,523)	20,166,151	3,183,714,890				
	<b>Saudi</b>													
2002058	Development Health Facilities -Colombo Hospital	SAR	18,514,143	710,776,478		3,000,000	115,919,148	24,690,677	15,514,143	619,548,007				
2004043	Baticoloo - Trincomalee Road Project	SAR	20,405,039	783,369,876		1,493,523	56,838,274	30,846,178	19,232,562	768,040,845				
2008001	Epilepsy Hospital & Health Centers Project	SAR	36,242,626	1,390,951,382		3,750,000	144,898,935	81,690,099	48,746,045	1,946,644,070				
2008002	Development of Health Facilities in Colombo Project (Additional Loan)	SAR	9,411,315	361,309,807		550,000	21,251,844	13,813,348	8,861,315	353,871,311				
2010028	Kalu Ganga Development Project	SAR	53,578,663	2,055,446,909		11,500,000	444,356,733	98,043,782	56,502,571	2,256,396,287				
2012025	Road Network Development Project	SAR	141,174,080	5,375,834,416		39,796,620	1,524,384,856	326,737,043	180,970,700	7,226,956,315				
2015027	Epilepsy Hospital & Health Centers Project (Additional Finance)	SAR			2,092,569		81,321,628	2,243,862	2,092,569	83,565,490				
	<b>Germany</b>													
2005403	Debt Moratorium from Germany	EUR	14	(28)				2,188	14	2,160				

## Notes to the Financial Statements contd...

## NOTE - 30 (f) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
Japan										
2005407				(251,781)						
<b>Commercial Loans</b>										
2010040	International Bond Issue 2010 USD 1000 Mn	USD	1,000,000,000	144,062,300,000						149,800,000,000
2011017	International Bond Issue 2011 USD 1000 Mn	USD	1,000,000,000	144,062,300,000						149,800,000,000
2012018	International Bond Issue 2012 USD 1000 Mn	USD	1,000,000,000	144,062,300,000						149,800,000,000
2014008	Sovereign Bond Issues 2014-USD 1000 Million	USD	1,000,000,000	144,062,300,000						149,800,000,000
2014009	Sovereign Bond Issues 2014-USD 500 Million	USD	500,000,000	72,031,150,000						74,900,000,000
2015008	International Sovereign Bond Issue-650 Mn	USD	650,000,000	87,035,000,000						97,370,000,000
2015029	International Sovereign Bond Issue 2015-USD 1500 Mn	USD	1,500,000,000	211,465,650,000						224,700,000,000
2016024	Sovereign Bond Issues 2016-USD 1000 Million	USD			1,000,000,000	145,250,000,000				149,800,000,000
2016026	Sovereign Bond Issues 2016-USD 500 Million	USD			500,000,000	72,625,000,000				74,900,000,000
<b>Bear Steans &amp; Co</b>										
1988015	Low Income Shelter Programme Phase-3	USD	1,500,000	183,331,300				500,000	73,687,500	115,509,375
<b>Banker's Trust &amp; Co. U.S.A.</b>										
1986024	Low Income Shelter Programme Phase-2	USD	700,000	100,843,610				700,000	100,730,280	-
<b>Riggs National Bank Washington</b>										
1987006	Low Income Shelter Programme Phase-3	USD	1,463,415	210,822,922						107,373,012
1994046	Sri Lanka -USAID Housing Guarantee Loan	USD	4,500,000	648,280,350				500,000	72,700,600	599,200,000
1997067	Sri Lanka -USAID Housing Guarantee Loan	USD	9,000,000	1,296,560,701				750,000	108,615,000	1,235,850,000
1998049	US Housing Guarantee Loan for Private Sector	USD	3,135,072	451,645,667				158,779	22,972,669	445,848,699

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
<b>ADB</b>											
1991061	Special Operation -Merchant Bank	XDR	386,657	77,188,815			26,800	5,391,983	671,623	359,857	72,468,455
<b>ADB</b>											
1989068	Agriculture Programme	XDR	37,858,524	7,557,734,926			2,704,200	554,715,368	76,393,283	35,154,324	7,079,412,841
1990051	Financial Sector Programme	XDR	36,625,525	7,311,590,230			2,441,800	500,888,983	73,251,528	34,183,725	6,883,952,775
1991055	Second Agriculture Programme	XDR	12,284,168	2,452,300,838			767,800	154,984,899	21,861,862	11,516,368	2,319,177,801
2001001	Private Sector Development Sub Programme 1	XDR	37,328,541	7,451,933,964			4,147,616	850,804,798	80,878,687	33,180,925	6,682,007,853
2002002	Small & Medium Enterprise Sector Development Programme	XDR	9,602,686	1,916,993,753			960,268	196,980,778	20,405,748	8,642,418	1,740,418,723
2002005	Power Sector Development Programme	USD	7,858,080	1,132,053,079			3,739,320	541,339,129	26,276,298	4,118,760	616,990,248
2004001	Rural Finance Sector Development Programme	USD	12,961,425	1,867,252,696			3,909,225	565,043,805	53,810,669	9,052,200	1,356,019,560
2004009	Fiscal Management Programme	USD	21,235,189	3,059,190,205			4,561,734	670,010,352	108,503,741	16,673,455	2,497,683,593
2004014	Financial Markets for Private Sector Development	USD	31,479,092	4,534,950,355			6,762,325	977,431,659	145,053,013	24,716,767	3,702,571,709
<b>IDA</b>											
1990009	Economic Restructuring Credit	XDR	46,310,452	9,245,001,887			3,193,678	642,179,298	80,076,520	43,116,774	8,682,899,109
1990047	Public Manufacturing Ent.Adj. Credit	XDR	56,554,771	11,290,085,502			3,770,316	764,077,406	103,778,248	52,784,455	10,629,786,344
2003021	Poverty Reduction Support Credit	XDR	86,165,000	17,201,205,115			1,814,000	369,242,863	154,726,479	84,351,000	16,986,688,731
<b>IFAD</b>											
2005022	Post Tsunami Coastal Rehabilitation & Resource Management Programme	XDR	9,242,025	1,845,762,807			313,300	64,042,354	16,355,026	8,928,725	1,798,075,479
2005023	Post Tsunami Livelihood Support & Partnership Programme	XDR	1,534,000	306,233,954			52,000	10,629,436	2,842,124	1,482,000	298,446,642
<b>ADB</b>											
1983006	Special Assistance to selected Projects	XDR	4,888,057	975,807,645			651,600	131,097,610	8,431,849	4,236,457	853,141,884
1983071	Aquaculture Development Project	XDR	4,767,952	951,831,012			635,800	127,918,754	8,224,630	4,132,152	832,136,888
1984018	Walawe Irrigation Improvement Project	XDR	3,991,782	796,883,356			465,872	96,329,538	9,497,322	3,525,910	710,051,140
1985001	Plantation Sector Project	XDR	14,998,622	2,994,189,997			1,666,400	341,830,372	32,496,663	13,332,222	2,684,856,288
1985002	Secondary Towns Power Distribution Project	XDR	4,801,852	958,598,418			529,364	109,457,925	11,257,255	4,272,488	860,397,748
1985003	Trunk Roads Improvement Project	XDR	8,058,685	1,608,763,414			805,800	161,793,090	13,622,979	7,252,885	1,460,593,303
1985004	Development Financing Project	XDR	7,398,465	1,476,962,940			740,000	150,509,109	14,434,483	6,658,465	1,340,888,314

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1986020	Kirindi Oya Irrigation & Settlement Project	XDR	5,485,878	1,095,151,337			498,800	101,451,275	10,602,719	4,987,078	1,004,302,781
1987001	Agricultural Inputs Programme	XDR	11,379,742	2,271,749,277			1,034,600	210,428,006	21,993,772	10,345,142	2,083,315,043
1987002	Water Supply Sector Project	XDR	10,898,177	2,175,613,973			990,800	198,938,437	18,481,952	9,907,377	1,995,157,488
1987003	Land Use Planning Project	XDR	2,642,663	527,557,447			240,200	48,228,717	4,481,661	2,402,463	483,810,391
1988002	1st Small & Medium Industries Project	XDR	5,165,199	1,031,133,867			430,400	87,539,352	9,904,069	4,734,799	953,498,584
1988003	Emergency Road Restoration Project	XDR	2,912,668	581,458,818			254,339	52,007,920	5,886,022	2,658,329	535,336,920
1988004	Secondary Towns Power Distribution Project ii	XDR	13,201,218	2,635,372,295			1,100,000	225,644,148	27,227,179	12,101,218	2,436,955,326
1988005	Second Road Improvement Project	XDR	12,869,557	2,569,162,458			1,119,000	229,664,021	26,840,408	11,750,557	2,366,338,844
1988008	2nd Technical Education Project	XDR	8,540,986	1,705,045,570			711,600	145,971,251	17,615,257	7,829,386	1,576,689,576
1988013	Emergency Schools Restoration Project	XDR	5,356,114	1,069,246,342			428,600	86,865,522	9,926,824	4,927,514	992,307,644
1988062	Perennial Crops Development Project	XDR	5,462,096	1,090,403,777			437,000	87,743,336	9,298,508	5,025,096	1,011,958,949
1988063	2nd Development Financing Project	XDR	15,313,647	3,057,078,697			1,134,400	229,911,920	28,264,195	14,179,247	2,855,430,972
1989011	Smallholder Tea Development Project	XDR	6,355,066	1,268,668,114			489,000	98,184,191	10,830,248	5,866,066	1,181,314,171
1989067	Agriculture Rehabilitation Project	XDR	8,195,833	1,636,142,432			607,200	123,062,868	15,127,033	7,588,633	1,528,206,597
1990025	Power System Expansion (Sector Loan) Project	XDR	30,645,703	6,117,832,238			2,113,600	429,231,848	57,222,946	28,532,103	5,745,823,336
1990046	Second Telecommunication Project	XDR	12,085,649	2,412,670,199			833,600	170,997,238	24,275,923	11,252,049	2,265,948,884
1991017	2nd Small & Medium Industries Project	XDR	12,139,422	2,423,404,873			783,200	159,295,586	22,817,975	11,356,222	2,286,927,262
1991029	3rd Development Financing Project	XDR	20,695,685	4,131,500,194			1,293,400	260,197,393	35,948,656	19,402,285	3,907,251,457
1991034	Low-Income Housing Development Project	XDR	8,570,851	1,711,007,564			553,000	111,626,270	15,261,566	8,017,851	1,614,642,860
1991056	Southern Province Rural Development Project	XDR	18,442,529	3,681,700,432			1,194,209	244,195,041	35,978,368	17,248,320	3,473,483,759
1992029	North Western Province Water Resources Development Project	XDR	8,243,155	1,645,589,265			484,800	97,859,702	14,655,713	7,758,355	1,562,385,276
1992039	Participatory Forestry Project	XDR	3,960,870	790,712,340			220,000	44,258,100	6,885,801	3,740,870	753,340,041
1992040	Second Health & Population Project	XDR	10,246,821	2,045,583,101			621,000	127,454,296	20,328,632	9,625,821	1,938,457,437
1993002	Fisheries Sector Project	XDR	12,103,034	2,416,140,710			712,000	143,434,500	21,231,537	11,391,034	2,293,937,747
1993003	Urban Development Sector Project	XDR	12,737,929	2,542,885,477			749,200	153,974,156	25,390,886	11,988,729	2,414,302,207

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016			Accounted during the year			Repayments			Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.
1993029	Second Water Supply & Sanitation Project	XDR	19,814,990	3,955,686,275		1,132,400	228,125,321		1,132,400	228,125,321	18,682,590	3,762,318,663		
1993030	Secondary Education Development Project	XDR	15,983,611	3,190,824,212		888,000	180,335,864		888,000	180,335,864	15,095,611	3,039,969,203		
1993041	Financial Management Training Project	XDR	5,853,363	1,168,512,610		325,200	66,041,917		325,200	66,041,917	5,528,163	1,113,266,894		
1994026	Fourth Development Financing Project	XDR	38,289,879	7,643,846,888		2,069,800	417,801,179		2,069,800	417,801,179	36,220,079	7,294,035,783		
1995006	Third Road Improvement Project	XDR	27,304,529	5,450,830,369		1,437,200	290,107,188		1,437,200	290,107,188	25,867,329	5,209,188,521		
1996001	Plantation Reform Project	XDR	30,072,686	6,003,440,293		1,542,200	316,521,763		1,542,200	316,521,763	28,530,486	5,745,497,715		
1996002	Second Power System Expansion Project	XDR	42,476,493	8,479,624,803		2,123,800	435,889,585		2,123,800	435,889,585	40,352,693	8,126,265,697		
1996028	Emergency Rehabilitation Petroleum Facilities	XDR	14,046,129	2,804,042,862		702,400	144,160,866		702,400	144,160,866	13,343,729	2,687,173,574		
1996059	NCP Rural Development Project	XDR	9,748,246	1,946,052,035		361,000	74,127,462		361,000	74,127,462	9,387,246	1,890,412,924		
1998004	Upper Watershed Management Project	XDR	6,603,355	1,318,234,366		159,200	32,071,311		159,200	32,071,311	6,444,155	1,297,730,382		
1998005	3rd Water Supply & Sanitation Sector	XDR	46,758,859	9,334,517,873		1,113,200	224,257,425		1,113,200	224,257,425	45,645,659	9,192,168,547		
1998006	Southern Provincial Road Improvement Project	XDR	17,697,277	3,532,925,161		421,400	84,892,273		421,400	84,892,273	17,275,877	3,479,033,443		
1998018	Second Perennial Crops Development Project	XDR	10,791,758	2,154,369,473		257,000	51,876,947		257,000	51,876,947	10,534,758	2,121,500,133		
1998019	Science & Technology Personals Development Project	XDR	11,473,677	2,290,501,629		276,400	56,805,201		276,400	56,805,201	11,197,277	2,254,918,855		
1998059	Urban Development & Low-Income Housing Sector	XDR	39,626,962	7,910,770,110		932,400	191,625,072		932,400	191,625,072	38,694,562	7,792,349,649		
1999002	Coastal Resource Management Project	XDR	17,706,701	3,534,806,406		1,106,670	222,632,325		1,106,670	222,632,325	16,600,031	3,342,930,821		
1999004	Road Network Improvement Project	XDR	54,779,411	10,935,668,615		1,274,000	256,294,634		1,274,000	256,294,634	53,505,411	10,774,973,190		
1999005	Tea Development Project	XDR	20,398,267	4,072,126,474		480,000	96,572,824		480,000	96,572,824	19,918,267	4,011,160,561		
1999045	Skills Development Project	XDR	8,668,886	1,730,578,334		541,804	108,996,435		541,804	108,996,435	8,127,082	1,636,639,854		
1999057	Southern Transport Development Project	XDR	42,940,658	8,572,286,429		2,683,790	538,866,560		2,683,790	538,866,560	40,256,868	8,106,968,266		
2000032	Forest Resources Management Sector Project	XDR	11,562,056	2,308,144,819		700,732	143,818,524		700,732	143,818,524	10,861,324	2,187,264,307		
2000044	Secondary Education Modernization Project	XDR	26,003,305	5,191,065,803		1,575,958	323,887,888		1,575,958	323,887,888	24,427,347	4,919,203,588		
2000045	Water Resources Management Project	XDR	882,469	176,168,185		53,484	10,977,078		53,484	10,977,078	828,985	166,941,844		
2000055	Protected Area Management & Wildlife Conservation Project	XDR	5,687,024	1,135,306,313		344,668	70,835,510		344,668	70,835,510	5,342,356	1,075,849,020		

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2001004	North East Community Restoration & Development Project	XDR	13,172,190	2,629,577,508			731,788	146,932,539	22,615,672	12,440,402	2,505,260,641
2002001	Southern Province Rural Economic Advancement Project	XDR	14,014,061	2,797,640,982			778,558	156,323,286	24,061,103	13,235,503	2,665,378,799
2002003	SME- Business Service Facility Project	XDR	843,478	168,384,350			46,860	9,612,441	1,651,814	796,618	160,423,723
2002004	SME SDF Credit Assistance Project	XDR	8,182,927	1,178,851,215			8,182,919	1,201,025,777	22,175,669	8	1,107
2002006	Power Sector Development Project	XDR	42,438,591	8,472,058,356			2,233,610	452,691,786	77,152,705	40,204,981	8,096,519,275
2002007	Aquatic Resource & Quality Improvement	XDR	7,611,327	1,519,470,305			411,422	83,302,082	13,755,834	7,199,905	1,449,924,057
2002008	Plantation Development Project	XDR	4,534,883	905,303,300			245,128	50,310,171	8,882,095	4,289,755	863,875,224
2002009	Plantation Development Project	JPK	707,779	846,504,134			81,885	109,026,391	67,860,384	625,894	805,338,127
2003001	Road Sector Development	XDR	31,925,790	6,373,377,347			1,680,304	337,380,954	54,869,787	30,245,486	6,090,866,180
2003003	Aquatic Resource Development & Quality Improvement	JPK	483,623	578,412,691			23,935	32,286,189	45,353,579	459,688	591,480,081
2003004	Secondary Towns & Rural Community Water /Sanitation	XDR	36,117,422	7,210,156,998			1,900,916	389,936,883	70,334,005	34,216,506	6,890,554,120
2003005	Distance Education Modernization Project	XDR	19,392,655	3,871,375,110			994,496	200,344,152	34,008,700	18,398,159	3,705,039,658
2004002	Rural Finance Sector Development Programme	USD	7,015,095	1,010,610,754			281,374	40,670,046	38,770,692	6,733,721	1,008,711,400
2004003	Rural Finance Sector Development Programme	XDR	3,001,267	599,145,874			150,064	30,291,293	5,323,472	2,851,203	574,178,053
2004004	Conflict Affected Areas Rehabilitation Project	XDR	32,505,061	6,489,017,912			677,200	136,696,764	57,205,409	31,827,861	6,409,526,557
2004005	North East Coastal Community Development Project	XDR	10,649,846	2,126,039,411			532,492	107,486,610	18,890,069	10,117,354	2,037,442,870
2004007	North East Community Restoration & Development Project	XDR	5,594,477	1,116,831,046			115,400	23,294,162	9,845,129	5,479,077	1,103,382,013
2004008	Secondary Education Modernization II	XDR	19,791,657	3,951,028,220			965,446	198,416,623	38,629,541	18,826,211	3,791,241,138
2004010	Strengthening of the Fiscal Management Institutions Project	XDR	4,071,315	812,760,588			193,872	39,844,204	7,926,866	3,877,443	780,843,250
2004011	Modernization of Revenue Administration	USD	10,182,117	1,466,859,153			357,699	52,537,177	57,375,749	9,824,418	1,471,697,725
2004012	Conflict Affected Areas Rehabilitation Project	USD	24,568,879	3,539,449,271			419,361	60,615,072	138,763,597	24,149,518	3,617,597,796
2005001	Tsunami-Affected Areas Rebuilding Project	XDR	4,248,965	848,225,218			85,800	17,260,660	7,417,859	4,163,165	838,382,417

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2005002	North East Community Restoration & Development Project II	XDR	16,213,383	3,236,693,797			327,600	65,904,334	15,885,783	3,199,094,802
2006001	Local Government Infrastructure Improvement Project	XDR	23,553,220	4,765,935,506			1,070,602	219,613,705	22,482,618	4,527,572,134
2006002	Technical Education Development	XDR	11,863,347	2,368,291,885			539,242	110,615,274	11,324,105	2,280,459,649
2006003	National Highways Sector Project AF	USD	135,755,242	19,557,212,434			4,197,366	616,063,295	131,557,876	19,707,369,856
2006004	Secondary Towns & Rural Community Water /Sanitation Supp.1	XDR	30,169,292	6,022,725,931			1,311,708	269,072,030	28,857,584	5,811,369,124
2007007	Colombo Port Expansion Project	USD	280,258,710	40,374,714,400			7,152,984	1,035,537,218	273,105,726	40,911,237,834
2007012	Secondary Towns & Rural Community Water /Sanitation (OCR)	USD	11,168,476	1,608,956,279			303,195	44,500,627	10,865,281	1,627,619,098
2007030	SME Regional Development Project	XDR	26,016,073	5,193,614,760			1,084,004	222,362,872	24,932,069	5,020,845,080
2007031	Education for Knowledge Society Project	XDR	41,332,801	8,251,385,709			1,722,000	353,276,683	39,610,801	7,976,899,752
2008003	Southern Transport Development Project -Supplementary	USD	85,089,882	12,258,244,075			2,050,552	300,965,507	83,039,330	12,439,291,565
2009006	Clean Energy and Access Improvement Project	USD	97,198,800	14,010,457,646			2,226,349	326,809,141	102,855,952	15,432,593,119
2009007	Clean Energy and Access Improvement Project	XDR	13,023,504	2,617,041,336					24,385,333	2,978,019,880
2009008	Dry Zone Urban Water and Sanitation Project	XDR	22,518,696	4,499,602,070					35,737,157	5,907,603,092
2009018	Eastern & North Central Provincial Road Project	XDR	42,091,192	8,402,709,530					73,843,321	8,467,661,134
2009028	Greater Colombo Wastewater Management Project (OCR)	USD	29,960,032	4,314,275,847					(85,060,403)	4,768,296,576
2009029	Greater Colombo Wastewater Management Project (ADF)	XDR	6,011,600	1,196,212,510					12,617,462	1,777,412,711
2010019	ADB Funded Fiscal Management Efficiency Project	USD	7,528,192	1,084,462,526					57,126,082	1,708,689,154
2010020	North East Community Restoration & Development Project II Supplementary	XDR	7,613,542	1,519,899,018					13,323,700	1,533,222,718
2010021	Conflict Affected Region Emergency Project	USD	138,255,587	20,214,410,968					792,890,398	20,995,212,612
2010025	Northern Road Connectivity Project (OCR)	USD	123,580,588	17,800,073,611					718,921,965	18,570,108,548

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2010026	Northern Road Connectivity Project (ADF)	XDR	13,593,867	2,713,876,579	1,629,463	330,191,367			21,621,414	15,223,330	3,065,689,360
2011001	Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	USD	3,566,643	513,232,506	358,086	51,873,907			22,818,084	3,924,729	587,924,497
2011002	Jaffna & Killinochchi Water Supply & Sanitation Project ADF	XDR	6,193,907	1,248,714,415	9,328,728	1,866,651,901			10,597,523	15,522,635	3,125,963,839
2011012	Sustainable Power Sector Support Project OCR	USD	66,082,267	9,551,742,069	15,937,065	2,301,074,501	1,275,625	187,265,443	454,438,349	80,743,707	12,119,989,476
2011013	Sustainable Power Sector Support Project ADF	XDR	3,786,519	784,467,565	1,786,733	331,615,865			6,263,620	5,573,251	1,122,347,050
2011015	Secondary Towns & Rural Community Based Water Supply Add.	USD	3,820,965	550,447,167			31,631	4,673,324	21,868,438	3,789,334	567,642,281
2011016	Secondary Towns & Rural Community Based Water Supply Add (XDR)	XDR	6,750,428	1,348,363,444	(184,308)	(36,737,379)			10,665,719	6,566,120	1,322,291,784
2011028	Local Government Enhancement Sector Project	XDR	21,287,993	4,252,437,937	12,449,329	2,514,206,405			27,411,386	33,737,322	6,794,055,728
2011035	National Highways Sector Project AF OCR	USD	68,850,934	9,911,469,139	8,868,191	1,279,615,468			451,240,372	77,719,125	11,642,324,979
2012029	Northern Road Connectivity Project (ADF)	XDR	28,839,143	5,757,728,080	6,503,529	1,293,406,732			58,141,077	35,342,672	7,109,275,889
2012030	Northern Road Connectivity Project (ADF)	USD	19,044,927	2,741,130,689	2,320,846	333,706,272			125,755,804	21,365,773	3,200,592,765
2013015	Clean Energy and Network Efficiency Improvement Project	USD	10,656,635	1,539,733,037	29,721,207	4,344,441,446			182,373,856	40,377,842	6,066,548,339
2013017	Clean Energy and Network Efficiency Improvement Project	XDR	2,220,260	443,990,671	2,495,203	504,434,267			1,238,504	4,715,463	949,663,442
2013021	Dry Zone Urban Water and Sanitation Project (ADF)	XDR	13,190,360	2,629,843,966	1,016,398	205,353,311			25,773,773	14,206,758	2,860,971,050
2013034	Education Sector Development Program (OCR)	USD	56,000,000	8,067,488,800	12,500,000	1,827,560,000			366,251,200	68,500,000	10,261,300,000
2013035	Education Sector Development Programme (ADF)	XDR	37,296,000	7,445,437,750	8,321,751	1,702,541,595			38,568,842	45,617,751	9,186,548,187
2013042	Greater Colombo Water Wastewater Management Improvement Project 1	USD	15,720,508	2,259,652,791	9,135,713	1,347,486,946			116,322,136	24,856,221	3,723,461,873
2013043	Greater Colombo Water Wastewater Management Improvement Project 1	XDR	1,360,206	374,383,927	640,703	128,768,277			(100,207,137)	2,000,909	402,945,067
2014005	Skills Sector Enhancement Programme - Results Based Lending	USD	29,000,000	4,138,241,686	9,000,000	1,341,839,700			212,318,614	38,000,000	5,692,400,000

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2014006	Skills Sector Enhancement Programme - Results Based Lending	XDR	18,908,000	3,822,664,265	5,868,000	1,181,795,956			(15,044,565)	24,776,000	4,989,415,656
2014017	Southern Road Connectivity Project	USD	3,919,478	563,617,481	8,412,433	1,224,975,946			58,726,862	12,331,911	1,847,320,289
2014018	Southern Road Connectivity Project	XDR	1,255,594	250,951,134	1,257,509	254,609,347			530,785	2,513,103	506,091,266
2014029	Greater Colombo Water & Wastewater Management Project 2	USD	161,277	23,233,886	6,326,245	937,190,717			11,406,145	6,487,522	971,830,748
2014030	Greater Colombo Water & Wastewater Management Project -2	XDR	226,734	45,263,211	698,941	141,364,596			(214,436)	925,675	186,413,371
2014036	Green Power Development & Energy Efficiency Improvement Project	XDR		229,257	691,263	138,066,506			273,617	691,263	138,569,380
2014037	Green Power Development & Energy Efficiency Improvement Project	USD	-	-	1,907,096	274,056,003			11,626,981	1,907,096	285,682,984
2014041	Integrated Road Investment Programme	XDR	22,327,517	4,457,264,546	22,321,280	4,483,066,356			51,088,469	44,648,797	8,991,419,371
2015009	Integrated Road Investment Programme - Tranch 2 (ADF)	XDR	5,747,000	1,118,303,265	69,145	13,940,183			39,017,674	5,816,145	1,171,261,122
2015010	Integrated Road Investment Programme - Tranch 2 (OCR)	USD	9,082,398	1,288,157,382	64,226,120	9,312,532,800			380,925,797	73,308,518	10,981,615,979
2015024	Mahaweli Water Security Investment Programme - Tranch 1	XDR			6,652,419	1,311,150,206			28,520,617	6,652,419	1,339,670,823
2015025	Mahaweli Water Security Investment Programme - Tranch 1	USD	6,704,242	960,190,919					44,104,527	6,704,242	1,004,295,446
2015036	Integrated Road Investment Programme - Tranch 3	USD	-	-	113,750	16,522,188			517,563	113,750	17,039,750
2015037	Integrated Road Investment Programme - Tranch 3	XDR	-	-	16,862,882	3,401,404,102			(5,540,140)	16,862,882	3,395,863,962
2016014	Small and Medium-sized Enterprises Line of Credit	USD	-	-	12,500,000	1,821,875,000			50,625,000	12,500,000	1,872,500,000
<b>European Int. Bank</b>											
2002075	DFCC Global Loan	EUR	14,749,419	2,321,170,649			4,124,385	659,723,751	13,490,720	10,609,318	1,674,937,618
2006073	Post Tsunami Line of Credit - Contract A	EUR	39,552,754	6,401,697,310			7,358,077	1,198,345,220	(120,643,077)	32,194,677	5,082,709,013
2006074	Post Tsunami Line of Credit - Contract B	EUR	600,000	94,424,220			600,000	93,811,140	(613,080)	-	-
2006093	DFCC Global Loan ii	EUR	44,000,000	6,924,442,800			2,500,000	399,927,550	27,264,050	41,500,000	6,551,779,300

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2013047	Sri Lanka SME & GREEN Energy Global Loan	EUR	43,125,351	6,806,145,905	46,874,649	7,357,487,094	-	-	90,000,000	14,208,678,000
<b>IBRD</b>										
2012011	Metro Colombo Urban Development	USD	71,553,396	10,308,146,800	11,762,000	1,692,551,800	479,947,721	83,315,396	83,315,396	12,480,646,321
2014013	Disaster Risk Management Development Policy Loan with a Catastrophe Differed Drawdown Option CAT-DDC	USD	510,000	73,471,773	101,490,000	14,778,973,800	427,154,427	102,000,000	102,000,000	15,279,600,000
<b>IDA</b>										
1968001	Lift Irrigation Project	USD	160,215	23,081,011	-	-	174,592	8,855,445	96,129	14,400,158
1968002	Highway Development Project	USD	67,799	9,767,344	-	-	22,600	3,090,004	45,199	6,770,924
1969001	Drainage & Land Reclamation Project	USD	274,811	39,589,846	-	-	77,723	11,072,278	197,088	33,425,222
1970016	Mahaweliganga Development Project	USD	1,854,955	267,229,033	-	-	318,315	63,264,531	1,536,640	212,300,576
1973001	Fifth Power Project	USD	1,350,000	194,484,105	-	-	180,000	26,056,161	1,170,000	175,266,000
1974001	Dairy Development Project	USD	1,055,514	152,059,772	-	-	124,000	18,209,400	931,514	139,540,794
1974002	Programme Credit Project	USD	3,825,000	551,038,298	-	-	450,000	65,445,008	3,375,000	505,575,000
1975001	Private Sector Industrial Project	USD	1,183,595	170,511,435	-	-	124,589	18,296,260	1,059,006	158,639,126
1975002	Agricultural Development Project	USD	6,198,517	892,972,618	-	-	619,852	89,768,101	5,578,665	835,684,064
1977001	Tank Irrigation Modernization Project	USD	1,330,620	191,692,167	-	-	126,724	18,344,116	1,203,896	180,343,610
1977002	Mahaweliganga Development Project (Phase 2)	USD	3,732,794	537,754,880	-	-	339,340	49,351,353	3,393,454	508,339,400
1977003	Water Supply Project	USD	3,174,000	457,253,740	-	-	276,000	39,888,486	2,898,000	434,120,400
1977005	4th Development Finance Cooperation Project	USD	2,602,452	374,915,212	-	-	226,300	32,855,637	2,376,152	355,947,561
1978001	Tree Crop Rehabilitation (Tea) Project	USD	6,062,243	873,340,612	-	-	484,976	70,235,146	5,577,267	835,474,537
1979001	Kurunegala Rural Development Project	USD	6,938,206	999,533,951	-	-	513,938	74,399,875	6,424,268	962,355,384
1979002	Road Maintenance Project	USD	6,056,563	872,522,445	-	-	448,630	64,938,520	5,607,933	840,068,414
1979003	Agricultural Extension & Research Project	USD	3,223,633	464,403,957	-	-	238,786	34,565,814	2,984,847	447,130,052
1979004	Small & Medium Industries Project	USD	6,106,785	879,757,530	-	-	452,350	65,510,186	5,654,435	847,034,402
1979074	Water Supply Project	DKK	415,530	8,763,569	-	-	-	325,573	415,530	9,089,142
1979077	Water Supply Project	GBP	409,093	87,370,867	-	-	-	(11,361,102)	409,093	76,009,765
1980003	Road Passenger Transport Project	USD	22,461,047	3,235,790,081	-	-	1,549,036	224,077,584	20,912,011	3,132,619,237
1980004	Small Holder Rubber Rehabilitation Project	USD	4,845,948	698,118,474	-	-	334,198	48,343,796	4,511,750	675,860,211

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1980005	Telecommunications Project	USD	13,050,000	1,880,013,015			900,000	130,190,535	70,247,520	12,150,000	1,820,070,000
1980006	Second Water Supply & Sewerage Project	USD	13,050,000	1,880,013,015			900,000	130,190,535	70,247,520	12,150,000	1,820,070,000
1980007	Sixth Power Project	USD	8,241,366	1,187,270,100			568,366	82,217,637	44,362,894	7,673,000	1,149,415,357
1980110	Mahaweliganga Technical Assistance Project	DKK	118,440	2,497,911					92,562	118,440	2,590,473
1980120	Mahaweliganga Technical Assistance Project	GBP	116,550	24,891,756					(3,244,070)	116,550	21,647,686
1981001	2nd Rural Development Project	XDR	10,279,830	2,052,172,741			685,318	139,497,673	19,477,351	9,594,512	1,932,152,419
1981002	Construction Industry Project	XDR	4,702,751	938,814,837			303,400	61,089,324	8,220,142	4,399,351	885,945,655
1981003	Village Irrigation Rehabilitation Project	XDR	8,174,625	1,631,908,657			527,384	108,121,461	16,221,938	7,647,241	1,540,009,134
1981004	Third Mahaweliganga Development Project	XDR	27,431,741	5,476,225,896			1,769,788	362,832,509	54,436,378	25,661,953	5,167,829,765
1982001	Second Small & Medium Industries Project	XDR	12,726,656	2,540,635,132			795,414	159,940,483	22,030,865	11,931,242	2,402,725,514
1982002	Seventh Power Project	XDR	14,422,232	2,879,124,522			901,388	185,636,705	29,353,194	13,520,844	2,722,841,011
1982003	Tea Rehabilitation & Diversification Project	XDR	6,143,200	1,226,373,254			372,314	74,965,098	10,738,734	5,770,886	1,162,146,890
1983001	Forest Resources Development Project	XDR	2,330,224	465,184,933			137,068	28,018,273	4,493,274	2,193,156	441,659,934
1983002	Third Rural Development Project	XDR	1,263,281	252,190,121			72,186	14,700,922	2,374,776	1,191,095	239,863,975
1983003	Industrial Development Project	XDR	12,127,500	2,421,024,952			693,000	141,657,149	23,323,242	11,434,500	2,302,691,045
1985005	Major Irrigation Rehabilitation Project	XDR	6,319,346	1,261,537,265			332,596	68,496,614	12,576,954	5,986,750	1,205,617,605
1985006	Fourth Tree Crops Project	XDR	33,052,500	6,598,303,628			1,695,000	341,286,764	57,787,844	31,357,500	6,314,804,708
1986007	Second Industrial Development Project	XDR	10,504,622	2,097,048,169			512,420	103,500,472	18,691,908	9,992,202	2,012,239,605
1986008	Municipal Management Project	XDR	5,406,302	1,079,265,383			263,720	54,066,471	10,419,301	5,142,582	1,035,618,213
1986012	Water Supply & Sanitation Rehabilitation Project	XDR	19,741,500	3,941,015,387			963,000	194,510,274	35,127,996	18,778,500	3,781,633,109
1986013	2nd Vocational Training Project	XDR	6,150,039	1,227,738,436			299,998	60,404,333	10,753,004	5,850,041	1,178,087,107
1986014	9th Power Project	XDR	21,301,259	4,252,391,627			1,014,344	204,329,544	37,337,139	20,286,915	4,085,399,222
1987005	Agricultural Research Project	XDR	7,708,236	1,538,803,764			367,056	75,593,493	15,163,943	7,341,180	1,478,374,214
1988001	Third Small & Medium Industries Project	XDR	7,223,427	1,442,019,985			601,950	122,589,143	14,008,848	6,621,477	1,333,439,690
1988007	Emergency Reconstruction & Rehabilitation Project	XDR	15,962,001	3,186,510,149			1,330,158	268,670,194	28,735,148	14,631,843	2,946,575,103
1988014	Health & Family Planning Project	XDR	4,018,785	802,274,063			321,496	64,936,941	7,226,628	3,697,289	744,563,750
1988045	Distribution & Transmission Project	XDR	6,853,469	1,368,164,806			548,276	110,742,800	12,324,001	6,305,193	1,269,746,007

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1988085	2nd Smallholder Rubber Rehabilitation Project	XDR	4,646,433	927,571,988			371,710	75,079,352	8,355,277	4,274,723	860,847,913
1988086	3rd Industrial Development Project	XDR	14,947,831	2,984,050,473			1,195,824	240,397,000	25,739,471	13,752,007	2,769,392,944
1989069	Forest Sector Development Project	XDR	4,288,222	856,062,055			317,640	64,688,455	8,226,183	3,970,582	799,599,783
1990003	General Education Project	XDR	21,560,000	4,304,044,360			1,540,000	317,155,906	44,759,166	20,020,000	4,031,647,620
1990048	Third Roads Project	XDR	16,251,911	3,244,385,219			1,083,458	220,649,866	30,902,854	15,168,453	3,054,638,207
1991009	Poverty Alleviation Project	XDR	16,314,887	3,256,957,137			1,052,568	211,598,186	28,182,041	15,262,319	3,073,540,992
1991022	Second Telecommunications Project	XDR	21,399,651	4,272,033,662			1,380,620	277,546,618	36,965,369	20,019,031	4,031,452,413
1991023	Fourth Small & Medium Industries Project	XDR	20,307,177	4,053,942,024			1,310,140	263,377,993	35,078,249	18,997,037	3,825,642,280
1991030	2nd Power Distribution & Transmission Project	XDR	19,742,499	3,941,214,865			1,273,708	262,314,295	40,363,079	18,468,791	3,719,263,649
1991043	National Irrigation Rehabilitation Project	XDR	10,877,703	2,171,526,783			701,780	141,079,128	18,789,951	10,175,923	2,049,237,606
1992023	Second Agriculture Extension Project	XDR	3,730,024	744,628,426			226,058	45,660,025	6,663,782	3,503,966	705,632,183
1992041	Community Watersupply & Sanitation Project	XDR	11,323,188	2,260,459,377			666,068	134,112,207	19,794,347	10,657,120	2,146,141,517
1993013	Private Finance Development Project	XDR	27,583,861	5,506,593,689			1,576,218	319,430,138	50,281,538	26,007,643	5,237,445,089
1993017	Colombo Urban Transport Project	XDR	7,021,379	1,401,684,893			401,220	82,255,987	13,745,315	6,620,159	1,333,174,221
1995023	Colombo Environmental Improvement Project	XDR	13,801,485	2,755,204,221			707,764	144,675,081	26,297,456	13,093,721	2,636,826,596
1996011	Telecommunication, Regulatory & Public Enterprises Reforms	XDR	6,119,934	1,221,728,466			226,663	45,832,009	10,896,272	5,893,271	1,186,792,729
1996033	Teacher Education & Teacher Deployment Project	XDR	35,202,291	7,027,468,469			1,303,788	268,111,436	67,157,313	33,898,503	6,826,514,346
1996035	Private Sector Infrastructure Development Project	XDR	31,992,199	6,386,634,608			1,184,893	243,661,829	61,033,240	30,807,306	6,204,006,019
1997002	Health Services Project	XDR	8,202,234	1,637,420,191			200,052	40,407,238	14,474,476	8,002,182	1,611,487,429
1997022	Environmental Action 1 Project	XDR	8,646,380	1,726,085,462			208,346	41,883,883	15,058,122	8,438,034	1,699,259,701
1997023	Energy Services Delivery Project	XDR	14,018,196	2,798,466,433			337,786	67,905,261	24,413,422	13,680,410	2,754,974,594
1997064	Second General Education Project	XDR	41,838,565	8,352,274,643			996,154	201,206,841	73,817,842	40,842,411	8,224,885,644
1998017	Mahaweli Restructuring & Rehabilitation Project	XDR	35,400,022	7,066,941,874			832,940	167,711,738	61,923,487	34,567,082	6,961,153,623
1999001	Year 2000 Emergency Assistance Project	XDR	9,490,341	1,894,566,284			218,166	44,066,247	16,739,857	9,272,175	1,867,239,894
1999058	North-East Irrigated Agriculture Project	XDR	16,414,801	3,276,903,049			373,062	76,830,400	30,428,702	16,041,739	3,230,501,351

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2000036	Legal & Judicial Reforms Project	XDR	10,508,086	2,097,739,674			236,137	48,631,276	19,466,970	2,068,575,368
2001020	Distance Learning Project	XDR	955,300	190,707,461			21,228	4,339,246	1,736,104	188,104,319
2001021	Land Titling & Related Services Project	XDR	2,892,846	577,501,787			64,284	13,140,388	5,257,293	569,618,692
2001022	Sri Lanka Centreal Bank Strengthening Project	XDR	21,509,552	4,293,973,371			472,736	95,034,316	37,475,984	4,236,415,039
2001024	Mahaweli Ganga Technical Assistance Project	EUR	287,965	45,318,168			1,592	2,700,252	273,873	42,891,789
2001025	Water Supply	EUR	1,475,240	232,163,952			150,111	25,231,648	1,850,367	208,782,671
2002022	Renewable Energy For Rural Economic Development Project	XDR	55,141,713	11,007,995,300			1,185,843	242,399,975	100,091,663	10,865,686,988
2003020	Economic Reform Technical Assistance Project	XDR	10,199,822	2,036,200,643			217,017	43,716,020	17,862,512	2,010,347,135
2003022	Improving Relevance & Quality of Undergraduate Education	XDR	27,273,019	5,444,540,096			574,169	116,873,065	48,974,157	5,376,641,188
2004020	Second North East Irrigated Agriculture Project (Yali Pubudamu SL)	XDR	40,554,795	8,095,994,359			836,181	168,440,442	71,020,299	7,998,574,216
2004021	E - Sri Lanka Development Project	XDR	29,205,690	5,830,361,037			596,035	121,323,858	52,403,785	5,761,440,964
2005020	North East Housing Reconstruction Project	XDR	50,078,000	9,997,121,217			1,022,000	206,428,610	88,253,728	9,878,946,335
2005021	Tsunami Emergency Recovery Project II	XDR	29,715,475	5,932,130,050			600,311	121,253,792	52,364,636	5,863,240,894
2006020	Road Sector Assistance Project	XDR	68,725,728	13,719,784,286			1,374,515	276,319,239	119,789,649	13,563,254,696
2007021	Puttalam Housing Project	XDR	15,707,530	3,135,709,926					27,488,177	3,163,198,103
2008020	Renewable Energy for Rural Economic Development Project	XDR	26,299,953	5,250,286,014					46,024,918	5,296,310,932
2008031	Dam Safty & Water Resources Planning	XDR	41,100,000	8,204,834,100					71,925,000	8,276,759,100
2008033	Public Sector Capacity Building Project	XDR	9,046,808	1,806,023,394					15,831,914	1,821,855,308
2008034	Additional Financing for North East Housing Reconstructions Project	XDR	26,194,875	5,229,309,005					45,841,031	5,275,150,036
2008035	Additional Financing for Education Sector Development Project	XDR	5,829,875	1,163,823,856					10,202,282	1,174,026,138
2008036	Additional Financing for Road Sector Assistance Project	XDR	59,589,686	11,895,948,701					104,281,952	12,000,230,653
2009014	Additional Financing for Health Sector Development Project	XDR	15,417,553	3,077,821,505					26,980,718	3,104,802,223



Notes to the Financial Statements contd...

NOTE - 30 (f) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2015031	Additional Financing for North East Local Services Improvement Project (NELSIP)	XDR	-	-	14,300,000	2,908,951,294	-	-	14,300,000	2,879,748,300
2016030	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	USD	100,000,000	14,794,810,000	-	-	-	-	100,000,000	14,980,000,000
<b>IFAD</b>										
1978004	Kirindi Oya Irrigation & Settlement Project	USD	3,600,000	518,624,280	300,000	44,200,965	300,000	44,200,965	3,300,000	494,340,000
1981006	Anuradhapura Dry Zone Agricultural Project	XDR	1,408,178	281,115,905	93,876	19,142,256	93,876	19,142,256	1,314,302	264,675,373
1982004	Coconut Development Project	XDR	1,227,665	245,080,024	76,726	15,645,199	76,726	15,645,199	1,150,939	231,777,279
1982009	Kirindi Oya Irrigation & Settlement Project	XDR	1,495,393	298,526,776	87,964	17,724,893	87,964	17,724,893	1,407,429	283,429,408
1983004	Badulla, Rural Development Project	XDR	4,433,237	885,011,543	260,780	52,547,606	260,780	52,547,606	4,172,457	840,253,571
1986026	Kegalle Rural Development Project	XDR	3,092,611	617,380,987	154,630	31,158,203	154,630	31,158,203	2,937,981	591,653,513
1988088	Small Farmers & Landless Credit Project	XDR	2,346,546	468,443,263	104,292	21,015,012	104,292	21,015,012	2,242,254	451,547,290
1991033	2nd Badulla Integrated Rural Development	XDR	5,685,603	1,135,022,553	222,964	45,283,584	222,964	45,283,584	5,462,639	1,100,071,644
1992051	North Western Province Dry Zone Participatory Development Project	XDR	3,071,672	613,200,962	113,764	23,105,262	113,764	23,105,262	2,957,908	595,666,481
1995040	North Central Provincial Participatory Rural Development Project	XDR	3,599,360	718,543,835	179,968	36,551,176	179,968	36,551,176	3,419,392	688,600,580
1999007	Matale Regional Economic Advancement Project	XDR	5,977,977	1,193,389,535	259,912	52,787,657	259,912	52,787,657	5,718,065	1,151,509,656
2004022	Dry Zone Livelihood Support & Partnership Programme	XDR	14,482,256	2,891,107,328	499,390	100,892,596	499,390	100,892,596	13,982,866	2,815,883,618
2007011	Smallholder Plantations Entrepreneurship Development Programme	XDR	12,088,360	2,413,528,749	1,513,114	306,519,536	1,513,114	306,519,536	13,601,474	2,739,078,478
2008025	Post Tsunami Coastal Rehabilitation & Resource Management Programme II	XDR	10,717,137	2,140,916,197	178,620	36,397,887	178,620	36,397,887	10,538,517	2,122,257,086
2008026	Post Tsunami Livelihood Support & Partnership Programme II	XDR	1,602,039	319,816,691	26,701	5,440,936	26,701	5,440,936	1,575,338	317,243,186
2010009	National Agribusiness Development Programme	XDR	2,500,535	499,302,986	9,089,474	1,840,724,183	9,089,474	1,840,724,183	11,590,009	2,334,007,798
2012008	Iranamadu Irrigation Development Project	XDR	6,224,250	1,244,433,868	5,701,789	1,156,996,188	5,701,789	1,156,996,188	11,926,039	2,401,677,670

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
<b>Nordic Dev. Fund</b>											
1996008	2 nd Power Distance & Transmission Project (Anuradapura)	EUR	4,351,296	684,779,491			217,565	34,472,715	2,302,673	4,133,731	652,609,449
1999055	The Skills Development Project	XDR	5,401,820	1,078,370,721			125,624	25,449,931	9,604,885	5,276,196	1,062,525,675
1999056	Southern Transport Development Project	XDR	3,145,283	627,891,917			73,129	14,817,978	5,599,393	3,072,154	618,673,332
2000052	Secondary Education Modernization Project	XDR	3,986,486	795,826,231			89,584	18,148,688	7,084,531	3,896,902	784,762,074
<b>OPEC Fund</b>											
2000012	Skills Development Project	USD	437,694	63,055,190			377,204	54,554,386	(8,500,804)	0	0
2002070	Southern Provincial Rural Economic Advancement Project	USD	1,810,490	260,823,368			301,720	43,675,916	8,866,309	1,508,770	226,013,761
2002071	North East Community Restoration & Development Project	USD	1,537,169	221,448,145			256,160	37,588,893	8,035,941	1,281,009	191,895,193
2003076	Road Sector Development Project	USD	3,772,947	543,539,454			503,040	72,818,285	19,110,933	3,269,907	489,832,102
2010037	National Highway Sector Project	USD	7,733,340	1,114,082,747			533,320	77,544,728	42,024,977	7,200,020	1,078,562,996
2010038	Kalu Ganga Development Project	USD	4,788,640	689,925,317			328,418	47,751,995	11,514,390	8,478,492	1,270,078,166
2012024	Road Network Development Project	USD	26,072,267	3,755,380,012			5,904,396	860,456,837	174,267,291	31,976,663	4,790,104,140
2013023	Colombo National Highways Project	USD	6,142,898	884,913,462			2,287,197	331,221,354	46,693,375	8,430,095	1,262,828,191
<b>ADB</b>											
2001003	Colombo Fort Efficiency and Expansion Project	XDR	4,324,397	863,283,778			240,244	48,237,551	7,424,669	4,084,153	822,470,896
2004006	TA Loan - Road Project Preparatory Facility	XDR	8,329,638	1,662,854,044			419,097	84,708,561	14,887,255	7,910,541	1,593,032,738
2004013	TA for Financial Markets Programme for Private Sector Development	XDR	259,735	51,851,147			12,368	2,496,552	460,409	247,367	49,815,004
<b>IDA</b>											
1980001	Mahaweli Ganga Technical Assistance Project	USD	808,177	116,427,873			55,732	8,061,977	4,350,402	752,445	112,716,298
<b>ADB</b>											
2010103	Development Finance Cooperation of Ceylon	XDR	236,381	47,188,986			236,200	47,737,506	584,981	181	36,461
2010104	Canyon Hydro Power Project	XDR	934,559	186,567,026			933,122	191,770,031	5,492,542	1,437	289,537
2010105	Kirindi Oya Irrigation & Settlement Project	XDR	2,169,177	433,034,999			1,084,200	218,660,309	4,119,089	1,084,977	218,493,779
2010106	Sevanagala Sugar Development	XDR	3,398,399	678,425,772			1,361,542	279,825,355	11,583,878	2,036,857	410,184,295

Notes to the Financial Statements contd...

NOTE - 30 (f) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016			Accounted during the year			Repayments			Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	Rs.	Rs.	
2010107	Urea Fertilizer (Supplementary) Project	XDR	365,837	73,032,484		104,600	21,199,564	775,327	261,237	52,608,247			
2010108	Rural Credit Project	XDR	1,128,284	224,921,712		282,200	56,776,772	2,240,401	846,084	170,385,341			
2010109	2nd DFCC Project	XDR	1,968,650	393,003,480		492,000	99,313,064	3,678,749	1,476,650	297,369,165			
2010110	Mahaweli Area Roads Development Project	XDR	1,501,087	299,663,433		333,400	67,077,873	2,564,349	1,167,687	235,149,909			
2010111	Third Tea Development Project	XDR	2,582,846	515,616,124		516,400	103,885,831	4,412,663	2,066,446	416,142,956			
2010112	Rural Electrification Project	XDR	1,727,848	344,932,004		432,200	86,955,780	2,942,645	1,295,648	260,918,869			
2010113	Anuradhapura Dry Zone Agriculture Project	XDR	1,895,368	378,374,194		379,200	76,292,530	3,245,748	1,516,168	305,327,412			
2010114	National Development Bank of Sri Lanka	XDR	2,514,039	501,880,216		457,000	92,248,111	4,616,564	2,057,039	414,248,669			
2010115	Second Fisheries Development Project	XDR	386,193	77,096,135		386,100	14,123,775	(62,953,590)	93	18,770			
2010116	Coconut Development Project	XDR	583,517	116,488,053		106,200	21,366,737	1,001,229	477,317	96,122,545			
2010117	Kirindi Oya Irrigation & Settlement Project	XDR	2,734,291	545,849,341		390,800	78,727,812	4,813,127	2,343,491	471,934,656			
2010118	Community Forestry Project	XDR	2,054,500	410,141,852		342,400	69,326,952	3,969,472	1,712,100	344,784,372			
2010119	Health & Population Project	XDR	1,750,443	349,442,768		269,400	54,201,496	3,012,731	1,481,043	298,254,003			
2010120	Technical Education Project	XDR	3,593,208	717,315,658		552,800	111,927,392	6,892,089	3,040,408	612,280,355			
2010121	Livestock Development Project	XDR	3,452,845	689,294,901		493,400	99,396,886	6,077,979	2,959,445	595,975,994			
<b>IDA</b>													
2011010	Second Additional Financing for Road Sector Assistance Project	XDR	53,619,521	10,704,118,591	(1,771,333)		(352,445,794)	89,567,080	51,848,188	10,441,239,877			
<b>Pakistan</b>													
1991003	Pakistan Line of Credit (Pakistan)	USD	1,440,000	207,449,712		160,000	23,219,080	7,513,368	1,280,000	191,744,000			
<b>Pakistan</b>													
2006071	Pakistan Line of Credit	USD	23,475,699	3,381,963,234		3,759,839	546,611,958	118,084,632	19,715,860	2,953,435,908			
<b>Russia</b>													
2010018	Russian Line of Credit (Russia)	USD	165,274,270	23,809,791,448				948,294,179	165,274,270	24,758,085,627			
<b>AB Svensk Ex Credit</b>													
2001072	Molecular Biology Institute, University - Colombo	SEK	1,997,951	68,123,298		998,976	16,606,322	(43,279,972)	499,487	8,237,004			
2004076	Fourth Rural Electrification Project-USD Portion	USD	3,234,729	466,002,517		939,340	138,390,252	16,236,990	2,295,389	343,849,255			
2007029	Ratmalana & Ja-Ela Wastewater Treatment Facilities project (Sweden)	USD	88,932,763	12,812,138,640	3,472,697		501,504,340	528,694,822	92,405,460	13,842,337,802			
2009026	Fourth Rural Electrification Project-Euro Portion (Sweden)	EUR	7,861,522	1,237,196,740		2,246,151	355,947,681	5,273,014	5,615,371	886,522,073			

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Loan Currency	Name	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
<b>AFDD</b>										
2011036	EUR	Implementation of Jaffna Killinochchi Water Supply and Sanitation Project (France)	752,220	118,501,461	752,220	117,372,811	(1,128,650)	(0)	0	
<b>Aust. &amp; New Zealand Inv. Bank</b>										
2010023	USD	Integrated Water Supply Scheme for the Unserved Areas of Ampara District-Phase III (Australia)	80,760,189	11,686,437,731	5,188,798	695,547,861	459,800,639	74,636,424	11,180,536,269	
<b>Bank Austria</b>										
2003070	EUR	Sirimaavo Bandaranayake Children Hospital (Austria)	6,928,349	1,090,339,843	1,732,087	275,151,655	5,167,423	5,196,262	820,355,611	
2003071	EUR	Railway Bridges to Extend Railtracks	8,676,375	1,365,433,157	1,735,275	283,295,601	13,682,990	6,941,100	1,095,820,546	
2004073	EUR	Water Supply Weligama, Ambalantota, Kataragama (Austria)	5,241,116	824,813,795	952,930	152,914,365	5,094,460	4,288,186	676,993,890	
2006089	EUR	Enhancement & Strengthening of the Road Infrastructure by Construction of Five Bridges (Austria)	9,670,833	1,521,934,822	879,167	142,901,112	8,943,630	8,791,666	1,387,977,340	
2007003	EUR	Greater Colombo Sewerage Rehabilitation System II (Austria)	8,681,468	1,366,234,804	789,224	127,389,026	7,135,930	7,892,244	1,245,981,708	
2008021	EUR	Rehabilitation & Augmentation of Kirindi Oya Water Supply Project (Austria)	10,019,763	1,576,847,239	1,335,968	217,150,375	11,250,325	8,683,795	1,370,947,189	
2008023	EUR	Supply of Modern Medical Equipments for Teaching Hospital Kurunegala (Austria)	6,500,000	1,022,929,047	1,000,000	159,635,800	5,014,850	5,500,000	868,308,097	
<b>Banco</b>										
2012015	EUR	Veyangoda Railway Crossing Flyover Project (Spain)	6,541,762	1,029,501,359	1,006,425	166,684,159	11,069,770	5,535,337	873,886,970	
2012016	EUR	Veyangoda Railway Crossing Flyover Project (Spain)	-	-	-	-	-	-	-	
2013003	EUR	Implementation of the Greater Rathnapura Water Supply Scheme	21,930,000	3,458,079,655	2,193,000	347,072,075	4,955,505	19,737,000	3,115,963,085	
2015033	EUR	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	-	-	6,572,164	1,074,960,992	(37,385,833)	6,572,164	1,037,575,159	
<b>BNP Paribas</b>										

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Loan Currency	Name	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2004070	EUR	Equipment to Teaching/Base Hospitals-Finland	3,397,298	534,645,355			2,264,866	368,989,079	1,132,432	178,781,810
2013032	EUR	Reconstruction of (7) Railway Steel Bridges Project	3,967,669	625,473,237	162,408	24,570,837	152,966	24,860,401	3,977,111	627,883,214
<b>City Bank International Limited Hong Kong</b>										
2004078	USD	Sustainable Water Assistance Management Project-Australian Export Credit	1,398,255	201,435,888			1,398,255	205,435,179	(0)	-
<b>Calyon Credit Agricole CIB</b>										
2008042	USD	Rehabilitation of Wimalasurendra and New Laxapana Power Stations (France)	40,592,787	5,851,803,380	300,688	39,394,862	5,452,463	800,110,834	35,441,012	5,309,063,585
<b>Boerenleen Bank</b>										
2006085	EUR	Disaster Management & Emergency Response System (Netherlands)	6,049,326	952,004,737			2,016,442	325,696,086	4,032,884	636,688,285
2008039	EUR	Improvements of the Facilities and Programmes of SLIATE (Netherlands)	3,366,177	529,747,709			961,765	152,411,044	2,404,412	379,594,648
2009031	EUR	Extension of a Disaster Management and Emergency Response System (Netherlands)	13,782,379	2,168,984,047			2,120,366	337,013,632	11,662,013	1,841,131,031
2011026	USD	Importation of Dairy Animals (Netherland & Australia)	7,549,150	1,087,547,854			1,270,060	183,951,138	6,279,090	940,607,592
2012010	EUR	Development of Hambantota District General Hospital (Netherlands)	42,204,783	6,659,951,034			4,220,478	670,446,408	7,237,144	5,996,741,770
2013001	USD	Upgrading of the National Blood Transfusion Services of Sri Lanka	26,352,746	3,796,437,202			2,775,973	407,191,535	23,578,773	3,532,100,159
2013002	USD	Upgrading of the National Blood Transfusion Services	2,447,623	352,610,267			2,447,623	352,208,122	(0)	(0)
2013024	EUR	Upgrading of Peripheral Blood Bank Coming Under the National Blood Transfusion Services	18,502,958	2,916,803,916			1,850,296	294,876,639	16,652,662	2,629,025,657
2014032	USD	Sri Lankan Dairy Development Project - Phase II	11,787,357	1,735,375,783	4,804,011	654,764,898	1,765,520	256,275,952	14,827,848	2,224,219,381
2014033	USD	Sri Lankan Dairy Development Project - Phase II	3,112,094	448,240,812					17,950,869	466,191,681
2014035	EUR	Construction of 463 Rural Bridges	31,226,791	4,930,103,584	43,136,495	6,917,798,171			74,363,286	11,700,551,240

## Notes to the Financial Statements contd...

## NOTE - 30 (f) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
Danske Bank A/S										
2006072	Towns South of Kandy Water Supply Project	EUR	16,262,400	2,559,274,061			2,194,340	343,319,887	12,017,668	1,897,279,172
Deutsche Bank AG										
2014028	Construction of 537 Steel Beam Bridges	GBP	43,952,238	9,386,879,132	26,587,841	5,223,591,358		(1,627,970,997)	70,540,079	12,982,499,493
Exp. Dev. Bank of Iran										
2008027	Uma oya Hydro Electric and Irrigation Project (Iran)	USD	50,619,304	7,292,333,358				290,438,381	50,619,304	7,582,771,739
2010005	Implementation of Rural Electrification Project 8 (Iran)	EUR	31,736,371	4,994,470,122				15,884,054	31,736,371	5,010,354,176
Exp.Fin & Ins.Cop										
2015034	Supply and Purchase of Clinical Waste Disposal Systems and Related Equipment	USD	-		2,773,837	405,306,147		10,214,589	2,773,837	415,520,736
Exp.Imp. Bank of US										
2013025	Badulla, Halicela and Ella Integrated Water Supply Project	USD	20,049,284	2,888,263,570	18,941,452	2,743,497,534		209,051,215	38,990,736	5,840,812,319
Exp. Imp. Bank of China										
2001079	Muthurajawela Oil Tank Farm Project	USD	5,624,512	810,280,191			5,624,512	813,250,496	2,970,305	(0)
2003050	Rural Electrification Project VII	CNY	117,311,114	2,744,007,806			14,663,889	322,659,616	(207,432,322)	2,213,915,868
2004041	Kelanithissa Diesel Storage Tank Project	CNY	13,061,441	289,773,297			3,265,360	71,849,963	(6,639,502)	211,283,832
2007014	Supply of 100 Nos. Railway Passenger Carriages	CNY	102,478,570	2,273,528,060			14,639,796	322,129,469	(56,874,346)	1,894,524,245
2007015	Supply of 15 Nos. Diesel Multiple Units	CNY	145,896,126	3,236,763,916			20,842,304	458,607,508	(80,970,557)	2,697,185,851
2009009	Bunkering Facility & Tank Farm Project at Hambantota	USD	56,217,984	8,098,892,118			5,917,683	855,640,086	291,733,171	7,534,985,203
2009010	Colombo-Katunayake Expressway (CKE) Section A2	USD	52,978,179	7,632,158,287			5,297,818	766,013,606	276,373,384	7,142,518,065
2009011	Colombo-Katunayake Expressway (CKE) Section A1	USD	58,367,940	8,408,619,616			5,836,794	843,944,373	304,490,366	7,869,165,609
2009012	Colombo-Katunayake Expressway (CKE) Section A3	USD	39,834,453	5,738,642,936			3,983,445	575,967,952	207,805,986	5,370,480,970

Notes to the Financial Statements contd...

NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2009013	Colombo-Katunayake Expressway (CKE) Section A4	USD	55,652,762	8,017,464,877			5,565,276	804,685,509	290,325,988	50,087,486	7,503,105,356
2010007	Supply of 13 Nos. Diesel Multiple Units to Sri Lanka Railway Project	CNY	622,962,375	13,820,669,482			42,962,922	945,342,660	(365,782,622)	579,999,453	12,509,544,200
2010029	Supply of two Nos. MA 60 Aircrafts Project	CNY	264,203,447	5,861,459,147			17,613,563	387,563,315	(155,395,905)	246,589,884	5,318,499,927
2010030	Procurement of Material for the Northern Province Power Sector Development Programme	USD	26,108,159	3,761,201,465			3,071,548	444,116,374	133,799,248	23,036,611	3,450,884,339
2010031	Northern Road Rehabilitation Project (A009) from Galkulama to 230Km Post	USD	62,108,328	8,947,468,625			5,915,079	855,263,621	325,543,761	56,193,249	8,417,748,765
2010032	Northern Road Rehabilitation Project -11B	USD	38,967,225	5,613,708,057			3,542,475	512,207,877	205,127,370	35,424,750	5,306,627,550
2010033	Northern Road Rehabilitation Project (Mullaitivu-Kokkilai)-11A	USD	37,421,718	5,391,058,782			3,563,973	515,316,305	196,147,718	33,857,745	5,071,890,195
2010034	Northern Road Rehabilitation Project-(AB020)(AB032)(AB016)(AB018)	USD	65,413,430	9,423,609,125			6,229,850	900,776,567	342,867,606	59,183,580	8,865,700,164
2010035	Northern Road Rehabilitation Project-A009 (from 230Km post to Jaffna)	USD	61,696,837	8,888,188,291			5,875,889	849,597,181	323,386,911	55,820,948	8,361,978,021
2011005	Highway Section from Pinnaduwa to Kodagoda (30Km to 45Km)	USD	61,272,007	8,826,814,866	13,057,899	1,895,442,780	3,539,519	514,115,135	396,257,453	70,790,387	10,604,399,964
2011006	Highway Section from Kodagoda to Godagama (45Km to 61Km)	USD	54,364,702	7,830,475,694	1,004,818	145,176,427	2,636,643	382,972,396	306,705,216	52,732,877	7,899,384,942
2011008	Rehabilitation & Improvement of 67Km Length of Navatkuli-Karaitivu-Mannar Road	USD	46,323,182	6,670,368,407			4,028,102	582,424,879	247,859,401	42,295,080	6,335,802,929
2011009	Rehabilitation & Improvement of 113Km Length of Puttalam-Marichchikade-Mannar Road	USD	69,672,667	10,034,888,402			5,806,056	839,499,959	371,829,916	63,866,611	9,567,218,359
2012001	Finance Material Required for Lighting Sri Lanka Eastern Province Project	USD	32,413,819	4,669,540,866			2,701,152	390,560,590	171,977,341	29,712,667	4,450,957,617
2013005	Matara - Beliatta Section of Matara - Kataragama Railway Extension Project	USD	127,112,768	18,315,140,910	20,861,427	3,035,582,769			815,810,873	147,974,196	22,166,534,552
2013041	Greater Kurunegala Water Supply and Sewerage Project	CNY	163,458,426	3,624,142,332	87,986,449	1,957,132,605			(158,061,583)	251,444,875	5,423,213,354
2014024	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	USD	12,764,500	1,838,883,217	47,825,410	6,957,363,694			280,121,588	60,589,910	9,076,368,499

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2014025	Construction of Extension of Southern Expressway, Section 4 from Mattala to Hambantota via Andarawewa Project	CNY	233,021,119	5,169,666,729	161,616,271	3,495,132,671	(153,181,255)	394,637,390	8,511,618,145	
2014026	Hambantota Hub Development Project	CNY			316,061,411	6,951,480,758	(134,605,024)	316,061,411	6,816,875,734	
2014040	Construction of Extension of Southern Expressway, Section 1 from Matara to Beliatta	USD	67,118,385	9,669,228,869	96,874,812	14,163,945,461	733,006,546	163,993,197	24,566,180,876	
2016015	Construction of Extension of Southern Expressway, section 2 from Beliatta to Wetiya Project	USD			48,835,435	7,174,170,155	141,378,021	48,835,435	7,315,548,176	
<b>Export Import Bank of Hungary</b>										
2013008	Rehabilitation of Kalatuwawa Water Treatment Plant	EUR	7,553,433	1,190,813,674	7,488,473	1,182,198,486	1,716,748	15,041,906	2,374,728,908	
2013009	Rehabilitation of Labugama Water Treatment Plant Project	EUR	7,863,041	1,239,734,339	6,204,262	989,244,801	(8,114,933)	14,067,303	2,220,864,207	
<b>Exp. Imp. Bank of Malaysia</b>										
2011018	Purchase 50 Units of Terberg Terminal Tractors to be used at Jaya Container Terminal (Malaysia)	USD	1,000,000	144,062,300				800,000	115,969,860	
<b>Fortis Bank</b>										
2011029	Implementation of Kolomma and Balangoda Water Supply Projects (Belgium)	EUR	8,845,288	1,394,736,282				1,179,372	195,327,597	
<b>HSBC UK</b>										
2007027	Regional Bridge Project HSBC Bank Plc (UK)	JPY	7,840,000	9,439,191,999				1,120,000	1,463,616,000	
2008024	Supply & Installation of 5000 Solar Powered Drip Irrigation & Fertilising Systems (Australia)	USD	6,165,000	888,144,080				1,370,000	198,239,000	
2008037	The Development of the Dikkowita Fisheries Harbour (Netherlands)	EUR	18,561,807	2,921,140,246				3,374,874	538,207,187	
2010011	Emergency Purchase of Container Handling Equipments -Jay Terminal (UK)	USD	3,500,000	(3,168,693,150)				3,500,000	504,894,600	
2012023	Construction of 210 Permanent Rural Steel Bridges	USD	41,043,234	5,913,109,152	3,099,675	447,941,713	251,556,852	44,142,909	6,612,607,717	

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)	
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.
2013012	Modernization of Processing Factories of MILCO (Pvt) Ltd	USD	3,934,414,170			6,022,553	881,820,636	20,869,160	3,215,802,895
2013027	Regional Bridges Project- Phase II-Buyer's Credit Facility	USD	7,220,049,532	7,011,642	1,012,973,809			57,129,426	8,557,988,030
<b>HSBC Hongkong</b>									
2003073	Rehabilitation of Bridges North & East	JPY	447,304,000			374,000	505,030,900		
2013026	Regional Bridges Project- Phase II- Commercial Credit Facility	USD	916,311,860			2,120,175	311,329,253	4,240,350	635,204,430
<b>HSBC (EKF Denmark)</b>									
2015019	Establishment of Dairy Processing Plant at Badalgama	EUR	-	27,719,365	4,434,421,566			27,719,365	4,362,949,329
<b>ING Bank</b>									
2008032	Negombo Water Supply Project (Netherlands)	EUR	1,456,723,668			1,682,993	266,704,225	7,573,469	1,195,655,367
<b>JBIC</b>									
2008022	Ukuwela Power Station Rehabilitation Project (Japan)	JPY	708,183,966			118,424	162,377,068	473,703	609,513,730
<b>KBC Bank</b>									
2007009	Delimitation of the Outer Edge of the Continental Margin of Sri Lanka-Belgium	USD	144,062,300			400,000	57,810,940	600,000	89,880,000
2014007	Implementation of Monaragala-Buttala Water Supply Project	EUR	417,425,748	7,231,077	1,151,415,796			9,870,849	1,556,810,887
<b>Nordea Bank Finland</b>									
2005079	Solar Energy for the Development of Health & Education Facilities in Rural Areas-Finland	EUR	1,975,525,618			2,282,379	361,689,104	10,270,707	1,621,479,632
<b>Nordea Bank Sweden</b>									
2011011	Rural Electrification Project 4 Extension (Sweden)	USD	5,168,891,476			6,276,189	908,626,974	29,603,368	4,434,584,537
<b>Raiffeisen Bank</b>									
2008038	Upgrading of Technical Education (SLIATE) (Austria)	EUR	1,731,110,700			916,667	145,264,349	6,051,833	1,591,898,184
2016001	Implementation of the Kochchikade Bridge	EUR		2,391,643	379,682,666			2,391,643	377,578,773
<b>Societe Generale</b>									

## Notes to the Financial Statements contd...

## NOTE - 30 (I) - STATEMENT OF FOREIGN LOAN BALANCES

Loan Key	Name	Loan Currency	8343 Balance as at 01-01-2016		Accounted during the year		Repayments		Closing Balance as at 2016.12.31 (8343)		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1998087			171,100					(171,100)			
<b>Uni Credit Bank Austria</b>											
2010004	Rehabilitation Old Laxapana Hydroelectric Power Plant (Austria)	EUR	15,519,438	2,442,351,380			3,448,764	551,392,010	14,688,631	12,070,674	1,905,648,001
2010022	Rehabilitation of Eastern Railway Line (Austria)	EUR	4,459,881	701,868,046			991,085	160,714,962	6,480,406	3,468,796	547,633,490
2013004	Augmentation of Mahiyangana Water Supply Project	EUR	8,384,410	1,319,485,607	2,020,543	322,905,261			282,763	10,404,953	1,642,673,631
2013006	Supply of 2 Nos Cardiac Catheterization System to Cardiology Department of the NHSL	EUR	2,382,000	374,864,153					1,192,191	2,382,000	376,056,344
2013045	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area	EUR	4,931,408	781,472,964	3,092,081	492,868,775			(7,639,818)	8,023,489	1,266,701,921
<b>Raiffeisen</b>											
2012009	Development of Nuwara Eliya District General Hospital (Netherlands)	EUR	37,051,908	5,830,995,813			3,572,379	567,492,193	22,050,235	33,479,529	5,285,553,855
<b>Exp. Imp. Bank of China</b>											
2011014	Procurement of Materials for Lighting Uva Province	USD	18,869,798	2,718,426,430			2,219,976	320,987,244	96,704,049	16,649,822	2,494,143,235
2013022	Matarra-Beliatta Section of Matarra-Kataragama Railway Extension Project	CNY	116,559,293	2,585,228,930	136,998,063	3,012,579,912			(129,033,067)	253,557,356	5,468,775,775
<b>Total</b>				<b>3,200,352,577,580</b>		<b>472,434,413,878</b>		<b>131,426,897,747</b>	<b>134,451,962,089</b>		<b>3,675,812,055,799</b>
2016025	Foreign Currency Term Financing Facility (9190)	USD			700,000,000	101,814,320,000					574,248,733,878

Notes to the Financial Statements contd...

NOTE - 34 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 34(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2016

Institution	Bank or Institution	Purpose	Issued Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding on Treasury Guarantee as at 31.12.2016			
			US\$ Mn.	Euro Mn.	J.Yen Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	
1	Co-operative Whole Sale Establishment	Credit Facility	157.10			2-Feb-05	30-Nov-15				108.33
2	Lakdhanavi Ltd.	Secure the Bonds	2,992.00			22-Feb-07	31-Mar-22				2,564.57
3	Lakdhanavi Ltd.	Secure the Bonds	2,992.00			1-Mar-07	31-Mar-22				2,367.27
4	Ceylon Electricity Board	Credit Facility	4,116.00			7-May-08	3-Mar-23				-
5	West Coast Power (Pvt) Ltd.	Secure the Loan Facility		134.84		28-Jun-07	28-Jun-22		33.17		
6	Ceylon Electricity Board	Credit Facility	4.20			11-Jun-08	9-Oct-23				1,436.56
7	Ceylon Petroleum Corporation	Secure the Loan Facility	700.00			9-Sep-08	31-Dec-16	490.33			
8	Ceylon Petroleum Corporation	Secure the Loan Facility	200.00			27-Jun-12	31-Dec-16				
9	People's Bank Pension Trust Fund	Secure the Debentures	2,500.00			17-Dec-08	16-Dec-16				2,500.00
10	Ceylon Electricity Board	Secure Short Term Credit Facility	7,000.00			7-Sep-09	12-Mar-16				7,000.00
11	Ceylon Petroleum Storage Terminals Ltd.	Credit Facility	40.30			9-Oct-09	6-Oct-19				1,398.85
12	People's Bank Pension Trust Fund	Secure the Debentures	2,500.00			23-Oct-09	22-Oct-17				2,500.00
13	Urban Development Authority	Secure the Loan Facility	2,770.00			6-Nov-09	5-Nov-24				2,060.00
14	Road Development Authority	Secure the Loan Facility	1,534.00			1-Sep-11	28-Feb-26				1,213.25
15	General Sir John Kotelawala Defence University	Secure the Loan Facility	85.00			29-Aug-11	31-Dec-26				57.12
16	Road Development Authority	Secure the Loan Facility	2,328.36			14-Mar-12	31-Dec-26				1,876.08
17	Road Development Authority	Secure the Loan Facility	2,472.36			12-Mar-12	31-Dec-26				1,915.15
18	Road Development Authority	Secure the Loan Facility	2,750.00			12-Mar-12	31-Dec-26				2,279.90
19	Road Development Authority	Secure the Loan Facility	1,400.00			21-Mar-12	31-Dec-26				1,024.80
20	Road Development Authority	Secure the Loan Facility	7,995.68			21-Mar-12	31-Dec-26				6,651.57
21	Road Development Authority	Secure the Loan Facility	2,861.81			21-Mar-12	31-Dec-26				2,293.80
22	Ministry of Defence and Urban Development	Hatton National Bank	3,550.00			24-Apr-12	31-Dec-30				3,550.00
23	Ministry of Defence and Urban Development	Commercial Bank	2,000.00			24-Apr-12	31-Dec-30				2,000.00
24	Ministry of Defence and Urban Development	People's Bank	1,000.00			24-Apr-12	31-Dec-30				1,000.00
25	Ministry of Defence and Urban Development	DFCC Bank	1,000.00			24-Apr-12	31-Dec-30				1,000.00
26	Road Development Authority	Bank of Ceylon	2,647.64			6-Jun-12	31-Dec-26				2,227.41
27	Road Development Authority	Bank of Ceylon	315.56			15-Oct-12	30-Apr-27				1,826.50
28	Road Development Authority	Bank of Ceylon	1,788.16			31-Jan-13	30-Apr-27				2,045.65
29	Road Development Authority	Bank of Ceylon	354.58			15-Oct-12	30-Apr-27				2,240.74
30	Road Development Authority	Bank of Ceylon	2,009.31			31-Jan-13	30-Apr-27				1,189.02
31	Road Development Authority	National Savings Bank	384.25			25-Oct-12	31-May-27				3,904.30
32	Road Development Authority	National Savings Bank	2,177.39			31-Jan-13	30-Apr-27				2,235.56
33	Road Development Authority	Commercial Bank	209.04			15-Nov-12	31-May-27				1,157.31
34	Road Development Authority	Commercial Bank	1,184.57			31-Jan-13	31-May-27				1,828.75
35	Road Development Authority	Bank of Ceylon	670.75			15-Nov-12	31-May-27				1,692.97
36	Road Development Authority	Bank of Ceylon	3,934.25			31-Jan-13	31-May-27				1,267.32
37	Road Development Authority	Bank of Ceylon	385.64			15-Nov-12	31-May-27				
38	Road Development Authority	Bank of Ceylon	2,185.31			31-Jan-13	31-May-27				
39	Road Development Authority	Commercial Bank	209.06			26-Dec-12	30-Jun-27				
40	Road Development Authority	Commercial Bank	1,190.94			31-Jan-13	30-Jun-27				
41	Road Development Authority	Bank of Ceylon	299.25			26-Dec-12	30-Jun-27				
42	Road Development Authority	Bank of Ceylon	1,695.75			31-Jan-13	30-Jun-27				
43	Road Development Authority	Hatton National Bank	309.12			28-Dec-12	30-Jun-27				
44	Road Development Authority	Hatton National Bank	1,751.73			11-Feb-13	30-Jun-27				
45	Road Development Authority	National Savings Bank	225.54			31-Dec-12	30-Jun-27				
46	Road Development Authority	National Savings Bank	1,278.09			31-Jan-13	30-Jun-27				

## Notes to the Financial Statements contd...

NOTE - 34 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 34(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2016

	Institution	Bank or Institution	Purpose	Issued Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding on Treasury Guarantee as at 31.12.2016			
				US\$ Mn.	Euro Mn.	J.Yen Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
47	Road Development Authority	DFCC Bank	Secure the Loan Facility	89.60			31-Dec-12	30-Jun-27				484.94
48	Road Development Authority	DFCC Bank	Secure the Loan Facility	487.78			31-Jan-13	30-Jun-27				367.00
49	Mihin Lanka (Pvt) Ltd	Bank of Ceylon	Secure the Loan Facility	367.00			20-Feb-13	31-Dec-16				2,233.99
50	Road Development Authority	Hatton National Bank	Secure the Loan Facility	3,223.31			14-May-13	30-Nov-27				476.40
51	General Sir John Kotelawala Defence University	Bank of Ceylon	Secure the Loan Facility	750.00			7-Jun-13	30-Jun-28				
52	General Sir John Kotelawala Defence University	National Savings Bank	Secure the Loan Facility	201.63			24-Jun-13	31-Jan-32	129.59			
53	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,802.74			11-Jul-13	31-Jan-28				1,641.32
54	Road Development Authority	Hatton National Bank	Secure the Loan Facility	2,053.53			11-Jul-13	31-Jan-28				1,561.90
55	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	3,915.95			25-Jul-13	31-Jan-28				3,648.50
56	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,020.00			5-Aug-13	31-Jan-28				978.95
57	Road Development Authority	Hatton National Bank	Secure the Loan Facility	2,445.44			5-Aug-13	31-Jan-28				2,327.82
58	Road Development Authority	National Savings Bank	Secure the Loan Facility	2,179.48			12-Aug-13	29-Feb-28				2,086.25
59	Paddy Marketing Board	Bank of Ceylon	Secure the Loan Facility	3,129.78			12-Aug-13	31-Dec-16				3,129.78
60	Paddy Marketing Board	People's Bank	Secure the Loan Facility	2,247.23			12-Aug-13	31-Dec-16				2,247.23
61	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,614.92			28-Aug-13	29-Feb-28				2,315.31
62	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,596.53			30-Aug-13	29-Feb-28				1,507.93
63	Road Development Authority	National Savings Bank	Secure the Loan Facility	477.70			24-Oct-13	31-Oct-27				438.54
64	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,664.08			24-Oct-13	30-Apr-28				1,594.24
65	Road Development Authority	National Savings Bank	Secure the Loan Facility	2,132.63			24-Oct-13	30-Apr-28				2,043.74
66	Road Development Authority	National Savings Bank	Secure the Loan Facility	3,584.99			24-Oct-13	30-Apr-28				3,435.01
67	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,716.08			24-Oct-13	30-Apr-28				1,635.34
68	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,528.00			24-Oct-13	31-Oct-27				1,431.22
69	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,689.49			24-Oct-13	30-Apr-28				1,619.10
70	Road Development Authority	National Savings Bank	Secure the Loan Facility	2,975.00			28-Nov-13	31-May-28				3,051.73
71	Road Development Authority	National Savings Bank	Secure Term Loan Facility	663.39			9-May-16	30-Nov-30				924.81
72	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,212.15			28-Nov-13	31-May-28				1,011.14
73	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,383.49			28-Nov-13	31-May-28				379.11
74	Road Development Authority	Hatton National Bank	Secure the Loan Facility	530.99			28-Nov-13	31-May-28				5,302.42
75	Road Development Authority	Hatton National Bank	Secure the Loan Facility	6,500.00			28-Nov-13	31-May-28				1,703.53
76	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,800.00			28-Nov-13	31-May-28				400.00
77	State Development and Construction Corporation	Bank of Ceylon	Secure the Loan Facility	400.00			6-Dec-13	06-Dec-16				7,897.86
78	National School of Business Management Limited	Bank of Ceylon	Secure the Loan Facility	8,600.00			18-Dec-13	31-Dec-28				708.21
79	Road Development Authority	DFCC Bank	Secure the Loan Facility	751.49			27-Dec-13	30-Jun-28				1,943.99
80	Road Development Authority	Hatton National Bank	Secure the Loan Facility	2,100.00			27-Dec-13	30-Jun-28				3,914.22
81	Road Development Authority	National Savings Bank	Secure the Loan Facility	3,914.22			27-Jan-14	31-Jul-28				5,217.58
82	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	5,645.74			11-Feb-14	31-Aug-28				1,364.03
83	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,884.93			13-Feb-14	31-Aug-28				569.80
84	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	800.00			13-Feb-14	31-Aug-28				6,956.04
85	Road Development Authority	National Savings Bank	Secure the Loan Facility	6,956.05			7-Mar-14	31-Aug-28				693.86
86	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	917.28			14-Mar-14	30-Sep-28				1,785.15
87	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,800.00			14-Mar-14	30-Sep-28				434.98
88	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	500.00			25-Mar-14	30-Sep-28				483.06
89	Road Development Authority	Hatton National Bank	Secure the Loan Facility	533.51			25-Mar-14	30-Sep-28				608.07
90	Road Development Authority	Commercial Bank	Secure the Loan Facility	757.81			3-Apr-14	15-Oct-28				

Notes to the Financial Statements contd...

NOTE - 34 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 34(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2016

Institution	Bank or Institution	Purpose	Issued Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding on Treasury Guarantee as at 31.12.2016			
			US\$ Mn.	Euro Mn.	J.Yen Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	
91 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,346.99			7-Apr-14	15-Oct-28				2,208.12
92 Road Development Authority	National Savings Bank	Secure the Loan Facility	3,197.86			5-Mar-14	30-Sep-28				3,197.40
93 Road Development Authority	National Savings Bank	Secure the Loan Facility	903.01			7-May-14	15-Nov-28				903.00
94 Road Development Authority	National Savings Bank	Secure the Loan Facility	1,484.26			7-May-14	15-Nov-28				1,484.25
95 Road Development Authority	National Savings Bank	Secure the Loan Facility	1,265.23			21-May-14	15-Nov-28				1,264.15
96 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	909.17			7-Jul-14	15-Jan-29				902.91
97 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,615.81			8-Jul-14	15-Jan-29				1,615.79
98 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	2,171.71			15-Jul-14	15-Jan-29				2,170.79
99 Road Development Authority	Commercial Bank	Secure the Term Loan Facility	2,124.39			15-Jul-14	31-Jan-29				2,064.06
100 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,833.66			15-Jul-14	31-Jan-29				1,833.50
101 Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility	2,125.95			16-Jul-14	31-Jan-29				1,653.42
102 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	405.06			17-Jul-14	31-Jan-29				400.29
103 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,348.03			21-Jul-14	31-Jan-29				1,339.87
104 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	995.77			21-Jul-14	31-Jan-29				994.72
105 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,553.20			21-Jul-14	31-Jan-29				1,552.85
106 Road Development Authority	National Savings Bank	Secure the Loan Facility	940.90			20-Aug-14	28-Feb-29				940.85
107 Road Development Authority	National Development Bank PLC	Secure the Loan Facility	490.29			26-Aug-14	28-Feb-29				415.01
108 Ceylon Shipping Corporation Ltd	People's Bank	Secure the Loan Facility	80.00			26-Aug-14	03-Jun-29	74.71			
109 Road Development Authority	People's Bank	Secure the Term Loan Facility	44.71			22-Sep-14	30-Sep-27	43.56			
110 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,401.39			23-Sep-14	31-Mar-29				1,399.96
111 Sri Lanka Land Reclamation & Development Corporation	National Savings Bank	Secure the Loan Facility	2,000.00			26-Sep-15	31-Oct-28				2,797.77
112 Sri Lanka Land Reclamation & Development Corporation	National Savings Bank	Secure the Loan Facility	1,500.00			13-Jul-14	31-Oct-28				
113 Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility	2,267.65			21-Sep-14	15-Apr-29				1,637.73
114 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	1,148.06			12-Nov-14	31-May-29				885.76
115 National Water Supply & Drainage Board	Bank of Ceylon	Secure Short Term Loan Facility	2,792.07			14-Nov-14	30-Nov-29				1,935.96
116 National Water Supply & Drainage Board	National Savings Bank	Secure Term Loan Facility	1,239.48			17-Nov-14	31-May-29				619.78
117 National Water Supply & Drainage Board	Commercial Bank	Secure Term Loan Facility	193.00			8-Dec-14	15-Jul-29				849.24
118 National Water Supply & Drainage Board	Commercial Bank	Secure Term Loan Facility	1,736.61			9-Jul-14	15-Jul-29				2,160.41
119 National Water Supply & Drainage Board	National Development Bank PLC	Secure Term Loan Facility	2,800.00			9-Dec-14	31-Dec-29				2,237.55
120 National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan Facility	2,900.00			9-Dec-14	31-Dec-29				457.04
121 Road Development Authority	Bank of Ceylon	Secure Term Loan Facility	242.54			1-Dec-14	31-May-29				
122 Road Development Authority	Bank of Ceylon	Secure Term Loan Facility	1,567.46			11-Sep-15	31-May-29				
123 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	3,041.00			30-Dec-14	30-Jun-29				2,363.49
124 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	1,870.50			31-May-16	30-Jun-29				
125 Airport & Aviation Services (Sri Lanka) Limited	Japan International Cooperation Agency (JICA)	Credit Facility	28,969.00			28-Mar-12	28-Mar-52		1,054.94		
126 Airport & Aviation Services (Sri Lanka) Limited	Japan International Cooperation Agency (JICA)	Loan-SLP 114	45,428.00			9-May-16	9-May-56				Not Disbursed
127 Ceylon Electricity Board	Industrial and Commercial Bank of China Limited	Credit Facility	69.72			12-Mar-13	28-Mar-52	17.18			
128 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility	1,500.00			28-Jul-15	31-Jan-30				1,735.40
129 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility	1,500.00			30-Jun-16	31-Jan-30				
130 Ceylon Electricity Board	People's Bank	Secure Term Loan Facility	3,850.08			29-Apr-15	30-Apr-23				1,385.20
131 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	3,014.83			29-Sep-15	31-Mar-30				4,331.99
132 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	3,936.67			24-May-16	31-Mar-30				
133 National Water Supply & Drainage Board	Hatton National Bank	Secure Term Loan Facility	1,348.76			29-Sep-15	31-Dec-30				734.19

## Notes to the Financial Statements contd...

NOTE - 34 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 34(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2016

Institution	Bank or Institution	Purpose	Issued Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding on Treasury Guarantee as at 31.12.2016				
			US\$ Mn.	Euro Mn.	J.Yen Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.	
134	National Water Supply & Drainage Board	National Development Bank PLC	Secure Term	Loan Facility	1,074.13	30-Sep-15	31-Dec-30				495.84	
135	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term	Loan Facility	1,015.00	28-Jan-16	30-Jul-30				348.43	
136	Nordsea Limited	Bank of Ceylon	Secure Term	Loan Facility	50.00	24-Feb-16	29-Feb-21				42.50	
137	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term	Loan Facility	2,890.00	4-Mar-16	15-Sep-30				732.72	
138	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term	Loan Facility	948.00	4-Mar-16	15-Sep-30				328.33	
139	Urban Development Authority	Bank of Ceylon	Secure the Debenture Issues		20,000.00	13-May-16	13-May-21				Not Disbursed	
140	Telecommunications Regulatory Commission of Sri Lanka	Exim Bank of China	Buyers Credit Loan		88.66	18-May-13		43.75			Not Disbursed	
141	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility		300.00	29-Jul-16	31-Jan-31				Not Disbursed	
142	National Water Supply & Drainage Board	People's Bank	Secure the Loan Facility		396.78	29-Jul-16	31-Jul-31				Not Disbursed	
143	National Water Supply & Drainage Board	DFCC Bank	Secure Term	Loan Facility	937.87	16-Aug-16	11-Jul-31				605.75	
144	State Engineering Corporation	Bank of Ceylon	Overdraft Facility		150.00	25-Aug-16	25-Aug-17				131.80	
145	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term	Loan Facility	29.10	31-Aug-16	28-Feb-31				Not Disbursed	
146	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term	Loan Facility	3,378.00	31-Aug-16	28-Feb-31				Not Disbursed	
147	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term	Loan Facility	16.20	31-Aug-16	28-Feb-31				Not Disbursed	
148	Ceylon Electricity Board	National Savings Bank	Secure the Term	Loan Facility	8,750.00	1-Jan-16	31-Dec-16				7,500.00	
149	Lanka Coal Company (Pvt) Ltd	People's Bank	Secure Short Term	Loan Facility	6,000.00	20-Sep-16	30-Sep-17				6,000.00	
150	National Water Supply & Drainage Board	Exim Bank of India	Credit Facility		164.90	28-Sep-16	30-Sep-31				Not Disbursed	
151	National Water Supply & Drainage Board	Exim Bank of India	Credit Facility		91.80	28-Sep-16	30-Sep-31				Not Disbursed	
152	Ceylon Petroleum Corporation	People's Bank	To cover up Foreign Currency Loans & Import Bills Payable		900.00	11-Oct-16	13-Jun-17	900.00			4,134.04	
153	National Water Supply & Drainage Board	Hatton National Bank	Secure the Term	Loan Facility	48.77	12-Oct-16	15-Apr-31				600.00	
154	National Water Supply & Drainage Board	China Development Bank	Credit Facility		13.06	9-Sep-16	20-Mar-32	43.61			Not Disbursed	
155	State Engineering Corporation	Bank of Ceylon	Secure the Term	Loan Facility	34.43	26-Oct-16	26-Oct-24				3,675.82	
156	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term	Loan Facility	23.42	28-Nov-16	28-Nov-31				226,034.55	
157	National Water Supply & Drainage Board	Hatton National Bank	Secure the Term	Loan Facility	2,714.41	171.31	9-Dec-16	14-Dec-30	1,742.72	33.17	1,054.94	226,034.55
<b>Grand Total</b>					<b>2,714.41</b>	<b>171.31</b>	<b>74,397.00</b>	<b>287,776.90</b>	<b>1,742.72</b>	<b>33.17</b>	<b>1,054.94</b>	<b>226,034.55</b>

## Summary of the TG in Rupee Value as at 31.12.2016 of the CBSL Exchange Rates

Currency	Exchange Rates as at 30.12.2016	Issued		Outstanding Amount - Capital	
		Amount in Respective Currencies Mn.	Amount in Rs. Mn	Amount in Respective Currencies Mn.	Amount in Rs. Mn
US\$	151.66	2,714.41	411,667.77	1,742.72	264,301.31
Euro	160.92	171.31	27,567.82	33.17	5,337.63
Yen	1.3135	74,397.00	97,720.46	1,054.94	1,385.66
Rs.	-	287,776.90	287,776.90	226,034.55	497,059.16
<b>Grand Total in Rs. Mn</b>			<b>824,732.95</b>		

## Notes to the Financial Statements contd...

NOTE - 34(B) - STATEMENT OF LETTERS OF COMFORT ISSUED TO LOCAL BANKS AND THE LIABILITIES AS AT 31ST DECEMBER 2016

	Institution	Bank or Institution	Purpose	LC Amount				Date of Issue	Date of Expiry	Outstanding Amount - Capital			
				US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
1	Lanka Sathosa Limited	People's Bank	Secure the Loan	21.50				1-Sep-14	31-Aug-15				1,238.80
2	Lanka Sathosa Limited	Bank of Ceylon	Secure the Loan	45.00				31-Oct-14	30-Apr-15				6,547.60
3	Lanka Sathosa Limited	Bank of Ceylon	Secure the Loan	11.25				30-Dec-14	31-Jul-15				
4	Lanka Sathosa Limited	People's Bank	Secure the Loan				4,000.00	22-Jul-15	21-Jul-16				3,000.00
5	Sri Lankan Air Lines & Mihin Lanka	People's Bank	Secure the Loan				15,000.00	29-Jul-15	31-Mar-16				15,000.00
6	Sri Lankan Air Lines & Mihin Lanka	Bank of Ceylon	Secure the Loan				14,550.00	29-Jul-15	31-Mar-16				14,550.00
7	Sri Lankan Air Lines & Mihin Lanka	People's Bank	Secure the Loan	35.00				28-Apr-16	30-Apr-17	35.00			
8	Sri Lankan Air Lines & Mihin Lanka	Bank of Ceylon	Secure the Loan	35.00				28-Apr-16	30-Apr-17	35.00			
9	Sri Lanka Tea Board	Bank of Ceylon	Secure the Loan				500.00	22-Jul-16	31-Jul-20				183.30
10	Sri Lanka Tea Board	People's Bank	Secure the Loan				500.00	22-Jul-16	31-Jul-20				493.00
11	Paddy Marketing Board	Bank of Ceylon	Secure the Loan				200.00	19-Aug-16	19-Aug-17				600.00
12	Paddy Marketing Board	Bank of Ceylon	Secure the Loan				400.00	21-Sep-16	21-Sep-17				
13	Paddy Marketing Board	People's Bank	Secure the Loan				200.00	19-Aug-16	19-Aug-17				200.00
14	Paddy Marketing Board	People's Bank	Secure the Loan				200.00	21-Sep-16	21-Sep-17				200.00
15	Sri Lankan Air Lines & Mihin Lanka	Bank of Ceylon	Secure the Loan	45.00				7-Oct-16	7-Oct-17	45.00			
16	Sri Lankan Air Lines & Mihin Lanka	People's Bank	Secure the Loan	45.00				7-Oct-16	7-Oct-17	45.00			
<b>Grand Total</b>				<b>237.75</b>	<b>-</b>	<b>-</b>	<b>35,550.00</b>			<b>160.00</b>	<b>-</b>	<b>-</b>	<b>42,012.70</b>

### Summary of the LC in Rupee Value as at 31.12.2016 of the CBSL Exchange Rates

Currency	Exchange Rates as at 30.12.2016	Issued		Outstanding Amount - Capital	
		Amount in Respective Currencies Mn.	Amount in Rs. Mn	Amount in Respective Currencies Mn.	Amount in Rs. Mn
US\$	151.66	237.75	36,057.17	160.00	24,265.60
Euro	160.92	-	-	-	-
Yen	1.3135	-	-	-	-
Rs.	-	35,550.00	35,550.00	42,012.70	42,012.70
<b>Grand Total in Rs. Mn</b>			<b>71,607.17</b>		<b>66,278.30</b>

## Notes to the Financial Statements contd...

## Note 35 - CAPITALIZATION BORROWING COST

				Rs.
Head No.	Ministry/Department	Project Description	Vote Particulars	Interest
111	Ministry of Health, Nutrition and Indigenous Medicine	Activities under the Second Health Sector Development Programme (GOSL- WB)	111-2-13-2-2104-12	11,704,533
111	Ministry of Health, Nutrition and Indigenous Medicine	Activities under the Second Health Sector Development Programme (GOSL- WB)	111-2-13-2-2502-12	36,366,725
114	Ministry of Transport and Civil Aviation	Buildings and Structures - Matara - Beliatta - Kataragama New Rail Line	114-2-4-1-2104-12	270,806,778
126	Ministry of Education	Transforming the School Education System as the Foundation of a Knowledge Hub Project	126-2-7-3-2001-12	67,542,519
212	Department of Examination	Transforming the School Education System as the Foundation of a Knowledge Hub Project	212-2-1-0-2502-12	2,034,992
213	Department of Educational Publications	Transforming the School Education System as the Foundation of a Knowledge Hub Project	213-2-1-0-2502-12	1,002,619
160	Ministry of Mahaveli Development and Environment	Moragahakanda and Kaluganga Reservoir Project	160-2-5-1-2502-12	1,222,428,884
160	Ministry of Mahaveli Development and Environment	Water Resources Development Investment Programme -Upper Elehera Canal, Moragahakanda, Kaluganga Transfer Canal, Minipe Anicut raising & Lb Rehabilitation, North Western Province Canal	160-2-5-11-2502-12	41,049,098
160	Ministry of Mahaveli Development and Environment	Additional Financing for Damsafety and Water Resources Planning Project (GOSL / WB)	160-2-5-13-2502-12	20,022,350
198	Ministry of Irrigation and Water Resource Management	Climate Resilience Improvement Project	198-2-3-16-2502-12	28,956,053
117	Ministry of Higher Education and Highways	Buildings and Structures - Outer Circular Highway (OCH- 111) Section from Kadawatha to Kerawalapitiya	117-2-3-10-2104-12	29,279,671
162	Ministry of Megapolis and Western Development	Metro Colombo Urban Development Project (GOSL / World Bank)	162-2-3-4-2502-12	68,541,098
162	Ministry of Megapolis and Western Development	Development of Strategic Cities - Kandy & Galle (GOSL/World Bank)	162-2-3-8-2502-12	28,109,273
166	Ministry of City Planning and Water Supply	Water Supply and Sanitation Improvement Project (GOSL-WB)	166-2-3-19-2502-12	14,193,213
<b>Total</b>				<b>1,842,037,807</b>

## Explanatory Notes

### Note 10 - Vehicles on Lease

In terms of the Budget Circular No 150, the Department of National Budget has procured 4,171 Motor vehicles and 143,901 Motorcycles & Scooters on Lease in 2016 and a sum of Rs.5,792,703,689 has been paid as lease installments during the year.

Bonds to convert the face value of Treasury Bonds issued before year 2016 due to practical difficulties and only the value of the Treasury Bond issued from the year 2016 have been reported for the face value.

### Note 16 - Statement of Non Current Assets

67 Ministries and 113 Departments have reported non financial assets at cost or revaluated value during the financial year as part of reporting Non financial assets in the financial statements of the government and other Ministries / Departments will also be bringing to the same system gradually.

### Note 35 - Borrowing Cost

In terms of the State Accounts Circular No.230/2013 interest that are directly attributable to the acquisition, construction or production of a qualifying assets has to be capitalized. Accordingly, Rs. 1,842,037,807/- of interest has been capitalized in respect of foreign funded project listed in Note no 35 during the financial year.

### Schedule I - Disposal of Movable Assets

Disposal of Movable Assets in the reporting period is disclosed in the Financial Statements of the following year.

### Schedule IV - Total Revenue and Expenditure of Provincial Councils

Total Revenue of Rs. 79,926,504,043 and Total Expenditure of Rs. 270,035,464,759 were reported for 9 Provincial Councils (Provisional figures) during the financial year.

### Adopt New Accounting Policies

The Accounting Method was revised from the year 2016 enabling to report the face value of the Treasury Bonds. Accordingly, adjustments have not been done for the value of the Treasury

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2101 - Vehicles

Head No	Institution	Rs.,'000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2016	Balance	
1	His Excellency the President	-	30,910	1,321,809	1,332,904	2,236,847	2,410,346	2,612,435	3,085,334	3,085,334	3,329,504	3,698,864	108,225	-	3,807,089	40,352	3,847,441
2	Office of the Prime Minister	335	17,172	56,615	56,615	60,615	62,918	89,102	121,383	130,920	130,920	131,074	5,190	-	136,264	41,027	177,291
3	Secretariat for Special Functions (Senior Ministers)	-	-	-	-	-	-	-	77,609	166,350	198,927	228,312	-	-	228,312	-	228,312
4	Judges of Supreme Court	-	-	18,475	219,907	219,907	219,907	224,821	230,721	230,721	230,721	230,721	-	-	230,721	-	230,721
5	Office of the Cabinet of Ministers	-	4,764	8,254	8,254	14,513	14,513	18,653	19,161	19,161	19,161	19,161	-	-	19,161	-	19,161
6	Public Service Commission	-	-	8,990	8,990	16,160	18,932	18,932	18,932	30,044	30,044	28,399	-	-	28,399	-	28,399
7	Judicial Service Commission	-	100	100	1,088	8,879	8,879	8,879	8,879	8,879	8,879	8,879	-	-	8,879	-	8,879
8	National Police Commission	-	-	249	5,560	6,117	6,117	6,117	6,117	6,134	11,212	11,212	-	-	11,212	-	11,212
10	Commission to Investigate Allegations of Bribery or Corruption	-	-	-	-	-	-	3,319	9,795	18,825	18,825	18,825	-	-	18,825	-	18,825
11	Office of the Finance Commission	-	4,850	4,850	7,700	7,700	7,795	12,835	12,835	12,835	12,835	12,835	-	-	12,835	-	12,835
12	National Education Commission	-	-	-	-	-	-	6,125	6,125	6,277	6,277	6,277	-	1,340	4,937	-	4,937
13	Human Rights Commission of Sri Lanka	-	-	-	-	-	-	8,071	8,071	8,426	14,081	14,081	-	-	14,081	-	14,081
14	Department of Attorney General	-	-	-	90,400	215,126	219,221	225,340	225,340	225,340	225,340	225,334	-	-	225,334	-	225,334
15	Department of Legal Draftsman	-	13,770	13,770	27,620	27,620	27,620	27,620	27,980	27,980	27,980	27,980	-	-	27,980	-	27,980
16	Parliament	6,800	27,735	27,735	27,735	61,770	68,870	76,370	111,813	159,853	159,044	150,716	-	-	150,716	15,393	166,108
17	Office of the Leader of the House of Parliament	78	78	7,536	13,036	13,036	15,304	11,566	16,616	16,616	16,616	16,538	-	-	16,538	640	17,178
18	Office of the Chief Government Whip of Parliament	-	7,150	7,413	12,913	12,913	12,913	15,835	14,824	21,033	6,915	6,932	-	2,162	4,770	-	4,770
19	Office of the Leader of the Opposition of Parliament	80	7,512	7,512	8,012	8,012	8,267	16,209	16,209	16,209	26,859	42,466	-	7,755	34,711	-	34,711
20	Department of Elections	-	-	-	15,715	25,626	25,626	30,467	41,320	41,920	41,920	41,920	-	8,577	33,343	-	33,343
21	Auditor General	-	2,151	2,151	2,543	2,543	6,498	6,498	16,234	17,631	17,631	17,631	-	-	17,631	-	17,631
22	Office of the Parliamentary Commissioner for Administration	-	-	-	-	-	-	4,000	5,798	5,798	5,573	5,573	-	-	5,573	-	5,573
101	Ministry of Buddhasasana	-	-	5,500	24,545	24,545	24,545	32,717	38,976	45,359	56,959	57,950	-	-	57,950	-	57,950
102	Ministry of Finance	4,100	42,251	54,217	113,815	128,922	129,769	136,406	115,005	91,001	98,341	85,365	5,686	14,730	76,321	35,000	111,321
103	Ministry of Defence	495	10,152	57,907	459,119	2,545,912	2,563,739	2,563,780	2,617,984	2,648,635	2,658,847	2,668,887	6,587	-	2,675,475	22,437	2,697,912
104	Ministry of National Policies and Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	136,770	1,418,230	(1,281,460)	17,851	(1,263,609)
105	Ministry of Economic Development	-	-	47,035	47,035	47,035	51,353	157,676	340,555	498,439	764,053	950,114	-	-	950,114	-	950,114
106	Ministry of Disaster Management	-	-	18,595	20,172	20,172	20,172	26,172	40,699	69,788	94,553	94,553	-	-	94,553	59,614	154,167
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	-	5,800	19,825	52,725	52,725	52,725	72,728	77,085	77,085	75,428	117,799	-	7,607	110,192	-	110,192
110	Ministry of Justice	16,717	16,717	33,465	34,663	58,314	59,481	58,181	77,337	85,226	88,983	90,175	-	-	90,175	-	90,175
111	Ministry of Health, Nutrition and Indigenous Medicine	-	-	18,296	18,296	18,296	51,713	75,510	129,855	194,188	413,954	1,032,853	7,800	1,000	1,039,653	-	1,039,653
112	Ministry of Foreign Affairs	-	25,986	151,191	273,957	345,547	386,696	405,674	509,828	614,621	652,494	750,498	81,604	1,595	830,507	79,612	910,118
113	Ministry of Ports & Aviation	-	-	9,446	9,446	22,259	26,109	38,809	38,809	38,809	38,809	38,809	-	-	38,809	-	38,809
114	Ministry of Transport & Civil Aviation	-	-	4,500	20,213	37,213	37,213	42,253	70,860	70,860	70,860	70,860	-	-	70,860	-	70,860
115	Ministry of Petroleum Industries	-	-	10,553	23,303	34,180	34,180	43,469	52,212	52,212	55,400	72,365	-	-	72,365	-	72,365
116	Ministry of Co-operative and Internal Trade	-	8,450	17,411	30,351	30,351	30,351	40,095	83,395	87,391	88,449	129,192	-	-	129,192	-	129,192

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2101 - Vehicles

Head No	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 Additions	2015 Disposals	2015 Balance	2016 Additions	2016 Balance
117	Ministry of Ports Highways	-	-	5,432	67,087	83,787	83,787	125,414	125,414	597,552	602,904	611,284	-	-	611,284	-	611,284
117	Ministry of Higher Education and Highways	-	-	-	-	-	-	-	-	-	-	-	7,360	-	7,360	69,525	76,885
118	Ministry of Agriculture	15,047	18,274	37,096	123,672	125,089	192,710	228,062	228,062	228,062	241,455	293,485	-	-	293,485	-	293,485
119	Ministry of Power & Energy	1,682	16,727	16,727	16,727	16,727	16,727	21,324	30,075	30,256	23,387	41,493	-	-	41,493	-	41,493
119	Ministry of Power & Renewable Energy	-	3,475	16,325	26,175	26,175	26,175	44,628	51,511	74,243	79,323	79,323	-	-	79,323	31,960	31,960
120	Ministry of Child Development & Women's Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,000	41,000
120	Ministry of Women and Child Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
121	Ministry of Public Administration & Home Affairs	7,923	569,755	1,031,387	1,031,387	1,035,497	1,047,422	1,066,404	1,111,457	1,115,319	1,104,682	1,119,336	-	-	1,119,336	-	1,119,336
121	Ministry of Home Affairs	-	3,428	13,707	52,662	57,218	61,928	35,929	35,929	42,429	67,531	67,531	-	-	67,531	62,900	62,900
122	Ministry of Mass Media & Information	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67,531
122	Ministry of Construction, Engineering Services, Housing and Common Amenities	-	-	-	24,333	24,333	24,333	24,333	48,072	32,574	32,574	32,574	-	-	32,574	-	32,574
123	Ministry of Social Service	-	-	28,149	33,040	33,040	33,040	45,240	66,319	67,385	67,385	67,385	-	-	67,385	-	67,385
124	Ministry of Social Empowerment and Welfare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,000	35,000
126	Ministry of Education	4,386	94,114	110,654	177,597	177,597	180,729	186,755	212,207	214,364	241,919	242,419	3,495	-	245,914	16,427	262,342
127	Ministry of Labour Relations & Productivity Improvement	-	19,050	30,410	47,090	47,090	47,776	47,724	64,224	61,573	70,727	106,100	-	-	106,100	-	106,100
128	Ministry of Traditional Industries & Small Enterprises Development	-	-	-	26,036	36,785	39,049	39,049	39,049	51,554	76,829	76,829	-	-	76,829	-	76,829
130	Ministry of Local Government & Provincial Councils	-	-	8,131	8,131	81,086	(109,079)	(65,054)	(16,177)	(31,825)	216,701	631,518	-	-	631,518	-	631,518
130	Ministry of Public Administration and Management	-	-	-	-	-	-	-	-	-	-	-	47,943	-	(47,943)	37,474	(10,469)
133	Ministry of Technology and Research	-	-	5,500	34,706	31,832	31,832	41,755	75,031	75,431	(25,239)	(27,804)	-	-	(27,804)	-	(27,804)
134	Ministry of National Languages & Social Integration	-	9,000	9,000	42,434	42,434	42,434	46,622	57,324	57,332	60,634	60,634	-	-	60,634	-	60,634
135	Ministry of Plantation Industries	-	-	35,579	115,151	115,151	134,674	146,950	187,187	196,742	203,147	231,369	-	5,502	225,867	-	225,867
136	Ministry of Sports	-	-	-	-	4,350	18,828	22,678	28,452	28,452	45,676	61,695	-	-	68,554	-	68,554
138	Ministry of Indigenous Medicine	-	9,242	20,217	35,217	35,217	35,217	35,217	56,091	70,025	84,283	84,283	-	-	84,283	-	84,283
139	Ministry of Fisheries & Aquatic Resources Development	2,625	2,625	10,776	21,864	48,225	138,562	164,564	181,525	181,525	187,921	187,921	-	-	187,921	-	187,921
140	Ministry of Livestock and Rural Community Development	-	-	3,390	46,160	58,221	68,044	76,655	90,601	75,179	90,515	111,915	-	-	111,915	-	111,915
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	-	-	-	-	-	-	-	-	-	-	1,332	288,330	(286,998)	40,391	(246,607)
142	Ministry of National Heritage	-	20,795	33,619	59,035	68,035	83,035	83,035	96,153	99,244	99,244	111,486	-	-	111,486	-	111,486
143	Ministry of Parliamentary Affairs	13,425	13,425	13,425	30,927	30,927	30,927	35,831	46,508	46,508	54,292	54,292	-	-	54,292	-	54,292
145	Ministry of Re-Settlement	-	-	16,638	39,363	48,863	56,068	56,068	82,945	89,094	104,536	104,536	-	-	104,536	-	104,536
145	Ministry of Rehabilitation, Re-Settlement and Hindu Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	79,800	-	(79,800)	62,999	(16,801)
147	Ministry of Regional Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,375	48,375

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Head No	Institution	Rs.,000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
149	Ministry of Industry and Commerce	2,667	2,667	15,538	37,338	50,928	65,327	71,627	73,261	88,798	98,014	131,368	10,253	-	141,621	-	141,621
150	Ministry of Petroleum Resources Development	-	-	-	-	-	-	-	-	-	-	-	1,930	-	1,930	63,525	65,455
151	Ministry of Fisheries & Aquatic Resources Development	-	-	-	-	-	-	-	-	-	-	-	7,515	-	7,515	-	7,515
152	Ministry of Irrigation & Water Resources Management	4,758	4,758	4,758	12,293	12,293	17,793	25,095	33,724	33,724	33,124	154,782	-	-	154,782	-	154,782
153	Ministry of Lands and Land Development	-	-	-	-	72,094	72,094	87,594	94,031	102,065	102,065	112,817	-	-	112,817	-	112,817
153	Ministry of Lands	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,302	32,302
155	Ministry of Provincial Councils and Local Government	-	-	-	-	-	-	-	-	-	-	-	35,408	-	35,408	0	35,784
156	Ministry of Youth Affairs & Skills Development	-	1,912	14,902	22,402	20,861	20,861	71,342	95,842	98,793	104,978	104,978	-	-	104,978	-	104,978
158	Ministry of Public Enterprise Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,000	35,000
160	Ministry of Environment & Renewable Energy	6,550	24,226	31,726	51,685	51,680	53,143	66,393	73,141	83,910	96,860	96,860	-	-	96,860	-	96,860
160	Ministry of Mahaweli Development and Environment	-	-	-	-	-	-	-	-	-	-	-	4,623	-	4,623	-	4,623
161	Ministry of Sustainable Development and Wildlife	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,387	31,387
162	Ministry of Megapolice and Western Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
166	Ministry of Water Supply & Drainage	-	-	-	25,986	25,986	34,216	50,216	60,277	67,012	67,012	63,852	-	-	63,852	-	63,852
166	Ministry of City Planning and Water Supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,596	39,596
167	Ministry of Special Assignment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32	32
171	Ministry of Higher Education	-	-	-	14,795	14,795	14,795	31,855	45,289	66,333	84,780	84,795	-	-	84,795	-	84,795
173	Ministry of Public Management Reforms	-	-	-	-	-	-	-	20,753	20,753	20,753	20,753	-	-	20,753	-	20,753
174	Ministry of Rehabilitation and Prison Reforms	-	-	-	-	-	-	34,623	34,623	47,500	53,827	93,373	-	-	93,373	-	93,373
175	Ministry of State Resources and Enterprise Development	-	-	-	-	-	-	-	20,692	24,296	42,110	211	-	-	211	-	211
176	Ministry of Civil Aviation	-	-	-	-	-	-	-	24,335	24,365	44,009	44,009	-	-	44,009	-	44,009
176	Ministry of Ports and Shipping	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79,036	79,036
177	Ministry of Culture and the Arts	-	-	-	-	-	-	-	17,197	22,275	37,366	56,445	-	-	56,445	-	56,445
178	Ministry of Coconut Development & Janatha Estate Development	-	-	-	-	-	-	-	28,554	28,554	38,944	46,113	-	-	46,113	-	46,113
179	Ministry of Agrarian Services and Wild Life	-	-	-	-	-	-	-	42,303	42,303	77,399	77,399	-	-	77,399	-	77,399
180	Ministry of Minor Export Crop Promotion	-	-	-	-	-	-	-	39,292	40,075	48,769	48,769	-	-	48,769	-	48,769
181	Ministry of Productivity Promotion	-	-	-	-	-	-	-	56,740	56,740	56,740	56,740	-	-	56,740	-	56,740
182	Ministry of Foreign Employment Promotion & welfare	-	-	14,515	14,515	19,890	19,890	19,890	6,159	6,339	16,244	16,244	-	-	16,244	-	16,244
182	Ministry of Foreign Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,557	39,557
183	Ministry of Public Relation and Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,244

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Head No	Institution	Rs./000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 Additions	2015 Disposals	2015 Balance	2016 Additions	2016 Balance
184	Ministry of Private Transport Services	-	-	-	-	-	-	-	19,162	35,800	35,800	45,959	-	-	45,959	-	45,959
185	Ministry of Telecommunication and Information Technology	-	-	-	-	-	-	16,000	16,000	23,879	23,879	24,079	-	-	24,079	-	24,079
187	Ministry of Investment Promotion	-	-	-	-	-	-	-	-	-	-	35,473	-	-	35,473	-	35,473
188	Ministry of Botanical Gardens & Public Recreation	-	-	-	-	-	-	-	-	-	-	6,683	-	-	6,683	-	6,683
190	Ministry of Law and Order	-	-	-	-	-	-	-	-	-	-	30,893	-	-	30,893	-	30,893
194	Ministry of Telecommunication and Digital Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	52	52	52
195	Ministry of Development Strategies and International Trade	-	-	-	-	-	-	-	-	-	-	-	-	-	41,000	41,000	41,000
197	Ministry of Skills Development and Vocational Training	-	-	-	-	-	-	-	-	-	-	-	-	-	44,996	44,996	44,996
201	Department of Buddhist Affairs	-	-	-	-	-	-	1,176	1,607	1,607	1,607	1,607	-	-	1,607	-	1,607
202	Department of Muslim Religious & Cultural Affairs	2,101	4,876	4,965	4,965	4,965	4,965	4,965	4,965	4,965	4,965	4,965	-	-	4,965	-	4,965
203	Department of Christian Religious Affairs	-	-	-	-	595	595	595	595	595	595	595	-	-	595	-	595
205	Department of Public Trustee	-	-	-	-	-	2,016	7,056	7,056	7,056	7,056	7,056	-	-	7,056	-	7,056
207	Department of Archaeology	5,573	5,573	9,773	10,538	10,538	14,802	14,802	14,802	14,802	14,802	17,671	-	-	17,671	-	17,671
208	Department of National Museums	-	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	-	-	3,475	-	3,475
209	Department of National Archives	2,275	2,275	2,275	2,275	2,275	2,275	2,612	2,612	2,612	2,612	2,612	-	-	2,612	-	2,612
210	Department of Information	-	-	79	9,379	9,379	9,379	9,379	9,126	9,126	9,126	9,126	-	-	9,126	-	9,126
211	Department of Government Printer	-	-	-	20,518	20,518	20,518	20,518	20,518	20,518	20,518	15,114	5,490	-	20,604	-	20,604
212	Department of Examinations	-	2,875	2,875	8,797	8,797	8,797	7,402	7,402	4,617	4,617	4,617	-	-	4,617	-	4,617
213	Department of Educational Publications	-	-	-	-	-	-	-	-	-	-	-	-	-	11,238	11,238	11,238
215	Department of Technical Education & Training	-	-	75,205	78,705	78,705	78,705	78,705	78,705	78,705	78,705	78,705	-	-	78,705	-	78,705
216	Department of Social Services	-	-	-	-	-	345	345	345	345	345	345	-	-	345	-	345
217	Department of Probation & Child Care Services	-	-	-	3,877	3,877	3,877	3,877	3,877	3,877	3,877	3,877	-	-	3,877	-	3,877
219	Department of Sports Development	-	-	-	-	3,098	3,098	3,098	3,098	3,098	3,098	3,098	-	-	3,098	-	3,098
220	Department of Ayurveda	-	-	789	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	-	-	6,584	-	6,584
221	Department of Labour	-	48	48	20,788	20,788	20,788	20,788	20,788	20,788	20,788	20,788	-	-	20,788	-	20,788
222	Sri Lanka Army	-	409,651	973,124	1,468,196	2,453,745	3,752,398	3,964,911	5,703,611	5,717,217	5,713,580	5,738,169	219,382	94,984	5,862,567	-	5,862,567
223	Sri Lanka Navy	38,152	38,152	251,852	761,052	1,266,602	1,466,230	1,623,572	2,360,662	2,382,203	2,177,757	2,305,206	53,576	100,078	2,258,703	11,396	2,270,099
224	Sri Lanka Air Force	-	201,940	401,595	523,506	686,680	780,672	787,112	1,204,615	1,230,569	1,343,734	1,370,655	93,839	-	1,464,494	29,000	1,493,494
225	Department of Police	-	-	479,644	680,084	2,192,626	2,365,837	2,522,492	5,178,483	5,207,967	5,207,967	5,207,967	-	-	5,207,967	-	5,207,967
226	Department of Immigration & Emigration	-	-	10,410	10,410	10,410	10,410	10,410	10,410	10,930	10,930	10,930	-	-	10,930	-	10,930
227	Department of Registration of Persons	3,665	3,665	15,765	17,700	27,700	27,700	27,700	27,808	27,808	27,808	27,808	-	-	27,808	-	27,808
228	Courts Administration	-	-	1,321	17,176	186,796	202,237	217,678	231,832	231,832	231,832	231,832	-	-	231,832	-	231,832
229	Department of Attorney General	-	-	-	-	-	-	-	-	-	-	-	-	651	651	-	651
230	Department of Legal Draftsman	-	-	-	-	-	-	-	-	-	-	-	-	11,740	11,740	-	11,740
232	Department of Prisons	17,813	19,905	45,497	58,804	79,926	84,901	107,970	107,970	107,970	159,371	159,371	295,170	-	454,541	13,256	467,798
233	Department of Government Analyst	-	-	3,441	13,137	13,137	18,177	18,177	18,177	14,331	12,051	12,529	-	-	12,529	-	12,529
235	Department of Law Commission	-	-	1,575	2,699	8,747	10,027	10,416	10,416	10,416	10,416	10,416	-	-	10,416	-	10,416

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Head No	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Rs.,'000	
													Disposals	Balance	Balance	
237	Department of National Planning	-	2,506	2,506	7,856	7,856	10,081	10,081	10,081	10,081	10,081	10,081	-	10,081	-	10,081
238	Department of Fiscal Policy	-	-	-	11,400	11,400	13,668	13,668	13,668	13,668	13,668	13,668	2,700	10,968	-	10,968
239	Department of External Resources	-	-	7,973	7,973	7,973	10,241	15,155	15,155	14,909	14,909	14,909	16,950	(2,041)	-	(2,041)
240	Department of National Budget	-	-	3,475	7,100	7,100	7,100	7,100	282,966	1,685,187	2,892,208	4,494,710	-	4,494,710	-	4,494,710
241	Department of Public Enterprises	-	-	-	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	-	12,200	-	12,200
242	Department of Management Services	-	-	-	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	-	2,600	-	2,600
243	Department of Development Finance	-	-	-	2,800	2,800	2,800	2,800	2,800	2,800	-	-	14,977	(14,977)	-	(14,977)
244	Department of Trade & Investment Policy	-	-	-	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	-	8,400	-	8,400
245	Department of Public Finance	-	-	3,500	3,500	9,365	9,365	9,365	9,365	9,365	9,365	6,494	-	6,494	-	6,494
246	Department of Inland Revenue	4,999	50,608	60,508	90,675	90,675	90,675	90,675	90,675	90,675	90,675	90,675	-	90,675	-	90,675
247	Sri Lanka Customs	-	18,562	18,562	3,923,342	3,923,342	3,929,768	3,944,699	3,946,629	3,946,629	3,960,455	3,960,455	1,496	3,961,951	-	3,961,951
248	Department of Excise	-	-	14,407	31,744	31,744	34,298	34,298	34,298	34,298	34,298	34,298	-	34,298	-	34,298
249	Department of Treasury Operations	-	-	-	12,818	12,818	12,818	12,818	5,636	5,636	5,636	5,636	18,200	(12,564)	-	(12,564)
250	Department of State Accounts	-	-	-	6,500	6,500	6,500	6,500	6,500	2,800	2,800	2,800	9,800	(9,800)	-	(9,800)
251	Department of Valuation	-	-	-	7,955	7,955	7,605	7,605	7,605	7,605	6,598	6,598	-	6,598	-	6,598
252	Department of Census & Statistics	3,446	6,874	29,132	48,643	48,643	48,643	77,501	79,955	79,955	79,955	79,955	-	79,955	-	79,955
253	Department of Pensions	-	-	3,360	14,205	14,205	14,205	14,205	14,205	14,205	14,205	14,205	-	14,205	-	14,205
254	Department of Registrar General	-	-	-	-	-	-	-	105	105	105	105	-	105	-	105
255	District Secretariat - Colombo	6	6	6	6	6	81	81	81	81	(11,440)	(14,047)	2,850	(16,897)	-	(16,897)
256	District Secretariat - Gampaha	-	-	-	-	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	-	(1,932)	-	(1,932)
262	District Secretariat - Matara	-	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	-	17,070	-	17,070
264	District Secretariat - Jaffna	-	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	-	5,390	-	5,390
271	District Secretariat - Trincomalee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
280	Department of Project Management and Monitoring	-	-	-	-	-	-	-	-	-	-	2,520	-	2,520	-	2,520
281	Department of Agrarian Development	-	6,500	6,500	6,500	7,033	7,033	7,033	7,033	7,033	6,869	6,869	-	6,869	-	6,869
282	Department of Irrigation	494	494	181,243	249,450	372,179	482,062	509,670	509,670	509,670	509,084	523,038	-	523,038	-	523,038
283	Department of Forests	3,350	3,350	3,350	3,350	3,350	14,620	14,620	14,620	14,620	14,620	14,620	154	14,774	-	14,774
284	Department of Wildlife Conservation	-	-	-	2,643	23,508	23,508	23,508	23,508	23,508	23,508	23,508	-	23,508	-	23,508
285	Department of Agriculture	-	-	-	18,850	18,850	18,850	18,850	19,519	19,519	19,519	19,519	781	22,156	-	22,156
286	Department of Land Commissioner	-	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	-	7,150	-	7,150
287	Department of Land Title Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
288	Department of Survey	-	-	-	11,400	11,400	11,400	11,400	11,400	11,400	11,400	11,400	-	11,400	-	11,400
290	Department of Fisheries and Aquatic Resources	-	-	-	1,521	11,617	11,617	11,899	11,899	11,997	11,997	11,997	-	11,997	-	11,997
291	Department of Coast Conservation	181	181	12,054	12,054	12,054	12,054	23,954	38,524	38,524	37,961	33,882	-	33,882	-	33,882
292	Department of Animal Production & Health	-	-	7,500	7,500	7,500	10,520	10,520	10,520	10,518	10,489	10,489	-	10,489	-	10,489
293	Department of Rubber Development	-	-	-	1,266	1,266	5,341	20,155	33,114	33,114	33,114	33,114	-	33,114	-	33,114
294	Department of National Zoological Garden	-	359	359	6,654	14,879	25,575	25,575	25,575	25,575	25,575	25,575	-	25,575	-	25,575
295	Department of Commerce	-	-	-	3,410	3,410	3,410	3,410	3,410	3,331	3,481	3,481	-	3,481	-	3,481
296	Department of Import and Export Control	-	-	89	4,689	8,584	8,584	8,584	8,584	8,584	8,584	8,584	-	8,584	-	8,584

