

ANNUAL REPORT

2018

Ministry of Finance
Sri Lanka





ANNUAL REPORT 2018

**MINISTRY OF FINANCE
SRI LANKA**

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(AS AT 31ST DECEMBER 2018)

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(AS AT 31ST DECEMBER 2018)

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SRI LANKA AT A GLANCE 2016 - 2018

	2016	2017	2018 (a)
GDP			
GDP at Market Prices (Rs.Bn.)	11,996	13,418	14,450
GDP at Market Prices (US\$ Bn.)	82.4	88.0	88.9
Per Capita GDP at Market Prices (Rs.)	565,773	625,736	666,817
Per Capita GDP at Market Prices (US\$)	3,857	4,065	4,102
GDP (Growth %)	4.5	3.4	3.2
GNP (Growth %)	4.3	3.4	3.1
Inflation - GDP Implicit Price Deflator (%) 2010=100	4.8	8.2	4.3
Inflation - CCPI (%), 2013=100 (Annual Average)	4.0	6.5	4.3
Unemployment (%)	4.4	4.2	4.4
Labour Force Participation Rate (%)	53.8	54.1	51.8
STRUCTURE OF THE ECONOMY			
Share of GDP (%)			
Agriculture	7.1	6.9	7.0
Industry	26.5	26.7	26.1
Services	56.7	56.8	57.7
Tax-Subsidier	9.7	9.7	9.2
Sectoral Growth (%)			
Agriculture	-3.7	-0.4	4.8
Industry	5.7	4.1	0.9
Services	4.8	3.6	4.7
EXTERNAL TRADE			
Exports (US\$ Mn.)	10,310	11,360	11,890
Imports (US\$ Mn.)	19,183	20,980	22,233
Trade Balance (US\$ Mn.)	-8,873	-9,619	-10,343
Tourism (US\$ Mn.)	3,518	3,925	4,381
Worker's Remittances (US\$ Mn.)	7,242	7,164	7,015
Current Account Balance (US\$ Mn)	-1,742	-2,309	-2,814
Overall Balance of Payment (US\$ Mn)	-500	2,068	-1,103
GOVERNMENT FINANCE			
Revenue (Rs.Bn)	1,686	1,832	1,920
Tax Revenue (Rs.Bn)	1,464	1,670	1,712
Non -Tax Revenue (Rs.Bn)	222	161	208
Revenue (US\$ Mn.)	11,580	12,013	11,812
Tax Revenue (US\$ Mn)	10,053	10,955	10,535
Non Tax Revenue (US\$ Mn)	1,527	1,058	1,278
Total Expenditure and Net Lending (Rs.Bn)	2,334	2,573	2,693
Current Expenditure (Rs.Bn.)	1,758	1,928	2,090
Public Investment (Rs.Bn.)	594	657	625
Current Account Balance / (Present of GDP)	-0.6	-0.7	-1.2
Primary Deficit/(Percent of GDP)	-0.2	0.0	0.6
Budget Deficit / (Percent of GDP)	-5.4	-5.5	-5.3
Total Expenditure and Net Lending (US\$ Mn)	16,029	16,877	16,570
Current Expenditure (US\$ Mn.)	12,073	12,644	12,857
Public Investment (US\$.)	4,080	4,312	3,845
Budget Deficit (US\$ Mn.)	-4,398	-4,811	-4,680

(a) Provisional

	2016	2017	2018(a)
TOTAL GOVERNMENT DEBT (Rs. Bn)	9,387	10,313	11,977
Total Government Debt (Percent of GDP))	78.3	76.9	82.9
Domestic (Percent of GDP)	44.5	41.7	41.6
Foreign (Percent of GDP)	33.7	35.2	41.2
Total Debt Service (Percent of GDP)	11.3	11.9	14.5
PROVINCIAL BUDGET			
Revenue (Rs.Bn)	79.6	86.9	90.9
Tax Revenue (Rs.Bn)	70.9	77.7	82.4
Expenditure (Rs.Bn)	276.1	287.8	294.5
Central Government Transfers (Rs.Bn)	196.5	200.9	203.6
MONETARY SECTOR DEVELOPMENTS			
Narrow Money (Rs.Bn.)	777	793	831
Broad Money (Rs.Bn)	5,406	6,308	7,128
Money Growth (M2b) (%)	18.4	16.7	13
ACCESS TO BANKING & FINANCE			
Domestic Commercial Banks	13	13	13
Branches	2,788	2,803	2,825
Foreign Commercial Banks	12	12	13
Branches	53	52	51
Specialized Banks	7	7	7
Branches	683	691	696
ATMs			
Domestic Commercial Banks	3,475	3,788	4,155
Foreign Commercial Banks	56	57	62
Specialized Banks	320	337	380
Insurance Companies	29	27	26
Registered Finance Companies	46	45	43
Specialized Leasing Companies	7	6	5
Student Savings Units	2,583	2,667	3,309
Credit Cards Issued	264,058	290,264	338,743
Credit Cards in Use	1,315,915	1,486,545	1,715,369
EXCHANGE RATES			
Annual Average			
Rs/US\$	145.60	152.46	162.54
Rs/SDR	202.39	211.49	229.90
Year End			
Rs/US\$	149.80	152.85	182.75
Rs/SDR	201.38	217.69	253.51

SRI LANKA AT A GLANCE 2016 - 2018

	2016	2017	2018
Duty free items - Raw Materials	3,938	4,064	4,064
5% Duty	2	2	2
10% Duty	9	9	9
25% Duty	25	25	25
15% Duty Intermediate Goods	1,309	1,310	1,542
30% Duty Luxury Goods & Motor Vehicles	1,430	1,434	1,459
75% Duty Tobacco	3	3	3
85% Duty Cigarettes	1	1	-
125% Duty Liquor	5	5	5
Specific Duty	65	68	76
Specific & Advelorum	255	258	275
Total	7,042	7,179	7,460

	2016	2017	2018(a)		2016	2017	2018(a)
SOCIAL DEVELOPMENT				ACCESS TO BASIC INFRASTRUCTURE			
Mid Year Growth of Population (%)	1.1	1.1	1.1	Electricity to Households (%)	99.3	n.a	n.a
Life Expectancy at Birth (2014,2015)	75.0	75.0	75.5	Access to Pipe-borne Water (% of Population)	47.7	49.2	50.5
Infant Mortality Rate (Per 1,000 Live Births) (2015)	n.a.	n.a.	n.a.	Access to Safe Drinking Water (% of Population)	88.8	89.3	90.6
Maternal Mortality Rate (Per 100,000 Live Births)	n.a.	n.a.	n.a.				
Crude Birth Rate (per 1,000 persons)	15.6	15.2	15.1	Telecommunications			
Crude Death Rate (per 1,000 persons)	6.2	6.5	6.4	Fixed Access Services ('000)	2,550	2,603	2,485
Literacy Rate - (%) (c)				Cellular Phones (No. of Subscribers) ('000)	26,228	28,199	32,528
Average	93.2	93.1	92.6	Internet and email Subscribers (Including mobile internet services) ('000)	4,921	5,904	7,263
Male	94.1	94.1	93.6				
Female	92.4	92.2	91.7	Postal			
Computer Literacy Rate (%) (b)	27.5	28.3	27.5	Public Post Offices	4,062	4,062	4,063
Dependency Ratio (%) (65 years and over)	11.76	49.4	49.4	Private Post Offices	629	628	629
MOTOR VEHICLE IMPORTS				Roads			
Motor Cars	45,172	36,125	82,627	Total Road Length (Km)	12,380	12,380	12,390
Motor Cycles	340,129	364,346	354,998	Road Density (Km2)	0.19	0.19	n.a
Three-Wheelers	56,945	19,021	20,782				
Tractors	13,947	10,295	6,992	Ports			
Motor Vehicles for Transport of Goods	32,158	25,964	25,077	Vessels Arrived	4,998	4,879	4,874
Passenger Van and Buses	2,685	3,732	2,581	Total Container Traffic ('000 TEUs)	5,735	6,209	7,047
Other	948	772	789	Total Cargo Handled ('000 MT)	86,519	93,857	104,935
				Transshipment Containers Handling ('000 TEUs)	4,435	4,826	5,704
Total Vehicle Stock							
Motor Cars	717,674	753,799	836,426	Production of Agriculture Sector			
Three-Wheelers	1,115,987	1,135,008	1,155,790	Tea (Mn Kg)	293	307	304
Motor Cycles	3,699,630	4,063,976	4,418,974	Rubber (Mn Kg)	79	83	83
Buses	104,104	107,836	110,417	Coconut (Mn Nuts)	3,011	2,450	2,623
Dual Purpose Vehicles	391,888	408,630	425,561	Paddy ('000 MT)	4,420	2,383	3,930
Motor Vehicles for Transport of Goods	374,069	360,906	370,277	Fresh Milk (Mn Ltr.)	384	396	472
Land Vehicles - Tractors	352,666	362,445	369,905	Fish ('000 MT)	531	531	527
Land Vehicles - Tailors	63,088	67,316	70,138				

(b) During first 06 months

(c) Based on Quarterly Labour Force Survey, DCS -2013,2014,2015,2016

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

SRI LANKA AT A GLANCE 2016 - 2018

	2016	2017	2018(a)		2016	2017	2018(a)
ACCESS TO BASIC NEEDS				PRINT MEDIA			
HEALTH				Newspapers (No.)			
Public Hospitals	610	612	613	Sinhala	136	125	69
Private Hospitals	225	181	200	Tamil	38	32	17
Primary Medical Care Units	475	506	506	English	44	33	21
Beds*	76,829	76,569	76,774	Bilingual/Trilingual	-	9	11
PROFESSIONALS				ELECTRONIC MEDIA			
Doctors*	20,458	20,349	20,947	Television Services			
Nurses*	32,499	34,221	36,165	Government	5	5	5
Public Health Inspectors (PHI)	1,729	n.a.	n.a.	Sinhala	2	2	2
Attendants	8,268	9,218	n.a.	Tamil	2	2	2
Midwives	8,842	n.a.	n.a.	English	1	1	1
EDUCATION				Private			
Government				Sinhala	13	12	12
Schools	10,162	10,194	10,174	Tamil	3	2	3
Students ('000)	4,143	4,166	4,214	English	3	2	3
Teachers	235,999	241,591	247,174	China	-	1	-
Private				Radio Services			
Schools	105	106	106	Government	52	55	58
Students ('000)	136	136	139	Sinhala	18	21	22
Teachers	6,872**	6,555**	6,783**	Tamil	12	12	10
Pirivenas				English	5	5	5
Schools	754	753	759	Arabic	1	2	7
Students ('000)	66	63	60	Hindi	-	1	-
Teachers	6,503	6,414	6,477	Private	34	34	36
WOMEN PARTICIPATION				INSTALLED CAPACITY (MW)			
Women Population ('000) (e) (f)	8,384	8,552	8,708	Total	4,018	4,138	4,085
Employed Women ('000)	2,798	2,929	2,715	Public Sector	2,891	2,891	2,895
Women Participation in the Labour Force (%)	35.9	36.6	33.6	Hydro Power	1,384	1,384	1,391
Women in the Public Service ('000)	498	528	n.a.	Thermal Power	1,504	1,504	1,504
Unemployed Women (%)	7.0	6.5	7.1	Fuel	604	604	604
CAPITAL MARKET				Coal			
Market Capitalization (Rs.Bn)	2,745	2,899	2,840	900	900	900	
Average Daily Turnover (Rs.Mn)	737	915	834	Other	3	3	0
All Share Price Index (ASPI) 1985=100	6,228	6,369	6,052	Private Sector	1,127	1,248	1,189
S&P SL 20 Index (2004 =1,000)	3,496	3,672	3,135	Hydro Power	342	353	366
Market Price Earnings Ratio- End of the Year (%)	12.4	10.6	9.7	Thermal Power - Fuel	611	689	616
Turnover to Market Capitalization (%)	6.2	7.6	7.0	Other	174	206	207
				POVERTY (2016)			
				Poverty Head Count Index			
				Poverty Gap Index (%)			
				Gini Coefficient of Per Capita Expenditure			
				Average Daily kilo Calorie Intake			

* Government

** Including Special School Teachers and Excluding International Schools Teachers

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

(f) 15 years and over population

(g) Based on Household Income and Expenditure Survey (2016), DCS

SRI LANKA AT A GLANCE 2016 - 2018

Government Tax Rate (%)					
	2015	2016	2017		2018
Tax Free Allowances	Rs. 500,000	Rs. 500,000	Rs. 500,000	Tax Free Allowances	Rs.600,000
Tax on Taxable income				Tax on Taxable income	
First Rs. 500,000	4	4	4	Next Rs. 600,000	4
Next Rs. 500,000	8	8	8	Next Rs. 600,000 -1,200,000	8
Next Rs. 500,000	12	12	12	Next Rs. 1,200,000 -1,800,000	12
Next Rs. 500,000	16	16	16	Next Rs. 1,800,000 -2,400,000	16
Next Rs. 1,000,000	20	20	20	Next Rs. 2,400,000 -3,000,000	20
Balance	24	24	24	Exceeding 3,000,000	24

As at end				As at end			
	2016	2017	2018		2016	2017	2018
Corporate Tax (%)				Excise Duty			
Standard Rate	28	28	28	Cigarettes (Rs. Per 1,000)			
Liquor & Tobacco	40	40	40	Length below 60mm	11,675	11,675	11,675
Taxable Income less than Rs.5.0 Mn. (i)	12	12	-	Length 60-67mm	17,375	17,375	17,375
Export Income (j)	12	12	14	Length 67-72mm	20,500	20,500	20,500
Economic Service Charge (ESC)				Length 72-84mm	30,500	30,500	33,550
ESC Rate (%)	0.5	0.5	0.5	Length Exceeding 84mm	34,250	34,250	37,675
(Any ESC Paid is Deductible from any Income Tax/ Corporate Tax Payable)							
Value Added Tax (VAT) (%)				Liquor Duty Structure (Rs. Per Proof Liter)			
Standard Rate	15	15	15	Coconut Processed/Molasses Arrack	1,850	3,300	3,300
Exports	0	0	0	Country Made Foreign Liquor	2,030	3,300	3,300
Nation Building Tax (NBT) (%)	2	2	2	Malt Liquor (Beer) above 5% in Strength	315	2400	2400
Ports and Airports Development Levy (%)	7.5	7.5	7.5	Malt Liquor (Beer) less than 5% in Strength	190	2400	2400
Telecommunications Levy (% (other than Internet))	25	25	25	Liquor made from any cereal other than toddy	1,120	2,400	2,400
Share Transaction Levy (%)	0.3	0.3	0.3	Imported Malt Liquor	50	50	50
CUSTOMS DUTY (%)				Imported Wine	100	100	100
Inputs / Raw Material	0	0	0	Any other imported Liquor	200	200	200
Intermediate Goods	15	15	15				
Finished and Luxury Goods	30	30	30				

SOCIAL & ECONOMIC DEVELOPMENT BY INTERNATIONAL RANKING (2018)

Index Name	No of Countries	Sri Lanka	India	Bangladesh	Bhutan	Maldives	Nepal	Pakistan
Prosperity index	149	67	94	109	N/A	N/A	90	136
Competitiveness Index	140	85	58	103	N/A	N/A	109	107
Human Development index	189	76	130	136	134	101	149	150
Global Hunger index	119	67	103	86	N/A	N/A	72	106
Global Innovation index	126	88	57	116	N/A	N/A	108	109
Corruption Perception index	180	89	78	149	25	124	124	117
Doing Business index	190	100	77	176	81	139	110	136
World Happiness index	156	116	133	115	97	N/A	101	75
Economic Freedom index	180	115	129	121	74	141	136	131
Logistics Performance index (2016)	160	94	44	100	149	86	114	122

PART I
Macro-Fiscal Perspectives

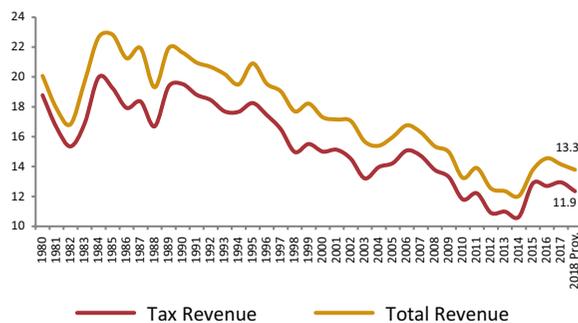
**Developments in
Fiscal Policy, Strategy,
and Challenges**

01

1.1 OVERVIEW

Sri Lanka’s fiscal consolidation efforts continued in 2018 with the realization of an enhanced primary surplus together with a reduction of the budget deficit. The primary surplus, the difference between revenue and grants, and non-interest expenditure increased to 0.6 percent of GDP in 2018 after recording a relatively small surplus of 0.02 percent of GDP in 2017. The primary surplus with a deficit budget implies that the government’s capacity to meet its non-interest expenditure out of its total revenue while the remaining surplus can be used for its fiscal operations. This path of convergence towards a larger surplus is significant achieving public debt sustainability over the medium to long term. The budget deficit marginally declined to 5.3 percent of GDP in 2018, compared to 5.5 percent of GDP in 2017. The deficit was largely financed through domestic sources which accounted for 57.5 percent. Reflecting the impact of currency depreciation and relatively lower GDP, the central government debt increased to 82.9 percent of GDP at the end of 2018, compared to 76.9 percent at the end of 2017. The continuation of the revenue-based fiscal consolidation process, implementation of the Active Liability Management Act, No. 8 of 2018 (ALMA) and the Medium Term Debt Management Strategy (MTDS) would facilitate to reduce the risk associated with debt accumulation over the medium term.

Figure 1.1 | Government Revenue (% of GDP)

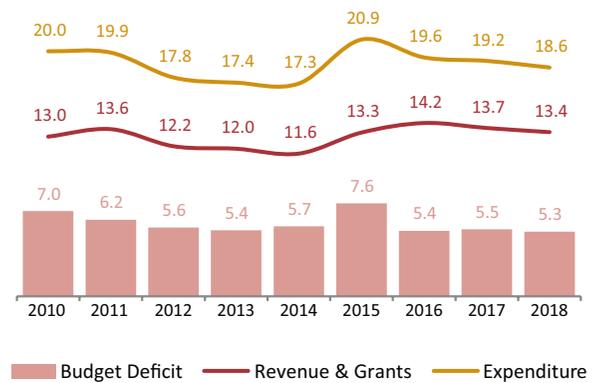


source : Department of Fiscal Policy

In 2018, the fiscal operations faced with multiple headwinds due to lower than expected revenue collection stemming from delays in enactment of

tax legislation giving effect for implementation of several revenue proposals, the moderation in capital expenditure, the increase in government debt to GDP ratio and a moderate expansion of economic growth. New taxes introduced under the Finance Act was delayed and implemented the latter part of 2018 and the first quarter of 2019. The overall economic growth remained moderate at 3.2 percent in 2018, compared to 3.4 percent in 2017 due to the deceleration of construction, and mining and quarrying subsectors resulting in a below-potential economic growth.

Figure 1.2 | Revenue, Expenditure and Budget Balance (% of GDP)

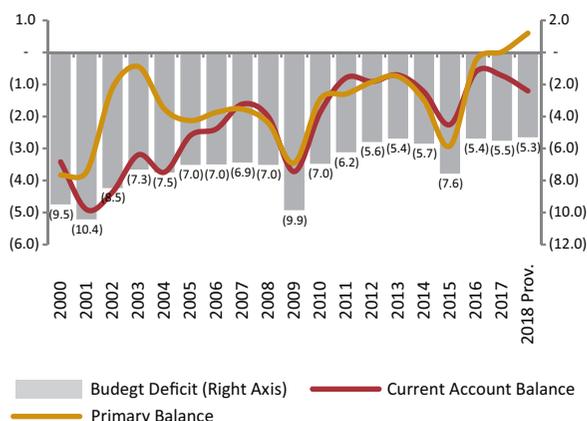


Source : Department of Fiscal Policy and Department of National Budget

The revenue and grants to GDP ratio declined by 0.3 percentage point to 13.4 percent in 2018 from 13.7 percent in 2017 due to the fall of tax collections mainly from Custom Import Duty (CID), Excise Duty (ED) on petroleum products and liquor and Value Added Tax (VAT) in terms of GDP. Also, tax revenue to GDP ratio declined to 11.9 percent in 2018 from 12.4 percent in 2017. However, non-tax revenue to GDP ratio increased to 1.4 percent in 2018 from 1.2 percent in 2017 benefiting from the increased revenue collection from fines, fees and charges and the Central Bank profit transfers. Meanwhile, total expenditure and net lending dropped to 18.6 percent of GDP in 2018 from 19.2 percent of GDP in 2017 reflecting the decline in capital expenditure and net lending to 4.2 percent of GDP in 2018 from 4.8 percent of GDP in 2017. The increase in recurrent expenditure to 14.5 percent of GDP in 2018 was mainly driven by the rise in interest payments to 5.9 percent of GDP in 2018 from 5.5 percent in 2017. Due to a rise in interest payments, the government’s

current account deficit increased notably to 1.2 percent of GDP in 2018 from 0.7 percent of GDP in 2017.

Figure 1.3 | Major Fiscal Balances (% of GDP)



Source: Department of Fiscal Policy and Department of National Budget

Table 1.1 | Government Fiscal Operations (a)

	2016	2017	2018	2016	2017 (c)	2018
	Provisional			%	%	%
	Rs. Bn						% of GDP
Revenue & Grants	1,694	1,840	1,932	14.2	13.7	13.4
Revenue	1,686	1,832	1,920	14.2	13.6	13.3
Tax Revenue	1,464	1,670	1,712	12.3	12.4	11.9
Income Tax	259	275	310	2.2	2.0	2.1
Taxes on Goods & Services	842	1,026	1,062	7.1	7.6	7.3
Taxes on External Trade	363	370	340	3.0	2.8	2.4
Non-Tax Revenue	222	161	208	1.9	1.2	1.4
Grants	7	8	12	0.1	0.1	0.1
Expenditure	2,334	2,573	2,693	19.6	19.2	18.6
Recurrent Expenditure	1,758	1,928	2,090	14.8	14.4	14.5
Salaries & Wages	571	589	626	4.8	4.4	4.3
Goods & Services	151	146	139	1.3	1.1	1.0
Interest	611	736	852	5.1	5.5	5.9
Subsidies & Transfers	425	458	473	3.6	3.4	3.3
Capital Expenditure and Net Lending	576	645	604	4.8	4.8	4.2
Public Investments	594	657	625	5.0	4.9	4.3
Other	(18)	(12)	(21)	(0.2)	(0.1)	(0.1)
Current Account Balance	(72)	(96)	(170)	(0.6)	(0.7)	(1.2)
Primary Balance	(29)	2	91	(0.2)	0.02	0.6
Overall Fiscal Balance (Budget Deficit)	(640)	(733)	(761)	(5.4)	(5.5)	(5.3)
Deficit Financing	640	733	761	5.4	5.5	5.3
Foreign Financing (Net) (b)	392	439	324	3.3	3.3	2.2
Domestic Financing (Net)	248	294	437	2.1	2.2	3.1

Source: Department of Fiscal Policy

(a) Based on the economic classification of government fiscal operations.

(b) Includes treasury bonds and treasury bills issued to foreign investors.

(c) Revised GDP

Meanwhile, the International Monetary Fund (IMF) completed the fifth review of the Extended Fund Facility (EFF) program on May 13, 2019, bringing total disbursements under the arrangement to US\$ 1.155 billion and the EFF has been extended for another year until June 2, 2020.

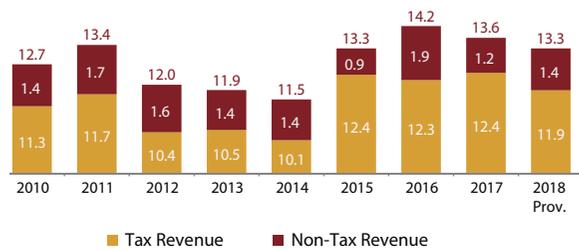
1.2 FISCAL PERFORMANCE IN 2018

Government Revenue

Government revenue including tax revenue and non-tax revenue as a percentage of GDP declined to 13.3 percent of GDP due to the drop in tax revenue to 11.9 percent amidst the increase in non-tax revenue to 1.4 percent in 2018. Tax revenue collection in 2018 was below the expectations due to several reasons including the implementation

lags in the Finance Act and the moderate expansion of economic activity weighed on the income tax collection. Non-tax revenue ratio increased to 1.4 percent of GDP in 2018 benefiting from the rise in revenue collection from fines, fees and charges due to the scaled-up of fees and charges as announced in 2018 Budget. Nevertheless, the transfers from profit and dividend declined by 22.5 percent in nominal terms in 2018. The total government revenue increased by 4.8 percent in nominal terms in 2018.

Figure 1.4 | Government Revenue (% of GDP)



source : Department of Fiscal Policy

The drop in government tax revenue to GDP ratio was mainly attributable to the decline in VAT and Excise duty collection by nearly 0.1 percentage point to 3.2 percent and 3.4 percent, respectively and CID collection by 0.3 percentage point to 0.7 percent in 2018. However, income tax to GDP ratio marginally increased to 2.1 percent in 2018 from 2.0 percent in 2017 reflecting the impact of modest economic growth. In nominal terms, income tax increased by 13.1 percent due to the implementation of new Inland Revenue Act (IRA) in 2018 and the initiation of the automation process of the tax administration at the Inland Revenue Department (IRD). Meanwhile, Excise duty, the largest individual tax component, moderated to 3.4 percent of GDP in 2018 from 3.5 percent in 2017 mainly due to the decline in revenue collection from petroleum products stemming from the drop in the importation of diesel and the downward revision of excise duty on diesel in the latter part of 2018 combined with the marginal increase in revenue from liquor. However, revenue collection from excise duty on motor vehicles and cigarettes increased. In addition, revenue generated from the CID declined by 0.3 percentage point to 0.7 percent of GDP in 2018 due to the reduction in CID rates on selected items such as petrol, diesel and

milk powder. Meanwhile, revenue generated from other taxes such as Ports and Airports Development Levy (PAL), Special Commodity Levy (SCL) and Nation Building Tax (NBT) increased whereas revenue from CESS Duty declined.

Figure 1.5 | Major Components of Tax Revenue (% of GDP)

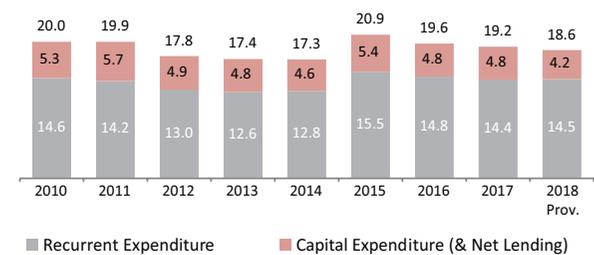


source : Department of Fiscal Policy

Government Expenditure

Government expenditure including net lending to government institutions declined by 0.6 percentage point to 18.6 percent in 2018 from 19.2 percent in 2017 reflecting in the slowdown in public investment. The recurrent expenditure as a percentage of GDP increased marginally to 14.5 percent in 2018 from 14.4 percent in 2017 reflecting the increase in interest payments, the single largest recurrent expenditure item in the budget, by 0.4 percentage point to 5.9 percent of GDP in 2018. However, capital expenditure and net lending as a percentage of GDP declined considerably to 4.2 percent in 2018 from 4.8 percent of GDP in 2017.

Figure 1.6 | Government Expenditure (% of GDP)



source : Department of National Budget

Box 1.1 | Public Investment Programme
Introduction:

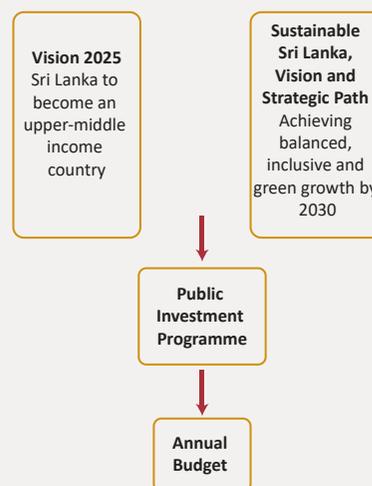
The Public Investment Programme (PIP) has been prepared by transforming the Government's development priorities and objectives envisaged in the "Vision 2025" together with "Sustainable Sri Lanka, Vision and Strategic Path" into implementable projects and programmes in the medium-term.

PIP has adopted a "rolling plan" approach for maintaining the flexibility to update annually based on the macroeconomic fundamentals, progress of ongoing projects and a new project portfolios. PIP is to manage public investments properly within the limited fiscal space in the medium term to support achieving long term objectives.

Key Development Priorities and Investments by Sector in PIP 2018-2021:

The total investments required for the period 2018-2021 is estimated around Rs. 2,655 billion. The highest amount has been allocated for the infrastructure development within which the transport sector has been given a high priority because it creates investor-friendly environment and links rural and urban commercial centers in the country. Human resource development, industry, agriculture and regional development have also been prioritized in the PIP.

Figure A | PIP Preparation & Implementation



Source: Department of National Planning

	Main Sector	Sub Sectors	Key Development Priorities	Investment (2018-2021) Rs.mn	As a % of Total Investment
1	Human Resource Development	Education, Higher Education, Skills Development, Labour, Health, Sports, Culture and Heritage, Technology & Research, ICT	Ensure 13 year compulsory education Enhance quality and relevance of education Reduce regional disparities in general education Increase access to higher and vocational education Prevent and control non-communicable diseases Reduce regional disparities in maternal and infant mortality Improve digital infrastructure	442,433	16.66
2	Agriculture	Crop Agriculture, Livestock, Planation, Fisheries, Land	Increase production and productivity of selected food crops for import substitution Commercialize agriculture Promote liquid milk production and consumption Modernize the plantation sector	114,700	4.32
3	Industry, Trade, Investment & Tourism	Industry, Domestic and International Trade, Foreign Investment, Tourism	Promote MSMEs Enter into Global Value Chains Provide facilities towards the setting up of businesses and new industrial zones Encourage greater development in tourism Support private sector development in export oriented industries	163,342	6.15

4	Infrastructure	Road, Land Transport, Ports, Aviation, Power and Energy, Irrigation, Water Supply, Sewerage, Housing, and Urban Development	Provide equitable access to safe drinking water and sanitation for the entire population Ensure safe, quality and affordable transport service Make Sri Lanka the most competitive and preferred port and shipping destination Transform the country as the best air service provider Improve water management and enhance productivity and water use efficiency while paying attention to spatial variation of water availability Diversify energy sources and promote the use of renewable energy Ensure access to affordable decent housing facilities for every family	1,250,129	47.08
5	Good Governance	Judicial System, Public Security, Public Management, Social Integration, Foreign Affairs	Re-orient public service through simplification of systems Introduce new technologies to the management of court proceedings and develop professional standards	186,543	7.02
6	Environmental Management	Environment and Disaster Management	Mitigate climate change impact and control environmental pollution and damage, Conserve natural forests and plantation forests Ensure peaceful co-existence with wildlife Reduce disaster risks	41,601	1.57
7	Social Protection	Women and Children, Differently abled, Elders	Introduce an integrated welfare management and social security system Ensure social welfare and rights of women, children, the elderly and the differently-abled	24,250	0.91
8	Regional Development	Development of regions, rural and Estate areas	Revive the rural economy Create regional development corridors	432,552	16.29
Total investment				2,655,550	100

Source: Department of National Planning

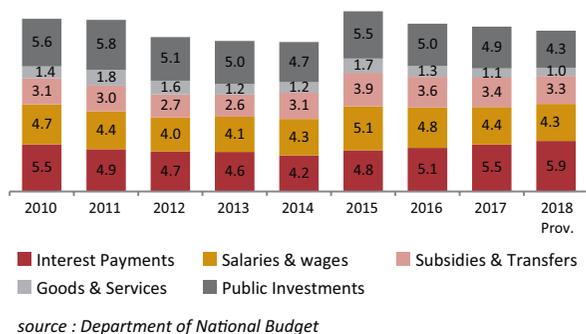
Challenges in Realization of PIP in Time: the following areas have been identified as key challenges in implementing projects in PIP in time.

- Lower Implementation readiness
- Land acquisition - acquisition procedures, Compensation, financing
- Delays in procurement procedures
- Investment – financing limitations
- Regulatory - lengthy and time consuming procedures on investment
- Institutional – Institutional coordination
- Human capacity – Lack of expertise in relevant areas and labor

Way forward: amidst the limited fiscal space, the process of selecting priority projects within the chosen sector has been an issue over the years. To address this critical issue, new project submission format and the operational manual have been introduced in early 2019 to streamline limited public investments while providing a logical guidance to prepare a comprehensive project proposal including the inclusion of Sustainable Development Goals (SDG), among others.

The public investment declined to 4.3 percent of GDP in 2018 from 4.9 percent of GDP in 2017. Despite the increase of recurrent expenditure as a percentage of GDP, expenditure on salaries and wages declined marginally to 4.3 percent of GDP in 2018 from 4.4 percent of GDP in 2017 while current transfers and subsidies including pension payments declined to 3.0 percent of GDP in 2018 from 3.2 percent of GDP in 2017. The recurrent expenditure on goods and services remained stagnant at 5.6 percent of GDP in 2018.

Figure 1.7 | Major Components of Government Expenditure (% of GDP)



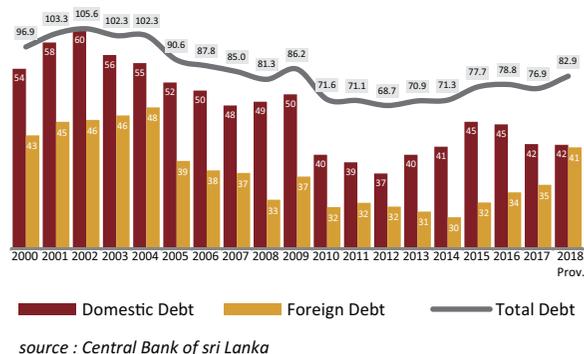
Budget Deficit and Financing

The Government has committed to containing the budget deficit at a manageable level over the years. The budget deficit was contained to 5.4 percent, on average, during the last three years after a higher deficit of 7.6 percent recorded in 2015. The deficit was 5.3 percent in 2018 which is marginally low compared to 5.4 percent of GDP recorded in 2017. Budget deficit had been financed largely from domestic borrowings accounting for 57.5 percent of the total financing, compared to 40.1 percent in 2017. Deficit financing from foreign sources, including the Treasury Bills and Treasury Bonds issued to foreigners, declined significantly to 42.5 percent of total financing in 2018 from 59.9 percent in 2017. The domestic and foreign sources as a percentage of GDP stood at 3.0 percent and 2.2 percent, respectively in 2018.

Government Debt and Debt Servicing

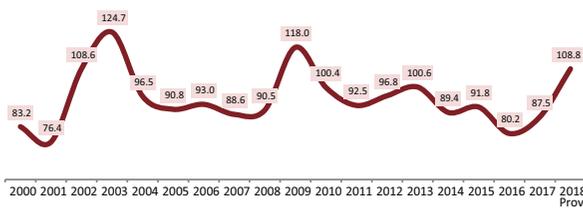
The central government debt to GDP ratio demonstrated a marked upward trend from 2012 onwards after recording the lowest ratio of 68.7 percent in 2012 during 2000-2018. At end 2018, the outstanding balance of central government debt to GDP ratio increased significantly by 6.0 percentage point to 82.9 percent at end 2018, compared to 76.9 percent at end 2017. This increase was mainly due to the sharp depreciation of the rupee against major currencies and low nominal GDP. Domestic debt at the end of 2018 was marginally lower by 0.1 percentage point to 41.6 percent of GDP, compared to end 2017. In contrast, foreign debt increased significantly by 6.0 percentage point to 41.2 percent of GDP in 2018. Consequently, the share of domestic debt in the total outstanding debt decelerated to 50.2 percent at end 2018 from 54.2 percent recorded at end 2017.

Figure 1.8 | Outstanding Central Government Debt (% of GDP)



The Government debt service payments, including both amortization and interest payments, increased by 2.6 percentage point to 14.5 percent of GDP in 2018 from 11.9 percent of GDP in 2017. The debt service payments in nominal terms increased by 30.3 percent in 2018 with an increase in interest payments and amortization payments by 15.9 percent and 42.5 percent, respectively. Amortization payments on domestic debt increased to 6.4 percent of GDP while it was 2.2 percent of GDP on foreign debt. Interest payments on domestic debt increased to 4.4 percent of GDP while interest payments on foreign debt increased to 1.5 percent of GDP in 2018.

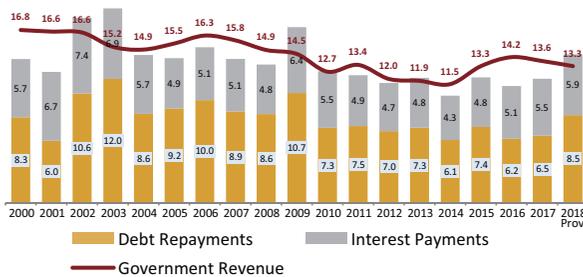
Figure 1.9 | Government Debt Servicing (% of Government Revenue)



source : Central Bank of Sri Lanka

The debt service payments as a percentage of government revenue recorded at 108.8 percent in 2018 from 87.5 percent in 2017, reflecting total debt service payments outpaced the total revenue receipts of the Government in 2018. The ratio of total debt service payments to government expenditure increased to 53.1 percent in 2018 from 46.6 percent in 2017.

Figure 1.10 | Debt Servicing and Government Revenue (% of GDP)



source : Department of Fiscal Policy and Central Bank of Sri Lanka

1.3 THE GOVERNMENT’S FISCAL STRATEGY

The fiscal strategy of the Government is based on the principles of responsible fiscal management which is outlined in the Fiscal Management (Responsibility) Act, No. 03 of 2003 and subsequent amendments made to the Act from time to time. Given the above context, the principles of responsible fiscal management include reducing and maintaining budget deficit and government debt to prudent levels assisted by enhanced revenue mobilization and rationalization of government expenditure while managing financial risks facing the Government and having regard for the impact on future generations.

Accordingly, the Government’s main priority of the fiscal strategy is geared towards a sustainable

reduction of fiscal deficit and outstanding public debt supported by the revenue-based fiscal consolidation process over the medium-term. A major feature of the government’s fiscal strategy is the carefully articulated path for the primary surplus which facilitates the envisaged reduction of government debt over the medium-term. Such a progressive path for the primary surplus would also be ensured by cautiously rationalized recurrent expenditure, without compromising on the expenditure on the social sector and capital budget which drives the long-term growth prospects of the economy.

Fiscal measures have been taken to enhance revenue mobilization, rationalize expenditure while reforming State Owned Enterprises (SOEs). The IRA was implemented effective from April 2018 in order to simplify and rationalize income tax structure, broaden the tax base and strengthen tax administration targeting increased government revenue. Accordingly, the direct tax to indirect tax revenue ratio has improved to 18: 82 percent in 2018 from the level of 16: 84 percent in 2017. Value Added Tax (VAT) refund scheme was introduced in 2018 to provide impetus to the tourism sector. The automation process of revenue collecting agencies such as the IRD and Sri Lanka Customs (SLC) continued with some upgrades to the newly introduced systems such as Revenue Administration Management information System (RAMIS) and National Single Window system (NSW).

The emphasis has been given to encourage the SOEs to be self-sufficient and commercially viable entities. The required reforms have been initiated in 2017 with the introduction of the Statement of Corporate Intent (SCI) to reflect both financial and non-financial performance indicators in order to improve accountability, better governance while providing more autonomy to the SOEs. Five Key SOEs such as Ceylon Petroleum Corporation (CPC), Ceylon Electricity Board (CEB) and Sri Lanka Ports Authority (SLPA) etc, have signed the tripartite agreements and another 10 of such SCIs will be signed in 2019 to improve the capacity of SOEs. In addition, the implementation of cost-reflective pricing mechanism of auto fuels in 2018 will ease-off the debt burden of CPC and further reforms will be introduced to reduce fiscal risks of other SOEs.

A priority has been given in the fiscal strategy to safeguard the economically vulnerable group in the society through effective distribution of resources with well-targeted welfare schemes including Samurdhi programmes, fertilizer subsidy, and support for the differently-abled persons and kidney patients, and the elderly persons. The Government established the Welfare Benefits Board (WBB) in 2017 in order to facilitate transparent selection of targeted beneficiaries for various welfares schemes. The WBB is in the process of establishing the integrated Social Registry Information System (SRIS), an electronic national database, for the selection of targeted beneficiaries and the payment of welfare benefits.

Fiscal reporting requirements have been emphasized as outlined in the FMRA. In addition, quarterly expenditure and income performance reporting to Parliament would help parliamentary control over public finances while improving the budget monitoring process. Several initiatives have been taken to strengthen the transparency in budgetary reporting align with international best practices by publishing tax expenditure statements and non-commercial obligations of SOEs along with the budget estimates in 2018. Further, Quarterly budget estimates were presented in Parliament in 2018 to ensure better utilization of allocated provisions. To further improvement of public expenditure, the Integrated Treasury Management Information System (ITMIS) at the General Treasury would facilitate the budget preparation and reporting process.

Public debt management is the cornerstone of the government fiscal strategy which lies on the deficit reduction and revenue enhancement under the broader framework of the fiscal consolidation process. The ALMA was enacted in 2018 which allows raising funds of an amount up to 10 percent of the total outstanding debt beyond maturing debt within the year to streamline the cost of borrowing based on market conditions and managing refinancing risks. Meanwhile, the formulated MTDS would help contain foreign exchange exposure of the debt while lowering central government debt to a sustainable level over the medium term. The 19th Amendments to the constitution has enabled the introduction of

National Audit Act (NAA) to strengthen the powers of the Auditor General which would enhance the effective management of public finance. The proposed e-procurement system would further facilitate to promote good governance practices, transparency and value for money while increasing flexibility in the procurement process.

1.4 MEDIUM-TERM FISCAL OUTLOOK FOR 2020-2023

The Government continued to pursue its revenue-based fiscal consolidation efforts initiated in 2015 and intends to strengthen the fiscal rules with a strong commitment towards achieving medium-term fiscal targets. The medium-term outlook aimed at building up the revenue base through the expected revenue-led fiscal consolidation process.

The budget deficit is expected to reach 3.5 percent of GDP in 2020 and 3.2 percent of GDP in 2023 with the revenue enhancement and expenditure rationalization measures. Based on some significant additional tax measures introduced in 2018, tax revenue is expected to increase notably to 15 percent of GDP in 2022 and 15.2 percent in 2023. Non-tax revenue collections are expected to increase substantially to 2 percent of GDP in 2022.

The rationalization of expenditure and implementing a set of public finance management reform initiatives are expected to keep expenditure at around 20 percent of GDP. Accordingly, the primary balance in the Government fiscal operations is expected to generate a surplus of 2.5 percent of GDP in 2022 and 2.8 percent in 2023. The efforts towards improving the total debt to GDP ratio from 82.9 percent in 2018 to 70.0 percent in 2023 requires concerted commitments from all stakeholders. The formulated MTDS together with the implementation of ALMA would help deliver low-cost financing within prudent risk levels given the expected macroeconomic stability and the possible flexibility in financing arrangements.

The containing the debt consolidation efforts is backed by the primary surplus in the government fiscal operations and the expected macroeconomic stability together with stable and lower interest rates. Thus, the economic growth is expected to

reach to around 5 percent by 2023, total investment increase to 31 percent of GDP, inflation to anchor at mid-single digit levels under the flexible inflation targeting regime and external current account deficit to restrict to below 1.0 percent of GDP by 2023. It is noted that the implementation of fiscal rules is prerequisite to achieve the expected improvements in fiscal operations.

Thus, fiscal space was tightened due to the claim of larger shares of government revenue by expenditure on interest payments and salaries and wages which was 10.2 percent of GDP in 2018. This has created limited fiscal space for the implementation of priority infrastructure development activities. Thus, increasing tax revenue by simplification of tax structure, improvement of tax administration

Table 1.2 | Medium-Term Fiscal Framework (a)

	2016	2017	2018	2019	2020	2021	2022	2023
	Provisional			Projections				
Revenue & Grants	14.2	13.7	13.4	15.1	16.1	16.8	17.0	17.5
Revenue	14.2	13.6	13.3	15.0	16.0	16.8	17.0	17.4
Tax Revenue	12.3	12.4	11.9	13.3	14.2	14.8	15.0	15.2
Non-Tax Revenue	1.9	1.2	1.4	1.7	1.8	1.9	2.0	2.2
Grants	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Expenditure	19.6	19.2	18.6	19.5	19.6	20.3	20.5	20.7
Recurrent Expenditure	14.8	14.4	14.5	14.8	14.9	15.1	15.2	15.2
Interest Expenditure	5.1	5.5	5.9	5.9	5.9	6.0	6.0	6.0
Capital Expenditure & Net Lending	4.8	4.8	4.2	4.7	4.6	5.2	5.3	5.5
Of which Public Investments	5.0	4.9	4.3	4.8	4.8	5.3	5.3	5.5
Current Account Balance	(0.6)	(0.7)	(1.2)	0.2	1.1	1.7	1.8	2.2
Primary Balance	(0.2)	0.02	0.6	1.5	2.4	2.5	2.5	2.8
Overall Budget Balance	(5.4)	(5.5)	(5.3)	(4.4)	(3.5)	(3.5)	(3.5)	(3.2)
Deficit Financing	5.4	5.5	5.3	4.4	3.5	3.5	3.5	3.2
Foreign Financing	3.3	3.3	2.2	0.4	0.7	1.0	1.0	0.9
Domestic Financing	2.1	2.2	3.0	4.0	2.8	2.5	2.5	2.3
Central Government Debt (% of GDP)	78.8	76.9	82.9	82.6	81.0	75.0	72.0	70.0

Source: Department of Fiscal Policy

(a) Projections are based on information as at end December 2018

1.5 MAJOR FISCAL CHALLENGES

Fiscal Policy

Despite the government's firm commitment towards revenue-based fiscal consolidation, the year 2018 was challenging due to multiple reasons. Lags in tax revenue collections caused the underlying decline in government revenue. The rigidity of recurrent expenditure aggravated by the increased interest payments together with slower economic growth exerted pressure on the fiscal consolidation process.

to broaden the tax base, rationalization of tax exemptions and concessions while increasing tax compliance have been identified as a priority. Government expenditure is also required to be rationalized and allocated among more productive sectors while targeting subsidy schemes for the needy. Therefore, long-term revenue enhancement measures are imperative to contain fiscal deficit and government debt.

Government Revenue

Low and declining tax revenue to GDP ratio has been a major concern in the fiscal sector over the years. However, this trend has been reversed in 2015 with a firm commitment made to take necessary reforms to augment the revenue collection. As such, tax to GDP ratio increased significantly to 12.4 percent in 2015 from 10.1 percent in 2014 and reached 12.4 percent in 2017. However, this ratio has decelerated to 11.9 percent in 2018 due to lower revenue collection. Despite several efforts made by the Government in strengthening the tax policy domain and tax administration, expected results have yet to materialize mobilizing government revenue. The Government revenue has not met the expectations and the gap between GDP growth and revenue growth has widened over the years, implying that there is a potential for further expansion of the existing tax structures and the tax compliance. The Government is cognizant that there are some weaknesses in tax policies and tax administration that need to be addressed in the medium term. Therefore, a series of tax reforms is needed to generate a revenue-elastic tax system and reforms in tax administration to improve tax collection.

Tax Policy

The direct tax to indirect tax revenue ratio improved to 18 percent and 82 percent in 2018. The government expects to improve this ratio further over the medium term with major reforms, such as strengthening the tax management and increasing the tax base. The reliance on indirect taxes, such as Value Added Tax (VAT), excise duty and import duty limits the capacity to further expand the tax base as witnessed in 2018. However, there is a potential to increase tax collection from direct taxes by broadening the tax base as done in 2018 with the introduction of the New IRA. Tax policy reforms are needed to streamline taxes, and the abolition of wide arrayed taxes to simplify the tax structure. In addition, the majority of tax laws such as Excise Ordinance and Customs Ordinance in the country is viewed to be outdated hence in need of redrafting in order to create a modern tax system.

Tax Administration

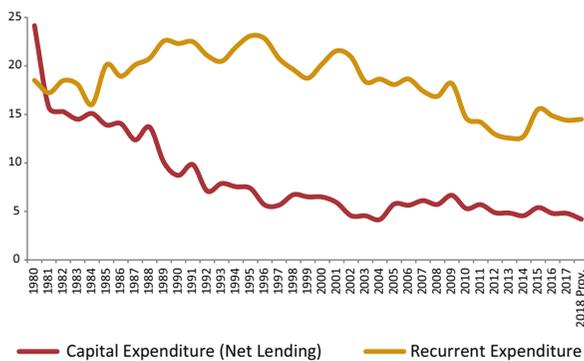
The policy changes contemplated in the medium-term strategy are dependent on the institutional reforms of the revenue administration, in particular, tax compliance. The revenue collecting agencies such as IRD, SLC and Excise Department of Sri Lanka (EDSL) are moving towards a new trajectory to ensure a greater efficiency and service delivery. This entails increasing the tax base through a systematic compliance strategy and an overall modernization of the tax administration system through RAMIS at IRD, the “Single Window” system to automate import and export documentation process at SLC and implementation of foolproof sticker system at EDSL to prevent tax/duty unpaid liquor and Integrated Treasury Management Information System (ITMIS) at the General Treasury to ensure efficient management of government resources. A client-friendly environment at these revenue agencies will be created to voluntary compliance of taxpayers with the simplification of procedures, easy access to information and speedy service delivery.

Expenditure

Rigidity in recurrent expenditure combined with low tax revenue provides an exerted pressure on the government finances. Hence, the government allocates resources in a more productive manner with the performance based budgeting (PBB) approach. The PBB approach provides a credible rationale for allocation of scarce resources in a systematic manner thereby strengthening fiscal consolidation process. The recurrent expenditure increased to 14.5 percent of GDP in 2018 and edge up to around 15 percent of GDP over the medium term. This increase was due mainly to the increased expenditure on salaries and wages, interest payments, and subsidies and transfers to households which absorbed 67.6 percent of the total expenditure in 2018 leaving little fiscal space for development activities of capital nature. In this context, restructuring of the existing subsidy programmes as targeted subsidy programmes is important to provide state support for the most vulnerable and needy segments of the society. Management inefficiencies and the non-implementation of cost-reflective tariff structures of certain SOEs and frequent natural disasters would pose risks to expenditure. Thus, bold policy

directives are needed to lessen the possible risks to the government finances in a consolidated approach.

Figure 1.11 | Government Expenditure 1980-2018 (% of GDP)



Source : Department of National Budget

Public Investment

The public investment plays a vital role in attracting private sector investment for the infrastructure drive of the country. However, the expansion of the recurrent expenditure and the shortfall in the government revenue limited the resource envelope for the public investment. To fill this investment gap, the private sector is being encouraged to invest in infrastructure development activities and other related projects through Private-Public Partnerships (PPPs) programmes through the newly established National Agency for Private Public Partnerships under the Ministry of Finance. The Government is committed to creating a conducive environment to provide impetus to the PPPs while attracting FDI to rebound the economy over the medium term.

Public Financial Management

The Government is keen on reforming public financial management while enforcing strict regulations with user-friendly systems and procedures in order to ensure transparency and accountability. A “National Asset Register” has been prepared for better management of public assets and utilizing public resources productively. Meanwhile, the budget formulation will be aligned with the policy priorities of the government within the resource envelope. The Government is in the process of introducing e-procurement to encourage competition and ensure transparency in addition to the measures such as the implementation of the National Audit Act

effective from 2018 and the proposed introduction of the Public Financial Management Act shortly.

Social Protection

The need for protecting the most vulnerable and needy people of the society has been well recognized by the Government. Hence, measures have been taken to provide various benefits such as fertilizer subsidy for farmers, Samurdhi allowances for the poor families, uniforms for the school children, allowance for the elders, Poshana Malla for expectant mothers and other safety net programmes for the vulnerable groups. Priority has been given to empower the vulnerable groups and disadvantaged persons while improving facilities and care for the differently abled and senior citizens.

Enterprise Reforms

The sub-optimal performance of the SOEs exerted pressure on government finance, which requires comprehensive long term strategy to reorient them as commercially viable entities. The government in the process of overseeing the functions of SOEs with special emphasis on the areas such as management and business model, pricing mechanisms, recruitment procedures, the productivity of the existing workforce and overall efficiency of the SOEs.

Government Debt and Debt Servicing

The government debt to GDP ratio increased to 82.9 percent of GDP by end 2018 which is higher than the ratio witnessed in the last eight years. The debt burden requires to be managed prudently. The reduction path to debt level to 70 percent of GDP by 2023 would support the expected primary surplus, revenue mobilization and economic revival over the medium term. Meanwhile, total debt service payments including interest and capital payments as a percentage of GDP increased to 14.5 percent of GDP in 2018, compared to 11.9 percent in 2017. The burden of debt servicing is expected to lessen in the medium-term with the improvements in the government revenue and the decline in the overall budget deficit together with the improvements in the government debt management and Treasury cash flow operations. The debt burden will be mitigated with the implementation of ALMA supported by the formulated MTDS over the medium term.

Ageing population

Among those challenges highlighted in the above, Sri Lanka is facing the demographic change, that is, the ageing population which requires immediate policy attention to minimize possible risks to the fiscal consolidation process of the Government. The share of working population continuously declined over the years. In 2018, 24.6 percent of the population was youth (under 15 years old) and 9.7 percent

of the population was elderly (65 years or older). However, by 2050, it is estimated that the elderly population will increase to 23 percent whereas the youth population will decline to 17 percent, surpassing the youth by the elderly population. This demographic transition is contemplated to have severe fiscal implications for pensions, employment, public finances and health and education and elderly care over the medium term to long term.

**Economic
Developments
in 2018**

02

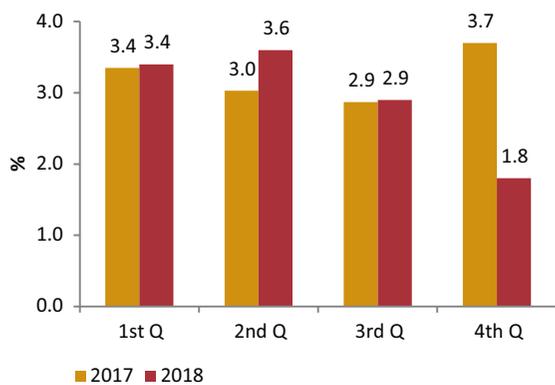
2.1 OVERVIEW

Sri Lankan economic growth remained moderate in 2018 due to multiple headwinds. The economy grew at a slower pace of 3.2 percent in 2018 from 3.4 percent in 2017 emanating from the domestic and external challenges. Agriculture sector rejuvenated with a positive contribution to growth due to benign weather. However, a decline in construction and mining and quarrying sub-sectors lowered the overall growth of the industry sector. The expansion of the Services sector by 1.1 percentage point in 2018 was not adequate to uplift the overall growth of the economy in the light of significant share of Services in economic output. The savings-investment gap widened as the growth in investments outpaced the slower growth in savings reflecting the higher dependency on external resources to fill the gap: investment and savings as a percentage of GDP were 28.6 percent and 21.2 percent, respectively. The unemployment rate slightly increased to 4.4 percent in 2018 from 4.2 percent in 2017 while increasing both male and female unemployment rates to 3.0 percent and 7.1 percent, respectively. Inflation declined to 0.4 percent in December 2018 from 7.3 percent in December 2017 fueled by supply-side improvements which have compensated for the sharp rupee depreciation and upward adjustments of fuel prices. These developments combined with tightening global economic conditions prompted the Central Bank to follow neutral monetary policy in 2018 from the tightened monetary policy stance adopted until April 2018.

In external front, the trade deficit widened at its historically highest in 2018 as the growth in import bill outpaced the increase in export earnings. Earnings from tourism increased however, workers' remittances were stagnant. Foreign Direct Investment (FDI) marked the highest-ever recorded inflows to financial account during the year. The overall balance of the external account turned to a deficit in 2018. International reserves stood at US\$ 6.9 billion as at end December 2018. The Sri Lankan rupee was under sharp depreciation pressure due to an increasingly challenging global economic environment and volatile international financial markets. However, the rupee appreciated against major currencies during the first part of 2019 due to the measures taken to curtail non-essential imports including imports of personal vehicles. Meanwhile, the programme under Extended Fund Facility (EFF) with the International Monetary Fund (IMF) continued with several structural benchmarks including the implementation of pricing formula for fuel. The IMF approved US\$ 164.1 million on May 13 2019 completing the fifth renew of Sri Lanka under the EFF facility.

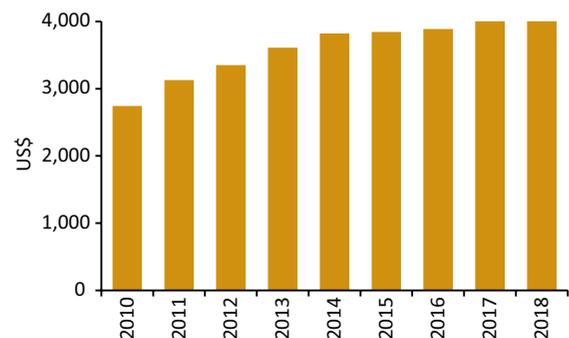
Despite the weaker revenue mobilization and political tensions affected during the latter part of 2018, the fiscal sector improved in 2018 with an increase in primary surplus to 0.6 percent of GDP and a contraction of budget deficit to 5.3 percent of GDP in 2018. However, government debt to GDP ratio shot up to 82.9 percent of GDP at end 2018 from 76.9 percent of GDP at end 2017 reflecting the sharp depreciation of the rupee and relatively low nominal GDP. The financial sector recorded a

Figure 2.1 | Quarterly Growth Rates of GDP



Source: Department of Census and Statistics

Figure 2.2 | Per Capita GDP (US\$)



Source: Department of Census and Statistics

moderate growth as the decline in profitability of the banking sector in 2018. Per capita GDP increased by 6.6 percent to Rs. 666,817, in nominal terms, in 2018. However, in US\$ terms, per capita GDP of US\$ 4,102 in 2018 was almost similar to 2017 level.

The economy is expected to stabilize with the measures taken to augment industrial production, reenergize the export-oriented industries, resumption of tourism-related activities while attracting more domestic and foreign investments. The Flexible Inflation Targeting (FIT) framework will help maintain low-level inflation by 2020 and revenue-led fiscal consolidation process with the competitive exchange rate is expected to gain macroeconomic stability over the medium-term. Concerted efforts are required to rebuild investor confidence and normalcy in the country within the overall structural reforms agenda of the Government.

Table 2.1 | Sectoral GDP Growth Rates in 2018 (%)

Sector	Q1	Q2	Q3	Q4	Annual
GDP (Nominal)	8.5	8.3	7.8	4.8	7.7
Agriculture	14.1	8.9	7.9	(0.4)	8.9
Industry	8.4	6.5	6.5	3.5	6.5
Services	9.7	10.0	8.1	9.6	9.9
GDP (Real)	3.4	3.6	2.9	1.8	3.2
Agriculture	5.6	4.2	3.3	4.5	4.8
Industry	1.2	2.3	1.9	(3.6)	0.9
Services	4.6	4.6	3.9	4.3	4.7

Source: Department of Census and Statistics

2.2 SRI LANKAN ECONOMY

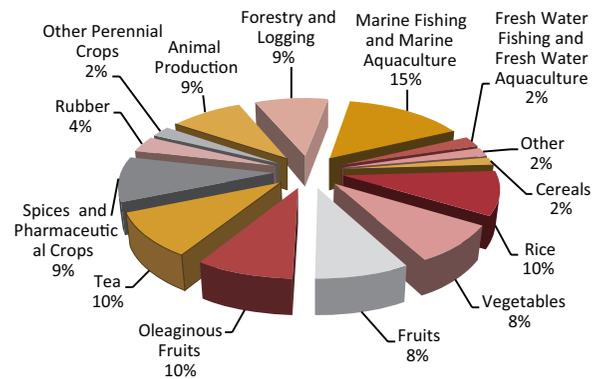
The Sri Lankan economy moderately grew by 3.2 percent in 2018. The slowdown was underpinned by the contraction of construction and mining and quarrying sectors despite the expansion of the agriculture sector. Agriculture sector rebounded with a growth of 4.8 percent in 2018, compared to the contraction of 0.4 percent recorded in 2017 with the bumper paddy harvest coupled with the expansion of production of vegetables and fruits and spices. The Services sector expanded by 4.7 percent in value-added terms and continued to remain as the highest contributor to the GDP with a share of 57.7 percent. The expansion of wholesale

and retail trade, transport, financial services and real estate sector supported to the growth in Services activities. Meanwhile, Industry and Agriculture sectors contributed to GDP with a share of 26.1 percent and 7.0 percent, respectively. However, Industry sector marginally grew by 0.9 percent in 2018 owing to the contraction of construction and mining and quarrying activities.

Agriculture Sector

Agriculture sector significantly recovered in 2018 benefiting from the higher growth in rice, fruits and vegetables, cereals, coconut, beverages crops and spices. The recovery in Agriculture was mainly attributable to the favourable weather conditions prevailed in such crop growing areas during the year. Animal production and inland fishing also contributed positively to the growth of Agriculture.

Figure 2.3 | Agriculture Sector Composition - 2018



Source: Department of Census and Statistics

However, value-added tea and rubber production contracted by 0.8 percent and 0.6 percent, respectively. Further, the marine fishing sector also recorded a negative growth of 2.0 percent in 2018. A bumper paddy harvest was witnessed in 2018. Total paddy production increased by 64.9 percent to 3.9 million metric tons in 2018 from 2.4 million metric tons in 2017 reflecting a favourable weather condition prevailed in paddy growing areas: 2017/18 Maha production was 2.4 million metric tons while the Yala production was 1.5 million metric tons. The net extent paddy harvested augmented by 59.5 percent to 884,555 hectares with the average yield to 4,443 kg per hectare.

Table 2.2 | Gross Domestic Product (GDP) at constant (2010) market prices, 2013 to 2018

Rs. Million

Economic Activity	2013	2014	2015	2016 (a)	2017 (a)	2018 (b)	2017/2016 Change(%)	2018/2017 Change(%)
Agriculture, Forestry and Fishing	611,676	639,696	669,725	644,655	642,366	672,923	(0.4)	4.8
1 Growing of Cereals (except rice)	14,307	13,969	14,984	13,158	11,503	11,822	(12.6)	2.8
2 Growing of Rice	65,607	61,019	76,293	52,388	48,647	65,144	(7.1)	33.9
3 Growing of Vegetables	54,153	55,244	56,730	58,349	55,240	56,694	(5.3)	2.6
4 Growing of Sugar cane, Tobacco and other non-perennial crops	2,441	2,287	1,882	2,347	2,044	1,818	(12.9)	(11.1)
5 Growing of Fruits	37,385	40,888	48,038	46,512	49,960	55,578	7.4	11.2
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	53,424	64,158	67,514	66,971	53,773	57,161	(19.7)	6.3
7 Growing of Tea (Green Leaves)	74,734	73,936	72,051	63,972	66,876	66,308	4.5	(0.8)
8 Growing of other beverage crops (Coffee, Cocoa, etc)	1,321	1,538	1,259	1,354	1,268	1,592	(6.4)	25.6
9 Growing of spices, aromatic, drug and pharmaceutical crops	50,833	57,505	60,797	62,931	63,199	66,574	0.4	5.3
10 Growing of Rubber	37,987	28,688	25,783	23,028	24,165	24,013	4.9	(0.6)
11 Growing of other perennial crops	14,344	15,402	16,839	16,484	16,717	15,892	1.4	(4.9)
12 Animal Production	36,599	47,950	51,857	55,631	58,726	61,475	5.6	4.7
13 Plant propagation and agricultural supporting activities	9,183	9,767	10,421	10,210	9,459	9,624	(7.4)	1.7
14 Forestry & Logging	43,044	47,450	48,362	52,485	62,545	61,984	19.2	(0.9)
15 Marine Fishing and Marine Aquaculture	103,879	105,822	104,413	105,100	103,037	100,958	(2.0)	(2.0)
16 Fresh water fishing Fresh water Aquaculture	12,435	14,072	12,503	13,735	15,208	16,286	10.7	7.1
Industries	2,119,080	2,218,711	2,267,725	2,396,833	2,495,721	2,518,964	4.1	0.9
17 Mining and quarrying	198,447	201,613	191,145	217,577	237,381	225,321	9.1	(5.1)
18 Manufacture of food, beverages and Tobacco products	507,127	513,960	528,821	529,786	525,211	554,127	(0.9)	5.5
19 Manufacture of textiles, wearing apparel and leather related products	264,527	276,800	282,719	289,001	300,122	310,948	3.8	3.6
20 Manufacture of wood and of products of wood and cork, except furniture	25,258	23,139	27,320	32,855	32,617	32,834	(0.7)	0.7
21 Manufacture of paper products, printing and reproduction of media products	24,925	24,968	27,728	30,283	31,839	30,519	5.1	(4.1)
22 Manufacture of coke and refined petroleum products	27,514	28,723	29,075	31,245	29,743	27,312	(4.8)	(8.2)
23 Manufacture of chemical products and basic pharmaceutical products	81,982	82,243	83,179	90,095	92,758	90,941	3.0	(2.0)
24 Manufacture of rubber and plastic products	82,187	71,909	76,144	77,055	85,730	87,754	11.3	2.4
25 Manufacture of other non - metallic mineral products	81,037	78,671	75,191	69,660	78,782	84,035	13.1	6.7

Table 2.2 | Gross Domestic Product (GDP) at constant (2010) market prices, 2013 to 2018 Contd...

		Rs. Million							
Economic Activity	2013	2014	2015	2016 (a)	2017 (a)	2018 (b)	2017/2016 Change(%)	2018/2017 Change(%)	
26	Manufacture of basic metals and fabricated metal products	26,589	24,882	28,953	38,577	43,430	46,512	12.6	7.1
27	Manufacture of machinery and equipments i.e.	30,845	32,064	38,848	46,610	50,971	50,271	9.4	(1.4)
28	Manufacture of furniture	67,488	82,748	94,489	96,303	99,889	97,564	3.7	(2.3)
29	Other manufacturing and repair and installation of machinery and equipment	44,443	55,993	68,509	70,923	77,291	78,836	9.0	2.0
30	Electricity, gas, steam and air conditioning supply	76,789	80,298	85,202	92,356	94,796	98,693	2.6	4.1
31	Water collection, treatment and supply	10,975	11,504	12,023	12,972	13,569	14,113	4.6	4.0
32	Sewerage, Waste, treatment, and disposal activities	15,511	17,355	21,681	25,539	27,567	29,497	7.9	7.0
33	Construction	553,438	611,842	596,697	645,994	674,025	659,687	4.3	(2.1)
	Services	4,405,644	4,618,501	4,894,717	5,127,616	5,311,107	5,560,849	3.6	4.7
34	Wholesale and Retail Trade	859,977	884,094	933,216	957,088	993,471	1,042,926	3.8	5.0
35	Transportation of goods and passengers including warehousing	849,539	885,506	931,529	982,703	1,013,792	1,042,173	3.2	2.8
36	Postal and courier activities	4,364	4,056	4,052	4,260	4,425	4,482	3.9	1.3
37	Accommodation, Food and beverage service activities	126,392	131,481	134,017	139,443	146,431	154,475	5.0	5.5
38	Programming and broadcasting activities and audio video productions	2,422	2,513	2,624	2,831	2,804	2,609	(1.0)	(7.0)
39	Telecommunication	27,395	30,986	34,146	36,984	41,502	45,386	12.2	9.4
40	IT programming consultancy and related activities	9,693	10,579	12,148	13,015	13,564	15,026	4.2	10.8
41	Financial Service Activities Auxiliary financial service	386,009	420,223	493,785	554,564	606,459	677,989	9.4	11.8
42	Insurance, reinsurance and pension funding	70,854	74,978	82,013	92,172	94,088	103,489	2.1	10.0
43	Real estate activities, including ownership of dwelling	417,024	444,049	489,352	520,085	544,727	565,303	4.7	3.8
44	Professional services	161,963	166,486	154,266	152,229	158,754	165,247	4.3	4.1
45	Public Administration and defense, compulsory social security	382,470	402,205	430,105	452,586	430,671	427,978	(4.8)	(0.6)
46	Education	157,477	173,751	159,875	171,830	172,697	178,483	0.5	3.4
47	Human Health Activities, Residential care and social work activities	146,551	147,962	160,056	162,405	174,150	177,940	7.2	2.2
48	Other personal service activities	803,514	839,633	873,534	885,421	913,573	957,342	3.2	4.8
	Gross Value Added (GVA), at basic prices	7,136,401	7,476,908	7,832,167	8,169,103	8,449,194	8,752,736	3.4	3.6
	(+) Taxes less Subsidies on Products	709,802	758,522	815,667	866,727	895,646	891,992	3.3	(0.4)
	Gross Domestic Products (GDP), at Constant Market Price	7,846,202	8,235,429	8,647,833	9,035,830	9,344,839	9,644,728	3.4	3.2

Source: Department of Census and Statistics

(a) Revised

(b) Provisional

Table 2.3 | Sectoral Distribution of GDP Growth (%) -Constant (2010) Prices

Economic Activity		2014	2015	2016 (a)	2017 (a)	2018 (b)
Agriculture, Forestry and Fishing		4.6	4.7	(3.7)	(0.4)	4.8
1	Growing of Cereals (except rice)	(2.4)	7.3	(12.2)	(12.6)	2.8
2	Growing of Rice	(7.0)	25.0	(31.3)	(7.1)	33.9
3	Growing of Vegetables	2.0	2.7	2.9	(5.3)	2.6
4	Growing of Sugar Cane, Tobacco and Other non-perennial Crops	(6.3)	(17.7)	24.7	(12.9)	(11.0)
5	Growing of Fruits	9.4	17.5	(3.2)	7.4	11.2
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	20.1	5.2	(0.8)	(19.7)	6.3
7	Growing of Tea (Green Leaves)	(1.1)	(2.5)	(11.2)	4.5	(0.8)
8	Growing of Other Beverage Crops (Coffee, Cocoa, etc)	16.4	(18.1)	7.5	(6.4)	25.6
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	13.1	5.7	3.5	0.4	5.3
10	Growing of Rubber	(24.5)	(10.1)	(10.7)	4.9	(0.6)
11	Growing of Other Perennial Crops	7.4	9.3	(2.1)	1.4	(4.9)
12	Animal Production	31.0	8.1	7.3	5.6	4.7
13	Plant Propagation and Agricultural Supporting Activities	6.4	6.7	(2.0)	(7.3)	1.7
14	Forestry and Logging	10.2	1.9	8.5	19.2	(0.9)
15	Marine Fishing and Marine Aquaculture	1.9	(1.3)	0.7	(2.0)	(2.0)
16	Fresh Water Fishing and Fresh Water Aquaculture	13.2	(11.2)	9.9	10.7	7.1
Industries		4.7	2.2	5.7	4.1	0.9
17	Mining and Quarrying	1.6	(5.2)	13.8	9.1	(5.1)
18	Manufacture of Food, Beverages and Tobacco Products	1.3	2.9	0.2	(0.9)	5.5
19	Manufacture of Textiles, Wearing Apparel and Leather related Products	4.6	2.1	2.2	3.8	3.6
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	(8.4)	18.1	20.3	(0.7)	0.7
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	0.2	11.1	9.2	5.1	(4.1)
22	Manufacture of Coke and Refined Petroleum Products	4.4	1.2	7.5	(4.8)	(8.2)
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	0.3	1.1	8.3	3.0	(2.0)
24	Manufacture of Rubber and Plastic Products	(12.5)	5.9	1.2	11.3	2.4
25	Manufacture of Other Non-metallic Mineral Products	(2.9)	(4.4)	(7.4)	13.1	6.7
26	Manufacture of Basic Metals and Fabricated Metal Products	(6.4)	16.4	33.2	12.6	7.1
27	Manufacture of Machinery and Equipment	4.0	21.2	20.0	9.4	(1.4)
28	Manufacture of Furniture	22.6	14.2	1.9	3.7	(2.3)
29	Other Manufacturing and Repair and Installation of Machinery and Equipment	26.0	22.4	3.5	9.0	2.0
30	Electricity, Gas, Steam and Air Conditioning Supply	4.6	6.1	8.4	2.6	4.1
31	Water Collection, Treatment and Supply	4.8	4.5	7.9	4.6	4.0
32	Sewerage, Waste, Treatment and Disposal Activities	11.9	24.9	17.8	7.9	7.0
33	Construction	10.6	(2.5)	8.3	4.3	(2.1)

Table 2.3 | Sectoral Distribution of GDP Growth (%) -Constant (2010) Prices Contd...

Economic Activity	2014	2015	2016 (a)	2017 (a)	2018 (b)
Services	4.8	6.0	4.8	3.6	4.7
34 Wholesale and Retail Trade	2.8	5.6	2.6	3.8	5.0
35 Transport of Goods and Passenger including Warehousing	4.2	5.2	5.5	3.2	2.8
36 Postal Courier Activities	(7.1)	(0.1)	5.1	3.9	1.3
37 Accommodation, Food and Beverage Service Activities	4.0	1.9	4.0	5.0	5.5
38 Programming and Broadcasting Activities and Audio Video Productions	3.8	4.4	7.9	(0.9)	(7.0)
39 Telecommunication	13.1	10.2	8.3	12.2	9.4
40 IT Programming Consultancy and Related Activities	9.1	14.8	7.1	4.2	10.8
41 Financial Service Activities and Auxiliary Financial Services	8.9	17.5	12.3	9.4	11.8
42 Insurance, Reinsurance and Pension Funding	5.8	9.4	12.4	2.1	10.0
43 Real Estate Activities, Including Ownership of Dwelling	6.5	10.2	6.3	4.7	3.8
44 Professional Services	2.8	(7.3)	(1.3)	4.3	4.1
45 Public Administration and Defence; Compulsory Social Security	5.2	6.9	5.2	(4.8)	(0.6)
46 Education	10.3	(8.0)	7.5	0.5	3.4
47 Human Health Activities, Residential Care and Social Work Activities	1.0	8.2	1.5	7.2	2.2
48 Other Personal Service Activities	4.5	4.0	1.4	3.2	4.8
Gross Value Added (GVA), at Basic Prices	4.8	4.8	4.3	3.4	3.6
(+) Taxes less Subsidies on Products	6.9	8.3	6.3	3.3	(0.4)
Gross Domestic Products (GDP), at Constant Market Price	5.0	5.0	4.5	3.4	3.2

Source : Department of Census and Statistics

(a) Revised

(b) Provisional

Reflecting this bumper harvest, rice imports declined by 66.7 percent to 248,901 metric tons. The Government continued the paddy purchasing programme in 2018 to maintain price stability for paddy and ensure a reasonable price for the paddy farmers. The guaranteed price for Samba and Nadu stood at Rs. 41 per kg and Rs. 38 per kg, respectively. In contrast, the prices of all varieties of rice generally increased in 2018 due to limited competition in the industry.

Tea production dropped in 2018 and the value-added tea sector contracted by 0.8 percent in 2018, compared to 4.5 percent growth in 2017 mainly owing to the decline in low-grown tea production, which constituted 63.2 percent of the total production. Tea production declined by 1.0 percent to 303.8 kg million due to demand over the salary hike by trade unions and unfavourable weather conditions prevailed in tea growing districts. The

tea auction prices were low in 2018 and the average price of tea declined to Rs. 581.58 per kg against Rs. 620.44 recorded in 2017. As a result, earnings from tea export declined by 6.6 percent to US\$ 1,428.5 million also quantity exported dropped to 282.4 kg million.

In the same vein, rubber production dropped to 82.6 kg million in 2018 from 83.1 kg million in 2017 due to torrential rain in rubber tapping days particularly in the first half of 2018. Crepe rubber production increased to 14.5 kg million whereas the Sheet rubber and other categories declined to 41.3 kg million and 26.8 kg million, respectively. Earnings from rubber exports also declined to US\$ 31.6 million in 2018 reflecting the reduction of international rubber prices. With these developments, rubber imports increased to 65.8 kg million in 2018 to fill the gap in the domestic rubber industry.

Table 2.4 | Minor Export Agricultural Crops: Production and Exports (MT)

Crop	Production				Export *			
	2015	2016	2017	2018	2015	2016	2017	2018
Cinnamon	17,707	18,945	22,341	23,019	13,549	14,693	16,617	17,537
Pepper	28,177	18,476	29,546	20,135	16,657	7,876	13,309	13,118
Cocoa	457	650	471	654	911	35	2,584	2,325
Cardamom	91	120	113	71	120	779	839	108
Clove	5,253	1,823	6,413	1,284	4,783	1,843	7,806	3,279
Nutmeg & Mace	2,750	2,723	3,545	3,036	1,889	1,705	2,043	1,938

Source: Department of Export Agriculture and Sri Lanka Customs
(a) Provisional

* Including Re-export

With the support of favourable rain in coconut cultivating areas, coconut production increased by 7.1 percent to 2,623.1 million nuts. Reflecting the supply shortages in the first half of 2018, desiccated coconut production declined by 14.6 percent whereas coconut milk and related products increased by 13.4 percent due to the increased export demand.

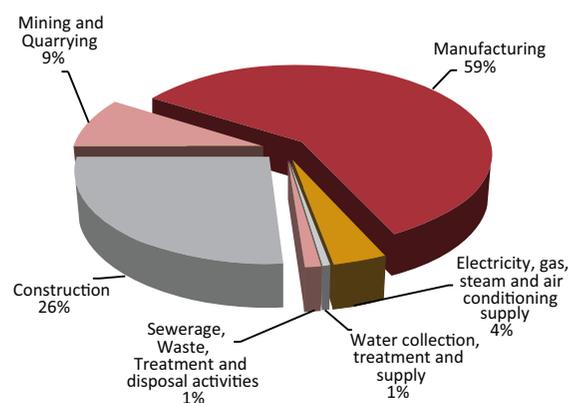
The production of minor export crops such as pepper, clove and cardamom dropped by 14.3 percent to 101,718 metric tons amidst the increased production of cocoa by 39 percent and cinnamon by 3.0 percent. Earning from the export of such crops amounted to US\$ 360.2 million in 2018. Amidst the pest outbreak, the overall production of maize, cowpea and other filed crops increased. Production of Big Onions declined by 47.7 percent to 28,000 metric tons whereas potato production increased by 21.2 percent to 88,897 metric tons. Meanwhile, production of fruits and vegetables increased by 28.8 percent and 13.3 percent, respectively. Total sugar production continued to decline by 7.7 percent to 51,265 metric tons in 2018 resulting in the increase in imports of sugar by 29.5 percent to 644,675 metric tons.

The fisheries sector comprising of marine and inland fishing sector recorded a mixed performance in 2018. The value-added inland fishing expanded by 7.1 percent whereas marine fish sector contracted by 2.0 percent. Total fish catch declined by 0.8 percent to 527,060 metric tons in 2018: marine fish production declined to 439,370 metric tons due to the coastal and lagoon fish production; inland fishing increased to 87,690 metric tons due to the

increasing release of fingerlings to tanks. However, earnings from seafood increased to US\$ 265.8 million in 2018 from US\$ 240.6 million in 2017 benefiting from the removal of export of fish ban to the European Union (EU) countries. Value-added animal products such as milk, egg and slaughtered animals grew by 4.7 percent: total milk production increased by 19.0 percent to 471.6 million litres; egg production declined by 4.9 percent to 1,972 million eggs; the production of slaughtered animals such as chicken, pork and mutton increased. With the aim of achieving food security of the country, the Government is in the process of implementing the National Agriculture Policy with the participation of the private sector and other related agencies.

Industry Sector

Industry sector demonstrated a slower pace of growth in 2018. The construction sector, the largest contributor to the Industry sector, contracted by 2.1 percent in 2018, compared to a 4.3 percent

Figure 2.4 | Industry Sector Composition - 2018


Source: Department of Census and Statistics

growth in 2017, reflecting the contraction of cement imports by 9.9 percent. The credit to the private sector for construction activities slowed down to 14.1 percent, compared to 22.5 percent recorded in 2017. Mining and quarrying sub-sector recorded a negative growth of 5.1 percent in 2018, compared to a growth of 9.1 percent in 2017. The weak performance of the construction sector prompted a contraction in the mining and quarrying sector. For instance, the completion of land reclamation of the Port City project had an adverse effect on this subsector.

In value-added terms, manufacturing sub-sector moderately grew by 3.0 percent in 2018, compared to 3.3 growth in 2017. Meanwhile, manufacturing of rubber and plastic subsector expanded by the increased production of tyres and related products. Food, beverages and tobacco sub-sector significantly grew by 5.5 percent in 2018, compared to a negative growth of 0.9 percent in 2017. However, textile and wearing apparel sub-sector moderately expanded by 3.6 percent in 2018 partly supported by the reinstatement of the Generalised Scheme of Preferences plus

(GSP+) scheme in 2017. Electricity and water supply and sewerage and waste disposal sub-sectors expanded by 4.1 percent, 4.0 percent and 7.0 percent, respectively. Total electricity generation increased by 7.4 percent to 15,866 Gwh reflecting the hydropower generation by 68.0 percent stemming from heavy rain in water catchment areas. As a result of the increase of hydro power generation, fuel oil and coal-based power generation plummeted by 28.0 percent and 3.5 percent, respectively in 2018, according to the Department of Public Enterprises. The number of water supply accounts increased by 4.9 percent in 2018.

Several measures have been implemented to reenergize the industry sector including fiscal concessions, investment facilitation at the Board of Investment (BOI), initiation of export processing zones in areas such as Bingiriya and Mawathagama, SMEs assistance and promotion of niche industries coupled with measures introduced in 2018 and 2019 Budgets including “Enterprise Sri Lanka” provided impetus for the growth in the sector.

Table 2.5 | Performance of the Selected Industrial Exports

Item	US\$ Mn.					
	2013	2014	2015	2016	2017	2018 (a)
Food , Beverages and Tobacco	235	289	307	324	393	462
Animal Fodder	64	64	75	68	80	108
Textiles and Garments	4,508	4,930	4,820	4,884	5,032	5,318
Rubber Products	888	890	761	768	835	875
Gems, Diamonds and Jewellery	446	394	332	274	258	278
Machinery and Mechanical Appliances	312	343	294	318	371	435
Transport Equipment	146	152	244	131	162	120
Petroleum Products	428	338	374	287	434	622
Chemical Products	120	134	126	126	146	167
Wood and Paper Products	116	123	112	117	139	141
Leather Travel Goods and Footwear	77	139	136	166	158	148
Plastics and Articles thereof	55	67	62	66	75	78
Base Metals and Articles	59	62	56	90	116	165
Ceramic Products	40	41	35	34	34	31
Other Industrial Exports	255	296	283	288	309	311
	7,750	8,262	8,017	7,940	8,542	9,258

Source: Central Bank of Sri Lanka
(a) Provisional

Services Sector

The Services sector expanded by 4.7 percent in 2018, compared to 3.6 percent in 2017. The

growth was largely attributable to the 5.0 percent growth recorded in the wholesale and retail sector, financial services (11.8 percent), insurance (10.0 percent) the transport sector (2.8 percent). All

Table 2.6 | Selected Indicators of Services Sector

Indicator	2015	2016	2017 (b)	2018 (a)
Port Services				
Vessels Arrived *(b)	4,760	5,023	4,879	4,874
Total Cargo Handled (MT '000)	77,611	86,546	93,857	104,935
Total Container Traffic (TEU '000) (c)	5,185	5,735	6,209	7,047
Transshipment Container ** (TEU '000)	3,967	4,435	4,826	5,704
Telecommunication Sector				
Fixed Telephone Lines*** (No '000)	1,128	1,166	1,198	1,216
Cellular Phones (No '000)	24,385	26,228	28,199	32,528
Wireless Phone (No '000)	1,473	1,384	1,405	1,269
Internet and E mail Subscribers ('000) (d)	4,091	4,921	5,904	7,263
Health Sector				
Private Hospitals	221	225	181	200
Public Hospitals	598	610	612	613
No of Beds (Government)	76,781	76,829	76,569	76,774
No of Doctors (Government)	19,429	20,458	20,349	20,947
No of Nurses (Government)	32,272	32,499	34,221	36,165
Financial Sector				
Bank Branches and Other Outlets	6,594	6,107	6,213	6,881
Credit Cards in Use	1,145,055	1,315,915	1,486,545	1,715,369
Registered Finance Companies	46	46	45	43
Registered Leasing Companies	7	7	6	5
Tourism Sector				
Tourist Arrivals	1,798,380	2,050,832	2,116,407	2,333,796
Tourist Earnings (US\$ Mn)	2,981	3,518	3,925	4,381
Annual Room Occupancy Rate	74.5	74.8	73.3	72.8
Transport Services (New Registrations)				
Buses	4,140	2,685	3,331	2,957
Cars	105,628	45,172	39,182	80,776
Dual Purpose Vehicles	39,456	26,887	16,742	16,931
Goods Transport Vehicles - Lorries	7,142	7,563	11,432	9,371
Motor Cycles	370,889	340,129	344,380	339,763
Three Wheelers	129,547	56,945	23,537	20,063
Land Vehicles - Tractors	9,977	10,285	8,821	7,460
Land Vehicles - Trailers	2,128	3,662	4,228	2,822

Source: 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) Revised

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

(d) Including mobile internet connections

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

**Including Re-Stowing

*** excluding fixed wireless phones

other services including postal, accommodation, food and beverages, telecommunication and public administration demonstrated positive growth. The wholesale and retail sector was affected by the moderate performance of the export and import trade activities. Transport sector expanded by the number of passenger kilometres operated by Sri Lanka Transport Board (SLTB) and private sector increased by 0.4 percent and 10.1 percent, respectively, total passenger kilometres operated by Sri Lanka Railways (SLR) by 2.9 percent and total passenger kilometres flown by Sri Lankan Airlines by 14.2 percent. The motor vehicles imports increased by 7.4 percent to 494,488 vehicles helped the expansion of the transport sector. The total number of vessels arrived in the ports declined marginally by 0.1 percent to 4,874 in 2018 whereas transshipment of container handled increased by 18.2 percent to 5,704 million Twenty-Foot Equivalent Container Units (TEUs).

The expansion of tourism sector provided momentum for growth in the accommodation, food and beverages sector. Tourist arrivals increased by 10.3 percent to 2.3 million persons resulting in an increase in earnings from tourism to US\$ 4,381 million in 2018 from US\$ 3,925 million in 2017. However, room occupancy at graded hotels declined to 72.8 percent in 2018. Telecommunication sector

grew by 9.4 percent, in value-added terms, in 2018 largely due to the increase in cellular phone connections by 15.4 percent to 32.5 million and internet and e-mail subscribers by 23.0 percent to 7.3 million in 2018.

Benefiting from the expansion of the banking industry and non-banking financial institutions, financial services sector expanded by 11.8 percent in 2018. Gross loans and advances in the bank and non-bank institutions increased by 19.6 percent and 8.7 percent, respectively while deposit bases of such banks and institutions grew by 14.8 percent and 4.4 percent, respectively. Meanwhile, education and health sectors, in value-added terms, grew by 3.4 percent and 2.2 percent, respectively.

Domestic Demand and Consumption

Domestic demand, which is the sum of final consumption and gross fixed investment, grew by 7.9 percent to Rs. 15,512 billion in 2018. Domestic demand as a percentage of GDP was 107.3 percent which was driven by the expansion of private and government consumption by 78.8 percent and investment expenditure by 28.6 percent. Out of total consumption, private consumption was 10,081 billion while the government expenditure was Rs. 1,300 billion. Investment expenditure declined to

Table 2.7 | Domestic Demand, Supply and Trade Balance (a)

Item	Current Market Prices (Rs. Bn.)			Change (%)			As a Percent of GDP %		
	2016 (b)	2017 (b)	2018 (c)	2016 (b)	2017 (b)	2018 (c)	2016 (b)	2017 (b)	2018 (c)
Domestic Demand	12,870	14,381	15,512	9.3	11.7	7.9	107.3	107.2	107.3
Consumption	9,529	10,513	11,381	10.0	10.3	8.3	79.4	78.3	78.8
Private	8,515	9,383	10,081	10.9	10.2	7.4	71.0	69.9	69.8
Government	1,015	1,131	1,300	3.1	11.4	15.0	8.5	8.4	9.0
Investment	3,341	3,868	4,130	7.3	15.8	6.8	27.9	28.8	28.6
Net External Demand (Trade balance)	(874)	(963)	(1,062)	5.9	10.1	10.3	(7.3)	(7.2)	(7.3)
Export of Goods and Services	2,540	2,910	3,292	10.4	14.6	13.2	21.2	21.7	22.8
Import of Goods and Services	3,414	3,873	4,354	9.2	13.4	12.4	28.5	28.9	30.1
Domestic Supply = GDP	11,996	13,418	14,450	9.0	11.9	7.7	100.0	100.0	100.0

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

Table 2.8 | Aggregate Supply and Use of Goods and Services (a)

Item	Current Market Prices (Rs. Bn.)			Change (%)		As a Percent of GDP %	
	2016 (b)	2017 (b)	2018 (c)	2017 (b)	2018 (c)	2017 (b)	2018 (c)
Aggregate Demand	15,410	17,291	18,804	12.2	8.8	128.9	130.1
Domestic Demand	12,870	14,381	15,512	11.7	7.9	107.2	107.3
External Demand = Export of Goods and Services	2,540	2,910	3,292	14.6	13.1	21.7	22.8
Aggregate Supply	15,410	17,291	18,804	12.2	8.8	128.9	130.1
Gross Domestic Product	11,996	13,418	14,450	11.9	7.7	100.0	100.0
Import of Goods and Services	3,414	3,873	4,354	13.4	12.4	28.9	30.1
Trade Gap of Goods and Services	(874)	(963)	(1,062)	(10.1)	(10.3)	(7.2)	(7.3)
Share of Imports in Aggregate Supply (%)	22.2	22.4	23.2	110.1	141.9	22.4	23.2

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

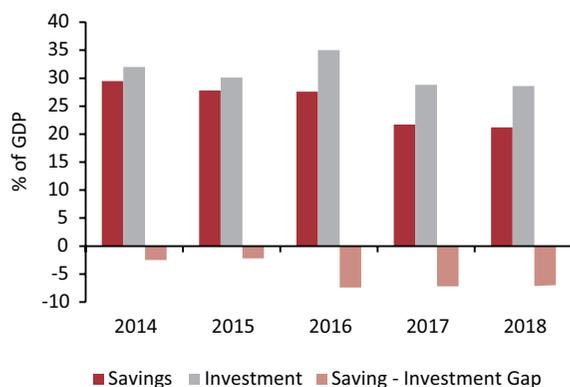
(a) The data is based on the base year 2010 GDP estimates of the Department of Census and Statistics

(b) Revised

(c) Provisional

6.8 percent mainly due to the marginal growth in investment in construction activities. Furthermore, the decline in the importation of building material and credit granted to the private sector construction activities slowed down in 2018. FDI inflows including loans received by companies under the BOI increased by 38.4 percent to US\$ 2,367 million in 2018, compared to US\$ 1,710 million in 2017. Net external demand, that is, external trade balance of export and imports of goods and services, increased by 7.7 percent to Rs. 14,450 billion mainly due to the outpaced growth of imports of goods and services compared to the growth of exports of such items.

Savings Investment Gap

Figure 2.5 | Savings - Investment Gap

Source: Department of Census and Statistics

Domestic savings accounted for Rs. 3,068.5 billion in 2018, compared to Rs. 2,905.1 billion in 2017 reflecting the slower growth in private savings. Domestic growth was further adversely affected by the government dis-savings arising from the increase in government recurrent expenditure over government revenue.

Table 2.9 | Investment and Savings

Item	Rs. Bn.		As a % of GDP	
	2017 (b)	2018 (c)	2017	2018
Domestic Investment	3,868	4,130	28.8	28.6
Domestic Savings	2,905	3,069	21.7	21.2
Private	3,001	3,238	22.4	22.4
Government	(96)	(170)	(0.7)	(1.2)
Investment - Domestic Savings Gap	(963)	(1062)	(7.2)	(7.3)
Net Factor Income From Abroad (d)	(353)	(392)	(2.6)	(2.7)
Net Foreign Private Transfers	964	1000	7.2	6.9
National Savings	3,517	3,676	26.2	25.4

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

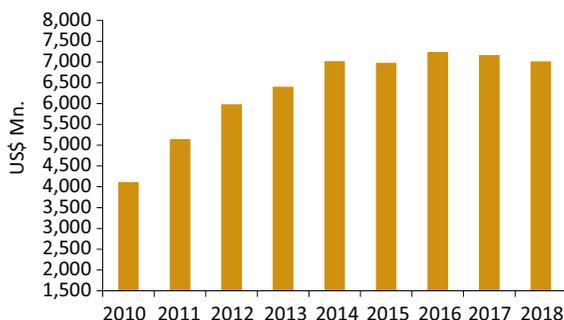
(d) The difference with the BOP estimates is due to the time lag in compilation.

Domestic savings as a percentage of GDP shrank to 21.2 percent in 2018. Despite the increase in investment and savings, the gap between domestic savings and investment increased to 10.3 percent to Rs. 1,062 billion. The gap as a percentage of GDP stood at 7.3 percent in 2018.

2.3 EXTERNAL SECTOR

External sector of Sri Lanka remained modest with the widening trade deficit as growth in imports outpaced the growth in exports. Multiple headwinds in the global economy were partly responsible for this modest performance in the external sector which has led the increase in foreign exchange outflows. Increased international fuel prices and the rise in personal vehicle imports were mainly attributable to the growth of import bill. Industrial exports led by garments accelerated the growth of exports. Although the outflows of interest and dividend exerting pressure on the current account, the growth in the tourism sector helped cushion the current account in 2018. However, workers' remittances

Figure 2.6 | Workers' Remittances



Source: Central Bank of Sri Lanka

remained flat due to the tensions in the Middle East coupled with the declined labour migration. With these developments, the current account as a percentage of GDP expanded to 3.2 percent of GDP in 2018 from 2.6 percent of GDP in 2017.

Table 2.10 | External Trade

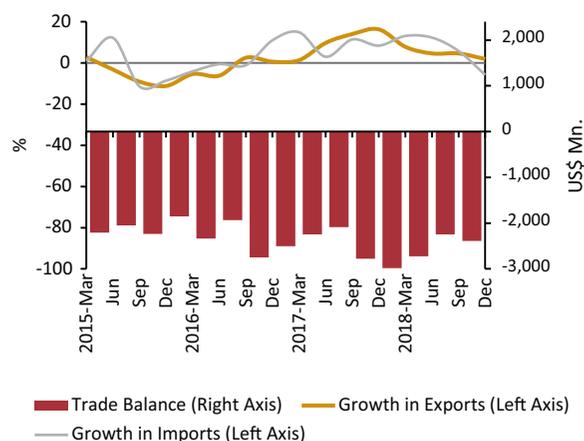
Item	US\$ Mn.			
	2015	2016	2017 (b)	2018 (a)
Exports	10,546	10,310	11,360	11,890
Agricultural Exports	2,481	2,326	2,767	2,579
Industrial Exports	8,017	7,940	8,542	9,258
Mineral Exports	28	29	35	34
Unclassified	20	15	17	18
Imports	18,935	19,183	20,980	22,233
Consumer Goods	4,713	4,319	4,503	4,980
Intermediate Goods	9,638	9,870	11,436	12,488
Investment Goods	4,567	4,981(b)	4,895	4,690
Unclassified	16	13	147	75
Trade Deficit	(8,389)	(8,873)	(9,619)	(10,343)

Source: Sri Lanka Customs

(a) Provisional

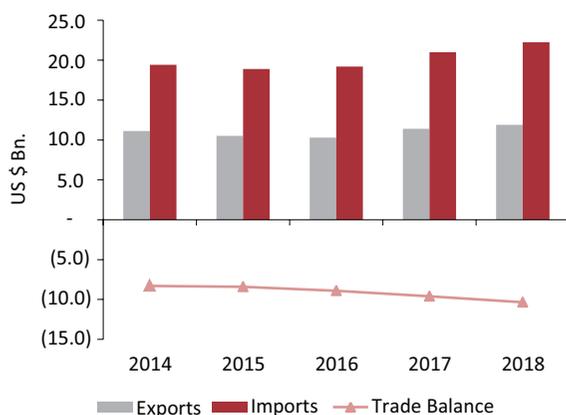
(b) Revised

Figure 2.7 | Growth in Exports & Imports and Trade Balance (Quarterly)



Source: Central Bank of Sri Lanka

Figure 2.8 | Trade Balance

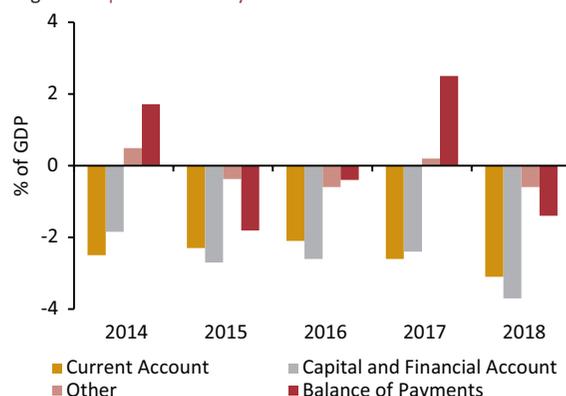


Source: Central Bank of Sri Lanka

Foreign Direct Investment (FDI) inflows reached to US\$ 2.1 billion attracted by the proceeds received from the long lease of the Hambantota port and Colombo Port City Project. Issuance of International Sovereign Bonds (ISBs) worth of US\$ 2.5 billion and syndicated loan of US\$ 1.0 billion, provided an additional lift to the financial account. However, foreign participation in the government securities market recorded a net outflow of US\$ 990 million in 2018.

The trade deficit widened to US\$ 10,343 million in 2018 from US\$ 9,619 million in 2017. Exports marked its highest ever earnings of US\$ 11,890 million in 2018 with an increase of 4.7 percent compared to 2017. Imports grew by 6.0 percent to US\$ 22,233

Figure 2.9 | Balance of Payments



Source: Central Bank of Sri Lanka

million. The Balance of Payments (BoP) recorded a deficit of US\$ 1,103 million in 2018 as against the surplus of US\$ 2,068 million recorded in 2017.

The gross official reserves were estimated at US\$ 6.9 billion by the end of 2018 from a historic high of US\$ 9.9 billion reached in April 2018. This was due to the combined factors such as widened trade deficit, increased capital outflows, debt service payments and the sale of foreign exchange by the CBSL.

Sri Lankan Rupee sharply depreciated by 16.4 percent against the US dollar during the year and also there was a depreciation against other major currencies with the tightened international financial market conditions. To lessen the impact of rupee

Table 2.11 | Import and Export of Services

Item	US\$ Mn.			
	Imports		Exports	
	2017	2018 (a)	2017	2018 (a)
Transportation Services	1,688	1,737	2,340	2,486
Computer and Information Services	345	372	786	848
Travel and Tourism	1,599	1,660	3,925	4,381
Communication Services	110	112	140	147
Construction Services	32	33	69	65
Insurance Services	94	97	123	130
Financial Services	415	447	263	242
Other Business Services	69	75	44	40
Government Expenditure n.i.e.	69	75	34	35
Total	4,421	4,608	7,724	8,374

Source: Central Bank of Sri Lanka

- Not Available

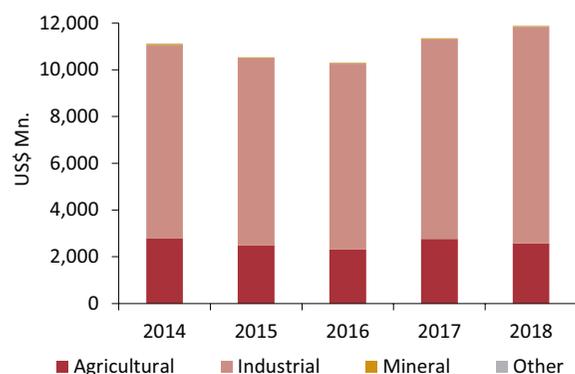
(a) Provisional

depreciation, the Government and the CBSL have implemented several measures including injection of foreign exchange into the domestic foreign exchange market, cash margin on letters of credit on imports (200 percent cash margin on vehicles other than buses, lorries and ambulances and a 100 percent margin on consumer durables such as refrigerators, air-conditioners and televisions etc.), holding of vehicle permits granted to Parliamentarians and government officials, reduction of Loan to Value Ratio (LTV) for hybrids vehicles to 50:50 from 70:30, suspension of vehicle imports for government entities and cutting the net open positions of commercial banks to improve dollar liquidity.

Exports

Exports continued to provide an impetus for growth recording a highest ever earnings amidst moderating global growth momentum. The export performance was driven by garment exports of US\$ 4,961 million particularly supported by the restoration of the EU GSPT facility. Industrial exports contributed to 78 percent of total exports and amounted to US \$ 9,258 million in 2018. Exports of rubber products and food and beverage products grew by 4.8 percent and 17.7 percent in 2018. Agricultural exports were attributable to 22 percent of total exports amounting US\$ 2,579 million of which tea exports amounted to US\$ 1,428.5 million. Exports of seafood increased by 10.5 percent to US\$ 265.8 million whereas spices and coconut exports contracted by 11.3 percent to US\$ 360.2 million and 10.6 percent to US\$ 311 million, respectively.

Figure 2.10 | Composition of Exports



Source: Central Bank of Sri Lanka

Table 2.12 | Value of Agricultural Exports

Category	US\$ Mn.				
	2014	2015	2016	2017	2018 (a)
Tea	1,628	1,340	1,269	1,530	1,428
Rubber	45	26	33	39	32
Coconut	356	352	366	348	311
Other Agricultural Exports	511	600	489	610	542
Seafood	253	163	170	241	266
Total	2,794	2,481	2,326	2,767	2,579

Source: Sri Lanka Customs, Department of Trade and Investment Policy and Central Bank of Sri Lanka
(a) Provisional

Table 2.13 | Value of Industrial Exports

Category	US\$ Mn.				
	2014	2015	2016	2017	2018 (a)
Textile and Garments	4,930	4,820	4,884	5,032	5,318
Rubber Products	890	761	768	835	875
Petroleum and Chemical Products	472	500	413	581	789
Gems, Diamonds and Jewellery	394	332	274	257	277
Machinery and Mechanical Appliances	343	294	318	371	435
Food, Beverages and Tobacco	289	307	324	393	462
Other Industrial Exports	944	1,003	960	1,073	1,101
Total	8,262	8,017	7,940	8,542	9,258

Source: Sri Lanka Customs, Department of Trade and Investment Policy, Central Bank of Sri Lanka
(a) Provisional

Imports

The total imports increased by 6.0 percent surpassing the US\$ 22 billion for the first time in 2018. Intermediate goods including fuel accounted the half of the total imports expenditure of US\$ 12,488 million in 2018. Import bill on the fuel increased by 21.1 percent to US\$ 4,152 million, of which 71 percent was spent on importation of refined petroleum due to the increase in demand for domestic power generation purposes in 2018. Import bill on the textiles increased by 4.9 percent to US\$ 2,858.5 million. Import bill on fertilizer significantly increased by 154.4 percent to US\$ 262 million. Import bill on chemical products, plastics,

base metals increased considerably. However, import bill on the diamonds, precious stones and gold declined by 25.9 percent to US\$ 573 million in 2018 of which gold imports amounted to US\$ 439 million during the year.

Import bill on consumer goods increased by 10.6 percent to US\$ 4,980 million in 2018 of which 32.2 percent was spent on the importation of food and

beverages and the rest 67.8 percent was devoted to the importation of non-food consumables such as personal vehicles and pharmaceuticals. Import bill on all food and beverages with the exception of dairy products and spices declined. Personal vehicles importation bill increased significantly by 103.6 percent to US\$ 1,573.5 million. Import bill on the investment goods declined by 4.2 percent to US\$ 4,690.4 million in 2018.

Table 2.14 | Value of Imports

Category	US\$ Mn.				
	2014	2015	2016	2017	2018 (a)
Consumer Goods	3,853	4,713	4,319	4,503	4,980
Food and Beverages	1,634	1,627	1,627	1,841	1,606
Sugar	256	253	343	256	248
Milk and Milk Products	339	251	249	316	332
Other Food and Beverages	614	768	787	752	724
Non-food Consumables	2,219	3,086	2,692	2,661	3,374
Vehicles	897	1,360	795	773	1,574
Home appliances-Radio and Television Sets	86	120	136	141	124
Rubber Products	90	114	112	94	95
Medical and Pharmaceutical Products	381	460	526	520	532
Household and Furniture Items	134	150	182	186	169
Other	632	882	941	948	880
Intermediate Goods	11,398	9,638	9,869	11,436	12,488
Fertilizer	272	290	137	103	262
Petroleum	4,597	2,700	2,481	3,428	4,152
Chemical Products	808	870	856	834	904
Paper and Paper Boards	490	477	487	485	529
Wheat and Maize	405	357	249	357	373
Textile & Textile article	2,328	2,296	2,705	2,724	2,859
Diamond and Precious Metals	175	162	514	772	573
Base Metal	478	471	456	629	683
Other Intermediate Goods	1,844	2,016	1,984	2,104	2,153
Investment Goods	4,152	4,567	4,981	4,895	4,690
Machinery and Equipment	2,131	2,278	2,741	2,621	2,492
Transport Equipment	707	931	663	675	668
Building Material	1,309	1,352	1,569	1,591	1,525
Other Investment Goods	5	6	8	8	6
Unclassified Imports	14	16	13	147	75
Total Imports	19,418	18,934	19,182	20,980	22,233

Source: Sri Lanka Customs, Ceylon Petroleum Corporation, Lanka IOC PLC, Department of Trade and Investment Policy and Central Bank of Sri Lanka
(a) Provisional

Table 2.15 | Balance of Payments: 2014 - 2018

	US\$ Mn.				
Item	2014	2015	2016	2017 (b)	2018 (a)
Trade Balance	(8,287)	(8,388)	(8,873)	(9,619)	(10,343)
Exports	11,130	10,546	10,310	11,360	11,890
Imports	19,417	18,935	19,183	20,980	22,233
Service (net)	1,880	2,325	2,879	3,303	3,766
Receipts	5,605	6,397	7,138	7,724	8,374
Payments	3,725	4,072	4,259	4,421	4,608
Income (net)	(1,808)	(2,013)	(2,202)	(2,319)	(2,399)
Receipts	155	127	127	173	262
Payments	1,963	2,140	2,329	2,492	2,661
Goods, Services and Income (net)	(8,215)	(8,076)	(8,196)	(8,636)	(8,976)
Current Transfers (net)	6,227	6,193	6,454	6,327	6,163
Private Transfers(net)	6,199	6,167	6,435	6,316	6,155
Receipts (Workers' Remittances)	7,018	6,980	7,242	7,164	7,015
Payments	819	814	807	848	860
Official Transfers (net)	28	27	19	11	8
Current Account	(1,988)	(1,883)	(1,742)	(2,309)	(2,814)
Capital and Financial Account	(833)	(1,797)	(2,628)	(2,112)	(3,314)
Capital Account	58	46	25	11	14
Current and Capital Account	(1,930)	(1,837)	(1,717)	(2,298)	(2,799)
Financial Account(c)	(891)	(1,843)	(2,653)	(2,123)	(3,328)
Errors and Omissions	393	(476)	(465)	175	(529)
Overall Balance (Balance of Payments)	1,369	(1,489)	(500)	2,068	(1,103)
As a percentage of GDP					
Trade Deficit	(10.4)	6.0	(10.9)	(10.9)	(11.6)
Current Account Deficit	(2.5)	(2.3)	(2.1)	(2.6)	(3.2)

Source: Central Bank of Sri Lanka

(a) Provisional

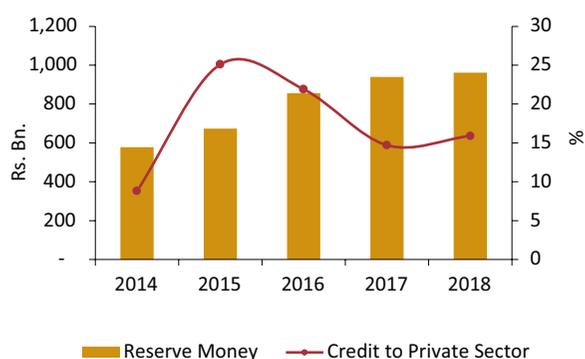
(b) Revised

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

2.4 MONETARY SECTOR DEVELOPMENTS

In 2018, a tightened monetary policy stance was adopted by the Central Bank of Sri Lanka (CBSL) upto April 2018 and thereafter continued a neutral monetary policy stance to stabilize inflation at mid-single digit levels with the reduction of the Standing Lending Facility Rate (SLFR) by 25 basis points. The change of the policy stance was mainly due to the exerted pressure on the external sector. Meanwhile, the CBSL reduced the Statutory Reserve Ratio (SRR) on all rupee deposit liabilities of commercial banks in November 2018 by injecting liquidity to the market to fill the liquidity deficit observed since September 2018. The CBSL raised policy interest rates: Standing

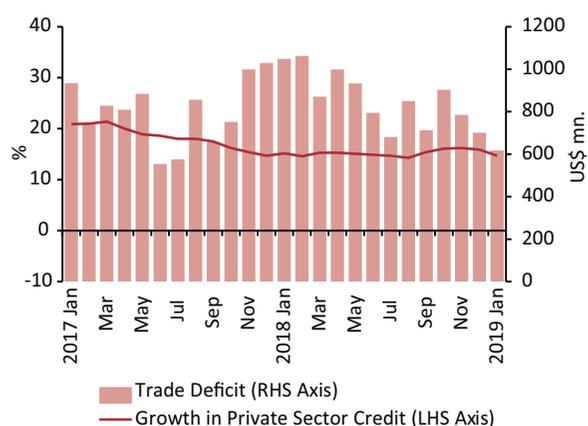
Figure 2.11 | Reserve Money and Private Sector Credit Growth



Source: Central Bank of Sri Lanka

Deposit Facility Rate (SDFR), which was at 7.25 percent at end October 2018, scaled up by 75 basis points to 8.00 percent in November 2018; the

Figure 2.12 | Private Sector Credit Growth and Trade Deficit



Source: Central Bank of Sri Lanka

SLFR which was at 8.50 percent at end June 2018 increased by 50 basis points to 9.00 percent at end November 2018. These developments helped narrow the policy rate corridor to 100 basis points. Accordingly, SDFR and SLFR remained unchanged at 8.00 percent and 9.00 percent, respectively as at the end of April 2019. Injecting more liquidity to the market, SRR again reduced to 5.00 percent with effect from March 01, 2019.

The Average Weighted Call Money Rate (AWCMR) increased to 8.95 percent by the end of 2018. The Average Weighted Prime Lending Rate (AWPLR) increased to 11.94 percent at end 2018 from

Table 2.16 | Outstanding Loans and Advances Granted by Commercial Banks (a)(b)

	2016	2017	2018 (c)	Rs. Bn. 2018/2017 % Change
Agriculture and Fishing	361.5	412.4	470.0	14.0
o/w				
Tea	82.4	91.0	100.0	9.9
Rubber	23.8	24.4	34.4	41.0
Coconut	16.3	20.4	24.5	20.1
Paddy	28.9	32.6	35.7	9.5
Vegetable, Fruits and Minor Food Crops	25.1	29.3	37.9	29.4
Fisheries	14.0	17.5	20.1	14.9
Industry	1,707.5	2,041.4	2,354.3	15.3
o/w				
Construction	811.2	993.5	1,133.8	14.1
Food and Beverages	95.3	105.1	124.6	18.6
Textiles and Apparel	159.4	174.7	201.6	15.4
Machinery and Transport Equipment	148.8	170.3	202.7	19.0
Services	1,287.6	1,393.9	1,641.3	17.7
o/w				
Wholesale and Retail Trade	387.3	435.8	486.7	11.7
Tourism	138.7	172.0	198.3	15.3
Financial and Business Services	308.1	306.5	396.3	29.3
Personal Loans and Advances (d)	888.6	1,053.2	1,267.4	20.3
o/w				
Consumer Durables	198.1	210.2	228.4	8.7
Pawning	132.4	148.4	171.7	15.7
Total	4,245.1	4,900.9	5,733.1	17.0

Source: Central Bank of Sri Lanka

(a) Based on the Quarterly Survey of Commercial Banks' Loans and Advances to the Private Sector, which includes loans and advances of both DBUs and OBUs of commercial banks.

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

(c) Provisional

(d) Excludes personal housing loans, which have been included under 'Construction' classified under 'Industry' and includes Safety Net Scheme related loans.

11.33 percent at end 2017. The Treasury Bill yield rates on 91-day, 182-day and 364-day increased to 9.67 percent, 9.96 percent and 10.91 percent, respectively. Average Weighted Lending Rate (AWLR) rose to 14.40 percent at end 2018 whereas Average Weighted Deposit Rate (AWDR) declined to 8.81 percent at end 2018.

The outstanding amount of reserve money declined by 2.3 percent to Rs. 961 billion at end 2018. Despite the contraction of net foreign assets, Broad Money (M2b) increased by 13.0 percent to Rs.7,128 billion at end 2018. Meanwhile, credit to the private sector increased by 15.9 percent to Rs. 5,561 billion which credit to public corporations increased by 40.7 percent to Rs. 755 billion due to the weak performance of such corporations.

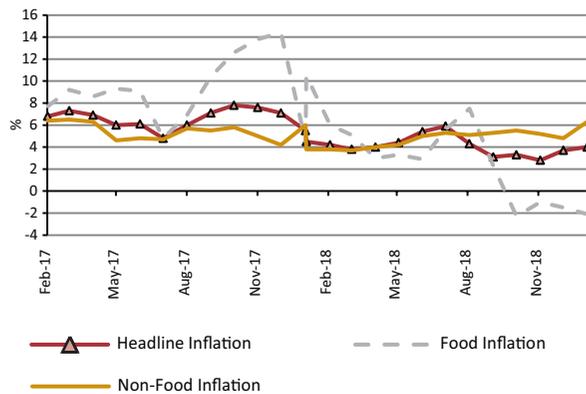
2.5 INFLATION

Inflation, as measured by the change in the Colombo Consumers’ Price Index (CCPI) (2013=100) continued to remain single-digit levels on the basis of annual average and year-on-year basis. There were some upward pressures during the June-August 2018 period due to the adverse weather conditions, the inflation backed to normal and started to decelerate at its lowest in October and reached 2018 of 2.8 percent in December 2018. Headline inflation, as measured by the year-on-year change in the CCPI was declined to 2.8 percent in December 2018, compared to 7.1 percent in December 2017. The inflation slightly increased to 4.5 percent in April 2019.

Headline inflation, as measured by the year-on-year change in National Consumer Price Index (NCPI) (2013=100) declined to 0.4 percent as at end 2018 from 7.3 percent as at end 2017. NCPI, on an annual average basis, decelerated to 2.1 percent as at end 2018, compared to 7.7 percent as at end 2017. Meanwhile, NCPI based core inflation, on a year-on-year basis, increased to 3.1 percent as at end 2018 from 2.7 percent in December 2017. This uptick in inflation was due to the adverse weather condition prevailed in the country, the impact of tax structure and increased commodity prices in the international market. The recent increase in inflation, measured

by CCPI, to 4.5 percent in April 2019 from 4.3 percent in March 2019 was due to the rise of non-food items.

Figure 2.13 | Headline Inflation, Food Inflation & Non - Food Inflation



2.6 UNEMPLOYMENT

The unemployment rate marginally increased by 0.2 percentage point to 4.4 percent in 2018, compared to 4.2 percent recorded in 2017 totalling the unemployed population of 372,593 persons in 2018. The unemployment rates among females are higher than those males: females and males unemployment stood at 7.1 percent and 3.0 percent, respectively in 2018. The youth unemployment between the 15 – 24 and 25-29 age groups recorded high at 21.4 percent and 10.4 percent, respectively. In terms of the level of educational attainment, the highest unemployment rate of 9.1 percent was witnessed from the G.C.E. (A/L) and above group: it was among females at 13.2 percent; among males at 5.1 percent. The highest unemployment rate of 6.0 percent was recorded from the Eastern Province.

The economically active population in Sri Lanka was 8.4 million in 2018 of which 5.5 million were males whereas the economically inactive population was 7.8 million of which the majority were females. It is important to note that there is a significant increase in the inactive population including the elderly population which is estimated at 0.53 million in 2018 which requires immediate policy dialogue.

2.7 STOCK MARKET DEVELOPMENTS

The stock market recorded a subdued performance in 2018. The Benchmark, All Share Price Index (ASPI) declined by 4.97 percent to 6,052 points as at end 2018, compared to 6,369 points at end 2017. Similarly, the S&P SL 20 index, which is the most liquid stocks, has also moved down by 14.6 percent to 3,135 points by end 2018, compared to 3,672 points at end 2017. The market capitalization declined by 2.1 percent to Rs. 2,839 billion as at the end of 2018.

The market was less active in 2018 in terms of turnover in 2018 compared to 2017. The average daily turnover amounted to Rs. 833.6 million at the end of 2018 relative to Rs. 915.3 million in 2017. Foreign purchases declined by 31.4 percent to Rs. 77,067 million whereas foreign sales also increased

2.8 GLOBAL ECONOMIC ENVIRONMENT AND PROSPECTS

In 2018, the global economy was encountered multiple headwinds despite the stronger growth expectations placed by the International Monetary Fund (IMF) at the beginning of the year. The projected global growth of 3.9 percent has downgraded to 3.6 percent due to myriad of reasons including (i) the escalation of trade conflicts between the US and China, which has led greater uncertainties; (ii) continued uncertainty in the outcome of Brexit negotiations; (iii) volatility in commodity prices; (iv) tightened global financial conditions particularly in advanced economies; (v) large and persistent capital outflows from emerging market economies; (vi) other country-specific factors. Global growth edged down to 3.1 percent in 2018 which was a 0.3 percentage point reduction from the last updated figure of global growth.

Table 2.17 | Movements in the Capital Market

Indicators	2010	2011	2012	2013	2014	2015	2016	2017	2018
All Share Price Index (1985=100)	6,636	6,074	5,643	5,913	7,299	6,895	6,228	6,369	6,052
Milanka Price Index*	7,061	5,229	5,119	-	-	-	-	-	-
S&P SL 20 Index	-	-	3,085	3,264	4,089	3,626	3,496	3,672	3,135
Market Capitalization (Rs. Bn.)	2,210	2,214	2,168	2,460	3,105	2,938	2,745	2,899	2,839
No. of Listed Companies in Trading	242	272	287	289	294	294	295	296	297
Annual Average Turnover (Rs. Bn.)	570	546	214	200	341	253	176	221	200
Foreign Sales (Rs. Mn.)	118,761	68,854	33,972	60,873	83,554	89,793	74,275	94,627	100,315
Foreign Purchases (Rs. Mn.)	92,426	49,875	72,653	83,657	104,771	84,421	74,625	112,285	77,067

Source: Colombo Stock Exchange and Central Bank of Sri Lanka

*Discontinued in the beginning of 2013

by 6.0 percent to Rs. 100,315 million as at end 2018. The economy will poise to take off in the medium-term and will reach 4-5 percent led by domestic demand. Export-oriented industries would be further encouraged to promote exports. Inflation will stabilize the mid-single digit level and flexible inflation targeting will keep the inflation in the single-digit level.

High policy uncertainty arising from factors such as US-China tariff issue, US-federal shutdown, Brexit negotiations among others, was a common factor across all countries in the world amidst labour market conditions in the advanced economies has improved with the increased consumption activities. A record-low level of unemployment reported in such economies. Investment activities in the Euro area grew faster in the first half of

2018. However, these activities decelerated in the second half of 2018 with the weakening of business confidence, uncertainty prevailed in Italy and French 'Yellow Vests' street protests. Uncertain escalated over the Brexit negotiations led to the contraction in investments in the UK while affecting industrial and exports in the Euro area. Natural disasters in Japan weakened economic output.

The US economy demonstrated a robust growth momentum. Meanwhile, Asian economies grew faster with continued domestic demand particularly in the first part of the year. The world's second-largest economy, China, grew by 6.3 percent in 2018. Export growth of major Asian economies hampered by the higher tariff imposed by the US.

Table 2.18 | World and Regional Output

	<i>Annual percent change</i>			
	Actual		Forecast	
	2017	2018	2019	2020
World Output	3.8	3.6	3.3	3.6
Advanced Economies	2.4	2.2	1.8	1.7
United States	2.2	2.9	2.3	1.9
Euro Area	2.4	1.8	1.3	1.5
Germany	2.5	2.5	0.8	1.4
France	2.2	1.5	1.3	1.4
Italy	1.6	0.9	0.1	0.9
Spain	3.0	2.5	2.1	1.9
Japan	1.9	0.8	1.0	0.5
United Kingdom	1.8	1.4	1.2	1.4
Canada	3.0	1.8	1.5	1.9
Emerging Market and Developing Economies	4.8	4.5	4.4	4.8
Emerging and Developing Asia	6.6	6.4	6.3	6.3
China	6.8	6.6	6.3	6.1
India	7.2	7.1	7.3	7.5
Indonesia	5.1	5.2	5.2	5.2
Malaysia	5.9	4.7	4.7	4.8
Vietnam	6.8	7.1	6.5	6.5
Thailand	4.0	4.1	3.5	3.5
Commonwealth of Independent States	2.4	2.8	2.2	2.3
Russia	1.6	2.3	1.6	1.7
Latin America and the Caribbean	1.2	1.0	1.4	2.4
Brazil	1.1	1.1	2.1	2.5
Emerging & Developing Europe	6.0	3.6	0.8	2.8
Middle East, North Africa, Afghanistan & Pakistan	2.2	1.8	1.5	3.2
Pakistan	5.4	5.2	2.9	2.8
Sub-Saharan Africa	2.9	3.0	3.5	3.7
South Africa	1.4	0.8	1.2	1.5
Sri Lanka	3.3	3.0	3.5	4.0

Source: World Economic Outlook, IMF, April 2019
Annual Report 2018, Central Bank of Sri Lanka

Table 2.19 | A Snapshot of the World - 2018

Country	2018				
	GDP Growth (Annual percent change)	Inflation (Percent)	Unemployment (Percent)	Fiscal Balance (Percent of GDP)	Gross Debt (Percent of GDP)
Argentina	(2.5)	34.3	9.2	(5.2)	86.3
Australia	2.8	2.0	5.3	(1.2)	40.7
Brazil	1.1	3.7	12.3	(6.8)	87.9
Canada	1.8	2.2	5.8	(0.4)	90.6
Chile	4.0	2.3	6.9	(1.5)	25.6
China	6.6	2.1	3.8	(4.8)	50.5
France	1.5	2.1	9.1	(2.6)	98.6
Germany	1.5	1.9	3.4	1.7	59.8
Greece	2.1	0.8	19.6	0.4	183.3
India	7.1	3.5	...	(6.7)	69.8
Indonesia	5.2	3.2	5.3	(1.8)	29.2
Italy	0.9	1.2	2.6	(2.1)	132.1
Japan	0.8	1	2.4	(3.2)	237.1
Korea	2.7	1.5	3.8	2.8	40.7
Malaysia	4.7	1.0	3.3	(3.6)	56.2
Mexico	2.0	4.9	3.3	(2.3)	53.6
Russia	2.3	2.9	4.8	2.8	14.0
Singapore	3.2	0.4	2.1	4.0	108.3
South Africa	1.2	5	27.5	(4.4)	56.7
Spain	2.5	1.7	15.3	(2.7)	97.0
Sri Lanka	3.2	4.3	4.4	(5.3)	82.9
Thailand	4.1	1.1	1.2	(0.3)	42.1
United Kingdom	1.4	2.5	4.1	(1.4)	86.9
United States	2.9	2.4	3.9	(4.3)	105.8
Vietnam	7.1	3.5	2.2	(4.6)	57.5
Venezuela	(18)	929790 (a)	35	(29.9)	175.6

Source: "World Economic Outlook", IMF, April 2019, Fiscal Monitor, IMF, April 2019, Annual Report 2018, Central Bank of Sri Lanka

... Negligible

(a) Excluded from all WEO group composites

The global headline inflation increased to 3.7 percent in 2018 from 3.2 percent in 2017 reflecting the tightening of supply-side effects stemming from the geopolitical tensions in the Middle East, Latin America and the Organization of the Petroleum Exporting Countries' (OPEC) output cuts. With these developments, core inflation rates remained subdued both in advanced and emerging market economies. The overall commodity prices continued an upward trend in 2018 owing to supply and demand disturbances. Brent crude oil prices increased to US\$ 71.1 per barrel in 2018 from US\$

54.4 per barrel in 2017, according to the Commodity Market Outlook – April 2019. However, within the year of 2018, Brent crude oil prices decelerated to US\$ 67 per barrel from a peak of US\$ 76 per barrel reflecting the increased US supply and sanction waivers granted for Iran and its trading partners coupled with weakening growth. Metal prices increased due to supply-side disturbances. Headline inflation in the advanced economies rose to 1.9 percent in 2018 from 1.7 percent in 2017 while headline inflation in emerging market economies increased to 4.8 percent in 2018 from 4.3 percent

in 2017. In contrast, headline inflation in Asian economies declined to 2.9 percent in 2018 from 3.1 percent in 2017.