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2101 - Vehicles

Head No	Institution	Rs. '000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
298	Department of Measurement Units, Standards & Services	-	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	-	-	2,256	-	2,256
300	Department of Food Commissioner	-	-	-	-	2,760	2,760	2,760	2,760	2,760	2,760	2,760	-	-	2,760	-	2,760
302	Co-operative Employees Commission	-	7	2,502	2,502	2,502	2,502	2,501	2,495	2,489	2,489	2,489	-	-	2,489	-	2,489
304	Department of Meteorology	-	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,984	4,074	4,074	-	-	4,074	-	4,074
306	Department of Sri Lanka Railways	-	5,285	5,285	3,624,645	8,573,784	10,526,170	14,412,658	17,682,917	24,420,249	26,116,847	31,555,736	419,054	31,105	31,943,685	43	31,943,728
307	Department of Motor Traffic	-	3,227	5,227	5,529	5,529	5,529	4,976	4,976	4,976	4,976	4,976	-	-	4,976	-	4,976
308	Department of Posts	2,095	33,225	123,212	123,274	151,812	178,418	202,415	219,507	219,507	297,797	297,797	-	-	297,797	2,921	300,718
309	Department of Buildings	-	4,950	5,300	5,300	5,300	9,008	7,885	5,206	773	45	39	-	459	(420)	-	(420)
310	Government Factory	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	-	4,000	-	4,000
311	Department of National Physical Planning	-	-	3,630	3,630	8,630	8,630	8,630	8,630	8,630	8,630	6,430	-	-	6,430	-	6,430
313	Central Provincial Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
314	Southern Provincial Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
319	Sabaragamuwa Provincial Council	-	-	-	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	-	-	7,500	-	7,500
320	Department of Civil Security	-	-	-	34,065	81,960	87,086	87,086	87,086	87,086	87,086	87,086	-	-	87,086	-	87,086
322	Department of National Botanical Gardens	-	-	-	-	3,700	3,700	3,700	14,446	14,446	18,887	18,887	-	-	18,887	-	18,887
323	Department of Legal Affairs	-	-	-	-	-	2,520	2,520	2,520	2,520	2,520	2,520	-	9,604	(7,084)	-	(7,084)
325	Department of Sri Lanka Coast Guard	-	-	-	-	-	8,872	8,872	9,684	9,684	9,684	9,684	-	-	9,684	-	9,684
326	Department of Community Based Correction	-	-	-	-	-	-	-	-	-	(2,385)	(2,422)	-	45	(2,467)	-	(2,467)
328	Department of Man Power & Employment	-	-	-	-	-	-	-	-	-	(2,693)	(2,693)	-	-	(2,693)	-	(2,693)
<b>Grand Total</b>		<b>171,817</b>	<b>1,903,425</b>	<b>6,218,893</b>	<b>17,302,389</b>	<b>29,481,566</b>	<b>33,819,137</b>	<b>39,302,508</b>	<b>50,357,997</b>	<b>59,751,040</b>	<b>64,006,883</b>	<b>73,576,433</b>	<b>1,522,866</b>	<b>2,234,251</b>	<b>72,865,048</b>	<b>1,306,655</b>	<b>74,171,703</b>

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2102 - Office Equipment

Head No	Institution	Rs.,'000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
1	His Excellency the President	1,723	10,526	138,511	1,328,118	1,426,035	1,481,452	1,511,430	1,541,415	1,571,142	1,613,072	1,723,864	8,724	-	1,732,588	31,091	1,763,679
2	Office of the Prime Minister	1,807	6,850	7,750	12,570	17,494	22,602	28,374	33,353	38,078	41,638	48,096	24,483	-	72,579	18,760	91,339
3	Secretariat for Special Functions (Senior Ministers)	-	-	-	-	-	-	-	4,910	5,898	6,862	9,156	-	-	9,156	-	9,156
4	Judges of the Superior Courts	-	-	-	-	-	-	-	-	2,967	6,076	7,914	492	-	8,406	-	8,406
5	Office of the Cabinet of Ministers	45	77	307	784	5,264	13,081	14,245	17,611	22,880	24,442	24,743	1,936	-	26,679	1,242	27,921
6	Public Service Commission	11,394	11,988	12,402	12,862	14,767	15,489	15,520	15,607	16,095	22,793	23,061	256	-	23,317	981	24,298
7	Judicial Service Commission	476	578	1,451	1,787	1,810	1,838	1,856	2,002	2,051	2,313	2,907	215	-	3,123	411	3,534
8	National Police Commission	500	3,968	4,917	6,999	8,390	8,574	8,574	8,578	8,601	8,628	8,671	19	-	8,690	504	9,194
9	Administration Appeals Tribunal	144	144	205	250	295	335	347	359	360	958	1,432	558	203	1,787	414	2,201
10	Commission to Investigate Allegations of Bribery or Corruption	497	1,196	1,892	2,386	2,572	3,455	4,329	5,216	5,424	7,831	10,010	13,424	-	23,434	1,669	25,103
11	Office of the Finance Commission	194	759	814	994	978	993	2,654	4,907	4,968	4,986	6,023	240	-	6,263	265	6,528
12	National Education Commission	424	875	1,361	1,432	1,745	2,533	3,005	3,602	3,829	4,602	4,948	799	68	5,680	438	6,118
13	Human Rights Commission of Sri Lanka	-	-	-	-	-	905	2,210	3,207	4,391	6,391	8,588	1,335	-	9,922	1,965	11,887
14	Department of Attorney General	3,615	6,362	8,894	14,330	17,039	21,923	31,152	35,895	39,095	45,089	51,749	-	-	51,749	-	51,749
15	Department of Legal Draftsman	501	1,212	1,765	2,251	6,346	16,748	32,198	40,744	43,488	43,674	43,057	-	-	43,057	-	43,057
16	Parliament	3,313	6,831	11,826	17,564	27,390	34,703	43,511	57,662	64,891	76,029	83,727	2,148	-	85,875	7,157	93,032
17	Office of the Leader of the House of Parliament	117	316	516	623	747	1,071	1,406	1,873	1,965	2,460	2,867	500	-	3,367	396	3,763
18	Office of the Chief Government Whip of Parliament	234	625	738	1,098	1,098	1,355	2,103	2,947	3,245	3,484	4,456	592	11	5,036	493	5,529
19	Office of the Leader of the Opposition of Parliament	-	392	492	572	627	689	889	1,108	1,290	1,514	1,814	2,254	9	4,059	2,081	6,141
20	Department of Elections	-	-	985	2,702	4,583	8,265	10,730	19,911	22,878	25,343	27,196	6,703	149	33,749	1,782	35,531
21	Auditor General	1,966	5,352	7,841	9,035	13,677	16,418	22,643	23,908	26,681	27,430	34,746	6,597	-	41,343	13,691	55,034
22	Office of the Parliamentary Commissioner for Administration	87	160	160	227	349	501	1,015	1,185	1,266	2,009	2,300	28	-	2,328	63	2,391
101	Ministry of Budhasasana	50	220	2,614	3,578	4,178	5,312	6,064	6,964	7,408	8,229	9,490	597	-	10,088	555	10,643
102	Ministry of Finance	2,225	7,366	16,088	21,072	24,719	28,983	34,033	33,521	40,572	43,665	50,476	13,618	-	64,094	42,785	106,879
103	Ministry of Defence	1,876	13,307	39,173	76,086	150,733	174,680	230,703	259,825	285,423	334,696	367,596	25,504	-	393,100	19,968	413,068
104	Ministry of National Policies and Economic Affairs	-	-	-	-	424	2,793	5,400	8,137	15,768	30,483	34,040	2,903	12	2,891	17,969	20,860
105	Ministry of Economic Development	-	-	-	-	424	2,793	5,400	8,137	15,768	30,483	34,040	-	-	34,040	-	34,040
106	Ministry of Disaster Management	-	-	7,628	8,969	10,268	10,904	12,702	13,593	16,065	19,310	21,859	11,068	-	32,928	2,830	35,758
108	Ministry of Postal Services	-	754	1,837	3,741	7,133	9,052	11,559	12,654	14,098	15,534	16,197	-	-	16,197	-	16,197
108	Ministry of Post, Postal Service and Muslim Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	2,136	93	2,043	2,610	4,653
110	Ministry of Justice	4,937	125,085	321,411	392,157	395,422	404,158	403,710	412,143	415,849	423,779	431,091	6,492	363	437,220	3,951	441,170
111	Ministry of Health Nutrition and Indigenous Medicine	-	-	-	67,930	67,930	215,245	352,808	509,359	658,590	838,319	1,141,421	293,137	1,633	1,432,925	378,636	1,811,561
112	Ministry of Foreign Affairs	1,921	14,645	77,465	154,033	219,778	268,413	341,930	409,223	492,926	564,520	643,076	75,686	279	718,483	81,318	799,802
113	Ministry of Ports & Aviation	1,627	3,767	5,300	5,739	7,158	8,062	8,865	11,306	11,306	11,306	11,306	-	-	11,306	-	11,306
114	Ministry of Transport	23,001	23,001	24,498	25,375	26,711	27,299	28,116	28,726	29,719	30,167	31,422	-	-	31,422	-	31,422
114	Ministry of Transport & Civil Aviation	-	-	-	-	-	-	-	-	-	-	-	1,026	-	1,026	1,296	2,322
115	Ministry of Petroleum Industries	-	-	3,012	6,597	8,641	9,554	10,668	11,624	13,113	20,021	28,806	-	-	28,806	-	28,806

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2102 - Office Equipment

Head No	Institution	Rs.,'000														
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
116	Ministry of Co-operative and Internal Trade	161	432	2,281	2,725	3,502	4,753	6,849	7,665	7,743	10,088	11,093	-	11,093	-	11,093
117	Ministry of Ports Highways	690	1,840	4,264	4,983	7,044	8,456	16,995	16,995	41,207	53,629	73,370	-	73,370	-	73,370
117	Ministry of Higher Education & Highways	-	-	-	-	-	-	-	-	-	-	-	23	159,397	309,595	468,991
118	Ministry of Agriculture	2,466	8,616	15,544	20,563	23,184	24,662	28,664	28,163	15,772	20,188	31,045	-	37,462	1,393	38,854
119	Ministry of Power & Energy	227	355	2,291	4,494	4,494	6,348	7,899	16,029	17,691	24,848	29,454	-	29,454	-	29,454
119	Ministry of Power & Renewable Energy	-	-	-	-	-	-	-	-	-	-	-	253	4,747	3,977	8,724
120	Ministry of Child Development & Women's Affairs	62	5,318	9,474	15,468	15,518	16,753	19,595	19,677	25,222	26,739	31,345	-	31,345	-	31,345
120	Ministry of Women and Child Affairs	-	-	-	-	-	-	-	-	-	-	-	-	3,993	5,101	9,094
121	Ministry of Public Administration & Home Affairs	3,659	16,823	24,142	36,401	41,783	45,339	61,533	83,584	123,828	149,199	163,673	-	163,673	-	163,673
121	Ministry of Home Affairs	-	-	-	-	-	-	-	-	-	-	-	-	9,045	164,042	173,087
122	Ministry of Mass Media & Information	-	1,783	4,783	6,765	7,308	9,497	10,517	11,129	13,037	14,728	16,152	-	16,152	-	16,152
122	Ministry of Parliamentary Reforms and Mass Media	-	-	-	-	-	-	-	-	-	-	-	494	2,208	1,714	2,100
123	Ministry of Construction, Engineering Services, Housing and Common Amenities	279	1,050	2,585	3,442	4,224	4,791	6,084	8,610	9,074	9,810	10,566	-	10,566	-	10,566
123	Ministry of Housing and Construction	-	-	-	-	-	-	-	-	-	-	-	2,721	2,721	1,233	3,954
124	Ministry of Social Service	-	-	3,414	5,141	5,812	6,662	8,309	9,926	11,018	12,930	14,635	-	14,635	-	14,635
124	Ministry of Social Empowerment and Welfare	-	-	-	-	-	-	-	-	-	-	-	4,305	4,305	2,545	6,850
126	Ministry of Education	20,709	1,505,227	2,907,513	4,342,564	4,366,124	4,413,179	5,604,857	6,734,515	7,379,544	8,017,018	11,853,373	5,694,019	17,547,392	2,065,995	19,613,387
127	Ministry of Labour Relations & Productivity Improvement	-	3,069	7,035	9,618	11,373	13,419	14,645	15,188	15,466	16,222	17,903	-	17,903	-	17,903
128	Ministry of Traditional Industries & Small Enterprises Development	-	-	-	765	1,595	2,161	3,194	4,656	4,906	6,562	9,599	-	9,599	-	9,599
130	Ministry of Local Government & Provincial Councils	357	357	2,134	4,219	6,248	7,774	10,362	16,152	20,796	26,239	29,995	-	29,995	-	29,995
130	Ministry of Public Administration and Management	-	-	-	-	-	-	-	-	-	-	-	50,689	10,436	40,253	52,243
133	Ministry of Technology and Research	3,265	7,530	13,746	25,372	36,497	50,468	70,627	81,143	91,516	108,887	123,624	-	123,624	-	123,624
134	Ministry of National Languages & Social Integration	724	1,478	1,542	8,188	9,376	16,551	12,715	24,488	14,687	21,590	26,022	-	26,022	-	26,022
135	Ministry of Plantation Industries	2,455	4,126	5,621	7,576	14,379	17,669	20,849	28,661	34,700	40,409	46,715	9,297	55,925	4,694	60,619
136	Ministry of Sports	-	-	-	-	2,375	3,566	7,008	12,180	12,716	31,889	43,205	9,663	52,869	6,241	59,110
138	Ministry of Indigenous Medicine	-	719	1,290	2,876	3,834	5,040	11,298	15,981	18,864	19,600	21,548	-	21,548	-	21,548
139	Ministry of Fisheries & Aquatic Resources Development	1,523	7,206	12,773	58,003	85,145	89,968	95,460	100,272	103,084	105,335	108,643	-	108,643	-	108,643
140	Ministry of Livestock and Rural Community Development	-	-	1,016	3,198	4,070	4,231	5,340	7,608	9,472	11,526	23,554	-	23,554	-	23,554
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	-	-	-	-	-	-	-	-	-	-	3,800	17,276	(13,477)	3,700
142	Ministry of National Heritage & Cultural Affairs	-	19,745	40,466	45,405	45,405	67,297	88,032	92,233	93,526	97,817	100,080	-	100,080	-	100,080
143	Ministry of Parliamentary Affairs	532	532	707	1,834	2,228	2,991	3,729	4,725	5,626	7,013	7,788	-	7,788	-	7,788
145	Ministry of Re-Settlement	-	-	2,217	5,767	7,211	9,061	10,651	12,020	12,870	13,358	14,324	-	14,324	-	14,324

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2102 - Office Equipment

Head No	Institution	Rs.,'000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		2016		
													Additions	Disposal	Balance	Additions	Balance
145	Ministry of Rehabilitation, Re-Settlement and Hindu Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	1,869	1,256	613	1,312	1,925
147	Ministry of Regional Development												9,964	-	50,127	25,551	25,551
149	Ministry of Industry and Commerce	446	446	2,051	4,000	6,302	7,311	8,913	13,213	16,833	28,172	40,163	-	-	50,127	11,873	62,000
150	Ministry of Petroleum Resources Development	-	-	-	-	-	-	-	-	-	-	-	3,395	20	3,375	9,315	12,691
151	Ministry of Fisheries & Aquatic Resources Development	-	-	-	-	-	-	-	-	-	-	-	3,441	-	3,441	2,804	6,245
152	Ministry of Irrigation & Water Resources Management	-	-	3,652	5,212	6,653	7,196	10,604	13,204	16,480	32,862	42,181	-	-	42,181	-	42,181
153	Ministry of Lands and Land Development	1,943	1,943	1,943	1,943	5,482	8,630	11,942	14,122	13,989	18,459	24,429	-	-	24,429	-	24,429
153	Ministry of Lands	-	-	-	-	-	-	-	-	-	-	-	2,094	-	2,094	2,342	4,436
154	Ministry of Rural Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	802	-	802	1,652	2,454
155	Ministry of Provincial Councils and Local Government	-	-	-	-	-	-	-	-	-	-	-	3,045	-	3,045	3,000	6,045
156	Ministry of Youth Affairs & Skills Development	1,228	3,753	5,148	9,948	10,825	10,888	15,744	26,691	35,202	43,767	54,018	-	-	54,018	-	54,018
157	Ministry of National Dialogue	-	-	-	-	-	-	-	-	-	-	-	552	1,618	(1,066)	1,395	329
158	Ministry of Public Enterprise Development	-	-	-	-	-	-	-	-	-	-	-	2,757	-	2,757	14,536	17,292
159	Ministry of Tourism Development and Christian Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	3,796	-	3,796	2,161	5,958
160	Ministry of Environment	146	11,320	12,267	16,580	18,257	19,169	20,222	20,531	21,297	22,132	22,584	-	-	22,584	-	22,584
160	Ministry of Mahaweli Development and Environment	-	-	-	-	-	-	-	-	-	-	-	803	-	803	170,327	171,130
161	Ministry of Sustainable Development and Wildlife	-	-	-	-	-	-	-	-	-	-	-	7,384	-	7,384	2,509	9,893
162	Ministry of Megapolice and Western Development	-	-	-	-	-	-	-	-	-	-	-	699	-	699	9,797	10,496
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	-	-	-	-	-	-	-	-	-	-	-	1,759	-	1,759	3,437	5,196
164	Ministry of Southern Development	-	-	-	-	-	-	-	-	-	-	-	6,899	-	6,899	-	6,899
165	Ministry of National Intergration and Reconciliation	-	-	-	-	-	-	-	-	-	-	-	306	-	306	5,853	6,159
166	Ministry of Water Supply & Drainage	-	-	-	3,277	4,814	6,312	7,014	7,438	7,541	8,192	9,204	-	-	9,204	-	9,204
166	Ministry of City Planning and Water Supply	-	-	-	-	-	-	-	-	-	-	-	742	-	742	912	1,653
167	Ministry of Special Assignment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,221	1,221
171	Ministry of Higher Education	-	-	-	1,252	3,187	3,445	157,334	180,832	250,879	351,971	470,113	-	-	470,113	-	470,113
173	Ministry of Public Management Reforms	-	-	-	-	-	-	5,148	7,593	4,035	9,459	13,449	-	-	13,449	-	13,449
174	Ministry of Rehabilitation and Prison Reforms	-	-	-	-	-	-	2,610	3,588	3,935	6,255	8,500	-	-	8,500	-	8,500
175	Ministry of State Resources & Enterprise Development	-	-	-	8,654	9,900	10,947	11,596	11,960	13,362	15,771	18,126	-	-	18,126	-	18,126
176	Ministry of Civil Aviation	-	-	-	-	-	-	-	3,294	3,631	6,292	7,584	-	-	7,584	-	7,584
176	Ministry of Ports and Shipping	-	-	-	-	-	-	-	-	-	-	-	2,058	-	2,058	2,537	4,595
177	Ministry of Culture and the Arts	-	-	-	-	-	-	-	29,924	54,677	85,467	86,901	-	-	86,901	-	86,901
178	Ministry of Coconut Development and Janatha Estate Development	-	-	-	-	-	-	-	5,041	5,580	9,838	17,094	-	-	17,094	-	17,094
179	Ministry of Agrarian Services and Wild Life	-	-	-	-	-	-	-	3,388	7,774	13,046	15,641	-	-	15,641	-	15,641

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Head No	Institution	Rs.,'000													
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
												Balance	Additions	Balance	
180	Ministry of Minor Export Crop Promotion	-	-	-	-	-	-	-	3,041	8,019	12,579	15,548	-	15,548	
181	Ministry of Productivity Promotion	-	-	-	-	-	-	-	2,195	4,831	8,476	14,476	-	14,476	
182	Ministry of Foreign Employment Promotion & Welfare	-	-	2,076	2,628	4,518	4,960	4,960	12,022	13,813	15,338	18,235	-	18,235	
182	Ministry of Foreign Employment	-	-	-	-	-	-	-	-	-	-	-	3,000	32,977	
183	Ministry of Public Relations and Public Affairs	-	-	-	-	-	-	-	1,202	2,678	3,352	4,229	-	4,229	
184	Ministry of Private Transport Services	-	-	-	-	-	-	-	2,560	5,020	8,381	13,301	-	13,301	
185	Ministry of Telecommunication and Information Technology	-	-	-	-	-	-	-	1,984	2,359	2,460	4,134	-	4,134	
186	Ministry of Sugar Industry Development	-	-	-	-	-	-	-	-	-	-	1,853	-	1,853	
187	Ministry of Investment Promotion	-	-	-	-	-	-	-	-	-	-	2,081	-	2,081	
188	Ministry of Botanical Gardens & Public Recreation	-	-	-	-	-	-	-	-	-	-	8,547	-	8,547	
189	Ministry of Education Services	-	-	-	-	-	-	-	-	-	-	174,106	-	174,106	
190	Ministry of Law and Order	-	-	-	-	-	-	-	-	-	-	55,866	-	55,866	
192	Ministry of Law and Order and Prisons Reforms	-	-	-	-	-	-	-	-	-	-	37,454	1,284	36,170	
193	Ministry of Labour and Trade Union Relations	-	-	-	-	-	-	-	-	-	-	1,135	-	1,135	
194	Ministry of Telecommunication and Digital Infrastructure	-	-	-	-	-	-	-	-	-	-	26	-	26	
195	Ministry of Development Strategies and International Trade	-	-	-	-	-	-	-	-	-	-	2,065	-	2,065	
196	Ministry of Science, Technology and Research	-	-	-	-	-	-	-	-	-	-	13,691	-	13,691	
197	Ministry of Skills Development and Vocational Training	-	-	-	-	-	-	-	-	-	-	4,979	-	4,979	
198	Ministry of Irrigation and Water Resources Management	-	-	-	-	-	-	-	-	-	-	6,532	-	6,532	
199	Ministry of Primary Industries	-	-	-	-	-	-	-	-	-	-	816	-	816	
201	Department of Buddhist Affairs	3,795	7,344	8,308	9,288	9,992	10,228	10,685	12,128	13,070	14,814	17,245	1,881	19,127	
202	Department of Muslim Religious & Cultural Affairs	616	635	883	1,411	1,505	1,546	1,696	1,786	1,816	2,036	2,325	1,140	3,463	
203	Department of Christian Religious Affairs	-	-	-	173	427	1,246	1,532	1,800	1,821	2,270	2,531	727	3,251	
204	Department of Hindu Religious & Cultural Affairs	739	781	1,534	2,705	3,733	4,026	4,516	5,945	6,462	9,442	10,935	2,300	13,234	
205	Department of Public Trustee	136	651	729	1,391	1,639	1,850	2,176	2,322	2,511	2,797	3,106	391	3,497	
206	Department of Cultural Affairs	-	3,059	4,665	5,983	7,896	8,655	9,561	11,715	13,681	15,367	17,065	6,498	23,563	
207	Department of Archaeology	1,279	3,196	4,600	10,262	15,362	18,179	21,124	24,323	27,523	30,969	34,219	4,524	38,744	
208	Department of National Museums	500	5,217	9,678	11,226	15,586	17,296	19,725	21,707	23,296	24,578	27,742	5,784	33,527	
209	Department of National Archives	3,281	6,445	9,999	17,512	19,417	20,483	22,353	24,777	26,991	29,239	32,071	2,801	34,872	
210	Department of Information	-	785	3,177	3,822	9,221	11,823	13,128	38,920	42,482	44,728	46,586	5,172	51,758	
211	Department of Government Printer	-	1,684	5,464	8,272	9,855	11,407	13,071	14,999	17,235	20,300	20,929	6,867	27,792	
212	Department of Examinations	-	499	1,992	3,020	3,800	4,714	98,987	99,984	101,049	120,847	138,378	8,992	147,375	
213	Department of Educational Publications	815	1,159	1,159	1,801	2,269	2,863	3,789	4,326	4,922	5,783	7,079	1,681	8,760	
215	Department of Technical Education & Training	7,444	14,940	24,940	36,987	39,843	42,954	49,942	62,316	85,987	97,688	130,643	21,875	152,518	
216	Department of Social Services	1,257	5,650	9,204	16,950	17,942	18,494	21,367	22,222	22,615	23,100	23,798	10,502	34,300	
217	Department of Probation & Child Care Services	300	1,154	2,309	3,148	3,372	3,682	4,006	4,417	4,862	5,939	7,193	1,733	8,926	

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		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
218	Department of Commissioner General of Samurdhi	-	703	2,485	3,532	3,712	3,997	6,399	6,898	6,863	9,951	9,951	-	9,951	
219	Department of Sports Development	2,185,223	2,187,994	2,189,215	2,190,155	2,190,954	2,191,174	2,191,652	2,191,918	2,192,218	2,192,628	2,192,676	474	-	2,193,358
220	Department of Ayurveda	3,316	5,879	9,811	14,027	19,304	22,474	29,243	38,033	53,358	62,349	71,123	7,760	-	78,882
221	Department of Labour	10,682	63,348	76,166	79,077	80,205	81,035	81,742	84,054	93,480	107,958	120,792	22,047	130	142,710
222	Sri Lanka Army	-	32,916	104,997	172,004	301,299	389,296	499,073	571,299	783,691	907,059	1,109,097	289,958	57,785	1,341,271
223	Sri Lanka Navy	34,298	34,298	34,298	69,570	69,570	69,570	99,130	153,697	269,602	297,756	328,622	72,341	60,815	340,148
224	Sri Lanka Air Force	2,810	32,689	50,689	69,091	77,542	171,488	202,572	268,671	327,846	412,876	518,887	84,180	942	602,124
225	Department of Police	-	-	-	146,389	146,389	146,389	266,702	366,702	486,314	672,296	928,344	391,600	-	1,319,944
226	Department of Immigration & Emigration	573	28,520	36,813	39,383	41,307	41,727	43,281	51,569	53,644	54,083	54,954	342	-	55,295
227	Department of Registration of Persons	1,312	2,034	3,040	3,884	4,543	6,154	7,018	7,654	8,162	9,384	11,516	5,212	241	16,487
228	Courts Administration	17,204	33,866	59,486	94,758	134,790	186,194	216,167	269,452	300,247	358,879	436,721	127,639	30	564,330
229	Department of Attorney General	-	-	-	-	-	-	-	-	-	-	-	7,492	-	7,492
230	Department of Legal Draftsman	-	-	-	-	-	-	-	-	-	-	-	1,805	-	1,805
231	Department of Debt Conciliation Board	-	-	-	231	318	416	515	619	952	1,503	2,402	386	-	2,788
232	Department of Prisons	1,463	3,721	6,545	19,546	29,080	44,613	56,427	66,418	80,184	138,988	232,691	84,145	38	316,798
233	Department of Government Analyst	995	2,456	3,452	21,449	39,021	59,840	109,821	139,371	150,938	155,493	189,824	7,559	164	197,219
234	Registrar of Supreme Court	-	-	-	-	-	-	-	-	-	9,940	11,748	2,751	-	14,499
235	Department of Law Commission	352	352	952	2,182	3,112	4,082	4,301	4,701	4,851	5,815	6,283	465	-	6,748
236	Department of Official Languages	15	115	392	648	648	826	887	1,038	1,531	2,108	2,874	899	-	3,773
237	Department of National Planning	1,151	6,196	6,428	10,038	13,258	14,785	14,785	14,749	15,681	16,315	15,368	1,098	-	16,467
238	Department of Fiscal Policy	-	4,163	4,497	4,497	4,562	4,641	4,549	5,985	6,556	7,916	8,119	1,959	7	10,070
239	Department of External Resources	1,192	10,433	16,409	27,297	27,297	27,875	29,793	29,903	33,688	39,133	39,294	13	-	39,307
240	Department of National Budget	138	646	729	957	1,207	5,883	5,908	6,288	11,552	11,910	16,545	2,042	230	18,358
241	Department of Public Enterprises	782	1,305	1,480	2,609	4,286	5,821	6,324	6,370	8,312	11,819	14,760	1,691	-	16,451
242	Department of Management Services	1,945	3,161	4,482	5,894	5,910	6,362	6,684	9,962	10,059	12,787	13,370	1,186	-	14,555
243	Department of Development Finance	-	187	359	502	502	548	620	672	927	991	991	407	88	1,309
244	Department of Trade & Investment Policy	-	-	-	736	1,446	1,444	1,464	2,057	2,069	2,075	1,927	394	-	2,321
245	Department of Public Finance	1,518	1,772	2,329	5,361	5,361	5,389	5,678	6,032	6,564	7,290	8,616	617	-	9,233
246	Department of Inland Revenue	986	8,245	40,917	49,083	54,406	64,155	73,383	88,336	96,251	101,912	151,255	31,820	-	183,075
247	Sri Lanka Customs	-	722	722	18,478	18,478	44,397	144,397	145,333	146,206	147,498	150,492	2,416	-	152,908
248	Department of Excise	697	1,744	8,646	13,992	17,606	21,668	25,798	28,951	33,930	38,928	40,737	7,716	-	48,454
249	Department of Treasury Operations	-	-	277	417	531	2,112	2,988	3,058	3,625	3,833	6,825	1,950	227	8,547
250	Department of State Accounts	846	1,703	2,077	3,172	3,172	3,857	4,789	4,726	6,888	7,251	6,125	1,351	526	6,950
251	Department of Valuation	396	984	1,778	3,611	8,386	10,085	20,085	20,821	21,293	27,255	31,880	1,998	-	33,878
252	Department of Census & Statistics	1,016	3,010	4,639	6,128	7,559	12,239	38,468	136,916	140,387	144,684	146,746	72,458	-	219,204
253	Department of Pensions	767	4,542	8,201	11,429	14,312	16,815	21,556	25,052	28,110	34,059	40,957	8,292	-	49,249
254	Department of Registrar General	-	2,812	6,052	18,226	27,657	29,489	37,522	45,866	53,775	62,944	74,680	12,352	716	86,316
255	District Secretariat - Colombo	3,131	14,978	17,425	51,313	55,005	67,579	82,799	105,225	116,231	151,103	179,559	6,230	467	185,322
256	District Secretariat - Gampaha	1,499	2,178	4,126	20,102	22,867	24,762	26,709	29,634	32,106	36,098	39,383	1,941	4,175	37,148
257	District Secretariat - Kalutara	920	2,418	5,379	27,961	33,908	34,996	36,578	40,703	44,305	48,845	53,711	4,643	2	58,352
258	District Secretariat - Kandy	746	2,242	4,793	44,617	51,427	55,653	63,036	68,001	71,249	74,694	77,865	3,486	1	81,349
259	District Secretariat - Matale	1,691	3,688	5,538	25,040	28,403	32,476	35,779	40,191	43,789	48,635	53,545	4,923	-	58,468
260	District Secretariat - Nuwara Eliya	475	2,468	3,926	19,193	26,077	31,171	36,632	42,143	47,110	51,022	54,932	3,988	22	58,898

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		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
261	District Secretariat - Galle	3,918	7,177	9,161	39,153	46,565	52,432	59,249	64,101	67,679	73,754	78,901	5,485	1,230	83,156	4,368	87,524
262	District Secretariat - Matara	1,375	10,146	12,695	33,522	38,153	44,524	56,508	63,502	69,087	76,078	89,475	8,620	-	98,095	6,621	104,716
263	District Secretariat - Hambantota	2,135	4,403	7,403	22,384	26,102	31,048	37,497	50,252	80,790	92,735	104,883	14,763	3,463	116,183	15,195	131,378
264	District Secretariat - Jaffna	-	3,797	7,493	27,487	31,206	39,406	45,155	52,413	58,145	62,145	66,123	9,650	5	75,768	4,000	79,768
265	District Secretariat - Mannar	54	553	3,301	8,715	13,281	18,260	24,209	30,772	35,761	40,760	45,295	4,846	240	49,901	4,305	54,206
266	District Secretariat - Vavuniya	-	899	2,139	8,013	11,268	12,265	16,221	20,220	25,213	29,739	34,737	5,075	97	39,715	4,168	43,883
267	District Secretariat - Mullaitivu	500	894	3,373	7,792	7,792	9,905	12,874	18,369	23,735	33,435	40,931	7,488	63	48,356	5,995	54,351
268	District Secretariat - Killinochchi	365	1,365	2,864	11,849	13,999	13,999	21,998	38,078	43,075	46,071	49,065	2,999	1,435	50,629	2,999	53,028
269	District Secretariat - Ampara	998	6,194	7,892	19,476	23,806	28,783	33,236	31,369	34,336	37,638	38,677	3,999	0.20	42,676	5,200	47,875
270	District Secretariat - Trincomalee	850	2,321	3,779	20,970	23,331	29,510	49,583	57,583	62,583	69,574	76,574	8,000	260	84,314	6,383	90,697
271	District Secretariat - Batticaloa	2,993	3,992	6,930	14,731	15,829	18,512	22,354	26,353	29,396	33,380	36,557	3,876	572	39,861	3,198	43,059
272	District Secretariat - Puttalam	4,583	7,730	10,533	61,954	66,799	66,799	71,629	75,582	79,911	84,911	89,722	4,931	-	94,653	3,973	98,626
273	District Secretariat - Kurunegala	999	2,729	5,228	20,227	24,621	28,471	31,265	33,274	34,941	38,933	42,933	4,996	-	47,929	3,993	51,922
274	District Secretariat - Anuradhapura	1,186	2,983	5,735	25,295	29,006	33,409	38,200	43,156	47,620	53,092	58,074	5,895	-	63,969	3,908	67,877
275	District Secretariat - Polonnaruwa	-	2,000	3,991	10,963	16,387	21,452	28,605	34,567	39,194	43,540	47,426	3,582	1	51,007	3,101	54,108
276	District Secretariat - Badulla	988	3,584	6,571	28,777	34,940	36,904	39,368	43,233	45,510	48,274	49,645	985	-	50,630	791	51,421
277	District Secretariat - Monaragala	989	2,994	5,111	12,981	15,304	18,801	24,793	30,623	31,336	38,817	41,817	7,500	129	49,189	3,200	52,389
278	District Secretariat - Ratnapura	1,009	2,928	5,154	7,918	10,789	19,183	26,817	35,552	40,381	45,709	54,169	5,195	463	58,902	6,276	65,178
279	District Secretariat - Kegalle	782	3,274	5,751	25,762	29,750	32,486	36,458	41,415	45,306	52,794	56,755	3,976	-	60,730	3,196	63,927
280	Department of Project Management and Monitoring	-	-	-	-	-	-	-	-	45	74	74	215	-	289	868	1,157
281	Department of Agrarian Development	-	3,470	8,148	17,400	22,096	31,136	52,955	67,031	106,777	174,618	313,003	65,434	-	378,437	20,284	398,721
282	Department of Irrigation	15,177	29,400	51,505	70,491	85,553	109,254	115,730	135,263	139,523	163,345	190,254	20,036	13	210,277	22,890	233,167
283	Department of Forests	490	988	1,530	6,488	11,720	15,577	19,575	24,068	28,603	33,447	38,197	10,812	-	49,009	13,284	62,293
284	Department of Wildlife Conservation	63	2,030	3,019	4,141	40,553	43,316	62,155	65,103	69,078	74,722	92,464	46,326	-	138,790	9,309	148,099
285	Department of Agriculture	10,921	15,778	19,734	31,255	44,228	56,324	69,534	93,696	117,018	149,655	189,288	48,574	169	237,693	34,140	271,833
286	Department of Land Commissioner	1,798	3,796	6,784	9,278	11,116	12,516	14,516	19,509	24,059	29,037	32,036	3,299	-	35,335	2,929	38,264
287	Department of Land Title Settlement	198	1,571	2,848	3,351	4,151	5,580	6,854	7,853	8,599	9,599	17,946	4,343	-	22,289	3,969	26,258
288	Department of Surveyor	3,386	125,364	127,493	132,310	133,456	133,322	134,889	137,176	138,847	141,274	149,306	6,263	194	155,375	6,360	161,735
289	Department of Export Agriculture	2,929	2,929	2,929	2,961	5,257	7,648	10,538	13,744	16,913	20,545	24,619	4,397	826	28,191	3,218	31,408
290	Department of Fisheries and Aquatic Resources	298	2,093	3,406	4,936	7,809	8,942	10,434	13,913	16,051	24,309	28,319	3,933	-	32,252	13,043	45,295
291	Department of Coast Conservation	692	2,586	3,282	4,018	4,316	4,384	4,577	5,056	6,241	7,510	8,994	781	1,345	8,429	996	9,425
292	Department of Animal Production and Health	2,296	2,596	7,441	12,226	19,318	21,792	26,790	36,222	41,860	43,722	55,065	3,691	10	58,745	1,339	60,084
293	Department of Rubber Development	-	759	946	4,008	5,112	7,576	8,558	10,043	10,752	12,055	13,013	852	-	13,865	10,617	24,482
294	Department of National Zoological Garden	211	511	895	1,537	2,036	2,737	3,089	3,840	4,638	5,531	6,891	900	-	7,791	1,492	9,283
295	Department of Commerce	-	1,681	2,317	3,106	3,175	3,674	4,110	4,483	5,263	8,929	13,636	2,548	912	15,272	1,512	16,784
296	Department of Import and Export Control	5,933	6,112	6,439	7,704	7,432	8,419	8,513	8,608	18,704	23,103	29,509	2,331	115	31,725	2,322	34,046
297	Department of the Registrar of Companies	2	215	215	215	215	215	215	215	215	(444)	(444)	-	-	(444)	-	(444)
298	Department of Measurement Units, Standards & Services	301	630	1,005	1,907	2,370	2,370	2,859	3,356	3,843	4,246	4,731	494	-	5,225	-	5,225
299	National Intellectual Property Office of Sri Lanka	44	44	44	44	44	44	44	44	44	-	-	-	-	-	-	-
300	Department of Food Commissioner	44	89	650	1,500	1,915	2,128	3,496	4,810	5,604	6,258	7,141	507	-	7,649	939	8,588
301	Department of Co-operative Development	167	796	1,976	2,469	2,558	2,634	2,734	2,832	2,906	3,214	3,479	300	-	3,779	298	4,077

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		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
												Disposal	Balance	Additions	Balance	
302	Co-operative Employees Commission	-	295	1,369	1,540	1,535	1,596	1,660	1,674	1,982	2,178	2,493	328	2,532	2,532	
303	Department of Textile Industries	494	919	1,117	1,708	1,769	1,913	2,403	3,303	3,749	4,248	6,080	893	6,973	2,900	
304	Department of Meteorology	2,218	7,019	7,679	9,621	10,726	11,919	13,009	14,358	17,108	18,404	31,404	-	40,304	4,763	
305	Department of Upcountry Peasantry Rehabilitation	49	298	741	741	1,089	1,344	1,544	1,788	2,016	2,024	2,316	-	2,316	-	
306	Department of Sri Lanka Railways	-	5,839	9,751	10,185	22,307	26,950	31,824	42,577	60,802	77,839	117,305	37,756	155,061	41,046	
307	Department of Motor Traffic	-	1,998	7,658	12,317	18,886	22,139	22,713	23,818	33,051	38,313	41,714	4,506	46,217	4,534	
308	Department of Posts	26,557	45,544	52,744	55,100	89,712	98,470	108,286	120,230	130,522	142,217	156,137	-	201,137	29,301	
309	Department of Buildings	-	1,244	4,035	13,216	22,450	28,072	30,979	32,432	34,450	36,780	38,224	27	38,983	798	
310	Government Factory	240	1,010	1,872	2,843	3,305	3,942	4,439	4,928	5,926	6,867	7,692	3,967	11,658	1,989	
311	Department of National Physical Planning	1,524	2,398	3,615	5,088	5,988	6,093	6,194	6,492	6,541	6,600	6,800	4,500	11,245	486	
320	Department of Civil Security	-	-	-	26,075	44,651	63,110	70,594	78,093	85,092	92,588	110,756	34,989	145,745	21,523	
322	Department of National Botanical Garden	-	-	-	-	462	462	759	1,201	1,637	2,146	2,713	580	3,294	2,260	
323	Department of Legal Affairs	-	-	-	-	-	225	685	867	925	1,283	1,452	437	3,526	228	
324	Department of Management Audit	-	-	-	-	-	179	310	657	662	799	937	150	890	234	
325	Department of Sri Lanka Coast Guard	-	-	-	-	-	875	6,085	11,049	14,280	15,969	19,050	5,976	25,026	2,459	
326	Department of Community Based Correction	-	-	-	-	-	-	3,433	3,569	5,626	10,093	16,885	5,484	17,735	3,186	
327	Department of Land Use Policy Planning	-	-	-	-	-	-	-	1,512	3,160	5,137	7,884	2,489	10,257	2,180	
328	Department of Man Power and Employment	-	-	-	-	-	-	-	18,718	15,238	15,835	16,323	765	14,948	871	
329	Department of Information Technology Management	-	-	-	-	-	-	-	-	-	-	111	424	266	324	
331	Department of Divinaguma Development	-	-	-	-	-	-	-	-	-	-	-	9,958	8,293	9,940	
332	Department of National Community Water Supply	-	-	-	-	-	-	-	-	-	-	-	4,071	4,071	9,764	
	<b>Grand Total</b>	<b>2,501,603</b>	<b>4,751,376</b>	<b>7,070,310</b>	<b>11,149,424</b>	<b>12,108,851</b>	<b>13,163,434</b>	<b>15,960,294</b>	<b>18,556,448</b>	<b>20,739,841</b>	<b>23,218,959</b>	<b>29,751,769</b>	<b>8,462,080</b>	<b>38,027,178</b>	<b>5,500,948</b>	<b>43,528,126</b>

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		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
1	His Excellency the President	3,000	9,582	420,875	452,978	516,455	667,404	867,280	949,593	1,042,708	1,223,481	1,391,473	86,226	-	1,477,698	87,569	1,565,268
2	Office of the Prime Minister	2,880	59,564	63,902	68,949	77,634	80,633	81,876	86,834	87,072	87,831	88,518	482	-	89,000	11,374	100,374
3	Secretariat for Special Functions (Senior Ministers)	-	-	-	-	-	-	-	2,163	3,985	7,077	10,973	-	-	10,973	-	10,973
4	Judges of the Superior Courts	-	-	-	-	-	-	-	-	-	-	1,219	784	-	2,002	592	2,594
5	Office of the Cabinet of Ministers	2,084	2,517	3,638	4,347	4,347	4,347	5,294	5,914	5,914	6,711	6,711	140	-	6,852	-	6,852
6	Public Service Commission	400	981	1,618	2,069	2,208	2,930	3,293	3,954	12,690	12,802	12,937	789	-	13,726	3,823	17,549
7	Judicial Service Commission	-	-	98	134	177	609	792	1,766	1,950	2,638	2,927	440	-	3,367	-	3,367
8	National Police Commission	152	1,006	1,534	1,534	1,557	1,596	1,621	1,621	1,709	1,732	2,185	537	-	2,722	2,041	4,763
9	Administration Appeals Tribunal	165	165	165	165	165	165	165	165	165	165	165	-	-	165	-	165
10	Commission to Investigate Allegations of Bribery or Corruption	1,656	2,521	4,001	4,545	4,693	4,693	4,693	4,693	4,693	4,693	4,693	4,072	-	8,765	654	9,419
11	Office of the Finance Commission	69	177	397	477	506	506	1,202	1,660	2,110	2,176	2,461	-	-	2,461	885	3,297
12	National Education Commission	-	-	25	29	38	533	533	481	505	797	1,294	142	-	1,437	24	1,461
13	Human Rights Commission of Sri Lanka	-	-	-	-	-	421	439	582	632	706	781	87	-	868	92	960
14	Department of Attorney General	-	-	-	5,799	5,799	5,799	5,799	15,299	17,673	20,173	22,673	-	-	22,673	-	22,673
15	Department of Legal Draftsman	562	562	562	562	562	562	562	562	562	562	562	-	-	562	-	562
16	Parliament	6,900	7,425	9,492	10,992	21,399	28,672	79,909	105,963	130,082	144,971	172,043	25,510	-	197,553	35,066	232,619
19	Office of the Leader of the Opposition of Parliament	-	-	-	-	461	1,131	1,131	1,131	1,131	1,131	1,131	-	-	1,131	-	1,131
20	Department of Elections	-	-	5,006	51,198	58,055	63,339	67,404	75,084	78,113	83,536	103,077	20,256	2,139	121,194	31,803	152,997
21	Auditor General	-	-	-	-	-	-	-	-	-	-	-	7,002	-	7,002	-	7,002
101	Ministry of Buddhasasana	3,673	4,970	5,432	7,630	8,204	8,673	9,292	9,901	11,158	12,271	13,453	1,747	-	15,200	2,924	18,124
102	Ministry of Finance	14	312	562	4,618	5,075	5,124	9,356	9,208	9,511	12,761	13,638	27,695	-	41,333	57,802	99,134
103	Ministry of Defence	5,311	14,579	19,476	119,084	664,468	674,558	689,933	727,193	791,802	892,999	908,817	15,449	-	924,266	23,358	947,624
104	Ministry of National Policies and Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	2,120	90	2,030	4,270	6,301
105	Ministry of Economic Development	-	-	-	1,216	2,318	3,486	5,281	7,086	2,576,790	6,639,064	6,647,127	-	-	6,647,127	-	6,647,127
106	Ministry of Disaster Management	-	-	2,431	19,108	20,402	20,934	22,104	22,650	23,642	26,035	147,847	3,406	-	151,253	11,716	162,969
108	Ministry of Postal Services	-	1,234	5,168	5,333	5,333	6,440	8,214	8,214	10,187	13,121	14,294	-	-	14,294	-	14,294
108	Ministry of Post, Postal Service and Muslim Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	4,281	79	4,203	21,509	25,712
110	Ministry of Justice	-	75	311	791	1,012	1,012	1,012	1,012	1,012	1,099	1,099	1,664	-	2,763	40,143	42,907
111	Ministry of Health Nutrition and Indigenous Medicine	-	-	-	311,773	311,773	965,166	2,555,472	4,968,230	7,025,413	10,970,772	15,140,039	6,399,937	44,723	21,495,254	6,544,517	28,039,771
112	Ministry of Foreign Affairs	-	5,242	13,743	17,307	28,261	40,019	60,690	72,445	85,871	103,142	115,407	8,787	-	124,194	24,563	148,757
114	Ministry of Transport	78,900	78,900	80,878	82,936	84,845	86,175	87,364	91,821	94,489	95,945	97,400	-	-	97,400	-	97,400
114	Ministry of Transport & Civil Aviation	-	-	-	-	-	-	-	-	-	-	-	1,178	-	1,178	2,367	3,545
115	Ministry of Petroleum Industries	-	-	1,606	3,558	4,669	4,876	4,937	4,937	4,937	4,937	4,916	-	-	4,916	-	4,916
116	Ministry of Co-operative and Internal Trade	-	1,160	3,379	4,209	6,337	7,771	12,874	14,486	14,567	16,275	19,690	-	-	19,690	-	19,690
117	Ministry of Highways	543	1,597	3,680	45,280	46,353	48,112	83,402	83,402	83,398	86,705	133,534	-	-	133,534	-	133,534
117	Ministry of Higher Education & Highways	-	-	-	-	-	-	-	-	-	-	-	14,825	19	14,806	3,917	18,723
118	Ministry of Agriculture	38	1,217	2,289	76,072	1,021,632	1,663,408	1,970,654	2,181,066	2,678,580	2,699,382	2,705,998	3,203	-	2,709,201	4,766	2,713,967
119	Ministry of Power & Energy	-	-	-	-	135	1,825	3,426	4,000	4,000	7,575	19,696	-	-	19,696	-	19,696
119	Ministry of Power & Renewable Energy	-	-	-	-	-	-	-	-	-	-	-	1,634	51	1,583	1,666	3,249
120	Ministry of Child Development & Women's Affairs	57	2,429	2,499	3,402	3,787	4,033	4,837	5,036	5,334	6,764	8,731	-	-	8,731	-	8,731

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Head No.	Institution	Rs. '000														
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
												Additions	Disposals	Balance	Additions	Balance
120	Ministry of Women and Child Affairs	-	-	-	-	-	-	-	-	-	-	4,194	-	4,194	1,200	5,394
121	Ministry of Public Administration & Home Affairs	270	1,685	4,353	11,206	18,089	19,078	23,835	25,846	105,641	142,156	178,310	-	178,310	-	178,310
121	Ministry of Home Affairs	-	-	-	-	-	-	-	-	-	-	54,342	-	54,342	59,738	114,080
122	Ministry of Mass Media & Information	-	3,186	5,386	11,000	13,302	15,241	17,127	18,760	23,546	25,429	27,829	-	27,829	-	27,829
122	Ministry of Parliamentary Reforms and Mass Media	-	-	-	-	-	-	-	-	-	-	2,009	14	1,995	1,628	3,624
123	Ministry of Construction, Engineering Services, Housing and Common Amenities	214	654	1,653	2,756	4,120	5,190	6,338	6,753	9,804	12,916	16,271	-	16,271	-	16,271
123	Ministry of Housing and Construction	-	-	-	-	-	-	-	-	-	-	3,583	-	3,583	3,982	7,564
124	Ministry of Social Service	-	-	5,517	9,904	10,183	10,432	12,365	13,538	14,315	15,797	19,181	-	19,181	-	19,181
124	Ministry of Social Empowerment and Welfare	-	-	-	-	-	-	-	-	-	-	3,900	-	3,900	3,983	7,884
126	Ministry of Education	9,837	45,340	90,051	146,540	155,213	161,110	174,649	190,290	197,296	215,397	241,394	-	294,807	155,846	450,653
127	Ministry of Labor Relations & Productivity Improvement	-	5,707	14,407	30,388	32,706	36,649	40,145	42,276	43,271	47,080	50,280	-	50,280	-	50,280
128	Ministry of Traditional Industries & Small Enterprises Development	-	-	-	-	-	3,010	3,993	6,103	7,234	8,211	9,419	-	9,419	-	9,419
130	Ministry of Local Government & Provincial Councils	495	495	2,337	3,474	5,281	6,726	10,279	14,232	14,750	14,982	18,486	-	18,486	-	18,486
130	Ministry of Public Administration and Management	-	-	-	-	-	-	-	-	-	-	37,828	6,729	31,098	8,702	39,800
133	Ministry of Technology and Research	-	-	-	4,583	10,479	15,783	21,667	27,789	32,089	36,364	39,882	-	39,882	-	39,882
134	Ministry of National Languages & Social Integration	-	203	1,090	1,436	1,705	2,035	5,483	6,086	12,821	14,198	16,624	-	16,624	-	16,624
135	Ministry of Plantation Industry	-	-	-	-	-	-	-	-	-	-	23	1	22	1,089	1,111
136	Ministry of Sports	-	-	-	-	331	1,022	4,759	9,205	11,083	22,567	31,638	9,351	40,989	8,416	49,405
138	Ministry of Indigenous Medicine	-	221	368	563	1,798	2,452	9,488	12,024	13,719	16,825	19,616	-	19,616	-	19,616
139	Ministry of Fisheries & Aquatic Resources Development	3,454	4,042	4,976	10,156	34,873	68,560	129,589	134,259	134,658	135,169	136,705	-	136,705	-	136,705
140	Ministry of Livestock and Rural Community Development	-	-	1,914	3,117	4,078	6,328	8,540	9,979	12,536	14,624	18,449	-	18,449	-	18,449
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	-	-	-	-	-	-	-	-	-	824	3,984	(3,161)	991	(2,170)
142	Ministry of National Heritage & Cultural Affairs (National Heritage)	-	1,291	2,875	5,264	6,384	10,198	11,980	15,190	17,913	21,391	23,428	-	23,428	-	23,428
143	Ministry of Parliamentary Affairs	150	150	186	322	399	453	1,312	1,359	1,260	2,050	2,050	-	2,050	-	2,050
145	Ministry of Re-Settlement	-	-	529	17,210	19,506	25,642	27,040	28,698	30,067	31,389	32,892	-	32,892	-	32,892
145	Ministry of Rehabilitation, Re-Settlement and Hindu Religious Affairs	-	-	-	-	-	-	-	-	-	-	2,823	1,410	1,413	1,571	2,984
147	Ministry of Regional Development	-	-	-	-	591	812	1,024	1,142	1,312	1,611	1,950	-	1,950	-	1,950
149	Ministry of Industry and Commerce	434	434	2,334	4,689	7,313	10,047	12,907	15,276	15,317	15,458	18,319	1,343	19,661	53	19,715
151	Ministry of Fisheries & Aquatic Resources Development	-	-	-	-	-	-	-	-	-	-	1,115	-	1,115	3,295	4,410
152	Ministry of Irrigation & Water Resources Management	-	-	-	-	812	935	1,024	1,142	1,312	1,611	1,950	-	1,950	-	1,950
153	Ministry of Lands and Land Development	-	-	-	-	12,922	15,907	15,907	15,907	15,907	15,907	15,907	-	15,907	1,000	16,907
154	Ministry of Rural Economic Affairs	-	-	-	-	-	-	-	-	-	-	120	-	120	1,161	1,280
155	Ministry of Provincial Councils and Local Government	-	-	-	-	-	-	-	-	-	-	2,162	-	2,162	1,406	3,568
156	Ministry of Youth Affairs & Skills Development	2,282	9,085	13,211	17,027	17,910	18,148	18,417	19,441	19,641	25,311	243,135	-	243,135	-	243,135

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													Additions	Disposals	Balance	Additions	Balance	
157	Ministry of National Dialogue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,668	2,668	
158	Ministry of Public Enterprise Development	-	-	-	-	-	-	-	-	-	-	-	2,317	-	2,317	9,007	11,324	
159	Ministry of Tourism Development and Christian Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	1,757	-	1,757	1,744	3,501	
160	Ministry of Environment	438	7,715	9,311	10,881	12,844	14,782	17,481	33,301	39,960	46,637	52,642	-	-	52,642	-	52,642	
160	Ministry of Mahaweli Development and Environment	-	-	-	-	-	-	-	-	-	-	-	-	1,924	16	1,908	2,391	4,299
161	Ministry of Sustainable Development and Wildlife	-	-	-	-	-	-	-	-	-	-	-	42	-	42	1,430	1,472	
162	Ministry of Megapolice and Western Development	-	-	-	-	-	-	-	-	-	-	-	10,448	-	10,448	10,960	21,408	
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	-	-	-	-	-	-	-	-	-	-	-	5,305	-	5,305	9,808	15,113	
165	Ministry of National Integration and Reconciliation	-	-	-	-	-	-	-	-	-	-	-	488	-	488	8,358	8,847	
166	Ministry of Water Supply & Drainage	-	-	-	3,256	4,244	5,251	7,264	7,837	8,423	9,204	10,913	-	-	10,913	-	10,913	
166	Ministry of City Planning and Water Supply	-	-	-	-	-	-	-	-	-	-	-	2,228	-	2,228	2,230	4,458	
167	Ministry of Special Assignment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,309	3,309	
171	Ministry of Higher Education	-	-	-	3,667	5,212	5,338	5,893	6,559	7,082	11,683	14,175	-	-	14,175	-	14,175	
173	Ministry of Public Management Reforms	-	-	-	-	-	-	3,135	6,061	7,226	9,566	11,311	-	-	11,311	-	11,311	
174	Ministry of Rehabilitation and Prison Reforms	-	-	-	-	-	-	4,173	5,515	6,161	10,626	13,999	-	-	13,999	-	13,999	
175	Ministry of State Resources & Enterprise Development	-	-	-	3,349	3,618	3,962	4,040	4,815	5,720	8,194	9,422	-	-	9,422	-	9,422	
176	Ministry of Civil Aviation	-	-	-	-	-	-	-	3,074	3,914	5,662	7,161	-	-	7,161	-	7,161	
176	Ministry of Ports and Shipping	-	-	-	-	-	-	-	-	-	-	-	2,423	-	2,423	1,983	4,405	
177	Ministry of Culture and Arts	-	-	-	-	-	-	-	6,174	11,023	18,405	20,957	-	-	20,957	-	20,957	
178	Ministry of Coconut Development and Janatha Estate Development	-	-	-	-	-	-	-	5,653	6,051	6,051	6,776	-	-	6,776	-	6,776	
179	Ministry of Agrarian Services and Wild Life	-	-	-	-	-	-	-	11,921	17,029	12,812	15,569	-	-	15,569	-	15,569	
180	Ministry of Minor Export Crop Promotion	-	-	-	-	-	-	-	2,412	2,415	2,417	2,417	-	-	2,417	-	2,417	
181	Ministry of Productivity Promotion	-	-	-	-	-	-	-	2,099	6,592	7,728	10,021	-	-	10,021	-	10,021	
182	Ministry of Foreign Employment Promotion & Welfare	-	-	3,027	4,372	6,070	6,205	6,205	7,344	7,353	7,443	7,573	-	-	7,573	-	7,573	
182	Ministry of Foreign Employment	-	-	-	-	-	-	-	-	-	-	-	604	-	604	469	1,073	
183	Ministry of Public Relations and Public Affairs	-	-	-	-	-	-	-	1,366	3,595	6,152	6,448	-	-	6,448	-	6,448	
184	Ministry of Private Transport Services	-	-	-	-	-	-	-	404	1,620	1,620	3,344	-	-	3,344	-	3,344	
185	Ministry of Telecommunication and Information Technology	-	-	-	-	-	-	-	5,983	9,209	11,098	13,595	-	-	13,595	-	13,595	
186	Ministry of Sugar Industry Development	-	-	-	-	-	-	-	-	-	-	3,982	-	-	3,982	-	3,982	
188	Ministry of Botanical Gardens & Public Recreation	-	-	-	-	-	-	-	-	-	-	220	-	-	220	-	220	
189	Ministry of Education Services	-	-	-	-	-	-	-	-	-	-	4,928	-	-	4,928	-	4,928	
190	Ministry of Law and Order	-	-	-	-	-	-	-	-	-	-	100,947	-	-	100,947	-	100,947	
192	Ministry of Law and Order and Prisons Reforms	-	-	-	-	-	-	-	-	-	-	-	51,482	436	51,045	44,492	95,537	
193	Ministry of Labour and Trade Union Relations	-	-	-	-	-	-	-	-	-	-	-	1,865	-	1,865	2,322	4,186	
194	Ministry of Telecommunication and Digital Infrastructure	-	-	-	-	-	-	-	-	-	-	-	908	2,508	(1,599)	2,194	594	
195	Ministry of Development Strategies and International Trade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	972	972