Table 2.20 | General Government Gross Debt

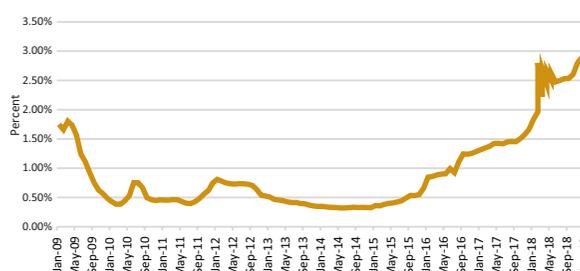
Percent of GDP

	Actual		Forecast	
	2017	2018	2019	2020
World	81.7	82.0	82.9	83.0
Advanced Economies	104.6	103.6	104.0	103.7
United States	106.2	105.8	106.7	107.5
Euro Area	86.8	85.0	83.6	81.8
Germany	63.9	59.8	56.9	53.8
France	98.5	98.6	99.2	98.7
Italy	131.3	132.1	133.4	134.1
Spain	98.1	97.0	96.0	94.9
Greece	179.3	183.3	174.2	167.3
Ireland	68.5	65.2	62.4	58.9
Japan	235.0	237.1	237.5	237.0
United Kingdom	87.1	86.9	85.7	84.4
Canada	90.1	90.6	88.0	84.7
Emerging Market and Middle-Income Economies	48.5	50.8	53.4	55.1
Asia	49.4	52.0	55.5	58.2
China	46.8	50.5	55.4	59.5
India	69.8	69.8	69.0	67.8
Europe	30.2	29.4	29.6	29.4
Russia	15.5	14.0	13.8	13.9
Latin America	62.6	69.5	70.0	70.0
Brazil	84.1	87.9	90.4	92.4
Mexico	54.0	53.6	54.1	54.5
Middle East and North Africa (MENA)	40.0	38.6	41.2	41.4
South Africa	53.0	56.7	57.8	59.8
Low-income Developing Countries	43.7	45.0	45.1	44.5
Sri Lanka	76.9	82.9	83.0	80.6

Source: Fiscal Monitor, IMF, April 2019
Annual Report 2018, Central Bank of Sri Lanka

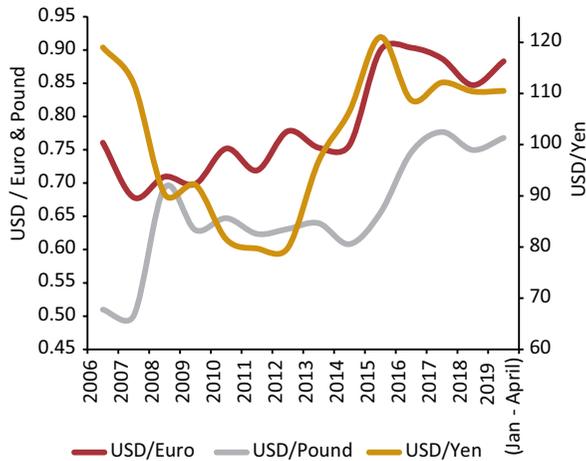
The monetary policy stances adopted by advanced and Asian economies were mixed in 2018. The former continued normalization of monetary policy. For instance, the US Federal Reserve raised the federal funds rate to 2.50 percent while the Bank of England raised the Bank Rate by 25 basis points to 0.75 percent. In emerging economies adopted a more accommodative policy stance which led to narrow down the interest rate difference between advanced economies and emerging market economies thereby creating tighter global financial conditions in 2018. This has led to moderate capital flows to emerging countries. Global borrowing costs increased with the monetary policy accommodation move in advanced economies. The volatility of the global financial market experienced in 2018 due to the rise in US interest rates, the escalation of trade tension between the US and China on the tariff issue and geopolitical tensions in some areas.

Figure 2.14 | Monthly Movement of Six Months LIBOR



With regards to exchange rates, the Euro depreciated by around 3.0 percent mainly due to the discussion over the Italian budget. However, Japanese Yen modestly appreciated and Pound appreciated by 3.0 percent with the Brexit negotiations. Meanwhile, currencies in emerging markets also appreciated. However, in certain countries such as Argentina, Turkey, Brazil, South Africa and India have undergone excreted pressure on their currencies.

Figure 2.15 | Exchange Rates Against US\$: 2006 - Apr 2019

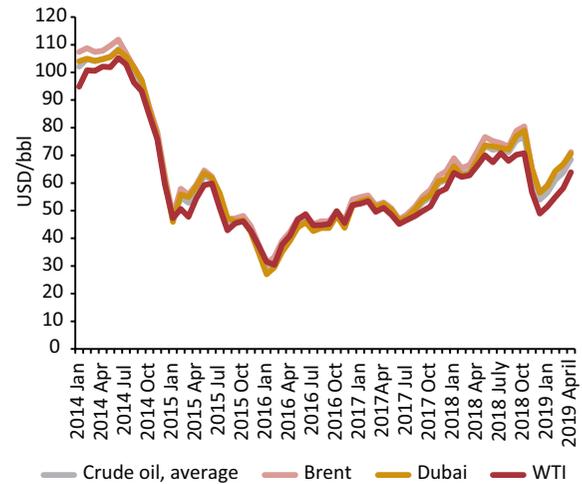


Fiscal policy dominated in 2018 with a tighter financial condition around the globe. The US implemented several measures including Tax Cuts and Jobs Act 2017 to spur the private investments while France introduced tax adjustments for investors and middle income-earners. In the Asian region, structural reforms were introduced in the areas of infrastructure investments with public-private partnerships, IT sector and energy sector.

The escalation of trade restrictions derailed the recovery in trade activities together with investment in 2018. In addition, increased global interest rates provided a platform to rebuild respective monetary and policy buffers against the risks.

Benefiting from India’s growth momentum, Asia has become the fastest growing region in the world with a growth of 6.9 percent in 2018. However, the financial tightening and trade protectionism pose risks to the growth aspects of South Asia.

Figure 2.16 | Crude Oil Prices: 2012 - Apr 2019



It is envisaged that global growth is expected to grow by 3.3 percent in 2019 and will jump to 3.6 percent in 2020. While the growth in advanced economies has downgraded to 1.8 percent in 2019 and 1.7 percent in 2020. Growth in Euro area is expected to grow by 1.3 percent in 2019. In terms of the commodity markets, most of commodity prices recovered in the first quarter of 2019. Crude oil prices is expected to moderate in 2019 and will average at US\$ 66/bbl in 2019.

Table 2.21 | Overall Fiscal Balance

Percent of GDP

	Actual		Forecast	
	2017	2018	2019	2020
World	(2.9)	(2.8)	(3.3)	(3.1)
Advanced Economies	(2.1)	(2.1)	(2.4)	(2.3)
United States	(3.8)	(4.3)	(4.6)	(4.4)
Euro Area	(1.0)	(0.6)	(1.0)	(0.9)
Germany	1.0	1.7	1.1	1.1
France	(2.7)	(2.6)	(3.3)	(2.4)
Italy	(2.4)	(2.1)	(2.7)	(3.4)
Spain	(3.1)	(2.7)	(2.3)	(2.3)
Greece	1.0	0.4	(0.2)	0.1
Ireland	(0.2)	0.0	0.0	0.2
Portugal	(3.0)	(0.7)	(0.6)	(0.1)
Japan	(3.2)	(3.2)	(2.8)	(2.1)
United Kingdom	(1.8)	(1.4)	(1.3)	(1.2)
Emerging Market and Middle Income Economies	(4.3)	(4.0)	(4.8)	(4.4)
Asia	(4.1)	(4.7)	(5.6)	(5.2)
China	(3.9)	(4.8)	(6.1)	(5.5)
India	(7.0)	(6.7)	(6.9)	(6.6)
Indonesia	(2.5)	(1.8)	(1.8)	(1.8)
Malaysia	(2.4)	(3.6)	(3.0)	(2.5)
Vietnam	(4.8)	(4.6)	(4.5)	(4.3)
Thailand	(0.9)	(0.3)	(0.1)	(0.7)
Europe	(1.9)	0.2	(0.8)	(1.2)
Russia	(1.5)	2.8	1.0	0.8
Latin America	(5.6)	(4.9)	(4.8)	(4.2)
Brazil	(7.9)	(6.8)	(7.3)	(7.0)
Middle East and North Africa and Pakistan	(5.7)	(3.4)	(4.4)	(3.7)
South Africa	(4.4)	(4.4)	(5.1)	(5.1)
Low-Income Developing Countries	(4.2)	(4.0)	(4.0)	(3.8)
Oil Producers	(2.7)	(0.8)	(1.7)	(1.3)
Sri Lanka	(5.5)	(5.3)	(4.6)	(3.5)

Source: Fiscal Monitor, IMF, April 2019
Annual Report 2018, Central Bank of Sri Lanka

PART II
Final Budget Position

**Government
Revenue**

03

3.1 OVERVIEW

In 2018, revenue-based fiscal consolidation process continued with the implementation of bold policy measures including the implementation of new Inland Revenue Act (IRA) effective from April 01, 2018, the broadening the tax base and simplification of tax system while improving revenue administration through automation process at revenue collecting agencies. Accordingly, the fiscal consolidation was realized with the record of the highest ever primary surplus of Rs. 91.4 billion (0.6 percent of GDP) achieved during 1993-2018 together with the curtailment of budget deficit to Rs. 761 billion (5.3 percent of GDP) in 2018. This was achieved amidst the slower revenue mobilization resulting from delays in implementation of revenue proposals as announced in 2018 Budget.

The total government revenue including grants as a percentage of GDP declined by 0.3 percentage point to 13.4 percent in 2018 from 13.7 percent in 2017 mainly due to lower tax revenue collection emanating from taxes on goods and services and external trade. However, the total revenue, in nominal terms, increased by 4.8 percent to Rs. 1,920.0 billion in 2018 from Rs. 1,831.5 billion in 2017 largely supported by the increase in tax revenue collection by corporate income tax, Pay-As-You-Earn (PAYE) tax, Economic Service Charge

(ESC), Excise Duty on motor vehicles, Ports and Airports Development Levy (PAL) coupled with the significant increase in revenue generated from sales and charges. The total tax revenue as a percentage of GDP declined to 11.9 percent in 2018 from 12.4 percent in 2017 reflecting the lower revenue collection from withholding tax on interest, Value Added Tax (VAT), Excise duty on liquor and petroleum products, Telecommunication Levy, Customs Import Duty (CID) and CESS. This was further supported by the lags in implementation of several tax proposals announced in 2018 Budget. In contrast, total non-tax revenue to GDP ratio significantly increased to 1.4 percent in 2018 from 1.2 in 2017 as a result of the rise in revenue collected from sales and charges and Central Bank profit transfers. In nominal terms, non-tax revenue increased by 28.7 percent to Rs. 207.7 billion in 2018 from Rs. 161.4 billion in 2017, despite the decline in revenue collected from profits and dividends by 22.5 percent in 2018. The total government revenue collected in 2018 was 86.6 percent of the estimated revenue of Rs. 2,217.1 billion in the Budget 2018.

Income tax as a percentage of GDP marginally increased to 2.1 percent in 2018 from 2.0 percent in 2017 due to the implementation of new IRA. As a result, the share of direct taxes to the total tax revenue increased to 18.1 percent in 2018, compared to 16.4 percent in 2017. However, tax

Table 3.1 | Summary of Government Revenue

Item	2015	2016	2017	2018 (Provisional)
Total Revenue and Grants	1,460,892	1,693,557	1,839,562	1,932,459
Total Revenue	1,454,878	1,686,061	1,831,531	1,919,974
Tax Revenue	1,355,779	1,463,689	1,670,178	1,712,318
Income Taxes	262,583	258,857	274,562	310,449(a)
Taxes on Goods and Services	803,798	841,967	1,025,799	1,061,751
Taxes on External Trade	289,398	362,865	369,817	340,117
Non Tax Revenue	99,099	222,372	161,353	207,656
Grants	6,014	7,496	8,031	12,485
As a % of GDP				
Revenue and Grants	13.3	14.3	13.7	13.4
Total Revenue	13.3	14.2	13.6	13.3
Tax Revenue	12.4	12.3	12.4	11.9
Non Tax Revenue	0.9	1.9	1.2	1.4
Grants	0.1	0.1	0.1	0.1

Source: Department of Fiscal Policy

(a) Included Capital Gain Tax Rs. 104 million

revenue on goods and services including VAT, Excise duty and Nation Building Tax (NBT) declined to 7.3 percent of GDP in 2018, compared to 7.6 percent of GDP in 2017. In 2018, the revenue generated from VAT, Excise duty and CID as a percentage of GDP declined to 3.2 percent from 3.3 percent in 2017, 3.4 percent from 3.5 percent in 2017 and 0.7 percent from 1.0 percent, respectively. In nominal terms, revenue from VAT and Excise duty increased whereas revenue from CID declined. In the same vein, taxes collected from external trade dropped to 2.4 percent of GDP from 2.8 percent of GDP in 2017.

3.2 REVENUE POLICY MEASURES

Reflecting the Government's commitments towards the revenue-based fiscal consolidation process, several policy measures have been implemented in 2018 to enhance revenue mobilization. These measures included the increase in tax rates, rationalization of tax exemptions and concessions, broadening tax bases and strengthening tax administration of the revenue collection agencies at Inland Revenue Department (IRD), Sri Lanka Customs (SLC) and Excise Department of Sri Lanka (EDSL).

Table 3.2 | Estimated and Actual Revenue - 2018

Rs. Million				
Item	Estimated	Actual	Deviation	
Total Revenue	2,217,100	1,919,974	(297,126)	
Tax Revenue	2,034,000	1,712,318	(321,682)	
Department of Inland Revenue				
Tax on Income and Profit	370,600	307,526	(63,074)	
VAT - Domestic (Net)	340,000	282,487	(57,513)	
NBT (Domestic)	62,000	51,192	(10,808)	
Sub Total	772,600	641,205	(131,395)	
Sri Lanka Customs				
CID	175,000	96,991	(78,009)	
VAT - Imports (Net)	210,000	179,163	(30,837)	
NBT (Import)	25,000	20,165	(4,835)	
PAL	115,000	113,950	(1,050)	
CESS Levy	49,500	53,369	3,869	
ESC	1,200	2,923	1,723	
SCL & Other	80,000	75,861	(4,139)	
Excise (Special Provisions) Duty	410,000	370,298	(39,702)	
Cigarettes	90,000	92,198	2,198	
Petroleum	80,000	66,318	(13,682)	
Motor Vehicles & Other	240,000	211,782	(28,218)	
Sub Total	1,065,700	912,720	(152,980)	
Department of Excise				
Liquor/Tobacco	125,040	113,935	(11,105)	
Sub Total	125,040	113,935	(11,105)	
Other				
Telecommunications Levy	30,000	28,326	(1,674)	
License Tax & Other	40,660	16,132	(24,528)	
Sub Total	70,660	44,458	(26,202)	
Non Tax Revenue	183,100	207,656	24,556	

Source: Department of Fiscal Policy

The upward revisions were made to the Excise duty on motor vehicles with engine capacity of less than 1,000 cc to discourage motor vehicle imports. Also, Excise duty on cigarettes exceeding 72 mm increased to deter smoking. In addition, Special Commodity Levy (SCL) rates increased to safeguard the domestic farming community while increasing revenue collection. Meanwhile, CID of 15 percent was introduced on the importation of gold to discourage such imports. The payable Excise Duty for the importation of motor vehicles under the concessionary permit schemes has been amended to rationalize tax exemptions and concessions. Importation or supply of goods including plants and flowers, fabrics, wood and articles, plants and machineries and industrial racks were made liable for VAT. The importation of liquor also was made liable for Nation Building Tax (NBT).

Several steps have been taken to broaden the tax bases in various taxes. Accordingly, the Excise duty was introduced on sugar-sweetened beverages including fruits-based beverages while revising the method of taxation on carbonated beverages, industrial fatty acids, plastic resins and sugar. Stamp Duty was introduced for liquor licenses including AFL 1, AFL 2, AFL 3 and AFL 4 along with the sale of bottled toddy. Amendments were made to the ESC Act to establish payable Excise duty as the tax base for charging ESC on the importation motor vehicles. Capital Gains Tax was introduced at a rate of 10 percent on the realization of investment assets. Further, Carbon Tax was introduced for motor vehicles on the basis of engine capacity, fuel type and vehicle age under the Finance Act, No. 35 of 2018. Under the same Act, Debt Repayment Levy on the value addition of financial services was introduced. In addition, Cellular Tower Levy of Rs. 200,000 per annum per tower and Levy on Mobile Short Message Services on the SMS advertisement were introduced on mobile telephone operators. Moreover, Tourism Development Levy was introduced to reduce the applicable threshold turnover while Annual Company Registration Levy was removed to facilitate the development of entrepreneurship.

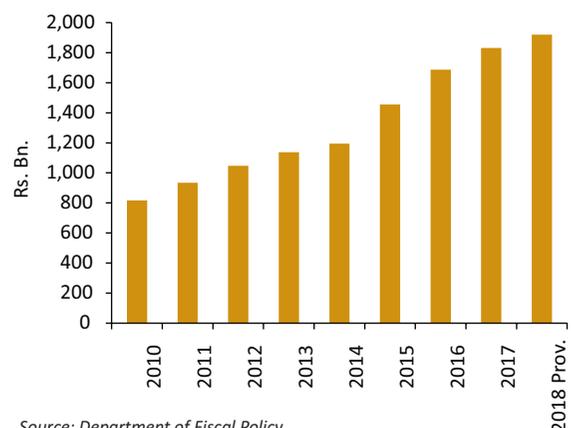
The new IRA is in operation with effect from April 01, 2018 with the expectation of simplifying the existing

income tax structure, rationalizing tax exemptions, broadening the income tax base and strengthening tax administration while enhancing revenue mobilization from direct taxes. In addition, the Revenue Administration Management Information System (RAMIS) is in the process of upgrading revenue collecting system in order to incorporate the provisions of the new Act. SLC has established a new directorate of Risk Management in 2018 focusing on risk-based cargo clearance with a view to strengthening revenue compliances. Activities identified under the Excise Revenue Management System (ERMS) at the EDSL continued in 2018 with a view to minimizing revenue leakages from Excise Duty.

3.3 GOVERNMENT REVENUE PERFORMANCE

Total government revenue including grants to GDP ratio was 13.4 percent in 2018, compared to 13.7 percent in 2017. However, in nominal terms, total revenue increased by 4.8 percent to Rs. 1,920 billion in 2018 from 1,831.5 billion in 2017. The actual total revenue amounted to 86.6 percent of the total revenue estimate of Rs. 2,217.1 billion. The tax revenue recorded an increase of 2.5 percent to Rs. 1,712.3 billion in 2018 from Rs. 1,670.2 in 2017. Non-tax revenue recorded a significant growth of 28.7 percent to Rs. 208 billion in 2018 from Rs. 161 billion in 2017 due to the increased receipts from fees and charges, social security contributions and the Central Bank profit transfers.

Figure 3.1 | Government Revenue



Source: Department of Fiscal Policy

Box 3.1 | Digital Transformation in Government Sector

Digitization is the total changes associated with the application of digital technologies in a society or an economy affecting its socio-economic structure as a whole, business, organizational patterns and culture. In Sri Lanka, digital transformation initiated in early 1980s with the introduction of personal computers. This has transformed to a digital technology which has now broaden its perspectives to become a technology hub in the region. The key public sectors such as education, healthcare, urban development finance and parliamentary activities, among others have turned into a process of digitalization rapidly with required adaptations.

The realization of Sri Lanka’s e-Government policy: the Ministry of Telecommunication, Digital Infrastructure and Foreign Employment has signed a Memorandum of Understanding (MoU) with Microsoft in Sri Lanka on May 17, 2018 to provide effective citizen services in the country. The e-Government policy includes: (i) establishment and implementation of the digital transformation blueprint for the Government; (ii) public sector capacity building and productivity enhancement; (iii) a software procurement program to ensure a secured and seamless collaborative working environment for the public sector for better citizen services; (iv) a cyber-security risk assessment across the Government and security programs; (v) skills development for students with a special focus on implementation of ‘Smart Classrooms’ and digital education; and (vi) technical assistance and expertise on the e-Government policy and plan.

Ministry of Finance has implemented/initiated several digitalization programmes including Integrated Treasury Management Information System at the General Treasury, National Single Window, Trade Information Portal and the Trade Facilitation Unit at Sri Lanka Customs (SLC) and Revenue Administration and Management Information System (RAMIS) at Inland Revenue Department (IRD) to strengthen revenue and expenditure management.

Integrated Treasury Management Information System (ITMIS): has introduced to simplify the current business processes of the General Treasury while automating internal business processes and workflows. System is reaching its live status with the following twelve functional modules.

Module	Progress
Budget Planning	Already Live
Budget Appropriation	Live form 1st of May 2019
Purchasing Management	Ready for go-live (1st of June 2019)
Expenditure Management	Ready for go-live (1st of June 2019)
Revenue Management	Ready for go-live (1st of June 2019)
Treasury Management	Ready for go-live (1st of June 2019)
General Ledger	Ready for go-live (1st of June 2019)
Cash Planning	Testing In progress
Asset Management	Ready for go-live (1st of May 2019)
Cadre Management	Ready for go-live
Internal Audit	Ready for go-live
Court Case	Already Live

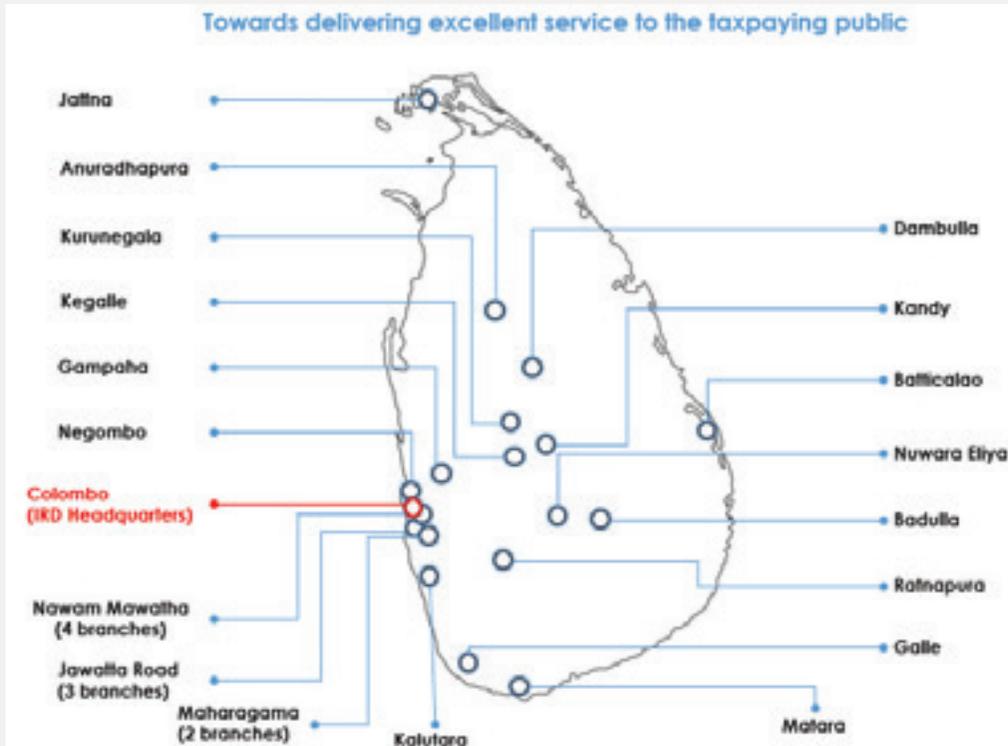
Source: Project Management Unit, Fiscal Management Efficiency Project (FMPEP)

National Single Window: is a trade portal which provides a single point of electronic entry to facilitate the lodging of standardized information to fulfill all import, export and transit-related regulatory requirements. This is an in-house development of the Department of Information Technology Management (ITMD). It gives an opportunity for cross-border trade to submit all necessary documents at a single location and to a single entity. This application is intended to provide a platform for connecting all the agencies involved while granting them opportunities to contribute to enhance the services available on the site.

- Sri Lanka Standard Institute (SLSI) on National Single Window project started its live run from 26th October 2018.
- Finalized the implementations for the Department of Animal Production and Health (DAPH) and National Plant Quarantine Service.
- Obtained CERT Recommendation (Security) and Purchased and Implemented SSL Certificate for the system.

e-Signature: is a part of the move towards the paperless trade implemented by SLC. Electronic Data Interchange (EDI): isto standardize international trade performances which is introduced by theSLC. The EDI is an electronic interchange of business information platform which promotes paperless business communication.

Revenue Administration and Management Information System (RAMIS): facilitates a number of web based services such as registration, online filing tax returns, tax payments, appeals, collections, cancellation, directions and clearancesetc. providing a more convenience e-services to the tax payers.



In addition, other sectors including banking, education, health and transport have implemented various digitalization process in the respective areas.

Banking Sector: is experiencing a major transformation, with institutions adapting their structures to keep up to date with new demands and requirements from the public. The leading government sector banks are now leading in offering self-banking units that house cash deposit machines, kiosks for money transfers, mobile cash transfer facilities and ATMs.

Education sector: the Ministry of Education has planned to start Smart Class Rooms in 25 selected schools as a pilot project in order to empower the school community to face the challenges of updating the system of education in line with the transformation of the modern world. Within this Smart Classroom, the teaching and learning process will be conducted in English using TAB computers and it is expected to expand the digital transformation to the entire School Education System. Meanwhile, the Department of Examinations has successfully implemented an Online Results Confirmation Programme under their digitization process.

Online Results Confirmation Programme	Online GIT Examination
Started on : 22.04.2018 Zonal Offices :99 No. of Confirmations: 13,050	Conducted in :2018/19 Exam Centers :655 Students Participated:186,097

Source: Department of Examinations, Sri Lanka

Health sector: Sri Lanka is embarking on a new wave of development in the health sector through adaptation of information and communication technology (ICT) with the introduction of the “eHealth Policy of Sri Lanka”. “National eHealth Guidelines and Standards” were established in 2016 ensuring that future ICT adaptations in the health care sector..

The eHealth solutions introduced by the Ministry of Health are:

- PHN and MPI (Personal Health Number and Master Patient Index);
- eIMMR (Electronic Indoor Morbidity and Mortality Registry);
- HHIMS (Hospital Health Information);
- HIMS (Hospital Information Management System);
- DNMS (District nutrition’s Management System);
- eRHIMS (Electronic Reproductive Health Information Management System);
- eNCD (Electronic Non Communicable Diseases System);
- Suwasariya Telehealth Programme;
- Sri Lana Stroke Clinical Registry; and
- Essential Drug Stroke Alert Tracker.

HHIMS is being used successfully in several state sector hospitals including National Hospital of Sri Lanka-Accident service (premier trauma care institute in Sri Lanka) and currently operational in all sections of OPD setup with enhanced usability and user friendliness. During the year 2018 the system was being updated gradually through the lessons learnt from initial implementations and resource personnel. Final outcome of this project is to improve quality and efficiency in service delivery, governance, accountability and effective use of resources of the government hospitals. As a result of that availability of updated, accurate information for patient care will be found. That helps to improve the capacity of health authorities to detect emerging and re- emerging diseases and take necessary preventive actions in future.

The scope of the HIMS project includes development of Hospital ICT infrastructure, improvement of end user ICT literacy and implementation of the HIMS. Requirements of key stakeholders were taken into consideration in the development process and the solution adopt agile development methodology enabling accommodating end user needs.

Year	Number of hospitals Digital Health work implementation
2017	43
2018	63

Source: Ministry of Health

Transport: Department of Motor Traffic has introduced an e-service for motor vehicles. E-Revenue License (eRL) is the national-level centralized solution for issuing and collecting Vehicle Revenue License online in Sri Lanka covering all Divisional Secretariats and the Province Department of Motor Traffic.

Department of Immigration and Emigration has introduced an online Electronic Travel Authorization (ETA) system in Steps are being taken to commence the Advance Passenger Processing to prevent unwanted passengers from boarding aircrafts at the origin port.

e-Registrar of Companies (e-ROC) facilitates online registration of companies, and the facility has been live since April 2018 which has reduced the average time taken to register a company by one day.

Electronic Document Attestation System (eDAS) is a Cloud-based service platform, which has granted the consular division of the Ministry of Foreign Affairs (MFA) to reduce the document processing time to fifteen minutes from 1-2 days.

Way forward: Digitalization requires to adhere its principles of accessibility, transparency, efficacy, efficiency, citizen-centric, interoperability, confidentiality, integrity, availability and accountability to facilitate government services effectively. Key initiatives have been taken by the Ministry of Telecommunication, Digital Infrastructure and Foreign Employment with Information and Communication Technology Agency (ICTA) are on the process of drafting legal provisions such as the Electronic Transactions Act, the Computer Crimes Act, the Payment Devices Frauds Act and setting up a digital certificate framework for Payment and Settlement Systems Act for the Central Bank of Sri Lanka. Regulations for implementing of cross-government digital solutions, formulation of Right to Information Act and Amendments to the Mutual Assistance in Criminal Matters Act have been completed to facilitate cross-border access to electronic evidence. In partnership with the Ministry of Finance and the Central Bank, ICTA has played the lead role in formulating Financial Regulation (FR) Circular No. 447/2010 and the Lanka Government Payment System (LGPS), which has enabled the use of credit cards and electronic payment methods to pay for Government services for the first time while facilitating the Electronic Transactions (Amendment) Act, No. 25 of 2017.

Table 3.3 | Government Revenue

					Rs. Million
Item	2014	2015	2016	2017	2018 (Provisional)
Tax Revenue	1,050,362	1,355,779	1,463,689	1,670,178	1,712,318
Income Tax	198,115	262,583	258,857	274,562	310,449
VAT	275,350	219,700	283,470	443,739	461,651
NBT	44,583	45,004	57,424	69,035	71,357
Excise Duty	256,690	497,623	454,952	469,454	484,242
CID	81,108	132,189	156,487	136,501	96,991
PAL	68,646	58,644	88,823	102,360	113,950
SCL	47,953	52,276	55,825	71,402	75,807
Other	77,917	87,760	107,851	103,125	97,872
Non Tax Revenue	144,844	99,099	222,372	161,353	207,656
Interest/ Rent	13,647	7,321	15,806	11,845	13,731
Profits and Dividends	46,814	29,798	108,160	53,998	41,828
Sales and Charge	35,499	44,632	72,606	66,575	105,202
Social Security Contributions	14,919	15,213	18,046	22,940	25,215
Central Bank Profit Transfers	11,500	-	5,000	-	15,000
Other	22,466	2,135	2,754	5,995	6,681
Total Revenue	1,195,206	1,454,878	1,686,061	1,831,531	1,919,974
As a % of GDP					
Tax Revenue	10.1	12.4	12.4	12.4	11.9
Income Tax	1.9	2.4	2.2	2.0	2.1
VAT	2.7	2.0	2.4	3.3	3.2
NBT	0.4	0.4	0.5	0.5	0.5
Excise Duty	2.5	4.5	3.8	3.5	3.4
CID	0.8	1.2	1.3	1.0	0.7
PAL	0.7	0.5	0.7	0.8	0.8
SCL	0.5	0.5	0.5	0.5	0.5
Other	0.8	0.8	0.9	0.8	0.7
Non Tax Revenue	1.4	0.9	1.9	1.2	1.4
Interest/ Rent	0.1	0.1	0.1	0.1	0.1
Profits and Dividends	0.5	0.3	0.9	0.4	0.3
Sales and Charges	0.3	0.4	0.6	0.5	0.7
Social Security Contributions	0.1	0.1	0.2	0.2	0.2
Central Bank Profit Transfers	0.1	-	...	-	-
Total Revenue	11.5	13.3	14.2	13.6	13.3

Source: Department of Fiscal Policy

... Negligible

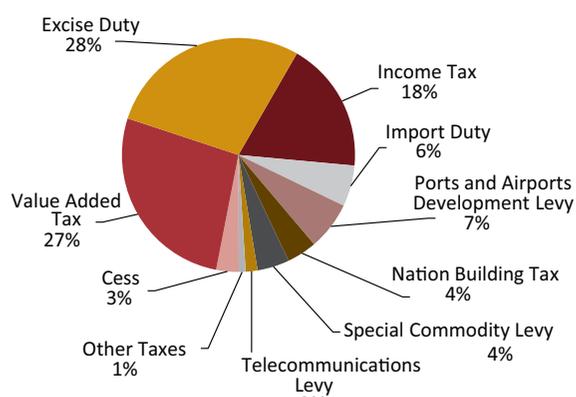
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3.3.1 TAX REVENUE

Tax revenue to GDP ratio declined to 11.9 percent in 2018 which was 0.5 percentage point lower than that of in 2017. However, in nominal terms, tax revenue increased marginally by 2.5 percent to a sum of Rs. 1,712 billion in 2018 from Rs. 1,670 billion recorded in 2017. This was due to the

combined effect of the marginal increase of tax revenue from VAT, Excise duty, PAL and SCL and the decline in revenue collected from withholding tax, Excise duty on petroleum products, CID, CESS and Telecommunications Levy. However, a significant performance of revenue collection was witnessed in taxes such as corporate income tax, PAYE, ESC, Excise duty on motor vehicles and cigarettes, PAL, SCL and

Figure 3.2 | Composition of Tax Revenue - 2018



Source: Department of Fiscal Policy

NBT. Revenue from indirect taxes continued to be the major source of tax revenue in 2018, accounting for 81.7 percent of total tax revenue. Meanwhile, revenue from direct taxes increased marginally to 18.3 percent of total tax revenue in 2018. Tax

revenue accounted for 89.2 percent of total revenue in 2018, compared to 91.2 percent in 2017.

Income taxes

In terms of GDP and in nominal terms, the revenue collected from income taxes increased in 2018: income tax revenue to GDP ratio was 2.1 percent in 2018 from 2.0 in 2017; in nominal terms, the revenue from income tax increased significantly by 13.1 percent to Rs. 310 billion in 2018, compared to Rs. 275 billion in 2017. This was mainly due to increase in revenue from the corporate tax, PAYE tax and ESC by 19.8 percent, 25.7 percent and 18.5 percent, respectively stemming from the implementation of new IRA in 2018 and strengthening the tax administration at IRD. However, revenue from non-corporate tax marginally increased by 2.6 percent in 2018. Revenue generated from PAYE increased by 25.7 percent to Rs. 41.4 billion in 2018

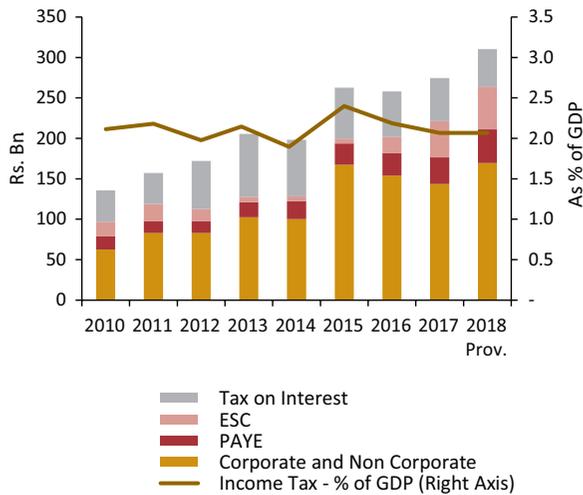
Table 3.4 | Government Tax Revenue - By Source

Rs. Million

Source	2017	2018 (Provisional)	2018/2017 Change (%)
Income Tax	274,562	310,449	13.1
Corporate & Non Corporate	143,588	169,672	18.2
PAYE	32,920	41,385	25.7
ESC	44,720	52,979	18.5
Tax on interest	53,334	46,414	(13.0)
Domestic Consumption Based Taxes	530,838	547,568	3.2
VAT - Domestic	275,346	282,488	2.6
NBT - Domestic	49,715	51,192	3.0
Tax on Liquor	113,684	113,944	0.2
Tax on Cigarettes/Tobacco	86,002	92,243	7.3
Other (Excise)	6,091	7,701	26.4
Import Based Taxes	821,253	809,844	(1.4)
CID	136,501	96,991	(28.9)
VAT - Import	168,393	179,163	6.4
NBT - Import	19,320	20,165	4.4
PAL	102,360	113,950	11.3
SCL	71,402	75,807	6.2
CESS Levy	59,554	53,369	(10.4)
Petroleum - Excise	73,983	66,318	(10.4)
Motor Vehicles - Excise	189,740	204,081	7.6
Licence and Other	43,525	44,458	2.1
Telecommunications Levy	33,399	28,326	(15.2)
Other	10,126	16,132	59.3
Total Tax Revenue	1,670,178	1,712,318	2.5

Source: Department of Fiscal Policy

Figure 3.3 | Performance of Income Tax



Source: Department of Inland Revenue

with the initiation of RAMIS system and increased tax returns. Revenue from ESC increased by 18.5 percent to Rs. 53 billion in 2018, compared to Rs. 45 billion in 2017. Meanwhile, revenue generated from Capital Gain Tax increased to Rs. 104 million in 2018. However, revenue from withholding tax on interest declined by 13 percent to Rs. 46.4 billion in 2018 from 53.3 billion in 2017 due largely to the removal of 10 percent withholding tax on interest income of Treasury Bills and Treasury Bonds.

Value Added Tax

The total revenue collected from VAT increased marginally by 4.0 percent to Rs. 462 billion in 2018 from Rs. 444 in 2017. This was a realization of 83.9 percent of the estimated VAT revenue of Rs. 550 billion in 2018. The revenue from VAT on domestic economic activities increased marginally by 2.6 percent to Rs. 282.5 billion in 2018, compared to

Table 3.5 | Performance of Income Tax

Item	Rs. Million			
	2016	2017	2018 (Provisional)	Growth %
Total Income Tax	258,857	274,562	310,449	13.1
Corporate & Non Corporate	154,324	143,588	169,672	18.2
PAYE	28,169	32,920	41,385	25.7
ESC	20,458	44,720	52,979	18.5
Tax on Interest	55,906	53,334	46,414	-13.0

Source: Department of Fiscal Policy

Rs. 275.3 billion in 2017 with contributions from the services and manufacturing sector to the total domestic activities to Rs. 202.4 billion and Rs. 80.1 billion, respectively. Meanwhile, revenue from VAT on import-related activities also increased by 6.4 percent to Rs. 179 billion in 2018, compared to Rs. 168 billion in 2017 mainly due to the increase in imports such as milk powder, coal, cement and cement clinker, steel billets and ceramic products.

Excise Duty

The revenue from Excise duty continued to be the leading contributor to the government tax revenue, accounting for 28.3 percent of total tax revenue in 2018. However, Revenue collected from Excise Duty as a percentage of GDP declined to 3.4 percent in 2018, compared 3.5 percent in 2017. In nominal terms, revenue from Excise duty increased moderately by 3.2 percent to Rs. 484 billion in 2018, compared to Rs. 470 billion collected in 2017 as a result of the increase in the revenue collected from Excise duty on motor vehicles, tobacco and cigarettes and liquor. Revenue collected from

Table 3.6 | Value Added Tax Revenue

Item	Rs. Million				
	2014	2015	2016	2017	2018 (Provisional)
Domestic	140,413	131,662	168,817	276,065	283,327
Imports	136,221	89,174	115,339	168,394	179,163
Gross Revenue	276,634	220,836	284,156	444,459	462,490
Refunds	1,284	1,136	686	720	840
Net Revenue	275,350	219,700	283,470	443,739	461,651
Net Revenue as a % of GDP	2.7	2.0	2.4	3.3	3.2

Source: Department of Fiscal Policy

Excise duty on petroleum products declined by 10.4 percent to Rs. 66.3 billion in 2018.

reduction of importation of auto fuels stemming from the introduction of the cost-reflective pricing mechanism for the determination of retail prices of

Table 3.7 | Excise Duty Revenue

Rs. Million					
Item	2014	2015	2016	2017	2018 (Provisional)
Liquor	69,100	105,234	120,238	113,684	113,944
Cigarettes/Tobacco	57,240	80,015	88,792	85,956	92,198
Motor Vehicles	98,531	263,470	186,499	189,740	204,081
Petroleum Products	28,732	45,092	55,719	73,983	66,318
Other	3,087	3,812	3,704	6,091	7,701
Total	256,690	497,623	454,952	469,454	484,242

Source: Department of Fiscal Policy

The revenue from Excise duty on motor vehicles increased by 7.6 percent to Rs. 204.1 billion in 2018 from Rs. 189.7 billion in 2017 as a result of the increased importation of motor vehicles stemming from the importation of motor cars by 130.5 percent together with the implementation of the unit rate based Excise duty instead of the ad-valorem rate based Excise duty as proposed in 2018 Budget. Excise Duty concession granted under the concessionary permit schemes for government servants was rationalized in 2018 and it has led to a positive impact on Excise duty collection. However, the introduction of cash margin requirements for the establishment of Letter of Credit (LC) and the temporary suspension of the establishment of LC for the importation of motor vehicles under the concessionary permit schemes for government servants were attributable to the slower revenue collection in the later part of 2018.

The revenue from tobacco and cigarettes increased by 7.3 percent to Rs. 92.2 billion in 2018, compared to Rs. 86 billion in 2017 as a result of the increased duty on cigarettes with length more than 72 mm. Meanwhile, revenue from Excise duty on other products such as sugar-sweetened beverages, plastic resin and palm oil fatty acids increased by 26.4 percent to Rs. 7.7 billion in 2018 from Rs. 6.1 billion in 2017.

However, revenue from petroleum products declined by 10.4 percent to Rs. 66.3 billion in 2018 from Rs. 74.0 billion in 2017 due to the

Figure 3.4 | Cigarette Production and Excise Tax Revenue



Source: Department of Fiscal Policy and Department of Excise

auto fuels effective from May 2018. The reduction of importation of diesel together with the revision of duty rate on diesel from Rs. 13.00 per liter to Rs. 6.00 per liter in the latter part of 2018 were also contributed to this performance.

The revenue generated from Excise duty on liquor remained nearly unchanged in 2018 to the tune of Rs. 114 billion due to the continuation of the existing tax structure in 2018 amidst the increase in malt liquor production in 2018.

Ports and Airports Development Levy

The revenue collected from PAL increased by 11.3 percent to Rs. 114 billion in 2018 from Rs. 102 billion in 2017 mainly due to the increased prices

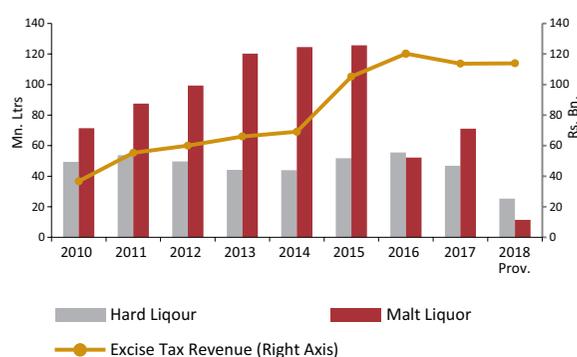
Table 3.8 | Production and Excise Tax Collection from Liquor and Cigarettes

Rs. Million

Year	Quantity Produced				Excise Duty Revenue					
	Hard Liquor (Liter Mn)	% Change	Malt Liquor (Liter Mn)	% Change	Cigarettes (Mn.Sticks)	% Change	Liquor (Rs.Bn)	% Change	Cigarettes (Rs. Bn)	% Change
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
2017	46.9	(15.5)	71.1	36.3	3,149	(16.9)	113.7	(5.9)	86.0	(3.2)
2018	25.3(a)	(46.1)	11.4(a)	(84.0)	3,150	0.0	113.9	0.2	92.2	7.2

Source: Department of Fiscal Policy and Department of Excise

(a) After 2017 Hard Liquor & Malt Liquor production is absolute

Figure 3.5 | Liquor Production and Excise Tax Revenue


Note: Liquor production in 2018 is in absolute amount

Source: Department of Fiscal Policy and Department of Excise

of major items such as petrol, diesel, wheat grain, milk powder and steel billets. However, the removal of PAL on 953 items as announced in 2018 Budget to facilitate the reduction of upfront cost on raw materials together with phasing out of para-tariffs on certain items have led to the negative effect on the revenue. In addition, PAL on certain high-tech items was reduced from the standard rate of 7.5 percent to the concessionary rate of 2.5 percent to promote modernization of industries.

Customs Import Duty

The revenue from CID declined significantly by 28.9 percent to Rs. 97 billion in 2018, compared to Rs. 137 billion in 2017. The share of CID in tax revenue declined to 5.7 percent in 2018 from 8.2 percent in 2017. The CID revenue was 55.4 percent, a well below the estimate of Rs. 175 billion in 2018. The

weaker performance was mainly attributable to the general duty waivers granted on the importation of petrol, diesel, wheat grain and milk powder coupled with duty exemptions granted on the importation of project related cargo. However, trade diversion under the Free Trade Agreements (FTAs) had a marginal impact on revenue from CID largely due to the inflow of goods out of the agreements particularly under the Indo-Sri Lanka Free Trade Agreement (ISFTA). Meanwhile, imports such as petrol, ethanol, wheat grain, diesel and ceramic products were significantly contributed to the CID revenue in 2018, accounting for nearly fifty percent of the collected revenue.

CESS Levy

The total CESS revenue declined by 10.4 percent to Rs. 53 billion in 2018, compared to Rs. 60 billion in 2017 mainly due to the increased imports of ceramic products, Beedie leaves, cement, fabrics and steel, among others. The revenue from CESS on imports declined by 10.2 percent to Rs. 51 billion in 2018 from Rs. 57 billion in 2017 mainly due to the removal of CESS levy on 253 imported consumable items and the reduction of CESS on 22 imported consumable items as proposed in the 2018 Budget in line with the reduction of the cost of living and the World Trade Organization (WTO) commitments. In the same vein, revenue from CESS on exports declined by 13.0 percent to Rs. 2.6 billion in 2018, compared to Rs. 3.0 billion in 2017.

Box 3.2 | Trade Performance and Trade Facilitation

Sri Lanka is an open economy with a moderately diversified export base, dominated by exports of garments, tea and rubber products, among others. In order to achieve economic growth through the enhancement of international trading activities, steps have been taken to increase competition through rationalization of tariffs and para-tariffs; market access and trade facilitation through multilateral, regional and bilateral trade agreements and comprehensive economic partnerships; macroeconomic balance, policy and institutional coherence; and adjustment of firms and work force through measures to support firms and the most vulnerable groups. This box article looks at the trade performance under the trade agreements and trade facilitation which results in an effective and sustainable exports' diversification.

Trade Performance

Bilateral and Multilateral trade agreements are beneficial in enhancing commercial relationships and facilitation of trade and investment by reducing/eliminating tariffs, import quotas, export restrictions and other trade barriers. Sri Lanka is a signatory for number of trade agreements including 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) and Sri Lanka Singapore Free Trade Agreement – (SLSFTA). Meanwhile, Bay of Bengal Initiatives for Multi-Sectoral Technical and Economic Cooperation Agreement (BIMSTEC), Economic and Technical Cooperation Agreement (ETCA), China Sri Lanka Free Trade Agreement (CSLFTA) and Sri Lanka Thailand Free Trade Agreement are at negotiation level.

Table ... Imports and Exports under Trade Agreements by Sri Lanka in 2018

No	Trade Agreement	CIF Value of Imports (Rs. Mn)	FOB Value of Exports (Rs. Mn)
1	India Sri Lanka Free Trade Agreement (ISFTA)	41,273	81,929
2	Pakistan Sri Lanka Free Trade Agreement (PSFTA)	12,062	8,772
3	South Asia Free Trade Agreement (SAFTA)	1,215	9,237
4	Asia Pacific Trade Agreement (APTA)	3,076	108,018
	Total	57,626	207,956

Source: Department of Sri Lanka Customs, 2018

Trade Facilitation

The Trade Facilitation Agreement (TFA) of the World Trade Organization (WTO) aims at streamlining, harmonizing and modernizing customs procedures. It contains a provision for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between the authorities involved in cross border trade. The TFA will help improve transparency, increase possibilities to participate in global value chains and reduce the scope for delays and circumvention.

The National Single Window (NSW) and the Trade Information Portal (TIP) are the key priorities of the TFA in Sri Lanka. The Sri Lanka Trade information portal is the single stop point for all information relating to import and export to and from Sri Lanka which is hosted by the Department of Commerce connecting all Government and semi-government agencies involved in the import/export process.

In addition, several steps have been taken for trade facilitation in 2018, including (i) facilitating business to consumer (B2C) transactions on the e-commerce platform, for which regulations have been gazetted in the Gazette Notification No. 2077/46 dated June 29, 2018, (ii) granting bonding facilities for large scale pharmaceutical investments, dairy industry and solid waste management ventures, in which tax concessions have been introduced on imported capital goods through bonding facilities during the construction period (iii) implementing Loan to Value (LTV) ratio for credit facilities granted in respect of motor vehicles and (iv) issuing vehicle emission standards and safety measures and standards, among others.

Special Commodity Levy

Revenue collected from SCL increased by 6.2 percent to Rs. 75.8 billion in 2018, compared to Rs. 71.4 billion in 2017. This was mainly due to the upward revision of SCL imposed on several commodities such as potato, big onion, black gram, sugar and crude and refined edible oil of which three fourths of the SCL revenue was arrested by such items. In addition, an SCL was introduced on the importation of grated or powdered cheese in 2018.

Nation Building Tax

The total revenue from NBT increased by 3.4 percent to Rs. 71.4 billion in 2018, compared to Rs. 69.0 billion in 2017 with the moderate expansion of both domestic economic activities and import-related activities. Revenue from NBT on domestic economic activities increased by 3.0 percent to Rs. 51.2 billion in 2018, compared to Rs. 49.7 billion in 2017. Revenue from NBT on import-related activities nearly remained unchanged in 2018, accounting for 28.3 percent revenue in 2018. Importation of milk powder, wheat grain, mobile phones, steel billets and cement and cement clinker contributed to the increase in revenue.

Telecommunications Levy

Revenue collected from Telecommunications Levy (TL) declined by 15.2 percent to Rs. 28.3 billion in 2018, compared to Rs. 33.4 billion in 2017 as a result of the removal of TL on internet services combined with the decline in call duration of both international and local calls and the usage of data based communication channels. In addition, TL on voice communication reduced from 25 percent to 15 percent in November 2018.

3.3.2 NON-TAX REVENUE

The non-tax revenue increased in 2018 both in terms of GDP and in nominal terms. Accordingly, non-tax revenue as a percent of GDP increased to 1.4 percent in 2018 from 1.2 in 2017. In nominal terms, non-tax revenue increased by 28.7 percent to Rs. 207.7 billion in 2018 from Rs. 161.4 billion in 2017.

Revenue from fees and charges increased significantly by 58.1 percent to Rs. 105.2 billion in 2018 from Rs. 66.6 billion in 2017 mainly due to the revision of fees and charges by 15 percent in 2018. Several non-tax income increased in 2018: rent

Table 3.9 | CESS Revenue from International Trade and Government Subsidy for Agriculture Sector Development : 2016 - 2018

Rs. Million.

Description	2016	2017	2018 (a)	Description	2016	2017	2018 (a)
Cess on Exports	2,672	2,980	2,592	Commercial Crop Development			
Tea-under Tea (Tax and Control of Export) Act, Sri Lanka Tea Board Law	587	550	591	Tea	549	445	615
Rubber-under Rubber Replanting Subsidy Act	10	90	10	Rubber	713	703	542
Coconut-under Coconut Development Act	141	105	107	Coconut	709	598	653
EDB Cess- under Sri Lanka Export Development Act	1,832	2,235	1,884	Cashew	40	54	67
Cess on Imports	59,058	56,574	50,777	Minor Export Crops (Cinnamon, Cocoa, Coffee, Pepper)	380	346	440
Imports - under Sri Lanka Export Development Act	59,058	56,574	50,777	Fertilizer Subsidy for Total Agriculture Sector Development	27,771	31,827	26,979
Total	61,730	59,554	53,369	Total	30,162	33,973	29,296

Source: Department of Customs and Department of National Budget

(a) Provisional

income increased by 25.6 percent to Rs. 5.6 billion, interest income by 10.1 percent to Rs. 8.1 billion and social security contributions by 9.9 percent to Rs. 25.2 billion. In addition, Central Bank profit transfers of Rs. 15 billion in 2018 helped increase

non-tax revenue. However, the transfer of profits and dividends from SOEs declined significantly by 22.5 percent to Rs. 41.8 billion in 2018, compared to Rs. 54.0 billion in 2017 mainly due to the decline of such transfers from the state banks.

Table 3.10 | Non Tax Revenue

Item	2013	2014	2015	2016	2017	2018	2017/2018 (% change)	Rs. Million
								2018 (% of Total Non Tax Revenue)
Interest/Rent	11,995	13,647	7,321	15,806	11,845	13,731	15.9	6.6
Profits and Dividends	35,169	46,814	29,798	108,160	53,998	41,828	-22.5	20.1
Sales and Charges	40,721	35,499	44,632	72,606	66,575	105,202	58.0	50.7
Social Security Contribution	15,145	14,919	15,213	18,046	22,940	25,214	9.9	12.1
Central Bank Profit Transfers	26,350	11,500	-	5,000	-	15,000	0.0	7.2
Other	2,173	22,466	2,135	2,754	5,995	6,681	11.4	3.2
Total	131,552	144,845	99,099	222,372	161,353	207,656	28.7	100.0

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

Table 3.11 | Variance Analysis of Government Revenue

Rs. Bn.

Item	2017	2018 Est.	2018	Reason
Income Tax	274.56	371.8	310.4	Improved revenue performance of income taxes was mainly contributed by Corporate and Non-corporate taxes, PAYE tax and ESC, accounting for 85.0 percent of total income tax revenue. This was mainly due to the effective implementation of the Inland Revenue Act effective from April 01, 2018. Broadened tax slabs for the calculation of personal income tax and widened tax rate for employment income and increased returns with the implementation of RAMIS also helped increase PAYE tax revenue. However, the removal of 10 percent withholding tax on interest income of Treasury Bills and Treasury Bonds together with delays in the implementation of tax legislation caused the deviation of actual revenue from estimated revenue.
Value Added Tax (VAT)	443.7	550	461.6	Moderate expansion of domestic economic activities and increased import related activities contributed to the increase in VAT revenue. Notably, strengthening tax administration activities at the IRD including payment and receipts monitoring and increased tax audits supported the VAT revenue on domestic activities. VAT revenue on import activities was mainly contributed by milk powder, coal, cement and cement clinker, steel billets and ceramic products. However, the realization of VAT revenue remained at 83.9 percent.
Excise Tax	469.5	535.0	484.3	Revenue performance of Excise Duty was mainly attributable to the increased revenue collected from motor vehicles, tobacco and cigarettes and liquor. Revenue from motor vehicles, continued to be the single largest contributor for Excise revenue. Check! Revenue from liquor remained unchanged due to the continuation of existing duty structure amidst the increased production of soft liquor. Revenue from petroleum products declined due to the drop in quantity imported. These variations caused the achievement of 90.5 percent of the estimated revenue.
Customs Import Duty (CID)	136.5	175	97.0	Revenue from Customs Import Duty showed a significant decline, realizing only 55.4 percent of estimated revenue. This was mainly due to the general duty waivers granted for petrol, diesel, wheat grain and milk powder as well as duty exemptions granted for project related cargo. However, Free Trade Agreements (FTAs) had a marginal impact on duty revenue. Petrol, ethanol, wheat grain, diesel and ceramic products were largely contributed for the revenue.
Port and Airport Development Levy (PAL)	102.36	115.0	114.0	revenue performance of PAL showed notable progress, realizing 99.1 percent of revenue estimate. This improved performance was due to the increased import bill for intermediate goods. Petrol, diesel, wheat grain, milk powder and steel billets were mainly contributed to this surge.
Nation Building Tax (NBT)	69.0	87.0	71.4	Revenue from NBT on both domestic activities and import activities showed a moderate performance, achieving 82.0 percent of the NBT estimate. Particularly, revenue on import related activities was mainly contributed by milk powder, wheat grain, mobile phones, steel billets and cement and cement clinker.
Other Taxes	174.51	200.16	173.6	Revenue from CESS Levy on imports declined due to the removal of CESS on 253 items. Revenue collection from Telecommunication Levy also declined as a result of removal of taxes on internet services coupled with dropped in call duration. Meanwhile, increased revenue performance of SCL was mainly due to the upward revision of SCL rates and the extended effective periods on several commodities such as potato, big onion, black gram, sugar and crude and refined edible oil.
Non Tax Revenue	161.35	183.1	207.6	Improved performance of non-tax revenue was mainly due to increased contribution from all subcategories other than profits and dividends transfers from SOBEs. Positive growth of fees and charges, social security contributions, Central Bank transfers, interest income and rent income were mainly attributed for this performance, realizing 113.4 percent of revenue estimate.
Total	1,831.5	2,217.1	1,919.9	

Source: Department of Fiscal Policy

BOX 3.3 | Major Fiscal Measures: January 2018 - April 2019

Effective Date	Measures
Excise (Special Provisions) Duty	
16.02.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2058/33 of 15.02.2018) -To Increase the maximum limit of exemption of Excise Duty for beneficiaries of categories of I, II and III as specified in Public Administration Circular No. 22/99 to Rs. 22.0 Mn., Rs. 16.00 Mn. and Rs. 12.00 Mn., respectively.
16.02.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2058/34 of 15.02.2018) -To increase the maximum limit of exemption of Excise Duty to Rs. 5.0 Mn. for beneficiaries of vehicle imported under Trade and Investment Policy Circular No.1/2018.
12.04.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2066/40 of 12.04.2018) -To grant tax concession to vehicles for which LCs opened on or before November 09, 2017 for beneficiaries of vehicle imported under Local Government and Provincial Council Circular No. 01/2017.
24.04.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2068/9 of 24.04.2018) -To grant a vehicle permit to General (Rtd.) Hamilton Wanasinghe.
15.05.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2071/16 of 15.05.2018) -To introduce an annually depreciation rate of Excise Duty to sell/dispose motor vehicles imported and registered by diplomats/diplomatic organization on a 100% duty-free basis.
31.05.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2073/41 of 31.05.2018) -To impose Excise Duty of Rs. 7.00 per liter on kerosene.
09.06.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2074/39 of 08.06.2018) -To reduce the maximum limit of exemption of Excise Duty to Rs. 3.6 Mn. from Rs. 5.0 Mn. for beneficiaries of vehicle imported under Trade and Investment Policy Circular No. 1/2018 as amended.
14.06.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2075/51 of 14.06.2018) -To remove the applicable Excise Duty on kerosene.
25.07.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2079/58 of 12.07.2018) -To revise Excise Duty based on sugar contained in beverages.
17.07.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2080/31 of 17.07.2018) -To remove the condition of the grace period to release the vehicles from Sri Lanka Customs and allowed to register without changing laws and conditions of the concession to facilitate the applicants as prescribed in the applicable Gazette Notifications.
01.08.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2082/10 of 31.07.2018) -To increase the Excise Duty on motor vehicles with the engine capacity less than 1,000 cc.
01.08.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2082/11 of 31.07.2018) -To increase Excise Duty on cigarettes with length exceeding 72 mm.
06.08.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2083/2 of 06.08.2018) -To strengthen the tax relief given for motor vehicles imported based on LCs established on or before August 01, 2018.
18.09.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2089/18 of 17.09.2018) -To impose Excise Duty on sugar.
09.10.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2092/5 of 08.10.2018) - To impose excise duty on Fatty acids.
02.11.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 2095/18 of 01.11.2018) -To revise the Excise Duty on Diesel.
12.11.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2097/3 of 12.11.2018) -To re-gazette the imposition of excise duty on beverages based on sugar contained in the product
04.12.2018	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2100/3 of 2018.12.03) -To revise excise duty on carbonate beverages based on sugar content in the product.
11.01.2019	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2105/48 of 11.01.2019) -To extend the period to customs clearance for which vehicles imported under public service permit scheme and Letter of Credit (LC) opened on or before June 08, 2018.

05.03.2019	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2113/09 of 05.03.2019) - To revise the Excise Duty on motor vehicles together with implement the budget proposals 2019.
13.03.2019	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2114/25 of 13.03.2019) -To grant Excise Duty concession for vehicle which Letter of Credit (LC) established on or before March 05, 2019.
14.03.2019	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2114/49 of 14.03.2019) -To reduce Excise Duty on electric vehicles.
04.04.2019	Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No.2117/48 of 04.04.2019) -To grant concessionary Excise Duty to release the vehicles lying in the Hambantota port due to the revision of Excise Duty on motor vehicles during 2015-2017.
Excise (Ordinance) Duty	
11.01.2018	Excise Notification No. 01/2018 (Gazette No. 2053/21 of 10.01.2018) -To revise business hours of the liquor licensed establishments.
10.01.2018	Excise Notification No. 02/2018 (Gazette No. 2053/26 of 10.01.2018) -To revise the conditions set out in the Excise Notification No. 666.
18.01.2018	Excise Notification No. 03/2018 (Gazette No. 2054/41 of 18.01.2018) -To rescind the Excise Notification No. 01/2018 on "Business Hours for Liquor License Establishments "based on Cabinet decision dated 16/01/2018.
18.01.2018	Excise Notification No. 04/2018 (Gazette No. 2054/42 of 18.01.2018) -To rescind the Excise Notification No. 02/2018 on "Revision of the conditions set out in the Excise Notification No. 666 " based on cabinet decision dated 16.01.2018.
22.01.2018	Excise Notification No. 05/2018 and 06/2018 (Gazette No. 2055/09 of 23.01.2018) -To repeal the word " pulp" in the schedule of Excise Notification No. 1001 and 1002.
21.02.2018	Excise Notification No. 07/2018 (Gazette No. 2059/32 of 21.02.2018) -To reduce Excise Duty on non-potable spirits imported into Sri Lanka by Rs. 9.00 per bulk kg.
16.04.2018	Excise Notification No. 08/2018 (Gazette No. 2066/2 of 09.04.2018) -To introduce license fee for toddy tapping and drawing as per the Excise Ordinance (as amended).
01.04.2018	Excise Notification No. 09/2018 (Gazette No. 2065/57 of 06.04.2018) -To reduce the license fee for bottling toddy by Rs. 500,000.
13.06.2018	Excise Notification No.10/2018 (Gazette No. 2075/23 of 13.06.2018) -To amend the Excise Notification No. 07/2018.
13.06.2018	Excise Notification No. 11/2018 (No. 2075/24 of 13.06.2018) -To revise the opening and closing hours of toddy taverns.
04.10.2018	Excise Notification No. 12/2018 (Extraordinary Gazette No. 2091/50 of 2018-10-03) -To exempt BOI approved companies from the payment of excise duty on importation of non-portable spirits.
06.03.2019	Excise Notification No. 01/2019 (Extraordinary Gazette No. 2113/6 of 05.03.2019) -To increase the excise duty on local manufacturing liquor.
06.03.2019	Excise Notification No. 02/2019 (Extraordinary Gazette No. 2113/7 of 05.03.2019) -To revise the excise duty on imported foreign liquor (malt liquor 55, wine 110 and other 215).
06.03.2019	Excise Notification No. 03/2019 (Extraordinary Gazette No. 2113/8 of 05.03.2019) -To increase excise duty on local wine (with sake) produced by local materials.
Ports and Airports Development Levy (PAL)	
05.04.2018	Ports and Airports Development Levy (PAL) Act, No. 18 of 2011 (Gazette Notification No. 2065/42 of 06.04.2018) -To grant concessionary PAL rate of 2.5% for importation of identified High Tech machinery and equipment.
11.07.2018	Ports and Airports Development Levy (PAL) Act, No. 18 of 2011 (Gazette Notification No. 2079/34 of 11.07.2018) -To grant concessionary PAL rate of 2.5% for importation of identified High-Tech machinery and equipment.
06.03.2019	Ports and Airports Development Levy (PAL) Act, No. 18 of 2011 (Gazette Notification No. 2013/10 of 06.03.2019) -To grant exemption and concessionary rates on selected items.

Stamp Duty															
01.10.2018	Stamp Duty (Special Provisions) Act, No. 12 of 2006 (Gazette Notification No. 2091/3 of 01.10.2018) -To impose Stamp Duty for Liquor license (AFL 1, AFL 2, AFL 3, AFL 4) and license for sale of bottled toddy.														
31.12.2018	Stamp Duty (Special Provisions) Act, No. 12 of 2006 (Gazette Notification No. 2104/5 of 31.12.2018) -To re-gazette to impose Stamp Duty for Liquor license (AFL 1, AFL 2, AFL 3, AFL 4) and license for sale of bottled toddy.														
CESS Levy															
25.07.2018	Sri Lanka Export Development Act, No. 40 of 1979 (Gazette Notification No. 2081/10 of 24.07.2018) -To introduce fixed CESS rate of Rs. 10.00 per kg of bulk tea export.														
26.09.2018	Sri Lanka Export Development Act, No. 40 of 1979 (Gazette Notification No.2090/05 of 25.09.2018) -To remove the applicable CESS of 30% or Rs. 300.00 per kg on importation of sanitary towels.														
17.10.2018	Export Development Act, No.40 of 1979 (Gazette Notification No. 2093/19 of 2018.10.17) -To amend the Rate of CESS on Textile Fabrics.														
05.03.2019	Export Development Act, No.40 of 1979 (Gazette Notification No. 2113/3 of 05.03.2019) -To remove CESS on egg products and fruit.														
05.03.2019	Export Development Act, No.40 of 1979 (Gazette Notification No. 2113/4 of 05.03.2019) -To introduce CESS on biodegradable plastic products and to revise CESS on beedi leaves.														
04.04.2019	Export Development Act, No.40 of 1979 (Gazette Notification No. 2117/46 of 04.04.2019) -To apply previous Cess rates for goods imported on the basis of Letter of Credit ESTABLISHED on or before 5th of March 2019.														
Income Tax															
Corporate Income Tax															
01.04.2018	Three Tare Income tax rate structure was introduced: - Standard Rate 28% - Financial services, insurance, trade, manufacturing and any other not falling under concessional/higher tax category. - Concessional Rate 14% - SMEs, exporters, agriculture, educational services, promotion of tourism, IT services, charitable institution, EPF, ETF and pension funds. - Higher Rate 40% - Betting and gaming, tobacco and liquor.														
Individual Income Tax															
01.04.2018	<table border="1"> <thead> <tr> <th>Taxable Income (Rs.)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>First 600,000</td> <td>4%</td> </tr> <tr> <td>600,000 - 1,200,000</td> <td>8%</td> </tr> <tr> <td>1,200,000 - 1,800,000</td> <td>12%</td> </tr> <tr> <td>1,800,000 - 2,400,000</td> <td>16%</td> </tr> <tr> <td>2,400,000 - 3,000,000</td> <td>20%</td> </tr> <tr> <td>Exceeding 3,000,000</td> <td>24%</td> </tr> </tbody> </table>	Taxable Income (Rs.)	Tax Rate	First 600,000	4%	600,000 - 1,200,000	8%	1,200,000 - 1,800,000	12%	1,800,000 - 2,400,000	16%	2,400,000 - 3,000,000	20%	Exceeding 3,000,000	24%
Taxable Income (Rs.)	Tax Rate														
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1,800,000 - 2,400,000	16%														
2,400,000 - 3,000,000	20%														
Exceeding 3,000,000	24%														
Employment Income															
01.04.2018	Employment income is taxed under progressive rates up to 24% and slabs applicable for taxable income of an individual was broadened. -Qualifying payment relief increased from Rs. 250,000 to Rs. 700,000 -Tax treatment on retirement benefits remains unchanged. -Secondary employment First Rs. 50,000 per month : 10% Balance : 20%														
Capital Allowance Structure															
01.04.2018	<table border="1"> <thead> <tr> <th>Description</th> <th>New Rate</th> </tr> </thead> <tbody> <tr> <td>Computers and data handling equipment</td> <td>20%</td> </tr> <tr> <td>Vehicles</td> <td>20%</td> </tr> <tr> <td>Plants and machinery</td> <td>20%</td> </tr> <tr> <td>Buildings</td> <td>05%</td> </tr> <tr> <td>Intangible assets, excluding goodwill</td> <td>Actual useful life or 5%</td> </tr> </tbody> </table>	Description	New Rate	Computers and data handling equipment	20%	Vehicles	20%	Plants and machinery	20%	Buildings	05%	Intangible assets, excluding goodwill	Actual useful life or 5%		
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Computers and data handling equipment	20%														
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Plants and machinery	20%														
Buildings	05%														
Intangible assets, excluding goodwill	Actual useful life or 5%														

Withholding Tax		
	Category	Rate
01.04.2018	Interest Income from bank deposit - Senior Citizen	5% (on excess of Rs. 1.5 Mn./per annum)
	-Others	5%
	Interest on corporate debt securities	5%
	Interest on government securities	Nil
	Rent	10%
	Specified fee - in excess of Rs. 50,000.00	5%
	Partnership - on each Partner's share	8%
	Sale of gems at auction by National Gem and Jewelry Authority	2.5%
	All other cases (Dividends, Royalty etc.)	14%
Tax on Capital Gain Tax		
01.04.2018	10% on the gains from realization of land and buildings and other investment assets excluding quoted shares.	
Investment Incentives Scheme		
01.04.2018	New investment incentives scheme based on the enhanced depreciation allowance is provided for a person who spend on depreciable assets other than intangible assets during a year of assessment.	
30.07.2018	-To remove restrictions imposed on foreigners under the Land Act in respect of companies listed in the Colombo Stock Exchange. -To remove the prohibition on foreigners on buying condominium units below the 4th floor.	
Nation Building Tax		
30.07.2018	To remove NBT exemption applicable on liquor. -To exempt of imports of non-motorized equipment and accessories for water sports and gem stones for cutting and re-export purposes. -To exempt construction services provided under a contract agreement executed prior to August 01, 2017.	
Value Added Tax		
16.08.2018	To exempt VAT on supply of private Medical Services excluding room charges. -To exempt the Sri Lanka Deposit Insurance Scheme on supply of financial services. -To reduce piece based rate of VAT chargeable on local sale of certain garments, by export oriented companies. -To exempt certain supplies such as infant milk powder, books, magazines, journals and periodicals. - To remove VAT Exemptions on the import or supply of imported goods including plants & flowers, fabric, wood and articles, plant and machinery/industrial racks. -To remove exemption of sale of condominium housing units with effect from April 1, 2019. -To introduce VAT Refund Scheme for Tourists.	
18.09.2018	-To reduce VAT rate applicable on import or import and supply of sugar from 15% to 0%	
01.11.2018	-To exempt VAT rate on import of fabric.	
01.11.2018	-To reduce VAT rate applicable on the import of Sawn Timber to 5%.	
Imposition of new taxes and the amendment of certain taxes under the Finance Act		
01.01.2018	-To impose Vehicle Entitlement Levy charged from the vehicle importers at the time of opening LC prior to 31.12.2018 and charged the levy commencing on/after 01.01.2019 by Sri Lanka Customs	
01.10.2018	To impose Annual Company Registration Levy for the year 2018. Category of Company Listed Public Company Private Company Any other Company Rate (Rs. per annum) 1,500,000 30,000 250,000	
01.10.2018	-To introduce Debt Repayment Levy at the rate of 7% on Value Added tax on financial services.	
01.11.2018	-To amend Hub Provisions facilitating the enterprises engaged in the hub activities to be registered under the simplified Value Added Tax (SVAT) scheme.	
01.01.2019	- To introduce Carbon Tax imposed on motor vehicles based on the engine capacity.	
01.01.2019	-To introduce Cellular Tower Levy charged at Rs.200, 000/- annually per tower.	
01.01.2019	-To introduce Levy on Mobile Short Message Services (advertisement)	
01.01.2019	-To introduce Tourism Development Levy	
29.03.2019	-To amend the embarkation levy	
09.04.2019	-To impose a luxury tax on motor vehicle	

Economic Service Charge	
20.09.2018	To establish Excise Duty payable as the tax base for charging ESC on imported motor vehicles. -To make the liable turnover of the wholesale supply of fuel for ESC purpose to the one tenth (1/10) of the turnover. -To exempt the unrealized exchange gains of CBSL.
Customs Import Duty	
17.03.2018	Revenue Protection Act, No.19 of 1962 (Gazette Notification No.2062/45 of 16.03.2018) -To revise import duty of selected goods (for 154 number of HS Codes). -To create new HS Codes for Acrylic, Small fish used as fishing baits, hair nets and bio degradable and compostable plastic material. -To remove 15% duty on Alfalfa used as forage for milking cows. -To revise the duty rate imposed on imported lottery tickets and telephone cards as 30% or Rs. 350/ per Kg instead of 30% duty rate.
18.04.2018	Revenue Protection Act, No. 19 of 1962 (Gazette Notification No. 2067/2 of 17.04.2018) -To increase the duty on importation of gold from zero to 15%.
01.05.2018	Revenue Protection Act, No. 19 of 1962 (Gazette Notification No. 2069/2 of 01.05.2018) -To grant CID free basis for selected 3,719 items under the Sri Lanka - Singapore Free Trade Agreement.
03.05.2018	Revenue Protection Act, No. 19 of 1962 (Gazette Notification No. 2069/19 of 02.05.2018) -To impose CID on Beedi leaves and Beedi tobacco on weight.
16.05.2018	Revenue Protection Act, No. 19 of 1962 (Gazette Notification No. 2071/15 of 15.05.2018) -To introduce fuel pricing formula for the local market.
11.07.2018	Revenue Protection Act, No. 19 of 1962 (Gazette Notification No. 2079/32 of 10.07.2018) -To introduce new HS Codes for product of fruit juice more than 6 mg per 100 ml for the application of Excise Duty. -To revise the duty on importation of Beedi leaves as per the previous duty rate 30% or Rs. 250.00 per kg.
20.07.2018	Revenue Protection Act, No. 19 of 1962 (Gazette Notification No. 2080/42 of 19.07.2018) -To grant CID free basis for selected 182 items under the Sri Lanka - Singapore Free Trade Agreement
09.10.2018	Revenue Protection Act, No.19 of 1962 (Gazette Notification No. 2092/8 of 08.10.2018) To introduce new HS Codes for Palm oil fatty acids and tallow fatty acids. -To revise the Customs Import Duty for the protection of local producers from the possible under valuation of importation on squatting pans.
16.11.2018	Revenue Protection Act, No.19 of 1962 (Gazette Notification No. 2097/36 of 15.11.2018) -To revise CID on importation of petrol by Rs.35 per litre.
06.03.2019	Revenue Protection Act, No.19 of 1962 (Gazette Notification No. 2113/2 of 05.03.2019) - To revise import duty rates for selected 14 HS Codes including following items Indentured ethyl alcohol Tyre tubes Water filters Go-karts - To create new 55 HS Codes. - To increase custom import duty rate by 10% for selected 261 HS Codes.
Special Commodity Levy (SCL)	
19.01.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2054/40 of 18.01.2018) -To introduce a concessionary rate on grated or powdered cheese. -To extend the validity period of the existing SCL on 7 items including grated or powdered cheese, Maldive fish and black gram for the period of 6 months.
01.02.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2056/33 of 31.01.2018) -To introduce SCL of Rs. 10.00 per kg on the importation of maize for the period of 6 months.
16.02.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2058/30 of 15.02.2018) -To extend the validity period for sugar for the period of 6 months.
24.02.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2059/52 of 23.02.2018) -To increase SCL on importation of Potatoes to Rs. 30.00 per kg.
08.03.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2061/22 of 07.03.2018) -To extend the validity period for mackerel fish, Peas, chickpeas, cowpea, Kurakkan for the period of 6 months.

20.03.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2063/13 of 19.03.2018) -To remove SCL on importation of black gram to Rs.100.00 per kg.
01.04.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2064/49 of 01.04.2018) -To extend the validity period for potatoes, rice, yogurt, butter, garlic, oranges, grapes, apples, mathe seed, Kurakkan, ground nut, mustard seed, salt with the prevailing levy rates.
02.05.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2069/18 of 01.05.2018) -To increase the duty on importation of potato Rs. 30.00 per kg to Rs. 40.00 per kg and Rs.1.00 per kg to Rs. 40.00 per kg on importation of B onions.
08.05.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2070/2 of 08.05.2018) -To extend the validity period of the existing SCL on 11 items for the period of 6 months.
09.05.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2070/6 of 09.05.2018) -To increase the levy on importation of whole lentils Rs. 1.00 per kg to Rs. 7.00 per kg to Rs. 12.00 per kg on importation of split lentils.
21.05.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2071/85 of 20.05.2018) -To extend the validity period of the existing SCL on 6 items for the period of 6 months.
01.06.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No.2073/37 of 31.05.2018) -To increase the duty on coconut and related products by Rs. 20.00 per kg compare with the end of last year considering the stabilization of prevailing market prices.
14.06.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2075/31 of 14.06.2018) -To extend the validity period of the existing SCL duty on fish varieties and coconut. -To increase the levy of Rs. 100.00 per kg on importation of Black gram to Rs. 150.00 per kg.
19.07.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2080/36 of 18.07.2018) -To extend the validity period of the existing SCL duty on 7 items.
01.08.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2082/31 of 01.08.2018) -To reduce the levy rate on importation of all fish varieties 10% or Rs. 100.00 per kg to Rs. 25.00 for the validity period of two months.
09.08.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2083/09 of 08.08.2018) -To introduce the SCL of Rs. 10/kg on importation of Maize for the period of 6 months.
16.08.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2084/30 of 16.08.2018) -To extend the validity period of the existing SCL duty on sugar.
25.08.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2085/36 of 25.08.2018) -To increase the duty on importation of edible oil by Rs. 20.00.
07.09.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2087/76 of 07.09.2018) -To extend the validity period of the existing duty rate for another one year.
18.09.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2089/19 of 17.09.2018) -To remove the SCL on importation of sugar.
01.10.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No .2090/47 of 29.09.2018) -To increase the levy on importation of fish and extend the validity period of other 11 items including yoghurt, garlic, oranges, grapes, apple etc.
02.11.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2095/16 of 01.11.2018) -To extend the validity period of the existing duty rate of Potatoes and B onions for another 31 days.
02.11.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2095/21 of 01.11.2018) -To reduce the duty rates for importation of Chickpeas, and lentils by Rs.5 and Black gram by Rs.25 per kg. -To re-impose SCL duty Rs. 32 per kg for white Sugar and Rs.35 per kg for brown Sugar.
08.11.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2096/21 of 07.11.2018) -To extend the validity period for another period of one year of the existing SCL duty on 10 items including Green gram, Mangoes teen, dried orange, Pears, cherries etc.
24.11.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2098/27 of 23.11.2018) -To reduce the duty rates for importation of Watana by Rs.10 per kg.
03.12.2018	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2100/2 of 03.12.2018) -To reduce the duty rates for importation of Potatoes and B'onions by Rs.20 per kg.

04.01.2019	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2104/30 of 03.01.2019) -To increase duty rate for importation of black gram by Rs.75 per kg for 06 months.
02.02.2019	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2108/65 of 01.02.2019) - To extend the validity period of the existing duty rates of chickpeas, lentils, sugar and brown sugar for another 06 months.
08.02.2019	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2109/15 of 07.02.2019) - To increase duty rate for importation of potatoes by Rs.30 per kg for 03 months.
09.02.2019	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2109/20 of 09.02.2019) - To increase duty rate for importation of maize by Rs.10 per kg for 06 months.
25.02.2019	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2111/58 of 24.02.2019) - To extend the validity period of the existing duty rate of vegetable oil for another one year.
02.03.2019	Special Commodity Levy Act, No. 48 of 2007 (Gazette Notification No. 2112/48 of 02.03.2019) - To extend the validity period of the existing duty rate of B'onion for another three months.
Administrative Changes	
28.04.2018	The domestic gas price was increased by Rs. 245.00 for a 12.5 kg cylinder.
05.05.2018	The retail price of milk was increased by Rs. 50.00 per kg.
30.06.2018	The domestic gas price was decreased by Rs. 138.00 for a 12.5 kg cylinder.
27.09.2018	The domestic gas price was increased by Rs. 195.00 for a 12.5 kg cylinder.

**Government
Expenditure**

04

4.1 OVERVIEW

2018 was another challenging year in managing public expenditure due to several headwinds including limited fiscal space, weather-related shocks and the sharp depreciation of Sri Lankan Rupee against major currencies, among others, which have promoted to augment the debt service payments. Amidst these challenges, the Government continued the welfare and social support programmes in 2018. In nominal terms, Government expenditure increased by 4.7 percent to Rs. 2,693 billion in 2018, compared to Rs. 2,573 billion in 2017, of which Rs 2,090 billion was recurrent expenditure and the remainder Rs. 603 billion was for capital expenditure, as per the economics classification of government expenditure. However, as a percentage of GDP, total expenditure declined to 18.6 percent in 2018 from 19.2 percent in 2017 due to the modest decline in capital expenditure stemming from the slowdown in the implementation of investment projects. Recurrent expenditure as a percentage of GDP increased to 14.5 percent of GDP in 2018 from 14.4 percent of GDP in 2017 while capital expenditure decreased to 4.2 percent of GDP in 2018 from 4.8 percent of GDP in 2017. Notably, interest payments as a percentage of GDP increased to 5.9 percent of GDP in 2018 from 5.5 percent of GDP in 2017 owing to the increase in interest rates and borrowings in 2018.

4.2. APPROPRIATION ACT FOR 2018

The Appropriation Act for 2018, which was submitted to Parliament on September 10, 2017, was approved by Parliament on December 09, 2017 and it was enacted as the Appropriation Act, No. 30 of 2017.

According to the Appropriation Act, the total government expenditure was estimated as Rs. 4,154 billion which includes Rs. 2,164 billion for Recurrent Expenditure, Rs. 834 billion for capital expenditure, Rs.1, 150 billion for Public debt amortization and Rs. 6 billion for Advance Account activities. Such expenditure was captured into the Appropriation Act in three Schedules namely First, Second and Third Schedule. A summary of the schedules is given in Table 4.1.

The borrowing limit for 2018, as per Section 2 (1) (b) of the Appropriation Act, was Rs. 1,894 billion, a 20 percent increase, compared to the borrowing limit of Rs. 1,579 billion in 2017.

4.3 SUPPLEMENTARY ESTIMATES

4.3.1 Supplementary Estimate of Ministry of Higher Education and Highways

Minister of Highways and Road Development has submitted a Supplementary Estimate of Rs. 30 billion to Parliament for the settlement of the bills of foreign-funded projects, payment of mobilization advances and repayment of loan instalments of local loans. Special Warrant No. 01 was issued by the Minister of Finance and Economic Affairs to account this amount enabling the Minister of Highways and Road Development to utilize the approved amount in the supplementary estimate.

4.3.2 Special Law Warrants as Supplementary Allocations

Eight (8) Special Law Warrants have been issued by the Minister of Finance and Mass Media in 2018 in order to fulfil additional fund requirements for several purposes of the Government that have been recognized as Special Law Services in the Schedule 2 of the Appropriation Act.

Table 4.1 | Schedule of the Appropriation Act in 2018

First Schedule	- Expenditure of General Services of the Government by programme	- The total estimated expenditure was Rs. 2,143 billion
Second Schedule	- Expenditure of the Government, authorized by law and to be charged on the Consolidated Fund.	- Estimated expenditure under Special Law was Rs. 2,005 billion
Third Schedule	- Expenditure related to Advance Account Activities.	- Estimated contribution from the government budget was Rs. 6 billion.

Source : Department of National Budget

Table 4.2 | Issued Special Law Warrants in 2018

Authority No	Expenditure Head No.	Institution	Purpose /Objective	Amount (Rs.)
1	4	Judges of the Superior Courts	Salary revision of the Judges by MSD Circular No. 2/2018	9,500,000
2	7	Judicial Service Commission	Salary revision of the independent commission members as per the letter of Secretary to the President No. PS/ACC/CCU/01/02 dated 16.08.2018	826,000
3	6	Public Service Commission	Salary revision of the independent commission members as per the letter of Secretary to the President No. PS/ACC/CCU/01/02 dated 16.08.2018	1,085,000
4	20	Election Commission	Salary revision of the independent commission members as per the letter of Secretary to the President's No. PS/ACC/CCU/01/02 dated 16.08.2018	455,000
5	10	Commission to Investigate Allegations of Bribery or Corruption	Salary revision of the independent commission members as per the letter of Secretary to the President No. PS/ACC/CCU/01/02 dated 16.08.2018	720,000
6	239	Department of External Resources	Contribution fee for Asian Infrastructure Investment Bank 2015 to 2019 as per the AIB Circular 7/2016	191,200,000
7	8	National Police Commission	Salary revision of the independent commission members as per the letter of Secretary to the President's No. PS/ACC/CCU/01/02 dated 16.08.2018	835,000
8	249	Department of Treasury Operations	To meet the shortfall of provisions allocated on debt servicing	119,779,150,000

Source : Department of National Budget

4.4 BUDGETARY PERFORMANCE IN 2018

The total actual expenditure of the Government increased by 14 percent to Rs. 3,975 billion in 2018,

compared to Rs 3,474 billion in 2017. However, this was Rs. 329 billion lower than the revised estimated expenditure of Rs. 4,304 billion in 2018. Accordingly, the total utilization ratio of budgetary provisions remained unchanged at 92 percent in 2018.

The utilization ratio of the provisions authorized under the clause 2 (1) of the Appropriation Act derived through the First Schedule of the Act (expenditure on supply services) marginally declined to 86 percent in 2018, compared to 87 percent in 2017. Expenditure was Rs. 1,848 billion as against the initial estimate of Rs. 2,143 billion.

Similarly to the last few years, the expenditure estimates under Special Law (Financing code 21-Second Schedule of the Appropriation Act) has shown an overrun of Rs. 118 billion as against the initial estimate of Rs. 2,005 billion. This was mainly due to the increase in debt servicing payments stemming from the elevated interest rates in international markets.

Meanwhile, the utilization of capital expenditure of the Government remained unchanged at 75 percent in 2018. The utilization of recurrent allocations stood at 97 percent which is Rs. 2, 109 billion in nominal terms.

In the perspective of programs, programme 1 – Operational activities illustrated an upward trend while Programme 2 – Development activities showed a declining trend in actual expenditure compared to the last year.

Table 4.3 | Utilization of Budgetary Provisions 2017-2018

(Rs. Billion)

Expenditure Category	2017		2018	
	Budget	Expenditure	Budget	Expenditure
Appropriation Act (1st schedule)	2,113	1,832	2,143	1,848
Programme - 1	965	1,011	1,087	1,052
Programme - 2	1,148	821	1,056	796
Special Law Services (2nd schedule)	1,515	1,638	2,005	2,123
Advance Accounts (3rd Schedule)	5	4	6	4
Total	3,633	3,474	4,154	3,975

Source : Department of National Budget

4.5 ADVANCE ACCOUNT ACTIVITIES

Actual expenditure of the Advance Account activities was Rs. 25.79 billion, as against the estimated maximum expenditure of Rs. 27.63 billion. The actual total receipt was Rs. 21.93 billion, compared to the estimated minimum receipt of Rs. 21.63 billion. Accordingly, the Advance Account activities were within the approved limits of the Appropriation Act, No. 30 of 2017. Activities under the Advance Account included activities of commercial nature and advances to public servants excluding the property loan.

4.6 PUBLIC EXPENDITURE MANAGEMENT

4.6.1 Transfer of Funds

Institutions are allowed to reallocate or transfer the unutilized provisions within the total expenditure limit approved by Parliament under the Virement procedure and Section 5 of the Appropriation Act. General Treasury has granted approval for 1,814 such requests to transfer funds under FR 66 and FR 69 in 2018.

4.6.2. Reallocation of Provisions under the Project “Supplementary Support Services and Contingent Liabilities”

The Supplementary Support Services and Contingent Liabilities project under the Expenditure Head 240, was implemented by the Department of National Budget in 2018 to facilitate the unforeseen, unexpected or urgent additional fund requirements of spending agencies. The total budgetary allocation provided under this project was Rs. 313 billion in 2018 including Rs. 95 billion for the Budget Proposals and Rs. 130 billion for implementation of welfare programmes. During the year those allocations were distributed among the Spending Agencies in line with the specific guidelines stipulated in printed Estimates 2018.

Periodical reports pertaining to these reallocations were tabled in parliament fulfilling the requirement of the Appropriation Act.

Table 4.4 | Ministry wise summary of additional allocations as at 31.12.2018

Head No.	Ministry / Department	Purpose	Recurrent	Capital
1 - 22	Special Spending Units			
1	His Excellency the President	Introduction of Development Programmes in the Rural Sector, procure vehicles for the use of Sri Lanka Amarpura Sanga Sabha Mahanayaka Most Venerable Kotugoda Dhammawasa Thero , Settle the outstanding bills & Smallholder Agribusiness Partnership Programme, personal emoluments & development assistance to National Economic Council as per the Budget Proposal, purchase of local potatoes through Sri Lanka Consumer Co-operative Societies Federation Ltd, expenditure of National Salaries & Cardre Commission, rehabilitation & improvement of Capital Assets and purchase of five hand held explosive detectors to security division	187,000,000	713,890,000
2	Office of the Prime Minister	Implementation of Secretariat to Coordinating Reconciliation Mechanism as per the Budget Proposal and procure a vehicle	177,000,000	13,000,000
4	Judges of the Superior Courts	Provision for personal emoluments	59,400,000	-
6	Public Service Commission	Settlement of outstanding bills of construction of new building on 2017, personal emoluments, stationary & office requisites, vehicle maintenance and rehabilitation/improvement of Capital Assets, interest & stamp duty and capital repayment for the vehicles procured under financial leasing method	11,850,000	85,260,000
7	Judicial Service Commission	Provision for transport services	2,600,000	-
8	National Police Commission	Accounting financial grant given by UNDP for the project of Catalytic Support Peace Building in Sri Lanka, personal emoluments, transport services, stationary and office requisites, implement the programme of Catalytic Support Peace Building in Sri Lanka	21,550,000	7,499,000
9	Administrative Appeals Tribunal	Provision for personal emoluments and rents and local taxes	1,976,000	-
10	Commission to Investigate Allegations of Bribery or Corruption	Preparation of national action plan to combat corruption , foreign travelling and acquisition of furniture & office equipments	11,000,000	29,032,000
11	Finance Commission	provision for the construction of new office building	-	100,900,000
12	National Education Commission	Property loan interest to public servants	28,000	-
13	Human Rights Commission of Sri Lanka	Accounting financial grant given by UNDP for the project of Catalytic Support Peace Building in Sri Lanka. utilize funds transferred by UNHCR for the project of Enabling Returnees in Kilinochchi, Puttalam and Mannar Districts to Access their Rights, rehabilitation/ improvement of Capital Assets and utilize funds recieved from Swiss Federation for the project of Strengthening the Capacity of Human Rights Commission to Effectively Fulfill its Mandate	-	21,065,000
17	Office of the Leader of the House of Parliament	vehicle maintenance	450,000	
18	Office of the Chief Govt. Whip of Parliament	Foreign travelling	600,000	-
22	Office of the Parliamentary Commissioner for Administration	Maintenance of building and structure	157,000	-
23	Audit Service Commission	Travelling expenses	1,000,000	-
24	National Procurement Commission	Property loan interest to public servants, electricity, water, rents and local taxes	13,206,000	-
25	Delimitation Commission	Personal emoluments, fuel supplies and other services	3,205,000	-

26	Rights to Information Commission	Implement the Right to Information and Enhancing Rights in Conflict Affected and Marginalized Communities programme	-	1,500,000
324	Department of Management Audit	Provision for foreign travelling, postal and communication services	480,000	-
101	Ministry of Buddha Sasana	Restoration and renovation of Purana Rajamahaviharas of archaeological value as per the Budget proposal, settle the outstanding Liabilities, renovation of places of worship damaged due to earthquake in Nepal, personal emoluments, foreign travelling, transport, property loan interest to public servants, custom duties & other taxes and expenditure for ceremony of announce the Theravada Thripitaka as a National Heritage	38,544,000	381,193,000
201	Department of Buddhist Affairs	Implement the programmes of Dehami Diriya and Allowances for Dhamma School Teachers, Uniforms to Dhamma School Teachers, Printing of Dhamma School Text Books and settle the cost incurred on conducting the funerals of the late Most Venerable Bellanwila Wimalarathana Thero, Girambe Ananda Thero and Most Venerable Daranagama Kusalahamma Thero under state patronage	842,720,000	-
102	Ministry of Finance & Mass Media	Provide budgetary allocations to improve the services of Vasantham TV Channel as per the Budget proposal, expenditure of the Sri Lanka Rupavahini Corporation, settle the outstanding liabilities, pay the lease rental of vehicles, expenditure related to Gamperaliya Programme, Co-operative Conference on Asian Press Councils, provisions for security services, refreshments, paper advertisements & cleaning services, project of Fiscal Management Efficiency & activities of the PPPs Units and settle the consultancy payments made through CBSL pertaining to rendering service to the GOSL in 2017	563,697,638	689,500,000
240	Department of National Budget	Implementation of the Lump Sum Payment Programme of July Srickers	60,000,000	-
241	Department of Public Enterprises	Capital infusion for BOC, Innovators to Industry Initiatives programme as per the Budget Proposal, personal emoluments and convert the Unclaimed Deposit Reserve of the NSB to the Treasury Share Capital	150,000	5,553,000,000
242	Department of Management Services	Provision for travelling, supplies and transport services	3,610,000	-
243	Department of Development Finance	"Enterprise Sri Lanka" Initiatives as per the Budget Proposals, programmes of Interest subsidy for the Loan Scheme of Media Personnel & Artists, Granting Interest subsidy for fixed deposits of senior citizens through Licensed Finance Companies, Price subsidy to Domestic Milk Powder Manufactures & Interest Subsidy for the Homestay, Small & Medium sized Enterprises (SME) credit line project, implement the Constructions of Three Warehouses as per the Budget Proposal and implement the subsidy programme of Arambuma Credit Scheme	770,200,000	1,350,000,000
244	Department of Trade and Investment Policy Development	Provision for transfer contribution fee of US\$ 1.5 Mn for the Commonwealth Small State Trade Financing Facility (CSSTFF) as an Anchor Investor	239,000,000	-
245	Department of Public Finance	Provision for rehabilitation / improvement & acquisition of Capital Assets, accounting foreign aid & settle the VAT & NBT of the USAID STAIR project and establishment of the e-Government Procurement Secretariat"	-	122,718,800
246	Department of Inland Revenue	Implementation of RAMIS as per the Budget Proposal and provision for foreign travelling	10,000,000	500,000,000
248	Department of Excise	Implementation of Excise Revenue Management System (EDSL) as per the Budget Proposal	-	50,000,000
249	Department of Treasury Operations	Provision for the Public Debt Repayments	-	170,000,000
250	Department of State Accounts	provisions for personal emoluments, foreign travelling, fuel, postal and property loan interest to public servants	6,680,000	-
323	Department of Legal Affairs	Provision for foreign travelling	1,100,000	-

103	Ministry of Defence	Expenditure of the project of Maritime Safety Capability Improvement, acquisition of vehicles, expenditure of the research activities base on the reimbursement amount to the Consolidated Fund and programme of Ranaviru Mapiya Rekawarana Allowance	88,200,000	2,674,429,000
222	Sri Lanka Army	Provision for UN Peace Keeping Operation, Expenditure of relocating the Army Camps in North and East Provinces and provision for Pakistan Line of Credit	-	1,649,172,000
223	Sri Lanka Navy	Settle the outstanding payment related to year 2017, purchase 06 Ambulance, rehabilitation and improvement of Capital Assets, vehicle maintenance and acquiring the High Endurance Coast Guard Cutter from USA and provision for fuel supplies	150,000,000	2,732,035,000
224	Sri Lanka Air Force	Provision for project of UN Peace Keeping Missions and purchase 2 Ambulances	-	627,400,000
104	Ministry of National Policies and Economic Affairs	Agrahara Insurance Scheme for Pensioners, Establish an "Employment Preparation Fund" at MNPEA payment of outstanding bill, establish the project of Establishment of a Centre of Excellence for Higher Education, project of Loan Scheme for Resumption of Economic activities affected by Disasters, implement the Emergency Pre- Hospital Care Ambulance Service in Sri Lanka, expenditure of recruitment process of Graduate Trainees, Kanuketiya Muduththawa Tank at Rasnayakepura & Kurunegala, implementation of Gamperaliya Rapid Rural Development Programme 2018-2019, pay allowances to the newly recruited Graduate Trainees, rent and local taxes, settle the outstanding bills in 2017, implement the project of Emergency Pre- Hospital Care Ambulance Service in Sri Lanka, lease rental for vehicle, personal emoluments, vehicle maintenance, fuel, transport, postal & communication, electricity, rents & property loan interest to public servants and Support to the skill development programmes conducted by the Youth Corp as per the Budget proposal	410,430,000	26,365,888,000
237	Department of National Planning	Establishment of the project of Programmatic Project Preparation Facility (PPPF)	-	102,000,000
239	Department of External Resources	Provision for subscription & contribution fee and account the Grant received through JDS Programme	11,100,000	154,000,000
252	Department of Census and Statistics	Implementing the information and communication technology tools to improve data collection and management of national surveys project, expenses of Intentional Comparison Programme for Asia & the Pacific and implementation of 19th ICLS-International Conference of Labour Satisfaction	-	10,412,000
106	Ministry of Disaster Management	Rehabilitation of roads that were affected by the disasters due to floods and landslides as per the Budget proposal, allocate Rs.1 Million for each District Secretaries, settle the outstanding bills, expenditure relief to the drought affected people, pay compensation to the victims of Meethotamulla incident and Salawa victims, provided to District Secretaries to be utilized for granting immediate relief during emergency situations	5,544,140,000	1,047,819,000
304	Department of Meteorology	Upgrade the Department of Meteorology as per the Budget Proposal, expenditure of subscription & contribution fees, postal and communication services, transport services, domestic travelling, personal emoluments and fuel supplies	20,400,000	200,000,000
108	Ministry of Posts, Postal Service and Muslim Religious Affairs	Restoration and renovation of Purana Rajamahaviharas of archeological value and other such places of worship as per the Budget proposal and rehabilitation and improvement of capital Assets	-	24,970,000
202	Department of Muslim Religious and Cultural Affairs	Implement the programmes of Dehami Diriya and Allowances for Dhamma School Teachers, Uniforms to Dhamma School Teachers & Printing of Dhamma School Text Books, payment on electricity & water services and settle the outstanding payments related to the supply of Dates to the Muslim Community	157,200,000	-

110	Ministry of Justice	Utilize the funds transferred from UNDP for the project of Strengthening Access to Justice and Victim and Witness Protection in Sri Lanka	-	21,660,500
205	Department of Public Trustee	Provision for rehabilitation and improvement of Capital Assest	-	2,000,000
228	Courts Administration	Establish a special high court with audio and visual recording system, Introduce an automated case management mechanism and to explore the possibility of electronic filing of initial complaint in the relevant court, Relocating courts in Ratnapura and Welimada as they are prone to landslides and Expansion of courts in Kilinochchi, Theldeniya, Pugoda and Kantale as per the Budget Proposals, expenditure of transport services, plant & machinery maintenance, stationary & office requisites, property loan interest to public servants and other services	689,070,000	975,000,000
229	Department of Attorney General	Provision for personal emoluments, fuel, domestic travelling and other services	469,740,000	-
230	Department of Legal Draftsman	Provisions for personal emoluments and fuel supplies	19,700,000	-
233	Department of Government Analyst	Provision for other Supplies (DNA Chemical Purchasing), external analysis and personal emoluments	73,340,000	-
234	Registrar of Supreme Court	Expenses of Copying fee, translation unit in Court of Appeal, postal and communication services	7,396,000	-
111	Ministry of Health, Nutrition and Indigenous Medicine	Improve the infrastructure facilities at the Nurses Training schools, Strengthen the Suwa Seriya Initiatives, Establish 3 highly specialized Obstetrics Centers in Colombo, Kandy & Anuradhapura, Establish Oncology units at Batticaloa and Ratnapura Hospitals, Improve the primary health care activities through the Strengthening of the government dispensary network, Developing a comprehensive Food hygiene and food safety system, Strengthen the Mental and Neurological health aspects, Strengthen National Health and Allied Research as per the Budget Proposals, acquisition of Capital Assets of Epilepsy Unit at National Hospital - Colombo, provision for Sri Jayawardanapura General Hospital and Payment of extra duty allowances of Medical Officers, RMO's & AMO's, procurement of 150 Ambulances, provisions for medical supplies such as drugs to cancer patients, Stents to heart patients, Eye lenses to eye patients and carrying out tests in external laboratories due to lack of facilities in government hospitals, salaries and allowances of 7152 new recruitments and implement the following programmes, -National STD/AIDS Control Programme -Establishment of Kidney Dialysis Centers in Chronic Kidney Disease prevalent areas - Provide Extra corporeal Shock Wave Lithotrspsy (ESWL) Machines to DGH Anuradhapura, Polonnaruwa and Jaffna	4,549,000,000	3,649,688,000
220	Department of Ayurveda	Expenditure for personal emoluments, supplies, plant & machinery maintenance, foreign travelling and salaries and communication allowances to the newly appointed Ayurvedic Medical Officers and Intern Ayurvedic Medical Doctors	234,150,000	-
112	Ministry of Foreign Affairs	Establishment of a Secretariat for the continental shelf negotiations, Supporting foreign embassies to celebrate 70th independence anniversary as per the Budget Proposals, account the transfer of ownership of the buildings to the Ministry of Foreign Affairs in New York and Brasilia, purchase Vehicles for the use of Srilanka missions abroad, pay lease rental of vehicles procured under operational leasing method, expenditure for retaining of a lawyer to appear in the UAE Court, account the grant received from Australian government pertaining to IORA working group meeting, Public Institutions payments & other services, personal emoluments, domestic & foreign travelling, supplies, services, vehicle maintenance, losses & write off, transfers to Secretariat for National Ocean Affairs, subscription & contributions fee and utilization of sponsorships due to increase of the exchange rate	1,225,009,500	825,025,000

114	Ministry of Transport & Civil Aviation	Implement the programme of School & Higher Education Season Tickets, Grants to SLTB for Operating on Unremunerated Routes and armed forces bus passes, domestic & foreign travelling and settle the unpaid EPF Contribution of SLCTB, personal emoluments, vehicle maintenance and stationery & office requisites, provisions for augmentation of bus fleet, institutional development and capacity building of Sri Lanka Central Transport Board and project of new railway line to Matara- Beliatta- Kataragama	11,515,000,000	230,000,000
306	Department of Sri Lanka Railways	Settle the payment of installation of railway signaling & telecommunication system for Northern Railway Line, replacing of Medawachchiya - Madu Line & Pallai - KKS Line, Railway Development Project & Purchase of 09 Diesel Multiple Units, repairing 200 passenger coaches, settle the retention money & the final payment of the project of Rolling Stock to Coastal Line,	-	2,592,598,000
307	Department of Motor Traffic	Provision for the Buildings and Structures, lease rental of vehicle procured under operational leasing method, expenses of vehicle registration number plates and printing driving licenses	251,082,000	132,000,000
117	Ministry of Higher Education and Highways	Implementation of Central and southern Expressway Project, Rural Road Reawaking Programme, Insurance scheme for all university students, Establish a Postgraduate Institute of Indigenous Medicine, Establishment of state medical faculties at Wayamba, Sabaragamuwa and Moratuwa Universities, Establish a Professorial unit at Karapitiya Hospital, Establish Center for Naval Studies and Shipping at the University of Ruhuna, Establish an Independent quality assurance and accreditation mechanism for higher education, Support Institute of Agro Technology and Rural Sciences of the University of Colombo, Support Wayamba University in establishing a center for food, technology, research and training, Increase the eligibility household income threshold from Rs. 300,000 to Rs.500,000 p.a. for Mahapola Scholarship scheme, Expand Technology stream degree programmes in 7 new Technology Faculties, Establishment of state medical faculties at Wayamba, Sabaragamuwa and Moratuwa Universities, Support the new streams such as Data Science and Big Data analytics, Actuarial studies and Business analytics etc. introduced by the University of Colombo, Strengthen to include state of the art library facility and an IT Center at the Vavunia Campus, Support Management Faculty of the University of Sri Jayewardenepura to seek the accreditation of the Association to Advance Collegiate Schools of Business as per the Budget Proposals and settle the outstanding liabilities of the projects relating to year 2017, Construction of 84 hostels complexes, interest subsidy for laptops and wifi facilities of University student, 10 storied building for the Medical Faculty of university of Ruhuna, Encourage university students engagement in extracurricular activities, repayment of local bank loan obtained for the relocation and development of the Institute of Technology-University of Moratuwa, accommodate the revised priorities of the Ministry of Highways and Road Development, rents and local taxes and accommodate the increase of salaries & allowances, foreign funds received for the following research activities, - Gender Analysis in Economics at University of Peradeniya - Ragging, Sexual & Gender Based Violence in the University System, settle the bills in hand related to the projects of Extension of Southern Expressway from Matara to Hambantota Section 1, 2 & Outer Circular Highway Phase III from Kadawatha to Kerawalapitiya, personal emoluments, foreign & domestic travelling, transport, electricity & water services, rehabilitation/improvement and acquisition of Capital Assets	261,428,000	46,552,865,000
214	University Grants Commission	Implement the Mahapola & Bursary Programme for University Students, settle the outstanding bills related to year 2017, accommodate the increase of salaries & allowances, monthly compensation and others	5,885,500,000	3,254,000,000

118	Ministry of Agriculture	Implementation of introduce an eco-certification programme, Restoration, Rehabilitation and de-silting of 1,500 small tanks, Introduce a contributory Insurance scheme for farmers, promotion of research on developing high yielding Banana and Pineapple plants at Horana and Makandura Research Centers, Upgrade the testing facilities at the National Quarantine Center as per the Budget Proposals, Fertilizer Subsidy Programme, Development Subsidies, settle the outstanding liabilities of the projects relating to year 2017, account the grant given by AARDO & counterpart funds given by JICA, rehabilitation, improvement and acquisition of Capital Assets, vehicle maintenance, personal emoluments, domestic & foreign travelling, maintenance and other services of Deputy Minister's project, pay the import tax for the vehicle imported for KOPIA Center, subscription and contribution fee, fuel supplies, transport and postal & communication services	28,385,649,000	5,663,623,640
281	Department of Agrarian Development	Settle the outstanding liabilities relating to year 2017	-	612,793,701
285	Department of Agriculture	Settle the outstanding liabilities of the projects relating to year 2017, expenses of the post-harvest management & value-addition of fruits in Sri Lanka and expenses of overtime and holiday payments	45,887,000	199,396,837
119	Ministry of Power and Renewable Energy	Utilizing the grant from Global Threat Reduction Initiative programme, settle outstanding bills of 2017, expenses of Clean Energy & Network Efficiency Improvement Project, expenditure for the project of Promoting Sustainable Biomass Energy Production & Modern Bio-energy Technologies, personal emoluments, fuel supplies, vehicle maintenance and account the foreign loan disbursements of Ceylon Electricity Board	9,800,000	327,638,000
120	Ministry of Women and Child Affairs	Procurement of Vehicles to transport juvenile offenders & victims, Establish child care centers in Government offices as per the Budget Proposals, Nutritional Food Package for Expectant Mothers, Morning Meal for Pre-School Children, Lama Diriya- Allowances for Pre-School Teachers as per the Welfare programmes, accounting financial grant given by UNDP and UNICEF, settle the outstanding bills for emergency relief package and foreign travelling expenses	5,825,580,000	103,763,453
217	Department of Probation and Child Care Services	Provision for foreign travelling	750,000	-
121	Ministry of Home Affairs	Expenses of flood and landslide disaster response project, complete the outstanding works of the development projects, settle the outstanding bills of construct 1000 Sewa Piyasa Buildings and settle the bills in hand related to development projects	-	1,131,473,000
254	Department of Registrar General	Settle the outstanding bills of rehabilitation & improvement of Capital Assets related to year 2017, provision for personal emoluments, stationery & office requisites, electricity & water and rents & local taxes	56,000,000	21,270,000
256	District Secretariat - Gampaha	Expenditure for compensation related to the disasters on May 2017	-	10,840,000
257	District Secretariat, Kalutara	Settle the bills in hand related to rehabilitation works due to disasters on May 2017, pay the compensations, plant & machinery maintenance, transport, electricity & water services and property loan interest to public servants	3,600,000	1,234,627,000
261	District Secretariat, Galle	Settle the bills in hand related to rehabilitation works due to disasters on May 2017 and pay the compensations	-	717,760,000
262	District Secretariat, Matara	Settle the outstanding bills of Nilwala urban development project, bills in hand related to rehabilitation works due to disasters on May 2017 and pay the compensations	-	2,038,768,000

263	District Secretariat , Hambantota	Settle the bills in hand related to rehabilitation works due to disasters in May 2017 and pay the compensations	-	208,810,000
266	District Secretariat - Vavuniya	Provision for personal emoluments	2,700,000	-
267	District Secretariat - Mullaitivu	Provision for personal emoluments	3,200,000	-
271	District Secretariate - Trincomalee	Provision for security services and personal emoluments	19,650,000	-
272	District Secretariat, Kurunegala	Provision for cleaning and security services	26,800,000	-
274	District Secretariat- Anuradhapura	Provision for personal emoluments	30,000,000	-
278	District Secretariat, Ratnapura	Settle the bills in hand related to the rehabilitation works due to disasters in May 2017 and pay the compensations	-	2,353,920,000
279	District Secretariat, Kegalle	Settle the bills in hand related to rehabilitation works due to disasters on May 2017 and pay the compensations	-	66,740,000
122	Ministry of Lands and Parliamentary Reforms	Utilize the grant received for UN Habitat project, expenses of Compensation Review Board, fuel supplies, land acquisition of greater Colombo flood protection project and provision for renovation of Hon.Minister's official residence	3,510,000	33,338,000
327	Department of Land Use Policy Planning	Expenditure of the Buildings and Structures	-	1,500,000
286	Department of Land Commissioner General	Implementantion of the official languages policy and other services	8,900,000	-
287	Department of Land Tittle Settlement	Provision for personal emoluments	12,000,000	-
123	Ministry of Housing and Construction	Owner driven housing scheme and support for improvements to the existing houses in rural sector as per the Budget Proposal and pay compensation for the land acquisition & construction Industry Development Authority under Voluntary Retirement Scheme and settle the outstanding building rents of Urban Settlement Development Aouthority	42,460,000	822,000,000
309	Department of Building	Provision for personal emoluments	29,400,000	-
124	Ministry of Social Em- powerment ,Welfare & Kandyan Heritage	Implement the programmes of Support for Low Income Disable Persons, Financial Support for Elderly over 70 years, Financial Support for Kidney Patients and expenses of the Committees on Establishing Statutory Board/Authority for Kandyan Heritage	12,474,980,000	20,000,000
331	Department of Divine- guma Development	Expenditure of samurdhi relief assistance programme	39,600,000,000	-
126	Ministry of Education	Introducing the PISA programme, Provide an allowance of Rs. 5,000 per student per month for students at the National College of Education, Education Reforms, Strengthen the "Smart Classroom" concept, digitalization and development of e-text books, Establish a dedicated center for training teachers in the English Language at the College of Education Maharagama, grade the special needs training facilities at Hapitigama and Adalachchenai Colleges of Education, Accident and Medical Insurance scheme for artist as per the Budget Proposals and implement the Schlarships (Year 5) & "Subhaga" Schlarship Scheme	479,900,000	2,582,000,000
207	Department of Archae- ology	Conservation and preservation of Ritigala and Rajagalathenna archeological sites as per the Budget Proposal and provision for personal emoluments	32,000,000	25,000,000

212	Department of Examinations	purchasing printing machines and settle the increased expenditure for conducting examinations	79,800,000	500,000,000
130	Ministry of Public Administration and Management	Increase the pension allowance granted by the National Film Corporation Trust, settle the outstanding bills of year 2017 and training programme for frontline officers of community development in conflict affected area	10,000,000	11,680,000
211	Department of Government Printer	Personal emoluments	122,000,000	-
135	Ministry of Plantation Industries	Implementation of strengthen assistance to tea small holders to improve productivity, Coconut Research Institute (CRI) to provide hybrid coconut seedlings, Rubber Master Plan as per the Budget Proposals, fertilizer subsidy programme for smallholders of Tea, Rubber & Coconut sector, payments in terms of the orders made by Labour Tribunals, subscriptions and contribution fee, personal emoluments, fuel, stationery and office requisites, vehicle maintenance and other services	117,930,000	338,452,000
293	Department of Rubber Development	Provision for subscriptions and contribution fee	2,000,000	-
136	Ministry of Sports	Implementation of Equip Human Performance Laboratory, Modernize the Sugathadasa Indoor Stadium and manage as a Public Private Partnership, Upliftment of Sugathadasa outdoor stadium, national awareness programme on anti-doping and establishment of a drug testing and research laboratory, Introduce and facilitate the concept of Community Sports by developing 100 rural playgrounds throughout the country, Establish a Sports School and Academy at Diyagama and preparation of the sport complex for South Asian Games in 2020, Development of Sports Infrastructure Facilities, acquisition of Capital Assets and construction of Human Performance Laboratory	-	2,570,000,000
219	Department of Sports Development	Facilitating the participation of veterans and differently abled athletes, Uplift District and Provincial level stadiums, Rehabilitation of Matale Hockey Ground as per the Budget Proposals and settle the bills in hand of Sports Infrastructure Development programme	50,000,000	405,700,000
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	Rehabilitation and improvement of vehicles	-	4,706,000
145	Ministry of Prieson Reforms, Rehabilitation, Resettlement and Hindu Religious Affairs	Improvement of skills of provide salary subsidy of around Ex-Combatants and War widows, restoration and renovation of Purana Rajamahaviharas of archeological value, special Programme to address the needs of the differently abled women, supporting indebted people, support selected small industries as per the Budget Proposal and Lease rental for vehicles, settle the bills in hand related to the project of Acceleration of Re-Settlement Activities & establishment of rehabilitation centers for drug dependent persons, EPF of the Palmyrah Development Board and conduct the land mine clearance operation	304,965,000	3,182,600,000
204	Department of Hindu Religious and Cultural Affairs	Expenditure of Uniforms & Library Book Allowances for Dhamma School Teachers and Dehemi Diriya (Monthly Allowances for Dhamma School Teachers)	41,500,000	-
232	Department of Prison	Provision for fuel supplies, diets and uniforms	126,480,000	-
147	Ministry of Regional Development	provision for National Agricultural Diversification and Settlement Authority	5,000,000	-
148	Ministry of Regional Development	Enhancing training facilities of Academy of Financial Studies	-	17,480,000
280	Department of Project Management and Monitoring	Provision for foriegn travelling	1,000,000	-

149	Ministry of Industry and Commerce	Revamping Intellectual Property Office, Strengthen the Centre for Robotics and support the public innovation spaces, Provide 50% of the investment cost incurred on equipment and machinery by existing SME sector polythene producers, Upgrade the facilities at the Achchuveli Industrial Zone, Resettlement of Sinhala and Muslim IDPS, Expediting the rehabilitation work of Mannar town area and Silavathurai township development, as per the Budget Proposals and Implement the project of Mechanism for Promoting Local Canned Fish Production, personal emoluments, Project of Strengthening of Co-operatives , Expansion of Lanka Sathosa Retail Network, Provide necessary infrastructure and entrepreneur training, upliftment of industrial estates, Establish a Mega Showroom & Center of Excellence in Robotics Application & Trade Promotional Activities and Resettlement of Sinhala and Muslim IDPS, provision for the projects of economic empowerment of women through apparel based mini factories, Improvement of elephant pass saltern, Provide Necessary infrastructure and entrepreneur training in handloom industry, expand Lak Sathosa & Osu Sala franchise shops, provision for Handloom and Textile Industries	254,167,360	3,267,110,000
295	Department of Commerce	Expenditure of subscription & contribution fees, development assistance activities and membership payment for the Bureau International des Exposition (BIE) from 2014-2018	9,800,000	2,000,000
297	Department of Registrar of Companies	Provisions for personal emoluments and property loan interest to public servants	4,500,000	-
299	National Intellectual Property Office of Sri Lanka	Provisions for personal emoluments	1,500,000	-
300	Department of Food Commissioner	Expenditure of renovation of existing Rice Stores and capacity building	-	30,200,000
301	Department of Co-operative Development	Provisions for personal emoluments and other services	1,142,000	-
150	Ministry of Petroleum Resources Development	Expenditure of Polipto Lanka (Pvt) Ltd and personal emoluments	1,830,000	17,400,000
151	Ministry of Fisheries and Aquatic Resources Development	Formulation of new fisheries and aquaculture policy, upgrading the testing facilities at the National Agency for Aquatic Research and Development Agency, price subsidy on giving fish at subsidiary price, settle the outstanding bills of Establishing integrated inland fishery villages "Wewak Sahitha Gamak Programme" related to year 2017, price subsidy to the MILCO (Pvt) Ltd and formulate the New Fisheries and Aquaculture Policy, lease rental for vehicles procured under operational leasing method, expenditure of National Aquatic Resources Research and Development Agency, pay salaries and allowances of newly recruited staff to the National Aquaculture Development Authority, implementation of developing and upgrading the Fishery Harbors anchorages landing sites, establish an Aquaculture Industrial Park in Batticaloa District, cleaning 10 lagoons, develop the Gandara Fishery Harbor and developing a new fishery harbor in Wellamankara, establish a Milk Fish Hatchery and a Marine Ornamental Fish Hatchery, upgrade the testing facilities at the National Agency for Aquatic Research (NARA) and develop Mylitty harbor into a fishery harbor and establish cool rooms and storage facilities as per the Budget Proposal	348,830,000	1,739,451,000
290	Department of Fisheries and Aquatic Resources	Purchase multi day boats of more than 55 feet long , 50% of the cost of improving the operational efficiency in multi day boats as per the Budget Proposals, implement "Fisheries Co- Management Plans" - Phase II project, personal emoluments and pay interest subsidy for "Diyawara Diriyaya" loan scheme implemented through Bank of Ceylon	62,500,000	420,090,925

154	Ministry of Rural Economic Affairs	Expenses of rehabilitation and improvement of Capital Assets, Paddy Purchasing, settle the outstanding liabilities of the projects relating to year 2017, establishing Dairy Processing Plant at Badalgama and settle the outstanding liabilities of Paddy Marketing Board in 2017	500,000,000	241,200,000
155	Ministry of Provincial Councils and Local Government	Support the local government agencies in solid waste issues, Improve the Rural Road Network, Introduce an E- local government application system, Establish pilgrim rests, Strengthening the local government institutions and Implement the "Ammachchi" concept as per the Budget Proposals, settle the outstanding contractual payments to CMC, settle the outstanding bills of implementation of Front Office System in 100 Local Authorities, contribution to Provincial Councils, renovation of the "Sethsevana" Government Elders Home at Meerigama and improvement of the drainage system in Eastern Province, refund the closing balance of the project of the North East Local Services Improvement, expenditure of newly appointed State Ministry, outstanding contractual payments for providing infrastructure facilities to Shangri La Mix Development Project & Slave Island Mix Development Project and purchase furniture & office equipment for newly formulated local authorities	41,842,000	2,939,953,000
312	Western Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub, increased allowances for health sector staff and expenses for health sector development project	701,170,000	121,000,000
313	Central Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub, extra duty allowances and revision of overtime for medical officers, expenditure of new appointments and health sector development project	511,000,000	123,000,000
314	Southern Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub, increased allowances for health sector staff, revision of overtime for medical officers, expenses of new appointments and health sector development project	949,000,000	257,000,000
315	Northern Provincial Council	Provision for the project of Northern Road Connectivity, utilize the funding available due to extension of the loan period of Jaffna - Kilinochchi water supply & sanitation project, transformation of school education as the foundation of a Knowledge Hub, refund the stamp duty of immovable properties, account the unaccounted expenses, settle the arbitration payment of Northern Road Connectivity project, revision of overtime for medical officers, expenses of new appointments and health sector development project	384,000,000	1,113,010,000
316	North Western Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub and settle the outstanding payments related to year 2017, extra duty allowances, revision of overtime for medical officers, expenses of new appointments and health sector development project	472,000,000	322,000,000
317	North Central Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub, settle the outstanding payments related to year 2017, complete the Northern Road Connectivity Project, increased allowances for health sector staff, revision of overtime for medical officers, expenses of new appointments and health sector development project	648,010,000	265,190,000
318	Uva Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub and rehabilitate the agricultural roads & minor irrigation in Uva Province and settle the outstanding payments related to year 2017, increased allowances for health sector staff, revision of overtime for medical officers, expenses of new appointments and health sector development project	557,000,000	424,000,000
319	Sabaragamuva Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub, settle the outstanding payments related to year 2017, revision of overtime for medical officers, expenses of new appointments and health sector development project	387,000,000	422,000,000

321	Eastern Provincial Council	Provision for transformation of school education as the foundation of a Knowledge Hub, settle the outstanding payments related to year 2017, extra duty allowances, revision of overtime for medical officers, expenses of new appointments and health sector development project	731,000,000	322,000,000
157	Ministry of National Dialogue	Implementation of the official language policy and national co-existence, improving language proficiency, translations etc.as per the Budget Proposal, lease rental for vehicle procured under operational leasing method, acquisition of a vehicle, personal emoluments, domestic & foreign travelling, stationary & fuel supplies, vehicle & plant maintenance,transport, postal and rehabilitation, improvement & acquisition of Capital Assets	46,117,000	250,310,000
158	Ministry of Public Enterprise Development	Payment of salaries and wages of Janatha Estate Development Board, SLSPC & Elkaduwa Plantations Ltd, outstanding liabilities of Sri Lanka Cashew Corporation, vehicle maintenance, rents & local taxes, transport, other services and foreign travelling	11,750,000	689,520,000
159	Ministry of Tourism Development and Christian Religious Affairs	Implementation of the Development of 6 forts, Upgrading the Railway Stations & declared as archeological sites and Tourist Friendly Tuk Tuk Programme as per the Budget Proposals	-	375,000,000
203	Department of Christian Religious Affairs	Implement the programmes of Uniforms to Dhamma School Teachers, Dehami Diriya & Library Allowances for Dhamma School Teachers and restoration and renovation of the places of warship with archeological value and renovation, rehabilitation of infrastructure facilities of churches	111,900,000	24,850,000
160	Ministry of Mahaweli Development and Environment	Expenditure of the project of Improving Industrial Waste and Water Management, Rehabilitation of degraded agricultural lands, Mechansm for Reducing Emissions from Deforestation and Degradation, Mainstreaming Bio-diversity and agrobiodiversity conservation System, expenditure for the Water Resources Development Investment Programme, Moragahakanda and Kaluganga Reservoir Project, project of Air Quality Assessment for Health & Environment Policies, pay salaries and allowances due to the recruitment of new cadre to the Central Environment Authority and provision to the contractors and suppliers of the "Kalu Ganga" Reservoir project	65,000,000	1,301,784,000
283	Department of Forests	Expenditure of land and land improvement of Establishment and Management of Industrial Plantation	-	75,000,000
291	Department of Coast Conservation	Develop Integrated Coastal Zone Management Mechanism & Project on Beach Replenishment as per the Budget Proposal and pay salaries due to filling the existing vacancies of Engineers and Development Officers	1,150,000	425,000,000
161	Ministry of Sustainable Development and Wild Life			
284	Department of Wildlife Conservation	Implementation of Conservation of endemic species and Develop Maduru oya and Gal oya National Parks to support Tented Safari's etc. as per the Budget Proposals	-	95,000,000
294	Department of National Zoological Gardens	Implement "Open Cage" Concept at the Dehiwela Zoo and "Born Free Chain Free" at the Pinnawela Elephant orphanage as per the Budget Proposals	-	150,000,000
322	Department of National Botanical Gardens	Infrastructure support for Floriculture Industry as per the Budget Proposal	-	10,000,000

162	Ministry of Megapolis and Western Development	Relocation of Manning Market at Peliyagoda, Port City Development Project, Megapolis Development Projects and Land Acquisition, Development and Creating Modern Sustainable Urban Hub, Town Development Projects in Nine Provinces, Metro Colombo Solid Waste Management Project, Establish Haritha Uyana in every Pradeshiya Saba division as a Public Private Partnership and Urban Regeneration Programme as per the Budget Proposals and settle the outstanding liabilities of the projects relating to year 2017	-	10,370,000,000
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	Implementation of the State of the art cultural center for Moratuwa and restore the Cultural hall in Thaalvupadu, Mannar as per the Budget Proposals, expenditure of personal emoluments, electricity & water, national literary arts festival, training programme of cultural centers, rehabilitation/ improvement & acquisition of Capital Assets, construction & rehabilitation of cultural centers, plant, machinery & equipment maintenance, other services, domestic travelling, vehicle maintenance and expenditure of infrastructure development	11,576,413	742,423,587
206	Department of Cultural Affairs	Expenditure for capacity building, other services, assistance to needy artists, National art festival & other services, rehabilitation/ improvement & acquisition of Capital Assets, Construction of Kundasale Kala Nikethanaya, Uthuru- Dakunu Mithuru Sevana, Mihintalawa- LLRC recommendation and Renovation of John De Silva & National Art Gallery	8,281,072	41,618,928
208	Department of National Museums	Provision for personal emoluments	5,000,000	-
226	Department of Immigration and Emigration	Provision pertaining to blank travel documents & related deliverables	-	400,000,000
166	Ministry of City Planning and Water Supply	Implement the master plan for Kalmunai and Samanthurai and to develop townships in lagging regions as per the Budget Proposal and settle the outstanding bills of year 2017, loan disbursement of ongoing foreign funded water supply & sewerage projects, water supply & sanitation improvement project and Waste Water Management programme stage 3 project	-	7,520,700,000
167	Ministry of Special Assignment	Lease rental for the vehicle procured under operational leasing method	4,100,000	-
176	Ministry of Ports and Shipping	Settle the outstanding payment of compensation for land acquisition for the second stage of the Hambantota port project, expenditure of fulfillment of conditions precedent to the Concession Agreement for Port of Hambantota, settle the interest payment of the loan taken for the project - construction of Sri Lanka Ports Authority, Sooriyawewa International Cricket Stadium, payments of Survey Department and Department of Valuation	279,000,000	1,076,904,040
192	Ministry of Law and Order and Southern Development	Provision for personal emoluments, travelling expenses, supplies, vehicle maintenance and other services	11,004,000	-
225	Department of Police	Sri Lanka Police to establish 20 Tourist Police Stations, Police Reforms and introduction of the Community Police Concept, Establish a Police and Criminal Justice University, Strengthening the Cyber Crime Investigation Unit and Upgrading the Police Information and Communication System as per the Budget Proposals	-	745,000,000
193	Ministry of Labour, Trade Union Relations & Sabaragamuwa Development	Pay the contribution fee for International Labour Organization and settle the outstanding bills of 2017	776,400	12,657,000
221	Department of Labour	Provision for domestic travelling	5,000,000	-

328	Department of Man Power & Employment	Establishment of Public Employment Service and provision for rents and local taxes	3,705,000	900,000
194	Ministry of Telecommunication and Digital Infrastructure	Implement the ICTA to improve service deliver through the infusion of the technology and digitalization as per the Budget Proposal, settle the outstanding liabilities of year 2017 and transport services	401,200,000	3,119,000,000
195	Ministry of Development Strategies and International Trade	Implement the "Arambura" Credit Scheme, Multi National Corporation Outreach programme, Establishment of the "IT Initiative", Export market access support programme, Establish a unified trade portal, Create dedicated industry zones for boat building, Integrated Land Registry, National Single Window connecting 31 agencies, Provide infrastructure facilities for Rojana industrial park in Milleniya and Establishing industrial zones in Bingiriya and Weligama	50,000,000	4,200,000,000
296	Department of Import and Export Control	Provisions for foreign travelling, stationery & office requisites, postal & communication, electricity, rents & local taxes and property loan interest to public servants	3,272,000	-
196	Ministry of Science, Technology & Research	Establish a virtual institute for the blue green economy, Improving degraded soil, Convert COSTI into NASTICA, Support for Product Design Engineering (PDE) under the Mechatronic Enabled Economic Development Initiative (MEDI), Establish a Design Center for Timber and Timber based products, Establish Hi Tech Innovation Park in Mahahenawatte, Pitipana, Upgrading the testing facilities at Industrial Technology Institute and Sri Lanka Standards Institute as per the Budget Proposals, account the grant received from a Korean Company, establish the sound system at ministry auditorium and renovation of the State Minister's quarters and settle the outstanding bills of Nanotechnology programme related to year 2017	25,000,000	1,028,928,060
197	Ministry of Skills Development and Vocational Training	Establish an University College in Kinniya, Providing NVQ accreditation to ex-combatants as per the Budget Proposals and pay the E.P.F and E.T.F(from 2006 to 2017) of Vocational Training Authority, personal emoluments, provision to the contractors of upgrading the Katunayake Engineering Technology Institute,	60,173,000	271,000,000
198	Ministry of Irrigation and Water Resources Management	Rehabilitation of flood protection dams along Kelani river basin, Support the ground water monitoring mechanism as per the Budget Proposals, infrastructure development of the Thalpitigala Reservoir, rehabilitation of major & medium irrigation schemes, expenditure of foreign travelling and payment of contractors on research & development	900,000	3,440,796,000
282	Department of Irrigation	Expenditure for land and land improvement of Yan Oya Project	-	500,000,000
199	Ministry of Primary Industries	Implement the Quality improvements in Cinnamon and Pepper planting materials in 1,000 nurseries, strengthen the Cinnamon Training College as per the Budget Proposal, personal emoluments, domestic & foreign travelling, supplies, maintenance & other services for Hon. Deputy Minister's office, transport services, property loan interest to public servants and rents and local taxes	53,895,000	104,175,000
289	Department of Export Agriculture	Provision for personal emoluments	8,310,000	-
Total			130,925,931,383	182,047,396,471

4.6.3 Circulars Issued for Managing Expenditure

In 2018, following circulars have been issued in the areas of budget preparation, executing and monitoring activities.