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196	Ministry of Science, Technology and Research	-	-	-	-	-	-	-	-	-	-	-	-	-	1,662	19,982	21,644	
197	Ministry of Skills Development and Vocational Training	-	-	-	-	-	-	-	-	-	-	-	-	-	4,255	177,322	181,577	
198	Ministry of Irrigation and Water Resources Management	-	-	-	-	-	-	-	-	-	-	-	-	-	720	1,350	2,070	
199	Ministry of Primary Industries	-	-	-	-	-	-	-	-	-	-	-	-	-	859	1,953	2,812	
201	Department of Buddhist Affairs	-	-	-	-	-	-	-	-	1,418	1,427	2,093	5	-	2,098	257	2,355	
202	Department of Muslim Religious & Cultural Affairs	867	1,648	1,648	1,901	1,908	1,993	2,121	2,246	2,297	2,692	2,886	1,683	12	4,557	794	5,351	
203	Department of Christian Religious Affairs	-	-	-	-	180	395	397	397	397	397	397	397	55	-	452	452	
204	Department of Hindu Religious & Cultural Affairs	319	319	319	1,116	1,667	1,734	1,766	460	2,508	2,624	2,949	3,488	959	-	3,373	270	3,643
205	Department of Public Trustee	-	-	-	-	103	175	460	2,083	2,052	2,949	3,488	959	-	-	4,447	500	4,947
206	Department of Cultural Affairs	-	504	1,435	3,349	6,820	7,625	15,983	18,782	21,500	21,855	22,681	3,200	-	-	25,881	2,315	28,196
207	Department of Archaeology	2,976	4,195	4,534	5,290	5,672	5,817	8,148	11,004	14,124	25,203	29,093	5,588	-	-	34,681	2,987	37,668
208	Department of National Museums	5,982	7,038	7,437	7,998	8,351	8,555	8,814	9,170	9,483	9,483	10,220	2,260	-	-	12,479	1,144	13,624
209	Department of National Archives	4,846	6,705	6,958	13,414	17,639	19,810	29,258	34,563	36,439	41,391	59,541	10,754	-	-	70,295	2,054	72,349
210	Department of Information	-	10,860	20,057	38,115	45,933	50,058	53,567	58,233	61,859	63,337	67,452	1,845	-	-	69,297	4,920	74,217
211	Department of Government Printer	-	17,016	60,077	156,533	263,018	288,300	377,749	451,279	480,917	567,179	641,300	105,299	-	-	746,598	50,851	797,450
212	Department of Examinations	-	5,096	10,097	11,860	14,001	16,462	17,871	19,438	21,015	35,526	123,539	463	-	-	124,002	127,946	251,946
213	Department of Educational Publications	8	8	8	8	391	803	899	1,853	2,633	3,332	4,878	3,323	-	-	8,201	6,127	14,327
215	Department of Technical Education & Training	41,559	64,575	95,602	103,292	123,825	124,666	126,626	139,599	188,215	193,059	231,767	15,337	-	-	247,104	22,717	269,821
216	Department of Social Services	-	-	44	823	1,737	2,072	2,387	2,736	3,112	4,397	4,945	1,432	-	-	6,378	1,424	7,802
217	Department of Probation & Child Care	600	886	890	1,117	1,246	1,489	1,926	2,006	2,006	2,006	1,962	-	-	-	1,962	-	1,962
218	Department of the Commissioner General of Samurdhi	-	-	-	-	-	-	-	-	17	17	17	-	-	-	17	-	17
219	Department of Sports Development	2,188	2,835	21,873	39,890	39,890	45,413	70,323	82,860	99,834	101,750	102,515	957	-	-	103,472	2,748	106,220
220	Department of Ayurveda	413	3,054	7,862	11,475	15,246	15,623	24,894	34,631	39,609	42,467	54,250	5,454	-	-	59,704	9,195	68,899
221	Department of Labour	15,663	29,885	43,561	185,489	205,913	230,310	290,114	345,021	447,015	537,696	604,677	86,859	60	-	691,476	37,446	728,922
222	Sri Lanka Army	-	28,065	74,013	386,758	870,410	1,550,750	2,517,378	3,085,240	3,989,299	4,334,513	4,906,381	606,029	615	-	5,511,794	597,457	6,109,251
223	Sri Lanka Navy	323,588	323,588	666,588	894,077	928,750	982,547	1,484,745	2,254,210	2,784,003	3,241,990	3,421,018	912,400	88,047	-	4,245,371	406,513	4,651,884
224	Sri Lanka Air Force	36,796	62,945	73,963	2,579,612	7,219,045	8,506,253	8,685,561	14,770,740	15,807,816	16,134,350	16,858,115	869,194	50,241	-	17,677,069	571,106	18,248,175
225	Department of Police	-	-	-	442,799	442,799	442,799	743,900	874,057	1,000,547	1,309,478	1,473,814	210,575	-	-	1,684,390	179,165	1,863,554
226	Department of Immigration & Emigration	23,720	24,915	112,550	158,583	197,979	217,589	226,947	233,112	251,241	238,452	249,421	6,898	-	-	256,319	42,716	299,035
227	Department of Registration of Persons	667	3,237	4,995	12,451	13,136	14,570	16,070	17,528	20,544	24,509	32,898	2,340	60	-	35,178	3,458	38,636
229	Department of Attorney General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,340	7,000	14,340
232	Department of Prisons	5,666	10,092	16,537	22,808	27,781	39,448	48,265	52,929	59,644	110,491	131,754	7,465	4	-	139,215	36,992	176,208
233	Department of Government Analyst	-	-	-	-	-	-	-	-	-	9,584	51,743	109,602	-	-	161,345	44,106	205,451
234	Registrar of Supreme Court	-	-	-	-	-	-	-	-	-	600	2,036	2,425	-	-	4,460	1,838	6,298
236	Department of Official Languages	676	1,876	2,475	2,475	2,509	2,678	2,678	2,872	3,049	4,643	5,311	779	-	-	6,090	989	7,079
237	Department of National Planning	-	-	3,334	3,334	3,334	3,334	3,334	3,334	3,334	3,334	3,334	-	-	-	3,334	-	3,334
238	Department of Fiscal Policy	-	-	1,555	2,351	2,464	3,815	3,815	3,815	3,961	3,961	3,961	-	-	-	3,910	-	3,910
239	Department of External Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,125	2,964	6,089
240	Department of National Budget	3,293	6,339	11,764	13,954	14,389	14,389	14,389	14,373	14,373	14,373	14,373	-	-	-	14,373	-	14,373
241	Department of Public Enterprises	-	-	-	-	-	922	916	916	916	916	916	-	-	-	916	-	916

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2103 - Machinery

Head No.	Institution	Rs. '000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2016		
												Additions	Disposals	Balance	Additions	Balance	
242	Department of Management Services	-	-	-	-	-	-	110	110	110	110	110	-	-	110	-	110
243	Department of Development Finance	-	-	-	33	33	33	33	33	33	33	33	-	40	(7)	-	(7)
244	Department of Trade & Investment Policy	-	-	-	1,964	2,958	2,967	2,967	2,993	3,434	5,078	6,437	2,549	-	8,986	1,290	10,277
245	Department of Public Finance	-	178	178	178	178	178	178	178	178	178	178	-	-	178	-	178
246	Department of Inland Revenue	3,381	7,913	31,922	64,312	77,899	93,098	101,998	101,998	107,958	142,540	142,540	-	-	142,540	-	142,540
247	Sri Lanka of Customs	-	14,983	14,983	2,046,228	2,046,228	2,046,228	2,131,293	2,140,598	2,142,379	2,144,838	2,148,817	3,869	-	2,152,687	23,999	2,176,685
248	Department of Excise	293	680	2,615	6,485	10,447	12,353	12,743	12,748	13,242	13,682	14,009	586	-	14,596	481	15,077
249	Department of Treasury Operations	-	-	-	1,318	2,457	2,457	2,457	2,435	1,854	1,854	1,415	-	2,022	(607)	-	(607)
250	Department of State Accounts	500	1,501	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	2,846	17	4,477	-	4,477
251	Department of Valuation	653	1,390	2,182	4,670	16,711	50,711	51,207	51,259	52,022	52,497	54,417	909	-	55,327	1,465	56,792
252	Department of Census & Statistics	1,002	4,415	6,212	16,230	22,958	33,569	33,569	33,569	33,569	38,553	38,553	15,593	-	54,146	250	54,396
253	Department of Pensions	237	299	299	1,978	4,363	6,883	12,580	15,748	16,453	31,216	93,516	5,493	-	99,010	4,322	103,331
254	Department of Registrar General	-	-	357	1,091	3,488	5,390	9,023	12,229	14,002	24,319	35,728	9,803	-	45,531	9,981	55,511
255	District Secretariat - Colombo	-	-	172	30,169	32,622	36,695	41,092	44,087	62,548	79,384	80,699	4,441	232	84,908	20,973	105,881
256	District Secretariat - Gampaha	-	1,298	4,841	7,278	9,127	10,984	14,681	20,013	21,871	24,976	27,750	988	2,941	25,797	2,277	28,074
257	District Secretariat - Kalutara	-	-	2,354	13,293	14,951	15,911	18,400	20,370	20,593	22,525	24,157	1,803	1	25,960	1,198	27,158
258	District Secretariat - Kandy	47	47	1,472	2,345	4,181	5,006	7,000	8,453	9,433	10,542	12,012	1,468	-	13,480	1,192	14,672
259	District Secretariat - Matale	380	380	1,879	2,756	3,496	4,512	5,902	7,883	8,768	11,741	14,700	2,956	-	17,655	2,399	20,055
260	District Secretariat - Nuwara Eliya	1,526	2,510	4,106	4,106	5,077	7,235	9,424	11,707	12,560	14,545	16,535	1,963	22	18,476	1,442	19,918
261	District Secretariat - Galle	274	1,088	3,939	8,785	10,610	11,759	17,186	18,185	18,629	20,099	21,654	1,727	58	23,323	1,390	24,713
262	District Secretariat - Matara	14	372	1,846	2,644	4,479	6,121	8,533	10,506	12,075	13,816	15,555	1,723	-	17,278	837	18,115
263	District Secretariat - Hambantota	400	400	2,434	2,879	3,530	5,029	5,254	5,696	6,647	7,847	9,967	1,000	-	10,967	788	11,756
264	District Secretariat - Jaffna	-	96	2,091	3,862	5,205	5,803	6,671	8,048	8,235	8,684	9,179	500	-	9,679	900	10,578
265	District Secretariat - Mannar	-	-	1,678	2,085	2,051	4,000	5,698	6,194	6,553	7,792	8,827	1,250	210	9,868	691	10,559
266	District Secretariat - Vavuniya	-	172	1,087	2,085	3,009	4,561	5,559	6,757	7,754	9,001	9,241	171	-	9,412	31	9,443
267	District Secretariat - Mullaitivu	-	-	1,258	3,369	3,369	4,142	6,980	10,464	11,886	22,436	29,936	10,496	111	40,321	5,992	46,313
268	District Secretariat - Killinochchi	-	-	825	2,823	4,322	6,929	8,414	11,814	13,312	14,812	22,655	1,462	8	24,109	1,475	25,584
269	District Secretariat - Batticaloa	-	-	1,277	1,277	2,167	3,133	4,123	5,076	5,986	6,183	7,166	1,000	-	8,166	1,300	9,466
270	District Secretariat - Ampara	499	2,384	4,263	9,236	10,415	15,200	24,624	29,424	31,424	34,099	36,599	3,500	98	40,001	3,486	43,487
271	District Secretariat - Trincomalee	-	-	604	604	604	604	604	604	604	6108	7,461	1,472	19	8,915	1,243	10,158
272	District Secretariat - Kurunegala	48	97	6,152	6,552	6,568	6,568	9,548	11,539	13,501	15,501	17,493	1,922	-	19,414	2,617	22,032
273	District Secretariat - Puttalam	-	-	-	798	1,720	3,715	4,449	7,449	7,736	9,235	10,544	2,493	-	13,037	1,999	15,037
274	District Secretariat - Anuradhapura	184	314	3,082	4,830	6,478	8,098	10,474	11,246	12,129	12,629	13,596	459	-	14,055	2,663	16,718
275	District Secretariat - Polonnaruwa	-	101	1,637	2,133	2,133	3,828	5,521	7,575	9,418	11,922	15,135	2,441	-	17,576	500	18,075
276	District Secretariat - Badulla	-	-	1,934	3,841	6,592	7,589	14,077	18,731	20,217	25,813	28,311	2,500	-	30,810	3,225	34,035
277	District Secretariat - Monaragala	-	400	1,664	2,164	4,161	6,161	8,661	9,654	10,105	12,105	29,105	1,300	-	30,405	3,050	33,455
278	District Secretariat - Ratnapura	101	176	1,444	1,559	1,879	1,879	1,879	2,408	3,406	3,406	5,406	1,426	-	6,833	634	7,467
279	District Secretariat - Kegalle	-	-	1,315	1,315	2,321	3,143	3,143	3,143	3,302	5,302	7,301	1,980	-	9,281	1,791	11,071
280	Department of Project Management and Monitoring	-	-	-	-	-	-	-	-	-	625	625	328	-	953	15	968
281	Department of Agrarian Development	-	-	-	14,705	17,804	31,899	39,145	53,513	65,540	72,135	92,699	83	-	92,782	-	92,782
282	Department of Irrigation	14,833	38,625	45,692	56,341	178,121	353,191	550,685	747,675	929,016	1,165,344	1,459,707	179,565	2	1,639,270	109,348	1,748,618
283	Department of Forestry	500	998	998	1,647	2,636	3,594	4,579	5,786	8,254	10,734	13,407	3,342	-	16,749	3,478	20,227
284	Department of Wildlife Conservation	860	1,847	2,330	3,452	131,457	132,120	132,404	133,122	133,990	135,030	146,773	875	-	147,648	1,959	149,607

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2103 - Machinery

Head No.	Institution	Rs. '000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
285	Department of Agriculture	4,536	5,504	17,034	52,774	58,918	65,519	87,419	110,796	135,544	157,145	238,064	39,033	4,725	272,373	31,448	303,821
287	Department of Land Title Settlement	327	327	327	707	707	707	2,675	5,115	6,594	7,505	7,505	-	-	7,505	-	7,505
288	Department of Surveyor	22,333	22,333	61,516	75,507	87,314	89,226	109,781	156,022	170,184	190,284	219,648	67,398	82	286,963	56,751	343,714
289	Department of Export Agriculture	1,130	1,130	1,130	1,130	4,011	10,633	16,098	24,720	30,702	36,218	40,696	5,906	-	46,602	4,110	50,713
290	Department of Fisheries and Aquatic Resources	603	8,540	16,799	20,179	25,891	29,603	33,530	36,308	39,848	41,652	55,708	6,164	-	61,871	1,996	63,868
291	Department of Coast Conservation	-	1,055	2,502	11,427	11,720	12,133	13,131	13,620	14,099	14,868	14,868	979	114	15,734	70,574	86,308
292	Department of Animal Production and Health	2,254	2,254	41,823	82,701	94,440	103,089	109,405	111,012	118,184	121,654	125,565	6,571	0.15	132,136	5,893	138,029
293	Department of Rubber Development	-	-	-	-	1,822	3,808	4,211	5,422	5,422	5,422	5,891	761	-	6,652	738	7,389
294	Department of National Zoological Garden	5,262	9,345	14,269	19,867	24,419	28,595	32,998	39,716	44,120	51,406	51,406	11,825	-	63,231	3,443	66,674
295	Department of Commerce	-	1,330	2,122	2,921	3,392	3,883	4,343	4,580	4,628	4,863	5,061	70	-	5,131	768	5,898
298	Department of Measurement Units, Standards & Services	10,496	41,874	78,899	119,061	140,299	142,027	176,454	205,052	208,143	210,098	231,095	19,866	-	250,961	8,283	259,244
300	Department of Food Commissioner	-	-	45	916	916	1,151	5,664	5,664	6,205	6,440	6,456	67	-	6,524	185	6,709
301	Department of Co-operative Development	-	-	-	-	-	193	193	193	259	696	1,069	238	-	1,307	333	1,640
302	Co-operative Employees Commission	-	258	298	298	298	365	447	447	857	857	857	7	-	864	-	864
303	Department of Textile Industries	-	-	165	165	165	165	165	165	165	165	165	-	-	165	-	165
304	Department of Meteorology	4,492	6,048	9,841	186,547	349,911	357,872	400,320	438,070	582,143	623,248	629,548	12,446	-	641,994	11,174	653,168
306	Department of Sri Lanka Railways	-	-	-	923	55,409	166,749	283,056	431,310	4,022,807	5,792,485	9,093,546	4,285,207	-	13,378,752	1,258,928	14,637,680
307	Department of Motor Traffic	-	4,799	26,928	55,100	78,634	90,748	148,593	128,343	143,197	159,981	173,680	61,481	-	235,162	7,130	242,292
308	Department of Posts	48	416	70,630	76,413	93,357	97,509	104,908	111,845	123,294	136,928	150,408	16,861	-	167,270	7,897	175,167
309	Department of Buildings	-	-	2,650	2,650	2,650	2,650	3,164	3,613	3,927	12,345	27,550	19,576	4	47,122	10,046	57,168
310	Government Factory	600	2,816	14,249	18,090	27,152	29,914	32,354	36,393	39,755	44,362	50,570	6,529	-	57,099	19,349	76,447
311	Department of National Physical Planning	225	1,710	3,631	5,576	5,637	5,736	5,814	5,863	5,863	5,863	5,959	-	-	5,959	112	6,071
320	Department of Civil Security	-	-	-	42,887	165,112	337,354	427,334	467,316	486,940	511,939	547,733	34,962	-	582,695	15,365	598,060
322	Department of National Botanical Gardens	-	-	-	-	270	270	561	873	1,149	1,539	2,037	542	-	2,579	22,432	25,011
324	Department of Management Audit	-	-	-	-	-	233	233	422	613	1,189	1,639	522	-	2,161	630	2,791
325	Department of Sri Lanka Coast Guard	-	-	-	-	-	-	23,075	49,157	60,397	70,681	75,422	6,443	-	81,865	8,943	90,808
326	Department of Community Based Corrections	-	-	-	-	-	-	-	494	494	979	3,292	700	-	3,992	495	4,487
327	Department of Land use Policy Planning	-	-	-	-	-	-	-	1,598	3,335	4,918	6,864	1,966	43	8,787	1,948	10,735
328	Department of Man Power and Employment	-	-	-	-	-	-	-	420	1,772	2,764	3,464	1,000	-	4,464	400	4,864
329	Department of Information Technology Management	-	-	-	-	-	-	-	-	-	-	936	3,602	2,829	1,709	1,482	3,191
331	Department of Divineguma Development	-	-	-	-	-	-	-	-	-	-	-	3,826	-	3,826	5,317	9,143
332	Department of National Community Water Supply	-	-	-	-	-	-	-	-	-	-	-	12,121	-	12,121	2,807	14,928
	<b>Grand Total</b>	<b>671,843</b>	<b>1,084,507</b>	<b>2,592,418</b>	<b>9,833,198</b>	<b>17,677,872</b>	<b>22,018,000</b>	<b>27,395,746</b>	<b>38,735,149</b>	<b>51,187,373</b>	<b>63,751,495</b>	<b>74,932,955</b>	<b>14,787,389</b>	<b>214,814</b>	<b>89,505,530</b>	<b>11,423,306</b>	<b>100,928,835</b>

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
1	His Excellency the President	Nelum Pokuna Mahinda Rajapakse Theatre	1,540,000,000	1,539,306,000	100
		Development Initiatives, Coordination and Monitoring	195,000,000	187,940,654	96
		International Relations and Cooperation	5,000,000	1,295,779	26
		Coordination of Pubudamu Polonnaruwa Programme	450,000,000	443,486,511	99
		National Programme for Environment Conservation, National Programme for Drug Prevention, National Programme for Kidney Disease Prevention and Coordination of National Programme for Food Production	1,400,000,000	1,256,471,327	90
2	Office of the Prime Minister	Establishment and Continuation of Secretariat for Coordinating Reconciliation Mechanisms (SCRM)	19,000,000	16,670,905	88
		Establishment and Continuation National Media Centre	19,000,000	9,877,972	52
6	Public Service Commission	Construction of New Office Building	176,480,000	118,773,969	67
10	Commission to Investigate Allegations of Bribery or Corruption	Awareness Programmes against Bribery or Corruption	1,000,000	456,427	46
		Strengthening of the Commission to Investigate Allegation of Bribery or Corruption (Budget Proposal 2016)	123,000,000	36,863,412	30
12	National Education Commission	Research Programmes on Education	3,000,000	1,442,828	48
13	Human Rights Commission of Sri Lanka	Human Rights Awareness Programmes	8,800,000	8,800,000	100
21	Auditor General	USAID / STAIR Project	2,300,000	2,260,902	98
		USAID / STAIR Project	128,500,000	128,485,778	100
101	Ministry of Buddha Sasana	Sacred Area Development	103,529,484	103,529,483	100
		Vidyalankara International Buddhist Center-Kelaniya	296,779,767	296,779,767	100
		Kothmale Mahaweli Maha Seya	10,000,000	10,000,000	100
		Re-development of Under-developed Damma Schools	97,824,966	97,824,966	100
		Rehabilitation of Under-developed Buddhist Temples	122,562,837	122,562,836	100
		Improvement of Rural Buddhist Temples under Punnyagrama	23,169,154	22,800,000	98
		Mathata Thitha Programme	5,133,792	5,133,792	100
		Promotion of Languages and Maintain Religious Harmony	6,000,000	5,946,504	99
		Renovation of Places of Worship Damaged due to Earthquake in Nepal	50,000,000	34,829,990	70
102	Ministry of Finance	Fiscal Management Efficiency Project (GOSL/ADB)	667,170,000	663,913,585	100
		Fiscal Management Efficiency Project (GOSL/ADB)	95,645,000	95,216,001	100
103	Ministry of Defence	Other Capital Expenditure 03. Defence Head Quarters 04. Secretariat for Personal Identification - Consultancy fees and Loan Re-payment 07. Handala Ranaviru Sampath Centre 08. Prefabricated Buildings Project	7,027,274,500	4,408,060,225	63

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Other Capital Expenditure 01. System Automation Project	450,000,000	244,000,000	54
		Other Capital Expenditure	200,000,000	45,421,051	23
		Strategic Defence Communication Network	25,000,000	23,449,222	94
		Maritime Corporation Project- (GOSL-Japan)	590,000,000	20,324,005	3
		Development of Humanitarian Search and Rescue Capacity	100,000,000	57,718,988	58
104	Ministry of National Policies and Economic Affairs	Financial City	78,000,000	78,000,000	100
		Decentralized Budget	3,375,000,000	3,206,369,946	95
		Community Development and Livelihood Improvement Project -Phase II (GOSL-WB)	5,309,060	4,270,755	80
		Food Relief Programme (GOSL-WFP)	219,241,910	211,148,392	96
		Food Relief Programme (GOSL-WFP)	338,127,342	338,127,342	100
		Food Relief Programme (GOSL-WFP)	233,924,000	214,804,442	92
		Development of Infrastructure (Conflict Affected Region Emergency Project) (GOSL-ADB)	4,254,690,940	602,087,895	14
		Development of Infrastructure (Conflict Affected Region Emergency Project) - CARE (GOSL-ADB)	5,470,869	5,318,544	97
		Rural Infrastructure Development Programme (Budget Proposal - 2016)	19,875,000,000	13,983,486,830	70
		Development of Selected of Religious Centres	20,000,000	15,000,000	75
		Policy Formulation and Analysis	80,310,000	28,297,801	35
		Redevelopment of the Bogambara Prison Precinct	9,060,000	9,060,000	100
		Other Capital Expenditure 01. Youth Development Programme 02. Small Enterprises Development	74,000,000	54,955,088	74
		Young People's Reproductive Health (UNFPA)	10,400,000	1,003,895	10
		Empowering the Youth Parliament	200,000,000	200,000,000	100
		Yowun Pura - 2016	150,000,000	150,000,000	100
		Youth Training through National Youth Crop (Budget Proposal - 2016)	840,000,000	548,467,200	65
		Leadership Development	5,500,000	5,499,209	100
106	Ministry of Disaster Management	Disaster Risk Management Programme (GOSL/UNDP/WB)	35,000,000	9,988,907	29
		Strengthening the Resilience of Post Conflict Recovery and Development to Climate Change Risks in Sri Lanka (GOSL/UNDP)	221,000,000	8,615,234	4
		Flood and Drought Relief	45,000,000	10,941,045	24
		Programme of Sri Lanka Flood and Landslide Disaster Response (GOSL / ADB)	296,000,000	196,080,411	66
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	Other Capital Expenditure 01. Enhancing Postal Services & Stamps	1,000,000	1,000,000	100
		Postal Network Improvement Project	13,640,000	13,632,651	100
110	Ministry of Justice	Strengthening Enforcement of Law, Access to Justice and Social Integration (GOSL - UNDP)	28,006,600	28,006,000	100
		Conducting Legal Reform Programmes	61,500,000	26,395,518	43

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Strengthening the Capacity of the Judicial Training Institute & Capacity Building of Attorney General's Legal Draftsman & Government Analyst Department	190,600,000	162,870,748	85
111	Ministry of Health, Nutrition and Indigenous Medicine	Work Plan Activities- UNICEF	20,751,383	17,919,141	86
		Work Plan Activities - UNFPA	21,000,000	10,171,760	48
		Technical Assistance -WHO	50,000,000	41,693,878	83
		Other Capital Expenditure	25,000,000	11,266,495	45
		Third Country Group Training Programme	7,000,000	6,696,909	96
		Activities under the Second Health Sector Development Programme (GOSL- WB)	1,222,400,000	826,855,580	68
		Improvement of ETU- Facilities under Line Ministry Hospitals	10,009,116	10,009,116	100
		Development of Ambulatory Care Centre (OPD) of NHSL (GOSL- China)	100,000,000	24,667,288	25
		Establishment of Elderly Wards in Identified Hospitals	12,000,000	5,130,610	43
		Special Emergency Provision for Crisis Management	147,750,000	51,152,936	35
		Strengthening Patient Care Services by Establishing Clinical Waste Management Systems in the Needy Hospitals comes under the Provincial Councils in Sri Lanka (GOSL- Australia)	1,000,000,000	757,518,666	76
		Upgrading Clinic Rooms and Consulting Rooms with all Facilities in Identified Hospitals	100,000,000	40,968,799	41
		Rehabilitation and Expansion of Production Capacity at State Pharmaceutical Manufacturing Corporation (GOSL - JICA)	55,000,000	45,228,826	82
		Rehabilitation and Expansion of Production Capacity at State Pharmaceutical Manufacturing Corporation (GOSL - JICA)	29,000,000	26,090,932	90
		Improvement of Basic Social Services Targeting the Emerging Regions	150,000,000	14,639,259	10
		Modernization of Children's' Hospitals as Centers of Excellence	320,000,000	76,025,813	24
		Extension of OPD, Laboratory and Radiology Unit at BH Angora(IDH)	50,000,000	45,032,065	90
		Upgrading the Kurunegala, Anuradhapura & Jaffna Hospitals	150,000,000	149,087,515	99
		Emergency Pre Hospital Care Ambulance Service in Sri Lanka	118,550,123	62,761,749	53
		Emergency Pre Hospital Care Ambulance Service in Sri Lanka	445,000,000	445,000,000	100
		Other Capital Expenditure	10,000,000	6,247,325	62
		National Dengue Control Programme	360,000,000	317,168,657	88
		Rabies Control Programme	200,000,000	160,119,127	80
		Kidney Disease Programme	800,000,000	376,592,983	47
		Health Education Bureau	20,000,000	16,085,129	80
		School Health Programme	10,000,000	6,659,777	67
		Leptospirosis Controlling	5,840,511	5,840,510	100
		Children's' Action Plan	25,223,976	20,999,790	83

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Disaster Preparedness & Response Programme	10,000,000	9,588,006	96
		National Cancer Control Centre	30,000,000	13,694,207	46
		Oral Health Promotion & Fluorosis Prevention Programme for Strengthening Primary Level Health Care	15,000,000	10,313,134	69
		Programme for Strengthening Primary Level Health Care	210,000,000	36,432,802	17
		Youth, Elderly, Disable & Displaced Person Activities Funded by SAARC	2,500,000	198,933	8
		Global Fund to Fight Against Aids, Tuberculosis and Malaria (GFATM)	14,550,558	11,359,047	78
		Global Fund to Fight Against Aids, Tuberculosis and Malaria (GFATM)	900,000,000	641,330,432	71
		Global Fund to Fight Against Aids, Tuberculosis and Malaria (GFATM)	100,000,000	39,523,831	40
		Strengthening of Quarantine Unit	25,000,000	4,661,450	19
		Improvement of Preventive Health Services in the Estate Sector	20,000,000	10,236,770	51
		Investment in Non-Communicable Diseases - Cancer, Stroke and Kidney	500,000,000	244,066,105	49
		Control of Non Communicable Diseases	20,000,000	18,797,643	94
		National STD/AIDS Control Programme	10,000,000	9,510,898	95
		Providing Facilities and Improvement to Reduce Non-Communicable Diseases	100,000,000	16,540,630	17
		Establishment of 1000 Kidney Dialysis Centers in Chronic Kidney Disease Prevalent Areas	364,653,104	364,653,103	100
		Triplosa Programme	500,000,000	143,945,216	29
		Nutrition for Children and Mothers Programme	5,000,000	1,933,692	39
		National Programme for Improvement of the Nutritional Status of Vulnerable Population	50,000,000	42,437,301	85
		Nutrition Coordination Division and Nutrition Division	50,000,000	11,045,129	22
		Other Capital Expenditure	1,000,000	131,963	13
		Research Activities	22,000,000	12,093,979	55
		Establishment of Poshana Mandira	4,000,000	3,919,621	98
		Development of Homeopathic System	35,000,000	14,114,302	40
		Project to Provide Community Health Facilities through Indigeneous Medicine	122,000,000	121,470,741	100
		New Village Level Osu Govi Programme for Youth	2,000,000	53,675	3
114	Ministry of Transport & Civil Aviation	Transport Project Preparatory Facility	10,000,000	748,074	7
117	Ministry of Higher Education and Highways	Central (Northern) Expressway	300,000,000	275,847,429	92
		Colombo - Rathnapura - Pelmadulla (Ruwanpura) Expressway	125,000,000	37,500,000	30
		Conflict Affected Region Emergency (CARE) Project	77,000,000	76,975,168	100
		Tax Component	850,000,000	465,716,700	55
		Establishment of Bridge Maintenance System (BMS) and Bridge Assessment Unit (BAU) in the Road Development Authority (GOSL - JICA)	20,000,000	3,600,000	18
		Surveys, Investigations and Feasibility Studies	50,000,000	50,000,000	100

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Government Guaranteed Local Bank Funded Road Rehabilitation Projects - Interest & Loan Repayment	18,147,000,000	18,147,000,000	100
		The Development Plan for South Eastern University Phase 1 "B" - (GOSL/Kuwait)	580,000,000	442,123,586	76
		The Development Plan for South Eastern University Phase 1 "B" - (GOSL/Kuwait)	80,000,000	59,201,673	74
		Establishment of Faculty of Engineering in Killinochchi-University of Jaffna - (GOSL/India)	250,000,000	70,430,900	28
		Establishment of Faculty of Engineering in Killinochchi- University of Jaffna	3,564,000	2,900,000	81
		SATREPS Project for Development of Pollution Control & Environment Restoration Technologies of Waste Landfill Sites -(GOSL/JICA)	7,000,000	93,664	1
		SATREPS Project for Development of Pollution Control & Environment Restoration Technologies of Waste Landfill Sites -(GOSL/JICA)	3,000,000	490,563	16
		Construction of Institute of Technology-University of Moratuwa	130,785,000	130,785,000	100
		Establishment of Faculty of Agriculture in Killinochchi/ University of Jaffna ( India)	250,000,000	58,292,192	23
		Establishment of Faculty of Agriculture in Killinochchi- University of Jaffna	3,511,000	2,494,270	71
		Norwegian Programme for Capacity Building in Higher Education & Research Development (NORHED) Project	7,409,000	7,408,006	100
		Recommendation on the Construction of State of Art Auditorium with well equipped Theater facility for the University of Ruhuna (GOSL/India)	180,000,000	60,369,593	34
118	Ministry of Agriculture	Crop Forecasting Programme	500,000	245,848	49
		Special Programmes for ensuring Food Security 03. Production of Other Field Crops 04. Attracting Youths for Agriculture "Agriprenureship Mission" 05. Establishment of Fruit Gardens	2,100,000,000	936,839,519	45
		Production and Use of Organic Fertilizer	99,546,000	76,664,967	77
		Implementation of National Agricultural Research Plan (NARP) with Universities	20,000,000	13,079,326	65
		Big Onion Seed Production Programme	15,000,000	1,300,000	9
		Promotion of Rice Export by Establishing Four Rice Export Zone	10,000,000	3,255,515	33
		Skill Sector Development Programme (GOSL/ADB)	50,000,000	36,543,142	73
		Water, Sanitation and Hygiene (WASH) Project	74,000,000	36,638,000	50
		Asian Food and Agriculture Cooperation Initiative	11,327,400	10,439,730	92
		Post Harvest Losses in Horticultural Change in SAARC Countries (SAARC)	436,650	181,551	42
		IFPRI Project - Implemented by Sri Lanka Council for Agricultural Research Policy	279,517	247,628	89
		Special Programmes for Ensuring Food Security and Rehabilitation of Small Tanks and Canals	2,000,000,000	897,701,316	45

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Production of High Quality Seeds through PPP Modes	522,670,000	124,414,103	24
119	Ministry of Power and Renewable Energy	Modernization of Agriculture Sector	454,000	453,273	100
		Promoting Sustainable Biomass Energy Production and Modern Bio energy Technologies	31,200,000	15,148,881	49
120	Ministry of Women and Child Affairs	Kantha Saviya	35,000,000	34,306,540	98
		Women Development Programme	8,000,000	7,109,306	89
		Gender based Violence Programme (GOSL / UNFPA)	6,500,000	690,314	11
		Prevention of Child Abuse and Violence against Women	50,000,000	37,581,501	75
		Ensuring and Strengthening Protection of Women Development (GOSL / UNDP)	12,906,812	11,415,308	88
		Diriya Kantha Programme (GOSL / UNFPA)	50,000,000	33,702,479	67
		Early Childhood Care and Development	50,000,000	41,628,626	83
		Early Childhood Care and Development	473,500,000	115,965,856	24
		Social Production for Children	67,900,000	27,538,572	41
		Strengthening of national Child Protection Authority	100,000,000	93,823,026	94
121	Ministry of Home Affairs	Development Projects implemented by the District and Divisional Coordinating Committees-2014	607,250,000	265,946,698	44
		" Let's Awaken Polonnaruwa" Presidential Programme 2016-2020	4,271,000,000	2,485,992,229	58
		Development Projects of District and Divisional Secretariats	369,700,000	118,069,291	32
		Development Project Implemented by the District and Divisional Coordinating Committees - 2011-31.12.2014	6,493,000,000	2,247,602,909	35
122	Ministry of Parliamentary Reforms and Mass Media	Other Capital Expenditure 01. Media Publicity for National Development 02. Research & Monitoring for Media Personal	1,900,000	1,574,498	83
		Digitalization of Terrestrial Television Broadcasting (DOTT - B) Project (GOSL / Japan)	2,000,000	2,000,000	100
123	Ministry of Housing and Construction	Upgrading of Technical Training Infrastructure at CETRAC	25,000,000	25,000,000	100
		Development of Training Infrastructure at Operator Training Centre at raining Centre at Galkulama	20,000,000	20,000,000	100
		Rural Housing Loan Programme - Implemented by NHDA 01. For Low Income Householders 03. For Plantation Community	5,817,000,000	5,817,000,000	100
		Renovation of Housing Schemes	240,000,000	240,000,000	100
		Implementation of UN Habitat Programmes 01. Implementation of Proposed Housing Project to Mark World Habitat Day -2015	10,000,000	9,284,481	93
		Janasevana Participatory Environment and Sanitation Improvement Project - Implemented by USDA	20,000,000	20,000,000	100
		Janaupahara' Housing Development Loan Programme	15,000,000	15,000,000	100
		Moratuwa Lunawa Urban Housing Scheme - Implemented by USDA	340,000,000	340,000,000	100

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
124	Ministry of Social Empowerment and Welfare	Middle Income Housing Project	30,000,000	27,668,655	92
		Mitigation of landside risk at Nugagahapura Urban Settlement Kirulapone, Colombo 5	10,000,000	10,000,000	100
		Support for Low Income Disable Persons	40,000,000	40,000,000	100
		Self Employment Opportunities for Single Parent Families	20,000,000	19,232,471	96
		National Counselling Programmes	15,000,000	14,543,349	97
126	Ministry of Education	Social Care centers	5,000,000	4,324,160	86
		National Institute of Education 02. Transforming the School Education System as the Foundation of a Knowledge Hub Project (WB)	40,000,000	36,000,000	90
		National Institute of Education 02. Transforming the School Education System as the Foundation of a Knowledge Hub Project (WB)	100,000,000	84,981,156	85
		Mitigation of Disparities in the Provision of Water and Sanitary Facilities to Unserved Schools	200,000,000	103,843,130	52
		Strengthening of Piriven Education	200,000,000	166,140,000	83
		UNESCO Activities	5,500,000	1,931,670	35
		Transforming the School Education System as a Knowledge Hub Project (GOSL/WB)	331,761,900	108,186,000	33
		Transforming the School Education System as a Knowledge Hub Project (GOSL/WB)	263,238,100	263,238,070	100
		Education for Social Cohesion (GOSL/German (GIZ))	147,434,000	9,347,876	6
		Education for Social Cohesion (GOSL/German (GIZ))	12,000,000	3,696,921	31
		Education Sector Development Programme (UNICEF)	2,750,000	2,296,211	83
		Providing Electricity Facilities (through National Grid or Solar) for the Schools	1,300,000,000	560,416,154	43
		Improving Facilities to Educate Science in Schools	250,000,000	58,075	0
		Facilitate Dental Health Facilities in Schools	24,000,000	4,320,000	18
		Providing Sanitary and Water Facilities for All Schools	4,000,000,000	1,717,480,000	43
		Improve Facilities of 1360 Schools which were not included in Recent Projects	35,000,000	8,534,772	24
		Folk Art Centre	10,000,000	379,550	4
		Public Performance Board	8,416,800	6,581,432	78
		Deye Urumaya Daruwantai Awareness Programme	5,500,000	718,110	13
		Renovation of Broton Bungalow, Bandarawela	141,200,000	72,000,000	51
130	Ministry of Public Administration and Management	Governance of Local Economic Development (G-LED) Project-UNDP	3,000,000	2,999,551	100
		Governance of Local Economic Development (G-LED) Project-UNDP	1,000,000	984,145	98
		Project for Training Frontline Officers of Community Development in Conflict Affected Areas in Sri Lanka (GOSL-JICA)	8,000,000	3,130,789	39
		Construction of Pilgrims Rests	92,454,974	92,454,974	100

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Other Capital Expenditure	2,000,000	1,996,161	100
135	Ministry of Plantation Industries	Small Holder Plantation Entrepreneurship Development Programme (GOSL /IFAD)	444,500,000	375,999,985	85
		Small Holder Plantation Entrepreneurship Development Programme (GOSL /IFAD)	52,000,000	31,865,727	61
		Tea and Rubber Land (Fragmentation) Board	500,000	108,273	22
		Cadastral Surveys in the Plantation Sector	5,000,000	1,544,694	31
		Soil conservation and Productivity Development assistance for Tea Smallholders	200,000,000	160,227,190	80
		Smallholder Tea and Rubber Revitalization Project (GOSL/IFAD)	639,100,000	26,873,692	4
		Tea Shakthi Fund	167,870,000	167,870,000	100
		Control of Weligama Coconut Leaf Wilt & Rot Disease	67,000,000	52,812,553	79
		Establishment of Sugarcane nurseries	12,000,000	12,000,000	100
		Kapruka Fund	10,000,000	10,000,000	100
		Supervision of Plantation Management	9,000,000	9,000,000	100
		Development of a Biochemical Approach to Control the Tea Shot - Borer	16,080,000	16,050,000	100
		Identification of the Potential Pest and Disease Problems of Rubber in Non-Traditional Areas to Develop Improved Management Strategies	5,000,000	4,996,000	100
		Strengthening the Sugarcane Research Institute	50,000,000	50,000,000	100
		Implementation of Coconut Cultivation and Rehabilitation Programme	250,000,000	144,348,000	58
		Strengthening Tea, Rubber and Coconut Research Institutions	100,000,000	90,100,000	90
		National Food Production Programme (Plantation Sector)	28,000,000	28,000,000	100
136	Ministry of Sports	Sports Related Activities	328,000,000	266,259,189	81
		Establishment of Sports Laboratory	30,000,000	22,078,611	74
		Establishment of Research and Development Unit	50,000,000	35,694,097	71
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	Livelihood and Basic Facility Improvement in Rural Areas	118,000,000	114,972,518	97
		Lagging Area Socio-Economic Development Project	200,000,000	199,996,858	100
		Estate Housing Programme	1,200,000,000	726,428,731	61
145	Ministry of Rehabilitation, Resettlement and Hindu Religious Affairs	North Sea Ltd - Development & Expansion of Fishing Net Factory (GOSL-India)	5,000,000	5,000,000	100
		Supporting Demining for the Civilian Second (JICA)	722,119	720,653	100
		Housing Development Project (GOSL-Pakistan)	42,350,000	31,350,000	74
		Housing Development Project (GOSL-Kazakhstan)	1,500,000	950,000	63
		Housing Development Project (GOSL-Bahrain)	45,400,000	32,375,000	71
		Acceleration of Re-settlement Activities in Northern and Eastern Provinces	14,000,000,000	13,047,062,033	93
		Strengthening the Palmyrah Research Institute	50,000,000	45,834,401	92

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Housing Development Project (GOSL-Bahrain)	15,000,000	11,475,043	77
147	Ministry of Regional Development	Other Capital Expenditure	2,000,000	160,830	8
149	Ministry of Industry and Commerce	Implementation of registering trademarks internationally according to Madrid method.	38,000,000	37,961,032	100
		Lanka Sathosa Debt Restructuring and Expanding Distribution	235,500,000	140,867,810	60
		Development of Industrial Zones (Rehabilitation)	490,000,000	286,439,878	58
		Industrial Estates	300,000,000	269,934,070	90
		Thrust Area Development Programme	126,000,000	111,761,287	89
		Handloom and Textile Industries	150,000,000	147,018,841	98
		Achchuveli Industrial Estate Rehabilitation Project (GOSL - India)	10,000,000	5,755,570	58
		Industrial Production Village Promotion	103,000,000	794,536	1
		Upgrading and Modernization of Main and Mini Industrial Estates	310,000,000	153,811,504	50
		Strengthening of Co-operatives	43,000,000	42,358,775	99
		Development of Enterprise Villages & Women Entrepreneurship	20,000,000	19,132,222	96
		Expansion of Lanka Sathosa Retail Network	100,000,000	99,022,534	99
		Economic Empowerment of Women through Apparel Based Mini Factories	181,406,000	13,556,435	7
		Improvements in Elephant Pass Saltern	80,000,000	51,242,813	64
150	Ministry of Petroleum Resources Development	Petroleum Sector Development Framework	1,000,000	992,541	99
151	Ministry of Fisheries and Aquatic Resources Development	Fisheries Community Empowerment	130,734,892	130,734,892	100
		Stocking of Fish Fingerlings in Fresh Water Bodies to Develop Inland Fisheries	30,000,000	30,000,000	100
		Development and Rehabilitation of Fishery Harbours, Anchorages and Landing Sites	996,900,000	996,890,502	100
		Enhancing Fish Breeding Capacity	100,000,000	93,716,966	94
		National Food Production Programme	112,000,000	111,857,976	100
		Development and Upgrading of Fishery Harbours in Chilaw, Mirissa, Kalmunai, Valvettithurai, Karainagar and Puranawella	192,017,540	192,017,530	100
153	Ministry of Lands	Implementation of Recommendation of LLRC	50,000,000	23,882,694	48
		Establishment of Land Information System	20,000,000	19,957,603	100
		Land Bank	195,000,000	108,234,295	56
154	Ministry of Rural Economic Affairs	Establishment of Economic Centers	50,000,000	43,199,674	86
		National Agribusiness Development Programme ( GOSL-IFAD)	1,539,000,000	1,439,443,546	94
		National Agribusiness Development Programme ( GOSL-IFAD)	97,000,000	6,051,686	6
		Development of Traditional Handicraft Villages	29,000,000	27,602,580	95
		Development of Pottery Villages	5,000,000	4,879,521	98
		Improvement of Handicraft Villages	6,000,000	5,773,407	96

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Integrated Rural Development through Improvement of Export Agriculture and Dairy Sector in Kurunegala and Gampaha District (GOSL-SAUDI)	10,000,000	6,454,750	65
		Kithul Development Project	30,000,000	28,005,313	93
		Development of Rural Implementation Facilities and Livelihood Development	300,000,000	252,472,758	84
		Establishment of Dedicated Economic Center	71,121,800	45,000,000	63
		Facilitation and Promotion of Liquid Milk Consumption	45,000,000	38,545,250	86
		Establishment of Animal Breeder Farms	35,000,000	35,000,000	100
		Medium Term Livestock Development Programme	45,000,000	29,233,816	65
		Importation of Dairy Animals	800,000,000	546,104,852	68
		Importation of Dairy Animals	100,000,000	19,402,714	19
		Development of Small and Medium Scale Faultry Farming System Investment	15,000,000	13,377,884	89
		Swine Industry Development	10,000,000	9,352,244	94
		National Food Production Programme	110,000,000	110,000,000	100
155	Ministry of Provincial Councils and Local Government	Greater Colombo Waste Water Management Project - (GOSL/ ADB)	897,000,000	703,182,208	78
		Greater Colombo Waste Water Management Project - (GOSL/ ADB)	45,000,000	44,970,115	100
		Greater Colombo Waste Water Management Project - (GOSL/ ADB)	98,714,000	95,572,072	97
		Greater Colombo Water and Waste Water Investment Management Programme -Tranche 2 - (GOSL/ ADB)	124,000,000	27,362,151	22
		Greater Colombo Water and Waste Water Investment Management Programme -Tranche 2 - (GOSL/ ADB)	30,000,000	7,931,090	26
		Sewerage System - Colombo Municipal Council	630,000,000	175,000,000	28
		Other Capital Expenditure 01. Local Authority Competition 02. Local Government Week 03. Establishment of Data base in respect of Local Authorities 05. Local Authority Library Development	44,000,000	23,884,264	54
		Rural Bridges (GOSL/UK)	677,000,000	447,941,713	66
		Rural Bridges (GOSL/UK)	182,000,000	166,549,952	92
		North East Local Services Improvement Project (GOSL/WB)	2,000,000,000	1,999,999,366	100
		North East Local Services Improvement Project (GOSL/WB)	1,055,000,000	1,054,991,000	100
		North East Local Services Improvement Project (GOSL/WB)	50,000,000	44,643,784	89
		Construction of 537 Rural Bridges (GOSL/UK)	5,223,591,500	5,223,591,358	100
		Construction of 537 Rural Bridges (GOSL/UK)	48,000,000	42,311,067	88
		Construction of 463 Rural Bridges (GOSL/ NETHERLAND)	6,917,800,000	6,917,798,171	100
		Construction of 463 Rural Bridges (GOSL/ NETHERLAND)	275,000,000	271,391,712	99
157	Ministry of National Dialogue	Facilitating Local Initiative for Conflict Transformation (FLICT)	8,217,270	8,078,574	98

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Facilitating Local Initiative for Conflict Transformation (FLICT)	6,000,000	3,473,665	58
		National Languages Development Programme	20,000,000	19,738,763	99
		Social Integration Development Programme	10,000,000	9,997,379	100
		Trilingual Programme	10,000,000	2,702,840	27
		Research Activities	1,200,000	913,748	76
		Equal Access to Justice Programme Phase iii (GOSL-UNDP)	12,137,200	12,136,767	100
		Equal Access to Justice Programme Phase iii (GOSL-UNDP)	1,558,631	1,553,852	100
		Establishment of Provincial Centers (LLRC)	20,000,000	294,205	1
		Preparation of Hand Book for the use of Government Officers in all IV levels (GOSL-Japan)	5,000,000	4,981,855	100
		Bilingual Public Activity Programme	10,000,000	9,418,308	94
158	Ministry of Public Enterprise Development	State Resources Management Corporation Ltd	12,000,000	3,000,000	25
159	Ministry of Tourism Development and Christian Religious Affairs	Tourism Promotion for Economic Development	554,075,000	261,060,883	47
160	Ministry of Mahaweli Development and Environment	Formulation, Review and Gap Analysis of Environmental Policies	2,000,000	440,015	22
		Adaptation and Mitigation of Climate Change Impacts	1,500,000	1,439,212	96
		Commemoration of Major Environment Events	20,000,000	19,733,283	99
		Education and Awareness Creation on Environment	2,000,000	1,414,980	71
		Environmental Protection and Conservation	15,000,000	14,897,460	99
		School Environmental Pioneer Programme (Haritha Niyamu)	20,000,000	20,000,000	100
		Implementation of the Montreal Protocol (GOSL/UNDP)	23,020,000	19,512,764	85
		Implementation of the Montreal Protocol (GOSL/UNDP)	30,000	29,659	99
		National Implementation Plan for the Stockholm Convention on Persistent Organic Pollutants	4,000,000	3,681,458	92
		Pilisaru Programme	190,000,000	189,765,917	100
		Waste Management System at Dompe, Gampaha District (GOSL/Korea)	6,390,308	2,833,600	44
		Mainstreaming Biodiversity Conservation and Sustainable use for Improved Human Nutrition and Well being	31,000,000	31,000,000	100
		Mainstreaming agro biodiversity Conservation and use in Sri Lankan agro-eco system for livelihoods and adaptation to Climate Change	35,000,000	16,224,351	46
		Strengthening of the Laboratory of Central Environmental Authority	30,000,000	26,879,398	90
		Construction of Solid Waste Disposal Facilities - Anuradhapura, Hikkaduwa, Udunuwara and Panadura (GOSL/Korea)	160,000,000	59,833,983	37

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Construction of Solid Waste Disposal Facilities - Anuradhapura, Hikkaduwa, Udunuwara and Panadura (GOSL/Korea)	26,027,134	26,027,134	100
		Community Forestry Programme (GOSL/UNDP)	30,000,000	29,987,669	100
		Mechanism for Reducing Emissions from Deforestation and Degradation (GOSL/UNDP)	17,880,000	15,037,436	84
		Management of Invasive Alien Species which comes through Ship's Ballast Water	2,000,000	2,000,000	100
		Addressing Climate Change Impacts on Marginalized Agricultural Communities at Mahaweli River Basin (GOSL/WFP)	388,290,000	171,546,734	44
		Green Fishery Harbour Project at Mirissa	29,311,000	26,420,382	90
		Monitoring of the Water Quality of Major Water Bodies (GOSL/Japan)	61,500,000	60,890,000	99
		Monitoring of the Water Quality of Major Water Bodies (GOSL/Japan)	5,000,000	4,000,000	80
		Sustainable Management of Bio Diversity and Natural Resources	10,000,000	9,852,297	99
		Popularization of Environment Lanes/ Parisara Mawatha	15,000,000	11,022,298	73
		Enhancing Biodiversity and Sustainance of Ecosystem Services in Environmentally Sensitive Areas (GEF)	12,608,000	10,737,163	85
		YEOSU Project Building Capacity to Manage Marine Debris in Sri Lanka	1,000,000	719,089	72
		Project on Environmentally Sound Management and Disposal of Polychlorinated Biphenyls (PCBs) Wastes and PCB Contaminated Equipment in Sri Lanka	6,000,000	2,245,761	37
		Forest and Rural Livelihood Development Programme jointly conducted by Department of Forest Conservation and Asia Pacific Network sustainable forest management and Rehabilitation	5,800,000	4,516,624	78
		Biodiversity Conservation and Management Project	1,786,400	409,717	23
		Moragahakanda and Kaluganga Reservoir Project (GOSL -China,Kuwait & Saudi)	7,050,000,000	6,419,947,239	91
		Moragahakanda and Kaluganga Reservoir Project (GOSL -China,Kuwait & Saudi)	10,650,000,000	9,024,920,381	85
		Moragahakanda and Kaluganga Reservoir Project (GOSL -China,Kuwait & Saudi)	1,900,000,000	1,001,071,881	53
		Moragahakanda and Kaluganga Reservoir Project (GOSL -China,Kuwait & Saudi)	2,900,000,000	2,899,950,438	100
		Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure Rehabilitation Works	200,000,000	178,206,907	89
		Feasibility Studies	41,489,000	31,587,124	76
		Implementing a Mechanism to Protect River Bank of Mahaweli - Gatambe	125,000,000	63,000,000	50
		Water Resources Development Investment Programme(GOSL / ADB) -Upper Elehera Canal, Moragahakanda,Kalugaga Transfer Canal,Minipe anicut raising & Lb Rehabilitation, North Western Province Canal	2,490,000,000	1,331,781,563	53

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Water Resources Development Investment Programe(GOSL / ADB) -Upper Elehera Canal, Moragahakanda,Kalugaga Transfer Canal,Minipe anicut raising & Lb Rehabilitation, North Western Province Canal	560,942,866	244,879,370	44
		Kalinganuwara - Angamadilla Minneriya Pumping Complex	25,000,000	18,430,825	74
		Additional Financing for Damsafty and Water Resources Planning Project (GOSL / WB)	3,700,000,000	3,679,138,465	99
		Additional Financing for Damsafty and Water Resources Planning Project (GOSL / WB)	33,213,600	19,000,000	57
161	Ministry of Sustainable Development and Wildlife	Sustainable Development Secretariat	17,200,000	13,660,540	79
162	Ministry of Megapolice and Western Development	Metro Colombo Urban Development Project (GOSL / World Bank)	7,000,000,000	1,429,239,238	20
		Metro Colombo Urban Development Project (GOSL / World Bank)	2,000,000,000	814,000,000	41
		Greater Colombo Urban Transport Development Project -Phase I- (Township Development )- (GOSL/Japan)	714,100,000	525,000,000	74
		Hataraliyadda Town Development Project	75,000,000	51,710,826	69
		Development of Strategic Cities - Kandy & Galle (GOSL/World Bank)	3,960,000,000	1,097,538,942	28
		Development of Strategic Cities - Kandy & Galle (GOSL/World Bank)	1,850,000,000	446,993,753	24
		Greater Colombo Flood Protection and Environment Development Project	1,000,000,000	218,367,221	22
		Metro Colombo Flood Resilient Urban Environment Trust Fund (GOSL-WB)	80,000,000	23,006,715	29
		Metro Colombo Solid Waste Management Project	2,000,000,000	245,486	0
		Western Region Megapolis Master Plan	87,545,000	87,400,712	100
		Land Development Work for Relocation of Manning Market at Peliyagoda	303,014,464	302,913,711	100
		Township Development and Urban Solid Waste Management	4,350,201,002	3,330,828,008	77
		Cleaning and Dredging of Kiththampahuwa Canal	141,552,972	25,736,904	18
		Establishment of Project Offices for Proposed Western Region Megapolis Authority 01. Ports City Project Office 02. Transport Project Office 03. Aero City Project Office 04. Waste Management Project Office 05. Integrated Community Development Project Office 06. Administration City Project Office	78,700,000	66,277,384	84
		Development of Strategic Cities -Jaffna (GOSL)	60,000,000	35,550,777	59
		Development of Strategic Cities - Anuradhapura (GOSL)	70,000,000	17,968,525	26
		Port City Project	657,322,372	656,919,277	100
		Preparation of Master Plan for Trincomalee District	188,000,000	29,725,492	16
		Beira Lake Rehabilitation and Redevelopment Project	1,350,000,000	1,200,000,000	89

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	e-NIC Project	1,000,000,000	456,014,445	46
		Renovation Project of Elphinstone Art Theatre	30,000,000	30,000,000	100
		Improving Facilities of Cultural Centers	6,000,000	5,176,643	86
		In-service Training Centers - Veyangoda	1,000,000	998,267	100
		Presevation of Native Habitats	7,810,000	5,560,241	71
		Construction of Cultural Centre and the Tsunami Information Centre at Peraliya, Telwatta	10,000,000	8,817,162	88
		Construction of SAARC Cultural Center	500,000,000	366,742,817	73
		Shilpa Gammuna Programme	5,000,000	1,922,622	38
		Construction and Rehabilitation of Cultural Centers (Including LLRC)	134,190,000	127,697,620	95
		Musical Instruments and Furniture for Cultural Centers	31,000,000	26,050,152	84
		Research Activities on Indigenous Knowledge & Cultural Values	2,000,000	1,625,147	81
		Heritage Conservation and Promotion of Initiatives	14,000,000	12,985,940	93
		Wayamba Development Programmes (Budget Proposal -2016)	2,500,000,000	949,731,547	38
		Wayamba Development Programmes (Budget Proposal -2016)	15,000,000	15,000,000	100
165	Ministry of National Intergration and Reconciliation	Other Capital Expenditure	268,900,000	245,905,243	91
166	Ministry of City Planning and Water Supply	Implementation of Rain Water Harvesting Programme	5,000,000	4,275,243	86
		Catchment Protection & Prevention of Pollution at Sources	5,000,000	5,000,000	100
		South Asia Conference on Sanitation, Follow up Action -All Island Sanitation Programme	23,000,000	22,516,745	98
		Improving Community Based Rural Water Supply & Sanitation in Jaffna & Killinochchi District (GOSL-ADB)	18,000,000	9,387,390	52
		Improvement of Rural Water Supply and Sanitation	200,000,000	118,911,516	59
		Prevention of Water Borne Diseases in the North Central Province	1,000,000,000	604,369,505	60
		Water Supply and Sanitation Improvement Project (GOSL-WB)	2,200,000,000	451,328,191	21
		Water Supply and Sanitation Improvement Project (GOSL-WB)	57,173,418	43,870,017	77
		Kalmunai Development Programme	168,000,000	18,000,000	11
		Sainthamarthu Development Programme	140,000,000	37,994,893	27
		Development Activities in Batticaloa & Trincomalee Districts	555,000,000	271,008,918	49
		Development Activities in Kobeigane & Kuliypitiya Pradeshiya Sabha Districts	340,200,000	195,808,977	58
		Implemenation and Improvement of Water Supply Schemes	559,490,000	45,536,276	8
		Echchalampattu Water Supply Scheme-Outstanding Commitment of CARE Project	6,292,483	6,292,483	100
		Other Capital Expenditure	49,100,000	9,820,000	20

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Access to Clean Water and Facilities of Sewerage and Urban Development	850,120,000	259,150,192	30
		Tissamaharama Water Supply Scheme	50,000,000	22,298,946	45
167	Ministry of Special Assignments	Other Capital Expenditure	50,000,000	4,502,545	9
176	Ministry of Ports and Shipping	System of Issuing Certificate of Competencies & Seafarer Continuous Discharge Certificate with Biometric to Comply with Seafarer Identity Document	19,000,000	18,999,907	100
		Developing Jetty Facilities in the Jaffna Peninsula and Suburban Islands	50,000,000	14,556,206	29
		Transaction Advisory Service for the East container Terminal Port of Colombo	29,600,000	19,513,491	66
		Outstanding Commitment of Colombo Ports Expansion Project	48,971,380	16,716,378	34
182	Ministry of Foreign Employment	Migrant Resource Center	400,000,000	398,707,145	100
192	Ministry of Law and Order and Prisons Reform	Prefabricated Building Project - II	500,000,000	159,491,115	32
		Southern Development Board	864,692,000	483,043,858	56
193	Ministry of Labour and Trade Union Relations	Implementation of the National Policy for Decent Work	8,000,000	7,817,776	98
		Construction of Labour Quarters	10,000,000	10,000,000	100
194	Ministry of Telecommunication and Digital Infrastructure	Construction of Computer Labs in Schools	250,000,000	146,373,312	59
		IT Park-Jaffna	2,900,000	2,899,630	100
		IT Park - Mannar	375,000	374,963	100
		Expansion of Nenasala Centers and New Facilities (Budget Proposal - 2016)	10,000,000	7,680,000	77
		Establishment of District IT Resource Centers	42,000,000	19,020,732	45
		Digitalization of Economy	1,013,871,500	673,673,343	66
195	Ministry of Development Strategy and International Trade	Other Capital Expenditure	5,000,000	4,004,955	80
		Implementation of IT Benchmarking Promotional Activities	99,240,000	11,785,705	12
196	Ministry of Science, Technology and Research	Other Capital Expenditure	30,000,000	23,717,849	79
		Scientific Development Programmes 06. S&T Popularization Programme 07. Scientific Training 13. Science & Technology Collaboration under Bilateral and Multilateral Agreements and with Other Countries	56,000,000	53,193,008	95
		Scientific Development Programmes 06. S&T Popularization Programme 07. Scientific Training 13. Science & Technology Collaboration under Bilateral and Multilateral Agreements and with Other Countries	2,030,000	2,022,359	100
		Nanotechnology Initiative	544,000,000	303,154,194	56
		Techno Entrepreneurship Development	2,000,000	789,833	39
		Implementation of R & D Investment Framework	4,000,000	3,000,000	75
		Coordinating Secretariat for Science, Technology and Innovation	800,000	81,810	10