Table 4.5 | Circulars issued in relation to the Public Expenditure Management in 2018

Date	Circular No.	Subject
27/12/2018	05/2018	Authorization of Expenditure –Vote on Account -2019
16/08/2018	03/2018 (Annexure)	Procurement of Motor Vehicles for Government Agencies - Annex I (Word Format)
16/08/2018	03/2018 (Annexure)	Procurement of Motor Vehicles for Government Agencies - Annex V (Word Format)
17/07/2018	04/2018	Budget Call-2019 Guidelines for the Preparations of Annual Budget Estimates
16/07/2018	03/2018	Procurement of Motor Vehicles for Government Agencies
01/06/2018	02/2018	Establishment of a Multi-Purpose Database, incorporating details of all the Ongoing Development Projects at Divisional Secretariat Level
04/04/2018	01/2018	Settlement of Outstanding Liabilities Relating to the Financial Year 2017
05/03/2018	(1)/01/2017	Monitoring the utilizing of Budgetary Provisions

Source: Department of National Budget

4.7 COMPOSITION OF THE GOVERNMENT EXPENDITURE

4.7.1 Salaries and Wages

The Government has spent Rs. 646 billion in 2018, an increase of 5 percent compared to Rs. 614 billion in 2017, on the payment of salaries and wages of the

government sector employees, including Provincial Council employees, Armed Forces and Police. This was mainly due to the implementation of fourth stage salary increase specified in the Public Administration Circular No 3/2016. The expenditure on salaries and wages accounted for 31 percent of the total recurrent expenditure.

Table 4.6 | Salaries and allowances of the government

Sector	2013	2014	2015	2016	2017	2018
Central Government	113,223	133,584	172,491	184,856	217,734	232,289
Provincial Councils*	105,034	121,789	150,796	143,740	149,713	162,086
Defence	134,295	141,138	176,810	180,829	196,540	198,731
Police and Public Security	40,677	44,471	41,295	61,336	49,599	52,739
Total	393,229	440,982	541,392	570,761	613,586	645,845

Source : Department of National Budget

* includes only the expenditure of government transfer

4.7.2 Devolved Administration

In terms of the 13th Amendment to the Constitution, most of the general public services including education and health are being delivered by the Provincial Councils. Basic services such as waste disposal and public health are being provided by local Government Authorities are also

Table 4.7 | Transfer to provinces in year 2018

Provincial Council	Transfers	
	Recurrent	Capital
Western	14,962	901
Central	25,894	1,968
Southern	23,807	1,971
Northern	19,035	3,416
North Western	22,463	2,199
North Central	15,355	2,244
Uva	16,268	2,785
Sabaragamuwa	21,828	2,323
Eastern	20,482	2,555
Total	180,095	20,360

Source: Ministry of Internal and Home Affairs and Provincial Councils and Local Government / Department of National Budget

administered by the Provincial Councils. Therefore, the Government has provided Rs 180,095 million for recurrent expenditure and Rs 20,360 million for capital expenditure in 2018 for the smooth functioning of the service delivery at provincial and local levels.

4.8 FUNCTIONAL CLASSIFICATION OF TOTAL GOVERNMENT EXPENDITURE

4.8.1 Human Resource Development (HRD)

4.8.1.1 Investment in healthcare

Sri Lanka provides Universal Health Coverage to its citizens by providing quality promotive, preventive, curative, rehabilitative and palliative health services. Despite being a lower middle-income country, Sri Lanka achieved commendable health indicators with the expansion of healthcare services. For instance, in 2018, Sri Lanka was declared as a ‘Rubella free country’ by the World Health Organization (WHO), among other achievements the total Public Investment on Health Services in 2018 increased by 13 percent to Rs. 224 billion, of which, Rs. 170 billion invested at the national level, a 16 percent increase with compared to 2017. Public Investment on health care at the Provincial level expanded by 4 percent to Rs. 54.0 billion in 2018.

Recurrent Expenditure on Health sector increased by 13.3 percent to Rs. 184.78 billion in 2018 from Rs. 163.09 billion in 2017 while recurrent expenditure devoted to Provincial level increased by 8 percent to Rs. 48.8 billion. Major components of recurrent expenditure were on Medical Supplies, a 12.6 percent increase compared to 2017 due to the Government policy directive towards providing stents to cardiac patients free of charge, free eye lenses to eye patients and ensuring the continuous provision of drugs to cancer patients for their entire lifetime.

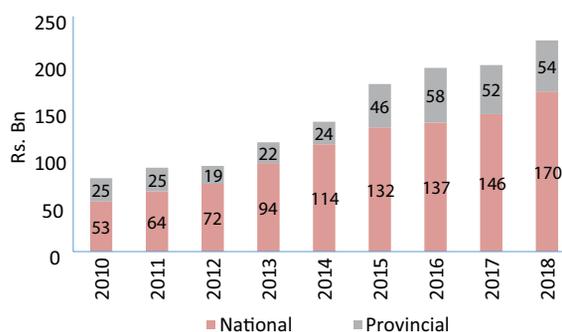
With the aim of uplifting the quality health, the increase in capital investment in health infrastructure continued in 2018 including the construction of hospitals, procurement of ambulances and purchasing of equipment. In 2018, the total number of 190 ambulances have been purchased using

funds from domestic sources together with the Australian Government funds and the ambulances were distributed islandwide.

Accident and emergency unit at the General Hospital, Kalutara with a total investment of Rs. 1,030 million and the new building of the Out Patients’ Department (OPD) and a daycare building for patients with mental disorders at the Colombo South Teaching Hospital were completed and opened for services in 2018. The level 04 accident and emergency unit of the General Hospital, Batticaloa was opened for services in 2018 with a total cost of Rs. 895 million.

The health sector has been strengthened by adding 295 post intern medical doctors, 582 intern medical officers, 77 dental surgeons, 2,031 nursing students, PHIs, MLTs, telephone operators, attendants and Entomological Assistants in 2018.

Figure 4.1 | Expenditure by National and Provincial Level



* Suwaseriya Project included
Source: Department of National Budget

Curative Healthcare

Investment in curative healthcare services in 2018 was Rs. 30,926.87 million which was mainly devoted to the diseases under the category of Non-communicable diseases including cancer, cardiovascular disease, kidney disease and stroke.

Table 4.8 | Major Capital Investment in Curative Healthcare Services

	Rs. million								
Investment Area	2010	2011	2012	2013	2014	2015	2016	2017	2018
Hospital Development Projects	3,920	3,194	7,775	8,117	11,431	15,429	10,373	10,649	14,654
Hospital Rehabilitation & Construction	1,633	2,051	1,828	2,754	3,403	4,206	3,735	4,814	6,513
Medical Equipment & Machinery	1,338	2,306	1,969	3,880	3,208	5,068	4,093	4,732	4,438
Beds & Furniture	88	119	114	127	200	224	325	243	352
Total	6,979	7,670	11,686	14,878	18,242	24,927	18,527	20,438	25,957

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

Preventive Healthcare

Investment on preventive healthcare in 2018 amounted to Rs. 3,029.56 million. Numerous preventive activities conducted covering communicable and non-communicable diseases. Under the 2018 Budget Proposals, Rs. 50 million has been allocated to strengthen the screening process for CKDus, Thalassemia and HIV/AIDS in 11 Districts and 186,356 screenings have been completed during the year.

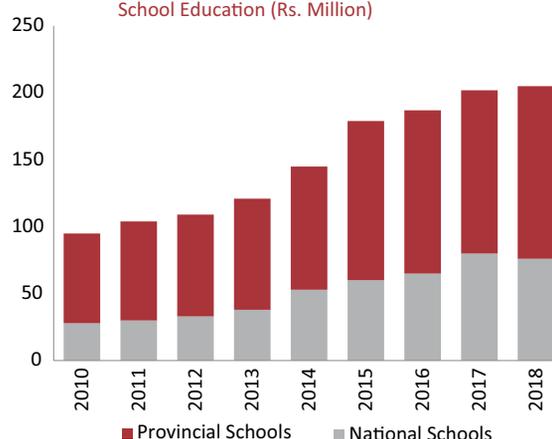
The National Thriplosa Programme was conducted in 2018 covering 1.1 million beneficiaries and the public investment for this programme was Rs. 1,982 million.

Promotion of Indigenous Medicine

The total public investment on Indigenous Medicine was Rs. 473.71 Mn in 2018. Research activities were carried out by the Department of Ayurveda for advanced improvement of the sector.

4.8.1.2 General Education

Expenditure on general education increased by 1.7 percent to Rs. 204,612 million in 2018, compared to

Figure 4.2 | Central Government Expenditure on School Education (Rs. Million)


Source: Department of State Accounts, Finance Commission

Rs. 201,160 million in 2017. In 2018, the recurrent and capital expenditure incurred by the Ministry of Education and the Provincial Councils (PCs) were Rs. 175,411 million and Rs. 29,202 million, respectively.

In order to bridge the gap between education and employment opportunities in a rapidly changing technological environment, the education reforms including the 13 years of education Science, Technology, Engineering and Mathematics (STEM) education and digital education continued in 2018. The 13 years of education commenced using 42 schools in 2017 expanded to 154 schools in 2018.

Table 4.9 | Expenditure on School Education by the Central Government in 2018

	2017			2018		
	Recurrent	Capital	Total	Recurrent	Capital	Total
Ministry of Education	51,941	27,575	79,516	49,819	26,219	76,038
Provincial Councils	116,006	5,638	121,644	125,592	2,983	128,575
Total	167,947	33,213	201,160	175,411	29,202	204,613

Source: Department of State Accounts, Finance Commission

This has provided students to choose vocational subject stream as per their interests and abilities irrespective of the results obtained at the G.C.E. (O/L) examination. Accordingly, 26 vocational subjects were introduced to the curricular of the vocational subject stream. The schools are provided with an opportunity to select vocational subjects by considering the interests of students, job opportunities and practical training available at the area. Required physical and human resources have been provided to the schools.

The “Nearest School is the Best School” (NSBS) program, which was commenced in 2016, continued in 2018 to provide basic facilities for the schools to maintain the equity in education and improve the physical resources required for an advanced learning process. The Ministry of Education with the support of all 9 Provincial Councils has initiated 13,087 no of projects, of which 10,115 projects have been completed as at end 2018. During 2016-2018, Rs. 31,188 million has released to the PCs to implement the construction/ rehabilitation activities in provincial schools while Rs. 8,266 million has provided to all Provincial Directors of Education to implement the same activities in national schools. In 2018, Rs. 15,247 million was incurred for the NSBS program.

The welfare programs have been further strengthened and expanded in 2018 to ensure equality and equity in education. The total welfare expenditure on school education in 2018 was Rs. 11,643 million. The following activities have been implemented with the expectation of providing more benefits directly to the students.

- (i) Increase the allowance paid to the students of the National Colleges of Education from Rs. 3,500 to Rs. 5,000
- (ii) Increase the nutrition allowance paid to students of sports schools who have performed well in sports from Rs. 2,500 to Rs. 5,000
- (iii) Introduce two scholarship programs namely “Sujatha Diyani” and “Technology Stream” to provide a scholarship of Rs. 750 per month per student
- (iv) Increase the number of students (Schools) who receive a glass of milk

The quality of education could be ensured with the skilled personnel in the sector. Hence, actions have been taken to fill the vacancies of four major professional services namely Sri Lanka Education Administrative Service (SLEAS), Sri Lanka Principals’ Service (SLPS), Sri Lanka Teachers’ Services (SLTS), Sri Lanka Teacher Educators’ Service (SLTES)

Table 4.10 | Major Projects Implemented under the Nearest School is the Best School Program

Project	Expenditure (Rs. million)
Providing Electricity Facilities through National Grid or Solar	99
Upgrading Schools in the Plantation Sector to Secondary Level	208
Facilitate Dental Health Facilities in Schools	95
Providing Sanitary and Water Facilities for all Schools	1,444
Upgrading Facilities of 3,577 Primary Schools	2,568
Providing Facilities of Teacher Quarters, Rest Rooms etc. for Rural & Regional Schools	883
Upgrading facilities of 1,000 Secondary Schools	4,492
Improve facilities of 1,360 Schools which were not included in recent projects	5,458

Source: Department of State Accounts, Department of National Budget

Table 4.11 | Expenditure on Welfare Programs

Rs. Million

Program	2010	2011	2012	2013	2014	2015	2016	2017	2018
School Nutritional Food Program	2,474	2,631	2,850	3,076	3,725	3,938	3,916	4,434	5,325
Text Books	1,941	2,294	2,400	2,329	2,700	3,896	5,415	4,281	4,161
Uniforms	949	1,364	1,600	1,739	3,574	2,261	2,157	2,479	1,073
Scholarships - Year 5 *	225	283	240	268	556	623	613	602	605
“Suraksha” Insurance Scheme								2,700	33

* Included the Grade 5 Scholarships payment of both provincial & National Schools from 2014-2017
Source: Ministry of Education, Provincial Councils and Department of State Accounts

Table 4.12 | No. of Students Benefited by Welfare Programs

	2010	2011	2012	2013	2014	2015	2016	2017	2018
School Nutritional Food Programme	778,435	834,306	839,643	1,048,892	890,404	937,178	973,245	1,105,605	1,089,705
Text Books	3,724,303	3,750,000	3,762,000	4,194,363	4,076,813	4,277,668	4,345,491	4,355,101	3,628,168
Uniforms	4,119,000	4,153,000	4,186,000	3,998,890	4,423,202	4,415,099	4,341,581	4,326,951	4,326,951
Scholarships -Year 5*	85,000	85,000	85,000	97,308	114,458	122,149	140,297	144,739	130,000 ^a
“Suraksha” Insurance Scheme									40,978 ^b

* Included the Grade 5 Scholarships beneficiaries of both provincial & National Schools from 2014-2017

(a) provisional

(b) From October 2017 – October 2018

Source: Ministry of Education, Provincial Councils, Finance Commission and Department of State Accounts

4.8.1.3 Higher education

The Government continued to provide free education for the university students while increasing the intakes and facilities in state universities and Higher Education Institutes (HIEs) in the country. In 2018, the Faculty of Medicine at the University of Sabaragamuwa and 27 new departments have been established and required approval has been granted to commence 12 new degree programs, one external degree program and 7 new postgraduate degree programs.

The total government investment for the higher education sector for 2018 was Rs. 72.3 billion, of which Rs. 30.5 billion amounted to pay salaries and wages of 22,450 staff of 17 universities and 19 HIEs. The total capital investment for 2018 was Rs. 33.7 billion and utilized for the construction of lecture theatres, hostels, libraries, laboratories, toilet facilities of the universities. The completed construction projects in 2018 include the Rodney Street Development Project of the Postgraduate Institute of Medicine, construction of building complex of the Department of Technology at

the University of Rajarata, construction of two storied building of the Department of Information Communication Technology at Vavuniya Campus and the Geology Building Stage ii at the and University of Peradeniya.

The number of qualified students entered into the 17 universities for the academic year 2017/2018 was 31,451, an increase of 2.6 percent compared to 30,668 students of the academic year 2016/2017. This was mainly due to the increase in student intakes with the establishment of 12 Technology Faculties in 11 universities with a cost of Rs. 2,974 million in 2018 while adding 6,170 students to the Technology Stream.

Government has commenced the student loan scheme in 2017 to encourage students to follow higher education degrees in non-state universities. The loan scheme has provided benefits to 269 students to follow 38 degree courses offered by 8 non-state higher education institutes and the Government invested Rs 135 million for the programme in 2018.

In 2018, Rs. 164.8 million expenditure was incurred to provide Wi-Fi facilities and cover the interest cost of the loan obtained by 5,029 university students to purchase laptops in 2018. Wi-Fi facilities have been provided to Sri Pali Campus, Gampaha Wickramarachchi Ayurveda Institute, Management faculty of Ruhuna University, Eastern University, Technology faculty of Jaffna University and Vavuniya Campus.

Mahapola and Bursary

Mahapola and Bursary programmes continued in 2018. The eligibility criteria have been revised to enjoy such scholarships: household income threshold increased to Rs. 500,000 per annum from Rs. 300,000 per annum for the academic year 2017/2018.

Table 4.13 | Expenditure on Mahapola & Bursaries

	2012	2013	2014	2015	2016	2017	2018
No. of students admitted for University Education	28,908	24,198	25,200	25,676	27,603	30,668	30,513
Financial Assistance to University Students (Rs. Million)							
Mahapola	101	94	109	561	940	593	1304
Bursary	283	386	414	481	650	441	521
No. of Cadre	21,441	22,172	23,173	20,929	20,265	20,093	22,450

Source: University Grants Commission

Table 4.14 | No. of Mahapola Beneficiaries

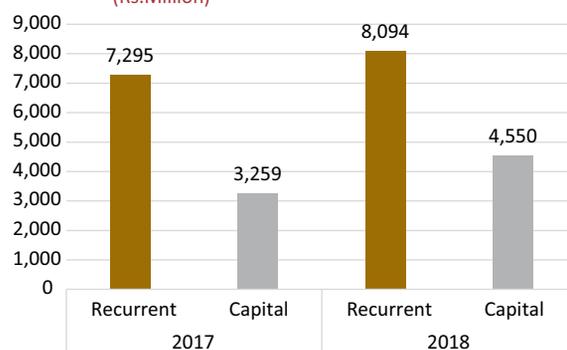
Academic Year	Quota (Number of Students)
2015/2016	13,500
2016/2017	15,000
2017/2018	15,000

Source: Mahapola Trust Fund

4.8.1.4 Skills Development

The total investment in skills development and vocational training was Rs. 12,648 million in 2018, of which, Rs. 8,094 million was spent on recurrent expenditure and Rs. 4,550 million for capital investment. Seven vocational training institutions received a financial grant of Rs. 4,572 million in 2018.

Figure 4.3 | Expenditure on skills development sector 2017 & 2018 (Rs. Million)



Source: Department of National Budget

Total Students intake for skills sector institutions in 2018 was 151,854. Details are given below, (Table 4.15)

Table 4.15 | Students Intake on Institutions

Institution	Student Intake
Department of Technical Education & Training	32,106
Vocational Training Authority of Sri Lanka	36,667
National Apprenticeship and Industrial Training Authority	32,403
Ceylon German Technical Training Institute	4,272
University of Vocational Technology	1,042
Ocean University of Sri Lanka	1,139
National School of Business Management	9,330
National Institute of Business Management	2,599
National Youth Services Council	25,025
National Youth Corps	7,271
Total	151,854

Source: Performance Report – 2018, Ministry of National Policies, Economic Affairs, Resettlement, Rehabilitation & Northern Province Development, Skills Development & Vocational Training and Youth Affairs

Construction works of Colombo and Gampaha Training Centers were completed in 2018. After installing training equipment, these two centers will be opened in the beginning of 2019. High priority has been given to conduct new skills development programmes such as Telecommunication, Pneumatics & Hydraulics and Robotics under these two training centers. In addition, necessary actions have been taken to implement the '13 years Continuous Education Programme' in 195 Schools as a coordinating activity with the Ministry of Education.

Table 4.16 | Major projects implemented in 2018 on Skills Development

Description	"Expenditure (Rs. Million)"
Improvement of Vocational Training Activities	10
Self-Employment Promotion Initiative Programme	160
Establishment of Colombo Vocational Training Center and Gampaha Technical College (GOSL - EDCF)	622
Skills Sector Development Programme	1,232
Upgrading of Katunayake Engineering Technology Institute (Austria)	573
Construction of Buildings for Anamaduwa Technical College	75
Establishment of a University College in Kinniya	6

Source: Department of National Budget
National Youth Service Council
National Youth Corp

4.8.2 Transport

4.8.2.1 Passenger transport

Ministries of Highways & Road Development and Petroleum Resources Development, Megapolis and Western Development, National Policies and Economic Affairs, Ports and Shipping and Transport and Civil Aviation are the key ministries involved in the transport sector in Sri Lanka. Expenditure for this sector includes the investment in the development of road network and the public transport on land i.e. railway and buses and the transport by sea and air.

Railways

In 2018, the Government incurred Rs.34,570 million on the railway sector, of which Rs. 14,380 million for recurrent expenditure and Rs. 20,190 million for capital expenditure. Recurrent expenditure increased at a slower pace of 2 percent while the capital expenditure increased by 23 percent in comparison with 2017. In 2018, Sri Lanka Railways (SLR) continued its normal functions such as the repair and maintenance works to the rolling stock, improvement and construction of railway network and bridges, procurement of rolling stock, improvement and maintenance of signaling and telecommunication system, implementing Development works of railway stations such as raising platforms, extension of platforms in order to provide easy and efficient service for the passenger and freight transport.

Bus Transport

The total investment in bus transport stood at Rs. 14,445 million in 2018. Of which, Rs.11,627 million was spent on recurrent expenditure mainly for the subsidy for the school and higher education season tickets, operating Sri Lanka Transport Board (SLTB) buses on unremunerated routes in rural areas, the contribution for 'socially obligated bus services' and Armed Forces bus passes. The Government also spent Rs. 2,395 million as capital expenditure on the bus transport sector in 2018 for the augmentation of the bus fleet, institutional development of SLTB and lease payment for the purchase of 2,200 buses.

Initiatives aimed at ensuring the efficiency of public transport

In order to improve the efficiency of public transport, Bus Priority Lane Project, initiated in 2017, on key routes in the Western Province, continued successfully in 2018 and seven new routes for Bus Priority Lanes have been identified. Stage 1 of Multimodal Transport Centre at Kadawatha commenced in October 2018 to provide passengers sufficient facilities in the context of the near-completion of Outer Circular Highway which links the Katunayaka Expressway and Southern Expressway. The Multimodal Transport Centre at Makumbura,

which is the first of its kind in Sri Lanka, will be completed in the first quarter of 2019. Polduwa By-Pass stage III is the third initiative to improve efficient public transport which is scheduled to be completed in September 2019.

Table 4.17 | Major projects launched towards public transport efficiency in 2018

Project	TEC	Duration	Rs. Million	
	(Rs. Million)		Cumulative Expenditure up to 31.12.2017	Expenditure in 2018
Greater Colombo Urban Transport Development Project Phase I- (GOSL-Japan)	4,082	2009-2020	2,870	612
Light Rail Transit System Project (GOSL-JICA)	342,390	2017-2026	31	95
Improving Bus Service to Promote Public Transport	2,530	2017-2021	104	593

Source: Department of National Budget

Meanwhile, the feasibility study of the Light Rail Transit System from Malambe to Fort completed in 2018 and negotiations with JICA continued in order to finalize and sign the agreement in early 2019.

Ports

Investment in ports included the introduction of an automated system of issuing Certification of Competencies and Seafarer Continuous Discharge Certificate, compensation for the acquisition of lands for Hambantota Port Stage II, and developing jetty facilities in the Jaffna peninsula and suburban islands to transport passengers and cargo safely. In fulfilment of the conditions precedent to the Concession Agreement for Port of Hambantota, Rs. 857 million was provided in 2018.

Table 4.18 | Investment in Ports – 2018

Ports & Shipping	Year 2018 (Rs. Million)
Capital Expenditure	1,057
Recurrent Expenditure	490
Total	1,547

Source: Department of National Budget

4.8.2.2 Road development

In 2018, investment has been made on road development including widening and improvement of roads, road maintenance, construction of bridges and flyovers and expressway constructions. Construction of expressways which continued from the previous year accounted for Rs. 78,033 million which is approximately 47 percent of the total investment of Rs. 166,677 million. Extension of Southern Expressway (ESEP) and Outer Circular Highway Section III (OCH III) are scheduled to complete in 2019. Three flyovers at Ganemulla, Polgahawela and Rajagiriya were completed in 2017 and 2018. Rajagiriya flyover, which was the last to complete, was opened for the public in January 2018. Road development investment through major projects excluding widening and improvement amounted to Rs. 30,749 million. (Table 4.19)

4.8.3 Social Protection and Community Development

The Government implemented a number of welfare and social security programmes targeting the needy people in the society the total expenditure on social protection and community development in 2018 was Rs. 329,394 million, 3 percent increase compared to the previous year. The Government spent Rs. 32,797 million for community development activities providing basic needs and other infrastructure facilities, such as housing, water, and sanitation and livelihood development assistance to the vulnerable segment on the society. (Table 4.20)

Table 4.19 | Major projects in Road Development in 2018

Project Name	Rs.Million	
	2017 Actual	2018 Actual
Expressways Development		
Central Expressway	2,016.33	7,907
Extension of Southern Expressway	67,337.75	52,709.50
Outer Circular Highway Phase III	11,126.36	17,385
Port Access Elevated Highway	24.43	32
Sub Total	80,504.87	78,033.50
Highways Development		
Integrated Road Investment (i - Road) Programme	18,544.40	16,559
Priority Road Project (PRP 3) Phase I	7,611.62	3,465
Priority Road Project (PRP 3) Phase II	5,991	4,470
Rehabilitation of Peradeniya - Badulla Road from Badulla to Chenkalady (GOSL - OFID)	1,944	1,765
Colombo District Road Development Project (OFID)	2,003.12	1,661
Southern Road Connectivity Project	1,789.45	2,829
Sub Total	37,883.59	30,749
Widening & Improvement of Roads	9,211.50	10,865
Sub Total	9,211.50	10,865
Construction of Bridges & Flyovers		
Major Bridges Construction Project of National Road Network	2,861.64	2,247
Second New Kelani Bridge Project	8,015.37	9,160
Construction of Fly Overs at Rajagiriya, Polgahawela & Ganemulla	4,140.58	916
Sub Total	15,017.59	12,323
Grand Total	142,617.55	131,970.50

Source: Department of National Budget

Table 4.20 | Expenditure highlights on community development

Line Ministries	2017	2018
Primary industries and Social Empowerment	15,915	15,907
Women and Child Affairs and Dry zone Development	2,302	2,589
Budda Sasana and Wayaba development	3,977	2,926
National policies, Economic Affairs, Resettlement, North province Development and Youth Affairs	10,046	5,701
National Integration and official Language, Social progress and Hindu Religious Affairs	3,339	3,548
Industries and commerce, Resettlement of protracted IDP cooperative Development and Vocational Training	1,509	2,126
Total	37,088	32,797

Source: Department of National Budget

4.8.4 Agriculture

The actual expenditure on agriculture increased by 5 percent to Rs. 57,125 million in 2018 from Rs. 54,445 million in 2017 due to the implementation of key projects and programmes to boost agriculture production in Sri Lanka such as special programmes to ensure food security and a continuation of the cluster of projects introduced in 2016. Funding assistance for these projects has been nearly doubled in 2018 to Rs. 2,141 million from Rs. 1,288 million.

Steps have been taken to introduce modern technology and provide state-of-the-art equipment for the agriculture sector with the implementation of the Agriculture Sector Modernization project commenced in 2017 with financial assistance from the World Bank. This project was allocated Rs. 1,920 Million in 2018 to facilitate these activities through two stakeholder Ministries. A contributory insurance scheme for farmers was introduced in 2018 with a cost of Rs. 2,200 million covering five largely vulnerable crops such as potatoes, big onions, chilli, maize, soya bean and paddy that were severely affected during the natural disaster in 2017 and had an impact on the production in 2018.

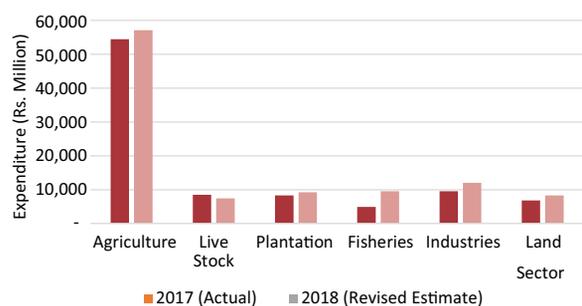
Fisheries sector received additional financing assistance for the development of fishery harbours in Hambantota, Chilaw, Mirissa, Kalmunai, Karainagar, among others. The programme for sustainable fishery development in the Northern Province received Rs. 537 million in 2018 while Rs. 150 million was spent on developing the Myliddy harbor in the Northern Province. Cleaning of lagoons was also made a priority in 2018. Rs. 1,000 million was spent on clearing 10 lagoons including Negombo, Chilaw, Jaffna, and Batticaloa among others, contributing towards the enhancement of fish harvest.

Financial assistance continued for developing the plantation sector in 2018 as well. Rs. 436 million was spent on projects covering all aspects of this, including the upgrading of plantation management institutes, production of high quality plantation material, and upgrading of research laboratories. Special assistance was given for Tea and Rubber sub sectors with a provision of Rs. 1,400 Million

for the revitalization of small holders. Productivity improvement of the tea smallholders was further assisted with Rs. 250 million while a subsidy of Rs. 900 million was granted for the replanting of Rubber. A total provision of Rs. 4,938 million was allocated for the 12 plantation development institutions in 2018, marking approximately 30 percent increase in budgetary provisions when compared to 2017.

Livestock development, training and research activities also received additional financing assistance in 2018. The islandwide rabies control programme started in 2018 with a capital infusion of Rs. 100 million. A project was launched to produce high-quality animal vaccines locally during the same year. A number of activities related to disease diagnosis and surveillance of fish and wildlife varieties were also initiated in 2018. A total allocation of Rs. 1,706 million has been allocated to the Department of Animal Production and Health for activities in the livestock sector in 2018. The marginal decrease in the total allocation for this sector between 2017 and 2018 had been due to the project for the importation of 20,000 dairy animals. The financial allocation that was due for this project was temporarily halted in 2018, owing to the lapses that were identified in implementing the project.

Figure 4.4 | Expenditure Related to Real Economy



Source: Department of National Budget

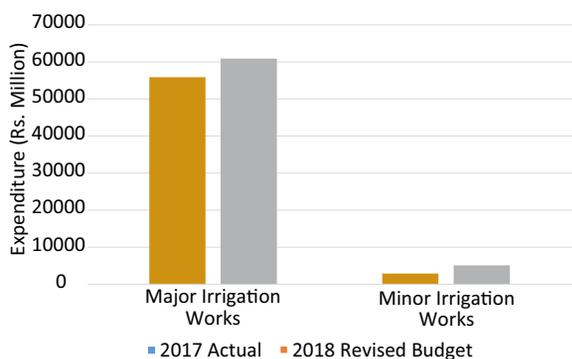
The financial assistance provided for the industry sector increased from Rs. 9,525 million in 2017 to Rs. 12,006 million in 2018. The development of industrial estates was facilitated in 2018 with the aim of improving industrial productions. A few selected thrust areas including pottery, cane craft and woodcraft received Rs. 434 million in

2018, a 150 percent increase in the allocation, when compared with 2017. Handloom and textile industries were also assisted substantially with the aim of improving the local textile production. This included a sum of Rs. 32 million spent solely on training for the handloom sector.

4.8.5 Irrigation

Major irrigation works contributed to the expansion of the overall irrigation sector in 2018. The budgetary provisions granted for major irrigation schemes almost equaled the total allocation provided for the entire agriculture sector. Moragahakanda – Kaluganga project, a noteworthy activity among the major irrigation works is scheduled to be completed in 2019 aiming at providing an uninterrupted water supply to the North Central province, and water to the Northern province over the long term.

Figure 4.5 | Expenditure for Irrigation



Source: Department of National Budget

The pilot project, launched to monitor the groundwater in eight districts commenced in 2018 with an allocation of Rs. 2,311 million. This project covers three major river basins in the North Central and Uva provinces, namely, Malwathu Oya, Maduru Oya, and Kumbukkan Oya. The project addresses the timely requirement of sustainable management of groundwater in two of the most severely affected provinces by drought.

A considerable number of activities were implemented in the irrigation sector in 2018 to mitigate the adverse impact of climate change. The climate resilience improvement project was implemented with funding assistance from the

World Bank with the provision of Rs. 4,210 million in 2018, when compared with Rs. 3,303 million in 2017. In addition, a project was initiated in 2018 to mitigate floods in five river basins, Kelani river, Mundeni Aru, Kalu, Nilwala and Gin rivers. Yan Oya project, aiming at resolving the water scarcity of the Anuradhapura district, continued with an enhanced provision of Rs. 5,000 million in 2018, when compared with Rs. 4,107 million in 2017.

Minor irrigation sector which has a substantial impact on agriculture, particularly paddy farming continued to receive funding assistance in 2018 as well. Development of minor irrigation systems and abandoned paddy lands were provided assistance of Rs. 2,024 million in 2018. Restoration, rehabilitation and desilting of 1,500 small tanks across the country were implemented in 2018 with a four-fold increase in finance assistance from the Rs. 526 million in 2017 to Rs. 2,281 million in 2018. This project was aimed at providing water for cultivation mainly for paddy lands. To complement these activities, Rs. 300 million was spent on developing village tank cascade systems (Ellangawa) in 2018.

4.8.6 Housing and Common Amenities

4.8.6.1 Housing development

The housing development programmes continued, on a priority basis, under the theme “Shelter for all” in 2018 and several housing programmes have been implemented by several line ministries. The investment in the housing development amounted to Rs. 20,826 million in 2018. In addition, “Soduru Piyasa” to support the low-income families have been implemented with a total cost of Rs. 2,368 million.

The concessionary loans and financial grants for housing development continued in 2018. Out of the total beneficiaries of 65,224 that provided assistance, 36,764 houses were completed under the loan and grant programmes in 2018. Renovation of 14 housing schemes was undertaken at a cost of Rs. 200 million in 2018 and infrastructure facilities were provided for 1,831 housing units. Five housing schemes at Wadduwa, Jaltara, Ragama, Homagama and Kundasale continued in 2018 to provide housing

facilities for middle income families. In addition, the Ministry of Hill Country New Villages, Infrastructure and Community Development invested Rs. 1,818 million to support the plantation community for their housing needs and 848 houses have been completed under this project. Rs. 2,093 million invested under the Ministry of Prison Reform, Rehabilitation, Resettlement and Hindu Religious Affairs in 2018 to construct 6,232 houses particularly for the internally displaced people in the Eastern and Northern Provinces. Meanwhile, Rs. 1,965 million was spent to construct houses in the areas devastated by the recent disasters benefiting 1,659 people affected. The Ministry of Megapolis and Western Development constructed 6,141 housing units in Colombo focusing on the urban poor with an investment of Rs. 6,015 million in 2018.

Table 4.21 | Expenditure on Housing Development in 2017 & 2018 by Ministries

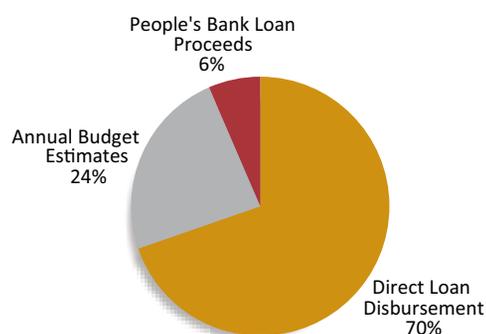
Ministry	(Rs. million)	
	2017	2018
Ministry of Housing and Construction	6,792	8,857
Ministry of Hill Country New Villages, Infrastructure and Community Development	1,794	1,818
Ministry of Megapolis and Western Development	8,500	6,015
Ministry of Disaster Management	2,131	1,965
Ministry of Prison Reform, Rehabilitation, Resettlement and Hindu Religious Affairs	5,139	2,093
Ministry of Provincial Councils and Local Government	113	78
Total	28,046	20,826

Source: Department of National Budget

4.8.6.2 Drinking water and sanitation

With a view to providing access to safe drinking water and quality sanitation services, the Government invested Rs 109,153 million on water supply and sanitation through the National Water Supply and Drainage Board (NWSDB) to meet the cost financing of loans taken from both domestic and foreign banks. The total loans borrowed and disbursed by NWSDB was Rs. 69,901 million and Rs. 25,338 million has been provided through the annual Budget. People’s Bank loan proceeds utilized by NWSDB in 2018 for domestic counterpart funds of foreign-funded water supply and sewerage projects was Rs. 6,909 million.

Figure 4.6 | Investment in Drinking Water and Sanitation Sector - 2018

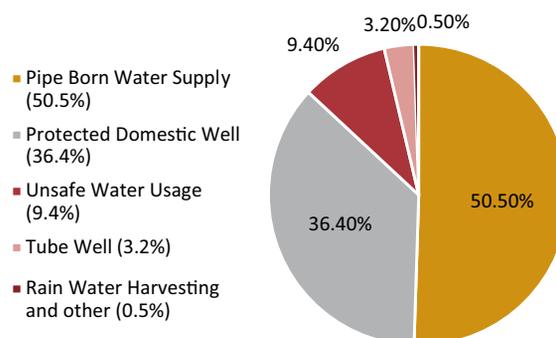


Source: National Water Supply & Drainage Board

Government policy decision on financing mechanism on borrowings of the water supply and sanitation projects continued in 2018. Hence, all borrowings for water supply and sanitation projects were undertaken by the National Water Supply and Drainage Board (NWS&DB) under the subsidized debt service system of the government under the following criteria.

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

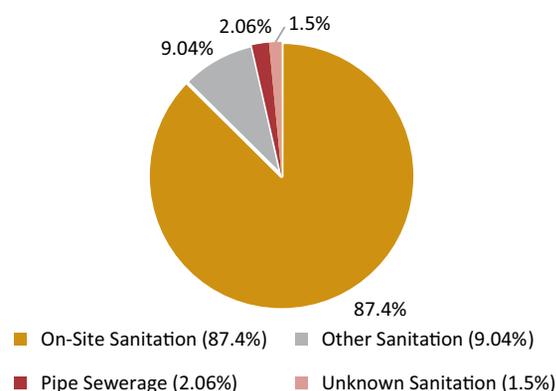
Figure 4.7 | Safe Drinking Water Coverage by Source - 2018



Source – Ministry of City Planning, Water Supply and Higher Education

Development initiatives by the Government in the provision of access to safe drinking water have been successful in a nationwide basis by covering almost 90.6 percent of the population.

Figure 4.8 | Sanitation Facilities in Sri Lanka by Sources - 2018



Source – Ministry of City Planning, Water Supply and Higher Education

Table 4.22 | Major Projects implemented in 2018

Project	2018 Actual Expenditure		
	Foreign	Local	Total
Ongoing Water Supply and Sewerage Projects implemented by the NWS&DB	17,726	6,256	23,982
Water Supply and Sanitation Improvement (GOSL/WB)	4,526	166	4,692
China Sri Lanka Grant Research Project	125	122	247
Development of Township in Lagging Region (Integrated Township in Samanthurai and Kalmunai)	-	1,774	1,774
Prevention of Water-borne Diseases in the Chronic Kidney Disease Affected Areas	-	493	493
Inter-provincial Projects	-	332	332
GPOBA funded project for Increasing Household Access to Sewerage Services (GOSL-WB)	96	219	315
Improvement of Rural Water Supply & Sanitation	-	82	82
Water Supply to Chilaw, Vavunia, Mannar & Puttalam-Dry Zone Urban Water Supply Project (GOSL-ADB V)	-	50	50
Improvement of Community Water Supply	-	57	57

Source: Department of National Budget

4.8.6.3 Urban development

With a view to achieve sustainable urban development through creating well designed, green, clean and smart, urban settlements in strategic locations of the country, the Government has spent Rs.24,567 million in 2018, of which Rs.22,793 million was under the Ministry of Megapolis and Western Development and Rs.1,774 million under the Ministry of City Planning and Water Supply.

Table 4.23 | Expenditure on Major Development Projects in 2018

Project	(Rs. Million)		
	Foreign	GOSL	Total
Ministry of Megapolis and Western Development			
Metro Colombo Urban Development Project-(GOSL-WB)	2,693	1,200	3,893
Development of Strategic Cities-Kandy and Galle (GOSL -WB)	1,977	466	2,443
Development of Strategic Cities-Jaffna (GOSL -WB)	243	74	317
Development of Strategic Cities-Anuradhapura (GOSL -AFD)	82	42	124
Port City Development Project	0	3,255	3,255
Relocation of Manning Market at Peliyagoda	0	1,508	1,508
Town Development Projects in Nine Provinces	0	4,128	4,128
Weras Ganga Storm Water Drainage & Environment Improvement Project	0	1,277	1,277
Projects implemented by the Sri Lanka Land Reclamation and Development Corporation	0	1,031	1,031
Projects implemented by the Urban Development Authority	0	636	636
Townships Development & Urban Solid Waste Management	0	600	600
Establish Haritha Udyana in Every Pradeshiya Sabha Division	0	345	345
Ministry of City Planning and Water Supply			
Development of Comprehensive Plan to Upgrade Cities	0	1,426	1,426
Integrated Townships in Samanthurai and Kalmunai	0	179	179
Development of Townships in Lagging Regions	0	169	169

Source: Department of National Budget

The Government expenditure on urban development mainly focused on improving infrastructure facilities in urban and suburban areas in order to resolve distinctive issues inherent to urbanization such as garbage disposal, slums, urban flood, sewage and drainage management, traffic, poor public amenities, environment and livelihoods while paying special attention to the Western Megapolis Region. Development of strategic cities such as Galle, Kandy, Jaffna and Anuradhapura continued with a total investment of Rs. 2,884 million. Moreover, Town Development Projects in nine provinces have accelerated the improvement of infrastructure facilities of Townships Island wide by investing Rs. 4,128 million in 2018. Ministry of City Planning and Water Supply intervened for upgrading small townships and cities, particularly in the lagging regions with a cost of Rs.1,774 million in 2018.

4.8.7 Environment

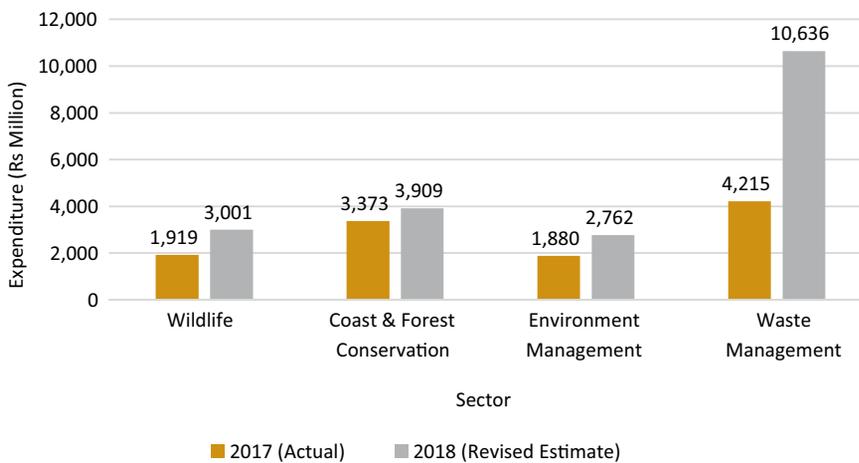
Investment in environment cluster increased by 78 percent to Rs. 20,308 million in 2018 in the areas of waste management, coast and forest conservation, wildlife and environmental management.

Megapolis and Environment, Provincial Councils and Local Government Authorities assisted this endeavour targeting the grassroots levels. Rs. 5,018 million was allocated for the Metro Colombo solid waste management project spearheaded by the Ministry of Megapolis and Western Development by constructing a sanitary landfill for solid waste in Aruwakkalu. The construction of the landfill and the waste transfer station in Kelaniya have been partially completed. Rs. 2,800 million has been invested to supply garbage collecting compactors to local government authorities. Initiation of the Greater Colombo Water and Wastewater Management Improvement Programme addressed the waste water issue with an allocation of Rs. 800 million.

4.8.7.2 Coast & Forest conservation

Coast and forest conservation have also been funded extensively during 2018 with an allocation of Rs. 3,909 million. This was the year when activities on beach replenishment commenced. Activities for expanding forest cover across the country have been granted Rs. 401 million in 2018. The government continued to finance the ongoing

Figure 4.9 | Expenditure on environment sector



4.8.7.1 Waste management

Waste Management has been a priority of the Government. While the central Government continued with the existing projects for waste management mainly through the Ministries of

project on converting Pine plantations to native, broadleaf species, which aims to re-converting all Pine plantations to sustainable and eco-friendly native forest lands. The need for maintaining industrial plantations has also been recognized, where an enhanced provision of Rs. 325 million has

been allocated in 2018. Research and development in the environment cluster has continued to receive funds in 2018 as well, enabling new knowledge on global developments in this field be obtained and shared within the local domain.

4.8.7.3 Wildlife conservation

Activities related to wildlife conservation increased with financial support of Rs. 328.5 million provided, to mitigate human-elephant conflict. A sum of Rs. 300 million has been spent on constructing electric fences in 2018. A number of projects related to environmental management has been undertaken in 2018 with the Ministry of Mahaweli Development and Environment. A few notable examples are the ecosystem conservation and management project that is being executed with funding assistance from the World Bank and the project on addressing climate change impacts on marginalized agricultural communities in the Mahaweli river basin.

4.8.7.4 Environment management

Creating a culture of environmental friendliness among the next generation of the society has been recognized by the Government with continued funding assistance for the school environmental pioneer programme; 'Haritha Niyamu'. Enhancing biodiversity and sustenance of ecosystem service in environmentally sensitive areas, mainstreaming biodiversity and agrobiodiversity conservation and activities ensuring the adherence to international environmental standards such as the implementation of the Montreal Protocol were provided with enhanced financing in 2018.

4.9 Technology Development

Figure 4.10 | Actual expenditure on Technology Development - 2017 and 2018 (Rs. Million.)

Research & Development		Information Technology	
2017 Actual		2017 Actual	
Recurrent	- 1,790	Recurrent	- 134
Capital	- 1,980	Capital	- 2,320
Total	- 3,770	Total	- 2,454
2018 Actual		2018 Actual	
Recurrent	- 1,742	Recurrent	- 214
Capital	- 3,250	Capital	- 2,056
Total	- 4,992	Total	- 2,270

Source: Department of National Budget

In line with the government policy to enhance IT services in the country, recurrent expenditure on the IT sector increased by 68 percent while the capital expenditure increased by 52 percent in 2018. However, IT sector shows a low utilization of its' approved budgetary allocations in 2018 due to the delays in the areas such as project identification, procurement and implementation. However, the Ministry of Telecommunication and Digital Infrastructure and the Information & Communication Technology Agency (ICTA) continued their efforts to enhance the accessibility of ICT services by implementing "Digitalization of Economy project" which is the main and the largest project under the ICT Development in 2018.

Table 4.24 | Major projects implemented in 2018 on Information Technology

(Rs. million)	
Description	Expenditure
Digitalization of Economy	3,161
Construction of Computer Labs in Schools	139
Operating of IT park –Jaffna & Mannar	10

Source : Department of National Budget

While the total expenditure of R & D sector increased by 25 percent, the capital (investment) expenditure increased by 40 percent in 2018. Rs. 2,100 million invested including Rs.1,066 million recurrent expenditure for R & D institutions. In 2018 Government invested Rs 1,330 million on Nano Technology Programme in 2018 under the Ministry of Science for the construction of Nano Science Park, the establishment of an advanced Nano Laboratory to produce Yarn from Carbon Nano Fiber, and Synthetic to produce new medicines to cure Acne and Asthma programmes. Initial steps have already been started with an investment of Rs. 395 million to increase high tech export in the country by establishing Biotechnology Innovation Park and required land has been identified in 2018. Expenditure of Rs. 135 million on Vidatha Programme incurred in 2018 in the areas including technology transfer, provision of necessary technical and financial assistance, research grants, among others.

Table 4.25 | Major projects implemented in 2018 on Research & Development

Description	(Rs. million)
	Expenditure
Nanotechnology Programme	1,330
Establishment of Bio Technology Innovation Park on PPP basis	395
Vidatha Programme	135
Establish Incubators	100
Scientific Development Programme	95
Establishment of National Science Center	81
Improving Degraded Soil	39
Establishment of Social Innovation Lab	25
Implementation of R&D Investment Framework	15

Source : Department of National Budget

**Cash Flow
Management,
Deficit Financing
and Debt**

05

5.1 Overview

Although the tax revenue reflects a nearly a 5 percent growth in 2018 over the previous year, Treasury cash flow management demonstrated lower than the estimated cash inflows owing to slower implementation of amendments to the Inland Revenue Act, and underperformance in customs collection resulting in a decline in cash outflow for capital payments in the year 2018. The budget deficit, in economic classification, was Rs. 760.7 billion or 5.3 percent of GDP which was mainly financed through domestic borrowings.

Financing through domestic sources amounted to 57.5 percent of the total resource requirements. The outstanding central government debt increased to 82.9 percent of GDP at end 2018 from 76.9 percent of GDP at end 2017. The total central government debt stock, in absolute terms, increased by 16.1 percent to Rs. 11,977.5 billion at end 2018.

5.2 Treasury Cash Flow Management

Treasury cash flow management process transforms the approved Annual budget into an implementable fund flow for a year. This fund flow includes cash

Table 5.1 | Government Treasury Cash Flow Operations – 2018

Item	(Rs. Billion)			
	2016	2017	2018	
	Actual	Actual	Estimate	Actual
Opening Cash balance as at 1st January	(196.8)	(160.3)	(186.2)	(186.2)
Total cash inflow from revenue and other receipts	1,616.2	1,765.3	2,144.9	1,870.2
Tax Revenue	1,446.4	1,645.3	2,014.0	1,685.3
Non Tax Revenue	168.3	117.4	124.4	139.1
Grant Receipts	1.5	2.6	6.5	2.0
Utilization of Hambantota Proceeds	-	-	-	43.8
Total cash outflow for recurrent payments	(1,704.3)	(1,853.6)	(2,102.2)	(2,000.7)
Personal Emoluments	(633.0)	(666.4)	(691.2)	(711.8)
Pension payments	(165.1)	(175.0)	(188.7)	(186.1)
Samurdhi payments	(40.8)	(39.7)	(43.9)	(39.2)
Fertilizer Subsidy	(26.3)	(30.4)	(32.0)	(26.7)
Other Recurrent	(236.6)	(221.7)	(326.4)	(214.7)
Interest	(602.5)	(720.4)	(820.0)	(822.2)
Total cash outflow for capital payments	(464.1)	(646.1)	(819.9)	(594.0)
Capital payments	(330.6)	(400.8)	(574.2)	(365.0)
Grant payments	(2.0)	(3.3)	(11.3)	(2.3)
Advance to Public Officers	(10.5)	(11.0)	(19.4)	(11.7)
Project payment	(121.0)	(231.0)	(215.0)	(215.0)
Net cash surplus / (deficit)	(552.2)	(734.4)	(777.2)	(724.5)
Gross borrowing	1,318.1	1,564.5	1,927.2	1,853.9
Debt repayment	(741.5)	(868.9)	(1,150.0)	(1,232.3)
Domestic	(595.7)	(648.0)	(879.3)	(923.9)
Foreign	(145.8)	(220.9)	(270.7)	(308.4)
Net borrowing	576.5	695.6	777.2	621.6
Adjustment account balance (Temporary Employed Balance, net deposits, etc.)	12.1	12.9		14.9
Closing Cash balance as at 31st December	(160.3)	(186.2)	(186.2)	(274.2)

Source: Department of Treasury Operations and Department of External Resources- CS-DRMS Report

inflows in the form of revenue and borrowings and the cash outflows in the form of expenditure including both recurrent and capital outlays. Accordingly, the main objective of effective Treasury cash flow management is to ensure the availability of adequate funds to operationalize government fiscal policy during the fiscal year through the various implementing agencies efficiently.

Government Treasury Cash Flow Operations – 2018

In 2018, total receipts to the Treasury cash flow in the form of revenue and other sources amounted to Rs. 1,870.2 billion with the realization of 87 percent from the estimate of Rs. 2,144.9 billion. In addition to the tax and non-tax revenue and other receipts, total cash inflow includes the utilization of proceeds received from the Hambantota Port Project amounting to Rs. 43.8 billion. Meanwhile, the cash outflow in 2018 amounted to Rs. 2,594.7 billion as against the estimate of Rs. 2,922.1 billion, achieving 88.8 percent from the estimate. The deviation was mainly due to the decline in non-project capital expenditure. These developments led to a net cash deficit of Rs. 724.5 billion as at end 2018.

The net cash deficit was mainly financed through the net borrowings amounted to Rs. 621.6 billion, in 2018. In addition, changes in deposits within the Treasury cash flow operations and the bank overdraft were also utilized to finance the deficit. The increase in the year-end negative bank balance up to Rs. 274.2 billion from the opening negative cash balance of Rs. 186.2 billion has reflected the utilization of bank overdraft to finance net cash deficit. The increase in negative cash balance reflects by the increase in debt repayment against the estimate by Rs. 82.3 billion, which occurs mainly due to parity changes and the increase in expenditure.

5.3 Government Borrowing Programme - 2018

Parliament approved the borrowing limit of Rs.1, 893.8 billion under the Appropriation Act, No. 30 of 2017 for financing the resource gap in the Budget 2018. The Actual gross borrowing in 2018 was Rs. 1,880.7 billion of which Rs. 1,109.1 billion was from domestic sources and the rest, Rs. 771.6 billion, was from foreign sources.

5.4 Financing of the Budget

The overall budget deficit of Rs. 760.7 billion was financed mainly through domestic sources in 2018. Financing through domestic sources amounted Rs. 437.2 billion or 3.0 percent of GDP in 2018 while net foreign borrowings accounted Rs. 323.5 billion or 2.2 percent of GDP.

Domestic and foreign sources were attributable to 57.5 percent and 42.5 percent, respectively of the total resource requirements in financing the overall budget deficit.

5.4.1 Domestic Financing

Net Domestic Financing (NDF)

Total net borrowings from domestic sources increased by 48.6 percent to Rs. 437.2 billion in 2018. The total net borrowing in 2018 through marketable debt instruments amounted to Rs. 298.0 billion and non-marketable debt instruments were Rs. 139.3 billion. Borrowings from the Treasury bills reflected a net inflow of 52.9 billion, compared to the net outflow of Rs. 81.7 billion in 2017 resulting an increase in NDF by 12.1 percent in 2018. Further, net borrowings from the Treasury bonds increased by 265.4 billion in 2018, amounting to Rs. 374.5 billion at the end of 2018.

Figure 5.1 | Trends in Net Domestic Financing

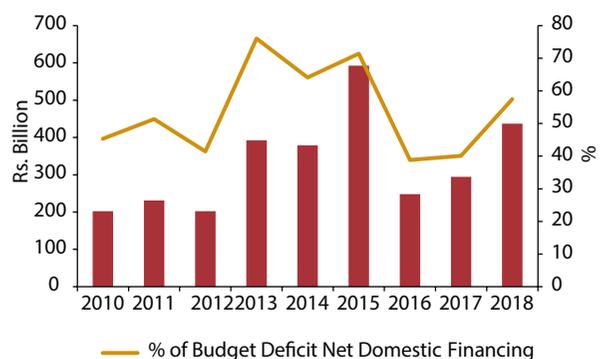


Table 5.2 | Net Domestic Financing of the Government Budget: 2017 and 2018

Item	Amount (Rs.Billion)		As a % of Total	
	2017	2018	2017	2018
By Type	294.3	437.2	100	100
Borrowing from Instruments	80.7	298	27.4	68.1
Treasury Bonds	109.1	374.5	37.1	85.7
Treasury Bills	(81.7)	52.9	(27.8)	12.1
Rupee Loans	0.0	0.0	0.0	0.0
Sri Lanka Development Bonds	53.3	(129.5)	18.1	(29.6)
Non Instrument Financing	213.6	139.3	72.6	31.9
Provisional Advances from the Central Bank	116.5	(1.2)	39.6	(0.3)
Other ^(a)	97.1	140.4	33	32.1
By Maturity	294.3	437.2	100	100
Medium to Long Term	162.4	245.1	55.2	56.1
Treasury Bonds	109.1	374.5	37.1	85.7
Rupee Loans	0.0	0.0	0.0	0.0
Sri Lanka Development Bonds	53.3	(129.5)	18.1	(29.6)
Short term	131.9	192.2	44.8	43.9
Treasury Bills	(81.7)	52.9	(27.8)	12.1
Provisional Advances from the Central Bank	116.5	(1.2)	39.6	(0.3)
Other ^(a)	97.1	140.4	33	32.1
By Marketability	294.3	437.2	100	100
Marketable	80.7	298	27.4	68.1
Treasury Bills	(81.7)	52.9	(27.8)	12.1
Treasury Bonds	109.1	374.5	37.1	85.7
Sri Lanka Development Bonds	53.3	(129.5)	18.1	(29.6)
Non – Marketable ^(a)	213.6	139.3	72.6	31.9
By Ownership	294.3	437.2	100	100
Banks	187.7	109.5	63.8	25
Central Bank	(187.9)	246.1	(63.9)	56.3
Commercial Banks	375.7	(136.6)	127.6	(31.2)
Non Bank Sector ^(a)	106.6	327.8	36.2	75

Sources : Central Bank of Sri Lanka

(a) Includes divestiture proceeds of Rs. 44,677 million and Rs. 107,883 million in 2017 and 2018, respectively.

5.4.2 Foreign Financing

Foreign financing plays a pivotal role in the government investment portfolio and it has mainly been channeled to large scale strategic infrastructure development projects which are expected to generate significant economic returns in the medium and long term. Foreign financing opportunities have been explored in line with the borrowing strategy which focuses on mobilizing required foreign financing at affordable costs with minimum risks while maintaining the debt sustainability of the country.

Since the availability of concessional financing has been trimmed drastically during the past few years, steps have been taken to broaden the options for foreign financing for public investment by mobilizing a mix of non-concessional, concessional and commercial funds from bilateral and multilateral development partners and financial markets in order to keep the cost of borrowing at an affordable level. Consequently, new financing modalities such as multi-tranche financing facilities, flexible loan pricing options with different variable/fixed spreads and maturity structures, and development

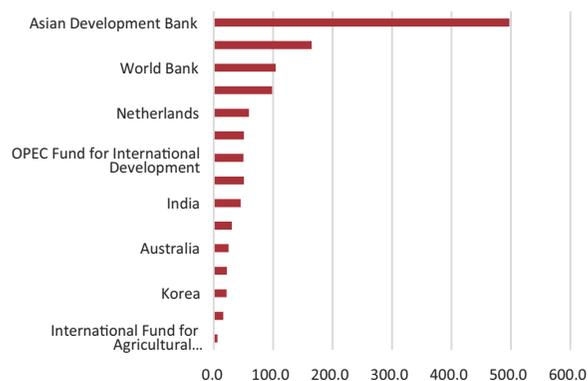
program loans have been explored. Amidst these developments, the Government was able to mobilize required foreign resources for the public investment programme in 2018.

Foreign Financing Commitments in 2018

To finance the public investments detailed in the Public Investment Program (PIP), achieve Medium Term Fiscal Framework of the Government and the envisaged public debt management targets, the Government has entered into 41 financial agreements to mobilize US\$ 4,741.6 million in 2018 of which US\$ 1,241.6 million was committed through 37 Official Development Assistance (ODA) agreements. Of the total value of ODA commitments, US\$ 1,108.7 million was committed by entering into 25 loan agreements and US\$ 132.9 million was committed from 14 grant agreements. In addition to the foreign financing committed for development activities, the Government was acquired US\$ 3,500 million using facilities available in the international capital markets, of which US\$ 1,000 million was raised through Foreign Currency Term Financing Facility Loan and US\$ 2,500 was raised by issuing International Sovereign Bonds (ISBs).

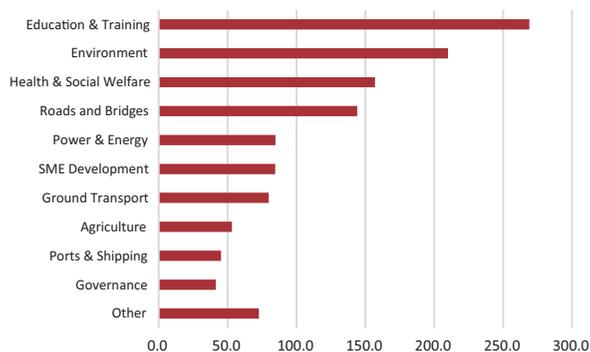
The highest amount of ODA was committed mainly by the Asian Development Bank (ADB) followed by China, the World Bank, and Japan, respectively. This financing will be utilized within the next 3-4 years mainly in the sectors such as education and training, environment and health and social welfare.

Figure 5.2 | Lender-wise ODA Commitments - 2018 (in USD million)



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

Figure 5.3 | Sector-wise ODA Commitments - 2018 (in US\$ million)



Source: Department of External Resources
 Note: Other = Rural development, Irrigation, Sewerage, Water supply and sanitation, Women Affairs, Humanitarian Assistance

In terms of ODA commitments made in 2018, the education and training sector received the highest commitments amounting to US\$ 269.0 million or 30 percent of the total ODA commitments. The commitments are to be utilized mainly in the flagship projects including ADB funded skills sector enhancement program (US\$ 103.0 million), World Bank-funded general education modernization project (US\$ 100.0 million), and OPEC funded technical education development program (US\$ 50.0 million). The second highest commitments were received to finance the projects implemented in the environment sector, which is to be utilized in the Mahaweli water security investment program (US\$ 210 million). In addition, the Government has committed a considerable amount in health and social welfare and roads and bridges in 2018.

Issuance of International Sovereign Bonds (ISBs), Foreign Currency Term Financing Facility Loans and Sovereign Guaranteed Loans

In 2018, the Government has issued two ISBs amounting to US\$ 1,250 million each with tenure of 5 and 10 years and at 5.75 and 6.75 annual interest rates, respectively. In 2018, China Development Bank (CDB) extended US\$ 1,000 million in the form of foreign currency term loan. In 2018, the Government has issued sovereign guarantees amounting to US\$ 133.3 million. The guarantees have covered for the projects of the Austria funded Replacing of Transmission and Distribution Mains from Orugodawatta to Kaduwela (EUR 50.5 million) and the Netherlands funded Hemmathagama water supply scheme project (EUR 82.5 million) acquired by National Water Supply and Drainage Board.

Table 5.3 | Sovereign Bond Issuances

Date of Issuance	Amount (USD million)	Annual Interest Rate (%)	Tenure (Years)	Maturity Date
10/04/2010	1,000	6.25	10	10/04/2020
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	5	14/01/2019
04/07/2014	500	5.125	5	04/11/2019
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
05/11/2017	1,500	6.2	10	05/11/2027
18/04/2018	1,250	5.75	5	18/04/2023
18/04/2018	1,250	6.75	10	18/04/2028

Source: Central Bank of Sri Lanka

Foreign Financing Disbursements and Utilization

Committed amounts used for development projects are to be utilized within the next 4 to 5 years depending on the project implementation progress and borrowing limit approved by Parliament each year. The disbursements made through the development projects and programs funded by

Figure 5.5 | Sector-wise Disbursements - 2018 (US\$ million)

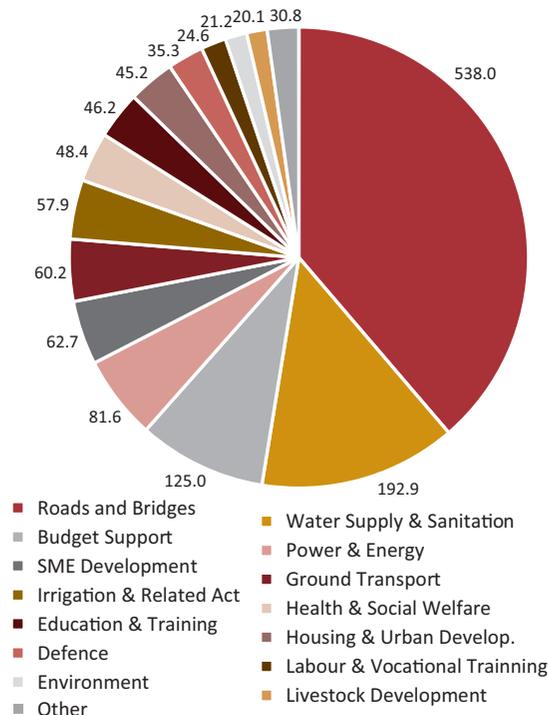
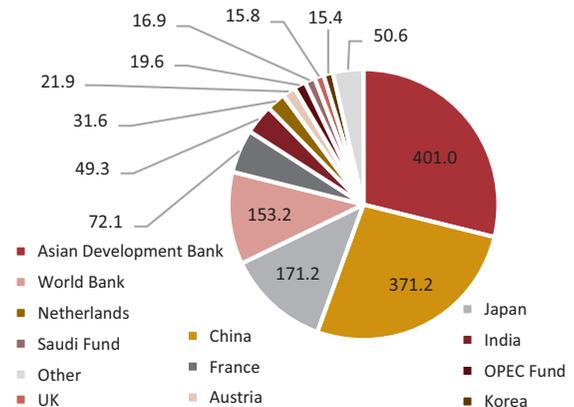


Table 5.4 | Foreign Financing Disbursements of ODA – 2018

Development Partner	Amount Disbursed (USD million)		
	Loan	Grant	Total
Bilateral	791.2	17.7	808.9
China	371.2	-	371.2
Japan	156.8	14.4	171.2
France	71.7	0.4	72.1
India	49.3	-	49.3
Netherlands	31.6	-	31.6
Austria	21.9	-	21.9
Saudi Fund	16.9	-	16.9
UK	15.8	-	15.8
Korea	15.4	-	15.4
Kuwait	14	-	14
USA	9.4	2.9	12.3
HSBC (Denmark)	8.4	-	8.4
Spain	4.8	-	4.8
Germany	2.5	-	2.5
Australia	1	-	1
Belgium	0.3	-	0.3
Hungary	0.04	-	0.04
Multilateral	577.1	3.9	581
Asian Development Bank	400.8	0.2	401
World Bank	153.2	-	153.2
OPEC Fund	19.6	-	19.6
UN Agencies	-	3.7	3.7
International Fund for Agricultural Development	3.5	-	3.5
Grand Total	1,368.30	21.6	1,389.90

Source: Department of External Resources
 Note: 1. Financial values disbursed in different currencies have been converted into US\$ as per yearend exchange rates.
 2. Disbursements of State Owned Enterprises are not included.
 3. - denotes no disbursement were made

Figure 5.4 | Development Partner-wise Disbursements - 2018 (US\$ million)



foreign development partners and lending agencies in 2018 amounted to US\$ 1,390.0 million, of which US\$ 1,368.3 million was disbursed through loans and US\$ 21.6 million through grants.

Of the total disbursements made for development projects and programs in 2018, the highest amount of disbursements has been utilized mainly for road and bridges sector followed by water supply and sanitation sector, budget support, power and energy and SME development sectors. (Table 5.4)

Cumulative Undisbursed Balance (CUB)

Once a loan agreement is signed to proceed with the implementation of a development project, the disbursements occur often times over a period of 3-5 years. Since about US\$ 16.2 billion worth of ODA loans and grants were signed during last 5 years for the implementation of development projects and programmes, a considerable amount of funds for the development projects are to be disbursed during next few years from the development partners and lending agencies.

At the end of 2018, the undisbursed balance on already committed foreign financing was US\$ 8,139.8 million. China accounted for almost 23 percent of the CUB to be utilized in next few years followed by Asian Development Bank, Japan, and the World Bank accounted for almost 76 percent of the CUB to be disbursed within the next 3-5 years.

5.5 Central Government Debt

The total outstanding central government debt increased by 16.14 percent to Rs. 11,977 billion in

Figure 5.7 | Central Government Debt

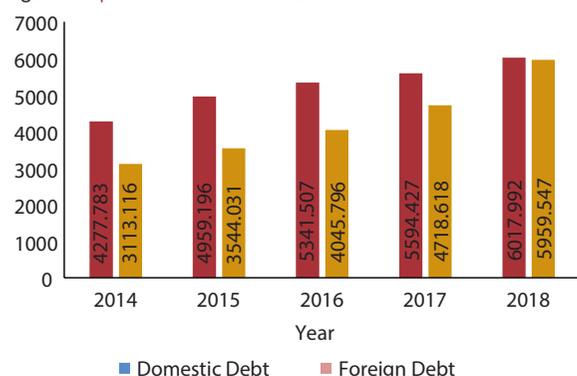


Table 5.5 | CUB as of end 2018

Development Partner	US\$ million	%
Bilateral	4,957.00	61
China	1,878.00	23.1
Japan	1,565.00	19.2
India	524.3	6.4
France	411.3	5.1
Russia	134.7	1.7
Netherland	96.5	1.2
Korea	83	1
Kuwait	77.9	1
HSBC Limited (Hong Kong)	65.7	0.8
Germany	35.5	0.4
Austria	29.6	0.4
Spain	24.4	0.3
Pakistan	14.9	0.2
HSBC (Denmark)	11.1	0.1
UK	5.1	0.1
Australia	0.1	0.01
Belgium	0.1	0.01
Multilateral	3,182.50	39
Asian Development Bank	1,657.60	20.4
World Bank	1,092.80	13.4
Saudi Fund	159.2	2
OPEC Fund	156.8	1.9
Int. Fund for Agricultural Development	58.9	0.7
European Investment Bank	57.2	0.7
Total	8,139.80	100

Source : Department of External Resources
 Note : 1. Financial values in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December 2018
 2. CUB of State Owned Enterprises are not included

Figure 5.6 | Sector-wise CUB- 2018 (US\$ million)

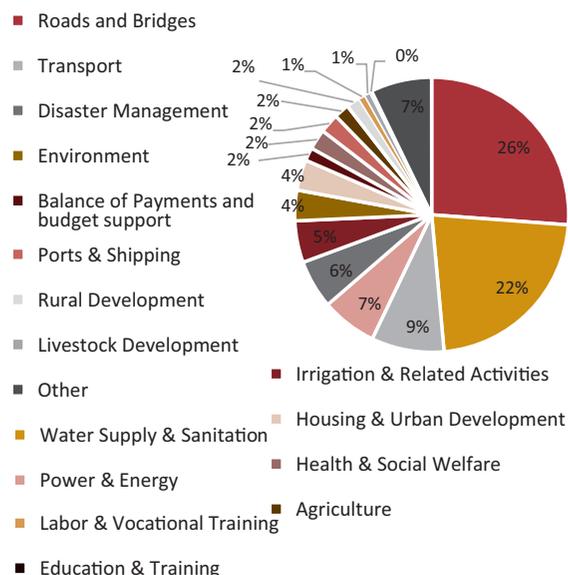


Table 5.6 | List of ODA Loans and Market Borrowing Instruments Committed in 2018, along with Financial Terms

Development Partner/ Lending Agency	Agreement Date	Project/ Program/ Instrument Name	Commitment (million)		Financial Terms			Grace Period (years)			
			Amount in Loan Currency	Rupee	USD	Interest Type	Annual Rate (%)		Margin (100 basis points)	Other fees (based on annual rate)	
Bilateral ODA											
Agence Francaise De developement	17/10/2018	Implementation of Green Power Development & Energy Efficient Improvement Investment Program - Tranch 2	EUR 30	5,930.90	34.7	Variable	EURIBOR 6 Month	0	Commitment Fee 0.5%, Appraisal Fee 0.5%	5.4	19.9
Government of France	28/09/2018	Development of Mini Dairy Co- operatives with French Soft Loan	EUR 13.9	2,739.60	16.2	Fixed	0.0016	N/A	-	9.8	33.3
Government of Japan	11/07/2018	Health and Medical Service Improvement Project	JPY 10,639.00	15,260.60	95.8	Fixed	Tranche 1 - 0.1, Tranche 2 - 0.01	N/A	Tranche 1-Frontend Fee 0.2, Tranche 2-	12	40
Government of Korea	28/06/2018	Supply of Garbage Collecting Compactors in South Sri Lanka	USD 7	1,110.70	7	Interest Free	-	-	-	10.5	30
	28/06/2018	Supply of Garbage Collecting Compactors in North and Central Sri Lanka	USD 7	1,110.70	7	Interest Free	-	-	-	10.5	30
Saudi Fund For Arab Economic Development	18/07/2018	Kalu -Ganga Development Pro- ject - Additional Finance	SAR 60	2,531.90	15.8	Fixed	2	N/A	-	5.1	24.6
TLF China Development Bank	12/10/2018	Foreign Currency Term Loan Facility 2018	USD 1,000.00	171,345.60	1,000.00	Variable	LIBOR	2.56	-	3.2	8
Co-op Centrale Raiffei- sen-Boerenlebank (Netherlands)	26/11/2018	Reconstruction of Rural Bridges (EUR 44.3)	EUR 44.3	9,010.30	50.2	Variable	EURIBOR 6 Month	1.45	Commitment Fee 0.25%, Manage- ment Fee 0.5%	2.6	12.5
	26/11/2018	Reconstruction of Rural Bridges (EUR 7.8)	EUR 7.8	1,590.00	8.9	Variable	EURIBOR 6 Month	4	Commitment Fee 0.25%, Manage- ment Fee 0.5%	3.5	4.4
ERSTE BANK- AUSTRIA	23/05/2018	Upgrading of Operation Theatres and ICU Equipment under Austrian Soft Loan Scheme	EUR 9.6	1,780.50	11.3	Variable	EURIBOR 3 Month	1	Commitment Fee 0.4%, Management Fee 0.4%, Upfront Fee EUR 17,976.7, Handling Fee 1,440	5.6	18.1
Export Import Bank of India	10/01/2018	Dollar Credit Line on KKS Harbor	USD 45.3	6,963.40	45.3	Variable	LIBOR 6 Month	0	-	1	15.5

Table 5.6 | List of ODA Loans and Market Borrowing Instruments Committed in 2018, along with Financial Terms

HSBC Limited (Hong Kong)	27/04/2018	Procurement of 09 Nos Diesel Multiple Units for Upcountry Line Operation of Sri Lanka Railways.	USD	79.8	12,578.20	79.8	Variable	LIBOR 6 Month	2	1	13.8
											Commitment Fee 0.5%, Arrangement Fee USD 877,665.8, Credit Insurance Premium USD 1,083,292.9 (2018) & USD 1,100,000 (2019)
The Export-Import Bank of China	07/06/2018	Widening and Improvement of 64.31 km of Roads and Reconstruction of 13 Bridges in Central and Uva Provinces in Sri Lanka	USD	85	13,482.30	85	Variable	LIBOR 6 Month	2.9	3.1	17.6
											Commitment Fee 0.5%, Management Fee 0.5%, Insurance Premium USD 1,359,823.3
UniCredit Bank Austria AG	08/03/2018	Implementation of Kirama-Katuwana Integrated Water Supply Scheme	EUR	10.5	2,019.40	13	Interest Free			6.5	17.8
											Management Fee 0.45%, Handling Fee EUR 1,440, Upfront Fee EUR 58,981.6, OEK Guarantee margin 1%, Commitment Fee 0.4%
	12/04/2018	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Higher Education and Highways in Sri Lanka.	EUR	4.9	949.1	6.1	Interest Free			5.7	19.5
											Management Fee 0.45%, Handling Fee EUR 1,440, Upfront Fee EUR 7,500, Legal Fee EUR 16,440, OEK Guarantee margin 1%, Commitment Fee 0.4%
Multilateral ODA	16/02/2018	Small and Medium Enterprises Line of Credit - Additional Financing	USD	75	11,649.30	75	Variable	LIBOR 6 Month	0.6	11.3	11.3
											Commitment Fee 0.15%
	18/05/2018	Mahaweli Water Security Investment Program - Tranche 2	USD	179	28,293.90	179	Variable	LIBOR 6 Month	0.7	5	19.5
											Commitment Fee 0.15%
Asian Development Bank	18/05/2018	Mahaweli Water Security Investment Program - Tranche 2	USD	31	4,900.10	31	Fixed	2	N/A	5	19.5
											-
	11/05/2018	Skills Sector Enhancement Program - Additional Financing	USD	60	9,472.70	60	Fixed	2	N/A	5	24.5
											-
	11/05/2018	Skills Sector Enhancement Program -Additional Financing	USD	40	6,315.20	40	Variable	LIBOR 6 Month	0.7	5	19.5
											Commitment Fee 0.15%
	18/09/2018	Roof-top Solar Power Generation Project	USD	50	8,220.30	50	Variable	LIBOR 6 Month	0.7	6.5	29
											Commitment Fee 0.15%

Table 5.6 | List of ODA Loans and Market Borrowing Instruments Committed in 2018, along with Financial Terms

Asian Development Bank	26/10/2018	Health System Enhancement Project	USD	37.5	6,481.00	37.5	Fixed	2	N/A	-	5.1	24.6
International Bank for Reconstruction & Development of the World Bank	30/01/2018	PPF- Programmatic Preparation Advance no. P4940	USD	4	615.1	4	N/A (Preparation Advance)				2	2
International Fund for Agricultural Development	26/01/2018	Implementation of Smallholder Agribusiness Partnership (SAP) (Enhancement)	USD	6.2	950.1	6.2	Fixed	2	N/A	-	5	24.4
International Development Association of the World Bank	25/07/2018	General Education Modernization Project	USD	100	15,948.00	100	Variable	LIBOR 6 Month	0	Commitment Fee 0.25%	5.8	22.3
OPEC Fund for International Development	03/07/2018	Technological Education Development Programme	USD	50	7,922.20	50	Fixed	2	N/A	Service Fee 1%	5	19.5
Total					349,170.90	1,108.70						

Source: Department of External Resources

Table 5.7 | List of ODA Grants committed in 2018

Development Partner	Agreement Date	Project/Program	Commitment (million)		
			Currency	Amount	US\$
Bilateral					
Government of Australia	30/01/2018	Subsidiary Agreement (Governance for Growth Programme)	AUD	31	25.04
Government of Japan	26/06/2018	The Project for Human Resource Development Scholarship	JPY	270	2.42
Government of Korea	15/05/2018	Educational Environment Improvement Project in Kilinochchi District	USD	7.5	7.5
Government of United States of America	30/01/2018	Strengthened Partnership for Democratic Governance & Social Cohesion (Enhancement)	USD	9.67	9.67
	30/01/2018	Sustained and Inclusive Economic Growth (Enhancement)	USD	8.21	8.21
	21/09/2018	Sustained and Inclusive Economic Growth (Enhancement)	USD	1.15	1.15
	27/09/2018	Sustained and Inclusive Economic Growth (Enhancement)	USD	3	3
Multilateral					
Asian Development Bank	11/05/2018	Skills Sector Enhancement Programme - Additional Financing	USD	3	3
	26/10/2018	Health System Enhancement Project	USD	12.5	12.5
	06/07/2018	Women Entrepreneurs Finance Initiatives (We-Fi)	USD	9.5	9.5
Food & Agriculture Organization	15/08/2018	Strengthening the e-agriculture environment and developing ICT-mediated agricultural solutions	USD	0.1	0.1
United Nations Population Fund	25/01/2018	UNFPA Country Program 2018 - 2022	USD	4	4
United Nations High Commissioner for Refugees	01/01/2018	Enabling returnees in Kilinochchi, Puttalam and Mannar districts to access their rights	LKR	1.86	0.01
World Food Program	01/01/2018	Country Strategic Plan 2018-2022	USD	46.83	46.83
Grand Total					132.93

Source: Department of External Resources

2018 compared to Rs. 10,313 billion in 2017 owing to the depreciation of rupee against major currencies and higher net borrowings. The outstanding foreign debt increased significantly by 26.3 percent to Rs. 5,959 billion, while outstanding domestic debt increased by only 7.6 percent to Rs. 6,018 billion in 2018, compared to the previous year.

Central Government debt to GDP ratio increased by 6.0 percentage points to 82.9 percent at end 2018 from 76.9 percent at end 2017: domestic debt to GDP ratio decreased to 41.6 percent; foreign debt to GDP ratio increased to 41.2 percent. The

foreign share of government debt was 49.7 percent of the total debt at end 2018. Government debt-stock to GDP ratio increased mainly due to both the Sri Lankan-Rupee depreciation against major currencies and relatively low growth of GDP in 2018.

5.5.1 Domestic Debt

Government domestic debt, excluding the rupee-denominated Treasury bills and bonds issued to non-residents, increased by 7.6 percent to Rs. 6,017.9 billion at end 2018 from Rs. 5,594.4 billion at end 2017.

Table 5.8 | CUB as of End 2018 –Sector wise composition

Sector	CUB amount (USD million)	%
Agriculture	599.6	7.4
Agriculture	144	1.8
Livestock Development	56.4	0.7
Irrigation & Related Activities	399.2	4.9
Economic Infrastructure	5,370.50	66
Roads and Bridges	2,130.70	26.2
Ports & Shipping	186.3	2.3
Power & Energy	532.5	6.5
Transport	699.5	8.6
Water Supply & Sanitation	1,821.50	22.4
Social Infrastructure	1,031.30	12.7
Education & Training	16.3	0.2
Labor & Vocational Training	64.2	0.8
Health & Social Welfare	194.3	2.4
Housing & Urban Development	293.2	3.6
Disaster Management	463.3	5.7
Rural Development	133.2	1.6
Environment	293.4	3.6
Balance of Payments and budget support	125	1.5
Other	586.8	7.2
Total	8,139.80	100

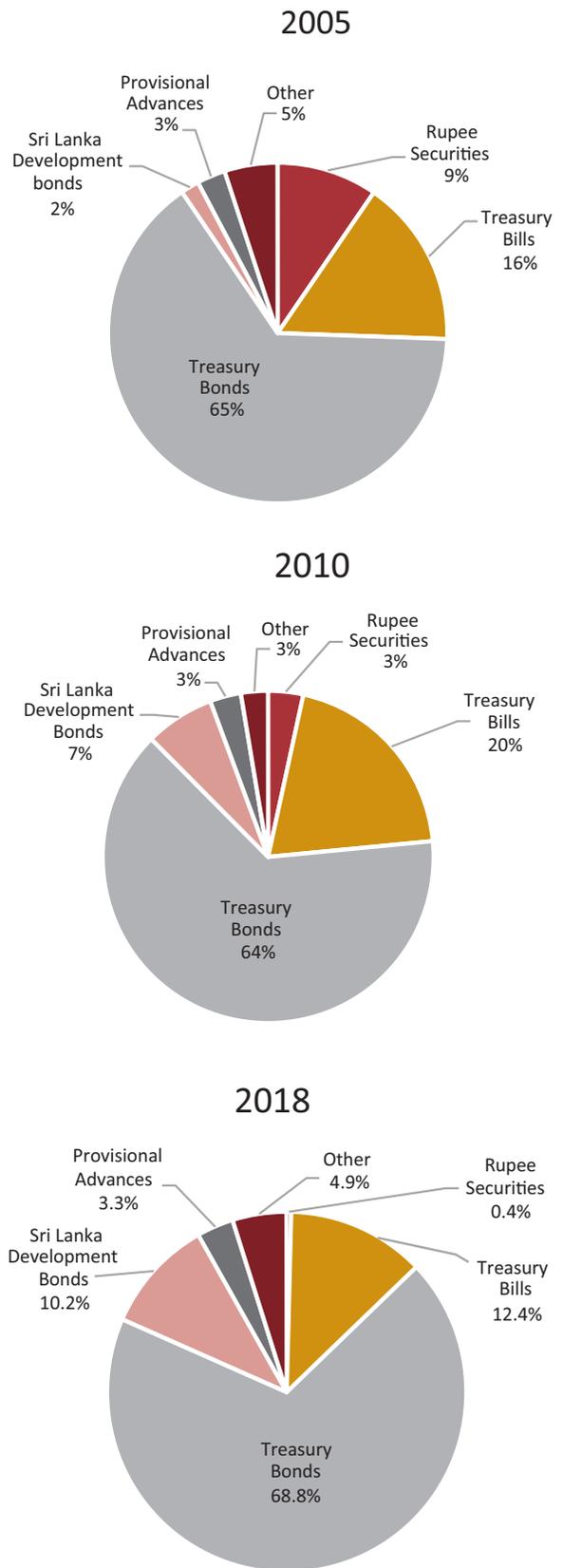
Source: Department of External Resources

5.5.1.1 Composition of Domestic Debt

Composition by Type

The outstanding domestic debt mainly consisted of Treasury bonds, Treasury bills and SLDBs amounting 68.8 percent, 12.4 percent and 10.2 percent respectively at end 2018. The stock of Treasury bonds increased by 8.3 percent to Rs. 4,140.7 billion in 2018 while the Treasury bill stock increased by 7.1 percent to Rs. 746.9 billion, compared to 2017. The outstanding stocks of SLDBs slightly declined by 3.7 percent in 2018. The share of provisional advances obtained from the CBSL decreased to 3.3 percent in 2018 from 3.6 percent in 2017.

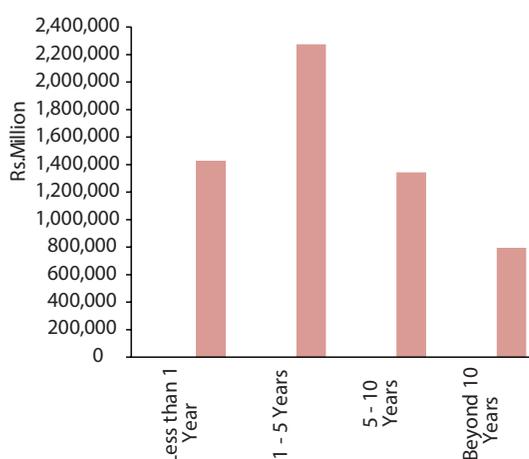
Figure 5.8 | Composition of Domestic Debt by Type



Composition by Maturity Profile

The share of domestic debt matured within a one year of total outstanding domestic debt represented 18.9 percent while the balance 81.1 percent represented the maturities beyond 2019. The total medium to long-term debt portfolio included 84.8 percent of Treasury bonds and the remaining 15.2 percent consisted 12.6 percent SLDBs, 0.5 percent of Rupee Loans and 2.1 percent of other borrowings.

Figure 5.9 | Domestic Debt Maturity Profile



Composition by Marketability of Government Domestic Debt

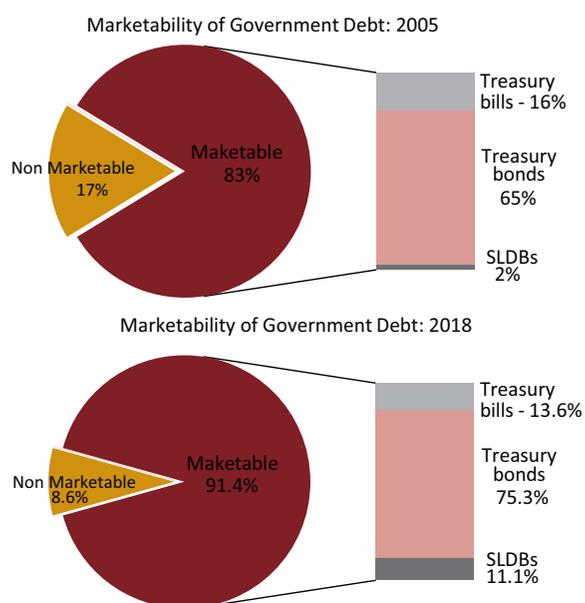
The marketable debt stock increased by 6.7 percent to Rs. 5,501.8 billion in 2018, reflecting the continuous utilisation of marketable debt instruments over the past few years. Marketable debt instruments accounted for 91.4 percent of the total domestic debt stock. Of the total value of marketable debt instruments portfolio of Rs. 5,501.8 billion, Treasury bonds, Treasury bills and Sri Lanka Development bonds represented 75.3 percent, 13.6 percent and 11.1 percent, respectively in 2018.

Composition by the Ownership of Domestic Debt

The ownership of government domestic debt in the banking sector decreased by 0.6 percent and the ownership of the government domestic debt in the non-banking sector increased by 13.4 percent, at end 2018 over the previous year. The share of the non-banking sector increased to 61.5 percent from 58.4 percent as at end 2018 out of the total outstanding

domestic debt while the share of banking sector declined to 38.5 percent in 2018. However, the domestic debt owned by the Central Bank were increased by 16.6 percent due to the increase in Treasury bill holdings while the commercial banks' holdings decreased by 2.3 percent in 2018 as against the previous year.

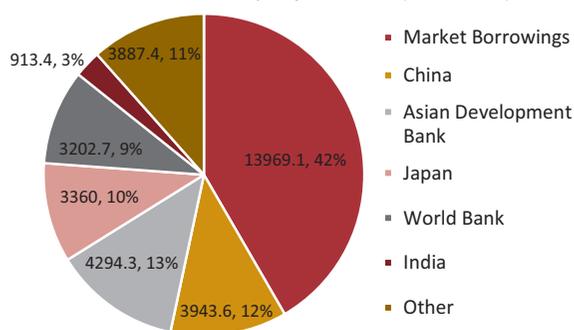
Figure 5.10 | Marketability of Government Domestic Debt



Outstanding Foreign Debt

The accumulated external debt stock of the Government amounted to US\$ 32.6 billion¹ at the end 2018, an increase of US\$ 3.9 billion (or about 13.6 percent), compared to US\$ 28.7 billion at the end of 2017. At the end 2018, the market-based borrowings including ISBs and foreign currency term facility loans accounted for 42 percent of the outstanding external debt stock.

Figure 5.11 | Composition of Outstanding Debt Stock at the End of 2018 – By major Creditor (US\$ million)



Source: Department of External Resources

¹ Non-resident holding of treasury bills / bonds and debt state owned enterprises are not included.

Table 5.9 | Central Government Domestic Debt(a)

Item	2011	2012	2013	2014	2015	2016	2017	2018
								Provisional
Total Domestic Debt	2,804,085	3,232,813	3,832,825	4,277,783	4,959,196	5,341,507	5,594,427	6,017,992
By Type								
Rupee Loans	61,961	58,386	55,518	55,518	24,088	24,088	24,088	24,088
Treasury Bills	590,885	629,070	700,137	694,767	658,240	779,581	697,154	746,887
Treasury Bonds ^(b)	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620	4,140,661
Sri Lanka Development Bonds	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219
Provisional Advances	94,743	111,292	109,167	143,898	151,132	83,307	199,801	198,633
Other	53,400	116,017	146,428	148,463	152,031	167,545	212,879	293,504
By Maturity								
Short term	698,190	813,273	909,156	941,162	913,291	968,396	1,031,181	1,134,553
Treasury Bills	590,885	629,070	700,137	694,767	658,240	779,581	697,154	746,887
Provisional Advances	94,743	111,292	109,167	143,898	151,132	83,307	199,801	198,633
Other	12,562	72,911	99,852	102,498	103,920	105,508	134,227	189,034
Medium and Long - Term	2,105,895	2,419,541	2,923,670	3,336,620	4,045,905	4,373,111	4,563,246	4,883,439
Treasury Bonds ^(b)	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620	4,140,661
Rupee Loans	61,961	58,386	55,518	55,518	24,088	24,088	24,088	24,088
Sri Lanka Development Bonds	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219
Other	40,838	43,107	46,577	45,966	48,111	62,037	78,652	104,471
By Marketability								
Marketable	2,593,981	2,947,118	3,521,712	3,929,904	4,631,946	5,066,567	5,157,659	5,501,767
Treasury Bills	590,885	629,070	700,137	694,767	658,240	779,581	697,154	746,887
Treasury Bonds ^(b)	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620	4,140,661
Sri Lanka Development Bonds	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219
Non - Marketable	210,104	285,695	311,113	347,879	327,251	274,940	436,767	516,225
By Ownership								
Banks	886,221	1,060,317	1,433,773	1,669,882	1,924,036	2,114,901	2,328,544	2,315,320
Central Bank	263,330	265,198	112,396	267,677	256,050	414,950	209,412	244,128
Treasury Bills	169,797	154,005	3,053	123,496	104,754	331,389	9,908	45,797
Other	93,533	111,193	109,343	144,181	151,296	83,561	199,504	198,331
Commercial Banks	622,893	795,119	1,321,377	1,402,205	1,667,986	1,699,951	2,119,133	2,071,192
Rupee Loans	16,234	15,870	15,870	15,870	15,870	15,870	15,870	15,870
Treasury Bills	185,756	219,748	443,951	278,296	340,664	244,139	463,198	489,199
Treasury Bonds	206,547	244,770	386,398	595,067	517,613	731,942	803,455	658,106
Sri Lanka Development Bonds	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219
Other	30,511	91,737	105,943	121,890	125,382	135,802	198,723	293,798
By Institution	622,892	795,119	1,321,377	1,402,205	1,667,986	1,699,951	2,119,133	2,071,192
State Banks	193,698	283,426	435,111	527,641	507,164	506,647	744,055	835,052
Other	429,194	511,693	886,267	874,564	1,160,822	1,193,304	1,375,078	1,236,140
Non Bank Sector	1,917,864	2,172,496	2,399,053	2,607,901	3,035,160	3,226,606	3,265,883	3,702,671
By Type								

Table 5.9 | Central Government Domestic Debt(a) Contd...

Rupee Loans	45,727	42,516	39,648	39,648	8,118	8,218	8,218	8,218
Treasury Bills	235,333	255,317	253,133	292,975	212,822	204,052	224,048	211,891
Treasury Bonds	1,612,704	1,850,284	2,065,962	2,248,987	2,787,635	2,982,845	3,019,164	3,482,555
Other	24,100	24,379	40,310	26,291	26,585	31,490	14,453	7
By Institution	1,917,864	2,172,495	2,399,053	2,607,901	3,035,160	3,226,606	3,265,883	3,702,671
National Savings Bank	314,319	330,150	358,243	379,877	428,236	426,771	447,792	494,976
Savings Institutions & Individuals	436,221	408,827	350,562	441,106	592,220	556,750	449,103	513,760
Employees' Provident Fund	950,474	1,173,870	1,393,458	1,474,244	1,612,461	1,778,276	1,930,141	2,147,176
Insurance Institutions	34,356	33,768	30,849	30,536	55,597	56,944	72,305	67,506
Finance Companies	11,064	17,040	27,839	59,667	55,599	68,097	64,791	64,756
Other	171,431	208,841	238,102	222,470	296,060	319,986	301,752	414,498

Sources : Central Bank of Sri Lanka

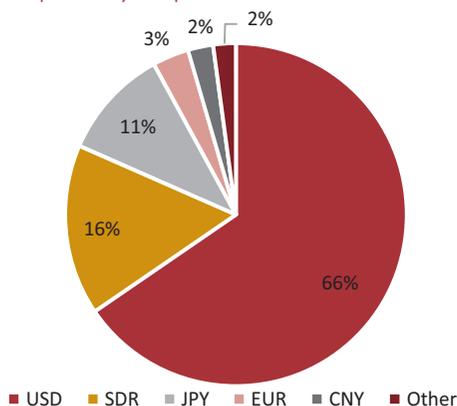
(a) Excludes non-residents' investments in Treasury bills and Treasury bonds, which are included in foreign debt.

(b) Excludes Treasury bonds amounting to Rs. 78,447 million issued to settle dues to CPC in January 2012. Due to maturity of some of those bonds in January 2017, the outstanding amount from January 2017 was Rs. 56,662 million.

Currency Composition of Foreign Debt

The total foreign debt at end 2018 was represented by 97.8 percent in four major currencies: USD; SDR; Japanese Yen; and Euro. Among them, 67 percent of currencies consisted of US\$ denominated debt stock which is equivalent 65.5 percent of the total debt stock. USD denominated debt has increased substantially over the last 6 years while Japanese Yen and SDR denominated debt have declined during this period

Figure 5.12 | Currency Composition of Total Debt Stock

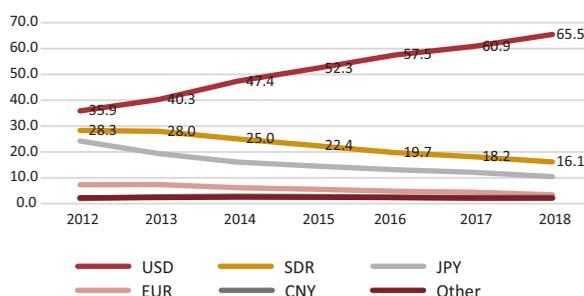


Source: Department of External Resources

Maturity Structure of External Debt at end 2018

Almost 23 percent of the external debt will be matured in next 5 years while more than 55 percent will mature only in the next 10 years and 45 percent will have a maturity in excess of 10 years.

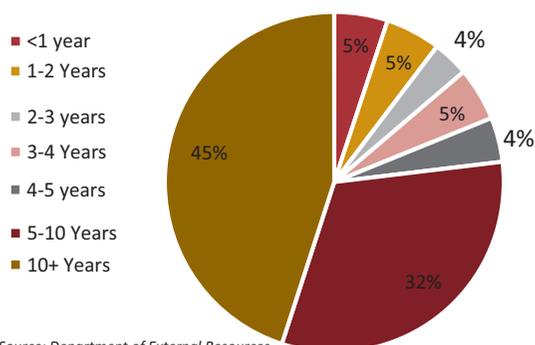
Figure 5.13 | Currency Composition of Outstanding Debt Stock and its Trend from 2012 (Percentage)



Source: Department of External Resources

Note: Financial values committed in different currencies have been converted into US\$ as per the exchange rates applicable to the end of December each year

Figure 5.14 | Maturity Structure of Existing Debt Stock as of End of 2018 (US\$ million)



Source: Department of External Resources

Note: 1. The calculation was made as per remaining maturities. Future disbursements not included.

2. The financial value in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December 2018

3. Outstanding debt stock of SOE and Non-resident holdings of Treasury Bills/Bonds are not included

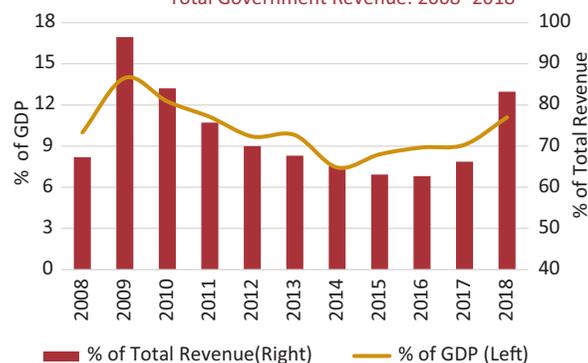
5.6 Debt Service Payments

The total debt service payments significantly increased by 30.3 percent in 2018 to 2,088.6 billion from Rs. 1,603.0 billion in 2017. This was due to the increase in both principal payments and interest payments. The principle payments and interest payments amounted to Rs. 1,236.4 billion, Rs. 852.2 billion, respectively in 2018. Debt service payments as a percentage of GDP stood at 14.5 percent in 2018, compared to 11.9 percent in 2017. Debt service payment as a percentage of total government revenue amounted to 108.8 percent in 2018 from 87.5 percent in 2017. This was mainly due to the sharp depreciation of rupee against major currencies.

5.6.1 Domestic Debt Service Payments

Total government domestic debt service payments which were 10.8 percent of GDP in 2018 increased by 28.7 percent to Rs. 1,561.0 billion from Rs. 1,213.5 billion in 2017. Debt amortisation amounted to Rs. 921.9 billion (59 percent) while the balance Rs. 639.5 billion (41 percent) was for the interest payments, from the total debt service payments.

Figure 5.15 | Domestic Debt Service Payments as a % of GDP and Total Government Revenue: 2008- 2018



Domestic interest payments, in nominal terms, increased by 12.1 percent to Rs 639.5 billion, compared to Rs.570.6 billion in 2017, while domestic amortization payments as a percentage of GDP also increased to 6.4 percent from 4.8 percent in 2017. Domestic debt service payments as a percentage of total government revenue increased to 81.3 percent from 66.3 percent in 2017. This indicates that the

growth of domestic debt service payments of 28.7 percent was greater than the 4.8 percent growth of revenue in 2018.

Table 5.10 | Domestic Debt Service Payments

(Rs.Million)

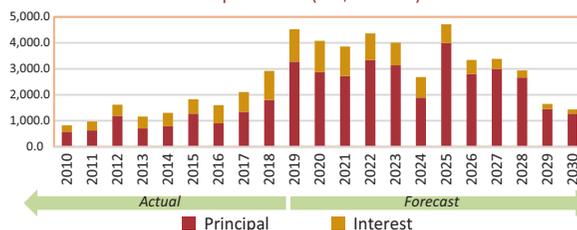
Year	Principal payments	Interest payments	Total
2008	258,720	182,198	440,918
2009	401,296	273,977	675,273
2010	389,672	297,127	686,799
2011	439,894	288,134	728,028
2012	415,441	317,659	733,100
2013	496,042	354,706	850,748
2014	449,554	327,934	777,488
2015	523,824	394,289	918,113
2016	572,442	484,182	1,056,624
2017	642,875	570,623	1,213,498
2018	921,881	639,482	1,561,363

Sources : Central Bank of Sri Lanka

5.6.2 Foreign Debt Service Payments

Total foreign debt service payments² in 2018 amounted to US\$ 2,920.0 million, of which US\$ 1,805.7 million accounted for principal repayments and US\$ 1,114.3 million accounted for interest payments.

Figure 5.16 | Debt Service Payments from 2010-2018 and Forecast up-to 2030 (US\$ million)



Source: Department of External Resources

Notes : 1. Forecast was made based on the existing portfolio only,

i.e. debt stock to be accumulated each year due to new commitments are not included

2. Debt Service of SOEs are not included

3: Financial values in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December of each year.

4. The forecast was made based on the exchange rates prevailed on 31st December 2018.

² Total Debt Service = Principal Repayments + Interest Payments

Development Partner/ Lending Agency	Project	Amount Disbursed (million)				Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
		Currency	In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)			
Bilateral ODA	Implementation of Ambatmale Water Supply System Improvement and Energy Saving Project	USD	3	483.8	3	Variable	LIBOR-6 Month	1.76	Commitment Fee 0.5%, Appraisal Fee EUR 110,000	7.5	25
		EUR	0.5	86.5	0.6	Variable	EURIBOR-6 Month	0.0131	Commitment Fee 0.5%, Appraisal Fee EUR 150,000	6	20
Agence Francaise De Development (France)	Green Power Development & Energy Efficiency Improvement Investment Program	EUR	7.9	1,464.70	9.3	Variable	EURIBOR-6 Month	0.0131	Commitment Fee 0.5%, Appraisal Fee EUR 110,000	6	20
		EUR	0.5	95.2	0.6	Variable	EURIBOR-6 Month	0.0131	Commitment Fee 0.5%, Appraisal Fee EUR 380,000	7.3	24.8
China Development Bank Corporation	Implementation of Anuradhapura Integrated Urban Development Project	EUR	1.2	227.7	1.4	Variable	EURIBOR-6 Month	1.252	Commitment Fee 0.5%, Appraisal Fee EUR 260,000	7	19.5
		USD	4.8	740.7	4.8	Variable	LIBOR-6 Month	2.90%	Management Fee 0.5% Risk Premium 5.9%	4	15
Government of India	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	USD	17	2,738.40	17	Variable	LIBOR-6 Month	2.95%	Management Fee 0.5% Risk Premium 5.0%	3	15
		USD	18.8	3,004.20	18.8	Variable	LIBOR-6 Month	2.95%	Management Fee 0.5% Risk Premium 5.9%	3	15
Government of India	Upgrading of Railway Line Colombo Matara.	USD	0.1	10.4	0.1	Variable	LIBOR-6 Month	0.50%	Commitment Fee 0.5%, Management Fee USD 500,000	3.7	16.2
		USD	0.1	10.4	0.1	Variable	LIBOR-6 Month	0.50%	Commitment Fee 0.5%, Management Fee USD 500,000	3.7	16.2

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Government of India	Upgrading of Railway Line Colombo Matara Phase II	USD	0.4	68.1	0.4	Variable	LIBOR-6 Month	0.50%	0.50%, Management Fee US\$ 337,000	4	18
	Railway Line Omanthai-palai, Madhu-Tallaimannar & Medawachchiya	USD	5.1	901.4	5.1	Variable	LIBOR-6 Month	0.50%	0.50%, Management Fee US\$ 2,081,950	5.3	39.3
Government of India	Greater Dambulla Water Supply Project 1	USD	7.8	1,291.10	7.8	Variable	LIBOR-6 Month	2.00%	Management Fee 0.5%, Insurance 6.5%, Commitment Fee 0.50%	3	14
	Restoration of Northern Railway Services	USD	9.1	1,436.60	9.1	Variable	LIBOR-6 Month	0.50%	Management Fee 0.5%, Commitment Fee 0.50%	6	21
Government of India	Procurement of Two Advanced Offshore Patrol Vessels	USD	26.9	4,243.70	26.9	Variable	LIBOR-6 Month	3.50%	Management Fee 0.5%, Insurance Premium 5%, Guarantee Fee US\$ 19,086, Commitment Fee 0.50%	4	11
	Kandy City Wastewater Management Project	JPY	1,713.40	2,512.90	15.6	Fixed	Tranche 1-10.65% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
Government of Japan	Greater Colombo Urban Transport Development Project Phase 2	JPY	217.4	308.9	1.9	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Habarana-Veyangoda Transmission Line Project	JPY	1,302.40	1,945.30	11.8	Fixed	Tranche 1-0.3% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
Government of Japan	Improvement of Basic Social Services Targeting Emerging Regions	JPY	627.5	929.8	5.7	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Greater Colombo Transmission and Distribution Loss Reduction Project	JPY	3,810.20	5,555.50	34.8	Fixed	Tranche 1-0.3% Tranche 2-0.01%	N/A	-	10	30
Government of Japan	Major Bridges Construction Project of the National Road Network	JPY	1,368.30	2,036.00	12.5	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Landslide Disaster Protection Project of the National Road Network	JPY	1,704.90	2,546.00	15.5	Fixed	Tranche 1-1.4% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	8	25

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Government of Japan	Anuradhapura North Water Supply Project (Phase 1)	JPY	980.9	1,439.90	8.8	Fixed	Tranche 1-1.4% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	8	25
	New Bridge Construction Project over the Kelani River	JPY	5,350.80	8,075.90	48.2	Fixed	Tranche 1-0.1% Tranche 2-0.01%	N/A	-	10	40
	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPY	101.2	164.2	0.9	Fixed	0.30%	N/A	Front End Fee Yen 49,860	10	40
Kuwait Fund for Arab Economic Development	Anuradhapura North Water Supply Project (Phase 2)	JPY	105.8	157.7	0.9	Fixed	1.40%	N/A	Front End Fee Yen 46,274	7	25
	Kalu Ganga Development Project	KWD	3	1,592.90	9.9	Fixed	1.50%	N/A	Service Fee 0.5%	8	27
	South Eastern University of Sri Lanka Development Project Phase 1 "B"	KWD	0.4	208.4	1.3	Fixed	1.00%	N/A	Service Fee 0.5%	5	25
Government of Korea	Reconstruction of 25 Bridges Project	KWD	0.4	223.2	1.4	Fixed	0.50%	N/A	Service Fee 0.5%	5	25
	Building Complex for The Faculty of Healthcare Sciences, Eastern University, Sri Lanka Project	KWD	0.1	73.7	0.5	Fixed	1.50%	N/A	Commitment Fee 0.05%	6.9	26.4
	Kalu Ganga Development Project (Supplementary)	KWD	0.3	179.6	1	Fixed	1.50%	N/A	-	2.4	21.9
Government of Germany	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project in Sri Lanka	KRW	3,906.10	589.4	3.5	Fixed	0.15%	N/A	-	11	40
	Deduru Oya Water Supply Project	KRW	13,154.90	1,976.40	11.9	Fixed	0.15%	N/A	-	11	40
Government of Spain	Construction of the Mahamodara Maternity Hospital, Galle	EUR	2.1	406.1	2.5	Fixed	2.20%	N/A	Commitment fee 0.25%	2	13
	Supply of three Flyovers in Ganemulla, Poligahawela & Rajagiriya (Bilateral Portion)	EUR	1.8	350.3	2.2	Fixed	0.15%	N/A	Management Fee EUR 18,798.32, Commitment Fee 0.10%	5	40
Government of Spain	Implementation of Anamaduwa Integrated Water Supply Project	EUR	1.3	256.4	1.6	Fixed	0.15%	N/A	Management Fee EUR 14,750.94, Commitment Fee 0.10%	5	40

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Saudi Fund for Arab Economic Development	Epilepsy Hospital & Health Centers Project	SAR	4.2	172.7	1.1	Fixed	2%	N/A	-	5	25
	Kalu-Ganga Development Project	SAR	36.2	1,513.40	9.5	Fixed	2%	N/A	-	5	20
	Road Network Development Project-(Saudi Fund)	SAR	0.8	34.9	0.2	Fixed	2%	N/A	-	5	20
Improvement of Peradeniya -Badulla - Chenkaladi Road Project		SAR	12.2	509.1	3.2	Fixed	2%	N/A	-	5.3	24.8
	-Epilepsy Hospital and Health Centers Project (Additional Finance)	SAR	11.2	478.2	3	Fixed	2%	N/A	-	5	25
Banco Bilbao Vizcaya Argentaria S.A. (Spain)	Supply of three flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	EUR	0.8	147.8	1	Variable	EURIBOR-6 Month	1.95%	Management Fee EUR 80,564.24	3	13
	Implementation of Greater Matale Water Supply Project (Syndicated loan with Natixis, BNP Paribas and Unicredit Bank Austria)	EUR	16.3	3,084.00	19.4	Variable	EURIBOR-6 Month	1.70%	Commitment Fee 0.75%, Management Fee EUR 618,640.17	3	15
Calyon Credit Agricole CIB (France)	Implementation of Kelani Right Bank Water Supply Project- Phase II	EUR	31.9	6,070.00	37.4	Variable	EURIBOR-6 Month	1.33%	Commitment Fee 0.75%, Arrangement Fee EUR 478,972, Legal Fee EUR 33,360	3	15
	Construction of 463 Rural Bridges	EUR	7.9	1,486.60	9.5	Variable	EURIBOR 6 Month	1-1.45%	Management Fee 0.5%, Commitment Fee, 0.25%	3	13
Co-op Centrale Raiffeisen-Boerenleenbank (Netherlands)	Development of General Hospital Kaluthara	EUR	2.1	403.7	2.6	Variable	EURIBOR-6 Month	1.50%	-	4	13
	Implementation of Importation of 20,000 Dairy Animals Project (Advance Payment- 11.09USD)	USD	8.3	1,312.30	8.3	Fixed	5%	N/A	-	3	4
	Implementation of Importation of 20,000 Dairy Animals Project (Balance Part-62.86 USD)	USD	3.4	527.9	3.4	Variable	LIBOR-6 Month for US\$	2.00%	Commitment Fee 0.25%, Establishment fee US\$ 157,152.36	1	7
Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District.	EUR	6.6	1,258.30	7.8	Variable	EURIBOR-3 Month upto 30/01/2019 & EURIBOR -6 Month upto 03/01/2031	1.45%	-	3.2	13.1	

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	Matara Beliatta Section +B62+C65:C72+C65:C73+B65:M115 +B65:IM75+C65:C74+B62+C65 :C65:C73	USD	13.4	2,126.50	13.4	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.50%	6	20
	Matara- Beliatta Section of Matara - Kataragama Railway Extension Project	CNY	65.5	1,604.70	9.7	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.50%	6	20
	Greater Kurunegala Water Supply and Sewerage Project	CNY	119.2	2,918.00	17.8	Fixed	2%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	USD	70.5	11,353.90	70.5	Fixed	2%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
	Construction of Extension of Southern Expressway, Section 4 from Mattala to Hambantota via Andarawewa Project	CNY	247.7	5,956.10	37.4	Fixed	2%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
	Hambantota Hub Development Project	CNY	143.6	3,469.50	24.6	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
	Construction of Extension of Southern Expressway Section 1 from Matara to Beliatta	USD	109.3	17,541.30	109.3	Fixed	2%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
	Construction of Extension of Southern Expressway, Section 2 from Beliatta to Wetiya Project	USD	24.3	3,847.10	24.3	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
	Consultancy Services for Design Review and Construction Supervision of Civil works on Extension of Southern Expressway Project	CNY	83.3	1,983.00	12.5	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	5.8	20.2
UniCredit Bank Austria AG	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Higher Education and Highways in Sri Lanka.	EUR	3.3	666.6	3.8	Interest Free			Management Fee 0.45%, Handling Fee EUR 1,440, Upfront Fee EUR 7,500, Legal Fee EUR 16,440, O&M Guarantee margin 1%, Commitment Fee 0.4%	5.7	19.5
Multilateral ODA											
Asian Development Bank	Greater Colombo Wastewater Management Project (OCR)	USD	9.5	1,547.40	9.5	Variable	LIBOR-6 Month for US\$	0.20%	Commitment Fee 0.15%	5.2	25.7
	Greater Colombo Wastewater Management Project (ADF)	SDR	0.9	198.6	1.3	Fixed	0.35%	N/A	-	2.6	3.1

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	USD	5.4	891.8	5.4	Variable	LIBOR-6 Month for US\$	0.20%	Commitment Fee 0.15%	5.3	24.8
Fiscal Management Efficiency Project	USD	0.1	19.8	0.1	Variable	LIBOR-6 Month for US\$	0.30%	Commitment Fee 0.15%	6.3	24.8
Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	SDR	6.2	1,433.10	8.7	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8.3	31.8
Northern Road Connectivity Project - Add. Financing	SDR	2.1	478.7	3	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8.3	31.8
Northern Road Connectivity Project - Add. Financing	USD	1.6	262.7	1.6	Variable	LIBOR-6 Month for US\$	0.40%	Commitment Fee 0.15%	5.3	25.8
Clean Energy and Network Efficiency Improvement Project.	USD	7.2	1,155.30	7.2	Variable	LIBOR-6 Month for US\$	0.20%	Commitment Fee 0.15%	5	25
Clean Energy and Network Efficiency Improvement Project	SDR	1.3	293.4	1.8	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
Dry Zone Urban Water & Sanitation Project - Additional Finance	SDR	3.1	715.3	4.4	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
Education Sector Development Program - OCR	USD	6	928.6	6	Variable	LIBOR-6 Month for US\$	0.40%	Commitment Fee 0.15%	5	25
Education Sector development Program - ADF	SDR	4.3	969.4	6.2	Fixed	2%	N/A	-	5	25
Grater Colombo Water Waster Management Improvement Project 1	USD	5.3	876.9	5.3	Variable	LIBOR-6 Month for US\$	0.60%	Commitment Fee 0.15%	5	25

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Greater Colombo Water & Wastewater Management Improvement Project 1	SDR	1.4	312.2	1.9	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
Skills Sector Enhancement Program - Results Based Lending	USD	5	776.3	5	Variable	LIBOR-6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
Skills Sector Enhancement Program - Results Based Lending	SDR	3.3	740.1	4.7	Fixed	2%	N/A	-	5	25
Southern Road Connectivity Project	USD	10.5	1,707.70	10.5	Variable	LIBOR-6 Month for US\$	0.40%	Commitment Fee 0.15%	4.5	25
Southern Road Connectivity Project	SDR	0.3	67	0.4	Fixed	2%	N/A	-	5	24
Greater Colombo Water & Wastewater Management Project-2.	USD	7.6	1,275.70	7.6	Variable	LIBOR-6 Month for US\$	0.40%	Commitment Fee 0.15%	5	25
Greater Colombo Water & Wastewater Management Project-2	SDR	0.5	114.9	0.7	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
Green Power Development & Energy Efficiency Improvement Project	SDR	2	466.5	2.9	Variable	LIBOR-6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
Green Power development & Energy Efficiency Improvement Project	USD	7.5	1,186.00	7.5	Fixed	2%	N/A	-	5	25
Integrated Road Investment Program	SDR	1.1	237.5	1.5	Fixed	2%	N/A	-	5	25
Mahaweli Water Security Investment Program - Tranche 1	SDR	3.7	888.3	5.2	Fixed	2%	N/A	-	5	25
Mahaweli Water Security Investment Program - Tranche 1	USD	4.1	696.2	4.1	Fixed	0.10%	N/A	Commitment Fee 0.15%	5	26
Integrated Road Investment Program - Tranche 3	USD	46.1	7,285.50	45.9	Variable	LIBOR-6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
Small and Medium-Sized Enterprises Line of Credit	USD	37.5	5,761.40	37.5	Variable	LIBOR-6 Month for US\$	0.15%	Commitment Fee 0.15%	10	13

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Asian Development Bank	Grater Colombo Water and Wastewater Management improvement investment programme - Project 3	SDR	0	9.9	0.1	Fixed	2%	N/A	-	5	24
	Grater Colombo Water and Wastewater Management Improvement Investment Programme - Project 3 (OCR)	USD	0.8	135.6	0.8	Variable	LIBOR-6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
	Technical Assistance Loan Agreement - (Transport Project Preparatory Facility)	SDR	1.6	373.6	2.2	Fixed	2%	N/A	-	5	25
	Local Government Enhancement Sector Project - Additional Financing	USD	6.4	1,041.30	6.4	Fixed	2%	N/A	-	5	25
	Capital Market Development Program	USD	125	19,403.20	125	Variable	LIBOR-6 Month for US\$	0.50%	Commitment Fee 0.15%	3	14.5
	Project Design Advance for Northern Province Sustainable Fisheries Development Project	USD	0.4	60.8	0.4	Fixed	2%	N/A	-	2	7
	Second Integrated Road Investment Programme Tranche 1	USD	1.6	266	1.6	Fixed	2%	N/A	-	5.3	24.8
	Second Integrated Road Investment Program- Tranche 1	USD	17.9	2,885.20	17.9	Variable	LIBOR-6 Month for US\$	0.70%	Commitment Fee 0.15%	7.3	29.8
	Jaffna Kilinochchi Water Supply Project - Additional Financing	USD	0.1	18.4	0.1	Variable	LIBOR-6 Month for US\$	0.70%	Commitment Fee 0.15%	7.4	30
	Integrated Road Investment Program - Tranche 4	USD	19.6	3,309.00	19.5	Variable	LIBOR-6 Month for US\$	0.70%	Commitment Fee 0.15%	75	30
	Small and Medium Enterprises Line of Credit - Additional Financing	USD	25	3,966.70	25	Variable	LIBOR-6 Month for US\$	0.60%	Commitment Fee 0.15%	11.3	11.3
	Mahaweli Water Security Investment Program - Tranche 2	USD	0.1	20.7	0.1	Variable	LIBOR-6 Month for US\$	0.70%	Commitment Fee 0.15%	5	19.5
	Mahaweli Water Security Investment Program - Tranche 2	USD	5.7	916.9	5.7	Fixed	2.00%	N/A	-	5	24.5
	Metro Colombo Urban Development Project [MCUDP]	USD	25	3,931.00	25	Variable	LIBOR-6 Month for US\$	0.70%	Commitment Fee 0.50%	5	24
International Bank for Reconstruction & Development of the World Bank											

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International Bank for Reconstruction & Development of the World Bank	Accelerating Higher Education Expansion & Development Operation (AHEAD) programme	USD	2.7	432.1	2.7	Interest Free		10	24	Commitment Fee 0.25%, Frontend Fee US\$ 167,500	
	Smallholder Plantations Entrepreneurship Dev. Programme	SDR	-0.02	-5.57	-0.03	Interest Free		10	40	Service Fee 0.75%	
International Fund for Agricultural Development	National Agribusiness Development Programme	SDR	0.01	3.07	0.02	Fixed	0.75%	N/A	10	30	
	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	SDR	1.6	353.3	2.3	Fixed	2.00%	N/A	5	25	
	Implementation of Smallholder Agribusiness Partnership(SAP) Program Loan No 2000001843	USD	1.2	210.8	1.2	Fixed	2.00%	N/A	5	24	
	Transforming the School Education System as the Foundation of a Knowledge Hub Project	SDR	3.9	876.8	5.6	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
	Second Health Sector Development Project	SDR	17	3,878.20	23.8	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
	Climate Resilience Improvement Management- CRIP	SDR	8.8	1,990.00	12.6	Fixed	1.25%	N/A	4.9	24.4	Service Fee 0.75%, Commitment Fee 0.50%
	Strategic Cities Development Project	SDR	10.5	2,344.80	15	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
	Additional Financing for Dam Safety & Water Resources Planning Project	SDR	6.7	1,503.10	9.8	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
	Skills Development Project (Portion A)	SDR	3.1	695.5	4.4	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
	Water Supply and Sanitation Improvement Project	SDR	15.1	3,382.40	21.4	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
International Development Association of the World Bank	Early Childhood Development Project	SDR	4.7	1,069.80	6.9	Fixed	1.25%	N/A	5	25	Service Fee 0.75%, Commitment Fee 0.50%
	Additional Financing for Strategic Cities Development Project	SDR	2.6	593.7	3.8	Fixed	1.25%	N/A	5	25	Service Fee 0.75%
	Additional Financing for Climate Resilience Improvement Project	SDR	4.4	981.6	6.2	Fixed	1.25%	N/A	5	25	Service Fee 0.5%
	Ecosystem Conservation and Management Project	SDR	3.3	737.4	4.7	Fixed	1.25%	N/A	5	25	Service Fee 0.75%
	Agriculture Sector Modernization Project	SDR	3.5	784.5	4.9	Fixed	1.25%	N/A	5	24	Service Fee 0.75%

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International Development Association of the World Bank	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme	SDR	3.3	749.5	4.7	Fixed	1.25%	N/A	Commitment Fee 0.5%	4.8	24.3
	Transport Connectivity and Asset Management Project	SDR	1.1	236	1.5	Fixed	1.25%	N/A	Commitment Fee 0.5%	4.1	14.6
	Financial Sector Modernization Project	SDR	0.1	31	0.2	Fixed	3.36%	N/A	Frontend Fee 0.25%, Commitment Fee 0.25%	4.8	23.3
OPEC Fund for International Development	Kalu Ganga Development Project	USD	2.3	365.9	2.3	Fixed	3.20%	N/A	Service Fee 1%	5	20
	Road Network Development Project (OPEC Fund)	USD	0.5	71.7	0.4	Fixed	3.10%	N/A	Service Fee 1%	5	20
	Colombo National Highways Project	USD	3.9	620.3	3.9	Fixed	4.60%	N/A	-	5	20
	Western Province Road Development Project	USD	4.1	657.9	4.1	Fixed	2.60%	N/A	-	5	20
	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	USD	6.9	1,114.70	6.8	Fixed	2.50%	N/A	-	5	20
	Kalu Ganga Development Project (Additional Loan)	USD	2.1	365.8	2.1	Fixed	2.50%	N/A	Service Fee 1%	5	20

Source:

ANNEX 2 | Grant Disbursements 2018

Development Partner	Description	Disbursements (million)			
		Currency	Amount	Rupee	USD
Bilateral					
France	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase I	EUR	0.34	64.67	0.4
Japan	The Project for Human Resource Development Scholarship 2015	JPY	17.66	25.16	0.16
	The Project for Human Resource Development Scholarship	JPY	61.62	87.31	0.56
	The Project for the Establishment of Research and Training complex at the Faculty of Agriculture, University of Jaffna	JPY	442.88	625.91	4.06
	The Project for the Maritime Safety Capability Improvement	JPY	927.85	1,330.67	8.39
	Human Resource Development Scholarship (Three-Year Cycle)	JPY	94.73	135.04	0.86
	Human Resource Development Scholarship	JPY	40.26	58.08	0.37
United States of America	Improved Integration of Targeted Disadvantaged groups into the Community	USD	0.07	11.25	0.07
	Strengthened Partnership for Democratic Governance & Social Cohesion	USD	1.17	182.92	1.17
	Sustained and Inclusive Economic Growth	USD	1.66	258.53	1.66
Multilateral					
Food & Agriculture Organization	Agro-Economic Development Project (ADP)	USD	0.11	17.69	0.11
	Rehabilitation of degraded agricultural lands in Kandy, Badulla and Nuwara Eliya districts of the Central Highlands (MSP)	USD	0.16	25.29	0.16
	Implementation of the National biosafety framework in accordance with the Cartagena protocol on Biosafety (GCP)	USD	0.17	26.65	0.17
	Development of site specific fertilizer management systems for sustainable crop production	USD	0.15	23.33	0.15
	Emergency Assistance to Restore Agricultural Livelihoods of Vulnerable Households Affected by Drought	USD	0.003	0.44	0.003
	Technical assistance for designing Multi-Functional Marine Hatchery : TCPF	USD	0.01	1.65	0.01
UNFPA	UNFPA Country Program 2018 - 2022	USD	0.6	97.24	0.6
UNHCR	Enabling returnees in Kilinochchi, Puttalam and Mannar districts to access their rights	LKR	1.86	1.86	0.01
UNICEF	Country Programme Action Plan (CPAP) 2018-2020	USD	2.53	425.13	2.53
Asian Infrastructure Investment Bank	Preparation of Metro Colombo Solid Waste Management Project	USD	0.2	31.12	0.2
			Total	3,429.93	21.64

PART III
Functional Performance
and Reforms

**Development
Finance**

06

6.1 OVERVIEW

Development Finance plays a vital role in economic development. The behavior of the Development Finance deeply blends with economic growth, generating employment opportunities as well as the social-welfare development. Within the market economy system, private sector has to play a key role to make it a success and the public sector has the responsibility to give directions for the financial system in the country in a manner to achieve macro-economic targets.

In this context, the Government has to facilitate all economically active groups in the country such as entrepreneurs, youths, farmers, etc. who encounter with problems such as access to finance at affordable interest rates, providing collaterals requested by the financial institutions, lack of technology know-how, unavailability of market opportunities for their products. Therefore, the all Governments which came into the power time to time after the independence of the country implemented several programmes to address those issues separately, but a comprehensive package was not implemented to address all those issues at once.

Accordingly, the Government has introduced two interdependent comprehensive programmes which are known as the “Enterprise Sri Lanka” and “Gamperaliya” to accomplish the country’s medium-term targets such as increasing the per capita income up to USD 5,000 generating one million new jobs, doubling exports, continuous GDP growth greater than 5 percent etc. by strengthening and empowering the SME sector, micro enterprises, self-employees, farmers and young entrepreneurs, who are the driving forces of the economic growth.

6.2 ENTERPRISE SRI LANKA

At present, there are around 230,000 entrepreneurs in Sri Lanka which is about 2.8 percent of the total workforce. In Vietnam and Thailand, currently fast growing developing countries, the index of entrepreneurs is in a high rate such as 19.6 percent and 27.5 percent respectively. Even though, Bangladesh and China have a higher population density, this index is around 11.6 percent and 7.5

percent respectively. Not only that, even many countries, where there are similar population like Sri Lanka, also maintain at a steady 10 percent rate.

Accordingly, with the expectation of increasing the index of entrepreneurs in Sri Lanka compared to other countries in the region, the ‘Enterprise Sri Lanka’ Programme has been introduced by the present Government. Through this programme, it is expected to develop new 100,000 entrepreneurs and to assist existing entrepreneurs to expand their existing businesses.