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Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Assist Research in Diabetes, Dengus CKDU and Cancer	50,000,000	50,000,000	100
197	Ministry of Skills Development and Vocational Training	Improvement of Vocational Training Activities 01. Skills Day 02. Public Private Partnership 03. Training and Exhibition	10,400,000	8,321,151	80
		Skills Sector Development Programme 01. Capacity Building and Training for Academic and Non Academic Staff 02. New Constructions 03. Improvement of Training Centers 04. Information System Development 05. Employment Linked Training Programme 06. Quality Management and Assurance 07. Implementing Reform Initiatives 08. Additional Recruitment for VTA & University Colleges 09. Other - ISSCs / RPL / Career Guidance and Social Marketing / Training Scope Development and Expansion	3,020,000,000	1,456,860,337	48
198	Ministry of Irrigation and Water Resources Management	Introduce New Degree Courses by the Ocean University and increase the intake of CGTTI	800,000,000	371,426,012	46
		Rehabilitation of Major and Medium Irrigation Schemes including Emergency Infrastructure Rehabilitation Works	600,000,000	511,751,672	85
		Feasibility Studies	191,500,000	59,062,374	31
		Lower Malwathuoya Multisector Development Project	40,000,000	160,000	0
		Prefabricated Buildings for Government Agencies from Peoples' Republic of China	1,097,075,000	1,091,149,285	99
		Climate Resilience Improvement Project (GOSL/WB)	3,000,000,000	2,603,078,645	87
		Climate Resilience Improvement Project (GOSL/WB)	54,000,000	24,579,578	46
199	Ministry of Primary Industries	Special Cocoa Cultivation Project in Uva-Wellassa	5,000,000	2,550,496	51
		Implementation of Budget Proposals 2016	200,000,000	173,713,575	87
201	Department of Buddhist Affairs	Facilitation of Dhamma Schools	15,000,000	14,510,804	97
		Facilitation of Sasanarakshaka Mandala	3,000,000	2,939,501	98
		Facilitation of Seelamatha Arama 01. Mulatiyana Education & Training Institute 02. Kelaniya Seelamatha Aramaya	12,000,000	10,220,038	85
		Dhamma School Teacher's Training & Dham Sarasaviya Programme	7,572,300	7,264,192	96
202	Department of Muslim Religious and Cultural Affairs	Facilitation for Dhamma Schools	14,000,000	13,281,268	95
		Construction of Islamic Cultural Centers & Improvement of Mosque	15,000,000	14,330,800	96
203	Department of Christian Religious Affairs	Renovation & Rehabilitation of Infrastructure Facilities of Churches	14,000,000	14,000,000	100
		Develop the Infrastructure Facilities of Pilgrims (Talawila, Wahakotte, Madu)	2,000,000	230,433	12
204	Department of Hindu Religious and Cultural Affairs	Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples	91,800,000	89,490,439	97
		Furniture for Dhamma Schools	1,500,000	1,500,000	100
206	Department of Cultural Affairs	Construction Project of Kundasale Kala Nikethanaya	93,090,000	74,393,991	80

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		Uthuru Dakunu Mithuru Sevana - Mihinthala	10,000,000	7,804,591	78
		Renovation Project of Jone De Silva Theatre and National Art Gallery	200,000,000	132,097,680	66
		Project of Accomplishment of Chapter VI of Mahawansa : 1978-2010	10,000,000	4,681,787	47
207	Department of Archaeology	Nilagiriseya Conservation & Preservation Project	10,000,000	9,817,044	98
		Yudaganawa Conservation & Preservation Project	2,000,000	4,000	0
		Thiwankapilimageya Conservation & Preservation Project	5,000,000	4,433,237	89
		Maduwanwala Walauwa Preservation Project	2,000,000	1,908,296	95
		Rajagalathenna Archaeological Sites Conservation & Preservation Project	35,700,000	25,322,728	71
		New Rest House in Anuradhapura	2,000,000	1,979,067	99
		Exploration, Excavation & Research of Archaeological Sites and Monuments	7,500,000	6,732,268	90
		Conservation and Maintenance of Archaeological Sites and Monuments	31,800,000	23,648,483	74
		Promotion and Exhibition of Archaeological Sites and Monuments	10,000,000	4,662,483	47
		Jaffna Fort Rehabilitation Project	22,000,000	16,554,581	75
		Ritigala Archeological Sites Conservation & Preservation Project	10,000,000	10,000,000	100
		Popularize of Lesser Known Archaeological Sites	4,000,000	3,408,360	85
		Renovation of Ancient Dutch Market, Nupe at Matara	1,000,000	892,531	89
		Maintenance of Kanniya Hot Water Wells	3,000,000	2,928,840	98
208	Department of National Museums	Renovation of Colombo National Museum	131,000,000	129,951,065	99
209	Department of National Archives	Other Capital Expenditure 01. Deyata Kirula National Development Programme 03. Binding Legal Copies of News Papers	11,660,000	11,660,000	100
		Extension of Archives Building Complex	2,700,000	2,628,445	97
		Archival Management Project	180,000,000	71,169,264	40
		Computerization of Indices at the National Archives of Sri Lanka	5,000,000	500,000	10
		Digitization of Films	4,000,000	3,780,302	95
		Digitization & Publishing of the Map Collection	3,800,000	413,648	11
		Establishment of Regional Archives	2,600,000	85,526	3
212	Department of Examinations	Transforming the School Education System as a Knowledge Hub Project (GOSL/WB)	50,000,000	20,429,268	41
213	Department of Educational Publications	Other Capital Expenditure 02. TSEP - Improving Quality of Text Books and Multiple Book Options (GOSL/WB)	50,000,000	16,534,659	33
216	Department of Social Services	Community Based Rehabilitation Programme	10,000,000	9,902,499	99
		Modernization of Vocational Training Centers for Differently Aabled	20,000,000	19,827,711	99
217	Department of Probation and Child Care Services	Refurbishment of Children's Homes	5,000,000	4,990,414	100
		Supervision of Children's Homes	5,000,000	4,999,281	100

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Improvement of Vocational Skills of Children's in Homes	5,000,000	4,962,751	99
219	Department of Sports Development	Other Capital Expenditure 01. Exposure of Standard Sports Facilities to Rural People	379,200,000	296,557,963	78
		12th South Asian Games - 2016	100,000,000	99,992,996	100
		Sports Talent Identification	174,000,000	49,562,657	28
220	Department of Ayurveda	Construction of Centre for Kidney Diseases Treatment - Madawachchiya	20,000,000	4,337,556	22
		Promotion and Conservation of Traditional Indigenous Medical System	100,000,000	80,410,533	80
		Maternal and Child Nutrition Programme	1,000,000	353,088	35
221	Department of Labour	Promoting Employees' Provident Fund Activities through Media to Cover	20,000,000	18,862,891	94
222	Sri Lanka Army	Other Capital Expenditure - UN Peace Keeping Mission	1,988,000,000	280,006,429	14
		Indian Line of Credit	1,360,000,000	185,660,587	14
		Indian Line of Credit	340,000,000	56,303,340	17
		Pakistan Line of Credit	97,920,000	137,500	0
223	Sri Lanka Navy	Relocation of "Vidura" - Navy Recruits Training Center	490,000,000	330,907,781	68
		Income Generated Commercial Projects	400,000,000	82,661,507	21
		Other Capital Expenditure - Renovation of Prime Minister's Circuits Bungalow in Benthot	3,500,000	475,000	14
224	Sri Lanka Air Force	Purchase of 02 Nos AOPVs (GOSL-India)	8,145,000,000	5,790,135,119	71
		Establishment a Base Maintenance Centre (BMC)	1,566,000,000	1,522,282,585	97
		Income Generated Commercial Projects	400,000,000	83,989,473	21
		UN Peace Keeping Missions	8,500,000	7,045,721	83
		Indian Line of Credit	544,000,000	158,491,950	29
		Indian Line of Credit	136,000,000	248,213	0
225	Department of Police	Other Capital Expenditure 01. Prefabricated Building Project 02. Relocation of Police Headquarters 03. Development of Police Academy 04. Housing Schemes for Police Service 05. Prefabricated Building Project -11 06. Procuring Horses & Dogs	685,000,000	303,153,564	44
		Indian Line of Credit	11,220,000	3,229,134	29
		Strengthening Police Training Acedamy	100,000,000	34,941,017	35
		Development of Network Communication System	250,000,000	92,113,900	37
		Increasing the Existing Number of Police Stations up to 600	500,000,000	149,018,091	30
226	Department of Immigration and Emigration	Other Capital Expenditure 01. Blank Travel Documents & Related Deliverables 05. Document Scanning - Visa/CIT 06. Visa StickerLabels 08. Queue Mgt System for Travel/Visa Division 09. Dream Home Visa	595,326,000	589,313,055	99
		Establishment of the Department of Immigration and Emigration in the Registration of Persons Secretariat Building	287,799,300	248,057,861	86
227	Department of Registration of Persons	Other Capital Expenditure	75,000,000	75,000,000	100
228	Courts Administration	Galle Court Complex, Stage I	45,127,700	45,122,672	100
		Homagama Court, Complex	212,436,569	212,436,539	100

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Wattala Court Complex, Stage I	63,700,000	58,815,515	92
		Small Scale Development Programme	158,888,000	158,529,760	100
		Galagedara Court Building	34,639,431	34,639,257	100
		Matara Court Building	229,630,300	229,630,300	100
		Improvement of Court Administration and Automated Court Administration System	230,200,000	10,742,671	5
229	Department of Attorney General	Construction of New Head Office Building	530,000,000	234,549,965	44
		Construction of Official Residences (Mannar, Kurunegala, Kandy and Vavunia)	30,800,000	8,461,091	27
230	Department of Legal Draftsman	Other Capital Expenditure	1,000,000	998,585	100
		Revision of Legislative Enactments	17,000,000	1,939,829	11
232	Department of Prisons	Construction of Palkelele Prison Complex	100,000,000	18,959,024	19
		Construction of Jaffna Prison Stage 1	173,000,000	172,556,671	100
		Relocation of Prisons in Other Districts 01. Tangalle	2,584,573,600	1,623,242,838	63
		Construction of Office Building at Headquarters Premises	5,000,000	4,557,650	91
		Rehabilitation of Prisoners	3,000,000	2,984,766	99
233	Department of Government Analyst	Establishment of Digital Multi Media Crime Investigation Center (GOSL - KOICA)	290,000,000	257,784,105	89
		Establishment of Digital Multi Media Crime Investigation Center (GOSL - KOICA)	52,000,000	38,682,331	74
236	Department of Official Languages	Other Capital Expenditure	40,000,000	36,683,855	92
237	Department of National Planning	Other Capital Expenditure	300,000	298,435	99
239	Department of External Resources	Other Capital Expenditure 01. Reimbursement of VAT for Residence Missions	4,980,000	4,957,211	100
241	Department of Public Enterprises	Strengthening of Sri Lanka Accounting Standard and Monitoring Board	23,420,000	23,420,000	100
243	Department of Development Finance	Other Capital Expenditure - Construction of Three Warehouses	260,312,504	240,853,740	93
246	Department of Inland Revenue	Revenue Administration Management Information System (RAMIS)	1,550,000,000	1,108,384,633	72
248	Department of Excise	Production Monitoring and Tax Automation System	18,600,000	129,803	1
251	Department of Valuation	Assessment of Government Properties	1,000,000	604,780	60
252	Department of Census and Statistics	Child Activity Programme (ILO)	25,897,000	23,996,975	93
		Improving Price Collection of Non Household Expenditure Component & Upgrading of Purchasing Power (ADB)	528,908	522,701	99
		Economic Census	9,500,000	8,979,396	95
		Statistical Capacity Improvement Project (KOSTAT - Korea)	3,800,000	3,690,685	97
		Statistical Business Register (SBR)	705,000	51,094	7
		World Statistics Day - 2015	1,714,827	1,266,828	74
		Statistical Capacity Building - Improving Poverty Estimation Project (WB-GOSL)	11,563,080	11,541,319	100
253	Department of Pensions	Other Capital Expenditure	14,000,000	10,253,950	73

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
275	District Secretariat - Polonnaruwa	'Let's Awaken Polonnaruwa' Presidential Programme 2016-2020 01. Project to be initiated in 2015 02. Initial cost of 5 year Development Programme	5,128,940,000	3,231,570,039	63
279	District Secretariat - Kegalle	Rehabilitate the Damaged Provincial Roads due to Disaster on May - 2016	100,000,000	64,481,545	64
280	Department of Project Management and Monitoring	Project Evaluation & Web Based Monitoring System	3,000,000	2,876,967	96
		Project for Improvement of Basic Social Services Targeting Emerging Regions (GOSL/JICA)	7,737,000	7,735,048	100
281	Department of Agrarian Development	Crop Diversification	50,000,000	21,263,720	43
		Development of Minor Irrigation Systems and Abundant Paddy Lands	1,320,000,000	724,640,847	55
282	Department of Irrigation	Other Capital Expenditure 01. Pre Feasibility Studies 02. Training 03. Specialized Studies 04. Ancillary Services 05. Enhancing and Upgrading the Irrigation Department IT & Other Capabilities 06. Existing & New Farm Development	185,496,074	158,414,637	85
283	Department of Forests	Bio Fuel Plantation in Sri Lanka	250,000	250,000	100
		Conservation of Hill Tops in the Central Highlands in Sri Lanka	10,000,000	10,000,000	100
		Expanding Forest Cover	350,000,000	349,839,374	100
		Eco Tourism	15,000,000	14,999,684	100
		Establishment and Management of Industrial Plantations	215,000,000	214,992,327	100
		Production of Planting Materials	20,000,000	19,841,101	99
		Conversion of Pine Plantations to Native Broad Leaf Species	10,000,000	9,999,963	100
		Research and Development	10,000,000	9,972,174	100
284	Department of Wildlife Conservation	Construction of Electric Fences	250,000,000	239,502,262	96
		Habitat Enrichment for Wildlife	94,000,000	92,568,649	98
		Improvement of Road Network in National Parks	20,000,000	17,482,053	87
		Mitigate Human - Elephant Conflict in Sri Lanka	647,575,000	329,230,263	51
285	Department of Agriculture	Infrastructure Development Needs to Improve Rice Research & Development Institutes (RRDI)	50,000,000	42,419,669	85
		Small Scale Agricultural Research Project	60,000,000	43,781,973	73
		Implementation of National Agricultural Research Plan (NARP)	50,000,000	42,426,819	85
		Implementation of Tree Felling Act and Soil Conservation Act	5,000,000	4,356,134	87
		Development of New Hybrids & Open Pollinated Chilli, Maize, Onion & Vegetables Varieties & Production of Seeds	75,000,000	69,673,292	93
		Establishment of 100 Fruit Villages	15,000,000	13,308,247	89
		Establishment of Bio-diversity Garden of Tropical Fruits at Fruit Crops Research and Development Centre (FCRDC), Horana	25,000,000	13,444,743	54
		Post-harvest Management and Value Addition of Fruits in Sri Lanka	61,000,000	29,435,020	48

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Media Programme	30,000,000	29,794,566	99
		Bataatha and Gannoruwa Agro Technology Parks	4,500,000	4,323,514	96
		Improvement of School of Agriculture	75,000,000	70,304,306	94
		National Seed Production and Purchasing Programme	295,000,000	294,945,057	100
		Quality Assurance of Seeds and Planting Materials through the Implementation of Seed Act	14,000,000	13,639,613	97
		Accelerated Seed Farms Development Programme	112,000,000	103,954,926	93
		Minimize Potential adverse Effects of Agro - chemicals on Human Health and Environment	5,000,000	4,994,790	100
		Promotion of Local Seed Potato Production	45,000,000	38,146,251	85
288	Department of Surveyor	Other Capital Expenditure	18,000,000	9,833,726	55
289	Department of Export Agriculture	Implementation of National Agricultural Research Plan (NARP)	4,000,000	3,320,080	83
		Prevention & Control of Nutmeg Leaf Fall Disease in Mid Country	2,000,000	1,497,478	75
290	Department of Fisheries and Aquatic Resources	Fisheries Society Activities	4,100,000	4,096,200	100
		Integrated Awareness Programme for Fishery Sector	2,400,000	2,392,924	100
		Introduction of Modern Technology for Small and Medium Fishing Industry	1,587,621,000	878,279,853	55
291	Department of Coast Conservation	Other Capital Expenditure 01. Coastal Engineering Investigation 02. Coastal Conservation & Management 03. Environmental Education Programme	1,456,921,990	795,240,646	55
		Participatory Coastal Zone Restoration and Sustainable Management in the Eastern Province	250,000,000	222,707,253	89
		Participatory Coastal Zone Restoration and Sustainable Management in the Eastern Province	20,000,000	8,747,078	44
292	Department of Animal Production and Health	Quality Control and Quarantine Activities	4,000,000	3,983,621	100
		Control of Contagious Diseases	52,000,000	51,999,528	100
		Livestock Health Improvement Programme	5,000,000	4,999,887	100
		Implementation of Livestock Research	25,000,000	24,521,150	98
		Production of Vaccine against Foot and Mouth Disease Locally	25,000,000	24,790,720	99
		Establishment of Laboratory for VRI	15,000,000	13,705,565	91
		Expansion of Animal Health Surveillance	35,680,000	35,675,771	100
		Mastitis Control Programme	20,000,000	19,658,598	98
		Increase the Availability of High Quality Heifer Calves	47,000,000	41,950,275	89
		Improvement of Services Delivery System of Field Veterinary Office	105,320,000	63,686,764	60
		Animal Identification and Traceability System	15,000,000	14,921,989	99
		Expansion and Modernization of Animal Quarantine Units	20,000,000	14,930,827	75
		Livestock Breeding Project	112,000,000	111,992,070	100
		Establishment of Livestock Technology Park	4,000,000	3,875,280	97

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2016

Head No.	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Export Facilitation of Chicken Meat and Eggs Through Poultry Health Management	10,000,000	8,578,267	86
		Exploring Commercial Fodder Production for Dairy Development	4,000,000	3,880,309	97
		Skills Sector Development Programme (GOSL/ADB)	25,000,000	24,817,579	99
293	Department of Rubber Development	Other Capital Expenditure	40,000,000	35,131,787	88
295	Department of Commerce	Other Capital Expenditure 01. Exploration of Export Markets	5,000,000	4,846,770	97
300	Department of Food Commissioner	Other Capital Expenditure 01. Food Commissioner's Stores Facility	362,160	325,000	90
301	Department of Co-operative Development	Co-operative Development Administration	9,966,000	9,707,680	97
304	Department of Meteorology	Awareness Building	1,000,000	835,482	84
		Development of Meteorological Observation, Weather Forecasting and Dissemination (GOSL/JAPAN)	9,500,000	8,287,046	87
		Development of Meteorological Observation, Weather Forecasting and Dissemination (GOSL/JAPAN)	20,000,000	12,619,846	63
		Development of Meteorological Observation, Weather Forecasting and Dissemination (GOSL/Japan)	7,000,000	1,484,758	21
307	Department of Motor Traffic	Other Capital Expenditure	973,000,000	968,473,926	100
308	Department of Posts	Enhancing Postal Services & Stamps	6,000,000	5,828,494	97
311	Department of National Physical Planning	Physical Plans and Research Activities	7,000,000	6,607,932	94
320	Department of Civil Security	Income Generated Commercial Projects	191,000,000	186,549,509	98
326	Department of Community Base Corrections	Other Capital Expenditure	500,000	386,651	77
328	Department of Manpower and Employment	Administration and Establishment Services	4,000,000	3,960,257	99
		Jobs Net Programme	1,000,000	976,340	98
		Producing Human Resources with Employment Skills Targeting the Demand of Labour Market	2,200,000	2,159,326	98
		Job Fair Programme	2,000,000	1,776,587	89
		Establishment of Labour Market Information System	3,500,000	3,492,505	100
		Conducting Career Guidance Programme for Dropout Students from Secondary	6,000,000	5,930,171	99
		Establishment of Public Employment Service	6,000,000	5,824,112	97
331	Department of Divineguma Development	Divineguma Livelihood Development Programme	1,200,000,000	1,141,069,335	95
332	Department of National Community Water Supply	Improvement of Community Water Supply	100,000,000	76,720,902	77
		<b>Grand Total</b>	<b>273,125,998,739</b>	<b>188,296,810,487</b>	

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2016

Rs.'000

Head	Institution	Total			Recurrent			Capital					
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
1	His Excellency the President	6,860,377	6,183,290	677,087	90	2,063,989	1,985,099	78,890	96	4,796,388	4,198,191	598,197	88
2	Office of the Prime Minister	1,374,196	1,169,150	205,046	85	878,265	754,694	123,571	86	495,931	414,456	81,476	84
4	Judges of the Superior Courts	174,600	146,975	27,625	84	131,000	108,605	22,395	83	43,600	38,370	5,230	88
5	Office of the Cabinet of Ministers	83,200	70,491	12,709	85	68,350	68,256	94	100	14,850	2,235	12,615	15
6	Public Service Commission	344,152	283,479	60,673	82	159,002	157,007	1,995	99	185,150	126,472	58,678	68
7	Judicial Service Commission	48,400	45,406	2,994	94	47,700	44,825	2,875	94	700	581	119	83
8	National Police Commission	88,850	85,354	3,496	96	85,800	82,632	3,168	96	3,050	2,722	328	89
9	Administrative Appeals Tribunal	23,050	21,858	1,192	95	22,200	21,192	1,008	95	850	666	184	78
10	Commission to Investigate Allegations of Bribery or Corruption	409,100	317,443	91,657	78	273,400	272,578	822	100	135,700	44,865	90,835	33
11	Office of the Finance Commission	247,694	114,234	133,460	46	44,694	43,682	1,012	98	203,000	70,552	132,448	35
12	National Education Commission	41,150	33,647	7,503	82	36,500	31,462	5,038	86	4,650	2,185	2,465	47
13	Human Rights Commission of Sri Lanka	188,200	183,494	4,706	97	174,000	170,301	3,699	98	14,200	13,192	1,008	93
16	Parliament	2,437,443	2,152,547	284,896	88	1,857,450	1,816,476	40,974	98	579,993	336,071	243,922	58
17	Office of the Leader of the House of Parliament	36,950	36,302	648	98	34,898	34,346	552	98	2,053	1,957	96	95
18	Office of the Chief Whip of Parliament	43,600	42,941	659	98	42,150	41,802	348	99	1,450	1,139	311	79
19	Office of the Leader of the Opposition of Parliament	134,119	57,912	76,207	43	84,793	53,303	31,490	63	49,326	4,609	44,716	9
20	Department of Elections	3,639,315	632,841	3,006,474	17	3,581,800	577,561	3,004,239	16	57,515	55,280	2,235	96
21	Auditor General	1,425,630	1,330,042	95,588	93	1,240,350	1,147,433	92,917	93	185,280	182,609	2,671	99
22	Office of the Parliamentary Commissioner for Administration	16,046	15,711	335	98	15,696	15,589	107	99	350	123	227	35
101	Ministry of Buddha Sasana	901,620	871,718	29,902	97	175,024	162,732	12,292	93	726,596	708,986	17,610	98
102	Ministry of Finance	3,552,708	3,173,755	378,953	89	1,068,813	964,340	104,473	90	2,483,895	2,209,415	274,480	89
103	Ministry of Defence	17,487,147	13,152,331	4,334,816	75	5,936,452	5,694,377	242,075	96	11,550,695	7,457,954	4,092,741	65
104	Ministry of National Policies and Economic Affairs	33,219,046	22,794,220	10,424,826	69	2,025,437	1,938,027	87,410	96	31,193,609	20,856,193	10,337,416	67
106	Ministry of Disaster Management	5,388,413	4,139,086	1,249,328	77	740,725	660,637	80,088	89	4,647,688	3,478,449	1,169,239	75
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	543,737	380,163	163,574	70	128,435	122,644	5,791	95	415,303	257,519	157,784	62
110	Ministry of Justice	1,346,984	1,066,891	280,093	79	841,487	746,636	94,851	89	505,497	320,256	185,241	63
111	Ministry of Health, Nutrition and Indigenous Medicine	177,059,202	134,779,735	42,279,467	76	137,067,500	111,755,059	25,315,441	82	39,991,702	23,027,676	16,964,025	58
112	Ministry of Foreign Affairs	9,969,374	9,361,028	608,346	94	9,449,867	8,941,312	508,555	95	519,507	419,717	99,790	81
114	Ministry of Transport & Civil Aviation	49,919,192	35,006,400	14,912,792	70	17,910,418	17,238,451	671,966	96	32,008,775	17,767,949	14,240,826	56
117	Ministry of Higher Education and Highways	182,198,689	152,439,198	29,759,491	84	1,646,986	1,546,776	100,210	94	180,551,703	150,892,422	29,659,282	84
118	Ministry of Agriculture	44,970,332	34,745,670	10,224,661	77	39,847,218	32,497,058	7,350,160	82	5,123,114	2,248,613	2,874,501	44
119	Ministry of Power and Renewable Energy	13,667,343	13,020,267	647,077	95	508,636	476,605	32,032	94	13,158,707	12,543,662	615,045	95
120	Ministry of Women and Child Affairs	9,901,605	7,468,097	2,433,508	75	8,808,885	6,932,736	1,876,149	79	1,092,720	535,362	557,359	49

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2016

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
121	Ministry of Home Affairs	22,206,860	13,617,820	8,589,040	61	9,440,880	7,602,388	1,838,492	81	12,765,980	6,015,432	6,750,548	47
122	Ministry of Parliamentary Reforms and Mass Media	3,403,555	1,502,317	1,901,238	44	1,255,175	1,218,208	36,967	97	2,148,380	284,109	1,864,271	13
123	Ministry of Housing and Construction	7,803,077	7,732,440	70,638	99	1,208,327	1,176,311	32,016	97	6,594,750	6,556,129	38,621	99
124	Ministry of Social Empowerment and Welfare	12,046,162	11,622,132	424,030	96	11,790,732	11,383,255	407,477	97	255,430	238,878	16,552	94
126	Ministry of Education	198,586,338	60,510,834	138,075,504	30	167,249,693	45,395,708	121,853,985	27	31,336,645	15,115,126	16,221,519	48
130	Ministry of Public Administration and Management	1,520,765	1,469,704	51,061	97	1,041,575	1,027,948	13,627	99	479,190	441,756	37,434	92
135	Ministry of Plantation Industries	9,556,695	7,465,670	2,091,025	78	2,949,845	2,704,617	245,228	92	6,606,850	4,761,053	1,845,797	72
136	Ministry of Sports	1,635,728	1,216,380	419,348	74	475,788	436,568	39,220	92	1,159,941	779,812	380,129	67
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	1,797,000	1,284,094	512,906	71	223,421	189,124	34,296	85	1,573,580	1,094,970	478,610	70
145	Ministry of Rehabilitation, Resettlement and Hindu Religious Affairs	17,925,582	14,622,937	3,302,645	82	955,090	932,772	22,318	98	16,970,492	13,690,165	3,280,327	81
147	Ministry of Regional Development	634,425	540,603	93,822	85	469,925	421,158	48,767	90	164,500	119,445	45,055	73
149	Ministry of Industry and Commerce	9,435,508	8,195,571	1,239,937	87	1,970,168	1,773,481	196,687	90	7,465,341	6,422,090	1,043,250	86
150	Ministry of Petroleum Resources Development	442,775	405,757	37,018	92	214,675	213,502	1,173	99	228,100	192,255	35,845	84
151	Ministry of Fisheries and Aquatic Resources Development	4,439,491	4,334,178	105,313	98	1,417,661	1,391,419	26,242	98	3,021,831	2,942,759	79,071	97
153	Ministry of Lands	3,482,429	2,292,720	1,189,709	66	307,113	290,845	16,268	95	3,175,316	2,001,874	1,173,442	63
154	Ministry of Rural Economic Affairs	10,370,430	8,302,976	2,067,454	80	942,468	937,730	4,739	99	9,427,962	7,365,246	2,062,716	78
155	Ministry of Provincial Councils and Local Government	28,927,143	25,979,983	2,947,160	90	2,264,583	1,129,904	1,134,679	50	26,662,560	24,850,078	1,812,481	93
157	Ministry of National Dialogue	672,265	452,107	220,158	67	363,252	327,391	35,860	90	309,013	124,715	184,298	40
158	Ministry of Public Enterprise Development	1,135,783	1,087,741	48,042	96	288,776	267,178	21,598	93	847,007	820,562	26,445	97
159	Ministry of Tourism Development and Christian Religious Affairs	742,626	388,334	354,292	52	118,291	115,002	3,288	97	624,335	273,331	351,004	44
160	Ministry of Mahaweli Development and Environment	65,546,935	42,314,991	23,231,944	65	3,775,647	3,757,916	17,731	100	61,771,288	38,557,075	23,214,213	62
161	Ministry of Sustainable Development and Wildlife	274,538	223,419	51,119	81	174,363	166,309	8,054	95	100,175	57,110	43,065	57
162	Ministry of Megapolicy and Western Development	30,159,855	13,151,301	17,008,554	44	1,066,075	750,591	315,484	70	29,093,780	12,400,710	16,693,070	43
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	5,139,360	2,862,489	2,276,871	56	853,015	827,090	25,925	97	4,286,345	2,035,399	2,250,946	47
165	Ministry of National Intergration and Reconciliation	397,201	337,353	59,849	85	76,987	46,620	30,367	61	320,214	290,732	29,482	91
166	Ministry of City Planning and Water Supply	34,731,402	26,577,149	8,154,254	77	171,166	166,952	4,215	98	34,560,236	26,410,197	8,150,039	76
167	Ministry of Special Assignments	193,000	72,093	120,907	37	85,200	59,655	25,545	70	107,800	12,438	95,362	12
176	Ministry of Ports and Shipping	1,945,171	1,231,859	713,312	63	197,400	179,064	18,336	91	1,747,771	1,052,796	694,976	60

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2016

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
182	Ministry of Foreign Employment	1,143,807	1,069,213	74,595	93	619,357	593,450	25,907	96	524,450	475,762	48,688	91
192	Ministry of Law and Order and Prisons Reform	9,438,112	8,048,460	1,389,652	85	7,466,720	7,042,564	424,156	94	1,971,392	1,005,896	965,496	51
193	Ministry of Labour and Trade Union Relations	295,524	283,960	11,564	96	243,601	233,754	9,847	96	51,923	50,206	1,717	97
194	Ministry of Telecommunication and Digital Infrastructure	1,577,174	995,714	581,460	63	133,311	130,629	2,682	98	1,443,863	865,085	578,778	60
195	Ministry of Development Strategy and International Trade	1,038,897	714,629	324,268	69	565,896	537,625	28,271	95	473,001	177,004	295,997	37
196	Ministry of Science, Technology and Research	4,078,247	3,294,255	783,992	81	1,711,509	1,600,211	111,298	93	2,366,738	1,694,044	672,694	72
197	Ministry of Skills Development and Vocational Training	11,100,100	7,939,035	3,161,065	72	3,678,250	3,412,711	265,539	93	7,421,850	4,526,324	2,895,526	61
198	Ministry of Irrigation and Water Resources Management	13,703,210	5,592,985	8,110,225	41	434,585	408,367	26,218	94	13,268,625	5,184,618	8,084,007	39
199	Ministry of Primary Industries	387,230	287,269	99,961	74	164,035	94,374	69,661	58	223,195	192,895	30,300	86
201	Department of Buddhist Affairs	1,264,759	1,146,426	118,333	91	1,216,486	1,102,156	114,331	91	48,272	44,270	4,002	92
202	Department of Muslim Religious and Cultural Affairs	138,597	127,474	11,123	92	106,717	97,124	9,593	91	31,880	30,350	1,530	95
203	Department of Christian Religious Affairs	176,366	159,738	16,629	91	152,266	137,912	14,354	91	24,100	21,826	2,274	91
204	Department of Hindu Religious and Cultural Affairs	237,140	226,806	10,334	96	139,350	131,703	7,647	95	97,790	95,103	2,687	97
205	Department of Public Trustee	47,360	46,781	579	99	45,015	44,469	546	99	2,345	2,312	33	99
206	Department of Cultural Affairs	857,147	750,975	106,172	88	522,197	512,294	9,902	98	334,950	238,681	96,269	71
207	Department of Archaeology	1,038,986	1,002,657	36,329	97	873,486	872,150	1,336	100	165,500	130,507	34,993	79
208	Department of National Museums	337,788	333,759	4,029	99	159,866	157,847	2,019	99	177,922	175,913	2,009	99
209	Department of National Archives	332,905	200,037	132,868	60	112,077	104,689	7,388	93	220,828	95,348	125,480	43
210	Department of Information	239,000	212,971	26,029	89	212,500	190,187	22,313	89	26,500	22,784	3,716	86
211	Department of Government Printer	2,002,000	1,841,823	160,177	92	1,904,000	1,752,146	151,854	92	98,000	89,676	8,324	92
212	Department of Examinations	3,260,650	3,181,220	79,430	98	2,925,508	2,894,202	31,306	99	335,142	287,018	48,124	86
213	Department of Educational Publications	153,210	105,203	48,007	69	58,880	56,871	2,009	97	94,330	48,331	45,999	51
214	University Grants Commission	48,826,000	43,160,425	5,665,575	88	29,029,000	27,998,030	1,030,970	96	19,797,000	15,162,395	4,634,605	77
215	Department of Technical Education and Training	2,349,120	2,132,298	216,822	91	1,999,120	1,941,627	57,493	97	350,000	190,671	159,329	54
216	Department of Social Services	496,440	483,819	12,621	97	446,335	434,928	11,407	97	50,105	48,890	1,215	98
217	Department of Probation and Child Care Services	309,166	304,669	4,497	99	290,186	286,071	4,115	99	18,980	18,598	382	98
219	Department of Sports Development	2,811,701	2,013,475	798,226	72	727,301	706,845	20,456	97	2,084,400	1,306,630	777,770	63
220	Department of Ayurveda	2,573,100	1,852,414	720,686	72	1,272,500	1,239,517	32,983	97	1,300,600	612,896	687,704	47
221	Department of Labour	6,550,580	4,925,151	1,625,429	75	1,489,860	1,453,174	36,686	98	5,060,720	3,471,977	1,588,743	69
222	Sri Lanka Army	160,396,359	148,126,438	12,269,920	92	151,664,602	144,320,607	7,343,995	95	8,731,757	3,805,831	4,925,926	44
223	Sri Lanka Navy	61,924,871	56,734,616	5,190,256	92	48,730,498	46,874,210	1,856,288	96	13,194,373	9,860,405	3,333,968	75

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2016

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
224	Sri Lanka Air Force	53,653,752	35,460,170	18,193,582	66	33,994,752	31,059,024	2,935,728	91	19,659,000	4,401,146	15,257,854	22
225	Department of Police	63,604,895	58,852,287	4,752,608	93	58,548,500	55,802,513	2,745,987	95	5,056,395	3,049,774	2,006,621	60
226	Department of Immigration and Emigration	2,161,793	1,981,533	180,260	92	1,045,324	1,038,526	6,798	99	1,116,469	943,007	173,462	84
227	Department of Registration of Persons	722,110	713,699	8,411	99	633,910	626,263	7,647	99	88,200	87,436	764	99
228	Courts Administration	6,942,680	6,575,848	366,832	95	5,488,030	5,352,673	135,357	98	1,454,650	1,223,175	231,475	84
229	Department of Attorney General	1,277,440	943,978	333,462	74	671,140	657,421	13,719	98	606,300	286,557	319,743	47
230	Department of Legal Draftsman	117,860	92,763	25,097	79	86,560	76,898	9,662	89	31,300	15,864	15,436	51
231	Department of Debt Conciliation Board	16,690	15,521	1,169	93	15,890	14,962	928	94	800	559	241	70
232	Department of Prisons	8,559,050	6,898,740	1,660,310	81	5,319,050	4,792,326	526,724	90	3,240,000	2,106,414	1,133,586	65
233	Department of Government Analyst	660,500	610,348	50,152	92	248,255	244,655	3,600	99	412,245	365,693	46,552	89
234	Registrar of Supreme Court	162,320	147,662	14,658	91	152,920	143,088	9,832	94	9,400	4,574	4,826	49
235	Department of Law Commission	16,660	13,574	3,086	81	14,630	12,142	2,488	83	2,030	1,432	598	71
236	Department of Official Languages	145,880	135,680	10,200	93	101,230	95,031	6,199	94	44,650	40,649	4,001	91
237	Department of National Planning	95,036	82,477	12,559	87	88,163	76,640	11,523	87	6,873	5,837	1,037	85
238	Department of Fiscal Policy	77,350	53,142	24,208	69	74,750	51,996	22,754	70	2,600	1,146	1,454	44
239	Department of External Resources	2,785,840	2,562,658	223,182	92	351,385	218,521	132,864	62	2,434,455	2,344,137	90,318	96
240	Department of National Budget	341,231,297	8,802,299	332,428,998	3	3,350,762	3,288,117	62,645	98	337,880,535	5,514,182	332,366,353	2
241	Department of Public Enterprises	19,497,311	19,494,689	2,622	100	72,050	70,383	1,667	98	19,425,261	19,424,306	954	100
242	Department of Management Services	53,200	50,459	2,741	95	50,038	48,614	1,424	97	3,162	1,845	1,317	58
243	Department of Development Finance	9,570,621	9,158,236	412,385	96	7,256,703	6,869,852	386,852	95	2,313,918	2,288,385	25,533	99
244	Department of Trade and Investment Policy	55,025	50,148	4,877	91	49,925	47,066	2,859	94	5,100	3,082	2,018	60
245	Department of Public Finance	77,277	65,115	12,162	84	66,784	59,161	7,624	89	10,493	5,955	4,538	57
246	Department of Inland Revenue	4,565,250	4,061,131	504,119	89	2,879,200	2,841,160	38,040	99	1,686,050	1,219,971	466,079	72
247	Sri Lanka Customs	2,056,000	1,979,791	76,209	96	1,956,000	1,892,735	63,265	97	100,000	87,057	12,943	87
248	Department of Excise	1,072,447	983,981	88,466	92	745,669	743,100	2,569	100	326,779	240,881	85,898	74
249	Department of Treasury Operations	1,372,431,260	1,361,803,951	10,627,308	99	621,424,360	614,495,626	6,928,733	99	751,006,900	747,308,325	3,698,575	100
250	Department of State Accounts	43,300	42,694	606	99	41,600	41,210	390	99	1,700	1,485	215	87
251	Department of Valuation	508,245	489,890	18,355	96	378,650	363,588	15,062	96	129,595	126,301	3,293	97
252	Department of Census and Statistics	1,134,742	1,087,914	46,828	96	857,980	838,284	19,696	98	276,762	249,630	27,132	90
253	Department of Pensions	200,662,975	199,137,927	1,525,048	99	200,622,975	199,105,429	1,517,546	99	40,000	32,498	7,502	81
254	Department of Registrar General	1,455,000	1,426,268	28,732	98	1,341,400	1,324,982	16,418	99	113,600	101,286	12,314	89
255	District Secretariat - Colombo	1,692,000	1,358,208	333,792	80	738,000	722,422	15,578	98	954,000	635,786	318,214	67
256	District Secretariat - Gampaha	1,178,800	1,164,300	14,500	99	1,011,800	997,431	14,369	99	167,000	166,869	131	100
257	District Secretariat - Kalutara	1,072,000	1,017,737	54,263	95	834,000	832,619	1,381	100	238,000	185,118	52,882	78
258	District Secretariat - Kandy	1,231,000	1,216,742	14,258	99	1,132,000	1,118,422	13,578	99	99,000	98,321	679	99
259	District Secretariat - Matale	880,200	784,784	95,416	89	584,200	579,226	4,974	99	296,000	205,558	90,442	69
260	District Secretariat - Nuwara Eliya	546,000	523,116	22,884	96	447,000	439,653	7,347	98	99,000	83,463	15,537	84
261	District Secretariat - Galle	1,157,000	1,151,914	5,086	100	1,079,000	1,074,725	4,275	100	78,000	77,188	812	99

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2016

Rs.'000

Head	Institution	Total			Recurrent			Capital					
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
262	District Secretariat - Matara	1,133,120	1,000,340	132,780	88	953,571	950,067	3,504	100	179,549	50,273	129,277	28
263	District Secretariat - Hambantota	867,000	823,000	44,000	95	754,000	714,399	39,601	95	113,000	108,601	4,399	96
264	District Secretariat/ Kachcheri - Jaffna	796,900	794,052	2,848	100	688,866	686,019	2,847	100	108,034	108,034	0	100
265	District Secretariat/ Kachcheri - Mannar	399,000	382,724	16,276	96	212,000	198,000	13,997	93	187,000	184,722	2,278	99
266	District Secretariat/ Kachcheri - Vavuniya	254,900	253,453	1,447	99	194,900	193,632	1,268	99	60,000	59,821	179	100
267	District Secretariat/ Kachcheri - Mullaitivu	271,633	268,024	3,609	99	180,633	177,070	3,563	98	91,000	90,954	46	100
268	District Secretariat/ Kachcheri - Killinochchi	298,300	293,792	4,508	98	190,300	187,387	2,913	98	108,000	106,405	1,595	99
269	District Secretariat/ Kachcheri - Batticaloa	897,000	874,068	22,932	97	574,000	569,273	4,727	99	323,000	304,794	18,206	94
270	District Secretariat - Ampara	963,000	936,617	26,383	97	886,000	859,739	26,261	97	77,000	76,878	122	100
271	District Secretariat - Trincomalee	432,000	420,718	11,282	97	378,000	367,202	10,798	97	54,000	53,516	484	99
272	District Secretariat - Kurunagala	1,686,900	1,667,773	19,127	99	1,639,250	1,620,672	18,578	99	47,650	47,101	549	99
273	District Secretariat - Puttalam	724,642	709,129	15,513	98	649,642	644,800	4,842	99	75,000	64,328	10,672	86
274	District Secretariat - Anuradhapura	875,258	868,213	7,045	99	806,058	801,466	4,592	99	69,200	66,747	2,453	96
275	District Secretariat - Polonnaruwa	6,063,735	3,876,139	2,187,596	64	369,795	363,812	5,983	98	5,693,940	3,512,326	2,181,614	62
276	District Secretariat - Badulla	784,400	714,470	69,930	91	659,400	655,082	6,318	99	125,000	61,389	63,611	49
277	District Secretariat - Monaragala	584,005	577,231	6,774	99	464,005	458,731	5,274	99	120,000	118,500	1,500	99
278	District Secretariat - Rathnapura	980,000	937,046	42,954	96	771,000	763,203	7,797	99	209,000	173,843	35,157	83
279	District Secretariat - Kegalle	832,000	779,814	52,186	94	636,000	624,346	11,654	98	196,000	155,468	40,532	79
280	Department of Project Management and Monitoring	105,184	100,690	4,494	96	91,189	87,843	3,345	96	13,995	12,847	1,148	92
281	Department of Agrarian Development	8,583,400	7,590,322	993,078	88	6,920,400	6,676,100	244,300	96	1,663,000	914,222	748,778	55
282	Department of Irrigation	16,583,780	13,223,111	3,360,669	80	3,012,350	2,869,116	143,234	95	13,571,430	10,353,995	3,217,435	76
283	Department of Forests	2,182,850	2,135,017	47,833	98	1,351,050	1,304,156	46,894	97	831,800	830,861	939	100
284	Department of Wildlife Conservation	2,191,845	1,832,060	359,785	84	1,054,670	1,041,915	12,755	99	1,137,175	790,145	347,030	69
285	Department of Agriculture	5,840,257	5,549,530	290,727	95	4,299,257	4,184,224	115,033	97	1,541,000	1,365,306	175,694	89
286	Department of Land Commissioner General	416,822	412,230	4,592	99	341,462	339,571	1,892	99	75,360	72,660	2,700	96
287	Department of Land Title Settlement	423,015	416,239	6,776	98	385,615	379,502	6,113	98	37,400	36,738	662	98
288	Department of Surveyor	3,607,853	3,528,862	78,991	98	3,360,193	3,326,860	33,333	99	247,660	202,003	45,657	82
289	Department of Export Agriculture	1,107,010	998,214	108,796	90	603,310	566,761	36,549	94	503,700	431,453	72,247	86
290	Department of Fisheries and Aquatic Resources	2,058,625	1,336,200	722,425	65	403,925	397,561	6,364	98	1,654,700	938,639	716,061	57
291	Department of Coast Conservation	2,046,638	1,330,115	716,523	65	219,138	207,609	11,529	95	1,827,500	1,122,506	704,994	61
292	Department of Animal Production and Health	1,072,783	1,008,627	64,157	94	501,783	498,146	3,637	99	571,000	510,480	60,520	89
293	Department of Rubber Development	1,384,798	1,074,546	310,252	78	315,298	298,865	16,433	95	1,069,500	775,681	293,819	73
294	Department of National Zoological Gardens	884,913	797,609	87,304	90	345,213	344,209	1,004	100	539,700	453,400	86,300	84
295	Department of Commerce	120,788	119,242	1,546	99	110,288	109,125	1,163	99	10,500	10,117	383	96
296	Department of Import and Export Control	65,875	59,660	6,215	91	59,831	56,320	3,511	94	6,044	3,340	2,704	55

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2016

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
297	Department of the Registrar of Companies	49,825	47,943	1,882	96	49,825	47,943	1,882	96	0	0	0	62
298	Department of Measurement Units, Standards and Services	311,050	229,867	81,183	74	101,050	99,029	2,021	98	210,000	130,838	79,162	62
299	National Intellectual Property Office of Sri Lanka	28,750	28,153	597	98	28,750	28,153	597	98	0	0	0	0
300	Department of Food Commissioner	358,300	343,860	14,440	96	298,873	294,278	4,595	98	59,428	49,582	9,845	83
301	Department of Co-Operative Development	76,180	72,306	3,874	95	64,721	61,128	3,592	94	11,460	11,178	282	98
302	Co-Operative Employees Commission	15,630	13,934	1,696	89	14,780	13,162	1,618	89	850	772	78	91
303	Department of Textile Industries	105,950	100,302	5,648	95	72,800	67,285	5,515	92	33,150	33,017	133	100
304	Department of Meteorology	341,500	306,870	34,630	90	268,300	256,091	12,209	95	73,200	50,779	22,421	69
306	Department of Sri Lanka Railways	35,467,814	29,090,398	6,377,415	82	14,128,992	13,396,288	732,704	95	21,338,822	15,694,111	5,644,711	74
307	Department of Motor Traffic	3,350,975	3,295,671	55,304	98	2,211,475	2,180,463	31,013	99	1,139,500	1,115,208	24,292	98
308	Department of Posts	12,486,500	12,419,731	66,769	99	12,348,500	12,284,171	64,329	99	138,000	135,560	2,440	98
309	Department of Buildings	353,040	345,361	7,679	98	315,540	308,995	6,545	98	37,500	36,366	1,134	97
310	Government Factory	142,325	128,342	13,983	90	90,635	76,967	13,668	85	51,690	51,376	314	99
311	Department of National Physical Planning	291,800	184,391	107,409	63	182,700	175,927	6,773	96	109,100	8,464	100,636	8
312	Western Provincial Council	25,843,986	23,937,786	1,906,200	93	21,743,786	21,743,786	0	100	4,100,200	2,194,000	1,906,200	54
313	Central Provincial Council	28,628,209	25,858,643	2,769,566	90	23,374,869	23,374,869	0	100	5,253,340	2,483,774	2,769,566	47
314	Southern Provincial Council	25,165,783	22,708,258	2,457,525	90	20,507,843	20,507,843	0	100	4,657,940	2,200,415	2,457,525	47
315	Northern Provincial Council	25,575,181	22,794,758	2,780,423	89	16,757,181	16,757,181	0	100	8,818,000	6,037,577	2,780,423	68
316	North Western Provincial Council	25,565,696	23,654,251	1,909,445	93	20,829,136	20,822,898	6,238	100	4,734,560	2,831,353	1,903,207	60
317	North Central Provincial Council	18,826,402	17,124,110	1,702,292	91	14,174,082	14,174,082	0	100	4,652,320	2,950,028	1,702,292	63
318	Uva Provincial Council	20,467,301	18,587,839	1,879,462	91	16,422,341	16,422,341	0	100	4,044,960	2,165,498	1,879,462	54
319	Sabaragamuwa Provincial Council	22,844,523	20,562,683	2,281,840	90	18,219,223	18,219,223	0	100	4,625,300	2,343,460	2,281,840	51
320	Department of Civil Security	17,531,692	16,987,658	544,034	97	17,213,635	16,677,186	536,449	97	318,057	310,471	7,586	98
321	Eastern Provincial Council	22,048,585	19,880,650	2,167,935	90	17,166,135	17,016,135	150,000	99	4,882,450	2,864,515	2,017,935	59
322	Department of National Botanical Gardens	637,316	634,648	2,668	100	349,516	348,724	792	100	287,800	285,924	1,876	99
323	Department of Legal Affairs	10,650	10,278	372	97	9,970	9,632	338	97	680	646	34	95
324	Department of Management Audit	44,410	43,006	1,404	97	42,540	41,325	1,215	97	1,870	1,681	189	90
325	Department of Coast Guard of Sri Lanka	77,037	70,305	6,732	91	39,270	37,815	1,455	96	37,767	32,490	5,277	86
326	Department of Community Base Corrections	265,800	259,402	6,398	98	252,750	249,652	3,098	99	13,050	9,750	3,300	75
327	Department of Land Use Policy Planning	419,077	408,950	10,127	98	349,065	345,317	3,748	99	70,012	63,633	6,379	91
328	Department of Manpower and Employment	364,150	360,568	3,582	99	330,450	328,830	1,620	100	33,700	31,739	1,961	94
329	Department of Information Technology Management	39,404	30,805	8,599	78	37,160	28,659	8,501	77	2,244	2,146	98	96
331	Department of Divinegama Development	58,257,920	54,646,421	3,611,499	94	57,010,320	53,463,064	3,547,256	94	1,247,600	1,183,357	64,243	95
332	Department of National Community Water Supply	218,766	183,373	35,393	84	96,566	93,661	2,905	97	122,200	89,712	32,488	73
<b>Grand total</b>		<b>3,898,879,675</b>	<b>3,106,443,095</b>	<b>792,436,580</b>		<b>1,970,679,978</b>	<b>1,770,881,753</b>	<b>199,798,225</b>		<b>1,928,199,697</b>	<b>1,335,561,342</b>	<b>592,638,355</b>	

Schedule IV  
 STATEMENT OF PROVINCIAL COUNCILS REVENUE AND EXPENDITURE REPORT - 2016

Category	Province									Total
	Western	Central	Southern	Northern	North Western	North Central	Uva	Sabaragamuwa	Eastern	
<b>Total Revenue</b>	41,203,122,748	6,873,570,460	7,108,871,306	3,115,189,961	7,382,544,074	3,553,017,374	3,286,640,601	4,089,965,519	3,313,582,000	79,926,504,043
<b>Recurrent Expenditure</b>	54,325,345,628	29,299,503,414	28,190,763,437	19,312,517,312	28,345,560,882	16,731,804,867	19,385,877,776	22,116,006,969	20,276,203,055	237,983,583,339
<b>Capital Expenditure</b>	7,382,271,245	2,948,889,368	1,977,207,782	4,241,189,536	4,778,059,516	5,089,833,133	631,952,273	4,557,478,572	444,999,996	32,051,881,419
<b>Total Expenditure</b>	61,707,616,873	32,248,392,782	30,167,971,219	23,553,706,848	33,123,620,397	21,821,638,000	20,017,830,048	26,673,485,541	20,721,203,051	270,035,464,759

(Rs.)



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**கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்**  
**AUDITOR GENERAL'S DEPARTMENT**



මගේ අංකය } TRE/A/DSA/2/16/IA/01  
 எனது இல. }  
 My No. }

ඔබේ අංකය }  
 உமது இல. }  
 Your No. }

දිනය } 31 May 2017  
 திகதி }  
 Date }

The Secretary  
 Ministry of Finance

**Report of the Auditor General on the Financial Statements of the Democratic Socialist Republic of Sri Lanka for the year ended 31 December 2016**

The audit of financial statements of the Democratic Socialist Republic of Sri Lanka for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

**1.2 Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Generally Accepted Accounting Principles and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

**1.3 Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000 – 1810).

**1.4 Basis for Disclaimer of Opinion**

As a result of the matters described in paragraph 2.2 of this report I am unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded items, and the elements making up the statement of financial position, statement of financial performance and cash flow statement.

අංක 306/72, පොල්දඬු පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව, . - இல. 306/72, பொல்தூவு வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka

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 Auditor General's Department

**2. Financial Statements**

**2.1 Disclaimer of Opinion**

Because of the significance of the matters described in paragraph 2.2 of this report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on these financial statements.

**2.2 Comments on Financial Statements**

**2.2.1 Presentation of Financial Statements**

The statements of financial position had been balanced continuously by creating nominal Investment on Borrowing Accounts for liabilities (Public Debt) and nominal Non-current Assets Reserve Funds (Non-financial Assets). Accordingly, with the objective of reflecting the financial and non-financial assets generated from the expenditure incurred under the capital expenditure for the acquisition of assets in the Accounts of the Republic. Accordingly, nominal accounts containing assets and liabilities equal to such expenditure had been introduced. Similarly, as funds generated from the Domestic and Foreign Loans are recorded as a receipt to the Consolidated Fund Account, a Nominal Investment Assets Account similar to that had been included in the accounts for the inclusion of that liability in the financial statements. Accordingly, the information required for the specific identification of the investments and assets generated from Borrowings amounting to Rs. 8,793,959 million and for ascertaining their accuracy, existence and completeness had not been furnished to audit. Similarly, it was not confirmed that there was no any recurrent expenditure containing the value of these investments and assets.

**2.2.2 Financial Statement of the Republic**

Even though the above financial statements had been named as the Financial Statement of the Republic, those were limited only to the transaction of the Consolidated Fund. As such the transactions and assets and liabilities of the Provincial Councils, Local Authorities, Public Enterprises and the other institutions owned by or under the control of the Government had not been included in these financial statements. It is further observed that in terms of Section 15(1) of the Fiscal Management (Responsibility) Act, No. 03 of 2003, the Ministry of Finance should publish the Final Budget Position Report.



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கணக்காய்வகம்  
Auditor General's Department

### 2.2.3 Accounting Deficiencies

The following observations are made.

- (a) Even though the balance of loans repayable by the Government as at 31 December 2016, according to the financial statements presented to Audit amounted to Rs. 8,793,959 million in view of the following matters observed during the course of test check, the said loans balance had been understated by Rs. 826,091 million. Details appear below.
- (i) The accounting policy relating to the Treasury Bonds in the Financial Statements of the Republic had been revised during the year under review, and accordingly the Treasury Bonds issued during the year 2016 only had been brought to account under their face value. Nevertheless, the Treasury Bonds issued prior to the year 2016 but not matured as at the end of the year under review had not been brought to amount at face value, thus resulting in the understatement of the balance of the Treasury Bonds as at 31 December 2016 by Rs. 487,061 million.
- (ii) The balance of the loans payable by the Government as at 31 December 2016 relating to 07 Loan agreements entered into by the Government with foreign lending institutions amounting to Rs. 332,305 million had not been included in the financial statements.
- (iii) The Loan of Rs. 7,550 million obtained by the Ministry of Defense from 04 State and Private Banks for the construction of the building of the Secretariat of Personal Identification had not been recognized in the financial statements.

Further, the comparison of the closing balance of foreign loans appearing in the financial statements with the 854 – 1 Report of the Department of External Resources, revealed a difference of Rs. 1,505 million in the balances of 08 Loan Agreements

- (b) According to the financial statements presented to Audit, the receipts of Foreign Loans and payments of Foreign Loans during the year under review amounted to Rs. 574,249 million and Rs. 145,119 million respectively. Nevertheless, the test check carried out in that connection revealed that the receipts of foreign loans and payments of foreign loans had been understated by Rs. 8,945 million and Rs. 5,848 million respectively. Details appear below.

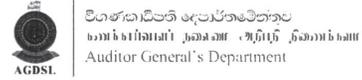


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 Auditor General's Department

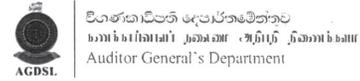
- (i) The foreign Borrowings relating to 7 Foreign Borrowing Agreements amounting to the 3,039 million received in the year 2016 and the foreign Borrowing amounting to Rs. 5,848 million had not been included in the financial statements.
  - (ii) One of the Foreign Borrowing relating to 14 Loan Agreements received during the year under review, Rs. 4,730 million and Rs. 1,176 million received in the year 2015 relating to 09 Loan Agreements totaling Rs. 5,906 million had not been included in the financial statements.
  - (iii) Even though a sum of Rs. 145,119 million had been shown in the financial statements on the repayment of Foreign Borrowings. According to Note 30(I) (Statement of Foreign loan Borrowing) thereof the repayment of Foreign Loan amounted to Rs. 131,427 million and a difference of Rs. 13,692 million was observed between the Financial Statements and the Notes thereof.
- (c) According to the financial statements presented to Audit, the Government had granted sub-loans amounting to Rs. 169,547 million to various Government Institutions. The test check carried out in this connection, it was observed that the value of sub-loan had been understated by a sum of Rs.12,790 million in the financial statements.

Details appear below.

- (i) Even though the sub-loans granted in the year 2016 in accordance with the financial statements amounted to Rs. 9,177 million, according to the Final Treasury Printouts (Table 33) that amounted to Rs. 16,977 million. As such a difference of Rs. 7,800 million was observed between the financial statements and the Treasury Final Printouts.
  - (ii) A sub-loan of Rs. 4,990 million had been granted to the Ministry of National Policies and Economic Affairs for payment to the Depositors of the Golden Key institution in accordance with a decision of the Supreme Court had not been shown as sub – loans in the financial statements.
- (d) According to the financial statements, the value of Government investment in the Public Enterprises amounted to Rs. 526,907 million whereas according to a test check, it was observed the net value of the investments had been understated by Rs. 29,140 million in the financial statements. Details appear below.

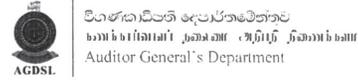


- (i) Even though the capital contribution to the Srilankan Airlines Company had been shown as Rs. 55,388 million in the financial statements, according to the direct confirmations, that had been confirmed as Rs. 51,157 million. As such it had been overstated by Rs. 4,231 million in the financial statements.
  - (ii) Even though the capital contribution in the Ceylon Electricity Board had been shown in the financial statements as Rs. 269,324 million, according to the direct conformations that had been confirmed as Rs. 302,695 million. Accordingly, that had been understated by Rs. 33,371 million in the financial statements.
- (e) According to the financial statements presented to Audit, the liabilities of the Government (Except Public Debt) as at 31 December 2016 amounted to Rs. 207,514 million. Nevertheless, a test check in this connection revealed that the liabilities had been understated by Rs. 18,431 million in the financial statements. Even though it had been stated in the preparation of these financial statements that cash basis was followed, a test check revealed that the accrual principle had been followed in the accounting for the creditors amounting to Rs. 16,496 million under the leases. As such, it was observed that there was no uniformity in the preparation of the financial statements. Details appear below.
- (i) The sum of the Rs. 7,289 million payable to various institutions including the sum of Rs. 5,611 million payable as at 31 December 2016 on account of the purchase of drugs from the Sri Lanka State Pharmaceuticals Corporation according to the Appropriation Account of the Ministry of Health, Nutrition and Indigenous Medicine had not been recognized as a liability in the financial statements as at 31 December 2016.
  - (ii) Even though the National Savings Bank had made a request to the General Treasury for a reimbursement of Rs. 1,115 million refunded by October 2016 out of the Accounts considered by the National Savings Bank as Dormant Accounts, that money had not been reimbursed even by 31 December 2016. But, that amount had not been recognized as a liability in the financial statements.
  - (iii) The Licensed Commercial Banks and the Licensed Specified Banks pay the senior citizens interest at 15 per cent for fixed deposits up to Rs. 1 million and 12 per cent for fixed deposits from Rs. 1 million to Rs. 2.5 million and the excess interest paid to the senior citizens should be reimbursed by the General Treasury to the relevant Banks. Even though the sum of Rs. 10,027 million



payable as the additional interest had been shown as a liabilities in the Appropriation Account of the Department of Development Finance for the year 2016, that had not been recognized as a liability in the financial statements.

- (f) According to the financial statements presented to Audit, the Public Revenue for the year under review amounted to Rs. 1,698,755 million, the following matters were observed during the test check carried out in this connection.
  - (i) In terms of the Finance Act, No. 10 of 2015, every person who is engaged in the business of Casino should pay a sum of Rs. 1,000 million as one off levy in respect of each Casino and that it should have been paid on or before 15 November 2015. Even though Rs. 3,760 million out of Rs. 4,000 million received as at that date, had not been recovered, that had not been disclosed in the financial statements.
  - (ii) The total arrears of Revenue of the Department of Inland Revenue as at 31 December 2016 consisting of Rs. 182,078 million being the defaulted taxes recoverable as at 31 December 2016, Rs. 113,219 million the penalty thereon, both totally Rs. 295,297 million. Similarly the arrears of revenue as at 31 December 2016 of the Department of Excise amounting to Rs. 2,545 million. As such the total arrears of Revenue of the two institutions as at 31 December 2016 amounting to Rs. 297,842 had not been disclosed in the financial statements.
  - (iii) Even though the General Treasury had paid the interest payable by the Co-operative Wholesale Establishment on the Treasury Bonds issued for the supply of capital contribution to the Co-operative Wholesale Establishment, that sum of Rs. 3,778 million had not been brought to account in the Treasury books.
  - (iv) Action had not been taken for the write off of the loss of Rs. 400 million in the year 2014 in the sale of 82 motor vehicles purchased for the Commonwealth Heads of Government Conference and that amount had been further included in the Suspense Account of the financial statements.



**2.2.4 Non-compliance with Laws, Rules, Regulations, etc.**

Non-compliance with the following laws, rules and regulations were observed.

- (a) According to the financial statements of the Republic for the year under review, the estimated budget deficit amounted to Rs. 1,487,799 million and that represented an increase of Rs. 316,819 million or 27 per cent over the preceding year. According to the financial statements for the year 2016, the actual budget deficit amounted to Rs. 666,139 million and that is a decrease of Rs. 821,660 million from the estimated budget deficit. The actual budget deficit of the year under review amounted to 5.63 per cent of estimated Gross Domestic Product. Accordingly, the budget deficit had exceeded the 5 per cent specified in section 3 (a) of the Fiscal Management (Responsibility) Act, No. 03 of 2003 as amended by the Fiscal Management (Responsibility) (Amendment) Act, No. 15 of 2013.
- (b) According to the Fiscal Management (Responsibility) Act, No. 3 of 2003 as amended by the Fiscal Management (Responsibility) (Amendment) Act, No. 15 of 2013, the total liabilities of the Government should not exceed 80 per cent of the Gross Domestic Product. According to the financial statements for the year 2016 the total liabilities as at 31 December 2016 amounted to Rs. 9,864,512 million and that as compared with the estimated Gross Domestic Product of the year 2016 amounting to Rs. 11,839,000 million represented 83.3 per cent. As such, it was observed as an excess on the maximum limit on the liabilities as specified in the Fiscal Management (Responsibility) Act. Details appear in the following table

Liabilities	Value of Liabilities as at 31 December 2016
	Rs. Million
Bank Overdraft	167,880
Central Bank Advances	83,307
Public Debt	8,793,959
Liabilities not-brought to account in the Financial Statements	
- Off Balance Sheet Foreign Loans	332,305
- Understatement of Treasury Bond Balance	487,061
<b>Total Liability</b>	<b>9,864,512</b>



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 Auditor General's Department

Gross Domestic Product	11,839,000
Total liability as a percentage of the Gross Domestic Product	83.3

The above liabilities do not include the value of the guarantees valued at Rs. 563,337 million issued to the Banks for the loans obtained by the Public Enterprises on the General Treasury guarantees.

**2.2.5 Reporting to Parliament**

The report I should table in Parliament in terms of Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka will be issued in due course.

H.M. Gamini Wijesinghe  
 Auditor General

**Sgd./ H.M. GAMINI WIJESINGHE**  
**Auditor General**



# Statistical Appendix



Table 1 | Sri Lanka: Demographic and Related Trends

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
Mid Year Population	'000	18,136	18,467	18,797	18,921	19,173	19,435	19,644	19,858	20,039	20,217	20,450	20,653	20,869	20,328	20,483	20,771	20,966	21,203
Mid-Year Population by Age Group	'000																		
0-14 Years		6,384	-	4,942	5,041	5,108	5,107	5,163	5,220	5,266	5,315	5,378	5,431	5,488	5,132	5,171	5,235	5,288	5,348
15-64 Years		10,969	-	12,671	12,668	12,838	13,103	13,243	13,386	13,509	13,625	13,784	13,921	14,065	13,604	13,707	13,901	14,030	14,187
65 Years and Over		783	-	1,184	1,212	1,227	1,225	1,238	1,252	1,264	1,277	1,288	1,301	1,316	1,592	1,605	1,635	1,648	1,668
Growth of Population	%	2	1.4	1.2	1.3	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.0	1.0	0.9	0.8	0.9	0.9	1.1
Density of Population	Persons per sq. km	289	305	300	303	307	310	314	317	319	332	326	329	333	324	327	331	334	338
Life Expectancy at Birth	Years																		
Male		69.5	-	-	-	-	-	69.9	-	-	-	-	-	70.5	n.a.	n.a.	n.a.	n.a.	n.a.
Female		74.2	-	-	-	-	-	78.7	-	-	-	-	-	79.8	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Birth Rate	Per '000	19.9	18.2	19.1	19.4	19.3	18.8	18.9	18.8	19.3	18.8	18.4	17.6	17.4	17.5	17.9	16.9	16.0	15.6
Crude Death Rate	Per '000	6.0	6.1	6.0	5.9	6.0	5.9	6.7	5.9	5.9	5.9	5.9	6.2	5.9	6.0	6.2	6.2	6.3	6.2
Infant Mortality Rate (IMR)	Per '000 Live Births	16.5	13.4	12.6	11.4	11.3	9.8	11.2	10.0	8.5	8.5	9.7	-	-	n.a.	8.2	n.a.	n.a.	n.a.
Maternal Mortality Rate (MMR)	Per 100,000 Live Births	23.6	22.1	17.8	16.3	19.7	12.1	11.9	14.2	-	-	22.3	22.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Migration Rate	Per '000	(2.9)	1.5	-0.9	-0.6	-1.3	-1.2	-1.5	-1.5	-1.8	-2.2	-1.4	-1.1	-2.2	-2.6	-2.3	-2.0	0.7	2.1
Dependency Ratio	%	65.34	-	48.35	49.36	49.35	48.32	48.33	48.35	48.34	48.38	48.36	48.36	48.38	49.40	52.90	49.40	49.10	49.4
Dependency Ratio - 65 years and Over	%	7.14	-	9.34	9.57	9.56	9.35	9.35	9.35	9.36	9.37	9.34	9.35	9.36	11.70	14.10	11.80	11.50	11.76
Literacy rate (b)	Overall % of Population	-	-	-	-	-	-	-	91.5	91.1	91.3	91.4	91.9	92.2	95.7(e)	92.5	93.3	93.2	-
Computer Literacy Rate	% of Population	-	-	-	-	-	-	-	-	16.1	-	-	20.3	35.0(f)	37.0	40.0	25.1	26.6	27.5
Average Daily Calorie Intake (d)	Kilocalories	-	-	-	-	-	-	-	-	2,118	-	-	-	2,094	-	2,111	-	-	-

Sources: Department of Census and Statistics, Department of Immigration and Emigration and Ministry of Education

(a) Provisional

(b) Population 10 years &amp; over

(c) Computer (Computer Literacy Survey 2006/07, Computer Literacy Survey 2009, Computer Literacy Survey 2014)

(d) Household Income and Expenditure Survey in 2006/07, 2009/10 and 2012/13

(e) Based on Census of Population and Housing 2012, Department of Census and Statistics

(f) Projection

(g) First 6 months of 2015 &amp; 2016

Table 2 | Climate

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Annual Rainfall (Average) Total</b>	mm	1626	1,296	1,430	1,471	1,419	1,945	1,607	1,921	1,640	2,020	1,711	1,992	2,027	1,776	1,687	2,375	2,387	1,351
<b>Highest Rainfall</b>																			
<b>Cities with Highest Rainfall</b>	mm																		
Anuradhapura		82.5	164.7	110.8	67.9	98.4	66.0	81.0	90.3	109.2	127.1	89.3	98.6	114.4	130.8	145.4	162.5	121.6	192.5
Badulla		52.8	90.9	73.1	71.9	73.5	127.4	60.6	108.4	65.7	69.8	72.6	90.9	131.6	102.9	108.6	195.9	79.4	73.8
Batticaloa		83.8	97.0	110.8	134.7	102.9	236.7	75.5	90.2	95.9	114.1	241.7	145.5	312.2	127.5	229.2	147.8	182.9	210.6
Colombo		126.3	141.7	94.1	132.4	110.5	96.5	270.1	163.9	131.6	111.0	207.0	440.2	81.9	114.6	134.3	102.8	114.4	256.9
Hambantota		92.4	81.7	151.1	94.4	96.0	70.5	67.6	91.8	139.9	56.0	62.6	82.9	100.6	176.5	104.8	112.0	92.2	104.0
Kandy		90.8	104.3	116.7	87.3	61.1	74.8	90.8	91.0	87.0	79.4	93.0	115.6	137.3	181.2	94.8	139.6	80.4	133.5
Kurunegala		140.1	116.4	136.0	111.6	62.1	200.0	97.1	162.0	97.0	186.3	123.2	135.4	144.4	315.5	139.6	162.6	97.9	156.4
Nuwara Eliya		76.2	77.0	85.3	64.2	61.1	81.1	73.2	76.8	77.6	48.7	62.8	68.2	94.1	109.5	73.2	77.1	120.0	78.7
Ratnapura		124.5	103.8	131.0	99.2	345.2	104.8	113.3	115.4	146.6	186.1	126.2	139.9	166.9	99.1	114.9	178.1	82.7	136.0
Vavuniya		64.5	276.9	94.9	58.9	133.4	115.5	77.3	81.3	156.5	104.7	104.7	163.9	123.2	225.7	81.8	205.2	136.5	202.5
<b>Annual Average Minimum Temperature</b>	°C																		
Low Country		24.4	24.6	24.7	24.7	24.8	24.7	24.8	24.7	24.4	24.3	24.7	24.9	24.7	24.2	24.3	23.4	24.3	24.7
<b>Hill Country</b>		17.3	17.2	17.2	17.3	17.4	17.3	17.4	17.2	17.2	17.0	16.9	17.5	17.1	16.8	17.1	17.1	16.9	17.2
<b>Annual Average Maximum Temperature</b>	°C																		
Low Country		31.5	31.1	31.3	31.5	31.4	31.4	31.5	31.2	31.2	31.1	31.4	31.4	31.1	32.1	31.7	31.9	32.0	32.6
Hill Country		26.2	26.1	26.5	26.5	26.6	26.4	26.6	26.2	26.0	25.8	26.1	25.9	26.0	26.1	25.3	25.7	25.9	26.5

Source: Department of Meteorology  
 Note: Badulla, Bandarawela, Nuwaraeliya and Katugastota stations have been considered for the calculation of hill country temperature.

Table 3 | Gross Domestic Product (GDP), Inflation and Exchange Rate

Year	GDP (e)						Inflation			Exchange Rate									
	GDP at Current Market Prices (Rs. Mn.)	GDP at Current Market Prices (US\$ Mn.)	Per Capita GDP at Current Market Price (US\$)	Real GDP Growth (%)	Share of GDP (at Current Factor Cost Prices) (%)			GDP Deflator (%)	Annual Average Price Change of CCPI (%)	Annual Average Price Change of N CPI (%)	End Year		Annual Average						
					Agriculture	Industry	Services				US\$	Indian Rs	US\$	Indian Rs					
1991	372,345	9,000	21,444	522	4.6	26.8	25.6	47.7	11.0	12.2(b)	-	42.58	0.34	-	1.63	41.37	0.30	-	1.85
1992	425,283	9,703	24,233	557	4.3	25.9	25.6	48.5	10.0	11.4(b)	-	46.00	0.37	-	1.75	43.83	0.30	-	1.69
1993	499,565	10,354	28,362	588	6.9	24.6	25.6	49.8	9.5	11.7(b)	-	49.56	0.44	-	1.58	48.25	0.40	-	1.59
1994	579,084	11,718	32,419	656	5.6	23.8	26.2	50.1	9.3	8.4(b)	-	49.98	0.50	-	1.59	49.42	0.50	-	1.57
1995	667,772	13,030	36,571	719	5.5	23.0	26.5	50.5	8.4	7.7(b)	-	54.04	0.52	-	1.54	51.25	0.50	-	1.58
1996	768,128	13,898	42,119	759	3.8	22.4	26.4	51.1	12.1	15.9(b)	-	56.70	0.49	-	1.58	55.27	0.50	-	1.56
1997	890,272	15,092	48,031	853	6.3	21.9	26.9	51.2	8.6	9.6(b)	-	61.28	0.47	-	1.56	58.99	0.48	-	1.63
1998	1,017,986	15,761	55,697	879	4.7	21.1	27.5	51.4	8.4	9.4(b)	-	67.78	0.59	-	1.60	64.59	0.49	-	1.57
1999	1,105,963	15,712	60,899	863	4.3	20.7	27.3	52.0	4.4	4.7(b)	-	72.11	0.70	72.53	1.66	70.39	0.62	75.07	1.63
2000	1,257,636	16,596	64,750	899	6.0	19.9	27.3	52.8	6.7	6.2(b)	-	80.06	0.70	71.32	1.71	75.78	0.70	69.93	1.68
2001	1,407,398	15,750	74,541	837	-1.5	20.1	26.8	53.1	12.4	14.2(b)	-	93.16	0.71	83.06	1.93	89.36	0.74	79.99	1.89
2002	1,581,885	16,537	86,076	900	4.0	20.5	26.3	53.2	8.4	9.6(b)	-	96.72	0.82	101.38	2.01	95.66	0.76	90.43	1.97
2003	1,822,468	18,882	94,664	981	5.9	13.2	28.4	58.3	5.1	6.3(b)	-	96.74	0.90	121.60	2.12	96.52	0.83	109.16	2.07
2004	2,090,841	20,663	107,432	1,062	5.4	12.5	28.6	58.8	8.8	9.0(c)	-	104.60	1.02	142.32	2.39	101.19	0.93	125.79	2.23
2005	2,452,782	24,406	124,709	1,241	6.2	11.8	30.2	58.0	10.4	11.0(c)	-	102.12	0.87	120.96	2.27	100.50	0.91	125.09	2.28
2006	2,938,680	28,267	147,775	1,421	7.7	11.3	30.6	58.0	11.3	10.0(c)	-	107.70	0.90	141.58	2.44	103.96	0.89	130.63	2.30
2007	3,578,688	32,351	178,845	1,634	6.8	11.7	29.9	58.4	14.0	15.8(c)	-	108.72	0.97	160.27	2.77	110.62	0.94	151.63	2.69
2008	4,410,682	40,715	218,167	2,014	6.0	13.4	29.4	57.2	16.3	22.6(c)	-	113.14	1.25	159.45	2.36	108.33	1.05	159.31	2.52
2009	4,835,293	42,068	236,445	2,057	3.5	12.7	29.7	57.6	5.9	3.5(d)	-	114.38	1.24	163.72	2.46	114.94	1.23	160.21	2.40
2010	6,413,668	56,728	310,214	2,400	8.0	8.5	26.6	54.6	7.3	6.2(d)	-	110.95	1.36	147.56	2.48	113.06	1.30	150.10	2.49
2011	7,219,106	65,290	345,925	3,129	8.4	8.8	28.0	55.1	3.8	6.8(d)	-	113.90	1.47	147.42	2.15	110.57	1.39	153.86	2.38
2012	8,732,463	68,436	427,559	3,351	9.1	7.4	30.1	55.6	10.8	7.5(d)	-	127.16	1.48	168.12	2.33	127.60	1.60	164.00	2.39
2013	9,592,125	74,294	466,112	3,610	3.4	7.7	29.2	56.4	6.2	6.9(d)	-	130.75	1.24	180.45	2.11	129.11	1.32	171.51	2.21
2014	10,361,151	79,359	498,828	3,821	5.0	8.0	28.3	56.9	2.9	3.2(d)	-	131.05	1.10	159.42	2.07	130.56	1.24	173.59	2.14
2015	10,951,695	80,563	522,355	3,844	4.8	8.2	27.3	57.3	0.8	0.9(d)	3.8(f)	144.06	1.20	157.37	2.17	135.94	1.12	150.84	2.12
2016(a)	11,838,975	81,312	558,363	3,835	4.4	7.5	27.1	57.0	3.6	3.9(d)	4.0(f)	149.80	1.29	157.87	2.21	145.60	1.34	161.16	2.17

Sources : Department of Census and Statistics

(a) Provisional

(b) 1952=100

(c) 2002=100

(d) 2006/07=100

(e) National Accounts data from 2003 onwards based on the GDP estimates of the Department of Census and Statistics with base year 2002. From 2010 onwards, data is based on the year 2010 GDP estimates of the Department of Census and Statistics. National Accounts estimates were revised in 1982 and 1996 by Central Bank of Sri Lanka.

(f) 2013=100

Table 4 | Gross Domestic Product -Sectoral Composition (2010) Constant Prices

		Rs. million									
Sector		2010	2011	2012	2013	2014(b)	2015 (b)	2016 (a)			
<b>Agriculture, Forestry and Fishing</b>		<b>544,914</b>	<b>569,954</b>	<b>592,445</b>	<b>611,676</b>	<b>639,696</b>	<b>670,106</b>	<b>641,943</b>			
1	Growing of Cereals (except rice)	10,548	10,593	12,521	14,307	13,969	14,982	13,410			
2	Growing of Rice	60,086	70,205	62,289	65,607	61,019	76,256	52,649			
3	Growing of Vegetables	47,704	52,349	51,244	54,153	55,244	56,714	55,522			
4	Growing of Sugar Cane, Tobacco and Other Non-perennial Crops	2,442	2,142	2,254	2,441	2,287	1,944	2,205			
5	Growing of Fruits	36,610	37,791	38,248	37,385	40,888	48,033	46,258			
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	60,231	57,110	62,201	53,424	64,158	67,504	67,074			
7	Growing of Tea (Green Leaves)	72,208	71,769	72,100	74,734	73,936	71,978	63,893			
8	Growing of Other Beverage Crops (Coffee, Cocoa etc.)	1,295	1,287	1,319	1,321	1,538	1,259	1,353			
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	28,468	28,147	44,426	50,833	57,505	61,483	65,417			
10	Growing of Rubber	44,411	45,956	44,249	37,987	28,688	25,777	23,023			
11	Growing of Other Perennial Crops	14,496	14,666	15,167	14,344	15,402	16,839	16,473			
12	Animal Production	27,230	26,359	29,511	36,599	47,950	51,811	55,060			
13	Plant Propagation and Support Activities to Agriculture	8,533	8,436	9,105	9,183	9,767	10,421	9,936			
14	Forestry and Logging	43,339	42,505	38,188	43,044	47,451	48,360	51,020			
15	Marine Fishing and Marine Aquaculture	77,579	89,575	97,063	103,879	105,822	104,245	104,915			
16	Fresh Water Fishing and Fresh Water Aquaculture	9,737	11,065	12,560	12,435	14,072	12,501	13,734			
<b>Industries</b>		<b>1,708,867</b>	<b>1,866,947</b>	<b>2,035,600</b>	<b>2,119,080</b>	<b>2,218,711</b>	<b>2,264,673</b>	<b>2,416,276</b>			
17	Mining and Quarrying	124,926	148,100	184,468	198,447	201,613	191,112	218,545			
18	Manufacture of Food, Beverages and Tobacco Products	433,769	487,943	507,121	507,127	513,960	532,936	519,815			
19	Manufacture of Textile, Wearing Apparel and Leather Related products	264,905	238,254	244,496	264,527	276,800	282,070	281,481			
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	26,318	31,521	23,472	25,258	23,139	26,239	30,311			
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	26,094	27,605	24,738	24,925	24,968	27,092	29,730			
22	Manufacture of Coke and Refined Petroleum Products	22,281	35,457	28,858	27,514	28,723	29,075	31,245			
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	69,450	67,644	75,582	81,982	82,243	82,303	85,623			
24	Manufacture of Rubber and Plastic Products	63,257	75,656	83,307	82,187	71,909	76,446	90,119			
25	Manufacture of Other Non-metallic Mineral Products	79,267	86,204	87,090	81,037	78,671	74,269	64,520			
26	Manufacture of Basic Metals and Fabricated Metal Products	31,665	26,295	24,591	26,589	24,882	28,516	36,711			
27	Manufacture of Machinery and Equipment	35,909	33,650	30,849	30,845	32,064	38,838	44,300			
28	Manufacture of Furniture	56,402	53,352	63,922	67,488	82,748	93,529	96,684			
29	Other Manufacturing and Repair and Installation of Machinery and Equipment	48,660	34,555	41,962	44,443	55,993	68,380	72,922			

Table 4 | Gross Domestic Product -Sectoral Composition (2010) Constant Prices contd...

	Sector	2010	2011	2012	2013	2014(b)	2015 (b)	2016 (a)
		Rs. million						
30	Electricity, Gas, Steam and Air Conditioning Supply	68,491	73,927	75,262	76,789	80,298	85,067	92,175
31	Water Collection, Treatment and Supply	9,381	9,846	10,554	10,975	11,504	12,005	12,950
32	Sewerage, Waste, Treatment and Disposal Activities	11,712	12,141	14,572	15,511	17,355	21,681	25,539
33	Construction	336,381	424,798	514,757	553,438	611,842	595,115	683,604
	<b>Services</b>	<b>3,504,323</b>	<b>3,817,155</b>	<b>4,245,462</b>	<b>4,405,644</b>	<b>4,618,501</b>	<b>4,883,444</b>	<b>5,087,452</b>
34	Wholesale and Retail Trade	705,778	788,048	848,686	859,977	884,094	929,208	952,652
35	Transport of Goods and Passenger including Warehousing	662,153	745,891	805,391	849,539	885,506	929,854	968,421
36	Postal Courier Activities	4,066	4,068	4,441	4,364	4,056	4,052	4,259
37	Accommodation, Food and Beverage Service Activities	87,693	105,372	134,160	126,392	131,481	133,984	139,406
38	Programming and Broadcasting Activities and Audio Video Productions	2,526	2,178	2,252	2,422	2,513	2,623	2,824
39	Telecommunication	22,931	24,420	26,450	27,395	30,986	34,125	36,967
40	IT Programming Consultancy and Related Activities	6,194	7,216	7,972	9,693	10,579	12,144	13,011
41	Financial Service Activities and Auxiliary Financial Services	274,933	314,678	364,688	386,009	420,223	492,642	553,826
42	Insurance, Reinsurance and Pension Funding	67,830	67,596	69,026	70,854	74,978	81,960	88,962
43	Real Estate Activities, Including Ownership of Dwelling	307,112	328,076	369,719	417,024	444,049	489,217	509,993
44	Professional Services	112,062	127,358	155,741	161,963	166,486	154,239	149,382
45	Public Administration and Defence; Compulsory Social Security	383,823	367,093	385,615	382,470	402,206	430,098	452,579
46	Education	138,553	136,172	167,107	157,477	173,751	159,758	171,707
47	Human Health Activities, Residential Care and Social Work Activities	136,574	155,994	173,898	146,551	147,962	159,901	162,243
48	Other Personal Service Activities	592,095	642,995	730,316	803,514	839,633	869,640	881,221
	<b>Gross Value Added (GVA), at basic prices</b>	<b>5,758,104</b>	<b>6,254,056</b>	<b>6,873,506</b>	<b>7,136,401</b>	<b>7,476,908</b>	<b>7,818,224</b>	<b>8,145,671</b>
	<b>(+) Taxes less Subsidies on Products</b>	<b>655,564</b>	<b>698,664</b>	<b>715,011</b>	<b>709,801</b>	<b>758,522</b>	<b>815,666</b>	<b>866,355</b>
	<b>Gross Domestic Product(GDP), at market prices</b>	<b>6,413,668</b>	<b>6,952,720</b>	<b>7,588,517</b>	<b>7,846,202</b>	<b>8,235,429</b>	<b>8,633,890</b>	<b>9,012,026</b>

Sources: Department of Census and Statistics

(a) Provisional

(b) Revised

Table 5 | Savings, Investments and Selected External Sector Indicators

Item	Unit	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Investment (b)	Rs. Mn	352,632	309,684	334,804	388,757	528,016	658,019	822,240	1,000,320	1,215,248	1,181,449	1,946,707	2,408,573	3,410,511	3,189,326	3,347,638	3,114,674	3,723,875
Savings (b)(c)	Rs. Mn	269,986	285,988	309,007	374,601	459,520	583,473	656,301	834,928	784,278	1,148,305	1,825,232	1,897,484	2,908,642	2,865,365	3,081,142	2,850,554	3,427,104
Savings - Investment Gap (b)	Rs. Mn	-82,646	-23,696	-25,797	-14,156	-68,496	-74,546	-165,939	-165,392	-430,970	-33,144	-121,475	-511,089	-501,869	-323,961	-266,496	-264,121	-296,771
Investment (b)	% of GDP	28.0	22.0	21.2	21.3	25.3	26.8	28.0	28.0	27.6	24.4	30.4	33.4	39.1	33.2	32.3	28.4	31.5
Savings (b)(c)	% of GDP	21.5	20.3	19.5	20.6	22.0	23.8	22.3	23.3	17.8	23.7	28.5	26.3	33.3	29.9	29.7	26.0	28.9
Savings - Investment Gap (b)	% of GDP	-6.6	-1.7	-1.6	-0.8	-3.3	-3.0	-5.6	-4.6	-9.8	-0.7	-1.9	-7.1	-5.7	-3.4	-2.6	-2.4	-2.5
Exports of Goods	US\$ Mn.	5,522	4,817	4,699	5,133	5,759	6,347	6,883	7,640	8,111	7,085	8,626	10,559	9,774	10,394	11,130	10,546	10,310
Imports of Goods	US\$ Mn.	7,320	5,974	6,106	6,672	8,000	8,863	10,253	11,297	14,091	10,207	13,451	20,269	19,190	18,003	19,417	18,935	19,400
Trade Balance	US\$ Mn.	-1,798	-1,158	-1,407	-1,539	-2,241	-2,518	-3,368	-3,657	-5,981	-3,122	-4,825	-9,710	-9,417	-7,609	-8,287	-8,388	-9,090
	% of GDP (b)	-10.7	-7.3	-8.5	-8.1	-10.9	-10.3	-11.9	-11.3	-14.7	-7.4	-8.5	-14.9	-13.8	-10.2	-10.4	-10.4	-11.2
Exports of Goods & Services	US\$ Mn.	6,475	5,880	5,967	6,557	7,300	7,892	8,517	9,419	10,114	8,972	11,092	13,644	13,562	15,079	16,735	16,943	17,448
Imports of Goods & Services	US\$ Mn.	8,235	6,862	7,079	6,648	9,123	10,072	11,627	12,776	15,687	11,704	15,210	22,256	21,678	21,508	23,142	23,006	23,659
Exports and Imports of Goods & Services	US\$ Mn.	14,710	12,741	13,046	13,205	16,423	17,964	20,144	22,195	25,801	20,676	26,301	35,899	35,239	36,587	39,877	39,949	41,107
Foreign Remittances	US\$ Mn.	1,160	1,155	1,287	1,414	1,564	1,918	2,161	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242
Earnings from Tourism	US\$ Mn.	252	213	363	454	408	429	410	385	342	350	576	830	1,039	1,715	2,431	2,981	3,518
Earnings from Computer and Information Services	US\$ Mn.	n.a	66	50	65	72	82	98	110	230	245	265	355	564	604	628	677	724
Current Account Balance	US\$ Mn.	-1,066	-215	-237	-71	-648	-650	-1,499	-1,402	-3,886	-214	-1,075	-4,615	-3,982	-2,541	-1,988	-1,883	-1,942
	% of GDP (b)	-6.4	-1.4	-1.4	-0.4	-3.1	-2.7	-5.3	-4.3	-9.5	-0.5	-1.9	-7.1	-5.8	-3.4	-2.5	-2.3	-2.4
Foreign Direct Investments including loans	US\$ Mn.	175	82	197	229	223	272	604	734	889	601	516	1,066	1,382	1,438	1,635	1,160	1,079
Inflows	US\$ Mn.	175	82	192	199	193	272	480	603	752	404	478	956	941	933	894	680	898
Outflows	US\$ Mn.	2	-	11	27	42	38	29	55	62	20	43	60	64	65	67	53	237
Loans & Other	US\$ Mn.	2	0	16	58	72	38	153	186	198	217	81	170	505	571	808	533	418
Portfolio Investments	US\$ Mn.	-45	-11	25	2	7	60	51	101	60	-6	-230	-171	2,126	2,068	2,065	686	993
Inflows	US\$ Mn.	19	24	78	145	95	276	355	423	548	375	819	452	2,116	2,068	2,065	686	993
Outflows	US\$ Mn.	64	35	53	143	89	215	304	322	488	381	1,049	623	-10.0	0.0	-0.2	...	...
Total Reserves	US\$ Mn.	2,131	2,238	2,495	3,218	3,439	4,201	4,005	4,956	3,640	7,030	8,621	7,991	8,586	8,574	9,884	9,337	8,433
Gross Official Reserves	US\$ Mn.	1,049	1,338	1,700	2,329	2,196	2,735	2,857	3,508	2,402	5,357	7,197	6,749	7,106	7,495	8,208	7,304	6,019
Total External Debt	US\$ Mn.	9,031	8,372	9,333	10,735	11,346	11,354	11,981	13,990	15,107	18,662	21,438	32,748	37,098	39,905	42,989	44,839	46,586

Sources: Department of Customs and Central Bank of Sri Lanka

... negligible

(a) Provisional

(b) Revised GDP estimates (base year 2010) of the Department of Census and Statistics have been used from 2010 onwards.

(c) National Savings

Note: Since 2012, refers to data on "computer Services" and "Portfolio Investment" as per BPM6 Presentation Format.

Table 6 | Economic Classification of Government Fiscal Operations

Item	Rs. million																	
	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
<b>1. Revenue and Grants</b>	145,286	216,427	239,796	268,967	284,421	320,154	412,387	507,901	595,559	686,483	725,566	834,188	983,003	1,067,533	1,153,306	1,204,621	1,460,892	1,693,557
1.1 Total Revenue	136,258	211,282	234,296	261,888	276,465	311,473	379,747	477,833	565,051	655,260	699,644	817,279	967,862	1,051,462	1,137,447	1,195,206	1,454,878	1,686,061
Tax	118,543	182,392	205,840	221,838	231,597	281,552	336,828	428,378	508,947	585,621	618,933	724,747	845,697	908,915	1,005,895	1,050,362	1,355,779	1,463,689
Non-Tax	17,715	28,890	28,456	40,050	44,868	29,921	42,919	49,455	56,104	69,639	80,711	92,532	122,165	142,547	131,552	144,844	99,099	222,372
1.2 Grants	9,028	5,145	5,500	7,079	7,956	8,681	32,640	30,068	30,508	31,222	25,922	16,909	15,141	16,071	15,859	9,415	6,014	7,496
<b>2. Expenditure and Lending minus Repayments</b>	203,484	335,822	386,517	402,989	417,673	476,906	584,783	713,647	841,604	996,126	1,201,928	1,280,206	1,433,182	1,556,497	1,669,396	1,797,821	2,290,394	2,333,883
2.1 Recurrent	154,159	254,279	303,361	330,847	334,694	389,679	443,350	547,960	622,758	743,710	879,575	937,094	1,024,906	1,131,021	1,205,180	1,324,854	1,701,657	1,757,782
2.2 Capital and Lending minus Repayment	49,325	81,543	83,156	72,142	82,979	87,227	141,433	165,687	218,846	252,416	322,352	343,112	408,276	425,476	464,216	472,967	588,737	576,101
o/w Public Investment	52,810	80,955	82,491	72,177	87,409	97,631	148,582	177,443	229,273	263,859	330,448	356,519	422,300	443,973	481,204	486,610	602,768	594,012
<b>3. Current Account Surplus(+)/ Deficit (-)</b>	-17,901	-42,997	-69,065	-68,960	-58,229	-78,206	-63,603	-70,127	-57,707	-88,450	-179,931	-119,815	-57,043	-79,560	-67,733	-127,693	-246,779	-71,721
<b>4. Budget Deficit</b>	-58,198	-119,396	-146,722	-134,022	-133,251	-156,752	-172,396	-205,745	-246,045	-309,644	-476,361	-446,017	-450,180	-488,964	-516,089	-591,244	-829,502	-640,326
<b>5. Financing of Budget Deficit</b>	58,198	119,396	146,722	134,022	133,251	156,752	172,396	205,745	246,045	309,644	476,361	446,017	450,180	488,964	516,089	591,244	829,502	640,326
5.1. Total Foreign Financing (Net)	21,224	495	14,538	1,979	43,117	37,071	47,773	41,941	63,748	12,933	83,885	194,912	193,888	212,799	88,422	315,564	369,257	429,130
Gross Borrowings	29,701	23,777	42,459	39,036	77,542	70,112	69,133	87,930	127,863	67,730	194,171	270,004	287,060	365,698	183,317	422,543	556,370	574,249
Repayments	-8,477	-23,282	-27,921	-37,057	-34,425	-33,041	-21,360	-45,989	-64,115	-54,797	-110,286	-75,092	-93,172	-152,199	-94,896	-106,979	-187,113	-145,119
5.2. Total Domestic Financing (Net)	33,972	118,501	123,595	126,351	79,910	117,243	123,604	163,805	182,297	296,711	392,476	251,104	256,291	276,165	427,668	275,680	460,245	211,196
Non-Bank Financing (Net)	26,359	58,797	74,294	132,003	100,735	69,274	93,109	83,797	111,308	114,437	185,247	193,891	44,171	192,880	256,942	192,812	196,737	398,575
Gross Borrowings	140,041	118,368	262,789	285,818	217,014	296,456	331,333	363,473	373,157	583,563	586,543	583,563	484,065	639,255	862,081	652,970	817,741	995,004
Repayments	-81,244	-44,074	-44,074	-130,786	-185,083	-147,740	-203,347	-247,536	-252,165	-258,720	-401,296	-389,672	-439,894	-446,375	-605,139	-460,158	-621,004	-596,429
Foreign Investment in Treasury Bills and Bonds (Net)	-	-	-	-	-	-	-	-	37,160	-17,578	146,922	48,875	25,068	18,359	140,148	20,971	222,967	-120,516
Bank Financing (Net)	7,065	56,528	48,554	-4,836	-20,905	43,289	26,195	80,008	15,769	195,233	49,027	-1,892	191,850	64,926	30,578	61,897	41,541	-66,863
Other Borrowings (Net)	548	3,175	747	-816	80	4,680	4,300	-	18,060	4,619	11,280	10,230	-4,798	-	-	-	-	-
5.3 Privatization Proceeds	3,001	401	8,589	5,693	10,223	2,437	1,020	-	-	-	-	-	-	-	-	-	-	-

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

(a) Provisional

(b) Revised

Table 7 | Economic Classification of Government Fiscal Operations

Item	As a percentage of GDP																	
	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
<b>1. Revenue and Grants</b>	21.8	17.2	17.0	17.0	15.6	15.3	16.8	17.3	16.6	15.6	15.0	13.0	13.6	12.2	12.0	11.6	13.3	14.3
1.1 Total Revenue	20.4	16.8	16.6	16.6	15.2	14.9	15.5	16.3	15.8	14.9	14.5	12.7	13.4	12.0	11.9	11.5	13.3	14.2
Tax	17.8	14.5	14.6	14.0	12.7	13.5	13.7	14.6	14.2	13.3	12.8	11.3	11.7	10.4	10.5	10.1	12.4	12.4
Non-Tax	2.7	2.3	2.0	2.5	2.5	1.4	1.7	1.7	1.6	1.6	1.7	1.4	1.7	1.6	1.4	1.4	0.9	1.9
1.2 Grants	1.4	0.4	0.4	0.4	0.4	0.4	1.3	1.0	0.9	0.7	0.5	0.3	0.2	0.2	0.2	0.1	0.1	0.1
<b>2. Expenditure and Lending minus Repayments</b>	30.5	26.7	27.5	25.4	22.9	22.8	23.8	24.3	23.5	22.6	24.9	20.0	19.9	17.8	17.4	17.3	20.9	19.7
2.1 Recurrent	23.1	20.2	21.6	20.9	18.4	18.6	18.1	18.6	17.4	16.9	18.2	14.6	14.2	13.0	12.6	12.8	15.5	14.8
2.2 Capital and Lending minus Repayment	7.4	6.5	5.9	4.6	4.6	4.2	5.8	5.6	6.1	5.7	6.7	5.3	5.7	4.9	4.8	4.6	5.4	4.9
o/w Public Investment	7.9	6.4	5.9	4.6	4.8	4.7	6.1	6.0	6.4	6.0	6.8	5.6	5.8	5.1	5.0	4.7	5.5	5.0
<b>3. Current Account Surplus(+)/ deficit (-)</b>	-2.7	-3.4	-4.9	-4.3	-3.2	-3.7	-2.6	-2.4	-1.6	-2.0	-3.7	-1.9	-0.8	-0.9	-0.7	-1.2	-2.3	-0.6
<b>4. Budget Deficit</b>	-8.7	-9.5	-10.4	-8.5	-7.3	-7.5	-7.0	-7.0	-6.9	-7.0	-9.9	-7.0	-6.2	-5.6	-5.4	-5.7	-7.6	-5.4
<b>5. Financing of Budget Deficit</b>	8.7	9.5	10.4	8.5	7.3	7.5	7.0	7.0	6.9	7.0	9.9	7.0	6.2	5.6	5.4	5.7	7.6	5.4
5.1. Total Foreign Financing (Net)	3.2	...	1.0	0.1	2.4	1.8	1.9	1.4	1.8	0.3	1.7	3.0	2.7	2.4	0.9	3.0	3.4	3.6
Gross Borrowings	4.4	1.9	3.0	2.5	4.3	3.4	2.8	3.0	3.6	1.5	4.0	4.2	4.0	4.2	1.9	4.1	5.1	4.9
Repayments	-1.3	-1.9	-2.0	-2.3	-1.9	-1.6	-0.9	-1.6	-1.8	-1.2	-2.3	-1.2	-1.3	-1.8	-1.0	-1.0	-1.7	-1.2
5.2. Total Domestic Financing (Net)	5.1	9.4	8.8	8.0	4.4	5.6	5.0	5.6	5.1	6.7	8.1	3.9	3.6	3.2	4.5	2.7	4.2	1.8
Non-Bank Financing (Net)	3.9	4.7	5.3	8.3	5.5	3.3	3.8	2.9	3.1	2.6	3.8	3.0	0.6	2.2	2.7	1.9	1.8	3.4
Foreign Investment in Treasury Bills and Bonds (Net)	-	-	-	-	-	-	-	-	-	1.0	-0.4	3.0	0.8	0.3	0.2	1.5	0.2	-1.0
Bank Financing (Net)	1.1	4.5	3.4	-0.3	-1.1	2.1	1.1	2.7	0.4	4.4	1.0	0.0	2.7	0.7	0.3	0.6	0.4	-0.6
Other Borrowings (Net)	0.1	0.3	0.1	-0.1	...	0.2	0.2	-	0.5	0.1	0.2	0.2	-0.1	-	-	-	-	-
5.3 Privatization Proceeds	0.4	0.03	0.6	0.4	0.6	0.1	...	-	-	-	-	-	-	-	-	-	-	-

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Census and Statistics, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

... negligible

(a) Provisional

(b) Revised

Note: Revised GDP estimates (base year 2010) of the Department of Census and Statistics have been used from 2010 onwards.

Table 8 | Economic Classification of Government Revenue

Item	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>1. Tax Revenue</b>	<b>118,543</b>	<b>182,392</b>	<b>205,840</b>	<b>221,839</b>	<b>231,597</b>	<b>281,552</b>	<b>336,828</b>	<b>428,378</b>	<b>508,947</b>	<b>585,621</b>	<b>618,993</b>	<b>724,748</b>	<b>845,697</b>	<b>908,915</b>	<b>1,005,895</b>	<b>1,050,362</b>	<b>1,355,779</b>	<b>1,463,689</b>
Income Tax	17,161	27,457	34,636	37,437	39,398	41,372	52,535	79,693	107,169	126,541	139,558	135,624	157,310	172,594	205,666	198,115	262,583	258,857
Personal and Corporate Income Tax	17,161	27,457	31,903	26,338	25,118	26,046	32,139	50,175	59,659	68,235	72,162	78,914	97,814	98,124	121,136	122,343	193,531	182,493
Corporate & Non Corporate	15,004	22,935	21,969	21,190	20,266	19,791	26,478	42,710	48,409	53,901	57,716	62,646	83,016	83,360	102,578	100,046	167,325	154,324
Pay-As-You-Earn (PAYE)	2,157	4,522	9,934	5,148	4,852	6,255	5,661	7,465	11,250	14,334	14,446	16,268	14,798	14,764	18,558	22,297	26,206	28,169
Economic Service Charge (ESC)	-	-	-	-	-	4,052	8,067	8,853	12,203	14,476	14,207	18,048	21,335	14,864	6,596	6,155	6,148	20,458
Tax on Interest Income	-	-	2,733	11,099	14,280	11,274	12,329	20,665	35,307	43,830	53,188	38,662	38,160	59,606	77,934	69,617	62,904	55,906
Value Added Tax (VAT) (b)	36,429	43,893	45,901	66,692	97,230	120,382	138,660	164,555	187,452	203,646	171,510	219,990	225,858	229,604	250,757	275,350	219,700	283,470
Domestic (Net)	16,980	25,021	26,940	34,320	50,949	55,523	65,300	71,877	85,490	102,815	103,891	120,412	104,897	109,370	124,440	140,084	130,527	168,134
Services	7,074	14,413	15,157	18,644	41,326	42,688	45,951	49,613	62,920	79,116	75,652	88,694	71,447	69,680	80,716	93,630	87,242	132,721
Manufacturing	9,906	10,608	11,782	15,677	9,624	12,835	19,349	22,265	22,570	23,699	28,239	31,718	33,450	39,828	43,724	46,454	43,285	35,413
Import (net)	19,449	18,872	18,961	32,372	46,281	64,859	73,360	92,678	101,962	100,831	67,619	99,578	120,961	120,234	126,317	135,266	89,173	115,336
National Security Levy (NSL) (c)	14,408	33,539	43,065	28,859	79	240	35	-	-	-	-	-	-	-	-	-	-	-
Excise Tax	19,436	42,655	44,978	52,114	50,972	65,790	76,978	93,529	96,675	100,971	97,604	129,864	204,822	223,960	250,700	256,690	497,623	454,952
Liquor	6,298	9,532	9,795	10,235	10,735	13,512	16,285	20,661	23,723	27,434	28,525	36,654	55,286	60,086	66,008	69,100	105,234	120,238
Cigarettes/Tobacco	8,788	19,269	19,475	20,579	20,055	23,457	26,992	30,067	31,437	37,288	37,602	40,675	49,623	53,563	58,567	57,240	80,015	88,792
Petroleum	-	10,700	12,948	16,708	13,251	14,817	17,041	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719
Motor Vehicles	-	2,599	2,202	4,261	6,405	12,674	14,220	21,671	17,415	11,067	3,192	21,199	71,646	78,509	96,478	98,531	263,470	186,499
Other	4,350	555	558	332	526	1,330	2,440	2,896	4,976	6,205	5,268	3,298	5,798	3,336	2,516	3,087	3,812	3,704
Stamp Duties (d)	-	8,564	8,415	2,331	69	51	9	1,516	4,026	3,751	3,328	4,439	-	-	-	-	-	-
Ports & Airports Development Levy (PAL)	-	-	-	3,497	5,483	7,340	10,969	21,126	26,700	31,017	36,286	49,632	66,028	70,111	61,987	68,646	58,644	88,823
Debits Tax (e)	-	-	1,119	1,315	3,611	4,489	5,700	6,255	7,187	8,410	8,036	10,843	4,232	-	-	-	-	-
Import Duties	24,365	23,970	26,356	28,345	34,184	41,096	45,391	52,657	56,017	63,842	79,560	64,165	79,811	80,155	83,123	81,108	132,189	156,487
Cess Levy	-	-	-	-	-	-	4,444	5,872	17,157	24,472	28,520	29,752	29,662	32,741	36,091	38,707	46,289	61,730
Special Commodity Levy (SCL)	-	-	-	-	-	-	-	-	-	14,603	18,965	10,173	15,622	33,666	46,705	47,953	52,276	55,825
Nation Building Tax (NBT) (f)	-	-	-	-	-	-	-	-	-	-	27,205	46,022	35,667	38,736	40,937	44,583	45,004	57,424
Domestic	-	-	-	-	-	-	-	-	-	-	11,594	19,310	19,040	23,076	25,243	28,494	28,044	39,029
Imports	-	-	-	-	-	-	-	-	-	-	15,611	26,712	16,627	15,660	15,694	16,089	16,960	18,395
Telecommunications Levy (g)	-	-	-	-	-	-	-	-	-	-	-	8,869	18,651	22,290	24,445	31,351	33,358	35,976
License Taxes & Other	6,744	606	1,371	1,249	572	792	2,108	3,175	6,563	8,367	8,361	15,376	8,035	5,058	5,485	7,858	8,113	10,145
<b>2. Non Tax Revenue</b>	<b>17,715</b>	<b>28,890</b>	<b>28,456</b>	<b>40,050</b>	<b>44,868</b>	<b>29,921</b>	<b>42,919</b>	<b>49,455</b>	<b>56,104</b>	<b>69,639</b>	<b>80,712</b>	<b>92,532</b>	<b>122,165</b>	<b>142,547</b>	<b>131,552</b>	<b>144,844</b>	<b>99,099</b>	<b>222,372</b>
Rent	217	1,325	630	620	607	1,163	1,155	1,294	1,709	2,050	1,425	2,048	3,580	2,197	2,331	5,669	2,823	10,980
Interest	6,946	7,304	7,626	13,232	7,963	8,673	8,642	10,320	9,242	9,305	9,043	8,017	9,847	9,489	9,664	7,978	4,498	4,826

Table 8 | Economic Classification of Government Revenue contd...

Item	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Profit and Dividends	4,368	6,305	3,507	3,055	5,380	4,357	5,929	7,451	7,682	7,365	11,982	31,301	34,351	46,761	35,169	46,814	29,798	108,160
Sales and Charges	2,336	6,177	8,189	4,477	11,806	9,207	16,196	22,249	18,437	32,260	25,387	22,925	37,292	26,019	40,720	38,492	44,632	72,606
Social Security Contributions	825	3,620	2,667	2,930	3,037	3,444	4,910	6,470	8,777	9,791	11,165	11,120	12,628	11,738	15,145	14,919	15,213	18,046
Central Bank Profit Transfers	1,200	3,200	5,000	10,000	10,000	1,000	5,000	-	4,000	8,000	20,000	15,000	22,000	43,000	26,350	11,500	-	5,000
Other	1,822	959	838	5,736	6,075	2,077	1,087	1,671	6,257	868	1,710	2,122	2,468	3,343	2,173	19,472	2,135	2,754
<b>3. Total Revenue</b>	<b>136,258</b>	<b>211,282</b>	<b>234,296</b>	<b>261,888</b>	<b>276,465</b>	<b>311,473</b>	<b>379,747</b>	<b>477,833</b>	<b>565,051</b>	<b>655,259</b>	<b>699,644</b>	<b>817,279</b>	<b>967,862</b>	<b>1,051,462</b>	<b>1,137,447</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>1,686,061</b>

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

(a) Provisional

(b) VAT was introduced with effect from 01 August 2002 and is in operation since then. It replaced the Goods and Services Tax (GST), an almost similar tax on the consumption of goods and services, which was in effect since April 1998. Prior to that, the data represents the revenue from central government Business Turnover Tax (BTT).

(c) NSL was abolished since April 2002 with the introduction of VAT.

(d) Under the revenue sharing mechanism introduced in 2011 with the Provincial Councils (PCs), 100 percent of the revenue from stamp duties is transferred to PCs. The BTT collected by Provincial Councils was abolished in 2011 and NBT was extended to buying and selling activities.

(e) Debits tax was abolished with effect from April 2011.

(f) Data from 2011 represents only two thirds of the total revenue from NBT as the balance one third is transferred to PCs under the revenue sharing mechanism with them.

(g) Data from 2011 represents the revenue from Telecommunications Levy, which was introduced as a composite tax to the telecommunications sector by removing VAT, NBT, Regional Infrastructure Development Levy, Environment Conservation Levy and the Mobile Subscribers' Levy on this sector in 2011.

Table 9 | Economic Classification of Government Expenditure and Lending Minus Repayments

Item	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>1 Recurrent Expenditure</b>	254,279	303,361	330,849	334,692	389,679	443,351	547,959	622,758	743,711	879,575	937,094	1,024,906	1,131,023	1,205,180	1,322,899	1,701,657	1,757,782
<b>1.1 Expenditure on Goods &amp; Services</b>	130,765	143,747	139,894	138,659	164,530	194,861	253,025	292,632	360,328	379,731	388,286	451,605	487,833	512,624	568,829	746,011	722,054
Salaries and Wages	68,544	78,056	88,806	91,783	106,187	138,604	175,031	214,160	239,078	271,229	300,558	319,601	347,747	393,228	440,982	561,730	570,761
Central Government	18,506	22,618	24,383	26,285	30,246	44,950	54,544	61,799	65,315	71,859	75,817	83,072	95,965	113,223	133,584	172,491	184,856
Provincial Councils	21,401	25,125	29,213	29,237	34,455	44,620	61,453	69,366	73,791	74,634	81,887	90,818	88,217	105,034	121,789	150,796	143,740
Defence	28,636	30,313	25,748	26,604	30,850	38,040	44,960	60,185	73,509	94,189	110,335	112,703	126,950	134,295	141,138	176,810	180,829
Police and Public Security	9,462	9,657	10,636	10,993	14,074	14,074	14,074	22,810	26,463	30,547	32,519	33,008	36,615	40,677	44,471	61,633	61,336
Other Purchases of Goods and Services	62,221	65,691	51,088	46,877	58,343	56,257	77,994	78,472	121,250	108,502	87,728	132,004	140,086	119,396	162,652	224,984	151,293
Central Government	18,265	26,434	20,784	19,993	24,941	21,466	29,012	25,725	46,950	42,970	38,618	71,741	92,738	74,307	50,767	106,567	60,157
Provincial Councils	1,819	1,280	1,377	1,539	1,436	1,859	1,576	1,416	3,075	3,110	3,112	3,784	3,676	3,810	4,417	18,959	26,011
Defence	34,825	31,767	23,417	20,401	25,491	23,458	36,283	41,671	61,201	50,695	33,471	43,400	32,631	31,855	51,463	50,923	47,119
Police and Public Security	7,312	6,210	5,510	4,944	6,475	9,474	11,123	9,660	10,024	11,727	12,527	13,079	11,040	9,424	21,200	7,832	18,006
<b>1.2 Interest Payments</b>	71,200	94,307	116,515	125,126	119,782	120,159	150,777	182,681	212,475	309,676	352,592	356,699	408,498	444,007	436,395	527,227	610,895
Foreign	9,015	9,747	10,617	11,586	13,904	6,995	16,990	21,311	30,277	35,698	55,464	68,565	90,839	100,985	108,461	77,174	101,076
Domestic	62,185	84,560	105,897	113,540	105,878	113,164	133,787	161,370	182,198	273,978	297,127	288,134	317,659	343,022	327,934	450,053	509,819
<b>1.3 Subsidies and Transfers</b>	52,314	65,307	74,441	70,907	105,367	128,331	144,157	147,445	170,908	190,168	196,216	216,601	234,692	248,549	317,674	428,419	424,833
Households	41,815	53,319	53,958	52,649	83,585	101,602	104,842	110,910	131,342	148,993	156,194	171,438	187,895	195,288	249,710	354,484	341,349
o/w Pensions	21,602	26,493	31,123	31,150	36,444	46,782	58,006	68,822	74,922	85,139	90,995	99,961	111,682	123,293	127,049	156,577	173,152
Samurdhi (b)	9,661	12,574	9,910	8,715	8,498	9,161	10,789	9,200	9,995	9,267	9,241	9,043	10,553	15,256	15,042	39,994	40,740
Fertilizer Subsidy	1,733	3,650	2,448	2,190	3,572	6,846	11,867	11,000	26,450	26,935	26,028	29,802	36,456	19,706	31,858	49,571	27,771
Sub National Governments	1,424	694	392	608	358	233	172	150	217	-	-	-	-	-	-	-	-
Non Financial Public Enterprises	3,370	4,376	7,998	5,705	8,405	10,412	18,336	10,639	12,942	14,126	12,361	12,999	11,817	13,854	21,387	27,927	29,120
Institutions and other	5,705	6,919	12,093	11,945	13,019	16,084	20,807	25,746	26,407	27,049	27,661	32,164	34,979	39,407	46,577	46,008	54,364
<b>2 Capital Expenditure</b>	67,769	67,902	58,595	75,089	83,807	140,154	162,214	206,162	232,607	277,416	302,087	377,812	400,082	454,303	459,854	588,176	577,035
<b>2.1 Acquisition of Fixed Capital Assets</b>	32,934	36,115	26,501	36,580	40,449	88,141	88,209	111,510	128,605	143,590	158,488	208,963	176,562	252,535	252,303	313,260	328,202
<b>2.2 Capital Transfers</b>	34,835	31,787	32,094	38,509	43,359	52,013	74,005	94,652	104,002	133,826	143,599	168,849	223,520	201,768	207,551	274,916	248,833
Institutions	14,522	18,351	15,118	19,894	19,306	20,700	32,371	50,408	59,991	90,291	99,151	105,603	145,935	143,504	147,166	197,712	184,689
Non Financial Public Enterprises	12,048	6,973	11,459	14,339	19,068	19,969	21,526	23,737	22,432	19,750	20,345	35,168	50,860	27,193	28,322	42,473	32,066
Sub National Governments	8,218	6,251	5,421	4,186	4,812	11,141	19,699	20,346	21,237	23,780	24,101	27,619	25,266	29,692	31,547	34,063	29,887
Abroad	47	212	96	90	173	203	409	160	341	5	1	459	1,459	1,379	516	668	2,191
<b>3 Lending Minus Repayments</b>	13,775	15,254	13,547	7,890	3,420	1,279	3,473	12,684	19,809	44,936	41,025	30,464	25,394	9,913	13,113	561	-934
<b>3.1 Net Lending through Advance Accounts</b>	2,638	2,044	1,336	1,710	1,950	1,850	83	700	1,457	1,932	2,126	854	-2,088	-1,019	1,249	-1,070	708
<b>3.2 Lending to Public Enterprises</b>	13,187	14,590	13,582	12,320	13,823	8,428	15,230	23,112	31,253	53,032	54,433	44,488	43,891	26,901	26,756	14,592	16,977
<b>3.3 Loan Repayments by Public Enterprises</b>	-6,209	-6,699	-6,060	-10,741	-15,920	-10,364	-13,881	-11,677	-13,526	-11,978	-15,535	-14,878	-16,409	-15,969	-14,892	-12,961	-18,619
<b>3.4 Restructuring Expenditure</b>	4,159	5,320	4,689	4,601	3,567	1,365	2,041	549	625	1,950	-	-	-	-	-	-	-
<b>4 Total</b>	335,823	386,518	402,992	417,671	476,907	584,784	713,646	841,604	996,126	1,201,927	1,280,205	1,433,182	1,556,499	1,669,396	1,795,865	2,290,394	2,333,883

Sources: Department of National Budget, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka  
(a) Provisional

Table 10 | Functional Classification of Government Expenditure

Item	Rs.million																	
	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>1. Recurrent Expenditure</b>	154,159	254,279	303,362	330,847	334,693	389,678	443,350	547,960	622,758	743,710	879,575	937,094	1,008,244	1,131,023	1,205,180	1,322,899	1,701,658	1,759,782
General Public Services	47,888	82,643	82,149	80,970	86,361	95,443	106,992	136,352	165,807	207,348	224,281	228,184	245,266	254,371	270,554	334,354	414,275	408,176
Civil Administration	6,562	13,416	14,944	17,473	24,755	23,196	25,027	29,912	31,481	36,150	37,123	37,895	43,076	47,135	54,303	73,282	105,661	104,518
Defence	35,186	56,915	54,242	49,163	47,005	56,341	61,498	81,243	101,856	134,710	144,884	145,243	156,103	163,219	170,150	195,401	233,733	224,315
Police and Public Security	6,140	12,312	12,963	14,334	14,601	15,906	20,467	25,197	32,470	36,487	42,274	45,046	46,087	44,017	46,101	65,671	74,881	79,343
Social Services	57,647	77,160	87,968	106,096	104,812	138,820	188,652	204,635	226,271	240,768	260,072	267,636	315,749	335,427	399,666	446,441	564,190	607,626
Education	15,784	23,794	23,448	31,162	31,673	33,792	50,697	61,144	72,592	77,141	82,414	85,195	99,043	107,271	119,819	139,787	169,600	179,319
Health	8,818	15,394	14,785	20,234	22,073	25,919	34,113	44,069	51,741	55,874	58,789	60,506	74,443	81,946	99,609	116,151	140,560	155,402
Welfare	32,106	35,686	44,635	47,503	45,849	73,571	92,909	86,753	91,747	94,789	105,017	107,690	123,122	128,451	159,787	165,467	230,035	251,490
Community Services	941	2,286	5,100	7,198	5,217	5,538	10,933	12,669	10,191	12,963	13,852	14,245	19,141	17,758	20,451	25,036	23,995	21,415
Economic Services	6,830	9,738	13,882	14,769	11,625	17,548	25,811	43,977	45,479	74,489	78,464	78,819	81,646	92,034	82,146	105,031	173,430	129,435
Agriculture and Irrigation	3,826	5,706	7,967	7,635	7,002	8,876	13,500	22,173	22,849	41,579	43,967	44,081	46,290	46,429	29,899	46,782	91,267	63,787
Energy and Water Supply	990	474	565	385	9	112	1,008	2,766	3,647	3,323	3,429	3,492	3,533	3,612	4,001	394	5,479	1,334
Transport and Communication	2,014	3,558	5,350	6,749	4,614	8,560	11,303	19,038	18,983	29,587	31,068	31,246	31,823	34,995	36,810	41,129	57,028	48,959
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	6,998	11,435	16,726	19,656	15,354
Other	41,794	84,738	119,363	129,014	131,894	137,867	121,896	162,996	185,201	221,105	316,759	362,455	365,583	449,191	452,814	437,073	549,763	612,544
o/w Interest Payments	38,687	71,200	94,307	116,515	125,126	119,782	120,159	150,777	182,681	212,475	309,675	352,592	356,699	408,498	444,007	436,395	527,227	610,895
<b>2. Capital Expenditure and Lending</b>	52,810	80,955	82,491	72,177	87,409	97,631	148,582	177,443	229,273	263,859	330,448	356,519	438,962	443,972	481,203	486,610	602,767	594,013
General Public Services	5,776	7,157	6,563	4,713	5,203	7,191	9,901	21,356	32,143	34,403	20,095	21,510	32,484	27,510	32,804	43,620	48,699	50,504
Civil Administration	3,962	5,610	5,478	4,075	4,826	5,986	8,537	18,109	28,438	29,675	18,686	20,212	28,668	26,565	31,631	40,282	44,886	46,128
Police and Public Security	1,814	1,547	1,085	638	377	1,205	1,364	3,247	3,705	4,728	1,409	1,298	3,816	945	1,173	3,338	3,813	4,376
Social Services	9,855	16,471	14,559	15,690	19,190	28,996	35,992	48,387	54,986	60,236	53,938	56,205	63,366	71,176	77,643	112,338	124,370	117,297
Education	3,124	7,135	4,838	6,048	7,443	8,548	12,860	17,200	19,948	22,942	18,092	19,053	22,326	28,930	31,982	50,363	55,447	58,971
Health	2,134	5,302	3,987	4,713	5,403	8,500	10,738	13,969	16,961	18,674	12,664	13,329	14,794	17,155	19,920	22,252	37,230	30,747
Housing	3,300	2,476	3,722	3,717	4,090	7,250	3,937	4,021	4,481	4,826	5,291	5,489	7,105	7,823	8,014	7,769	7,811	7,152
Community Services	1,297	1,558	2,012	1,212	2,254	4,698	8,457	13,197	13,596	13,794	17,891	18,334	19,141	17,267	17,727	31,954	23,882	20,426
Economic Services	36,105	54,647	54,906	51,678	58,740	61,271	77,537	106,788	141,244	168,879	256,410	278,803	342,653	343,828	369,377	330,136	429,030	424,021
Agriculture and Irrigation	6,060	6,908	6,034	6,936	8,420	8,207	10,041	12,615	14,736	17,681	22,105	24,865	28,617	30,351	36,721	57,099	54,447	68,990
Energy and Water Supply	5,003	13,282	14,758	17,732	23,801	22,283	19,234	26,376	47,850	48,783	59,983	66,569	85,186	85,589	87,517	51,314	55,499	48,840
Transport and Communication	18,888	24,911	21,464	18,916	20,238	22,198	31,765	37,988	50,995	82,916	139,104	165,505	190,026	204,539	210,398	177,471	239,279	200,478
Other	6,155	9,549	12,650	8,094	6,283	8,583	16,500	29,810	27,663	19,499	35,219	21,804	38,825	23,350	34,741	44,252	79,805	105,713
Other	1,074	2,680	6,463	96	4,276	173	704	912	900	341	5	1	459	1,459	1,379	516	668	2,191
Other	-	-	-	-	-	-	24,448	-	-	-	-	-	-	-	-	-	-	-
<b>3. Total Expenditure and Lending</b>	206,969	335,234	385,853	403,024	422,102	487,309	591,932	725,403	852,031	1,007,569	1,210,023	1,293,613	1,447,206	1,574,995	1,686,383	1,809,508	2,304,425	2,351,795

Sources: Central Bank of Sri Lanka, Department of National Budget, Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy.  
(a) Provisional

Table 11 | Composition of Government Debt

Source	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>1. Foreign Debt</b>	542,040	636,741	721,957	843,882	996,138	956,620	1,103,418	1,326,487	1,448,734	1,760,467	2,024,583	2,329,280	2,767,299	2,960,424	3,113,116	3,544,031	4,045,796
1.1 Project Loans	477,845	542,942	640,354	769,559	914,232	865,494	978,356	1,087,359	1,261,304	1,362,806	1,461,729	1,640,117	1,846,772	1,938,909	1,904,599	2,180,388	2,361,118
1.2 Non-project Loans	64,195	93,799	81,603	74,323	81,906	91,126	125,062	239,128	187,430	397,661	562,854	689,163	920,527	1,021,515	1,208,516	1,363,643	1,684,678
Commodity	63,009	67,000	68,050	68,892	73,835	69,116	69,021	68,665	66,499	62,304	54,653	53,460	56,599	61,597	69,993	71,470	69,101
Other	1,186	26,799	13,553	5,431	8,071	22,010	56,041	170,463	120,931	335,357	508,201	635,703	863,928	959,918	1,138,523	1,292,173	1,615,577
<b>2. Domestic Debt</b>	676,660	815,965	948,386	1,019,969	1,143,389	1,265,722	1,479,230	1,715,198	2,140,228	2,400,955	2,565,662	2,804,085	3,232,813	3,832,825	4,277,783	4,959,197	5,341,507
2.1 Rupee Loans	263,888	292,813	287,701	248,414	164,758	140,563	116,713	131,509	130,009	112,292	87,709	61,961	58,386	55,518	55,518	24,088	24,088
2.2 Treasury Bills	134,996	170,995	210,995	219,295	243,886	234,174	257,732	307,012	402,600	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581
2.3 Treasury Bonds	204,124	229,174	347,128	483,107	643,349	751,569	885,972	1,018,852	1,281,978	1,513,512	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787
2.4 Sri Lanka Development Bonds	-	14,749	24,177	8,816	26,083	25,519	62,469	86,459	158,805	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199
2.5 Central Bank Provisional Advances	27,169	30,127	31,033	31,204	34,791	39,746	49,015	60,679	76,308	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307
2.6 Other	46,483	78,107	47,352	29,133	30,522	74,151	107,329	110,687	90,528	92,160	67,869	53,400	116,017	146,429	148,463	152,031	167,545
<b>3. Total</b>	<b>1,218,700</b>	<b>1,452,706</b>	<b>1,670,343</b>	<b>1,863,851</b>	<b>2,139,526</b>	<b>2,222,342</b>	<b>2,582,648</b>	<b>3,041,685</b>	<b>3,588,962</b>	<b>4,161,422</b>	<b>4,590,245</b>	<b>5,133,365</b>	<b>6,000,112</b>	<b>6,793,249</b>	<b>7,390,899</b>	<b>8,503,227</b>	<b>9,387,303</b>
<b>Government Debt to GDP Ratio</b>																	
Foreign Debt	43.1	45.2	45.6	46.3	47.6	39.0	37.5	37.1	32.8	36.4	31.6	32.3	31.7	30.9	30.0	32.4	34.2
Domestic Debt	53.8	58.0	60.0	56.0	54.7	51.6	50.3	47.9	48.5	49.7	40.0	38.8	37.0	40.0	41.3	45.3	45.1
Total Debt	96.9	103.2	105.6	102.3	102.3	90.6	87.9	85.0	81.4	86.1	71.6	71.1	68.7	70.8	71.3	77.6	79.3

Sources: Department of Public Debt of the Central Bank of Sri Lanka, Department of External Resources, Department of National Budget, Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy (a) Provisional

Note: Rebased GDP estimates (base year 2010) of the Department of Census and Statistics have been used from 2010 onwards.