Through this programme, it is expected to build entrepreneurs who have the strength to carry Sri Lanka towards an export oriented economy. Accordingly, the Government has introduced twenty two (22) schemes including seventeen (17) interest subsidy loan schemes, three (03) donor funded refinance loan schemes and two (02) non-financial support programmes to provide financial and non-financial facilities with a view to encourage the investors.

The details of the loan schemes such as rate of subsidy, on leading rate, beneficiaries, maximum loan amount, etc. are given in Box 6.1.

6.2.1 Interest Subsidy Loan Schemes

The Interest subsidy loan schemes are being implemented by the public and private sector banks utilizing their own funds while the interest component is fully or partly subsidized by the Government. Out of the twenty two (22) interest subsidy loan schemes eight (08) loan schemes were introduced during the year 2017 and the rest were introduced/ expanded during the year 2018 and 2019. It is expected that these programmes will help to improve the agriculture, fisheries, livestock, floriculture, horticulture, light engineering, printing, tourism, handicrafts, wood based products, apparel, information technology, manufacturing industry and renewable energy sectors in the country targeting youth, women entrepreneurs and the self-employed including small and medium scale entrepreneurs in the country. Accordingly, approximately Rs. 54,320 million was disbursed among 27,850 beneficiaries as at 30th April 2019.

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Scheme	Description	
1. Interest Subsidy Loan Schemes		
1.1 Ran Aswenna	Category I	
	Beneficiaries	- Small scale farmers and farmers’ organizations, Floriculture farmers, Entrepreneurs in ornamental fish related businesses
	Maximum Loan Amount (Rs.)	- 5,000,000
	Annual Effective Interest Rate	- 13.86%
	% of the Interest Subsidy	- 50%
	On-lending Rate	- 6.93%
	Repayment Period	- 7 years (including 1 year grace period)
	Category II	
	Beneficiaries	- Ago and fish processing companies, Individuals who are willing to purchase multiday boats & other boats & equipments related to tourism industry.
	Maximum Loan Amount (Rs.)	- 300,000,000
	Annual Effective Interest Rate	- 13.86%
	% of the Interest Subsidy	- 50%
	On-lending Rate	- 6.93%
	Repayment Period	- 7 years (including 1 year grace period)
	Category III	
	Beneficiaries	- Companies engaged in commercial scale farming
	Maximum Loan Amount (Rs.)	- 750,000,000
	Annual Effective Interest Rate	- 13.86%
	% of the Interest Subsidy	- 50%
	On-lending Rate	- 6.93%
	Repayment Period	- 7 years (including 1 year grace period)
	Beneficiaries	- Small scale farmers and farmers’ organizations (for mechanizing the cultivation activities)
1.2 Govi Navoda	Maximum Loan Amount (Rs.)	- 500,000
	Annual Effective Interest Rate	- 13.86%
	% of the Interest Subsidy	- 75%
	On-lending Rate	- 3.46%
	Repayment Period	- 7 years (including 1 year grace period)
1.3 Riya Shakthi	Beneficiaries	- Owners of the school service vans
	Maximum Loan Amount (Rs.)	- 4,000,000
	Annual Effective Interest Rate	- 13.86%
	% of the Interest Subsidy	- 75%
	Repayment Period	- 5 years
1.4 ‘City Ride’ Loan Scheme	Beneficiaries	- Private bus owners who are willing to purchase a luxury bus/ low flow board buses instead of the existing old bus and transport providers for reputed export oriented companies

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Schemes	Description
	<ul style="list-style-type: none"> Maximum Loan Amount (Rs.) - 10,000,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 75% On-lending Rate - 3.46% Repayment Period - 5 years
1.5 ‘Mini Taxi’ Loan Scheme	<ul style="list-style-type: none"> Beneficiaries - Hiring three wheeler owners who are willing to replace their existing three wheelers with a mini taxi car or an electric three wheeler for hiring. Their age should be 35 years or above Maximum Loan Amount (Rs.) - 2,250,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 75% On-lending Rate - 3.46% Repayment Period - 5 years
1.6 Rivi Bala Savi	<ul style="list-style-type: none"> Beneficiaries - Households expecting to fixed Solar power panels Maximum Loan Amount (Rs.) - 350,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 50% On-lending Rate - 6.93% Repayment Period - 5 years
1.7 Diri Saviya	<p>Category I</p> <ul style="list-style-type: none"> Beneficiaries - Poultry producers Maximum Loan Amount (Rs.) - 50,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 100% On-lending Rate - 0% Repayment Period - 4 years (including 3 months grace period) <p>Category II</p> <ul style="list-style-type: none"> Beneficiaries - Self-employees Maximum Loan Amount (Rs.) - 1,000,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 50% On-lending Rate - 6.93% Repayment Period - 7 years (including 1 year grace period) <p>Category III</p> <ul style="list-style-type: none"> Beneficiaries - Entrepreneurs engaged in animal husbandry sector Maximum Loan Amount (Rs.) - 5,000,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 50% On-lending Rate - 6.93% Beneficiaries - 7 years (including 1 year grace period)

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Schemes	Description
1.8 Jaya Isura	<p>Category I</p> <p>Beneficiaries - Small enterprises with an annual turnover between Rs. 10 million to Rs. 250 million and with an employment cadre of 5 to 50 who are engaged in agriculture, fisheries, ornamental fisheries, livestock, floriculture, horticulture, light engineering, printing, tourism, handicrafts, timber based manufacturing industry, apparel, information technology, manufacturing industry and renewable energy sectors</p> <p>Maximum Loan Amount (Rs.) - 100,000,000 (Export) 50,000,000 (Non-Export)</p> <p>Annual Effective Interest Rate - 13.86%</p> <p>% of the Interest Subsidy - 50%</p> <p>On-lending Rate - 6.93%</p> <p>Repayment Period - 7 years (including 1 year grace period)</p> <p>Category II</p> <p>Beneficiaries - Medium entrepreneurs with an annual turnover between Rs. 250 million to Rs. 750 million and with an employment cadre of 51 to 300 who are engaged in agriculture, fisheries, ornamental fisheries, livestock, floriculture, horticulture, light engineering, printing, tourism, handicrafts, timber based manufacturing industry products, apparel, information technology, manufacturing industry and renewable energy sectors</p> <p>Maximum Loan Amount (Rs.) - 400,000,000 (Export) 200,000,000 (Non-Export)</p> <p>Annual Effective Interest Rate - 13.86%</p> <p>% of the Interest Subsidy - 25%</p> <p>On-lending Rate - 10.40%</p> <p>Repayment Period - 7 years (including 1 year grace period)</p>
1.9 Sonduru Piyasa	<p>Beneficiaries - Owners of houses with a floor area of less than 1,500 sq.ft., who expect to expand or complete the house.</p> <p>Maximum Loan Amount (Rs.) - 200,000</p> <p>Annual Effective Interest Rate - 13.86%</p> <p>% of the Interest Subsidy - 50%</p> <p>On-lending Rate - 6.93%</p> <p>Maximum Repayment Period - 7 years</p>
1.10 Madya Aruna	<p>Category I (To purchase media equipment)</p> <p>Beneficiaries - Registered journalists</p> <p>Maximum Loan Amount (Rs.) - 300,000</p> <p>Annual Effective Interest Rate - 13.86%</p> <p>% of the Interest Subsidy - 100%</p> <p>On-lending Rate - 0%</p> <p>Repayment Period - 5 years (including 1 year grace period)</p> <p>Category II (To upgrade media equipment)</p>

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Schemes	Description
	Beneficiaries - Registered journalists
	Maximum Loan Amount (Rs.) - 150,000
	Annual Effective Interest Rate - 13.86%
	% of the Interest Subsidy - 50%
	On-lending Rate - 6.93%
	Repayment Period - 5 years (including 1 year grace period)
1.11 ‘My Future’ Loan Scheme	Beneficiaries - GCE Advanced Level qualified students or NVQ level 5 or 6 qualified students who are willing to pursue undergraduate education at non- state universities to complete a 3 years or 4 years degree programme.
	Maximum Loan Amount (Rs.) - 1,100,000
	Annual Effective Interest Rate - 13.86%
	% of the Interest Subsidy - 100%
	On-lending Rate - 0%
	Repayment Period - 12 years
1.12 ‘Erambama’ Credit Scheme	Beneficiaries - Young Graduates and National Vocational Qualifications 5, 6 and 7 Level certificate holders
	Maximum Loan Amount (Rs.) - 1,500,000
	Annual Effective Interest Rate - 12%
	% of the Interest Subsidy - 100%
	On-lending Rate - 0%
	Other facility - Fully Government guarantee
	Repayment Period - 7 years (including 2 years grace period)
1.13 Green Loan	Category I
	Beneficiaries - Bio degradable product manufacturers, small scale hoteliers, and organic fertilizer producers. * Three wheeler owners (only for fixing meter and maximum amount is Rs. 20,000)
	Maximum Loan Amount (Rs.) - 1,000,000
	Annual Effective Interest Rate - 13.86%
	% of the Interest Subsidy - 50%
	On-lending Rate - 6.93%
	Repayment Period - 10 years (including 1 year grace period)
	Category II (Homestay Programme)
	Beneficiaries - Persons who run or willing to run Homestays for tourists
	Maximum Loan Amount (Rs.) - 5,000,000
	Annual Effective Interest Rate - 13.86%
	% of the Interest Subsidy - more than 50%
	On-lending Rate - 6%
	Repayment Period - 10 years (including 1 year grace period)
1.14 ‘Home Sweet Home’ Loan Scheme	Beneficiaries - Private and public sector waged employees who wish to purchase/construct the first house. * To purchase a house or an apartment from housing development projects implemented by the National Housing Development Authority

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Schemes	Description
	(NHDA), the Urban Development Authority (UDA), Land Reform Commission (LRC) or the private sector * To purchase a house from housing projects constructed by the private sector * To purchase a single house/ apartment unit * To build the first house for their own use
Maximum Loan Amount (Rs.)	- 10,000,000
Annual Effective Interest Rate	- 13.86% (for the first 15 years)
% of the Interest Subsidy	- 56.7% (for the first 15 years)
On-lending Rate	- 6% (first 15 years only)
Maximum Repayment Period	- 25 years
1.15 ‘Rakawarana’ Loan Scheme	Category I Beneficiaries - Individuals and the institutions who have the capacity to maintain a child day care centers. A staff with NVQ certificate holders should be employed and those centers should be operated in accordance with the national guidelines for child day care centers used by the Ministry of Women and Child Affairs and Dry Zone Development Maximum Loan Amount (Rs.) - 3,500,000 per center Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 75% On-lending Rate - 3.46% Repayment Period - 7 years (including 2 years grace period) Category II Beneficiaries - Private sector investors who are willing to construct or improve elderly care centers. A staff with NVQ certificate holders should be employed and these centers should be operated in accordance with the SLS1506: 2015 standards. Maximum Loan Amount (Rs.) - 10,000,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 75% On-lending Rate - 3.46% Repayment Period - 7 years (including 2 years grace period)
1.16 ‘Sigithi Pasala’ Loan Scheme	Beneficiaries - Investors who are willing to establish Government registered new pre-schools or refurbish existing pre-schools. A qualified staff should be employed. Maximum Loan Amount (Rs.) - 2,000,000 Annual Effective Interest Rate - 13.86% % of the Interest Subsidy - 50% On-lending Rate - 6.93% Maximum Repayment Period - 7 years (including 1 year grace period)

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Schemes		Description
1.17 ‘Sihina Maliga’ Loan Scheme	Beneficiaries	- Sri Lankan citizens, migrant workers registered under the Foreign Employment Bureau and currently working abroad. The applicants should have remitted money earned in any foreign currency to any bank operating in Sri Lanka. Loan should be for following purposes: * Build a new house * Renovate the existing House * Demolish the existing house and put up a new house * Purchase a new house/ or to purchase an apartment from a housing development project. * Purchase a land and put up a house or * Purchase a house and renovate it
	Maximum Loan Amount (Rs.)	- 10,000,000
	Annual Effective Interest Rate	- 13.86%
	% of the Interest Subsidy	- 75%
	On-lending Rate	- 3.46%
	Maximum Repayment Period	- 15 years (including 2 years grace period)
2. Donor Funded Refinance Loan Scheme		
2.1 Rooftop Solar Power Generation Line of Credit – (RSPGLoC)	Category I	
	Beneficiaries	- Households
	On-lending Rate	- 8%
	Maximum Capacity	- 50 kW
	Repayment Period	- 10 years (Including 6 months grace period)
	Category II	
	Beneficiaries	- Entrepreneurs
	On-lending Rate	- 8%
	Maximum Capacity	- 50 kW
	Donor Agency	- ADB (USD 50 million for 1st tranche and top-up to USD 200 million based on progress)
Repayment Period	- 10 years (including 6 months grace period)	
2.2 Small and Medium-sized Enterprises Line of Credit Project - SMELoC	Beneficiaries	- SME Entrepreneurs
	Maximum Loan Amount (Rs.)	- 50,000,000
	On-lending Rate	- 11 – 14 %
	Donor Agency	- ADB (USD 175 million)
	Repayment Period	- 10 years (including 2 years grace period)
2.3 ‘Pavithra Ganga’ Initiative	Beneficiaries	- The companies that already discharge their waste into the Kelani River, lagoons
	Maximum Loan Amount (Rs.)	- 30,000,000
	On-lending Rate	- 6.5%
	Donor Agency	- JICA
	Repayment Period	- 10 years (including 2 years grace period)

Box 6.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” programme

Name of the Loan Schemes		Description
3. Financial and non-financial support programs		
3.1 National Credit Guarantee Institution (NCGI)	Beneficiaries	- SME Entrepreneurs
	Maximum Coverage	- 1/3 of the loan
	Annual Premium	- 1 - 2 %
	Donor Agency	- ADB (USD 100 million)
3.2 .Supporting for the formation of SME companies	Beneficiaries	- Youth, Women, farmers, and people who are willing to establish SME companies
	Non- Financial Benefits	- Technical support to incorporate companies, maintain books and records, negotiations with financial institutions, access to market
	Financial Benefits	- Loan facilities through state banks and minimum 75 percent of loan instalment paid by the Government.
	<u>Government Subsidies</u>	
	Small & medium sized companies	- 75% of the monthly installment including the loan instalment and the interest
	Women-led SME companies	- 85% of the monthly installment including the loan instalment and the interest
	SME companies operated by the differently abled persons	- 90% of the monthly installment including the loan instalment and the interest

Five new subsidiary loan schemes named “City Ride”, “Mini Taxi”, “Sihina Maliga”, “Rekawarana” and “Singithi Pasala” were also introduced by the Budget 2019 in order to support the areas which are not covered by the existing loan schemes. In addition to that, the “Diri Saviya” loan scheme, which was introduced to support poultry producers, has been expanded to cover areas such as self-employed

sector and small scale animal husbandry sector. Further, the “Arambuma” loan scheme introduced to encourage young graduates for setting up new businesses by providing cash flow based loan at a zero interest rate with a Government guarantee. and it was extended to the National Vocation Qualification (NVQ) 5, 6 and 7 certificate holders.

Table 6.1 | Progress of interest subsidy loan schemes as at 30th April 2019

No.	Loan Scheme	No. of Beneficiaries	Amount Disbursed
			(Rs. Million)
1	Sonduru Piyasa	11,831	2,352
2	Govi Navoda	2,282	1,744
3	Ran Aswenna	8,824	10,048
4	Riya Shakthi	802	2,372
5	Rivi Bala Savi	1,070	355
6	Jaya Isura	2,200	36,815
7	Madya Aruna	595	226
8	Green Loan	174	298
9	Arambuma	58	79
10	Middle Income Housing Loan	14	31
Total		27,850	54,320

Source: Department of Development Finance

Table 6.2 | Potential of interest subsidy loan schemes - 2019

No.	Loan Scheme	Rs. Million	
		Subsidy Amounts Allocated in 2019 Budget	Maximum Worth of Loans to be Granted in 2019
1	Sonduru Piyasa	1,000	14,430
2	Govi Navoda	50	481
3	Ran Aswenna	900	12,837
4	Riya Shakthi	500	4,807
5	Rivi Bala Savi	100	1,443
6	Jaya Isura	3,000	34,482
7	Diri Saviya	5	72
8	Madya Aruna	25	240
9	Green Loan	20	270
10	Arambuma	50	416
11	Home Sweet Home	250	5,000
12	My Future	200	1,538
13	SME Company Formation	100	125
Total		6,200	76,141

Source: Department of Development Finance

The Government has already allocated Rs. 6,200 million for the year 2019 to subsidize the loans granted under these subsidized loan schemes and there is a potential to grant around Rs. 76,000 million worth of loans in the year 2019, if the Participatory Financial Institutions utilize the total allocated subsidy amount.

6.2.2 Donor Funded Refinance Loan Schemes

The three Donor funded loan schemes coming under the “Enterprise Sri Lanka” Programme are Small and Medium Enterprise Line of Credit (SMELoC), Rooftop Solar Power Generation Line of Credit Project (RSPGLoC) and E-Friends RF (Pavithra Ganga).

The original credit line of USD 100 million of the SMELoC project, which was funded by the Asian Development Bank (ADB), was completed in October 2018 and financially closed in January 2019. Considering the satisfactory performance

in utilization of the initial USD 100 million and the upward trend of the demand for SME Credit in the market, ADB granted USD 75 million as an additional allocation 1 with the USD 9.5 million Women Entrepreneur Finance Initiative (We-Fi) Grant which focuses on supporting women entrepreneurs. This USD 9.5 million We-Fi grant has been scheduled to be utilized for supporting women entrepreneurs by blending with credit line. At present, two tranches (USD 25 million each) of the additional USD 75 million were carried out in March, 2018 and September, 2018 and the final allocation (balance USD 25 million) has been scheduled to allocate in March 2019. Also, USD 3.1 million out of the available USD 9.5 million of the We-Fi grant component has been subscribed by PFIs

Accordingly, Rs. 22,769.5 million has been disbursed as loans among the 2,797 beneficiaries and Rs. 486 million has been granted to 325 women entrepreneurs as we-fi grant under this project as at 30th April 2019.

There is a huge potential in the SME Sector to create employment opportunities since most of the SMEs are labor intensive and still there exists a large gap between supply and demand for SME credit in the financial market.

Considering these facts, the Government further negotiated with the ADB and the ADB agreed to

provide USD 75 million as additional allocation II over the period of 2019 – 2021 in addition to the USD 175 million already allocated by the ADB. Accordingly, it has been planned to disburse this USD 75 million additional allocation by three (03) semiannual allocations with the amount of USD 25 million at each allocation through the same PFIs which participated for the 1st and 2nd tranches of the credit line.

Further, It is also important to take appropriate measures to move from fossil fuel to renewable energy sources which are at low cost and environment friendly to manage the future energy crisis since the existing fossil fuel reserves may be enough only for thirty years if the use of fossil fuels continues at the current rate of demand. Fortunately, Sri Lanka has a high potential to promote solar power generation as this country is located in the region known as the “sunbelt” which is the area within 35 degrees of the equator.

Considering these positive Factors, the Government negotiated with ADB to obtain a loan in order to promote setting-up of small solar power plants on the rooftop of houses, religious places, hotels, commercial establishments and industries.

Accordingly, the ADB has allocated USD 50 million for the RSPGLoC project at the first stage and agreed to top up the funds upto to USD 200 million

Table 6.3 | Progress of the SMELoC as at 30th April 2019

Rs. Million

Name of PFI	Loan Amount Allocated	Loan Disbursement		% Disbursed	We-Fi Grant Allocated Amount	We – Fi Grant Disbursement		% Disbursed
		No. of Loans	Amount			No. of Loans	Amount	
Bank of Ceylon	2,282.74	498	2,254.70	98.77	107.78	145	105.40	97.78
People's Bank	1,788.19	206	1,436.72	80.35	18.18	6	14.15	77.82
Regional Development Bank	2,282.74	880	2,186.15	95.77	48.24	75	43.85	90.89
DFCC Bank	2,907.73	214	2,894.93	99.56	68.63	19	66.74	97.24
Sampath Bank	2,268.10	127	2,190.49	96.57	56.74	15	56.74	100
Hatton National Bank	2,907.73	221	2,907.73	100	22.81	10	22.81	100
Commercial Bank	2,282.74	153	2,261.73	99.08	80.35	23	76.36	95.02
National Development Bank	4,104.57	341	4,005.54	97.59	77.33	22	73.95	95.62
Seylan Bank	1,134.17	73	1,134.18	100	26.04	10	26.04	100
Nations Trust Bank	1,788.19	84	1,497.33	83.74	18.18	0	0	0
Total	23,746.90	2,797	22,769.50	95.88	524.28	325	486.04	92.70

Source: Department of Development Finance

based on the performance during the 4 year period commencing from 2018. This project is being implemented through ten (10) PFIs i.e. People's Bank, Bank of Ceylon, Pradeshiya Sanwardana Bank, Commercial Bank of Ceylon PLC, Sampath Bank PLC, Hatton National Bank PLC, DFCC Bank PLC, National Development Bank PLC, Nation's Trust Bank PLC and Seylan Bank PLC, which are selected by the ADB.

Through this project, it is expected to invest around Rs. 35,000 million in the solar sector if the estimated market demand is incurred and to supply around 200 MW solar power to the national grid. On the other hand it will save a considerable amount of foreign exchange due to decrease in importation of crude oil used to generate electricity power.

The Water pollution is also one of the major issues caused by improper habits and malpractices of the general public and factory owners in disposing of their waste. Most of the factory owners and industrialists dispose their waste directly into rivers which are being used as drinking water sources and lagoons which are connected with the fisheries industry violating environmental protection rules. Accordingly, pollution levels in some of our waterways have reached unprecedented levels. As such, "Pavithra Ganga" Project is being implemented with concessionary financial assistance under the E-friends Project with an aim to ensure zero disposal of waste by industries and tourist hotels into rivers, lagoons and estuaries in the next five years.

6.2.3 Non-financial Support Programmes

There are two (02) financial plus non-financial support programmes i.e. National Credit Guarantee Institution (NCGI) and Formation of SME Companies.

Although various Government institutions have implemented the credit guarantee schemes, which were specific to various sectors, by periodically, there is no proper mechanism at national level to offer long term credit guarantees for small and medium scale entrepreneurs. Therefore, the Government has proposed to establish this NCGI as a sustainable solution to the problem of access to finance encounter by the small and medium entrepreneurs,

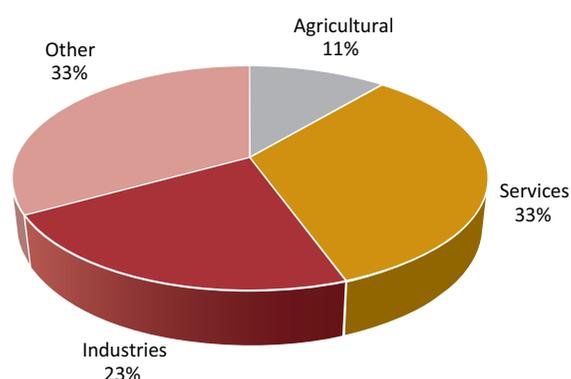
who are unable to obtain funds for their investment needs. Accordingly, the Government proposed to establish a NCGI with the financial assistance of the ADB and the ADB has agreed to provide a USD 100 million loan from its Ordinary Capital Resources as the seed capital required to establish this NCGI. Further, it has been planned to establish this Institute as a Limited Public Company under the Companies Act in Sri Lanka.

During the years 2018 - 2020, the Government expects to establish 50 agro and fishery entities, 25 majority women owned entities and 150 youth centric startups. These entities will be established under the Companies Act or legally registered corporative societies or farmer organizations. The German International Cooperation (GIZ) has been selected as the consultant for this assignment and they have provide the required technical assistance for the SME Companies will be established under this programme. Accordingly, seven (07) societies and one (1) SME Company have already been registered and the Government has also planned to provide subsidized loans such as 75 percent of monthly installment including the loan instalment and the interest for small and medium sized companies, 85 percent of the monthly installment including the loan instalment and the interest for women-led SME companies and 90 percent of the monthly installment including the loan instalment and the interest for SME companies operated by differently abled persons through the "Enterprise Sri Lanka" Credit Scheme to these Companies.

6.2.4 Progress of SME Financing

Under the "Enterprise Sri Lanka" Programme, there are twenty two (22) schemes with an aim to support the SME sector in the country by providing financial and nonfinancial facilities at a concessionary rate with Government intervention. In addition to that, more than sixty (60) loan schemes are being implemented by the state and private commercial and specialized banks by utilizing their own funds at the market interest rate. In 2018, approximately Rs. 827,896 million was granted by both state and private banks through these all schemes to fulfill the financial needs of the SMEs. (Table 6.4)

Figure 6.1 | Sector wise SME loan disbursements



Source: Respective Banks in above Table

In 2018, out of the total SME sector loans granted by both state and private sector commercial and development banks, 11 percent was for agriculture sector, 23 percent for industry sector, 33 percent for the services sector while 33 percent was for the other sector SME loans. The figure 6.1 above shows the composition of SME loans.

6.2.5 GIZ – SME Development Programme II

A Technical Cooperation Agreement between the Federal Republic of Germany and the Government of Sri Lanka (GOSL) was initially signed in 2012 providing a grant amounting to EURO 2.785 million through GIZ for the implementation of the SME Sector Development Programme. The project period has been extended till 31st December 2019 as the second phase, which is known as “GIZ - SME Development Programme II”, and an additional budget of EURO 3 million has been provided as a grant. Also, Rs. 8 million has been allocated by the Budget 2018 for the expenses to be borne by the GOSL.

According to the progress report, around Rs. 390 million has been spent from the GIZ grant component and Rs. 7 million from the GOSL funds for the SME sector development activities in 2018.

The goal of the new phase of the SME Programme is to increase the competitiveness, inclusiveness and environmental sustainability of small and medium-

Table 6.4 | Funds disbursed by commercial and development banks to SMEs – 2018

Rs. Million

Bank	Agricultural		Services		Industries		Other		Total	
	No. of Loans	Total Loan Amount	No. of Loans	Total Loan Amount	No. of Loans	Total Loan Amount	No. of Loans	Total Loan Amount	No. of Loans	Total Loan Amount
Bank of Ceylon	2,196	22,833	1,080	4,689	1,643	7,102	1,006	1,515	5,925	36,139
People's Bank	273	447	263	980	126	737	1,104	4,210	1,766	6,374
Regional Development Bank	3,901	4,309	19	28,372	7,073	9,092	9,807	10,340	20,800	52,113
Lankaputhra Development Bank	12	72	13	28	28	212	3	6	56	318
Sanasa Development Bank	433	1,960	1,081	3,327	0	0	168	305	1,682	5,592
National Development Bank	104	978	93	1,669	289	3,047	514	5,674	1,000	11,368
DFCC Bank	313	3,894	1,298	9,945	1,368	9,802	52	403	3,031	24,044
Commercial Bank of Ceylon	6,632	10,252	5,909	26,181	10,403	46,621	38,826	95,077	61,770	178,133
Sampath Bank	2,423	21,551	5,106	72,406	5,554	49,959	39,283	106,772	52,366	250,688
Seylan Bank	1,798	11,566	4,123	86,302	4,750	21,615	996	3,330	11,667	122,813
Hatton National Bank	1,689	8,115	3,872	22,038	4,153	24,816	9,216	39,134	18,930	94,103
Standard Chartered Bank	2	62	54	262	36	431	1	0	93	755
Pan Asia Bank	55	745	34	700	559	4,552	524	5,203	1,172	11,200
Cargills	68	437	209	2,960	571	2,771	8	99	856	6,267
Sri Lanka Savings Bank	0	0	0	0	2	85	1	33	3	118
State Mortgage and Investment Bank	69	33	0	0	6	3	65	29	140	65
Amana Bank	1,297	5,125	5,135	15,950	1,215	5,110	417	1,623	8,064	27,808
Total	21,379	92,378	28,289	275,809	37,776	185,955	101,991	273,753	189,321	827,896

Source: Respective Banks

sized enterprises in the Northern and Eastern parts of Sri Lanka, as well as in other secondary growth centres. The programme has four main fields of activities;

- (I) Policies and Institutional Framework Conditions
- (II) Access to Finance
- (III) Access to Technology and Markets
- (IV) Innovation and Entrepreneurship

6.3 GAMPERALIYA – RURAL / REGIONAL DEVELOPMENT PROGRAMME

The Gamperaliya scheme was launched in 2018, to address critical lacunas in infrastructure needs that have thus far, prevented our villages and cities from becoming the growth centers that they have the potential to be. The main objective of this programme is to build up a village oriented development mechanism to enhance the living condition of the general public and to build up proper infrastructure facilities to support the emerging entrepreneurs.

Although several development programs have been launched to enhance the living condition of people, it is observed that these massive development projects have not touched the grass root levels and those have not directly contributed to upgrade the rural living conditions. To address this serious issue, Gamperaliya has introduced several programs such as renovation of tanks, rural road infrastructure development, small sector bridge development, improving school level janitorial facilities, sports sector infrastructure development, constructing children's parks, providing electricity for houses, improving and renovation of religious institutes, providing solar power to religious places, and permanent roofing facilities for those who are in need. Developing other social economic infrastructure also come under the purview of this program and improving city drainage system, minor irrigation development schemes, and small scale drinking water schemes also play a major role in this regional development concept.

Implementing mechanism of this scheme is very familiar to general public as District Secretariats and Divisional Secretariats are coordinating the development projects with the collaboration of Ministry of Finance, Ministry of Public Administration and Disaster Management, and Ministry of National Policies, Economic Affairs, Resettlement and Rehabilitation, Northern Province Development and Youth Affairs. The total value of works completed under Gamperaliya program is Rs. 5,070 Mn. as at 31st December 2018.

Table 6.5 | Progress of the Gamperaliya Programme - 2018

Province	Total Value of The Completed Works (Rs. Million)	No. of Projects Fully Completed
Nothern	715.65	973
Southern	474.32	900
Eastern	1,135.01	985
Western	498.93	819
Uva	691.06	906
Central	514.34	931
North Western	615.08	1241
North Central	88.30	111
Sabaragamuwa	336.88	371
Total	5,069.57	7237

Sources: Gamperaliya Secretariat

6.4 MICROFINANCE

Microfinance sector is the most important model for access to financing which has been popular in rural areas. The microfinance sector in Sri Lanka has shown an incredible growth over the last few years. It has been an effective instrument for reduction of poverty in Sri Lankan rural community due to its contribution to the growth of rural sector. Microfinance build financial sectors that are closely interconnected with the local economy by facilitating lending to micro and small enterprises, enabling payment systems, creating new saving opportunities for private households. It contributed to the quantitative growth of other sectors of the economy such as small scale industry, construction and trade.

The Government plays a key role in providing concessional funding through various agencies in order to alleviate poverty and to create financial inclusion of underprivileged people in rural and

Table 6.6 | Progress of micro financing programmes carried out by major microfinance institutions –2018

Rs. Million

Microfinance Institute	No. of Branches	No of Depositors	No. of Borrowers	Total Deposits	Total Investment	Total Loan Portfolio
Department of Divineguma	1073	14,540,246	8,868,512	113,993	85,942	68,206
Department of Co-operative Development	2,284	9,254,618	1,193,561	140,434	139,030	72,788
Department of Agrarian Development	553	802,454	695,741	827	2,211	2,122
Regional Development Bank	268	6,653,368	915,720	126,193	37,193	135,442
Lankaputhra Development Bank	8	64,511	5,565	298	6,202	3,690
Total	4,186	31,315,197	11,679,099	381,745	270,578	282,248

Source: Department of Development Finance

remote areas of the country. Various Government led micro financing programmes targeting the low income families continued in 2018.

These microfinance institutions provide financial services either through loans or deposit facilities. The outstanding loan portfolio of major microfinance institutions stood at Rs. 282 billion out of which 47 percent (Rs. 135 billion) is held by Regional Development Bank, 26 percent (Rs. 73 billion) is held by Department of Cooperative Development, and 24 percent (Rs. 68 billion) is held by the Department of Divineguma. The savings of the indigent have reached up to Rs. 381 billion by end 2018, out of which Rs. 270 billion was placed on long term and short term investment.

Micro Finance Institutions provide micro loans through a door to door strategy of high interest rate loans for women seeking economic activities and income generation sources. These loans are provided without collateral and other conditions and it has enticed many rural people, even though they pay a much higher interest. These micro loans are utilized for high risk small agriculture activities, unfeasible economic activities and sometimes for consumption purposes. Due to the long drought prevailing over the last two years in the country, this issue has become a serious crisis with micro finance loan recipients falling into a debt-trap.

Considering the above, in 2018 the government has introduced a debt relief programme to provide debt relief for women who are residents in the drought affected Districts i.e. Trincomalee, Ampara, Batticaloa, Jaffna, Mulaitivu, Kilinochchi, Vavuniya,

Mannar, Kurunegala, Puttalam, Anuradhapura, Polonnaruwa during the recent consecutive five cultivation sessions and who have availed themselves of Micro Finance loans from Micro Finance Institutions (MFI) registered with Lanka Micro Finance Practitioners Association (LMFPA) and Finance Companies (FC) registered with the Central Bank of Sri Lanka (CBSL) up to a maximum of Rs. 100,000.

Accordingly, 37 MFIs and FCs have submitted their claims and both the capital and interest components of each of these micro-finance loans were written-off under this relief package. The loss incurred due to writing off the capital to be reimbursed to the FC or MFI within a period of 3 years in equal semi-annual instalments by the General Treasury. The loss incurred by writing off the interest under this scheme should be borne by the respective FCs or MFIs.

Summary Report of the Debt Relief for Microfinance Loans Granted to Women in Drought Affected Districts including the written off capital and interest amounts are as follows.

Considering the regional distribution of the beneficiaries, the highest number of 10,999 loans were recorded in Kurunegala District which is 24 percent of the total loans written off of 45,139 loans. The number of women who benefitted under this debt relief programme are considerably high in Anuradhapura, Puttalam and Ampara districts in comparison with eligible other Districts.

During the year 2018 the CBSL introduced a maximum of 35 percent per annum (effective annual interest rate, inclusive of all other charges) interest rate cap on

Table 6.7 | Debt relief for microfinance loans granted to women in drought affected districts

Rs. Million.

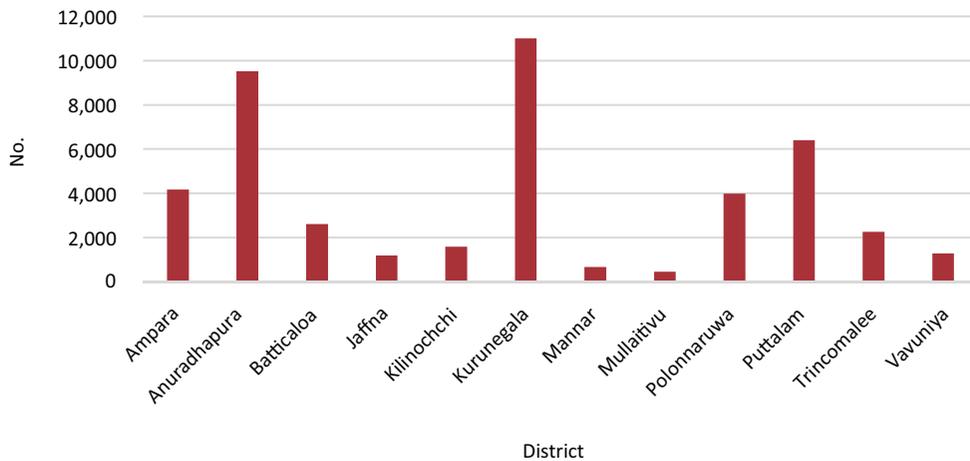
Institute	Number of Borrowers	Written-off Capital Amount by GOSL	Written-off Interest Amount by FCs/MFIs
Alliance Finance Company PLC	277	6.68	0.89
Arthavida Intermediary Limited	253	3.99	0.58
Agro Micro Investments Ltd	70	4.37	0.85
Arpico Finance Company PLC	151	5.29	0.62
Asia Asset Finance PLC	1,805	49.32	5.88
Berendina Micro Investments Company Limited	236	6.82	0.94
Bimpuh Finance PLC	7,041	180.90	24.02
BRAC Lanka Finance PLC	2,110	87.35	10.44
Central Finance Company PLC	5	0.20	0.02
Commercaill Leasing & Finance PLC	833	26.26	3.26
Commercial Credit and Finance PLC	8,162	215.19	14.81
ECLOF Lanka (Gte) Ltd	148	3.08	0.01
HNB Grameen Finance Limited	5,438	154.97	9.02
Kanrich Finance Limited	2,695	82.51	13.39
Lak Jaya Micro Finance Limited	60	0.74	0.02
Loans And Land Investment (Pvt) Ltd	208	4.28	1.01
LOLC Finance PLC	2,214	101.83	9.61
Mercantile Investments and Finance PLC	28	0.67	0.04
Merchant Bank of Sri Lanka	2,516	74.09	10.22
Muslim Aid Micro Credit (Guarantee) Limited	111	1.79	0.16
Nation Lanka Finance PLC	2,597	56.08	6.58
Peoples Microfinance LTD	650	9.47	1.25
Pragathi Sewa Foundation	194	4.14	1.05
Prosperous Capital & Credit Ltd	46	1.50	0.14
Purewin Credit and Investments LTD	11	0.19	0.05
Rajarata Praja Kendraya	118	3.58	0.52
Sareeram Sri Lanka National Foundation (Inc.)	210	7.11	0.41
Sarvodaya Development Finance	1,970	50.44	6.82
Sejaya Micro Credit Limited	96	1.12	0.21
Sewa Community Credit Limited	86	2.29	0.41
Singer Finance (Lanka) PLC	224	5.48	0.59
South Asia Partnership Sri Lanka	20	0.38	0.02
TKS Finance Limited	969	19.26	2.15
Trade Finance & Investments PLC	193	4.54	0.50
VisionFund Lanka Limited	3,097	73.91	13.96
Y Gro (PVT) LTD	138	2.42	0.40
Young Men's Christian Association of Batticaloa	159	3.51	0.54
Grand Total	45,139	1,255.74	141.41

Sources: Department of Development Finance

microfinance loans granted for individuals/ individuals under group lending system by the FCs with the objective of protecting the customers being charged with exorbitant interest rates.

In 2018, the banking sector disbursed Rs. 76 billion in loans to the microfinance sector. Of this Rs. 47 billion was disbursed by the SANASA Bank. HNB and BOC disbursed Rs. 13 billion and Rs. 6 billion respectively in 2018. Compared to state banks, Commercial Bank

Figure 6.2 | Debt relief for microfinance loans granted to women in drought affected districts- district wise

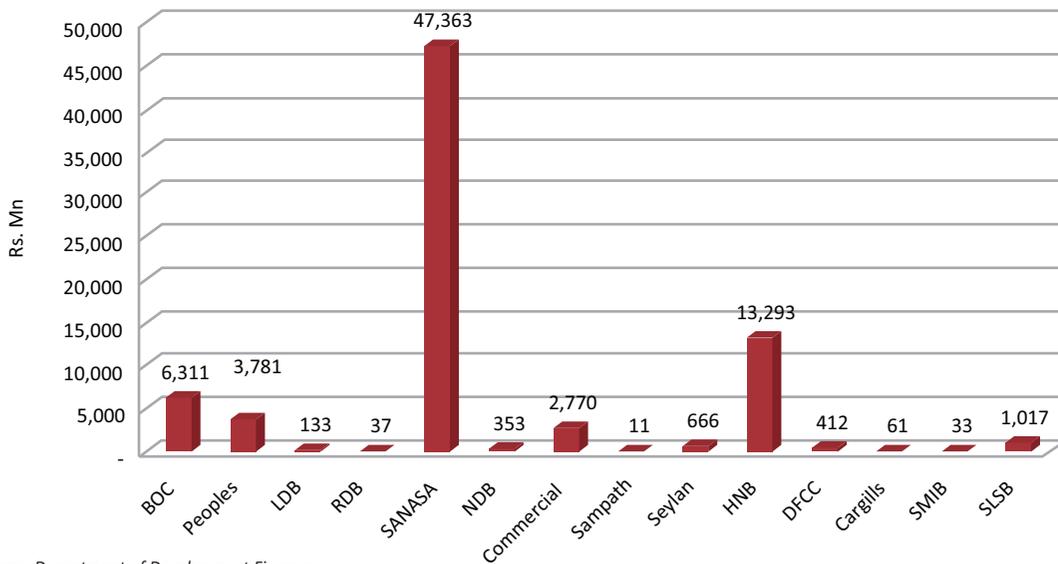


Source: Department of Development Finance

and Seylan were the private banks with significant microfinance portfolios providing access to finance through various microfinance programmes.

season was continued until 2017/18 Maha season. Accordingly, a cash subsidy of Rs 25,000/- per hectare per annum was granted to the paddy farmer up to

Figure 6.3 | Loan disbursements to microfinance sector by formal banks -2018



Source: Department of Development Finance

6.5. SUPPORT TO AGRICULTURAL DEVELOPMENT

6.5.1 Fertilizer Subsidy Programme

6.5.1.1 Fertilizer cash subsidy for paddy farmers

The fertilizer cash subsidy programme which was introduced by the Government in 2016 Yala

a maximum of two hectares. 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 for two seasons in each year.

Using the cash subsidy, paddy farmers were given the freedom to purchase chemical fertilizer or organic fertilizer from either State owned or Private Sector fertilizer Outlets Island wide. A maximum

retail price of Rs 2,500/- was announced for the three major fertilizer types used for paddy, namely, Urea, Triple Super Phosphate (TSP) and Muriate of Potash (MOP) in order to facilitate the new policy. This cash subsidy has been credited to the respective paddy farmer's bank account and it has been published online in the website of the Ministry of Agriculture.

During 2017/18 Maha season, an amount of Rs. 8,002 million has been granted to 882,298 paddy farmers under the fertilizer cash subsidy scheme.

Table 6.8 | Progress of the fertilizer cash subsidy programme – 2017/18 Maha season

District	No of farmers who received fertilizer	Cultivated extent (Ha)	Cash subsidy paid (Rs.Million)
Colombo	7,051	2,691	34.47
Gampaha	24,733	9,019	120.32
Kalutara	25,618	10,632	134.74
Kandy	30,511	12,216	156.47
Matale	33,600	18,531	235.05
Nuwara Eliya	13,759	5,543	69.95
Galle	24,719	10,343	131.30
Matara	31,520	13,104	171.46
Hambantota	44,706	34,457	431.97
Jaffna	18,105	9,907	132.49
Mannar	12,470	14,793	184.91
Vavuniya	12,579	14,456	180.70
Mullaitivu	14,247	17,379	217.23
Kilinochchi	17,328	24,979	312.23
Batticaloa	41,554	51,477	643.46
Ampara	76,588	78,941	986.76
Trincomalee	41,573	39,107	488.83
Kurunegala	108,280	45,827	587.30
Puttalam	7,319	5,443	68.64
Anuradhapura	90,325	79,223	990.34
Polonnaruwa	65,789	65,109	813.86
Badulla	49,066	25,328	320.69
Monaragala	46,134	29,629	370.60
Ratnapura	24,497	11,358	143.76
Kegalle	20,227	5,349	74.15
Total	882,298	634,838	8,001.67

Source: Ministry of Agriculture

6.5.1.2 Fertilizer in-kind subsidy for paddy farmers

Due to the high demand for fertilizer in-kind subsidy, the Government decided to provide the three major fertilizer types used for paddy at a subsidized price

of Rs. 500/- per 50 Kg bag from 2018 Yala Season. Accordingly, Urea, TSP and MOP are issued at Agrarian Service Centers through the distribution channel of the two state fertilizer companies.

During 2018 Yaha season, a quantity of 110,924 mt has been distributed among 564,882 farmers. (Table 6.9)

6.5.1.3 Fertilizer subsidy for other crops

As an incentive for farmers to expand their cultivating capacity from one crop to multiple crops and to increase the productivity of crops other

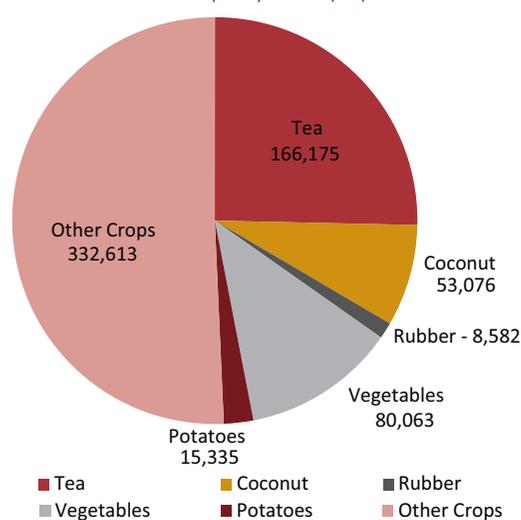
than paddy, the fertilizer subsidy for other crops was announced as follows in the year 2018 at the following concessionary prices.

- A 50 Kg bag of any type of straight fertilizer to be sold at Rs. 1,000/-

Table 6.9 | Fertilizer in-kind subsidy programme - 2018 Yala season

District	No of farmers who received fertilizer	Cultivated extent (Ha)	Distributed fertilizer quantity (Mt)			
			Urea	TSP	MOP	Total
Colombo	2,800	1,051	99	52	109	259
Gampaha	15,679	2,409	667	250	541	1,458
Kalutara	15,199	6,043	576	303	631	1,510
Kandy	24,469	7,613	1,395	388	4,029	5,811
Matale	18,435	9,333	2,100	440	534	3,074
Nuwara Eliya	10,763	4,175	764	183	213	1,159
Galle	8,266	3,878	323	165	359	847
Matara	24,727	10,014	1,530	462	836	2,828
Hambantota	41,458	33,246	6,881	1,621	1,784	10,286
Kurunegala	115,824	48,402	8,846	2,115	2,435	13,396
Puttalam	13,639	9,607	1,940	466	525	2,931
Anuradhapura	41,013	32,340	6,617	1,565	1,684	9,867
Polonnaruwa	58,894	61,346	12,612	2,950	3,186	18,748
Badulla	29,129	15,863	3,085	725	824	4,633
Monaragala	23,406	13,194	2,628	619	686	3,933
Ratnapura	18,196	8,749	1,555	403	571	2,529
Kegalle	17,574	4,575	430	226	474	1,129
Ampara	43,131	17,541	9,259	2,151	2,343	13,752
Trincomalee	16,884	16,903	3,435	833	914	5,181
Batticaloa	17,477	22,119	4,575	1,078	614	6,267
Vavuniya	631	405	82	20	22	124
Jaffna	3,268	1,342	219	46	60	325
Mannar	1,240	458	97	22	25	144
Mullaitivu	1,744	1,602	328	78	87	493
Kilinochchi	1,036	765	160	37	41	238
Total	564,882	332,971	70,200	17,199	23,525	110,924

Source: Ministry of Agriculture

Figure 6.4 | Fertilizer distribution progress for crops other than paddy - 2018 (Mt)


Source: Ministry of Agriculture

- A 50 Kg bag of mixed fertilizer to be sold at Rs. 1,150/-

This programme has increased the accessibility to fertilizer while providing consumers a variety of straight and mixed types with a range of quantities from both private and state owned fertilizer outlets.

In 2018, a total volume of 655,844 mt of fertilizer was distributed for different types of crops other than paddy. (Figure 6.4)

6.5.2 Agricultural Loan

6.5.2.1 New Comprehensive Rural Credit Scheme (NCRCS)

The enormous demand of farmers, collectors, agro based industrialists as well as the willingness

Table 6.10 | Loan disbursements under NCRCS-2018

Crop	Maximum loan limit per acre (Rs.)	Maximum land units (Acres)	No. of loans granted	Amount Released (Rs. Million)	Extend of Land (Acres)
Paddy			52,394	5,664	211,297
Irrigated	30,000	10			
Rain fed	32,000	10			
Maize	34,000	10	10,748	1,181	40,500
Potato	252,000	2	5,492	1,034	7,078
Onion	140,000	2	4,406	679	7,230
Chilies	88,000	2	1,466	122	2,180
Vegetables	31,000-119,000	2	2,473	235	4,849
Root and Tuber	32,000- 252,000	5	5	0	13
Pulses	19,000- 34,000	5	56	4	178
Oil Seeds	14,000- 31,000	5	39	4	131
Other	70,000	2	1,136	99	2,259
Total			78,215	9,022	275,714

Source: Regional Development Department, Central Bank of Sri Lanka

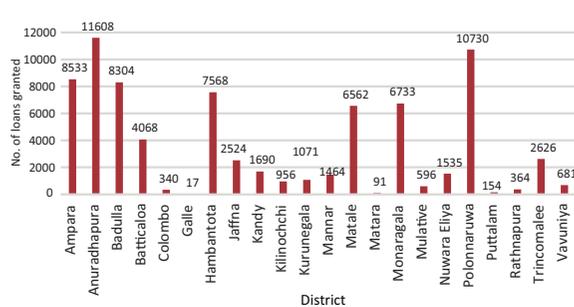
of the Participatory Financial Institutions (PFIs) has resulted in continuation of providing interest subsidy by the Government to lending banks for loans advanced by them out of their own resources under the NCRCS in 2018. Most of the NCRCS loans were utilized by small farmers. The credit facility for cultivation is being implemented at a concessionary rate of 7 percent by the PFIs and the Treasury provides 5 percent of interest subsidy to PFIs. The scheme covers about 33 major crops including paddy, chilli, Maize, Onion, Potato, and Vegetables. In 2018, the Treasury provided Rs.228 million as interest subsidy on loans granted by PFIs using their own funds under NCRCS.

During 2018, the demand for loans under NCRCS increased due to the economic situation and peaceful environment in the country. The number of farmers benefited under this scheme increased to 78,215 in 2018 from 71,397 in 2017 while the total

loan disbursement increased from Rs. 9,022 million in 2018 to Rs. 7,846 million in 2017. In terms of loan distribution, the small loans below the maximum loan limit of Rs. 320,000 have been provided mostly to the paddy sector, accounting for 67 percent of the total loan disbursement in 2018. In 2018, the extent of land totaling to 275,714 acres have been utilized for crop cultivation of which 77 percent was for paddy. In comparison to 2017, the total land utilization was increased by 17 percent in 2018.

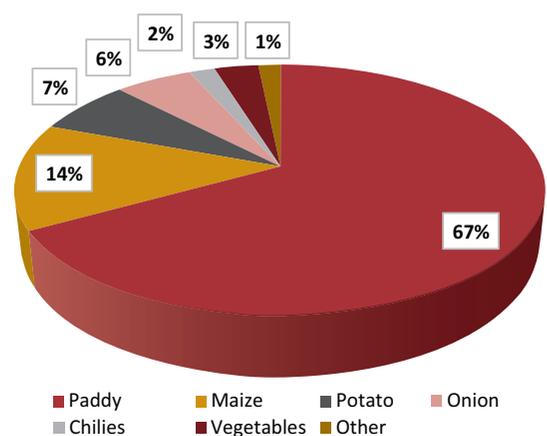
In terms of regional distribution, the highest number of beneficiaries was recorded in the Anuradhapura District, followed by Polonnaruwa, Ampara, Badulla and Hambantota Districts.

Figure 6.5 | Loans Granted under NCRCS in 2018 -District Wise



Source: Source: Regional Development Department, Central Bank of Sri Lanka

Figure 6.5 | Loans granted by crop wise-2018



Source: Regional Development Department, Central Bank of Sri Lanka

6.5.2.2 Dairy Development Loan Scheme

Commercial Scale Dairy Development Loan Scheme (CSDDL) commenced in 2013 with the objective of establishing at least 1,000 mega farms with minimum of 25 cows per farm encouraging medium scale entrepreneurs to engage in 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 this loan scheme is Rs. 25 million with a 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.

Table 6.11 | Progress of Commercial Scale Dairy Development Loan Scheme

Rs. Million			
Year	No. of Beneficiaries	Loan Amount	Subsidy Paid
2013	60	202.2	1.78
2014	608	1010.1	41.93
2015	1,424	1,229.80	80.64
2016	2,667	1,633.49	139.4
2017	1,671	1,648.50	173.24
2018	288	277.9	4.3
Total	6,718	6,001.99	441.29

Source: Regional Development Department, Central Bank of Sri Lanka

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 CSDDL loan scheme has increased considerably during last two years. There were 6,718 dairy farmers who benefitted under this loan scheme and the total loan disbursements at the end of 2018 was Rs. 6,002 million. The Government paid Rs. 441 million to selected PFIs as interest subsidy by December 2018.

6.5.3 Storage Facilities

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 high quality storage facilities to store their produce such as paddy, maize, soybean, sesame, black gram, pepper, peanut etc. during harvesting period in order to obtain high price later. The main objective of these warehouses is to facilitate farmers to use their produce as collateral to access financial services by an electronic and negotiable warehouse receipt finance mechanism. Constructions of six warehouses have been completed in the Districts of Anuradhapura, Monaragala, Mannar, Ratnapura, Kilinochchi and Polonnaruwa with a total storage capacity of 48,000 mt.

It was reported that 54 farmers have stored their commodities at the Upuldeniya (Anuradhapura) warehouse during 2018 of which 48 farmers have obtained Rs. 5 million short term credit facilities as pledge loans from the Regional Development Bank by using warehouse receipts. In Buttala (Monaragala) warehouse, 56 farmers have stored their produces during the same period and out of which 31 farmers obtained Rs. 2 million short term credit facilities. In Mannar warehouse, 53 farmers have stored their produce during the same period out of which 37 farmers obtained Rs. 2 million short term credit facilities using the warehouse receipt system.

As at 31st December 2018, six types of grain have been stored namely paddy, maize, sesame, soybean, cowpea and black gram at the Upuldeniya warehouse (251 mt). Four types of grains have been stored namely paddy, maize, pepper and peanut at the Buttala Warehouse (155 mt). Different varieties of paddy (477 mt) were stored in the Mannar warehouse. The farmers in each area use the warehouse storage facilities offered to store their produce during the harvesting period and sell once the prices increase and are stabilized.

During 2018, the total value of the stock at the time of storage was valued at Rs. 42 million and the value at the time of selling was Rs. 51 million

and therefore farmers directly benefitted by Rs. 6 million. Simultaneously, the total revenue of the above three warehouses amounts to Rs. 3 million.

The construction of three new warehouses in the Districts of Polonnaruwa, Kilinochchi and Ratnapura has been completed and already handed over to the general public and awaiting harvest in the respective Districts.

6.5.4 Compulsory Crop Insurance

“Kethata Aruna Pohora Diriya” Crop Insurance Scheme which was established under the Agricultural and Agrarian Development Board (AAIB) provides its protection only for crop damages of paddy and the actual cost of crop damages was not covered. Accordingly, “Compulsory Crop Insurance Scheme” was introduced in year 2018 by extending the insurance coverage for other commercial crops such as maize, soya bean, big onion, potatoes and chilli and cover the actual loss of the crop damage in order to minimize the financial risk of the Government and compensate farmers without causing difficulties as well.

This insurance scheme provides relief to farmers for damage caused to their cultivations due to droughts, floods and wild elephants and a maximum amount of Rs. 40,000 is paid per acre. Rs. 2,024 million has been paid among 141,888 farmers as compensation for crop damages in cultivated land area of 247,852.5 acers within 2017/2018 maha season and the estimated cost of the crop damage for 2018 yala season is around Rs. 1,567 million.

The flood disaster occurred in December 2018 in the Northern Province and the crop cultivation was destroyed in Kilinochchi, Mulathive, Jaffna and Mannar districts. Considering it as a national disaster, compensation was immediately paid to farmers who suffered from the flood before ending of the 2018/2019 maha season. Accordingly, Rs. 159 million was paid among 3,085 farmers to compensate for their crop damage occurred due to the flood in the above four districts.

In addition to that, immediate action was taken by the AAIB to compensate for the crop damages caused by caterpillar called “Sena”. Maize cultivation

was directly affected and it has damaged 408.19 and 1340.83 acers in Ampara and Anuradhapura Districts respectively. Accordingly, Rs. 16 million and Rs. 5 million was paid among 307 and 128 farmers in these districts to compensate for the crop damage as per the instructions given by the Department of Agriculture and Department of Agrarian Development. Compensations are being paid only for the 100 percent damaged or destroyed crops.

Table 6.12 | Progress of the compulsory crop insurance scheme 2017/18 Maha season

District	No. of Beneficiaries	Expenditure Rs. Million
Anuradhapura	19,525	391.13
Monaragala	17,639	281.70
Ampara	18,794	227.33
Batticaloa	19,746	216.37
Vavuniya	5,083	126.58
Mannar	3,644	104.93
Polonnaruwa	2,796	88.46
Mullaithivu	7,424	78.63
Maho	6,750	69.68
Badulla	3,696	69.65
Jaffana	11,251	59.84
Trincomalee	3,738	57.07
Matale	4,721	53.36
Kurunegala	6,309	46.51
Kilinochchi	4,448	43.21
Manampitiya	1,014	35.50
Tambuttegama	1,451	19.58
Puttalam	790	12.62
Kandy	1,302	8.75
Matara	1,215	7.01
Dehiattakandiya	356	6.59
Kegalle	931	5.84
Galle	1,312	5.02
Hambantota	242	5.00
Gampaha	229	1.50
Kalutara	43	0.89
Ratnapura	84	0.42
Nuwaraeliya	33	0.21
Colombo	5	0.08

Source : Agricultural and Agrarian Insurance Board

6.5.5 Social Security for Farmers

6.5.5.1 Pension scheme for farmers and fishermen as a social security system

The Agriculture and Agrarian Insurance Board (AAIB) has established a Farmers Pension Scheme to provide a safeguard for elderly farmers who have contributed their youth for the country’s agricultural development. Approximately, 959,254 number of farmers have been registered under the farmer’s pension scheme and Rs. 2,813 million was distributed among 155,339 number of farmers who qualified to enjoy the monthly pension under the scheme in the year 2018. Since the farmer’s contribution of the scheme is not enough to be self-sufficient, the Treasury provided around Rs. 220 million per month for AAIB to provide pension on time.

In addition to that, the contributory pension scheme is being implemented by the AAIB to provide pension

for fishermen and 69,049 number of fishermen have contributed for this scheme. Approximately Rs. 63 million was distributed among 4,420 of fishermen under this scheme as their monthly pension and it is being operated as a self – sufficient scheme without any additional cost to the Treasury.

6.6 ASSISTANCE TO PLANTATION SECTOR

6.6.1 Assistance to the Smallholder Plantation Sector

Since, the Plantation sector plays a major role in foreign exchange earnings, all the Governments that came to power after the independence, have taken their maximum effort to facilitate plantation sector by implementing various financial and non-financial supportive schemes. At present, priority is being given for developing the small holder plantation sector which contribute more than 75 percent of the plantation industry. In the year 2018, supportive schemes were continued by the Government developing additional intensives and benefits to smallholders in order to encourage them.

The smallholder plantation sector which represents more than 75 percent of the plantation industry is currently facing serious issues which negatively affects the sustainability of the sector. The aging cultivation is one of the major issues directly affecting production and profitability of the small holders. To address this issue the Government provides incentives for re-planting and new planting of tea and rubber. Accordingly, a subsidy of Rs. 500,000 per hectare was given by the Government for tea re-planting and new planting. In addition to that Rs. 175,000 and Rs. 150,000 per hectare was also given respectively for the re-planting and new planting of rubber.

The Government has spent around Rs. 662 million to implement this subsidy scheme and approximately 16,562 number of beneficiaries have received this subsidy in 2018.

The Tea sector plays a significant role in Sri Lanka’s economy and it provides livelihood to over 10 percent

Figure 6.7 | Performance of farmers pension scheme 2018

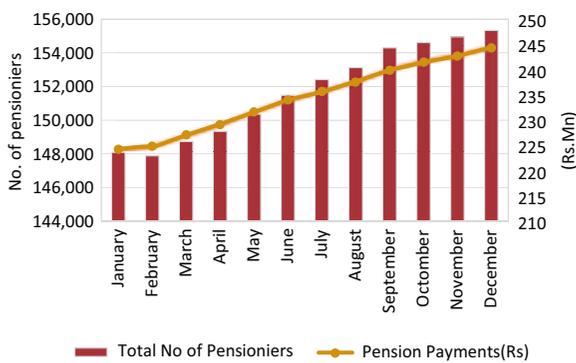


Figure 6.8 :| Performance of fishermen pension scheme



Source: Agriculture and Agrarian Insurance Board

Table 6.13 | Performance of small holder plantation sector, 2011 – 2018

Year	Tea		Rubber		Coconut	
	Extent (Ha)	Total Production (Kg Mn)	Extent (Ha)	Total Production (Kg Mn)	Extent (Ha)	Total Production (Mn nuts)
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	202,022	292	136,274	79	440,000	3,098
2017	202,540	308	136,274	83	440,000	2,449
2018	201,137	309	136,875	83	455,430	2,623

Source: Ministry of Plantation Industries, Department of Rubber Development, Sri Lanka Tea Board

Table 6.14 | Progress of the re-planting and new Planting subsidies provided to tea and rubber smallholder sector

Year	Re-Planting Subsidy				New Planting Subsidy			
	Tea		Rubber		Tea		Rubber	
	No. of Beneficiaries	Subsidy Amount						
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	24,995	531.89	668	337.51	3,759	46.73	942	179.9
2017	20,271	464.33	1,165	346.81	3,416	60.23	657	173.64
2018	9,254	287.3	1,114	205.46	5,499	58.79	695	110.55

Source: Ministry of Plantation Industries, Department of Rubber Development, Sri Lanka Tea Board

of Sri Lanka's entire workforce as well as it is the second largest export earner. Tea sector is currently facing critical challenges such as labor scarcity, aging tea bushes and the economic challenges in replanting, changing climate conditions, lack of quality seedlings and decreasing planted extend of Plantation Companies. Considering these critical challenges, the ADB initially agreed to support the tea sector by providing both financial and technical assistance. Accordingly, it is introduced a loan facility with a low interest rate through selected commercial banks for mechanization, replanting, investment in tea nurseries, factory modernization, climate change mitigation and diversification of crops.

6.6.2 Working Capital Loan Scheme for Registered Tea Factory Owners

This special loan scheme was introduced in 2015 by the Government to provide financial support to tea factory owners to fulfill their working capital requirement and it was continued in the year 2018. The Sri Lanka Tea Board is implementing this special

loan scheme in collaboration with state and private commercial banks under the supervision of the Department of Development Finance.

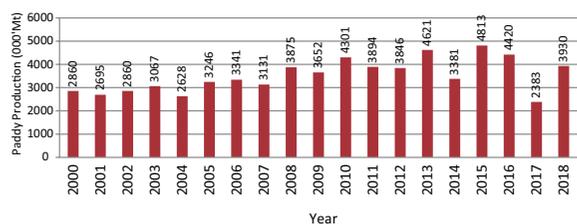
The applicable interest rate for this loan is 6 percent per annum and the Treasury provides 2 percent as a subsidy to PFIs. Under this scheme, a total number of 222 working capital loans were granted to the tea factory owners and the total amount of such loans is around Rs. 7,025 million. The Government reimbursed around Rs. 24 million to the PFIs as interest subsidy of this loan scheme during the year 2018.

6.7 FOOD SECURITY

6.7.1 Paddy Purchase Programme of the Government

The Government facilitated paddy sector in the past decades by providing various incentives including fertilizer subsidy, quality seed paddy at subsidized prices and ensuring Government Guaranteed price of paddy etc., as paddy production is a major

Figure 6.9 | Total paddy production 2000 - 2018



Source: Department of Census and Statistics

concern in ensuring food security and rice being the staple food of the country. Accordingly, the paddy production in the country increased over the period. However, frequent natural calamities has disturbed this trend in certain years. Annual paddy production which has resulted was 3.9 million mt for the year 2018 has resulted in an increase of 72 percent in

paddy production compared to the annual paddy production of 2017.