Table 12 | Domestic Production of Selected Items

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Plantation Crops</b>																			
Tea	(Kg Mn)	245.9	305.8	295.1	310.0	303.2	308.1	317.2	310.8	305.2	318.7	291.0	331.0	327.5	328.4	340.2	338.0	328.9	292.6
Rubber	(Kg Mn)	105.7	87.6	86.0	90.5	92.0	94.7	104.4	109.2	117.6	129.2	136.9	153.0	158.2	152.0	130.4	98.6	88.5	79.1
Coconut	(Nuts Mn)	2,755	3,096	2,769	2,392	2,562	2,591	2,515	2,785	2,869	2,909	2,853	2,584	2,808	2,940	2,513	2,870	3,056	3,011
<b>Seasonal Crops</b>																			
Paddy	(Mt'000)	2,809.9	2,859.9	2,695.8	2,859.5	3,071.2	2,628.0	3,246.2	3,342.0	3,131.1	3,875.0	3,652.0	4,300.6	3,894.2	3,846.0	4,620.7	3,380.7	4,819.4	4,420.1
Potatoes	(Mt'000)	81.7	48.4	57.7	88.7	71.7	81.3	79.4	78.5	77.4	74.8	61.7	51.9	59.4	72.2	78.8	82.7	94.8	95.8
Sweet Potatoes	(Mt'000)	61.8	51.8	48.5	47.5	44.1	39.7	41.2	41.6	49.2	52.5	47.3	46.5	47.3	43.6	51.3	50.9	51.9	44.7
Chilies -Green	(Mt'000)	85.4	55.9	49.0	46.3	46.2	40.5	52.9	52.9	48.7	51.0	46.4	49.0	44.4	61.5	71.0	71.0	62.9	72.3
Chilies -Dried	(Mt'000)	21.3	14.0	12.3	11.7	11.7	10.1	13.2	12.7	12.2	12.8	11.6	12.3	10.9	15.4	17.8	17.9	15.7	18.1
Big Onions	(Mt'000)	29.7	36.6	32.0	31.6	32.3	37.5	55.5	73.6	92.2	57.4	81.7	58.9	45.7	83.6	69.6	101.2	89.6	65.2
Red Onions	(Mt'000)	48.4	42.5	36.9	35.3	35.5	39.5	53.7	60.7	57.0	49.3	46.2	61.8	72.3	74.0	55.6	63.1	61.2	63.7
Maize	(Mt'000)	34.8	31.0	28.8	26.4	29.6	35.2	41.8	47.5	56.4	112.3	129.8	161.7	137.8	202.3	209.0	240.6	261.1	243.9
Green Gram	(Mt'000)	16.0	11.7	9.7	10.3	10.6	7.8	9.0	7.9	8.5	8.9	9.3	11.7	17.0	12.0	14.1	14.6	15.0	14.5
Black Gram	(Mt'000)	7.9	5.4	5.1	5.1	5.9	5.0	6.9	7.5	7.7	9.5	7.1	10.0	5.8	10.2	9.4	9.6	11.9	11.2
Kurakkan	(Mt'000)	4.9	4.8	4.2	4.1	5.3	4.7	6.4	6.3	5.4	6.5	6.4	7.3	5.4	6.0	6.9	8.8	8.9	8.5
Cowpea	(Mt'000)	16.1	12.1	9.8	10.4	12.9	9.2	11.2	10.1	10.8	11.9	13.5	11.6	10.4	14.8	14.2	15.1	12.3	13.7
Soya Beans	(Mt'000)	2.4	0.6	0.6	1.2	3.0	1.9	5.0	5.2	4.8	3.0	3.8	7.5	3.8	1.7	13.4	10.7	11.3	7.9
Gingerly	(Mt'000)	4.5	4.6	4.2	4.1	5.5	4.3	6.2	6.0	6.3	6.3	8.5	16.9	11.3	12.4	14.2	14.2	13.1	14.9
Ground Nuts	(Mt'000)	5.9	7.0	6.8	5.8	6.6	7.9	9.0	9.6	9.8	10.3	13.1	14.4	16.9	22.0	27.5	25.1	28.5	24.2
<b>Other Agricultural Crops</b>																			
Sugar	(Mt'000)	51.7	64.0	48.0	38.0	57.0	58.0	54.0	56.0	29.0	39.0	32.0	31.0	35.0	36.7	53.0	51.8	56.0	62.0
Coffee	(Mt'000)	11.5	2.5	2.3	2.4	3.1	3.5	3.5	3.5	3.0	3.1	3.1	3.2	5.3	5.3	5.9	6.5	5.3	5.5
Cinnamon	(Mt'000)	11.8	13.5	13.6	13.0	14.0	14.9	14.5	15.9	16.5	14.9	15.8	16.4	18.2	16.1	16.0	19.0	23.9	24.5
Pepper	(Mt'000)	16.1	10.6	7.7	12.6	12.6	12.0	14.3	14.4	16.6	12.9	15.8	17.3	10.8	25.6	27.0	28.4	35.4	32.1
Cloves	(Mt'000)	3.7	1.7	2.7	4.1	2.4	3.6	6.1	3.6	3.0	8.2	3.0	9.6	5.5	4.0	4.0	6.3	8.2	8.2
<b>Livestock and Fish</b>																			
Milk	(Ltr Mn)	333.3	181.5	183.0	183.2	186.8	190.3	193.0	196.6	202.0	208.1	233.4	247.6	258.3	299.2	329.2	333.9	374.4	384.0
Fish	(Mt'000)	235.8	300.3	284.7	302.9	285.0	286.4	163.2	251.3	291.0	319.1	339.7	384.7	444.8	486.2	512.8	535.1	520.2	530.9

Sources: Department of Census and Statistics, Ministry of Irrigation and Agriculture, Department of Export Agriculture and Central Bank of Sri Lanka  
(a) Provisional

Table 13 | Value of Exports

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Agricultural Exports</b>	1,134	1,025	1,016	1,057	1,151	1,249	1,424	1,647	1,976	1,836	2,306	2,528	2,332	2,581	2,794	2,481	2,326
<b>Tea</b>	700	689	660	683	739	811	882	1,027	1,272	1,185	1,441	1,491	1,412	1,542	1,628	1,340	1,269
Black Tea	637	613	593	601	646	718	769	890	1,111	1,072	1,383	1,430	1,354	1,471	1,555	1,280	1,208
Bulk	393	350	360	338	393	407	463	535	616	567	534	512	561	561	563	504	473
Packets	180	194	160	183	162	213	203	235	321	301	607	667	640	693	754	593	547
Bags	64	69	73	81	91	98	103	121	147	156	209	229	203	217	238	183	188
Instant	8	9	9	11	8	7	7	9	11	10	13	15	11	15	19	16	17
Green Tea	3	5	5	8	11	14	19	22	29	29	44	46	47	56	55	45	44
Other	52	63	53	63	73	72	86	106	118	74	-	-	-	-	-	-	-
<b>Rubber</b>	29	24	26	39	51	47	93	109	125	99	173	206	125	71	45	26	33
Sole Crepe	-	-	-	-	-	-	-	-	-	6	10	16	7	9	9	7	8
Latex and Other Crepe	-	-	-	-	-	-	-	-	-	25	63	102	58	38	25	16	18
Sheet Natural	13	11	15	22	28	25	54	59	69	46	67	63	38	14	5	2	3
Latex Natural	0.2	0.3	1	0.5	2	1	3	10	17	11	15	8	8	2	2	...	2
Block Rubber	14	11	10	14	15	16	24	25	23	2	1	2	1	1	...	...	...
Other	1	1	1	2	6	5	12	15	16	10	18	15	14	9	4	2	3
<b>Coconut</b>	121	82	84	93	113	113	124	141	171	166	166	266	209	205	356	352	366
Kernal Product	77	41	41	48	59	49	53	60	82	58	56	136	80	86	214	222	216
Other	44	41	42	45	54	64	71	81	89	108	110	130	129	119	142	130	150
<b>Other Agricultural Exports</b>	155	136	168	150	162	183	195	208	243	215	335	379	388	529	511	600	489
Vegetables	8.6	6.7	7.2	7.4	9.9	11.8	10.0	11.5	13.0	11.7	23.4	16.9	13.3	24.9	40.1	30.5	26.5
Fruits (Fresh or Dry)	4.5	4.5	4.0	6.3	6.6	6.3	9.6	11.2	13.9	12.1	14.5	17.1	18.1	29.1	44.2	38.0	35
Areacanut	0.6	0.1	0.3	0.2	0.4	0.7	2.0	0.9	3.4	1.4	2.2	2.5	3.7	15.9	63.6	67.5	34.1
Coffee	0.1	...	0.1	0.5	0.2	0.2	0.2	0.1	0.2	0.1	0.3	0.1	0.1	0.1	0.2	0.2	0.1
Pepper	20.9	6.0	15.5	12.8	9.2	12.2	17.1	31.7	26.2	20.6	42.7	32.1	70.2	128.3	72.4	149.0	76.4
Cinnamon	45.4	42.3	45.0	44.9	46.7	58.3	66.2	75.8	82.6	74.1	82.9	128.9	135.5	138.6	139.8	139.6	171.4
Cloves	4.0	13.0	28.3	6.0	14.0	17.5	12.6	9.2	33.0	12.0	37.4	35.4	18.5	49.7	14.0	48.3	13.8
Nutmeg and Maize	5.5	3.9	5.7	6.4	4.8	7.4	6.3	7.6	9.0	8.1	16.0	28.2	23.0	31.2	29.8	33.3	39.9
Cardamoms	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.3	0.2	0.3	0.6	0.2	0.2	0.3	1.1	5.8
Other Oil Seeds	...	...	...	...	...	...	...	0.2	...	0.1	...	0.1	5.2	0.4	1.2	0.1	0.1
Betel Leaves	1.7	1.3	2.0	2.9	3.0	2.6	2.6	4.1	6.7	6.0	5.1	6.9	5.0	10.6	10.5	9.1	7.7
Cocoa	0.0	0.1	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.1	0.2	4.1	21.3	13.1	0.3	1.1	0.2
Unmanufactured Tobacco	37.6	35.2	37.5	37.2	39.7	35.1	35.3	40.2	39.5	33.5	32.6	38.4	42.2	47.6	41.3	31.8	31.2
Sesame Seeds	0.1	...	...	0.4	1.6	0.7	1.3	0.6	0.4	1.6	8.9	0.5	2.5	10.4	6.2	4.7	4.4
Cashew Nuts	0.6	1.0	0.5	0.4	0.8	1.6	1.1	1.0	1.4	1.1	2.2	2.6	1.3	0.6	1.4	1.4	0.8
Essential Oils	0.9	0.9	0.9	1.0	1.3	1.4	1.7	3.5	3.8	2.4	5.0	1.1	0.9	1.3	4.5	2.4	4.7
Cinnamon Bark Oil	2.8	2.7	2.7	2.3	2.4	2.6	3.6	5.2	3.9	2.4	4.4	7.7	5.8	6.2	7.6	8.4	12.3
Clove Oil	0.1	...	0.2	...	0.1	...	0.2	0.3	0.3	0.1	0.4	0.4	0.3	0.3	0.2	0.4	0.4
Other Minor Agricultural Crops	21.7	18.3	18.6	21.2	21.7	24.2	24.7	4.2	5.8	27.6	52.4	38.4	28.7	33.5	32.9	34.1	24.5
<b>Seafood</b>	128.5	94.2	77.9	92.7	86.2	96.0	129.9	162.5	164.6	170.6	192.3	185.3	198.0	233.7	252.7	163.1	169.6
<b>Industrial Exports</b>	4,315	3,713	3,628	3,975	4,508	4,949	5,402	5,937	6,112	5,228	6,097	7,992	7,371	7,749	8,262	8,017	7,940
<b>Food, Beverages and Tobacco</b>	25	27	32	28	75	223	232	323	244	183	245	348	284	235	289	307	324
Milling Industry Products	8	7	9	9	13	30	52	48	62	40	71	142	90	37	43	31	26
Vegetable, Fruit and Nut Preparations	6	8	9	10	11	10	15	29	49	55	51	61	59	63	80	87	100

Table 13 | Value of Exports contd...

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Cereal Preparations	1	2	2	2	4	4	5	7	11	9	11	19	20	25	22	21	19
Fish Preparations	...	...	...	...	1	3	1	1	1	1	1	...	...	1	1	0	0
Manufactured Tobacco	2	2	2	8	16	20	16	23	28	24	26	41	47	49	56	58	73
Other	9	8	10	48	30	156	142	215	93	54	85	85	67	61	88	109	105
<b>Textile and Garments</b>	<b>2,982</b>	<b>2,544</b>	<b>2,425</b>	<b>2,575</b>	<b>2,808</b>	<b>2,890</b>	<b>3,084</b>	<b>3,337</b>	<b>3,478</b>	<b>3,261</b>	<b>3,356</b>	<b>4,191</b>	<b>3,991</b>	<b>4,508</b>	<b>4,930</b>	<b>4,820</b>	<b>4,884</b>
Garments	2,712	2,335	2,246	2,400	2,654	2,748	2,917	3,144	3,284	3,120	3,178	3,986	3,784	4,265	4,682	4,556	4,603
Woven Fabrics	65	46	49	47	43	34	46	61	66	55	70	85	92	124	90	102	107
Yarn	32	27	25	23	22	24	24	45	44	42	50	57	58	58	68	63	70
Other Made Up Textile Articles	173	137	105	105	89	84	96	86	84	44	57	64	56	61	90	100	105
<b>Petroleum Products</b>	<b>97</b>	<b>68</b>	<b>73</b>	<b>65</b>	<b>100</b>	<b>131</b>	<b>188</b>	<b>170</b>	<b>255</b>	<b>134</b>	<b>263</b>	<b>553</b>	<b>463</b>	<b>428</b>	<b>338</b>	<b>374</b>	<b>287</b>
Bunkers and Aviation Fuel	75	53	60	65	100	131	181	168	253	133	259	524	457	423	327	364	271
Other Petroleum Products	22	14	13	...	-	-	7	2	2	2	4	28	6	5	11	10	16
<b>Ceramic Products</b>	<b>47</b>	<b>42</b>	<b>42</b>	<b>40</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>49</b>	<b>36</b>	<b>40</b>	<b>38</b>	<b>36</b>	<b>40</b>	<b>41</b>	<b>35</b>	<b>34</b>
Tiles	9	7	8	9	10	9	11	11	12	8	8	6	7	8	9	8	7
Tableware, Household Items and Sanitaryware	27	25	26	24	29	31	32	30	30	24	27	28	25	29	29	25	23
Other	10	11	9	8	8	7	5	5	7	4	5	5	4	3	3	3	4
<b>Rubber Products</b>	<b>196</b>	<b>173</b>	<b>182</b>	<b>231</b>	<b>284</b>	<b>395</b>	<b>450</b>	<b>483</b>	<b>542</b>	<b>385</b>	<b>558</b>	<b>885</b>	<b>860</b>	<b>888</b>	<b>890</b>	<b>761</b>	<b>768</b>
Rubber Tyres	101	84	84	121	160	259	295	309	337	213	336	569	540	551	564	467	476
Surgical Gloves and Other Gloves	62	56	61	73	77	86	105	111	117	114	137	181	177	195	176	165	176
Other Rubber Products	33	32	37	37	47	50	50	64	88	58	85	135	143	141	150	130	116
<b>Leather, Travel Goods and Footwear</b>	<b>176</b>	<b>150</b>	<b>84</b>	<b>58</b>	<b>121</b>	<b>133</b>	<b>127</b>	<b>60</b>	<b>56</b>	<b>47</b>	<b>60</b>	<b>65</b>	<b>55</b>	<b>77</b>	<b>139</b>	<b>136</b>	<b>166</b>
Footwear	56	32	19	21	13	13	19	24	22	17	20	17	12	29	87	86	118
Travel Goods	109	108	55	27	21	19	13	26	23	20	27	31	27	28	31	29	29
Other	12	10	9	10	87	101	94	10	12	10	13	17	16	19	21	21	19
<b>Machinery and Mechanical Appliances</b>	<b>244</b>	<b>245</b>	<b>266</b>	<b>290</b>	<b>386</b>	<b>330</b>	<b>396</b>	<b>371</b>	<b>322</b>	<b>187</b>	<b>259</b>	<b>312</b>	<b>297</b>	<b>312</b>	<b>343</b>	<b>294</b>	<b>318</b>
<b>Gems, Diamonds and Jewellery</b>	<b>334</b>	<b>276</b>	<b>251</b>	<b>346</b>	<b>373</b>	<b>402</b>	<b>414</b>	<b>474</b>	<b>514</b>	<b>402</b>	<b>409</b>	<b>532</b>	<b>559</b>	<b>446</b>	<b>394</b>	<b>332</b>	<b>274</b>
Gems	143	91	45	113	108	124	86	105	76	69	70	95	118	130	173	164	149
Diamonds	178	166	192	216	247	265	312	348	418	317	322	414	417	295	198	148	105
Jewellery	13	19	14	17	19	13	16	22	20	17	17	22	24	21	22	19	20
<b>Transport Equipment</b>	<b>15</b>	<b>81</b>	<b>100</b>	<b>164</b>	<b>145</b>	<b>105</b>	<b>138</b>	<b>151</b>	<b>108</b>	<b>127</b>	<b>144</b>	<b>225</b>	<b>165</b>	<b>146</b>	<b>152</b>	<b>244</b>	<b>131</b>
Road Vehicles	5	4	3	5	8	13	20	23	39	50	58	49	86	32	39	40	42
Ships, Boats and Floating Structures	2	1	1	2	2	9	8	37	22	58	59	149	57	82	86	182	65
Other	8	76	96	157	135	83	111	91	48	20	28	27	22	33	27	22	25
<b>Printing Industry Products</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>9</b>	<b>15</b>	<b>34</b>	<b>47</b>	<b>48</b>	<b>246</b>	<b>235</b>	<b>42</b>	<b>36</b>	<b>52</b>	<b>46</b>	<b>42</b>
<b>Other Industrial Exports</b>	<b>197</b>	<b>105</b>	<b>170</b>	<b>126</b>	<b>166</b>	<b>285</b>	<b>311</b>	<b>487</b>	<b>497</b>	<b>418</b>	<b>517</b>	<b>608</b>	<b>619</b>	<b>633</b>	<b>694</b>	<b>669</b>	<b>712</b>
Chemical Products	31	28	31	35	53	73	65	78	71	74	93	118	117	120	134	126	126
Mineral Exports	3	4	5	5	11	23	17	22	22	20	24	33	61	52	59	28	29
Unclassified Exports	69	75	50	94	89	125	42	38	-	-	199	7	10	12	15	20	15
<b>Total Exports</b>	<b>5,522</b>	<b>4,818</b>	<b>4,699</b>	<b>5,133</b>	<b>5,759</b>	<b>6,347</b>	<b>6,883</b>	<b>7,640</b>	<b>8,111</b>	<b>7,085</b>	<b>8,626</b>	<b>10,559</b>	<b>9,774</b>	<b>10,394</b>	<b>11,130</b>	<b>10,547</b>	<b>10,310</b>

Sources: Department of Customs, Department of Trade and Investment Policy, Central Bank of Sri Lanka

... negligible

(a) Provisional

Table 14 | Value of Imports

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Consumer Goods</b>	<b>844</b>	<b>815</b>	<b>1,050</b>	<b>1,219</b>	<b>1,282</b>	<b>1,289</b>	<b>1,551</b>	<b>1,664</b>	<b>2,007</b>	<b>1,565</b>	<b>2,476</b>	<b>3,654</b>	<b>2,995</b>	<b>3,182</b>	<b>3,853</b>	<b>4,713</b>	<b>4,319</b>
Food and Beverages	383	402	513	547	558	573	711	802	1,089	933	1,322	1,567	1,304	1,368	1,634	1,627	1,627
Sugar	141	115	132	116	111	132	224	151	203	218	363	426	345	289	255	253	343
Milk and Milk Products	118	115	110	120	122	133	171	186	288	165	259	345	307	291	339	251	249
Rice	4	11	18	9	59	16	6	39	44	23	59	18	24	18	282	135	13
Flour	8	1	2	2	1	32	3	2	1	1	1	14	5	2	2	2	2
Fish	68	69	65	63	56	68	92	108	115	119	128	147	134	162	141	218	235
Other Food and Beverages	213	140	186	237	208	192	216	317	437	407	512	617	489	607	614	768	787
Potatoes	5.5	9.8	6.3	5.6	4.1	7.6	10.4	20.0	23.6	23.0	36.9	35.7	22.7	28.5	35.8	35.5	32
Chillies	22.2	17.0	17.5	22.5	16.6	16.2	26.3	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	93
Onions	26.0	26.0	27.0	26.0	27.0	26.0	28.0	57.0	53.0	60.0	96.0	86.0	51.9	100.1	65.3	122.0	100
Lentils	39.5	36.7	35.0	29.9	29.6	31.6	37.6	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139
Green Gram	5.3	3.0	2.3	2.5	4.0	3.0	3.8	7.4	11.0	10.7	15.6	13.8	7.3	11.2	13.6	27.2	16
Peas	7.1	5.4	5.1	5.1	5.3	5.0	6.3	10.0	18.8	12.9	14.9	18.5	19.0	19.9	21.8	31.8	26
Chick Peas	9.8	5.9	6.5	6.5	7.3	4.4	6.3	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30
Kurakkan	0.3	0.1	0.2	0.1	0.3	0.2	0.2	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	1
Oil and Fat	11.0	9.0	35.0	56.0	18.0	15.0	14.0	21.0	31.0	14.0	19.0	25.9	20.0	59.2	20.1	33.5	36
Spices	28.0	27.0	28.0	32.0	26.0	24.0	35.0	50.0	64.0	65.0	72.0	111.0	68.0	79.9	98.2	113.3	131.4
Other	58.0	72.0	23.2	50.8	69.8	59.0	47.7	44.7	68.8	47.4	66.5	99.3	158.7	134.1	157.9	156.7	183.6
Non-food Consumables	461	413	537	672	724	716	840	862	918	632	1,154	2,087	1,691	1,814	2,219	3,086	2,692
Vehicles	40	37	138	249	249	235	308	244	239	93	455	881	495	582	897	1,360	795
Home appliances-Radio and Television Sets	56	40	40	49	63	52	65	59	64	24	45	118	118	103	86	120	136
Rubber Products	34	26	29	32	37	38	42	44	51	46	72	83	80	88	90	114	112
Medical and Pharmaceutical Products	96	92	105	105	117	135	162	179	212	202	217	348	372	378	381	460	526
Household and Furniture Items	55	48	48	50	59	63	69	70	75	61	88	127	117	125	134	150	182
Other	180	170	177	187	199	193	194	266	277	206	277	530	509	538	632	882	941
Garments	131.9	100.0	88.1	89.1	98.7	91.5	81.5	85.9	89.1	98.9	94.4	112.0	131.9	157.6	227.0	321.4	291
Other Articles of Plastics	34.1	30.0	21.6	23.1	25.5	28.9	36.3	32.9	29.8	18.3	20.7	33.0	35.4	33.2	34.0	52.8	28.9
Printed Books	4.2	3.7	10.8	2.9	3.2	4.5	4.8	5.0	4.4	21.5	19.8	15.0	14.1	11.9	10.4	10.7	13
Fans	7.7	5.0	4.1	5.3	5.7	5.9	6.1	7.5	7.1	7.0	12.3	23.1	23.4	27.4	24.4	33.5	42
Washing Preparations	6.6	3.9	3.8	5.6	4.9	5.1	7.4	7.5	9.7	11.0	10.6	6.0	6.0	5.6	4.3	4.0	5
Powders, Makeup	4.9	2.3	2.7	3.0	3.6	2.8	4.3	4.2	6.2	4.8	5.6	10.7	6.8	8.1	6.7	9.0	14
Cookers	4.5	2.2	3.6	3.1	3.4	3.7	3.6	3.5	3.8	3.7	5.0	9.4	6.4	6.8	5.7	9.2	12
<b>Intermediate Goods</b>	<b>3,376</b>	<b>3,406</b>	<b>3,667</b>	<b>4,023</b>	<b>4,953</b>	<b>5,607</b>	<b>6,257</b>	<b>6,983</b>	<b>9,019</b>	<b>6,159</b>	<b>8,054</b>	<b>12,274</b>	<b>11,578</b>	<b>10,554</b>	<b>11,398</b>	<b>9,638</b>	<b>9,869</b>
Fertilizer	79	68	75	87	107	134	163	192	577	182	240	407	311	239	272	290	137
Petroleum	902	729	791	837	1,213	1,657	2,070	2,516	3,392	2,184	3,041	4,795	5,045	4,308	4,597	2,700	2,481
Chemical Products	202	195	218	238	265	312	357	405	508	432	520	702	670	734	808	870	856
Paper and Paper Boards	116	108	156	186	210	222	254	290	328	264	350	427	363	380	490	477	487

Table 14 | Value of Imports contd...

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Wheat and Maize	143	131	144	158	209	168	217	255	402	269	265	429	364	323	405	357	249
Textile	1,139	1,459	1,414	1,476	1,634	1,659	1,656	1,724	1,788	1,529	1,812	2,321	2,266	2,046	2,328	2,296	2,705
Diamond and Precious Metals	161	147	179	217	218	244	257	284	545	277	378	1,076	588	483	175	162	514
Base Metal	64	55	124	175	253	298	298	252	275	167	239	354	440	406	478	471	456
Vehicle and Machinery Parts	79	65	70	82	94	105	121	127	159	127	176	223	211	210	228	264	281
Other Intermediate Goods	491	449	496	567	750	808	864	938	1,045	728	1,033	1,540	1,320	1,425	1,616	1,752	1,703
Semi Finished Products of Iron	80	24	36	45	60	71	78	105	137	72	91	157	256	238	168	151	n.a
Polymer of Ethylene	89	39	37	44	67	77	82	106	103	76	103	109	99	106	142	147	144
Unmanufactured Tobacco	49	1	30	41	36	46	32	40	42	39	31	52	71	62	70	83	68
Palm Oil (Refined <sup>1</sup> )	71	18	34	24	53	131	131	145	127	35	68	161	67	81	123	111	84
<b>Investment Goods</b>	<b>1,387</b>	<b>1,065</b>	<b>1,180</b>	<b>1,360</b>	<b>1,714</b>	<b>1,937</b>	<b>2,400</b>	<b>2,597</b>	<b>2,852</b>	<b>2,093</b>	<b>2,758</b>	<b>4,286</b>	<b>4,590</b>	<b>4,253</b>	<b>4,152</b>	<b>4,567</b>	<b>5,198</b>
Machinery and Equipment	844	683	730	788	998	1,051	1,341	1,428	1,467	1,077	1,339	2,141	2,356	2,222	2,131	2,278	2,741
Recorders and Primary Batteries	38	13	15	18	29	50	49	119	124	107	87	124	138	152	n.a.	17	17
Medical Instrument and Appliance - Used	63	34	48	31	47	56	56	60	73	54	63	81	87	92	104	117	137
Wire Cables (Electrical)	26	16	14	11	20	18	19	5	13	11	38	33	32	34	33	37	31
Gas Cylinders (For Industries)	6	4	4	3	4	3	4	7	6	3	6	12	n.a.	n.a.	n.a.	n.a.	n.a.
Transport Equipment	245	127	156	228	269	333	405	410	481	357	593	1,065	992	668	707	931	880
Building Material	296	254	292	342	443	548	651	753	900	656	822	1,076	1,237	1,357	1,309	1,352	1,569
Iron Pipe & Tube	84	34	38	45	63	79	85	93	126	88	108	85	84	70	56	70	79
Other Investment Goods	2	1	2	2	4	5	3	6	4	3	4	4	5	6	5	6	8
<b>Unclassified Imports</b>	<b>1,715</b>	<b>687</b>	<b>207</b>	<b>73</b>	<b>50</b>	<b>31</b>	<b>48</b>	<b>52</b>	<b>213</b>	<b>390</b>	<b>162</b>	<b>54</b>	<b>28</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>13</b>
<b>Total Imports</b>	<b>7,320</b>	<b>5,974</b>	<b>6,106</b>	<b>6,672</b>	<b>8,000</b>	<b>8,863</b>	<b>10,253</b>	<b>11,296</b>	<b>14,091</b>	<b>10,207</b>	<b>13,451</b>	<b>20,269</b>	<b>19,190</b>	<b>18,003</b>	<b>19,417</b>	<b>18,935</b>	<b>19,400</b>

Sources: Department of Customs, Department of Trade and Investment Policy and Central Bank of Sri Lanka

(a) Provisional

Table 15 | Import Quantities of Selected Items

Item	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)	MT'000
Sugar	570.4	457.4	567.7	526.0	496.5	444.2	520.6	470.7	563.1	460.7	539.2	596.6	559.0	539.0	509.5	624.0	651.0	
Milk Powder	56.9	52.2	61.9	63.8	54.2	52.8	68.1	62.1	62.5	62.4	72.4	84.1	79.5	66.0	67.2	81.8	94.0	
Potatoes	116.5	62.6	38.0	40.5	28.0	40.8	46.6	85.9	99.4	99.6	129.9	130.5	112.8	123.2	118.2	142.2	148.1	
Chilies - Red	23.4	25.8	25.3	27.7	24.3	27.3	29.4	31.2	34.7	36.0	37.7	42.2	40.7	44.1	47.8	49.9	51.0	
Big Onions	117.5	110.1	130.1	130.5	115.1	110.7	119.5	140.7	146.6	143.2	158.1	170.7	145.9	168.9	150.5	210.3	215.6	
Red Onions	5.9	2.7	1.8	0.2	2.7	10.2	10.9	23.8	26.9	16.2	11.9	6.8	7.0	15.4	11.8	15.2	19.8	
Dhal	80.4	90.7	106.5	90.9	89.6	86.4	107.7	103.2	104.9	108.0	134.3	151.3	114.0	150.9	153.4	160.9	154.34	
Rice	14.9	52.0	95.1	34.5	221.7	51.7	11.5	88.0	84.7	51.7	125.8	27.8	36.2	22.9	599.7	285.6	29.50	
Maize	115.2	157.3	94.6	128.5	148.8	146.8	83.7	78.4	82.5	27.2	9.6	7.0	1.0	0.5	86.8	67.2	41.9	
Green Gram	6.8	8.7	7.1	8.2	12.7	9.3	11.5	12.8	13.7	14.2	11.5	10.5	7.9	7.1	5.2	11.5	13.9	
Black Gram	7.3	7.9	6.9	7.6	5.4	4.6	6.2	7.1	5.0	3.3	1.5	7.1	3.2	4.2	6.3	8.1	12.0	
Peas	21.9	21.9	18.1	17.9	20.3	21.3	25.2	26.9	27.2	26.7	33.0	36.1	31.9	30.8	35.9	45.4	35.6	
Chick Peas	14.3	13.4	17.4	19.6	22.6	13.9	18.5	14.7	17.2	20.0	19.1	19.9	18.7	25.3	25.7	27.7	27.0	
Kurakkan	0.5	0.8	1.1	0.6	1.8	1.4	1.9	2.6	2.9	3.3	2.1	2.2	3.6	12.0	0.7	0.8	2.2	
Cowpea	0.2	0.1	0.1	0.2	0.1	0.2	0.3	0.6	0.7	0.4	0.6	0.9	0.7	1.1	1.0	5.6	6.1	
Soya Bean	2.9	3.2	3.5	1.5	1.6	1.3	0.2	...	2.4	1.8	1.6	...	0.1	1.1	...	7.3	7.1	
Coriander	12.8	10.1	11.7	13.1	13.1	9.9	11.0	14.8	9.7	10.9	12.1	13.3	10.1	15.3	13.8	12.3	15.0	
Turmeric	3.6	2.9	3.7	3.8	3.5	3.4	3.4	3.3	4.4	3.9	3.9	4.1	3.8	4.1	4.2	4.9	4.7	
Turmeric (Powder)	0.2	0.1	0.1	...	0.3	0.5	0.4	0.3	0.3	0.3	0.3	0.2	...	...	...	...	0.5	
Tamarind	0.8	...	0.4	0.7	0.1	1.0	0.1	0.1	0.1	0.1	0.9	0.7	...	...	...	1.1	0.1	
Garlic	13.7	15.7	19.0	19.5	17.5	18.4	18.4	20.9	25.0	21.2	20.4	23.8	23.1	24.4	27.0	28.2	26.0	
Apples	13.5	14.2	18.5	22.5	17.1	17.5	16.6	18.0	17.2	20.1	22.4	21.2	21.1	20.1	15.9	20.2	25.3	
Grapes	2.5	2.7	3.4	3.9	3.5	3.0	3.5	3.4	3.7	3.4	4.3	6.9	6.6	6.2	3.8	6.9	8.4	
Orange	10.8	9.4	10.8	11.1	7.6	3.8	5.0	3.3	3.6	4.3	4.5	7.0	6.0	7.6	6.5	7.5	8.1	
Mandarin	...	...	...	...	2.7	4.0	6.1	3.7	5.3	7.4	10.9	10.5	10.6	9.5	7.1	8.9	10.6	
Melon	...	...	...	...	0.1	0.1	0.1	0.1	0.1	0.1	...	-	...	...	-	...	...	
Canned Fish	21.8	20.3	20.1	18.1	18.1	20.2	19.7	23.1	18.2	13.6	16.7	20.7	19.6	22.2	19.7	49	37.1	
Maldiva Fish	4.3	5.6	6.2	5.9	5.2	5.5	5.6	3.6	3.1	3.2	2.9	2.8	1.4	1.4	1.3	2.2	2.7	
Sprats	19.1	19.2	17.6	20.9	17.6	21.5	23.2	25.4	22.8	25.4	27.3	27.6	25.2	23.5	24.9	24.6	24.5	
Other Dry Fish	31.4	28.9	27.0	24.8	20.3	23.4	21.6	22.7	22.1	20.1	18.5	19.6	14.2	14.0	10.0	7.9	9.8	
Palm Oil	77.7	60.9	88.0	53.9	118.8	326.2	297.1	205.6	126.8	49.7	74.3	135.5	51.1	45.3	142.0	161.8	120.5	
Coconut Oil	4.2	2.8	62.2	108.4	19.2	5.5	4.9	5.5	15.6	2.4	3.5	3.6	5.2	2.2	3.9	3.4	2.3	

Sources: Department of Customs, Department of Census and Statistics and Central Bank of Sri Lanka

... negligible

(a) Provisional

Table 16 | Value of Food Imports

Item	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
Sugar	141.0	115.0	132.0	116.0	111.4	132.3	223.7	151.0	203.0	218.0	363.0	426.0	345.0	288.9	255.5	252.5	342.5
Milk Powder and Milk Products	118.0	115.0	110.0	120.0	122.0	133.0	171.0	186.0	288.0	165.0	259.0	345.0	307.0	291.0	339.4	250.9	249.3
Flour	8.0	1.0	2.0	2.4	1.0	31.9	3.0	2.0	1.0	1.0	1.0	14.0	4.9	1.8	2.1	2.0	1.8
Potatoes	5.5	9.8	6.3	5.6	4.1	7.6	10.4	20.0	23.6	23.0	36.9	35.7	22.7	28.4	35.8	35.5	31.5
Chilies - Red	22.2	17.0	17.5	22.5	16.6	16.2	26.3	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7
Big Onions	19.8	19.6	19.9	21.3	21.4	18.2	18.7	39.7	32.1	40.8	58.8	59.3	29.5	71.1	42.0	79.8	46.7
Red Onions	1.4	0.7	0.6	0.1	0.7	3.0	3.6	8.6	14.6	9.4	5.7	4.2	3.0	10.7	5.0	8.8	9.0
Dhal	39.5	36.7	35.0	29.9	29.6	31.6	37.6	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4
Rice	4.0	11.0	18.0	9.0	59.4	15.6	5.5	38.7	44.3	22.9	59.0	18.4	24.2	17.9	281.7	135.1	12.8
Maize	14.4	20.1	12.6	18.6	24.8	25.0	15.7	18.7	22.8	0.6	2.5	2.3	0.4	0.3	23.9	16.1	10.8
Green Gram	5.3	3.0	2.3	2.5	4.0	3.0	3.8	7.4	11.0	10.7	15.6	13.8	7.3	7.6	6.8	15.0	15.6
Black Gram	2.2	2.5	2.3	2.3	1.5	1.2	1.6	2.2	2.5	2.7	1.7	7.2	3.0	3.5	6.9	11.3	22.4
Peas	5.7	5.4	5.1	5.1	5.3	5.0	6.3	10.0	18.8	12.9	14.9	18.5	19.0	19.9	20.4	31.8	25.6
Chick Peas	6.3	5.9	6.5	6.5	7.3	4.4	6.3	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1
Kurakkan	0.3	0.1	0.2	0.1	0.3	0.2	0.2	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6
Cowpea	n.a	n.a	n.a	n.a	...	0.1	0.1	0.1	0.4	0.3	...	0.7	0.6	0.9	0.9	4.1	4.5
Soya Bean	0.8	0.9	1.0	0.4	0.5	0.4	0.6	...	0.9	0.7	0.8	...	0.1	...	...	3.4	3.0
Coriander	4.0	3.7	4.0	3.9	3.9	2.8	3.2	6.6	10.9	9.5	9.5	9.9	6.5	14.8	19.2	14.0	10.0
Turmeric	1.9	1.0	1.6	1.6	1.3	1.1	1.1	1.1	2.7	4.2	8.2	7.0	3.7	4.6	4.6	6.5	7.1
Turmeric (Powder)	0.1	...	0.1	...	0.2	0.2	0.1	0.1	0.2	0.5	0.6	0.2	...	...	...	...	...
Tamarind	0.2	...	0.1	0.1	...	0.2	...	...	...	...	0.2	0.2	-	...	...	0.4	...
Garlic	4.2	5.2	5.9	4.0	4.3	4.5	6.0	8.2	6.4	9.9	31.2	22.0	19.1	18.0	18.2	25.5	44.3
Apples	6.1	5.9	7.9	9.0	6.1	5.4	5.2	5.7	5.4	7.7	9.6	9.7	14.4	19.8	17.2	18.3	24.0
Grapes	4.0	4.0	4.4	4.3	3.9	3.1	3.7	3.7	4.0	4.4	5.6	6.8	10.5	11.2	8.4	13.4	15.9
Orange	2.6	2.2	2.8	3.0	2.1	1.5	1.8	1.4	1.6	2.0	2.3	3.7	4.0	5.2	4.7	4.6	5.9
Mandarin	...	...	...	0.1	0.6	0.8	1.2	0.8	1.2	2.1	3.2	3.3	3.8	2.8	2.1	2.7	3.5
Melon	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	...	-	...	...	-	...	0.4
Canned Fish	19.5	16.6	19.5	17.9	17.6	23.3	27.0	34.8	39.4	32.1	38.6	50.7	43.6	47.5	39.5	81.9	66.2
Maldive Fish	8.7	11.2	10.4	9.1	7.8	8.3	8.5	5.9	8.1	14.1	11.5	12.3	7.5	6.6	5.0	11.4	13.7
Sprats	16.7	16.5	12.7	14.5	11.7	14.5	25.2	29.1	26.5	31.4	35.1	39.1	40.0	55.2	44.9	49.1	62.1
Other Dry Fish	28.7	33.0	28.4	24.4	20.5	23.2	27.8	27.4	31.2	37.0	32.0	36.8	30.0	25.3	18.1	15.4	22.5
Palm Oil	28.4	17.7	33.6	24.1	53.5	130.9	131.0	145.3	127.4	35.3	68.1	160.6	67.2	81.4	123.0	103.5	84.1
Coconut Oil	2.2	0.9	25.4	46.7	8.0	2.7	3.0	4.9	13.4	1.8	3.6	6.6	4.8	2.2	0.2	5.8	3.7

Sources: Department of Customs, Department of Census and Statistics and Central Bank of Sri Lanka

... negligible

(a) Provisional

Table 17 | Motor Vehicles

Item	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Motor Vehicle Imports</b>														
Total	208,930	236,868	295,928	337,693	296,290	258,244	169,493	383,099	533,056	374,175	308,398	482,003	655,086	471,424
Motor Bicycles	117,301	142,445	193,411	209,635	177,193	153,191	117,913	221,832	252,036	186,372	159,791	322,257	349,523	329,920
Three-Wheelers	35,773	41,445	39,154	50,310	34,485	44,046	30,356	92,207	137,389	93,284	80,586	83,233	132,779	47,724
Tractors	16,379	15,288	26,106	23,120	23,629	28,181	12,874	18,617	26,870	18,967	13,247	5,511	14,234	13,514
Transport Vehicles (goods)	19,770	18,291	18,423	22,987	36,084	13,742	5,639	20,655	55,786	45,560	25,655	25,664	44,287	32,221
Passenger Vans and Buses	1,358	2,241	2,229	3,025	2,094	1,117	649	2,766	3,836	3,245	1,627	3,906	4,690	2,781
Motor Cars	17,871	16,876	15,944	28,464	22,315	17,273	1,852	26,745	56,370	26,312	27,084	41,030	109,059	44,942
Other	478	282	661	152	490	694	210	277	769	435	408	402	514	322
<b>New Registration of Motor Vehicles</b>														
Total	181,502	223,842	229,669	300,522	297,892	265,199	204,075	359,243	525,421	397,295	326,651	429,556	668,907	493,328
Motor Cars	21,184	19,116	17,283	27,578	22,603	20,237	5,762	23,072	57,886	31,546	28,380	38,780	105,628	45,172
Three Wheelers	36,204	43,789	41,085	64,466	43,068	44,804	37,364	85,648	138,426	98,815	83,673	79,038	129,547	56,945
Motor Cycles	86,877	124,474	130,696	156,626	182,508	155,952	135,421	204,811	253,331	192,284	169,280	272,885	370,889	340,129
Buses	1,949	2,167	2,069	3,346	2,637	1,180	739	2,491	4,248	3,095	1,805	3,851	4,140	2,685
Dual Purpose Vehicles	13,268	10,736	6,851	7,245	5,193	2,856	1,280	11,712	33,518	37,397	24,603	20,799	39,456	26,887
Goods Transport Vehicles - Lorries	11,158	10,703	14,262	20,436	18,408	14,038	8,225	11,845	14,818	12,266	5,872	5,121	7,142	7,563
Land Vehicles - Tractors	10,004	11,535	15,597	19,040	21,346	24,357	13,951	17,363	20,073	18,450	10,772	7,070	9,977	10,285
Land Vehicles - Trailers	858	1,322	1,826	1,785	2,129	1,775	1,333	2,301	3,121	3,442	2,266	2,012	2,128	3,662
<b>Total Vehicle Fleet *</b>														
Total	2,073,869	2,297,711	2,527,380	2,827,902	3,125,794	3,390,993	3,595,068	3,954,311	4,479,732	4,877,027	5,203,678	5,633,234	6,302,141	6,795,469
Motor Cars	274,631	293,747	311,030	338,608	361,211	381,448	387,210	410,282	468,168	499,714	528,094	566,874	672,502	717,674
Three Wheelers	169,319	213,108	254,193	318,659	361,727	406,531	443,895	529,543	667,969	766,784	850,457	929,495	1,059,042	1,115,987
Motor Cycles	1,010,344	1,134,818	1,265,514	1,422,140	1,604,648	1,760,600	1,896,021	2,100,832	2,354,163	2,546,447	2,715,727	2,988,612	3,359,501	3,699,630
Buses	69,651	71,818	73,887	77,233	79,870	81,050	81,789	84,280	88,528	91,623	93,428	97,279	101,419	104,104
Dual Purpose Vehicles	163,355	174,091	180,942	188,187	193,380	196,236	197,516	209,228	242,746	280,143	304,746	325,545	365,001	391,888
Goods Transport Vehicles - Lorries	198,775	209,478	223,740	244,176	262,584	276,622	284,847	296,692	311,510	323,776	329,648	334,769	341,911	349,474
Land Vehicles - Tractors	153,808	165,343	180,940	199,980	221,326	245,683	259,634	276,997	297,070	315,520	326,292	333,362	343,339	353,624
Land Vehicles - Trailers	33,986	35,308	37,134	38,919	41,048	42,823	44,156	46,457	49,578	53,020	55,286	57,298	59,426	63,088

Sources: Department of Customs and Department of Motor Traffic

(a) Provisional

\* Cumulative number of all vehicles registered in Sri Lanka

Table 18 | Power Sector

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Installed Capacity	MW	1,409	1,838	1,999	2,231	2,483	2,499	2,411	2,434	2,444	2,645	2,684	2,818	3,146	3,312	3,356	3,932	3,847	4,018
Hydro Power		1,137	1,150	1,161	1,172	1,247	1,281	1,291	1,314	1,324	1,345	1,379	1,383	1,401	1,584	1,625	1,665	1,680	1,726
Thermal		272	685	835	1,056	1,233	1,215	1,115	1,115	1,115	1,285	1,290	1,390	1,396	1,338	1,335	1,215	1,115	1,215
Coal		-	-	-	-	-	-	-	-	-	-	-	-	300	300	300	900	900	900
Wind*		-	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Other		-	-	-	-	-	-	2	2	2	12	12	42	46	87	93	150	149	174
Maximum Demand	MW	980	1,405	1,445	1,422	1,516	1,563	1,748	1,893	1,842	1,922	1,868	1,955	2,163	2,146	2,164	2,152	2,283	2,453
Total sales by CEB	GWh	3,915	5,258	5,236	5,502	6,209	6,667	7,255	7,832	8,276	8,417	8,441	9,268	10,023	10,474	10,621	11,063	11,786	12,785
Generation **	GWh	4,783	6,686	6,520	6,810	7,612	8,043	8,769	9,389	9,814	9,901	9,882	10,714	11,528	11,800	11,898	12,357	13,090	14,149
Average Electricity Price	Rs	3.70	4.53	5.48	7.25	7.68	7.66	7.71	9.01	10.56	13.17	13.10	13.03	13.21	15.56	17.93	18.50	15.93	16.12
Average Cost of Electricity	Rs	2.64	6.28	7.58	9.42	9.17	10.33	10.91	10.93	13.48	17.67	14.93	13.03	15.59	23.66	16.94	19.97	15.06	18.10
Access to Electricity	000'	n.a.	2,752	2,850	2,928	3,131	3,401	3,592	3,698	3,811	3,995	4,158	4,327	4,611	4,979	5,211	5,418	5,649	5,964
Access to Electricity	%	45.0	62.6	63.9	64.7	67.9	73.4	76.7	78.1	80.0	83.0	85.4	88.0	91.0	94.0	96.0	98.0	99.0	99.3

Source: Ceylon Electricity Board

(a) Provisional

\*Wind capacity installed under CEB only

\*\* Net Generation considered

Note: Installed capacity of Thermal includes hired plants from 2000-2004

Table 19 | Roads

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Total Road Length</b>	<b>km</b>	<b>109,626</b>	<b>109,982</b>	<b>110,046</b>	<b>110,392</b>	<b>110,792</b>	<b>111,001</b>	<b>111,436</b>	<b>112,964</b>	<b>113,506</b>	<b>113,573</b>	<b>113,674</b>	<b>114,272</b>	<b>114,768</b>	<b>115,272</b>	<b>115,383</b>	<b>117,012</b>	<b>116,407</b>	<b>118,059</b>
National Roads		11,126	11,482	11,546	11,649	11,649	11,658	11,693	11,773	11,874	11,891	11,922	12,019	12,019	12,258	12,289	12,369	12,380	12,380
Class A		4,216	4,216	4,216	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,215	4,215	4,215
Class B		6,910	7,266	7,330	7,430	7,430	7,439	7,474	7,554	7,655	7,672	7,703	7,800	7,800	7,944	7,949	7,993	7,995	7,995
Expressways		-	-	-	-	-	-	-	-	-	-	-	-	-	95	121	161	170	170
Provincial Roads		15,500	15,500	15,500	15,743	15,743	15,743	15,743	16,532	16,532	16,532	16,532	16,973	17,429	17,614	17,614	19,083	18,397	18,353
Rural Roads		83,000	83,000	83,000	83,000	83,400	83,600	84,000	84,659	85,100	85,150	85,220	85,280	85,320	85,400	85,480	85,560	85,630	87,326
<b>Total Roads Density</b>	<b>km/km<sup>2</sup></b>	<b>1.67</b>	<b>1.68</b>	<b>1.68</b>	<b>1.68</b>	<b>1.69</b>	<b>1.69</b>	<b>1.70</b>	<b>1.72</b>	<b>1.73</b>	<b>1.73</b>	<b>1.73</b>	<b>1.74</b>	<b>1.75</b>	<b>1.76</b>	<b>1.76</b>	<b>1.78</b>	<b>1.77</b>	<b>2</b>
National Roads Density		0.17	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.19	0.19	0.19	0.19	0.19
Provincial Roads Density		0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.25	0.25	0.25	0.25	0.26	0.27	0.27	0.27	0.29	0.28	0.28
Rural Roads Density		1.27	1.27	1.27	1.27	1.27	1.27	1.28	1.29	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.31	1.33
<b>Road Condition of National Roads as per IRI*</b>																			
Excellent	%	-	-	-	-	-	-	-	-	7	7	11	16	23	24	29	27	27	35
Good	%	-	-	-	-	-	-	-	-	28	23	24	27	23	29	36	27	28	29
Fair	%	-	-	-	-	-	-	-	-	19	18	17	13	10	10	8	9	9	10
Poor	%	-	-	-	-	-	-	-	-	36	41	37	33	26	17	13	16	16	11
Bad	%	-	-	-	-	-	-	-	-	10	11	11	11	11	18	20	22	20	15

Source: Road Development Authority and Department of National Planning

\*IRI = International Roughness Index

(a) Provisional

Table 20 | Port Services

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Vessels Arrived *</b>	No.	3,612	4,232	4,014	4,062	4,032	3,883	4,139	4,469	4,710	4,814	4,592	4,075	4,358	4,178	4,024	4,298	4,760	5,023
Colombo		3,277	3,832	3,570	3,787	3,838	3,688	3,929	4,228	4,326	4,424	4,114	3,910	4,124	3,870	3,667	3,742	4,197	4,405
Sri Lanka Ports Authority		3,277	3,026	2,765	2,886	2,899	2,691	2,972	3,160	3,114	3,151	2,939	2,928	3,040	2,750	2,600	2,424	2,169	2,061
South Asia Gateway Terminal		-	806	805	901	939	997	957	1,068	1,212	1,273	1,175	982	1,084	1,120	1,011	855	1,026	1,087
Colombo International Container Terminal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	56	463	1,002	1,257
Galle		69	97	117	76	73	88	114	100	87	68	32	48	73	69	36	60	72	96
Trincomalee		266	303	327	199	121	107	96	141	297	322	310	109	126	161	134	127	164	216
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	-	-	-	-	-	-	-	-	-	9	34	139	335	295	281
KKS, Myliddy, Point Pedro & Karrainagar		-	-	-	-	-	-	-	-	-	-	136	8	26	44	48	34	32	25
<b>Total Cargo Handled</b>	MT '000	19,517	27,535	27,062	28,363	30,500	33,959	37,300	42,661	46,344	50,582	48,778	61,240	65,097	65,030	66,292	74,431	77,611	86,546
Colombo		17,414	25,222	24,741	26,273	28,198	31,299	34,523	39,428	43,502	47,960	46,373	58,768	62,016	61,669	63,482	70,794	73,718	81,879
Sri Lanka Ports Authority		17,414	21,986	21,207	20,298	21,502	21,918	24,885	27,585	28,985	30,924	27,281	33,775	36,019	36,867	39,186	39,998	36,668	35,172
South Asia Gateway Terminal ***		-	3,236	3,534	5,975	6,696	9,381	9,638	11,843	14,517	17,036	19,092	24,993	25,997	24,802	23,551	22,148	16,893	21,196
Colombo International Container Terminal ***		-	-	-	-	-	-	-	-	-	-	-	-	-	-	745	8,648	20,157	25,511
Galle		237	597	662	526	482	578	655	735	627	459	167	318	464	422	207	394	542	771
Trincomalee		1,866	1,716	1,659	1,564	1,820	2,082	2,123	2,498	2,215	2,163	2,238	2,154	2,574	2,859	2,435	2,748	3,027	3,514
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	-	-	-	-	-	-	-	-	-	15	20	119	474	292	355
KKS, Myliddy, Point Pedro & Karrainagar		-	-	-	-	-	-	-	-	-	-	-	246	11	28	60	49	21	32
<b>Total Container Traffic (b)</b>	TEUs '000	1,049	1,733	1,727	1,765	1,959	2,221	2,455	3,079	3,381	3,687	3,464	4,137	4,263	4,187	4,306	4,908	5,185	5,735
Sri Lanka Ports Authority		1,049	1,432	1,397	1,207	1,335	1,321	1,524	1,744	1,835	1,961	1,714	2,167	2,299	2,317	2,502	2,559	2,252	2,100
South Asia Gateway Terminal		-	301	330	558	624	900	931	1,335	1,546	1,726	1,750	1,970	1,963	1,870	1,747	1,662	1,371	1,632
Colombo International Container Terminal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	57	687	1,562	2,003
<b>Transshipment Container ** (b)</b>	TEUs '000	721	1,181	1,195	1,218	1,370	1,531	1,716	2,330	2,578	2,874	2,712	3,205	3,216	3,167	3,274	3,781	3,967	4,435
Sri Lanka Ports Authority		721	959	959	848	964	949	1,106	1,297	1,412	1,517	1,301	1,604	1,652	1,652	1,825	1,916	1,711	1,617
South Asia Gateway Terminal		-	222	236	370	406	582	610	1,033	1,166	1,357	1,411	1,601	1,564	1,515	1,405	1,325	1,043	1,314
Colombo International Container Terminal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	44	540	1,213	1,504
<b>Employment (Sri Lanka Ports Authority)</b>	No.	16,492	19,344	18,561	17,910	13,936	13,233	13,527	13,660	13,667	13,715	13,367	12,828	11,008	10,200	9,886	9,598	9,550	9,651
Colombo		14,851	17,411	16,744	16,157	12,522	11,888	12,217	12,382	12,470	12,548	12,263	11,681	10,059	9,325	9,014	8,747	8,725	8,851
Galle		779	758	737	752	638	634	622	615	577	553	513	500	433	391	378	373	355	348
Trincomalee		862	1,175	1,080	1,001	776	711	688	663	620	614	591	598	466	436	426	419	417	402
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	-	-	-	-	-	-	-	-	49	50	48	68	59	53	50
<b>Revenue (Sri Lanka Ports Authority)</b>	Rs Mn	6,820	14,717	16,387	15,667	16,356	17,861	20,552	23,004	25,913	25,142	23,331	28,279	31,086	38,098	37,232	37,492	40,805	44,080

Source: Sri Lanka Ports Authority  
 (a) Provisional  
 (b) TEUs=Twenty-foot Equivalent Container Units  
 \* Excluding of Sailing craft, Naval Vessels, Fishing trawlers, Yatch & Dredgers  
 \*\*Including Re-Stowing  
 \*\*\* Estimated tonnage  
 The South Asia Gateway Terminal commenced its operations in 1999.

Table 21 | Water Supply and Sewerage

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
Access to Pipe Borne Water	% population	13.0	n.a	n.a	n.a	28.0	n.a	30.0	31.0	32.0	34.0	37.0	40.0	42.4	43.5	43.7	44.3	45.9	47.7
Access to Safe Drinking Water	% population	n.a	n.a	n.a	n.a	71.0	n.a	75.0	76.0	77.0	78.0	80.0	81.0	82.9	84.1	88.7	84.6	86.0	87.8
Access to Piped Sewerage *	% population	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	1.8	1.8	1.8	1.8	1.9	1.9	2.0	2.0	2.0
Average Cost (per month)**	Rs,000'	n.a	n.a	n.a	n.a	406,069	441,030	513,698	587,222	741,554	880,770	946,918	1,066,353	1,160,719	1,331,254	1,440,848	1,607,839	1,774,605	1,828,748***
Average Household Bill (per month)	Rs	n.a	155.0	180.5	194.8	206.3	197.4	285.4	300.9	305.7	290.9	412.7	438.2	437.7	473.9	557.0	570.7	547.9	632.5
Water Supply Connections	No.	323,259	581,165	665,166	732,935	782,724	841,505	907,622	989,395	1,078,892	1,186,931	1,266,328	1,355,573	1,449,301	1,587,663	1,707,742	1,831,998	1,953,721	2,092,471
Water Production	Mn cum	275	332	343	349	357	368	383	398	425	440	449	470	490	525	547	575	600	649
Water Consumption	Mn cum	150*	213	220	230	233	244	253	261	284	299	309	322	342	368	381	411	436	483
Water Sales (Bill Revenue)	Rs Mn	1,542	3,006	3,498	3,966	4,366	4,460	5,839	6,947	7,422	7,875	11,119	12,409	13,343	13,209	18,167	19,969	20,472	23,975
Non- Revenue Water																			
Colombo City	%	n.a	53.7	54.5	52.0	52.3	53.0	51.3	51.8	53.2	54.0	53.1	52.0	50.0	49.2	47.7	46.6	46.2	45.7
Island wide	%	n.a	35.7	35.8	34.2	34.9	33.7	33.8	34.4	33.1	32.1	31.1	31.6	30.4	29.9	30.2	28.5	27.3	25.5
Employees	No.	7,555	7,809	8,334	8,103	8,187	7,806	7,981	8,335	8,848	9,006	9,063	9,018	9,199	9,670	9,953	10,483	10,245	10,352
Employees Per 1000 connections		23.4	13.4	12.5	11.1	10.5	9.3	8.8	8.4	8.2	7.6	7.2	6.7	6.4	6.1	5.8	5.7	5.2	5.0
Collection Efficiency (Collection/Billing)		0.89	0.99	0.96	0.97	1.09	1.10	1.02	0.98	1.00	0.99	0.94	1.00	0.99	0.98	1.01	1.00	1.11	1.00

Source: National Water Supply and Drainage Board

(a) Provisional

\*Increase of Piped Sewerage connections is not significant enough to show an increase in Piped sewer coverage with the increase in population.

\*\*This cost includes total operating expenditure, depreciation and interest of commissioned projects.

\*\*\* Estimated figures.

Table 22 | Communications

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Telecommunication</b>																			
Fixed Access Services	No.	204,350	767,411	829,282	883,108	933,771	991,239	1,243,993	1,884,078	2,742,059	3,446,411	3,435,958	3,534,575	3,608,392	3,449,391	2,706,787	2,709,848	2,601,196	2,550,432
Wireline in Service		204,350	653,144	708,200	768,620	817,750	860,468	919,040	909,894	931,737	933,536	872,120	896,710	941,780	999,354	1,062,065	1,123,126	1,128,291	1,166,348
Wireless Access (b)		n.a.	114,267	121,082	114,488	116,021	130,771	324,953	974,184	1,810,322	2,512,875	2,563,838	2,637,865	2,666,612	2,450,037	1,644,722	1,586,722	1,472,905	1,384,084
Cellular Phones (b)	No.	51,316	430,202	667,662	931,580	1,393,403	2,211,158	3,361,775	5,412,496	7,983,489	11,082,508	14,264,442	17,246,567	18,319,447	20,324,070	20,315,150	22,123,000	24,384,544	26,227,631
Telephone Density (Including Cellular Phones)	per 100 persons	1.4	6.3	8.0	9.6	12.1	16.5	23.4	36.7	53.6	71.9	86.6	100.8	105.1	116.9	112.4	119.6	128.7	135.7
Public Pay Phones	No. of Booths	850	8,222	7,281	6,681	6,440	6,095	6,285	7,561	8,526	7,417	7,378	7,054	6,458	6,983	6,788	6,642	5,809	5,301
Internet and Email Subscribers	No.	n.a.	40,497	61,532	70,082	85,500	93,300	115,000	130,000	202,348	234,000	249,756	280,000	359,216	423,194	507,845	606,100	682,512	929,089
Mobile Broadband Subscribers***	No.	-	-	-	-	-	-	-	-	-	-	91,356	200,000	485,533	942,461	1,501,611	2,790,195	3,408,408	3,991,465
Internet Service Providers	No.	-	-	-	-	-	-	1	3	4	5	8	9	20	19	15	15	15	13
<b>Postal</b>																			
Public Post Offices	No.	3,966	4,043	4,043	4,038	4,041	4,040	4,043	4,046	4,051	4,053	4,057	4,059	4,058	4,062	4,061	4,063	4,063	4,062
Main Post Offices		563	597	602	614	625	629	633	637	641	645	647	649	648	651	651	653	653	652
Sub Post Offices		3,376	3,446	3,441	3,424	3,416	3,411	3,410	3,409	3,410	3,408	3,410	3,410	3,410	3,411	3,410	3,410	3,410	3,410
Private Post Offices	No.	179	309	339	421	621	650	654	679	646	654	657	606	675	676	602	629	629	629
Private Agency Post Offices		179	309	339	376	420	436	439	463	480	488	494	491	512	516	497	524	524	524
Rural Agency Post Offices		-	-	-	-	156	156	157	158	159	159	159	111	156	156	101	101	101	101
Estate Agency Post Offices**		-	-	-	45	45	58	58	58	7	7	4	4	7	4	4	4	4	4

Sources: Department of Posts, Sri Lanka Telecom and Telecommunications Regulatory Commission of Sri Lanka

(a) Provisional

(b) The decline in the Wireless Local Loop telephones and cellular phones in 2013 is due to revision in the classification of active subscribers

\* from 2014 Mobile Broadband definition has been changed

\*\* In 2002, a three year project was started to establish Estate Agency Post Offices on recommendation made by the Presidential Committee to address the "Social Cultural Problems in the Estate Sector". These offices were ceased to function since 2006, due to the incapability of the Agents to expand the overall business capacity(potential) to earn sufficient income and lack of continued financial remuneration from the Ministry of Estate Infrastructure and Livestock Development to the Agents of the Estate Agency Post Offices"

Table 23 | Crude Oil and Petroleum Products

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>International Prices (End Year)</b>																			
Crude Oil																			
Brent	US\$(bbl)	17.96	25.28	18.60	28.52	29.88	39.65	56.75	62.31	91.45	41.58	74.67	91.80	107.97	109.64	110.63	62.16	53.61	45.03
WTI	US\$(bbl)	19.03	28.40	19.31	29.44	32.12	43.23	59.41	62.00	91.36	41.44	74.49	89.22	98.61	88.19	97.90	59.10	49.28	43.92
Dubai	US\$(bbl)	16.81	22.16	17.64	25.71	27.86	34.26	53.13	58.67	85.75	41.00	75.49	89.18	106.20	105.67	107.94	60.39	50.91	41.27
Oman*	US\$(bbl)	n.a.	27.42	23.67	24.41	26.93	34.13	50.42	62.13	68.50	94.51	62.02	78.22	106.64	109.55	109.98	96.95	51.18	41.81
<b>Refined Products (Singapore Plattes) (Annual Avg)</b>																			
Petrol	US\$(bbl)	20.89	31.26	25.64	27.92	33.64	46.34	62.14	72.54	81.73	101.95	68.18	86.23	117.33	120.29	116.30	108.14	66.08	53.32
Diesel	US\$(bbl)	21.54	32.72	27.63	30.09	32.71	46.60	65.86	78.06	86.10	122.01	69.77	89.97	125.34	127.37	121.50	112.10	64.58	52.05
Kerosene	US\$(bbl)	22.84	34.48	28.33	29.77	32.90	47.61	67.93	80.66	86.77	122.08	70.14	90.18	125.29	126.84	122.98	112.49	64.80	52.83
<b>Domestic Prices (End Year)</b>																			
Petrol (92 Octane)**	Rs/ltr	Super 40.00	50.00	50.00	49.00	53.00	70.00	80.00	92.00	117.00	120.00	115.00	115.00	137.00	159.00	162.00	150.00	117.00	117.00
Petrol (95 Octane)	Rs/ltr	-	53.00	53.00	52.00	56.00	73.00	83.00	95.00	120.00	133.00	133.00	133.00	155.00	167.00	170.00	158.00	128.00	128.00
Auto Diesel	Rs/ltr	12.40	24.50	26.50	30.00	32.00	44.00	50.00	60.00	75.00	70.00	73.00	73.00	84.00	115.00	121.00	111.00	95.00	95.00
Super Diesel	Rs/ltr	15.20	29.80	31.80	35.30	37.30	49.30	55.30	65.30	80.30	85.30	88.30	88.30	106.30	142.00	145.00	133.00	110.00	110.00
Kerosene	Rs/ltr	9.50	18.40	17.40	24.00	25.50	25.50	30.50	48.00	68.00	50.00	51.00	51.00	71.00	106.00	106.00	81.00	49.00	49.00
Furnace Oil - 800 Sec	Rs/ltr	6.80	15.10	17.00	21.90	23.70	25.20	32.80	45.80	53.90	33.90	32.90	42.20	52.20	92.20	92.20	92.20	82.20	82.20
Furnace Oil - 1000 Sec	Rs/ltr	6.50	14.60	16.50	21.20	23.20	24.70	31.40	44.40	44.40	44.40	52.70	48.70	48.70	-	-	-	-	-
Furnace Oil - 1500 Sec	Rs/ltr	n.a.	14.00	15.80	20.70	22.30	24.30	30.30	43.30	51.70	25.00	32.70	40.00	50.00	90.00	90.00	90.00	80.00	80.00
Furnace Oil - 3500 Sec	Rs/ltr	n.a.	12.40	14.10	18.90	20.70	22.00	28.00	41.00	41.00	45.00	26.00	40.00	50.00	90.00	90.00	-	80.00	80.00
<b>Quantity Imported</b>																			
Crude Oil	Mt 000'	1,872	2,330	1,955	2,300	1,995	2,200	2,008	2,151	1,968	1,853	2,066	1,819	2,070	1,486	1,743	1,824	1,763	1,685
Refined Products (b)	Mt 000'	563	1,266	1,419	1,344	1,168	1,644	1,823	1,926	2,411	2,476	2,264	2,991	4,283	4,891	4,376	4,993	5,204	6,292
L.P. Gas	Mt 000'	66	134	126	137	141	148	149	158	156	144	146	163	180	199	197	198	277	345
<b>Domestic Production</b>																			
L.P. Gas	Mt 000'	14	12	15	20	20	15	13	15	16	16	24	23	24	17	22	28	10	9
<b>Local Sales</b>																			
Petrol (92 Octane)**	Mt 000'	190	220	244	277	375	417	526	454	487	490	518	573	676	726	733	767	911	1,036
Petrol (95 Octane)	Mt 000'	n.a.	4	5	9	16	20	23	24	31	29	22	22	35	40	55	69	100	137
Auto Diesel	Mt 000'	789	1,715	1,675	1,728	1,663	1,890	1,862	1,633	1,752	1,606	1,681	1,663	1,985	2,054	1,705	1,947	1,779	2,125
Super Diesel	Mt 000'	107	47	49	47	42	36	17	9	14	9	9	12	15	42	50	61	74	97
Kerosene	Mt 000'	222	229	228	229	207	204	252	206	168	151	151	165	169	143	126	122	130	137
Furnace Oil	Mt 000'	241	785	811	758	715	748	1,026	912	986	999	1,110	1,117	1,222	1,322	827	915	630	817
L.P. Gas	Mt 000'	77	146	141	157	161	166	165	170	197	174	194	210	228	228	218	232	293	356
Petroleum Tax Revenue	Rs Mn.	n.a.	n.a.	n.a.	19,702	22,291	25,876	27,413	26,004	23,270	33,072	32,287	39,434	32,725	39,556	76,775	64,128	89,303	158,370
o/w Excise Duty	Rs Mn.	n.a.	10,700	12,948	16,708	13,251	14,817	17,041	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719

Sources: Ceylon Petroleum Corporation, Central Bank of Sri Lanka and Energy Statistics on Index Mundi ([www.indexmundi.com/commodities](http://www.indexmundi.com/commodities))

(a) Provisional

(b) Including Coal Imports

\*Annual Average

\*\*Petrol(92 Octane) prices were given from 2014.

Table 24 | Petroleum Products Tax Structure

Item	Unit	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Petrol</b>																
Value Added Tax (VAT)	%	10	10	15	15	15	15	15	5	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	20	20	16	Duty waived	Rs.35	Rs.35 (Rs. 23 duty waived)	Rs.35 (Rs. 23 duty waived)	35	35	35
Excise Duty	Rs. per ltr	21	21	20	20	20	20	20	25	25	25	25	27	27	27	27
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	3	5	5	5	5	5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1	1.5	1.5	-	-	-	-	-	-
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-
<b>Diesel</b>																
Value Added Tax (VAT)	%	10	10	15	15	15	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Duty waived	Rs.15	Rs.15 (Rs.13 duty waived)	Rs.15 (Rs.13 duty waived)	Rs.15 (Rs.6 duty waived)	Rs.15 (Rs.6 duty waived)	15
Excise Duty	Rs. per ltr	3	3	2.25	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3	3	3	13
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	3	5	5	5	5	5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1	1.5	1.5	-	-	-	-	-	-
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-
<b>Kerosene</b>																
Value Added Tax (VAT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free
Excise Duty	Rs. per ltr	1.25	1.25	1.25	1.25	1.25	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	3	5	5	5	5	5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1	1.5	1.5	-	-	-	-	-	-
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-
<b>L.P.Gas</b>																
Value Added Tax (VAT)	%	10	10	15	15	15	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free
Excise Duty	Rs. per ltr	Ex	Ex	Ex	Ex	Ex	5% or Rs. 8 ltr	5% or Rs. 24 ltr	5% or Rs. 14 ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	5	5	5	5	5	5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1	1.5	1.5	-	-	-	-	-	-
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-

Source: Department of Fiscal Policy  
Note: EX - Exempted

Table 25 | Health Services

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Hospitals</b>	No.	535	581	594	605	605	605	606	604	734	747	716	740	778	790	809	811	831	823
Public		535	581	594	605	605	605	606	604	619	612	555	568	592	593	603	601	610	598
Private		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	115	135	161	172	186	197	206	210	221	225
Central Dispensaries	No	386	389	389	385	398	397	397	397	387	417	461	476	475	480	481	484	475	487
Beds	No	47,665(b)	58,423	58,833	59,781	61,522	61,868	61,937	61,835	66,430	66,835	68,905	69,501	69,731	73,437	79,945(c)	82,604(c)	76,781	76,829
<b>Doctors</b>	No.	3,986	10,285	10,975	10,328	11,834	12,210	12,692	13,276	14,060	15,185	15,930	16,492	18,299	18,252	19,672	21,277	21,837	21,223
Administrative MOO		n.a.	101	97	102	101	106	124	124	128	131	136	138	240	211	143**	128	203	139
Specialist MOO		n.a.	697	683	669*	719	791	848	905	959	1,006	1,135	1,216	1,264	1,458	1,566	1,493	1,836	1,703
Medical Officers		n.a.	6,873	7,235	7,459	8,342	8,749	9,070	9,297	9,662	10,932	11,684	11,782	12,630	13,329	14,584	15,873	15,833	16,934
Dental Surgeons		n.a.	589	954	726	763	774	805	848	849	879	1,022	1,209	1,230	1,110	1,279	1,324	1,391	1,416
RMO/AMO		n.a.	1,332	1,330	1,295	1,285	1,276	1,260	1,245	1,244	1,244	1,188	1,158	1,100	1,082	1,057	1,055	1,017	1,031
Nurses	No.	13,310	14,931	15,061	16,139	16,771	17,316	20,332	20,912	22,088	22,977	26,351	27,494	29,234	30,217	30,928	31,527	32,272	32,499
Public Health Nursing Sisters (PHNS)	No.	174	292	308	303	298	311	308	312	297	210	328	365	326	364	331	n.a.	299	241
Public Health Midwives (PHM)	No.	4,383	5,371	5,189	5,342	7,453	7,407	7,316	7,165	7,590	8,722	8,276	8,276	8,385	8,703	9,120	9,164	9,021	8,842
Public Health Inspectors (PHI)	No.	932	1,448	1,450	1,482	1,517	1,564	1,581	1,574	1,662	1,695	1,691	1,689	1,718	1,644	1,713	1,867	1,664	1,729
Health Education Officers (HEOO)	No.	n.a.	50	54	52	51	51	49	50	43	43	51	50	56	47	48	40	47	44
Professions Supplementary to Medicine (PSM)	No.	n.a.	2,153	2,313	2,357	2,471	2,456	2,557	2,485	2,488	2,756	3,251	3,509	3,553	3,694	3,699	3,773	3,995	4,101
Medical Lab Technicians (MLT)		n.a.	733	860	873	910	899	984	913	910	1,020	1,332	1,422	1,415	1,399	1,421	1,423	1,448	1,521
Physiotherapists		n.a.	208	199	203	211	209	220	217	215	241	268	322	328	339	319	340	400	417
Radiographers		n.a.	288	320	338	346	341	345	340	336	385	464	477	485	534	536	531	551	562
Occupational Therapists		n.a.	45	49	47	49	49	47	46	47	56	75	92	100	105	94	93	101	104
Pharmacists		n.a.	879	885	896	955	958	961	969	980	1,054	1,112	1,196	1,225	1,317	1,329	1,386	1,495	1,497
Attendants	No.	5,579	7,309	7,163	6,955	6,880	6,696	6,705	7,091	7,129	7,184	8,358	8,189	8,403	8,375	8,091	8,096	8,689	8,395

Source: Ministry of Health and Indigenous Medicine

(a) Provisional

(b) Excluding Northern province

(c) Private and Public Hospitals

\* Excluding Specialist MOO attached to Ariti Filaria Campaign, Blood Bank Colombo, Faculty Staff Colombo, Fever HS Colombo, Mental HS Angoda, Rehabilitation HS Rogana, NIHS, STD Clinic Katugastota, BH Kalmunai South, BH

Delhiattakandiya, DH Madirigiriya & BH Nikaweretiya

\*\* Permanently employed

Table 26 | Education

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>General Education</b>																			
Schools	No.	10,832	10,615	10,552	10,508	10,473	10,501	10,461	10,459	10,430	10,445	10,205	10,502	10,549	10,737	10,849	10,971	10,997	11,021
Government		10,239	9,976	9,891	9,829	9,790	9,765	9,723	9,714	9,678	9,662	9,410	9,685	9,731	9,905	10,012	10,121	10,144	10,162
o/w National		198	317	320	323	323	324	324	327	328	330	334	340	342	342	350	352	352	353
Private		79	78	78	80	80	85	85	91	94	92	98	98	98	98	103	103	104	105
Privenas		514	561	583	599	598	651	653	654	658	691	697	719	720	734	734	747	749	754
Students	000'	4,351	4,340	4,337	4,179	4,099	4,029	4,098	3,999	4,111	4,101	4,038	4,119	4,159	4,195	4,234	4,272	4,330	4,345
Government		4,216	4,194	4,187	4,027	3,942	3,871	3,937	3,838	3,942	3,930	3,865	3,940	3,974	4,004	4,037	4,078	4,129	4,143
National		391	717	746	706	644	684	723	682	730	749	759	785	800	793	797	797	806	803
Provincial		3,825	3,477	3,441	3,322	3,298	3,186	3,214	3,156	3,212	3,181	3,106	3,155	3,174	3,211	3,240	3,281	3,324	3,340
Private		88	95	97	97	101	101	106	106	114	115	115	117	122	126	130	131	136	136
Privenas		47	51	53	55	56	57	55	55	55	56	58	62	63	65	66	66	65	66
Teachers	No.	195,388	194,718	198,410	196,407	196,897	197,697	199,715	215,439	220,204	223,314	224,672	226,646	231,819	235,533	236,131	245,922	250,850	249,374
Government		187,571	186,097	189,485	186,999	186,695	187,337	189,234	204,645	209,197	212,116	213,126	214,562	219,886	223,333	223,752	232,990	236,999	235,999
Private		3,677	4,332	4,343	4,569	4,913	4,846	5,000	5,266	5,414	5,454	5,701	5,994	5,804	6,114	6,317	6,471	7,075	6,872
Privenas		4,140	4,289	4,582	4,839	5,289	5,514	5,481	5,528	5,593	5,744	5,845	6,090	6,129	6,086	6,062	6,461	6,776	6,503
<b>University Education</b>																			
Universities	No.	9	15	15	15	15	15	15	17	17	17	17	17	17	17	17	17	17	17
UGC (a)		9	13	13	13	13	13	15	15	15	15	15	15	15	15	15	15	15	15
MoHE		-	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Students	No.	36,669	56,071	57,414	58,382	70,995	73,083	74,458	78,600	80,836	80,057	82,822	86,592	92,963	86,197	94,492	105,084	109,870	112,765
UGC (b)		32,004	50,636	51,017	52,253	64,337	64,952	66,386	68,588	71,257	69,491	71,471	73,398	77,657	70,222	77,126	83,539	87,085	89,437
OUSL		4,665	5,349	6,260	5,952	6,454	7,908	7,774	9,700	9,222	10,153	10,904	12,818	14,915	15,418	16,739	20,916	22,097	22,546
MoHE		-	86	137	177	204	223	298	312	357	413	447	376	391	557	627	629	688	782
New Admissions	No.	8,015	11,805	11,962	12,144	25,471*	13,396	14,520	16,598	17,196	20,069	20,846	21,547	22,016	29,009	24,444	25,200	25,676	28,952
Employees	No.	8,541	11,486	12,112	12,634	12,390	12,417	13,269	13,859	14,119	14,549	15,412	15,670	15,905	16,301	16,971	17,641	16,007	16,612
<b>Academic</b>																			
Lecturers		2,808	3,255	3,282	3,425	3,531	3,567	3,814	4,066	4,363	4,504	4,790	5,032	5,117	5,242	5,508	5,688	5,281	5,516
UGC (a)		2,808	3,241	3,268	3,390	3,487	3,525	3,770	4,016	4,313	4,452	4,735	4,984	5,064	5,176	5,439	5,610	5,199	5,422
MoHE		-	14	14	35	44	42	44	50	50	52	55	48	53	66	69	78	82	94
Non Academic		5,733	8,231	8,830	9,209	8,859	8,850	9,455	9,793	9,756	10,045	10,622	10,638	10,788	11,059	11,463	11,953	10,726	11,096
<b>Graduate Output**</b>																			
First Degree		4,206	9,374	8,224	9,027	12,436	15,828	12,545	16,812	16,837	19,755	20,931	20,357	23,167	11,788***	20,880	28,357	29,545	30,819
Postgraduate		1,048	2,169	1,643	1,996	3,796	5,158	4,589	3,071	3,852	4,665	6,518	6,330	5,614	8,054	8,636	8,141	7,513	7,682

Sources: Ministry of Education and Ministry of Higher Education

OUSL-Open University of Sri Lanka

UGC(a) - Universities under the University Grants Commission, including OUSL

UGC(b) - Universities under the University Grants Commission, excluding OUSL

MoHE - Buddhist and Pali University and Buddhadasaraka Bhiksu University under Ministry of Higher Education

\* In year 2003, two batches of undergraduates were admitted

\*\* From 2003, Graduate output includes graduates who followed internal and external degree programmes of universities, Open universities and higher educational institutes

\*\*\* Number of graduated has been decreased in 2012 as final exams have not been held in several faculties due to academic & Non academic Strikes in 2012.

(a) Provisional

Table 27 | Access to Banking and Finance

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Domestic Commercial Banks</b>	<b>No.</b>	<b>10</b>	11	11	11	11	11	11	11	11	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>13</b>	<b>13</b>
State	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Private	8	9	9	9	9	9	9	9	9	9	9	10	10	10	11	11	11
Branches	931	952	987	1,013	1,056	1,090	1,179	1,263	1,289	1,333	1,417	1,567	1,627	2,582**	2,672**	2,705**	2,763***
State	603	604	608	610	620	624	630	633	637	640	640	654	675	1,356	1,361	1,366	1,369
Private	328	348	379	403	436	466	549	630	652	693	777	913	952	1,226	1,311	1,339	1,394
Other offices	480	523	633	679	700	742	2,296	2,894	3,256	3,452	3,523	3,610	3,727	2,864***	2,871***	2,870***	2,870***
State	275	275	325	340	348	368	1,955	2,566	2,910	3,077	3,101	3,160	3,265	2,610	2,610	2,610	2,610
Private	205	248	308	339	352	374	341	328	346	375	422	450	462	254	261	260	260
Automated Teller Machines (ATMs)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,256	1,510	1,710	1,815	2,035	2,187	2,316	2,406	3,188	3,465
State	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	392	490	625	664	740	787	871	894	1,033	1,187
Private	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	864	1,020	1,085	1,151	1,295	1,400	1,445	1,512	2,155	2,278
<b>Foreign Commercial Banks</b>	<b>No.</b>	<b>16</b>	<b>14</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
Branches	38	37	31	32	33	35	39	43	44	44	46	49	49	221	221	220	221
Other Offices	7	9	4	6	6	7	23	133	170	170	170	171	171	-	-	-	-
Automated Teller Machines (ATMs)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	46	47	47	47	44	48	48	49	57	58
<b>Specialized Banks (b)</b>	<b>No.</b>	<b>12</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>7</b>
State	6	8	7	8	8	8	8	8	8	8	8	8	8	8	6	6	6
Private	6	6	6	6	6	6	6	6	6	6	1	1	1	1	3	1	1
Branches	315	328	332	346	375	369	379	409	448	465	500	515	527	645**	652**	624**	630**
State	134	140	142	156	178	170	175	191	229	239	270	280	287	390	541	546	551
Private	181	188	190	190	197	199	204	218	219	226	230	235	240	255	111	78	79
Other Offices	18	20	32	33	33	36	212	219	220	233	257	272	273	175***	175***	175***	175***
State	11	13	20	21	21	23	194	202	203	215	236	251	251	167	175	175	175
Private	7	7	12	12	12	13	18	17	17	18	21	21	22	8	-	-	-
Automated Teller Machines (ATMs)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	68	97	119	158	158	180	180	180	295	320
Insurance Companies	No.	8	9	11	12	13	14	15	16	18	19	22	22	22	21	28	29
Registered Finance Companies	No.	25	25	26	26	26	28	29	32	34	35	36	39	47	48	46	46
Specialized Leasing Companies	No.	n.a.	n.a.	13	15	17	18	18	20	21	21	16	13	10	8	7	7
Credit Cards Issued	No.	n.a.	n.a.	n.a.	153,186	181,857	234,720	200,679	122,033	68,430	90,489	148,481	167,424	166,181	176,750	198,843	264,058
Credit Cards In Use	No.	205,324	255,584	321,145	393,854	491,196	629,740	810,179	905,561	929,112	840,905	778,544	862,352	891,170	951,625	1,032,833	1,145,055

Sources: Central Bank of Sri Lanka and Insurance Board of Sri Lanka

(a) Provisional

(b) Up to 2013, specialized banks were classified as National level and regional level banks.

\* During 2010, business of 6 Regional Development Banks was tested with a new level bank, i.e. Pradeshiya Santaradhana Bank

\*\*All outlets excluding Student Savings Units

\*\*\* This includes Student Savings Units only.

Note: with effect from 01.01.2013 Banking Outlets were reclassified into two categories namely branches and student savings units.

Table 28 | Labour Force and Unemployment

Item	Unit	1995	2000	2001	2002	2003(a)	2004(b)	2005(c)	2006(d)	2007(d)	2008(a)	2009(a)	2010(a)	2011(c)	2012(c)	2013(c)	2014(c)	2015(c)	2016(c)(e)
<b>Labour Force</b>																			
Total Labour Force	'000	6,106	6,827	6,772	7,146	7,653	8,061	8,141	7,576	7,473	8,062	8,051	8,096	7,936	7,808	8,034	8,048	8,214	8,311
Labour Force Participation Rate	%	47.9	50.3	48.8	50.3	48.9	48.6	48.3	51.2	49.8	49.5	48.7	48.1	52.9	52.5	53.7	53.2	53.8	53.8
<b>Employed Population by Industry</b>																			
Agriculture	000'	1,967	2,274	2,033	2,248	2,384	2,475	2,306	2,270	2,193	2,474	2,460	2,513	2,519	2,338	2,321	2,223	2,245	2,154
Industry	000'	1,188	1,491	1,491	1,459	1,611	1,781	1,928	1,888	1,871	2,003	1,905	1,865	1,820	1,942	1,997	2,027	2,018	2,098
Services	000'	2,202	2,545	2,711	2,813	3,017	3,138	3,284	2,927	2,963	3,151	3,215	3,319	3,262	3,217	3,363	3,450	3,568	3,696
<b>Unemployment</b>																			
Unemployment No.	000'	749	517	537	626	641	667	623	492	446	433	471	400	335	310	353	348	383	363
<b>By Gender</b>																			
Male	000'	368	260	280	310	311	323	302	227	210	194	223	185	142	147	164	165	158	154
Female	000'	381	257	257	316	330	344	322	268	237	239	248	215	193	163	189	183	225	209
<b>By Age Group</b>																			
15-19 years	000'	157	101	114	125	127	121	122	86	70	68	68	59	43	43	48	49	56	58
20-29 years	000'	436	325	340	398	404	422	381	300	272	260	277	240	211	184	208	206	222	221
30-39 years	000'	113	62	56	69	74	78	76	59	59	58	71	59	53	49	53	54	61	48
Over 40 years	000'	41	30	27	34	36	45	44	48	46	46	55	42	28	34	43	39	45	36
<b>By Level of Education</b>																			
Grade 5 & Below	000'	41	16	19	29	31	36	28	23	20	19	20	11	10	8	14	11	10	10
Grade 6 - 10	000'	352	236	219	255	258	245	232	207	183	170	188	140	128	116	129	131	132	129
GCE O/L	000'	218	134	147	158	167	175	178	131	98	101	109	91	66	84	78	78	94	80
GCE A/L & Above	000'	138	131	153	184	185	212	185	133	146	142	154	159	131	102	132	128	148	144
<b>Unemployment Rate</b>	%	12.0	7.6	7.9	8.8	8.4	8.3	7.7	6.5	6.0	5.4	5.9	4.9	4.2	4.0	4.4	4.3	4.7	4.4

Source: Department of Census and Statistics

(a) Data including Eastern provinces but excluding Northern province

(b) Excluding Mullaitivu and Killinochchi districts

(c) All the districts are included

(d) Excluding Northern and Eastern provinces

(e) Provisional

Note: From year 2013 lower bound of working age has changed and therefore age 15 and above population is considered as working age population. Hence, this table provides 2011, 2012 and 2013 statistics considering the new lower bound (for the purpose of comparison).

Table 29 | Average Daily Wages and Strikes

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Paddy Cultivation</b>	Rs. per day																		
Male		n.a.	n.a.	279.00	304.00	341.00	361.00	391.00	456.00	562.00	615.00	658.00	704.00	704.00	787.00	882.00	937.00	1,056.00	1,148.00
Female		n.a.	n.a.	217.00	230.00	258.00	261.00	293.00	336.00	395.00	423.00	454.00	530.00	530.00	599.00	667.00	678.00	765.00	810.00
<b>Tea Cultivation</b>	Rs. per day																		
Male		66.50	95.00	101.00	258.00	276.00	304.00	300.00	333.00	375.00	440.00	496.00	543.00	617.00	691.00	764.00	819.00	887.00	952.00
Female		95.00	101.00	188.00	258.00	276.00	304.00	300.00	333.00	375.00	440.00	496.00	543.00	617.00	691.00	764.00	819.00	887.00	952.00
<b>Rubber Cultivation</b>	Rs. per day																		
Male		64.01	95.00	95.00	277.00	280.00	304.00	305.00	335.00	389.00	500.00	532.00	588.00	658.00	741.00	853.00	881.00	931.00	978.00
Female		95.00	95.00	195.00	195.00	217.00	229.00	230.00	249.00	277.00	377.00	416.00	463.00	490.00	585.00	652.00	702.00	742.00	786.00
<b>Coconut Cultivation</b>	Rs. per day																		
Male		64.01	95.00	110.00	330.00	338.00	366.00	387.00	421.00	479.00	590.00	652.00	699.00	783.00	887.00	997.00	1,061.00	1,114.00	1,182.00
<b>Carpentry</b>	Rs. per day																		
Master Carpenter		90.33	105.00	165.00	439.00	470.00	516.00	556.00	633.00	732.00	844.00	932.00	1,002.00	1,115.00	1,248.00	1,334.00	1,406.00	1,486.00	1,622.00
Skilled and Unskilled		n.a.	92.00	145.00	269.00	289.00	356.00	368.00	416.00	479.00	558.00	617.00	657.00	729.00	824.00	903.00	958.00	1,034.00	1,131.00
<b>Masonry</b>	Rs. per day																		
Master Mason		76.98	105.00	165.00	433.00	466.00	510.00	553.00	629.00	727.00	837.00	935.00	995.00	1,093.00	1,216.00	1,304.00	1,376.00	1,450.00	1,596.00
Skilled and Unskilled		74.00	92.00	145.00	273.00	304.00	354.00	369.00	413.00	474.00	561.00	627.00	669.00	729.00	823.00	900.00	955.00	1,029.00	1,131.00
<b>Strikes</b>																			
No. of Strikes		183	87	92	104	98	90	57	53	25	51	8	15	21	34	42	38	51	41

Sources: Department of Labour and Central Bank of Sri Lanka

(a) Provisional

Table 30 | Poverty and Inequality

Index	Unit	Survey period					
		1990/91	1995/96	2002	2006/07	2009/10	2012/13
Poverty Head Count Index							
Sri Lanka	%	26.1	28.8	22.7	15.2	8.9	6.7
Sector							
Urban	%	16.3	14.0	7.9	6.7	5.3	2.1
Rural	%	29.5	30.9	24.7	15.7	9.4	7.6
Estate	%	20.5	38.4	30.0	32.0	11.4	10.9
District							
Colombo	%	16.2	12.0	6.4	5.4	3.6	1.4
Gampaha	%	14.7	14.1	10.7	8.7	3.9	2.1
Kalutara	%	32.3	29.5	20.0	13.0	6.0	3.1
Kandy	%	35.9	36.7	24.9	17.0	10.3	6.2
Matale	%	28.7	41.9	29.6	18.9	11.5	7.8
Nuwara Eliya	%	20.1	32.1	22.6	33.8	7.6	6.6
Galle	%	29.7	31.6	25.8	13.7	10.3	9.9
Matara	%	29.2	35.0	27.5	14.7	11.2	7.1
Hambantota	%	32.4	31.0	32.2	12.7	6.9	4.9
Jaffna	%	-	-	-	-	16.1	8.3
Mannar	%	-	-	-	-	-	20.1
Vavunia	%	-	-	-	-	2.3	3.4
Mullaitivu	%	-	-	-	-	-	28.8
Killinochchi	%	-	-	-	-	-	12.7
Batticaloa	%	-	-	-	10.7	20.3	19.4
Ampara	%	-	-	-	10.9	11.8	5.4
Trincomalee	%	-	-	-	-	11.7	9.0
Kurunegala	%	27.2	26.2	25.4	15.4	11.7	6.5
Puttlum	%	22.3	31.1	31.3	13.1	10.5	5.1
Anuradapura	%	24.4	27.0	20.4	14.9	5.7	7.6
Polonnaruwa	%	24.9	20.1	23.7	12.7	5.8	6.7
Badulla	%	31.0	41.0	37.3	23.7	13.3	12.3
Monaragala	%	33.7	56.2	37.2	33.2	14.5	20.8
Rathnapura	%	30.8	46.4	34.4	26.6	10.5	10.4
Kegalle	%	31.2	36.3	32.5	21.1	10.8	6.7
Poverty Gap	%	5.6	6.6	5.1	3.1	1.0	1.2
Squard Poverty Gap	%	1.8	2.2	1.6	0.9	0.5	0.30
Poverty Shortfall	Average (Rs./Month)	101	191	317	448	587	607
Gini Coefficient of Per Capita Expenditure		0.32	0.35	0.40	0.40	0.36	0.39
Gini Coefficient of Household Expenditure		-	0.36	0.41	0.41	0.37	0.40
Gini Coefficient of Household Income		0.43	0.46	0.47	0.49	0.49	0.48
Quintile Ratio	%	4.7	5.3	6.9	6.7	5.7	12.0

Source : Department of Census and Statistics

Household Income and Expenditure Survey 1990/91 (excluding Northern and Eastern provinces)

Household Income and Expenditure Survey 1995/96 (excluding Northern and Eastern provinces)

Household Income and Expenditure Survey 2002 (excluding Northern and Eastern provinces)

Household Income and Expenditure Survey 2006/07 (excluding Northern province and Trincomalee district)

Household Income and Expenditure Survey 2009/10 (excluding Mannar, Mullaitivu and Killinochchi districts)

Household Income and Expenditure Survey 2012/13 (covered all districts)

Table 31 | Remittances and Departures for Foreign Employment

Item	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015(a)	2016(a)	
Unit	727	1,160	1,155	1,287	1,414	1,564	1,918	2,161	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242	
Total Remittances	US\$ mn																		
By Country																			
Middle East	423	730	703	770	804	868	1,089	1,234	1,451	1,745	1,995	2,474	3,030	3,358	3,562	3,902	3,769	3,889	
European Union	108	156	190	220	253	286	355	411	500	525	603	724	885	1,071	1,160	1,270	1,222	1,282	
Europe, Other	41	63	64	71	113	129	135	143	135	128	148	177	232	275	308	337	307	333	
East Asia	55	68	61	63	69	76	86	110	135	175	203	247	401	509	557	611	698	739	
North America	58	78	81	87	90	105	125	119	105	114	127	140	154	174	186	204	209	210	
South and Central America	7	11	12	13	14	15	19	22	20	23	28	35	41	48	58	63	63	51	
South East Asia	15	22	22	24	27	32	38	52	75	90	100	144	206	263	288	316	391	398	
South Asia	5	8	7	11	12	13	19	22	25	32	40	58	51	90	83	91	98	109	
Australia and New Zealand	7	12	14	14	16	23	29	28	33	55	57	82	103	132	147	161	161	174	
Other	8	12	11	14	16	18	24	22	23	29	30	35	41	66	58	63	63	58	
<b>Total Departures</b>	<b>No.</b>	<b>172,471</b>	<b>182,188</b>	<b>184,007</b>	<b>203,773</b>	<b>209,846</b>	<b>214,709</b>	<b>201,948</b>	<b>218,459</b>	<b>250,499</b>	<b>247,126</b>	<b>267,507</b>	<b>262,961</b>	<b>282,447</b>	<b>293,218</b>	<b>300,703</b>	<b>263,443</b>	<b>242,930</b>	
Professional	878	935	1,218	1,481	1,541	1,827	1,421	1,713	1,653	2,835	2,832	3,057	3,844	4,448	5,151	5,372	6,251	6,574	
Middle Level	2,495	3,781	3,776	4,555	7,507	6,561	8,042	6,638	3,962	8,667	6,388	6,884	6,134	9,280	16,510	20,778	6,951	8,235	
Clerical and Related	4,594	5,825	6,015	7,239	6,779	6,679	7,742	7,911	4,551	6,791	6,719	7,923	9,906	16,184	26,561	29,267	12,501	10,864	
Skilled	27,165	36,475	36,763	45,478	47,744	45,926	46,688	45,063	50,263	59,718	61,321	71,537	67,726	67,150	73,707	73,162	81,682	76,559	
Semi Skilled	-	-	-	-	-	-	-	-	3,499	5,326	6,015	4,932	4,180	3,467	3,412	3,977	4,847	3,930	
Unskilled	23,479	35,759	33,385	36,485	44,264	43,204	41,904	40,912	52,176	59,239	50,173	60,422	63,680	62,907	70,977	79,519	77,985	71,641	
Housemaids	113,860	99,413	102,850	108,535	102,011	110,512	125,493	99,711	102,355	107,923	113,678	112,752	107,491	119,011	96,900	88,628	73,226	65,127	

Sources: Sri Lanka Bureau of Foreign Employment and Central Bank of Sri Lanka

(a) Provisional

Table 32 | Welfare Payments and Development Subsidies

Description	Rs.million																
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
<b>Healthcare</b>																	
Pharmaceuticals (free medicine)	4,600	4,482	4,721	4,068	6,796	7,100	11,379	10,804	12,082	12,149	13,544	16,617	16,740	27,269	34,805	31,703	38,028
<b>Empowering the Vulnerable and Needy</b>																	
Samurdhi	9,638	12,057	9,920	8,756	8,497	9,103	10,789	9,200	9,995	9,267	9,241	9,044	10,553	15,256	15,042	39,994	40,740
No. of Benefisheries (Families Mn)	2.0	2.0	1.9	1.9	1.9	2.0	1.9	1.8	1.6	1.6	1.6	1.5	1.5	1.4	1.5	1.4	1.4
Assistance to Elderly	-	-	-	-	-	-	648	326	922	960	650	950	554	2,045	2,655	8,039	9,060
Allowance for Handicapped Students	-	-	-	-	-	40	50	71	70	74	71	80	80	123	138	220	247
Allowance for Disable People	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	43	75	74	75	394	403	513	479	936	1,114
<b>Empowering Government Security Forces</b>																	
Allowance for the Third Child of Soldiers	-	-	-	-	-	-	-	-	-	-	-	297	313	458	46	-	-
Death and Disabled Soldiers Compensation	-	-	-	-	-	4,749	5,921	7,426	8,694	9,796	10,500	13,316	14,779	16,152	18,244	23,433	26,679
<b>Agriculture Development</b>																	
Fertilizer	1,765	3,649	2,446	2,487	3,571	6,846	10,700	11,000	26,450	26,935	23,028	29,802	36,456	19,706	31,858	49,571	27,771
Paddy Purchasing (To Stabilise the Paddy Prices)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	755	990	680	1,060	1,805	1,629	1,440	1,789	228	7,480	242
<b>Commercial Crop Development</b>																	
Crop Subsidy																	
Tea	81	96	141	160	206	183	188	199	232	211	191	171	182	272	331	7,292	549
Rubber	90	69	54	61	50	115	176	193	275	200	371	485	435	587	763	2,871	713
Coconut	68	69	126	218	56	124	270	179	222	237	269	293	353	403	485	471	709
Cashew	11	12	25	13	15	18	22	23	35	34	25	29	27	49	40	35	40
Minor Crops - (Cinnamon, Cocoa, Coffee, Pepper)	104	99	40	32	40	45	79	134	117	175	180	220	185	207	254	360	380
<b>School Children and University Students</b>																	
School Uniforms	n.a.	n.a.	799	601	1,099	1,060	963	1,067	582	1,260	950	1,364	2,218	2,300	3,574	2,261	2,157
Season Tickets	225	225	225	225	225	250	250	500	600	1,384	1,369	1,359	1,233	1,430	1,695	1,800	1,998
School and Dharma School Text books	n.a.	n.a.	n.a.	970	1,099	1,080	1,123	2,250	3,387	2,196	2,056	2,337	2,127	2,583	2,773	3,979	5,599
Grade v Scholarships, Mahapola and Bursary	222	255	n.a.	441	362	421	235	201	565	578	645	777	790	801	852	1,390	1,914
Nutrition Program	-	-	5	43	61	166	722	1,308	1,649	2,251	2,475	2,631	2,790	3,077	3,725	3,938	3,916
Thriposa for Children and Expectant Mothers	246	487	617	512	304	504	537	488	649	1,155	865	1,336	1,189	1,396	1,787	1,956	1,351
Poshana Malla for Expectant Mothers	-	-	-	-	-	-	82	418	386	505	388	360	249	203	279	2,422	5,746
Fresh milk for Pre-school Children	-	-	-	-	-	-	-	13	35	167	178	249	205	230	197	189	106
Poshana Manpetha and Lama Saviya	-	-	-	-	13	4	25	22	24	30	30	18	17	19	21	49	30
<b>Disaster Assistance</b>																	
Flood and Drought Relief	-	-	-	-	310	348	171	345	323	738	264	649	153	148	521	271	132

Table 32 | Welfare Payments and Development Subsidies contd...

Description	Rs. million																
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)
Cooked Meals and Dry Rations	-	-	-	-	1,800	1,482	2,586	1,670	1,457	2,859	1,000	199	54	32	28	118	111
Assistance to Religious Places	-	-	-	-	-	-	45	30	46	144	42	46	49	47	50	50	-
Water for Religious Places	-	-	-	-	-	-	45	30	46	144	42	46	49	47	50	50	-
<b>Losses of Public Enterprises</b>																	
Petroleum (Ceylon Petroleum Corporation)	16,062	-	-	-	-	-	946	-	11,085	7,717	20,295	85,165	89,656	7,969	-	19,468	-
Kerosene	-	12	-	-	-	-	-	259	357	-	-	-	-	-	-	-	-
Electricity (Ceylon Electricity Board)	4,147	6,195	3,023	-	10,124	6,852	14,176	22,314	33,870	7,440	-	19,266	61,164	-	15,737	-	16,482
Water	-	-	139	134	837	92	214	1,278	2,915	1,417	5,955	-	578	-	-	252	2,977
Railway	1,671	1,820	1,966	2,062	2,650	3,505	3,981	4,298	4,553	4,768	3,173	4,060	3,796	5,163	11,034	7,714	6,773
Sri Lanka Transport Board	984	2,403	2,197	2,464	3,515	2,778	2,542	2,312	6,261	8,026	827	3,307	4,287	4,333	6,351	5,229	3,617
<b>Transport Facilities</b>																	
SLTB Transport Facilities - Uneconomical Routes	350	1,263	1,715	1,834	3,065	3,689	4,360	3,159	3,736	2,332	2,460	1,922	2,184	2,335	4,770	4,975	4,999
Transportation Facilities for Armed Forces	-	-	-	-	-	-	-	-	200	598	208	257	182	169	276	300	289
<b>Common Facilities</b>																	
Street Lighting	-	-	300	294	-	800	900	1,000	1,300	204	360	123	-	-	-	-	-
<b>Total</b>	<b>40,263.7</b>	<b>33,191.8</b>	<b>28,459.3</b>	<b>25,375.5</b>	<b>44,694.6</b>	<b>51,401.1</b>	<b>74,834.7</b>	<b>83,520.5</b>	<b>133,828.7</b>	<b>106,940.8</b>	<b>103,489.0</b>	<b>198,751.1</b>	<b>255,420.9</b>	<b>117,062.8</b>	<b>159,037.0</b>	<b>228,766.0</b>	<b>204,468.7</b>

Sources: Department of National Budget, Department of Treasury Operations and Department of Public Enterprises  
(a) Provisional

Table 33 | Tourism

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Tourist Arrivals by Country of Nationality</b>	No.	403,095	400,414	336,794	393,171	500,638	566,202	549,308	559,603	494,008	438,475	447,890	654,476	855,975	1,005,605	1,274,593	1,527,153	1,798,380	2,050,832
North America		14,580	17,352	16,304	20,004	25,095	30,654	46,727	35,688	28,338	23,203	25,044	40,552	53,658	59,236	65,616	72,653	91,956	98,376
Latin America & the Caribbean		594	342	400	549	636	715	732	805	4,104	3,721	666	594	1,167	1,626	3,166	3,202	5,698	5,625
Western Europe		251,061	261,011	204,510	200,676	255,179	285,366	227,558	228,666	195,813	165,822	170,186	255,172	320,431	373,063	421,037	498,758	599,415	643,333
Eastern Europe		4,551	6,840	7,045	8,046	10,600	14,259	9,305	14,236	25,485	29,352	26,177	35,630	51,922	72,401	125,695	141,984	125,284	161,171
Middle East		3,816	4,347	5,364	6,462	6,759	9,486	10,230	10,191	13,587	16,701	23,821	37,501	36,376	56,169	80,509	88,654	101,676	107,635
Africa		732	891	902	1,545	1,925	1,759	2,337	3,163	2,991	2,354	1,591	2,249	6,736	5,045	8,081	10,674	14,473	12,144
Asia		117,513	91,409	89,343	142,578	177,377	196,023	222,844	241,954	200,697	175,944	174,382	245,753	334,274	380,289	509,653	640,045	787,483	938,697
Australasia		10,248	18,222	12,926	13,311	23,067	27,940	29,575	24,900	22,993	21,378	26,023	37,025	51,411	57,776	60,836	71,183	72,395	83,851
<b>Tourist Arrivals by Purpose of Visit</b>	No.																		
Leisure		383,570	360,887	300,545	335,898	404,327	442,534	382,321	377,093	331,238	321,079	358,188	516,538	687,830	748,436	915,158	1,037,644	1,198,240	1,710,027
Private & Official Business		10,772	19,346	22,677	36,793	45,762	59,961	92,789	99,404	52,116	37,261	38,473	83,270	68,436	90,040	67,553	4,616	6,705	37,121
Convention & Meetings		3,895	-	-	5,319	10,048	14,037	12,543	17,009	7,620	5,867	6,262	6,350	14,681	22,220	26,766	4,495	5,240	16,652
Visiting Friends & Relations		3,258	8,480	6,205	7,823	31,188	36,105	43,943	42,617	40,968	36,304	23,122	35,386	70,531	117,520	164,422	419,266	458,411	236,127
Religious & Cultural		1,119	6,891	3,974	3,771	5,765	8,289	5,400	9,561	13,902	11,523	9,127	5,150	2,321	22,371	65,004	200	1,202	390
Other		487	4,810	3,393	3,567	3,552	5,279	12,312	13,919	48,164	26,441	12,718	7,782	12,178	5,018	35,689	60,932	128,582	50,515
Official Tourist Receipts *	US\$ Mn	225	253	211	253	340	417	362	410	384	342	349	575	830	1,038	1,715	2,431	2,981	3,519
Receipt Per Tourist Per Day *	US\$	56.1	62.3	63.1	63.4	66.8	72.2	74.6	83.4	79.1	76.7	81.8	88.0	98.0	103.0	156.5	160.8	164.1	168
Average Duration (Nights)*	No.	10	10	10	10	10	10	9	10	10	10	10	9	10	10	9	10	10	10
<b>Accommodation Capacity Hotels (Classified/ unclassified and Boutique Hotels)</b>	No.																		
Rooms		11,255	13,311	13,626	13,818	14,137	14,322	13,162	14,218	14,604	14,793	14,461	14,714	14,653	15,510	16,223	18,510	19,377	22,336
Beds*		21,680	24,953	25,595	25,956	26,511	26,854	24,740	27,117	27,500	28,698	28,344	28,978	28,844	30,880	32,284	36,883	38,479	45,509
Foreign Travel by Sri Lankans (Departures)		504,420	524,212	505,341	532,737	591,126	680,248	727,301	756,735	862,011	966,337	962,786	1,122,212	1,239,290	1,268,792	1,261,711	1,311,063	1,356,411	1,447,786

Table 33 | Tourism contd...

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Revenue from Tourism</b>																			
Tourism Development Levy		-	-	-	-	-	300.6	172.5	177.5	214.3	344.5	405.2	516.9	653.5	809.4	1,044.2	1,005.6	1,014.8	1,276.8
Embarkation Tax on Foreign Tourists	Rs. Mn	201.6	200.2	269.3	393.2	500.6	566.2	823.9	839.4	741.0	738.8	766.3	1,000.1	1,041.7	1,161.6	1,604.9	1,779.8	1,968.5	2,355.4
<b>Museums</b>																			
Number of Foreign Visitors		24,997	10,122	11,157	13,577	19,213	23,883	15,281	13,771	9,040	7,353	10,244	22,061	31,096	37,305	44,751	454,053	558,521	59,982
Revenue from Sale of Tickets	Rs. '000	1,171.0	506.2	620.4	769.0	1,181.1	1,463.2	3,937.6	6,522.5	4,190.9	3,340.6	4,636.4	9,868.6	14,200.0	16,842.5	14,982.0	831,587.0	1,011,585	33,636
<b>Cultural Triangle</b>																			
Number of Foreign Visitors		166,661	155,167	129,201	131,804	212,521	246,380	110,443	138,232	104,583	112,190	109,404	197,947	239,920	592,980	504,699	627,136	722,676	905,333
Revenue from Sale of Tickets	Rs. Mn	168.7	276.0	222.0	242.8	403.3	543.1	284.7	400.9	279.8	307.5	402.8	743.5	998.2	1,330.7	1,727.0	2,178.0	2,496	3,363.3
<b>Zoological Gardens</b>																			
Number of Foreign Visitors		189,043	204,681	150,353	147,329	217,930	252,445	135,006	178,902	155,310	153,934	149,833	249,556	284,898	287,485	305,860	348,842	393,064	415,776
Revenue from Sale of Tickets	Rs. Mn	11.4	29.2	22.2	30.2	42.3	119.5	61.4	82.7	133.1	134.3	201.7	410.1	470.2	480.7	550.9	745.7	813.9	841.1
<b>Botanical Gardens</b>																			
Number of Foreign Visitors		n.a.	n.a.	n.a.	n.a.	n.a.	238,689	110,639	150,138	113,759	117,751	123,425	210,949	237,763	259,572	293,454	345,468	407,553	465,405
Revenue from Sale of Tickets	Rs. '000	25,199	29,461	21,226	26,346	57,919	70,704	32,605	44,210	66,560	69,119	72,267	123,162	253,896	279,045	314,871	369,858	435,151	594,297
<b>Wild Life Parks</b>																			
Number of Foreign Visitors		n.a.	n.a.	n.a.	n.a.	n.a.	88,033	57,441	84,198	58,258	54,323	70,688	143,198	198,536	254,052	325,153	454,053	558,521	783,203
Revenue from Sale of Tickets	Rs. '000	38,539	60,153	54,390	58,537	102,234	113,802	62,692	99,551	85,733	84,420	103,993	227,249	301,009	468,098	578,459	831,388	1,011,583	1,445,966

Sources: Sri Lanka Tourism Development Authority, Central Cultural Fund

(a) Provisional

\* Estimated

Note: Since 2014, data on "tourist arrivals by purpose of visit" as per the new classification

Table 34 | Livestock Sector

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
<b>Total Livestock Population</b>		<b>12,738</b>	<b>12,652</b>	<b>12,671</b>	<b>13,402</b>	<b>11,683</b>	<b>13,001</b>	<b>13,619</b>	<b>15,133</b>	<b>15,820</b>	<b>16,444</b>	<b>15,591</b>	<b>16,076</b>	<b>16,262</b>	<b>16,191</b>	<b>18,619</b>	<b>18,468</b>	<b>18,542</b>	<b>22,624</b>
Cattle	No. '000	1,704	1,148	1,153	1,113	1,139	1,161	1,185	1,215	1,223	1,196	1,137	1,170	1,192	1,254	1,169	1,105	1,088	945
Buffalo	No. '000	764	305	290	282	280	302	308	314	319	440	372	423	405	415	381	321	323	267
Goat/Sheep	No. '000	610	506	504	360	424	417	405	395	405	387	385	381	384	394	341	307	317	275
Swine	No. '000	87	71	68	82	68	79	85	92	94	89	81	84	82	89	81	105	70	81
Chicken	No. '000	9,573	10,622	10,655	11,564	9,772	11,042	11,636	13,117	13,779	14,331	13,615	14,018	14,199	14,039	16,647	16,630	16,744	21,056
<b>Total Production</b>																			
Milk	Mn Ltrs.	333	181	183	183	187	190	193	197	202	208	233	248	258	299	329	334	374	384
Chicken meat	Mt '000	39	67	71	75	80	78	86	85	100	103	99	104	117	137	145	150	164	174
Eggs	Mn	862	1,032	1,172	1,290	1,357	1,595	1,449	1,243	1,252	1,380	1,099	941	1,185	2,279	1,637	1,721	1,899	2,060
Mutton	Mt	2,213	2,100	1,900	2,000	1,700	1,800	1,800	1,700	1,600	1,400	1,500	1,700	1,790	1,600	1,840	1,340	1,350	1,400
Pork	Mt	2,339	5,500	5,500	9,500	9,500	10,000	11,000	11,500	11,700	11,100	10,120	10,435	9,800	7,030	7,040	7,080	7,018	7,280
<b>Domestic Demand</b>																			
Domestic Demand - Milk																			
Milk Requirement	Mn. Ltrs per Year	664.3	674.2	683.6	693.5	702.6	710.3	717.6	725.6	730.4	738.0	746.4	753.7	767.0	742.0	740.0	937.7	1,035.0	1,166.5
Domestic Production	Mn Ltrs.	333.3	181.5	183.0	183.2	186.8	190.3	192.7	196.6	202.0	208.0	233.3	247.5	258.3	299.3	329.2	333.9	374.4	384.0
Domestic Production / Total Req. Ratio	%	50.2	26.9	26.8	26.4	26.6	26.8	26.9	27.1	27.7	28.2	31.3	32.8	33.7	40.0	44.5	35.6	36.2	35.0
Production Gap	Mn Ltrs.	331.0	492.7	500.6	510.3	515.8	520.0	524.9	529.0	528.4	530.0	513.1	506.2	508.7	442.7	410.8	603.8	631.6	712.6
Domestic Demand - Chicken																			
Chicken Requirement	Mt'000 per year	232.5	236.0	239.3	242.7	245.9	248.6	251.2	253.8	256.5	261.1	261.2	263.8	266.6	259.7	261.7	148.7	165.0	174.1
Domestic Production	Mt'000	38.9	66.5	71.3	74.7	80.3	77.8	86.3	85.3	100.1	102.5	99.3	104.2	116.8	137.4	144.5	150.3	164.5	173.8
Production Gap	Mt'000	193.6	169.5	168.0	168.0	165.6	170.8	164.9	168.6	156.5	158.6	162.0	159.6	149.8	122.3	117.2	-	-	0
Domestic Demand - Egg																			
Egg Requirement	Mn. per Year	3,321.5	3,370.8	3,418.2	3,467.5	3,513.1	3,551.5	3,588.0	3,626.3	3,664.6	3,730.3	3,732.1	3,768.6	3,809.0	3,710.0	3,738.0	2,231.0	2,202.5	2,201.0
Domestic Production	Mn.	861.7	1,032.1	1,172.4	1,289.5	1,356.6	1,594.8	1,449.0	1,243.0	1,252.0	1,380.0	1,099.0	941.0	1,185.3	2,278.7	1,636.8	1,721.0	1,899.0	2,060.0
Production Gap	Mn.	2,459.8	2,338.7	2,245.9	2,178.0	2,156.5	1,956.7	2,139.0	2,383.3	2,412.6	2,350.3	2,633.1	2,827.6	2,623.7	1,431.3	2,101.2	510.0	303.5	141.0
<b>Per Capita Availability</b>																			
Milk	Ltrs per Year	18.4	9.8	9.7	9.7	9.7	9.8	9.8	9.9	10.1	10.3	11.4	12.0	12.4	14.7	16.1	16.1	17.9	18.1
Chicken Meat	kg per Year	2.2	3.6	3.8	3.9	4.2	4.0	4.4	4.3	5.0	5.0	4.9	4.9	5.7	6.8	7.1	7.2	7.8	8.3
Eggs	No. per Year	46.9	55.9	62.6	67.8	70.3	82.0	73.7	62.6	62.4	67.5	53.7	45.6	82.0	112.7	102.6	107.9	109.1	105.0
Mutton	kg per Year	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	...	0.1	0.1	0.1	0.1

Table 34 | Livestock Sector contd...

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)
Pork	kg per Year	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.3	0.3	0.3	0.4
Beef	kg per Year	1.5	1.6	1.5	1.5	1.5	1.5	1.5	1.4	1.3	1.1	1.1	1.1	1.7	1.7	1.8	1.6	1.5	1.5
<b>Imports</b>																			
Milk and Milk Products	Mt	50,184.6	52,525.8	49,068.6	60,768.5	58,461.2	52,701.8	52,788.1	65,840.3	61,241.8	65,376.1	63,873.5	75,482.6	88,129.0	83,818.0	69,452.0	71,026.8	86,327.5	99,593.4
	Rs. Mn	5,531.7	7,779.9	9,080.1	9,587.3	10,106.1	11,289.2	12,591.4	16,254.0	19,306.2	30,849.0	18,608.7	29,029.4	38,192.0	39,023.0	37,572.0	44,307.7	34,087.9	36,338.2
Poultry and Poultry Products	Mt	635.6	1,488.7	1,522.7	1,491.0	2,427.7	2,042.1	2,098.5	479.3	1,199.9	2,617.1	989.9	1,235.7	1,952.1	845.0	352.5	354.0	591.6	252.6
	Rs. Mn	40.8	90.6	98.8	97.3	149.6	131.2	151.6	32.7	88.7	228.9	85.2	149.7	300.1	148.0	112.0	99.2	129.4	99.6
Mutton and Mutton Products	Mt	699.5	805.9	596.3	537.5	450.8	536.7	405.7	450.0	415.9	293.1	269.7	284.9	169.2	338.0	385.5	350.3	502.7	485.2
	Rs. Mn	60.1	87.7	88.7	106.1	100.6	120.1	109.0	116.6	116.4	93.0	58.3	82.2	72.9	200.3	172.8	165.7	218.9	213.7
Pork and Pork Products	Mt	3.7	19.8	8.9	6.7	8.9	12.8	4.2	48.8	60.3	37.7	0.5	0.2	0.3	0.9	0.1	2.6	...	0.6
	Rs. Mn	0.9	8.4	4.3	3.4	5.8	4.3	4.6	6.2	27.6	21.1	0.4	0.5	0.4	0.8	0.1	0.5	0.1	0.4
Beef and Beef Products	Mt	64.3	68.7	53.8	65.9	50.2	53.4	33.6	67.5	23.7	30.1	22.0	28.9	61.1	27.5	36.0	36.1	50.7	72.4
	Rs. Mn	20.9	26.5	14.6	19.8	21.4	32.2	24.1	29.0	23.1	25.6	16.9	12.7	52.3	24.2	28.5	28.8	39.7	80.2

Sources: Department of Census and Statistics, Department of Animal Production and Health and Central Bank of Sri Lanka

... negligible  
 (a) Provisional  
 (b) Revised

Table 35 | Fisheries Sector

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(a)
<b>Fishing Fleet Capacity (Total Boats)</b>	No.	27,269	28,148	27,717	28,703	30,295	31,164	30,504	38,819	38,383	39,049	40,245	48,134	53,476	54,310	52,301	62,524	61,354	68,618
High Seas Boats		n.a.	6	6	8	10	9	10	11	10	13	19	26	29	130	-	-	1,576	1,455
Multi Day Boats		1,639	1,430	1,572	1,614	1,530	1,581	1,328	2,394	2,454	2,529	2,604	2,679	3,843	3,950	4,111*	4,447*	3,456	3,833
One Day Boats		1,357	1,170	993	1,112	1,486	1,493	1,164	907	1,085	1,110	1,135	1,160	1,120	890	802	876	789	835
Out Board 6-8 m FRP		8,564	8,690	8,744	9,033	11,020	11,559	11,010	16,685	15,016	15,016	15,016	15,016	22,890	23,160	23,134	23,982	24,882	26,136
Motorized Traditional Boats		1,060	1,205	640	776	618	674	1,660	1,842	2,188	2,213	2,238	2,263	2,960	2,340	2,514	2,720	2,179	2,248
Non-Motorized Traditional Boats (b)		14,649	15,100	15,200	15,600	15,040	15,260	14,739	16,347	16,640	17,178	18,243	26,000	21,650	22,800	20,566	29,325	26,859	32,291
Beach Scene Boats		**	547	562	560	591	588	593	633	990	990	990	990	984	1,040	1,174	1,174	1,613	1,820
<b>Annual Fish Production</b>	MT	235,750	300,380	284,760	302,890	284,960	286,370	162,680	251,270	291,050	319,120	339,730	384,670	444,830	484,810	512,840	535,050	520,190	530,920
Marine Fish Catch		217,500	263,680	254,890	274,760	254,680	253,190	130,400	215,980	252,670	274,630	293,170	332,260	385,270	417,220	445,930	459,300	452,890	456,990
Coastal		157,500	175,280	167,530	176,250	163,850	154,470	63,690	121,360	150,110	165,320	180,410	202,420	222,350	257,540	267,980	278,850	269,020	274,160
Offshore and Deep Sea		60,000	88,400	87,360	98,510	90,830	98,720	66,710	94,620	102,560	109,310	112,760	129,840	162,920	159,680	177,950	180,450	183,870	182,830
Inland and Aquaculture		18,250	36,700	29,870	28,130	30,280	33,180	32,280	35,290	38,380	44,490	46,560	52,410	59,560	67,590	66,910	75,750	67,300	73,930
<b>Fish for Dry or Smoking</b>	MT	36,000	60,900	43,650	61,720	54,340	63,470	18,900	71,740	77,830	93,240	97,690	100,120	112,295	61,320	146,630	157,982	126,390	145,620

Source: Ministry of Fisheries and Aquatic Resources

(a) Provisional

(b) from 2014 number of nonmotorized Traditional Boats includes both marine and fresh water driven boats.

\* Including High Sea Boats

\*\* Beach Scene Boats are included in Non- Motorized Traditional Boats