As per the details given in chart 6.9, it is apparent that the annual paddy production in 2018 is higher than the paddy production in 2017 which was the lowest recorded annual paddy production since 2000. However, the paddy production in 2018 was lower compared to the paddy production in 2015 and 2016 due to the fact that the paddy sector was adversely affected due to unfavorable climate conditions that prevailed in the country in 2017/18 Maha and 2018 Yala season. Due to the drop in annual paddy production, a high demand was created for purchases from the private sector paddy millers even at high moisture levels that are above the standard moisture content of 14

Table 6.15 | Quantity of paddy purchased under government paddy purchasing program

Season	Nadu (Mt)	Samba (Mt)	Total (Mt)	Value (Rs. Million)
2009/10 Maha	63,850	6,919	70,769	1,995
2010 Yala	83,819	27,910	111,729	3,184
Total	147,669	34,829	182,498	5,179
2010/11 Maha	2,913	556	3,469	98
2011 Yala	58,967	16,205	75,172	2,137
Total	61,880	16,761	78,641	2,235
2011/12 Maha	107,319	8,467	115,786	3,259
2012 Yala	9,936	540	10,476	294
Total	117,255	9,007	126,262	3,553
2012/13 Maha	107,445	31,205	138,650	4,530
2013 Yala	81,834	12,542	94,376	3,058
Total	189,279	43,747	233,026	7,588
2013/14 Maha	3971	592	4563	148
2014 Yala	-	-	-	0
Total	3,971	592	4,563	148
2014/15 Maha	126,203	34,366	160,569	7510
2015 Yala	162,526	12,487	175,013	7,950
Total	288,729	46,853	335,582	15,460
2015/16 Maha	91,785	40,196	131,981	5,139
2016 Yala	11,054	14,384	25,438	1,056
Total	102,839	54,580	157,419	6,195
2016/17 Maha	-	-	-	-
2017 Yala	-	-	-	-
Total	-	-	-	-
2017/18 Maha	4,605	0	4,605	175
2018 Yala	2,077	5	2,082	79
Total	6,682	5	6,687	254
Grand Total	918,304	206,374	1,124,678	40,612

Source : Paddy Marketing Board

percent. Therefore, there was no critical need for Government intervention to stabilize the price of paddy in 2018. However, the Paddy Marketing Board purchased 6,687 mt of paddy during the year from paddy farmers. (Table 6.15)

6.7.2 Private Sector Intervention in Paddy Purchasing During 2018

Reduction in paddy harvest encouraged private sector purchasing with a high competition providing paddy farmers with a higher price than the Government guaranteed price. Government intervention was not much needed for purchase of paddy as a consequence. Bank funding obtained by private sector through both Government and private banks for paddy purchase was a main source of funds. In comparison with the previous year, the total number of loans and the total amount of funds provided by the banks for purchase of paddy have considerably increased. Further, as far as individual banks are concerned out of the three main Government banks, the Bank of Ceylon (BOC) has increased the volume of loans in number and the amount while both People's Bank and the Regional Development Bank have recorded a decrease in both number and amount. Among the private banks and other Financial Institutions, it is apparent that the total number of loans granted has increased though

the total amount granted has decreased compared to 2017. Further, the Commercial Bank and the Sampath Bank have increased the number of loans granted compared to the year 2017. However, the DFCC Bank, National Development Bank and the Hatton National Bank have not given any loan this year for purchasing paddy. (Table 6.16)

6.7.3 Cost of Living

Natural calamities and drought situations prevailed in the country in the year 2017 and continued in 2018 affecting the economy thereby making an adverse impact on the Cost of Living of the people in the country. Loss in crop harvests of all agricultural produce contributed to a situation with a high demand chased by limited produce. At the same time, most of the South and East Asian Economies also have undergone many natural calamities resulting in the increased prices of imported food commodities. This made a great hit on food security during the year 2017 and this trend continued in the year 2018 as well. As in 2017, the domestic market of rice which is a major concern in food security, has been affected adversely. In addition, potatoes, big onion, dhal, dry fish, chili and other grains became major concerns. As a result the Government continuously monitored and reviewed the supply side, prices and taxes applicable on essential food

Table 6.16 | Comparison of loan granted to private sector for paddy purchasing

Bank	2017/18 Maha		2018 Yala		Total (2018)		Total (2017)	
	No. of Loans	Total Loan Amount	No of Loans	Total loan Amount	No of Loans	Total loan Amount	No of Loans	Total loan Amount
People's Bank	81	714	14	443	95	1,157	212	7,100
Bank of Ceylon	336	13,036	194	13,985	530	27,021	460	19,997
RDB	55	246	41	137	96	383	140	584
Total for State Banks	472	13,996	249	14,565	721	28,561	812	27,681
Commercial Bank	465	1,878	561	1,992	1,026	3,870	442	1,622
Sampath Bank	76	1,292	49	770	125	2,062	89	1,634
DFCC Bank	55	1,325	37	1,158	92	2,483	36	2,496
Seylan Bank	46	262	40	820	86	1,082	147	879
National Development Bank	3	315	3	414	6	729	25	944
Hatton National Bank	176	1,346	132	1,477	308	2,823	431	4,320
People's Leasing & Finance PLC	2	16	8	16	10	32	-	-
Total of Private Banks and other Financial Institutions	823	6,434	830	6,647	1,653	13,081	1,170	11,895
Grand Total	1,295	20,430	1,079	21,212	2,374	41,642	1,982	39,576

Rs. Million

Source : Respective Banks and Financial Institutions

commodities in order to manage the Cost of Living properly.

In order to ensure an acceptable minimum level of Cost of Living many initiatives were taken by the Cabinet Sub Committee on Cost of Living established in order to take timely decision with a high power on timely basis. Taxes on imported essential food commodities were removed and Special Commodity Levy (SCL) were kept at minimum level to ensure an affordable retail price to the consumer. Considerable tax reductions were made on imports of potatoes, big onion and rice and they were kept unchanged until the 30th April 2018 considering the high demand expected in festive season. Both for potatoes and big onion the prevailed tax of Rs. 40 per kg was revised to an SCL of Rs. 1 per kg and continued till 30th April 2018.

Continuing policy initiatives undertaken in 2017 to reduce cost of living, selected major food commodities were provided up to the end of the April 2018 new year season to the consumer through Private Sector Super Markets and Lanka Sathosa Ltd at their cost price or the landed cost, as a remedial measure to reduce Cost of Living. Under this programme, rice, lentils, sugar, sprats, big onions, potatoes and mackerel were made available for the consumers at reduced prices throughout the country. The Government agreed to reimburse the loss incurred by the private sector Super markets and Lanka Sathosa Ltd in this process through the “Family Budget Unit”, the Special Unit established under the then Ministry of National Policies and Economic Affairs.

6.7.3.1 Importation of rice

Rice market became unstable as a result of long lasted drought conditions accompanied by reduction in paddy production in the country. Price of rice was in an upward trend even in the year 2018, making the consumer price unreasonably high compared to the cost of production. The drought situation persisted for five consecutive cultivation seasons, closed the opportunity to small scale paddy millers to purchase paddy which led to a cartel situation in domestic rice market by a small group of prominent domestic large scale millers thereby resulting in unaffordable

prices of rice for the consumers. Under these circumstances, the Government took measures to import rice in order to avoid depending only on domestic rice production. Accordingly, private and public sector importers were encouraged to import rice further by maintaining taxes at its lowest till 30th April 2018 by imposing only an SCL of Rs. 0.25 per kg with a view to reduce the retail price of rice. Accordingly, the total rice imports during the year 2018 was 250,139 mt.

6.8 LIVESTOCK SECTOR DEVELOPMENT

6.8.1 Dairy Sector

The dairy industry is one of the most important industries in Sri Lanka that has potential to help develop the economy. Milk is known to be a high nutritious liquid food and a much tasted drink. It plays an important role to reduce malnutrition and improve nutrition levels while helping to reduce unemployment and poverty levels of rural families.

In Sri Lanka, most dairy farmers are engaged in dairy industry as an extra income source and it happens in small scale. As a result, in 2018, the domestic milk production has increased by a small proportion. Total milk production in 2018 was 472 million liters and it was a 19 percent increase from the previous year, with approximately 385 million liters supplied by dairy cows.

At present, Sri Lanka is self-sufficient about 45 percent with domestic source of milk products and it is needed to import about 55 percent of milk products to fulfill the domestic requirements. In 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.

The price subsidy for the local milk powder manufacturing companies was continued in 2018 with the objective of encouraging the production of local milk powder and offering a price relief to consumers. 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-imbursments in 2018 were as follows.

Table 6.17 | Grant of price subsidy to the local milk powder producers in 2018

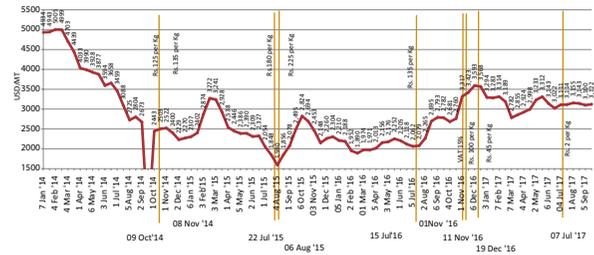
Company	Unit	Market Price (Rs.)	Sale Price	Price Subsidy
			Based on Budget (Rs.)	(Rs. Million)
Milco (Pvt) Ltd	400 g	320	295	186
	1 KG	790	735	90
Pelwatte Dairy Industries Company Ltd	400 g	325	295	138
	1 KG	810	735	73

Source: Department of Development Finance

The Government spent Rs. 487 million to pay the price subsidy for the local milk powder producers in 2018. As per the decision taken at the Cost of Living meeting held at 19.06.2018 and it was decided to keep the imported milk powder and local milk powder at the same price without granting the price subsidy.

Compared to local milk powder, imported milk also has a significant impact on the dairy industry of the country as it represents around 55 percent of the domestic dairy requirement. Annually, around 84,000 mt. of milk and milk products have to be imported to the country to fulfill the local demand. Due to the Maximin Retail Price (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 prices. Accordingly, the applicable duty on milk powder was revised several times in 2018 on the request of milk importers and the last revision was done in October 2018.

Figure 6.10 | International Market Price of Milk Powder (from January 2014 - September 2017)



Source: Global Dairy Trade

6.8.2 Poultry Sector

Poultry sector has shown a significant development after 1977 with economic reforms in Sri Lanka. Since 1980 the poultry population has grown from 6.3 million to 40.6 million in 2018. Accordingly, the current per capita consumption of chicken is 9.9 kg and current per capita consumption of egg is 135.7 eggs.

Table 6.18 | Chicken and egg local production information

Year	Chicken Production		No. of Egg Production	
	Estimated (000' Mt)	Actual (000' Mt)	Estimated (Million)	Actual (Million)
2010	N/A	104.16	N/A	1,385
2011	N/A	116.76	N/A	1,711
2012	N/A	137.39	N/A	2,279
2013	N/A	144.54	N/A	2,075
2014	162.50	150.32	2,086	2,232
2015	152.00	164.45	2,203	2,294
2016	168.41	182.69	2,187	2,304
2017	189.02	200.98	2,739	2,856
2018	184.09	214.20	2,992	2,853

Source: Department of Animal Production and Health

Provision of quality animal feed for the development of poultry industry is an indispensable factor. Maize is the major ingredient of animal feed. The Government has implemented many projects to gain self-sufficiency by motivating local farmers to cultivate maize. However the target could not be reached due to the drought that prevailed in the country during recent years and also other reasons.

The drought situation recovered in 2018 and 242,935 mt of maize produced cultivating 63,926 ha in 2017/18 Maha Season while 27,106 mt of maize produced cultivating 6,969 ha in 2018 Yala Season.

However, the local maize production is not enough to meet the annual maize requirement for the poultry industry, the shortage of maize had to be imported. Therefore, the Government has granted

Table 6.19 | Maize cultivation

Year	Maha		Yala	
	Extent (ha)	Production (mt)	Extent (ha)	Production (mt)
2015	60,954	230,871	9,017	30,244
2016	57,094	207,075	10,536	36,885
2017	44,515	163,733	8,029	32,011
2018	63,926	242,935	6,969	27,106

Source: Department of Census & Statistics

import permits for the feed millers to import maize under a concessionary rate of SCL Rs. 10/- per Kg to cater the poultry industry. Accordingly, 119,087 mt of maize has been imported during the year 2018 under the concessionary rate spending Rs. 4,937 million. It ensured the opportunity of purchasing maize at a stable price for the poultry sector and the ability of the consumer to obtain a poultry product at a reasonable price in the market.

6.9 SPECIAL INCENTIVES FOR TARGETED GROUPS

Table 6.20 | Maize importation

Year	Quantity (Mt)	Value (Million)
2015	67,237	2,348
2016	41,946	1,572
2017	179,589	6,628
2018	119,087	4,937

Source: Statistics Division; Sri Lanka Customs

6.9.1 Self-Employment Loan Scheme for Socially Re-Integrated Trainees

The self-employment loan scheme for socially re-integrated trainees was implemented from July 2012 through the Bank of Ceylon (BOC), Peoples' Bank (PB) and Sri Lanka Savings Bank (SLSB) to provide credit facilities to the trainees of ex-combatants and had been either surrendered to or arrested by the security forces after the humanitarian operation.

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 these trainees to become good citizens and an economic environment to successfully carry out their livelihood pursuits. 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 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 and to pursue primary/ secondary/ higher education and vocational training.

The phrase I of this scheme was successfully completed in 2014 by providing concessionary credit facilities through the BOC, PB and Sri Lanka Savings Bank amounting to Rs. 302 million among the 1,799 targeted beneficiaries. The phrase II of this scheme was initiated in 2016 and the expected amount to be disbursed under this phrase II is Rs. 525 million.

Table 6.21 | Progress of socially re-integrated trainees loan scheme as at 31.12.2018

District	Number of Loans	Rs. Million
		Amount of Loans
Jaffna	86	20.1
Kilinochchi	24	5.7
Mullaithivu	42	9.35
Mannar	16	2.78
Ampara	2	0.35
Trincomalee	13	2.75
Batticaloa	3	0.6
Grand Total	186	41.63

Source: Rehabilitation Authority

In terms of disbursement, 186 beneficiaries have obtained loans in the North and Eastern Provinces by 2018. The highest loan disbursement is recorded in Jaffna District and 86 trainees benefitted. The Government has paid Rs. 11 million to the PFIs as interest subsidy by December 2018.

**Performance Of
State Owned
Enterprises (SOEs)**

07

7.1 OVERVIEW

State Owned Enterprises (SOEs)¹, governed by the “Administer Part II” of the Finance Act, No 38 of 1971 and the Companies Act, No. 07 of 2007, remain as an integral component of Sri Lankan economy, being most prevalent in strategic sectors of the country including energy, water, ports, banking and insurance, commuter transportation, aviation and construction. The SOEs contribution to GDP amounted to 13.3 percent in 2018.

Out of the 422 SOEs, 54 SOEs have been identified as strategically important State Owned Businesses Enterprises (SOBEs)² that plays a catalytic role in transforming the country’s economy to a high growth trajectory. At present, 287 SOEs are being monitored by the Department of Public Enterprises (PED) and the rest comes under the purview of the Department of National Budget (NBD).

TABLE 7.1 | Categories of SOEs monitored by PED

Categories of SOEs	No of SOEs
Corporations	47
Statutory Entities	34
Regional Plantation Companies	17
Companies	50
Subsidiaries	123
Sub subsidiaries	16
Total	287

Sources: SOBEs and the Department of Public Enterprise

In 2018, the total revenue generated by 54 SOBEs amounted to Rs. 1,916.02 billion, of which 37 SOBEs, recorded a net profit amounting to Rs. 130.66 billion while 16 SOEs reported net losses amounting to Rs. 156.73 billion in 2018³. In the overall context, SOBEs has recorded a loss amounting to Rs. 26 billion arising from the loss of Rs. 104 billion recorded by Ceylon Petroleum Corporation (CPC). The total

- 1 State Owned Enterprises are Public Corporations, Statutory Boards or any other entity vested with 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.
- 3 Excluding the profitability of the Ceylon Fisheries Corporation (CFC) Financial Statements of CFC has not been finalized.

TABLE 7.2 | Assets Base of SOBEs on Sector Wise

Rs. Billion

Sector	Number of SOBEs	Total Assets as at 31.12.2017	Total Assets as at 31.12.2018	Growth (%)
Energy	2	1,050.70	1,199.71	14.18
Water	1	441.24	514.38	16.57
Ports	1	529.47	441.37	-16.63
Commuter transportation	1	28.4	N/A*	-
Aviation	2	138.65	168.4	21.45
Construction	3	42.4	41.38	-2.4
Banking and Finance	9	4819.54	5,461.98	13.32
Insurance	4	215.83	223.57	3.58
Lotteries	2	8.03	9.56	19.05
Livestock	2	25.61	N/A**	-
Plantations	6	7.34	13.44	83.1
Non-Renewable Resources	3	5.12	4.73	-7.617
Health	4	20.68	34.18	65.28
Media	3	8.8	8.1	-7.95
Marketing and Distribution	11	91.03	83.27***	-8.52
Total	54	7,432.40	8,204.07	10.38

Sources: SOBEs and the Department of Public Enterprise

*Statement of Financial Position as at 31.12.2018 of Sri Lanka Transport Board has not been prepared.

** Statement of Financial Position as at 31.12.2018 of National Livestock Development Board and Milco (Pvt) Ltd has not been prepared.

***excluding values of total assets of Ceylon Fisheries Corporation

asset base of SOBEs amounts to Rs. 8,204 billion in 2018, grew by 10 percent compared to Rs. 7,432 billion in 2017.

It is important to establish a proper mechanism to safeguard clear ownership rights over SOEs, create a level playing field and promote fair competition while appointing professionals to the Boards of Directors to ensure financial transparency and accountability of the SOEs.

With a view to enhancing the performance of SOEs, the PED introduced the concept of Statement of Corporate Intent (SCI), the tripartite agreement containing key performance indicators targeting the key activities of the entity in 2017. This was initiated with five Key SOBEs, Ceylon Petroleum Corporation (CPC), Ceylon Electricity Board (CEB), Sri Lanka Ports Authority (SLPA), Airport and Aviation Services (Sri Lanka) Limited (AASL) and National Water Supply and Drainage Board (NWS&DB). Such SCIs are

TABLE 7.3 | Sectoral Contribution to GDP - 2018

Sector	Number of SOBEs	PBT/LBT *	Total Revenue	Rs. Billion.
				Contribution to GDP** (%)
Energy	2	-133.04	774.18	5.36
Water	1	-0.57	24.81	0.17
Ports	1	4.25	50.12	0.35
Commuter transportation	1	2.17	42.89	0.3
Aviation	2	-6.76	193.52	1.34
Construction	3	-0.48	16.37	0.11
Banking and Finance	9	96.81	587.73	4.07
Insurance	4	7.8	63.81	0.44
Lotteries	2	3.77	35.84	0.25
Livestock	2	-1.2	14.13	0.1
Plantations	6	0.22	3.86	0.03
Non-Renewable Resources	3	0.71	2.2	0.02
Health	4	2.24	48.34	0.33
Media	3	-0.46	3.55	0.02
Marketing and Distribution	11	-1.1	54.67	0.38
Total	54	-26.02	1916.02	13.26

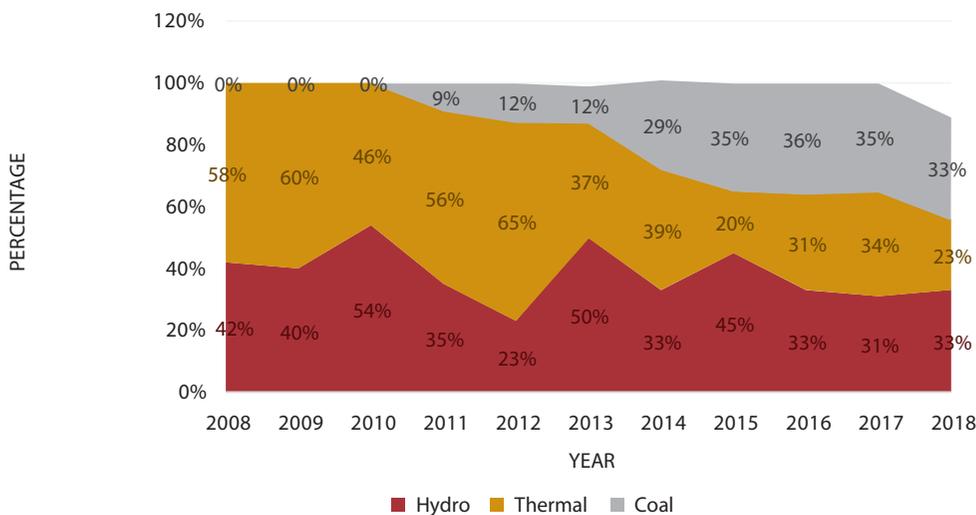
Sources: SOBEs, Department of Public Enterprises and the Central Bank of Sri Lanka

*Profit before Tax / Loss before Tax

**Gross Domestic Product at Current Market price

monitored by PED and the PED submits a progress report to the Cabinet of Ministers periodically.

Figure 7.1 | Generation Mix 2008-2018



Sources: Ceylon Electricity Board

Subsequently, followed by the approval of the Cabinet of Ministers, it was planned to sign SCIs with another 10 selected SOBEs, Sri Lanka State Plantation Corporation, Urban Development Authority, Lanka Sathosa (Pvt) Ltd, Central Engineering Consultancy Bureau, State Timber Corporation, Kurunegala Plantation (Pvt) Ltd, State Pharmaceuticals Corporation, Milco (Pvt) Ltd, National Livestock Development Board and Geological Survey and Mines Bureau by end October 2018. However, the signing of the SCIs was postponed due to the political tension erupted in the latter part of 2018.

Investment and Return on Investment of SOEs

In 2018, SOBEs contributed to the national economy by way of non-tax revenue amounting to Rs 41,828 million comprising Rs. 37,230 million as levy and Rs. 4,598 million as dividends, a decline of 22 percent compared to Rs. 53,997 recorded in 2017. The government channelled Rs. 73 billion as transfers from the budget to support restructuring and expansion of business activities of SOEs during 2018.

7.2 ENERGY

Ceylon Electricity Board (CEB)

In 2018, the Ceylon Electricity Board (CEB) has moderately improved its performance by the

TABLE 7.4 | Levy/Dividend Income from SOEs

Levy	Rs. Million				
	2014	2015	2016	2017	2018
	42,137	26,118	92,338	50,447	37,230
National Savings Bank	4,000	2,800	12,026	3,865	500
Bank of Ceylon	6,500	5,000	18,000	12,000	4,500
People's Bank	6,000	3,000	8,000	5,000	3,200
Telecommunication Regulatory Commission	10,000	10,000	28,000	22,800	21,850
Ceylon Petroleum Corporation	10,000	-	10,000	-	-
State Mortgage & Investments Bank	10	10	10	25	-
Regional Development Bank	-	87	88	-	-
State Timber Corporation	25	50	175	100	100
State Pharmaceuticals Manufacturing Corporation	25	30	65	45	50
National Insurance Trust Fund	4,000	3,000	2,500	2,100	2,750
Geological Survey and Mines Bureau	650	850	900	1,500	1,700
National Gem and Jewellery Authority	-	75	175	100	25
Sri Lanka Convention Bureau	-	-	-	-	-
Sri Lanka Rupavahini Corporation	2	-	-	-	-
Ceylon Electricity Board	-	-	8,000	-	-
Board of Investment	100	141	115	220	250
National Lotteries Board	-	50	550	-	-
Securities and Exchange Commission	-	-	-	-	-
Insurance Board of Sri Lanka	-	-	-	-	-
Sri Lanka Standard Institution	-	-	-	-	-
Sri Lanka Export Credit Insurance Corporation	-	-	25	-	15
National Livestock and Development Board	-	-	-	-	-
Central Engineering Consultancy Bureau	-	25	25	25	25
Sri Lank Tourism promotion Bureau	500	500	1,500	1,000	1,000
Civil Aviation Authority	250	400	768	800	800
State Pharmaceutical Corporation	75	100	216	222	-
National Transport Medical Institute	-	-	200	160	165
Sri Lanka Bureau of Foreign Employment	-	-	1,000	185	200
National Transport Commission				300	100
Dividends	4,664	3,678	15,821	3,550	4,598
National Savings Bank	60	60	60	60	60
Bank of Ceylon	346	346	346	346	346
People's Bank	316	316	316	316	316
Lankaputhra Development Bank	36	36	36	41	41
National Development Bank	6	5	2	2	1
Sri Lanka Savings Bank	-	-	-	-	86
Sri Lanka Insurance Corporation Ltd	2,001	1,003	11,857	503	1,856
Airport and Aviation Services Ltd	500	497	1,500	850	300
Lanka Mineral Sands Ltd	43	14	-	-	35
Lanka Phosphate Ltd	35	30	-	8	5
Independence Television Network Ltd	125	84	-	10	12
Lanka Leyland Ltd	11	54	34	35	45
Rakna Arakshaka Lanka Ltd	68	93	-	-	40
Manthai Salt Ltd	1	-	-	-	-
Ceylon Fertilizer Ltd	38	54	116	90	21

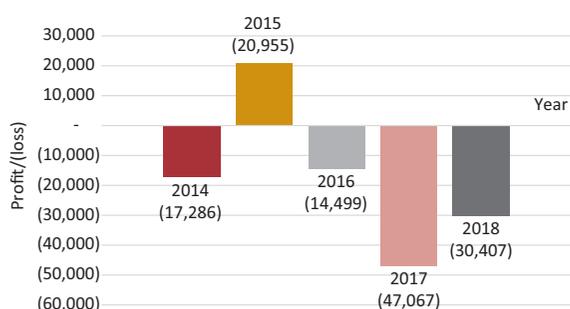
Colombo Commercial Fertilizer Ltd	12	10	25	12	20
Paranthan Chemicals Company Ltd	10	5	-	8	11
Kahatagaha Graphite Lanka Ltd	1	-	-	-	-
STC General Trading Company	-	-	5	-	-
Sri Lanka Telecom PLC	759	795	795	795	795
De La Rue Lanka Ltd	49	61	62	79	106
Lanka Electricity Company Ltd	25	87	152	218	305
Lanka Industrial Estates Ltd	55	55	47	55	78
Skills Development Fund	-	2	-	-	-
Ceylon Agro Industries	7	6	12	12	19
Lanka Sugar Company Ltd	80	-	-	-	-
Asian Reinsurance Corporation	-	-	-	-	-
Lanka Logistics Limited	2	2	5	-	1
Ceylon Petroleum Storage Terminals Ltd	-	-	438	-	-
Plantation Companies*	80	62	10	103	95
Others**	-	1	3	7	4
Total	46,801	29,796	108,159	53,997	41,828

Sources: Department of Treasury Operations and Department of Public Enterprises

* includes Kurunegala, Kalubowitiyana, Chilaw, Pussellawa, Kotagala, Namunuluka, Elpitiya Plantations

**includes, Carsons Management, Lanka Canneries, United Motors Lanka Ltd, Bogala Graphite Lanka Ltd, Autogrill Lanka Ltd, Hunnasfalls Hotel, Lanka Hydraulic service (Pvt) Ltd

Figure 7.2 | Profitability of CEB 2014-2018



Sources: Ceylon Electricity Board

reduction of operating loss by Rs. 17 billion benefiting from the heavy rains in the water catchment areas.

The operating loss in 2018 was Rs. 30 billion, compared to the loss of Rs. 47 billion in 2017. The power generation mix of 'Hydro: Other Renewable Energy: Thermal (Oil): Thermal (Coal)' has changed to 33:11:23:33 in 2018 from 21:10:34:35 in 2017 which has resulted to the reduction in cost per unit to Rs. 19.12 in 2018 from Rs. 20.32 in 2017.

The revenue from the sale of electricity increased by 5.0 percent to Rs. 229 billion in 2018, compared to Rs. 218 billion recorded in 2017. Reflecting the reduction of the loss of CEB in 2018, direct generation cost significantly decreased to Rs. 165 billion in 2018 from Rs. 185 billion in 2017. However, Operational and Maintenance Costs (O&M) of

TABLE 7.5 | Installed Capacity and Power Generation of CEB - 2016-2018

	2016			2017			2018 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	1,382	25%	3,504	1,387	35%	3,077	1,391	33%	5,170
Thermal - CEB Oil	1504	17%	2,362	604	15%	2,597	604	12%	1,943
Thermal - IPP Oil	611	15%	2,164	611	15%	2,516	629	11%	1,740
Thermal - Coal	900	35%	5,066	900	22%	5,121	900	33%	5,299
NCRE & Wind	519	8%	1,195	516	13%	1,462	560	11%	1,714
Total	4,916	100%	14,291	4,018	100%	14,773	4,084	100%	15,866

Sources: Ceylon Electricity Board

TABLE 7.6 | Financial Outturn of Ceylon Electricity Board

Rs. Million

	Actual			Provisional	
	2014	2015	2016	2017	2018
Operational Statement					
Revenue	205,638	198,363	216,647	225,894	238,946
Sale of Electricity	202,645	188,684	206,811	218,450	229,571
Other Income	2,993	9,679	9,836	7,444	9,375
Expenditure	222,924	177,408	231,147	272,962	269,353
Direct Generation Cost	164,762	107,836	152,030	184,601	164,873
IPP (With NCRE)	101,149	63,731	81,752	89,254	84,497
CEB - Fuel Cost (Oil & Coal)	63,613	44,105	70,278	95,347	80,376
Generation, Transmission & Distribution O&M Cost	25,236	33,297	40,975	45,651	55,829
Corporate Expenses	4,536	3,882	4,487	4,325	5,226
Interest on Borrowings and Delayed Payments	7,027	5,133	4,276	8,415	13,037
Depreciation	21,362	27,260	29,379	29,970	30,388
Operating profit /(loss)	(17,286)	20,955	(14,499)	(47,067)	(30,407)
Liquidity Position					
Borrowings from Banks	27,000	318	6,108	2,582	62,171
Payments to Banks	16,612	13,495	14,387	(11,709)	(19,086)
Outstanding Debt to Banks	54,791	41,614	33,468	24,341	67,426
Purchases from CPC and IPP	132,939	62,427	110,096	132,568	98,651
Payments to CPC and IPP	140,750	72,177	85,014	(91,075)	(99,331)
Outstanding to CPC and IPP	16,140	6,390	31,603	72,030	71,619
Operational Statistics					
Units Sold	11,063	11,786	12,785	13,431	14,086
Unit Generated	12,423	13,159	14,291	14,779	15,867
Cost Per Unit	20.15	15.05	18.06	20.32	19.12
Sales Per Unit	18.32	16.01	16.08	16.26	16.30
Generation Composition					
Thermal(Fuel)CEB	1,744	1,085	2,362	2,603	1,945
Thermal(Fuel)IPP	2,610	1,226	2,164	2,516	1,740
Hydro	3,652	4,925	3,504	3,077	5,170
Mini Hydro, Wind & NCRE	1,215	1,466	1,195	1,462	1,714
Coal	3,202	4,457	5,066	5,121	5,299
Total	12,423	13,159	14,291	14,779	15,867

Sources: Ceylon Electricity Board and the Department of Public Enterprises

generation, transmission and distribution increased by 22 percent to Rs. 56 billion in 2018 from Rs. 46 billion in 2017.

CEB's financial sustainability is highly vulnerable to changes in weather conditions. Since electricity is the main energy source of the country, CEB needs to explore new avenues for investing in modern technologies and adopting sustainable modalities ensuring an uninterrupted power supply.

In the absence of implementing a cost reflective pricing mechanism, CEB had to manage its liquidity requirements through borrowings from state banks. As a result, its borrowings have considerably risen to Rs. 62 billion at end 2018 from Rs. 2.5 billion in 2017. However, CEB's debt outstanding to CPC and Independent Power Plants (IPPs) has reduced due to the payments made through borrowings from the state banks.

In June 2018, The Public Utility Commission of Sri Lanka (PUCSL) granted approval for Long Term Generation Expansion Plan for 2018-2037 in line with the Government policy to generate 30 percent of Liquefied Natural Gas (LNG), by 2030. Further, the Government has proposed to invest in improved technologies to use Non-conventional Renewable Energy (NCRE) sources such as high efficient supercritical coal power, LNG, nuclear power and indigenously available natural gas. Accordingly, CEB and Ministry of Power, Energy and Business Development have taken measures to implement LNG projects as Government to Government (G2G) projects.

Ceylon Petroleum Corporation (CPC)

Ceylon Petroleum Corporation (CPC) is the main supplier of the national requirement of petroleum and petroleum-related products that are being imported. The CPC’s net loss widened to Rs. 104 billion in 2018 owing to the exchange rate variation

of cost reflective price formula since May 2018. However, the formula has not covered the full cost of the CPC which has adversely affected to its financial position. Non-receipt of government outstanding debts and the depreciation of Rupee against the US\$ has pushed the CPC towards bank borrowings of Rs. 562 billion, an increase of Rs. 224 billion against 2017.

From March 2018 to October 2018, the average price of oil increased from US\$ 64/bbl to US\$ 76/bbl, respectively. However, this upward trend of increasing international oil prices reversed in November 2018 and dropped to US\$ 54 per barrel in December 2018. Again, there is an upward trend in oil prices and remained at US\$ 61 per barrel as at February 2019. The average increase of oil prices coupled with the notable depreciation of exchange rates has prompted to report an operational loss of Rs. 22,159 million in 2018 from the operational profit of Rs. 7,753 million in 2017.

Figure 7.3 | Crude Oil (petroleum) Price in 2014-2018 (USD)



Sources: World Bank Report - 2018

of Rs. 82.7 billion. The continuation of depreciation of LKR against US\$ has a negative impact on the operating and financial performance of the CPC. In 2018, the CPC sold 5,626.4 million Lts which is a 0.6 percent increase from 5,591.8 million Lts sold in 2017. However, CPC’s total revenue increased by 16 percent in 2018 mainly due to the implementation

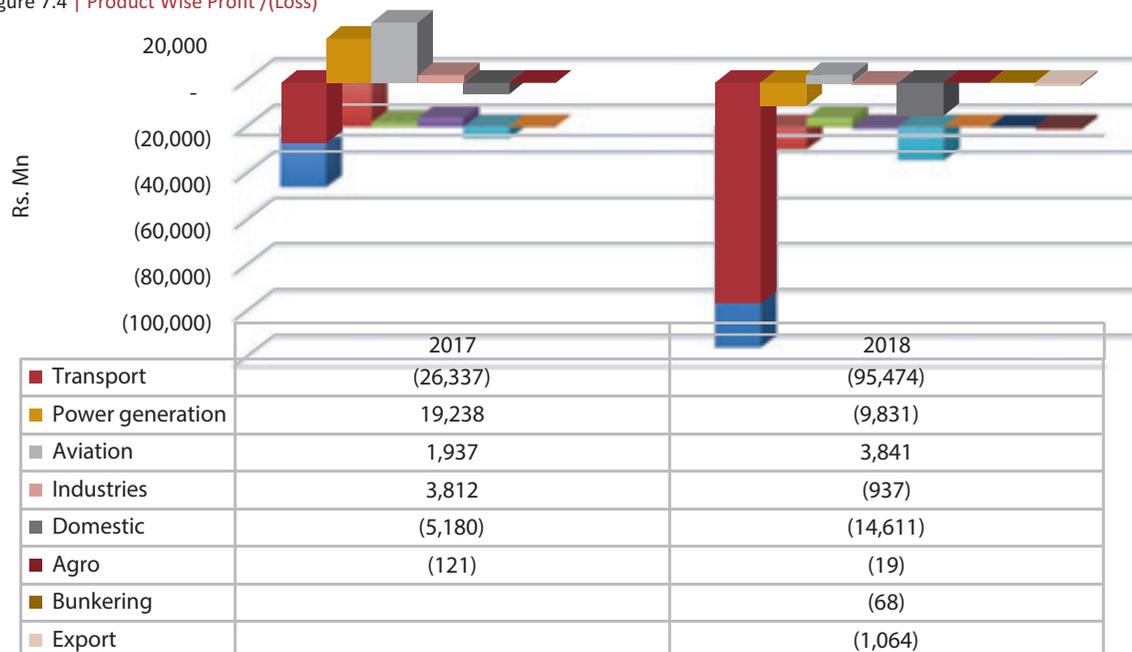
A sectoral analysis of the petroleum sales indicates that all sub-sectors with the exception of aviation sector have recorded losses in 2018. The continuation of cost reflective price formula helped to record profit on Aviation sector amounting to Rs. 3,841 million in 2018, a 98 percent increase over 2017. Meanwhile, the Agriculture sector was able

TABLE 7.7 | Financial Outturn of Ceylon Petroleum Corporation

Rs. Million

	Actual			Provisional	
	2014	2015	2016	2017	2018
Total Revenue	533,124	385,980	435,025	458,240	535,236
Octane92	106,302	86,747	96,836	103,026	134,976
Octane 95	9,954	10,470	13,932	17,068	23,102
Diesel	237,497	168,156	190,387	179,906	194,484
Super Diesel	4,944	5,774	7,418	8,205	10,214
HF 800cc	5,109	21,860	43,539	39,888	30,456
HF 1500cc	39,159	16,801	3,165	5,130	8,726
HF 3500cc	16,196	1,110	-	-	-
LSHF	13,628	4,983	6,950	20,055	19,121
Naptha	13,478	12,003	15,442	14,947	14,270
Kerosene	15,230	9,824	7,998	9,054	16,109
JET- A-1	54,622	34,641	31,559	42,828	64,090
Other Products	9,061	4,367	5,836	6,357	5,972
Other Income	7,944	9,246	11,963	11,738	13,717
Total Expenditure	531,490	405,866	365,471	454,873	639,273
Cost of Sales	500,734	337,119	326,441	418,962	523,982
Sales and Distribution	10,937	13,401	14,412	15,498	14,486
Administration	5,244	2,838	3,546	4,036	5,064
Finance Cost	13,962	15,049	11,405	10,531	12,065
Depreciation	378	754	838	924	958
Other Cost	232	36,705	8,829	-	-
Exchange Rate Variation	-	-	-	4,922	82,717
Profit/(Loss) Before Tax	1,633	(19,886)	69,554	3,367	(104,037)
Outstanding debts to Banks	373,000	388,855	308,667	338,241	562,457

Source: Ceylon Petroleum Corporation and the Department of Public Enterprises

Figure 7.4 | Product Wise Profit/(Loss)


Source: Ceylon Petroleum Corporation and the Department of Public Enterprises

TABLE 7.8 | CPC Bank exposure As At 31.12.2017 and 31.12.2018 and the change

Commitment	As at 31.12.2017 LKR - Mn			As at 31.12.2018 LKR - Mn		
	Loan (within the period)	Over Due	Total Value	Loan (within the period)	Over Due	Total Value
BOC						
Foreign currency loans (Import)	105,148	5,583	110,731	108,505	31,371	139,876
Import Bills & LC	89,484		89,484	155,930	-	155,930
Total -BOC	194,632	5,583	200,215	264,436	31,371	295,807
PB						
Foreign currency loans (Import)	59,398	9,460	68,858	131,756	23,067	154,823
Import Bills & LC	69,168	-	69,168	111,827	-	111,827
Total -PB	128,566	9,460	138,026	243,583	23,067	266,650
Total Payable (BOC & PB)	323,198	15,043	338,241	508,019	54,438	562,457

Source: Ceylon Petroleum Corporation and the Department of Public Enterprises

to reduce its loss by 84 percent in 2018. In contrast, the transport sector incurred a heavy loss of Rs. 95,474 million in 2018, nearly 90 percent of CPC's reported loss stemming from the sale of Diesel and Petrol at below full cost. Profits recorded in the power generation and Industrial sector have turned to a loss of Rs. 9,831 million and Rs. 937 million, respectively in 2018. The domestic sub-sector reported a loss of Rs. 14,611 million in 2018 due to the subsidy granted on Kerosene.

Non-receipt of government outstanding debts and the depreciation of Rupee against the USD drove the bank borrowings of CPC to further depth with total borrowings from Bank of Ceylon and People's Bank increasing from Rs. 338 billion in 2017 to close at Rs. 562 billion in 2018. Although, CPC recorded an operating loss of Rs. 22 billion, the exchange rate variation of Rs. 82.7 billion was the main reason for the CPC's net loss to worsen to Rs. 104 billion. The fluctuation in foreign currency affected the import material & purchase and service obtained from various parties in foreign currency. Therefore, continuous depreciation of LKR against USD has a direct impact on the operating and financial results of the CPC.

7.3 WATER

National Water Supply & Drainage Board (NWS&DB)

The National Water Supply and Drainage Board (NWS&DB) is mandated with a provision of a safe drinking water and sewerage facilities to the

public. It is envisaged to increase the total piped borne water coverage to 60 percent, safe drinking water supply coverage to 91.7 percent and piped sewerage coverage to 3.3 percent by 2020. In 2018, the coverage of piped borne water, safe drinking water supply and piped sewerage increased to 49.6 percent, 90 percent and 2.1 percent respectively.

With the introduction of 6 new water supply schemes, 109,382 new connections were added to the system totalling 2,328,654 water supply connections at end 2018. In addition, the piped sewerage coverage increased to 2.1 percent totalling 21,165 connections, under sewerage systems. In 2018, NWS&DB produced 732 million cubic metres (m³) of drinking water at a cost of Rs.15,821 million, a 7.8 percent increase over 2017. The cost of one cubic metre reached to the consumer was Rs. 46.95 in 2018. The NWS&DB also distributed 527 million m³ of water through 2.3 million water supply connections reflecting an increase of 3.7 percent compared to 2017.

In 2018, NWS&DB collected a revenue of Rs. 24,806 million, a 4 percent increase compared to 2017 amidst the increase in production cost by 11 percent. The NWS&DB recorded a significant loss of Rs. 568 million in 2018 against the profit of Rs. 1,817 million recorded in 2017. This was mainly due to the increase in personal cost by 14 percent and finance cost by 1,923 percent. Reflecting the undertakings of new projects, the total assets of NWS&DB increased to Rs. 514,386 million in 2018, compared to Rs. 441,143 million in 2017.

TABLE 7.9 | Financial Outturn of National Water Supply and Drainage Board

	Rs. Million				
	Actual			Provisional	
	2014	2015	2016	2017	2018
Revenue	14,710	19,584	23,585	23,860	24,806
Water	17,447	18,374	21,318	21,692	22,744
Water Related Income	1,263	1,210	2,267	2,167	2,062
Cost of Sales	-11,326	-12,315	-13,486	-14,196	-15,821
Gross Profit	7,384	7,269	10,099	9,663	8,985
Other Income	1,390	1,666	1,478	1,724	1,061
Administrative Expenses	-5,985	-8,571	-9,136	-9,935	-10,957
Other Operating Expenses	-334	-464	-704	-714	-906
Operating Profit/ (Loss)	2,455	-100	1,737	738	-1,817
Finance Income	-1,030	1,186	1,245	1,157	1,574
Other Expenses + Taxes	53	-56	-67	-66	-325
Net Profit/ (Loss)	1,372	1,030	2,978	1,817	-568
Key Performance Indicators					
Connections (Nos. million)	1.8	1.9	2.1	2.2	2.3
Water Production (m ³ Million)	585	612	649	679	732
Water Sales (m ³ Million)	416	442	484	508	527
Non-Revenue Water (percent)	29	28	25.4	25.2	24.96
Water Supply Projects (Nos.)	329	331	337	343	343
Community Based Water Supply Projects (Nos.)	4,500	4,500	4,500	N/A	4,500
Safe Drinking Water Supply Coverage (Percent)	84	86	89	89.3	90
Sewerage Connections for Institutions (Nos.)	997	726	1,349	1,471	21,165
Sewerage Connections for Households (Nos.)	12,192	9,643	14,523	15,958	

Sources: National Water Supply & Drainage Board and the Department of Public Enterprises

Several measures have been implemented to reduce the leakages in the distribution channel which has become a Non-Revenue Water (NRW) which was 169 million m³ in 2018, compared to 171 million m³ in 2017. The NRW declined to 24.9 percent in 2018, compared to 25.2 percent in 2017. The Government has supported the NWS&DB to strengthen its financial position by contributing debt service requirements of the NWS&DB amounting to Rs. 934 million as equity contribution, in terms of the policy directives to bear the 50 percent, 75 percent and 100 percent on Urban, Rural CKD related and Sewerage projects respectively.

The Government has provided capital infusion amounted to Rs. 31,895 million along with the Treasury Guarantees and letters of comfort, considering the liquidity issues faced by the entity due to non-revision of tariff since 2012.

With the assistance of International Financial Corporation, the Board also launched its first-ever BOOT project in Welivita, under private-public partnership (PPP) to address the burning issue of water shortages in Town East Colombo, in line with the objective of achieving the total piped borne water coverage to 60 percent by 2020. World Bank works as the transaction advisor to the project. In addition, large scale water supply and sewerage projects such as Greater Dambulla, Katharagama Sacred City and Greater Kurunegala were completed in 2018.

Further, the board has taken initiatives to establish an NRW cell to monitor and manage NRW Island wide with a pro-active intervention and upgrade the Regional Support Centres as Strategic Business Unit to manage assets and control the NRW below 18 percent. However, the Board faces challenges in meeting adequate investments to achieve the water supply and sewerage coverages as targeted.

7.4 PORTS

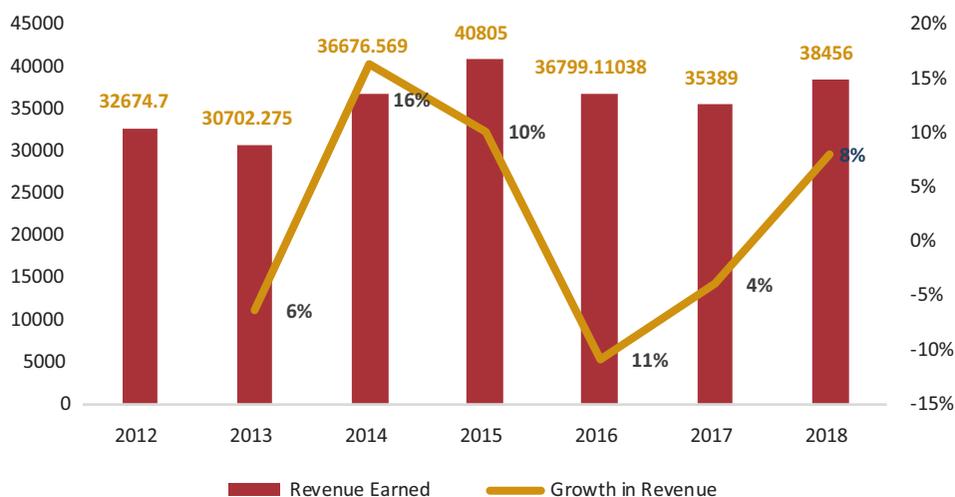
Sri Lanka Ports Authority (SLPA)

Sri Lanka Ports Authority (SLPA) currently operates ports of Colombo, Galle, Trincomalee, Kankasanthurai, Oluvil, Myliddy, Point Pedro and Karrainagar. SLPA involves in navigation, stevedoring,

is only handled by the SLPA in the Colombo Port.

SLPA's revenue increased by 8 percent from Rs. 35,389 million in 2017 to Rs. 38,546 million in 2018 mainly due to the increase in navigation income by 30 percent, stevedoring by 8 percent and wharf handling by 5 percent.

Figure 7.5 | Revenue from year 2012 to 2018 (Rs. Million)



Sources: Sri Lanka Ports Authority and the Department of Public Enterprises

wharf handling, provisioning of port facilities including storage and other service operations including the supply of water and maintenance services.

Terminals of Colombo Port has been leased out from time to time by the SLPA to private parties. As such, the whole port of Magam Ruhunupura Mahinda Rajapakshe has been leased out during 2017. Accordingly, 3 competing port operators namely M/s. China Merchant Port Holdings Company Ltd. (CM Port), South Asia Gateway Terminals Pvt Ltd. (SAGT) and Colombo International Container Terminals Limited (CICT) is managing and operating ports of Sri Lanka.

The Port of Colombo handled 5,079 ships, 2.3 million Twenty Equal Unit (TEU's) and 39.2 million MT Equivalent Quantity Unit (EQU) in 2018. The SLPA stands as the second to the CICT in TEU's handling while being first in EQU, in terms of containerized cargo and conventional cargo handling. Liquid cargo

The cost structure of the SLPA increased significantly in 2018: direct expenditure increased by 5 percent in 2018; direct salaries and wages and direct overtime cost increased by 18 percent and 25 percent, respectively mainly due to the collective agreement renewal in January 2018; administrative expenditure increased notably by 69 percent from Rs.7.9 billion to Rs.13.4 billion mainly due to the increase in administrative staff salary and overtime costs and sundry expenditure.

The profits of SLPA were impacted by the exchange rate loss due to the devaluation of the rupee during the year. SLPA's profit before tax has reduced by 65 percent to Rs. 4.2 billion in 2018 from Rs. 11.9 billion in 2017 and profit after tax declined by 88 percent to Rs. 1.4 billion in 2018 from Rs.12 billion in 2017. Several measures have been taken to increase the capacity, change in the competitive dynamics between the ports competing with the Port of Colombo and respond to the changes occurring in the shipping industry strategically.

TABLE 7.10 | Financial Outturn of Sri Lanka Ports Authority

Rs. Million

	Actual			Provisional	
	2014	2015	2016	2017	2018
Total Revenue	36,676	40,161	42,994	43,957	50,123
Navigation	5,303	6,789	7,963	8,145	10,583
Stevedoring	19,078	18,386	18,520	16,873	18,257
Wharf Handling	3,920	4,553	5,066	5,325	5,607
Port Facilities	3,278	4,188	4,020	3,772	3,226
Other	797	1,210	1,230	1,273	873
Other Income	4,401	5,035	6,195	6,924	11,577
Total Expenditure	27,779	54,332	31,919	28,530	30,109
Operational Expenses	15,850	17,847	15,328	15,042	15,275
Repair and Maintenance Expenses	3,956	4,829	4,873	4,968	5,836
Administrative Expenses	5,123	8,309	8,458	7,907	13,359
Net Finance Cost	2,949	3,154	3,260	208	130
Profit/(Loss) Before Tax and Foreign Exchange Loss	8,897	6,025	11,073	14,187	(15,222)
Foreign Exchange Loss	-	20,193	10,038	2,194	11,317
Profit / (Loss) for the year	8,897	-14,168	1,035	12,095	1,419
Outstanding debts to Banks	11,968	14,889	12,505	11,360	10,924
Outstanding debts to Government/Foreign Loan	206,271	218,260	224,840	60,122	66,335
Interest on Foreign Loans	3,639	3,762	4,302	1,808	2,256
Key Performance Indicators					
TEU's Handling (Nos Million)	4.9	5.19	5.73	6.21	7.05
Ship Arrivals (Nos)	5,072	5,450	5,782	5,781	5,457
Colombo	4,407	4,772	5,085	5,109	5,079
Galle	157	162	162	150	143
Trincomalee	160	209	248	271	235
MRMRP	348	307	287	251	-

Sources: Sri Lanka Ports Authority and Department of Public Enterprises

7.5 COMMUTER TRANSPORTATION

Sri Lanka Transport Board (SLTB)

Sri Lanka Transport Board (SLTB) is a key player in the public transportation covering about 446 million kilometres per annum. This includes uneconomical routes such as the 'Gami Seriya', which provides transport facilities to rural areas and 'Nisi Seriya' which caters the night passengers and transportation provided for school children and university students at subsidized prices.

With the reversal of loss-making recorded until 2016, the SLTB recorded a profit amounting to Rs. 1.6 billion in 2018 and Rs. 2.1 billion in 2017. This was mainly due to the purchase of 2,200 new buses to SLTB on lease basis in 2014, the introduction

of a Voluntary Retirement Scheme (VRS), and the increase in the bus fare in 2017 and the provision amounting Rs. 5,000 million made to the SLTB by the General Treasury to settle unpaid statutory dues on the basis of releasing Rs. 1,000 million per year commencing from 2017. So far, Rs. 3,000 million has been released by the General Treasury. The provision was provided as compensation for the unutilized lands of the SLTB which were acquired by the government for various development projects. The new salary structure for the SLTB has been approved by the General Treasury. Further, a Scheme of Recruitment is being prepared by the SLTB.

In strategizing the way to overcome operational inefficiencies of the SLTB, Ministry of Transport and Civil Aviation, Strategic Enterprise Management Agency (SEMA), SLTB, and the General Treasury

TABLE 7.11 | Financial Outturn of Sri Lanka Transport Board

Rs. Million

Description	Actual		Provisional		
	2014	2015	2016	2017	2018
Revenue	32,732	39,777	43,409	46,243	42,887
Operational Income	25,922	26,790	30,260	33,928	30,823
Other income	6,810	12,987	13,149	12,315	12,064
Expenditure	33,890	39,508	43,502	43,404	39,957
Salary	14,724	20,235	20,096	18,380	19,826
Fuel	13,517	12,752	12,852	13,067	14,507
Other Running Cost	3,476	3,529	4,147	4,261	4,411
Overhead	1,874	2,455	5,744	7,042	609
Finance Cost	299	537	663	654	604
Cash Profit/(Loss) Before Gov. financial Assistance	-1,158	269	-93	2,839	2,930
Gov. financial Assistance	1,410	1,300	1,643	964	1,217
Cash Profit (Loss)	252	1,569	1,550	3,803	4,147
Depreciation	1,347	2,145	2,053	2,120	1,978
Production Loss	133	175	129	67	-
Accounting Profit (Loss)	-1,228	-751	-632	1,616	2,169
Key Performance Indicators					
Fuel Cost per km	35	27.91	27.87	28.18	31.91
No. of Employees per bus	8	7	7	6	6
Avg. buses operated per day	4,596	5,270	5,318	5,266	5,227
Break - down buses	3,071	3,085	3,274	2,808	2,610
Operated km Mn	371	440	452	448	446
Bus Fleet Age Analysis					
Less than 5 yrs	2,189	3,140	3,034	2,828	2,559
Less than 10 Yrs	2,133	2,098	1,639	888	968
10 > 15	1,611	667	745	1,598	1,786
Over 15 Yrs	1,736	1,874	2,350	1,988	1,629
Total	7,669	7,779	7,768	7,302	6,942

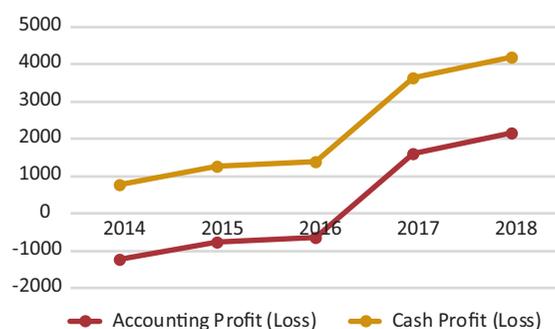
Sources: Sri Lanka Transport Board and Department of Public Enterprises

formulated a business plan by integrating a self-developed ERP system, based on the profit centre concept and the concept of family ownership of busses that promotes to trim down the operational inefficiencies. Accordingly, it is expected to enlarge the SLTB's profitability in 2019 onwards.

It is expected to sign SCI, the tripartite agreement among the General Treasury, Ministry of Transport and Civil Aviation and the Board of Directors of the SLTB, by which the monitoring process of the SLTB performances will be strengthened. In 2018, the total operational revenue of the SLTB declined by 9 percent to Rs. 30,823 million in 2018 and other income also declined by 2 percent to Rs. 12, 064 million. Operated kilometres of the SLTB

declined to 446-kilometre millions in 2018 from 448 kilometre million in 2017. Average buses operated

Figure 7.6 | Financial Performance of SLTB



Source: Sri Lanka Transport Board

per day, decreased by 1 percent in 2018. In 2018, the total expenditure of SLTB declined by Rs. 3,447 million to Rs. 39,957 million, due to the reduction of the overhead cost resulted by the provision of the Volunteer Retirement Scheme (VRS) for 3,822 number of employees of SLTB. The General Treasury has provided assistance amounting to Rs. 1,217 million to the SLTB, an increase of 26 percent compared to 2017. Consequently, the SLTB recorded a profit of Rs. 2,169 million at end 2018.

7.6 AVIATION

Airport and Aviation of Sri Lanka (AASL)

Airport and Aviation of Sri Lanka (AASL) is the sole statutory service provider of aeronautical services in Sri Lanka under the mandate granted by the Civil Aviation Act, No. 14 of 2010. AASL provides three principle operational activities by this mandate as follows:

1. The development, operation and maintenance of the two International Airports Bandaranaike International Airport (BIA) and Mattala Rajapaksa International Airport (MRIA) and two domestic Airports Colombo Airport Ratmalana (RMA) and Batticaloa Airport) of Sri Lanka.
2. The provision and maintenance of search, rescue and firefighting services and Aviation Security services at the above aerodromes.
3. The provision of air traffic services, aeronautical information services, aeronautical communication services and the provision of aeronautical aids for communication, navigation or surveillance, ensuring the safety and security of all aircraft and passengers within the Colombo Sri Lanka Flight Information Region (FIR).

The Cabinet of Ministers has already granted the approval for the development of the airport of Palali as a domestic airport where AASL will be the

TABLE 7.12 | Financial Outturn of Airport and Aviation of Sri Lanka.

	Actual			Provisional	
	2014	2015	2016	2017	2018
Revenue	15,750	16,745	20,224	23,536	31,871
Aeronautical	3,367	3,737	4,379	4,618	5,234
Non Aeronautical	10,245	11,481	13,635	15,874	19,724
Other Income	262	480	316	263	3,779
Non-operating Income	1,876	1,047	1,894	2,783	3,134
Expenditure	10,254	14,367	13,315	12,774	21,411
Personal Expenses	4,599	5,658	6,013	6,425	7,467
Administration expenses	505	566	530	421	246
Establishment Expenses	1,220	992	1,137	1,149	1,416
Depreciation	2,664	2,660	2,665	2,230	2,694
Repairs and Maintenance Expenses	434	249	297	356	398
Exchange Loss on Loan Conversion	132	3,525	1,968	1,529	8,182
Finance Expenses	700	717	705	664	1,008
Net Profit before tax	5,496	2,378	6,909	10,762	10,458
Total Borrowings	35,920	37,730	37,679	42,780	49,208
Borrowings during the year	531	161	764	6,333	1,391
Key Performance Indicators					
Passengers Movements (Nos) (Million.)	7.8	8.5	9.5	10	11
Transits passengers (Nos) (Million.)	1.3	1.2	1.3	1.5	1.5
Passenger Processing Time - Arrival (in Min.)	23	23	24	26	-
Passenger Processing Time - Departure (in Min.)	23	21	24	25	-
Aircraft Movements (Nos) (BIA & MRIA)	54,960	56,156	61,637	62,862	67,308

Sources: Airport and Aviation (Sri Lanka) Limited and the Department of Public Enterprises

future operator utilizing the funds worth of Rs. 1,950 million out of which, Civil Aviation Authority of Sri Lanka (CAASL) and Tourism Development Fund will bear the cost of Rs. 900 million and Rs.1, 050 million, respectively.

AASL's operational performance improved during 2018 due to the increase in the number of flights at BIA and MRIA, passenger movements and average passenger per flight by 7 percent, 9 percent and 2 percent, respectively, over 2017. As a result, the Aeronautical revenue and the Non-Aeronautical revenue increased by 13.3 percent and 24.3 percent, respectively compared to 2017.

The expenditure of AASL has increased at a higher rate of 67 percent during 2018. This was mainly due to the increase in personal emoluments by 16 percent, exchange loss on loan conversion by 435 percent and finance expenses by 52 percent. Accordingly, AASL's Net Profit before Tax reduced to Rs. 10,458 million, by 3 percent over 2017.

Although, loans obtained during the year amounted to Rs. 1,391 million, the exchange loss on loan conversion, totalled at Rs. 8,182 million caused AASL's borrowings to rise by Rs. 6,428 million during 2018.

As the external factors of exchange rate fluctuations have adversely affected the performance and the financial position of the AASL, conscious risk mitigation strategies should be implemented by the Company in order to reduce the impact of exchange risk.

Sri Lankan Airlines (SLA)

Sri Lankan Airlines (SLA) has undergone a difficult situation during 2018. The Presidential Commission of Inquiry to investigate and inquire to allege irregularities was appointed by H.E the President. General Treasury continued to bear the risk of issuing comfort letters on the going concern of the Company even after the increases of both accumulated losses to Rs 186,596 million and negative net worth to Rs. 132,196 million as at 31st March 2018.

The Government bears contingent liabilities over the provision of guarantees for loans obtained

from People's Bank and Bank of Ceylon as well as Sovereign Guarantee issued for the International Bond. These have become obvious liabilities for the government as the company was unable to repay at least a single instalment for 2 consecutive using internally generated funds of SLA.

Restructuring attempt undertaken by the SLA with the assistance of International Air Service Consultant became unsuccessful due to its inability to reduce losses. SLA has lost some of the valuable parking slots and routes which used to give indirect economic benefits by this attempt.

In 2018, revenue generated by the SLA increased by 18 percent to Rs. 161,654 million, compared to Rs. 135,464 million in 2017 due to the increase in passengers.

Fuel cost for the SLA is on averaged 32 percent whereas it makes up an average of 21 percent of operational cost of SLA which is far above the industry average of 21 percent. During the financial year 2017/ 2018, SLA spent a cost of Rs. 47, 037.86 million on Aircraft Fuel from 29 percent of the earned income. SLA spent on average 15 percent of the operational cost as employee cost and the crew expenses. This attributed to 16 percent of the total revenue earnings of the company. SLA has spent Rs. 25,726.29 million on Rentals on Leased Aircraft which is 14 percent of the total operational cost. Although the usual operational costs of a company are variable, most of SLA's operational costs have fixed elements which highly affects the operational leverage of the company. In addition to the unbearable operational cost levels, SLA bears exorbitant financial cost which is 5 percent of the revenue.

The Government, as the Shareholder has a negative net worth of Rs. 132,196 million in the investment portfolio. Therefore, a severe restructuring attempt needs to be carried out to reduce the potential unbearable loss to the government coffers. In view of this, the ability to implement the proposals submitted by the "Expert Committee" appointed by His Excellency the President in early 2019 may be taken into consideration immediately.

TABLE 7.13 | Financial Outturn of Sri Lankan Airlines

Rs. Million

Description				Actual	Provisional	
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total Revenue	119,571	121,586	131,922	129,480	135,464	161,654
Passenger	98,582	99,670	106,601	103,945	105,001	131,715
Cargo	12,896	12,425	13,595	12,074	11,987	14,621
Excess Baggage	509	715	958	842	927	1,032
Other Income	7,585	8,776	10,767	12,620	17,549	14,158
Total Expenditure	148,204	155,617	150,881	145,724	167,959	165,595
Aircraft fuel cost	63,865	59,947	53,451	33,199	33,130	47,038
Employee cost *	13,142	13,904	15,057	16,748	18,797	19,483
Airport, aeronaut and passenger expenses	22,556	21,960	22,419	22,642	23,788	28,668
Aircraft Maintenance and overhaul costs	14,330	17,356	11,988	14,515	17,644	22,829
Rentals on Leased Aircraft	14,514	14,555	16,316	20,130	22,789	25,726
Selling, Marketing and advertising expenses	9,653	10,250	11,773	11,431	12,657	15,815
Crew Expenses **	2,937	3,441	4,801	5,484	5,436	6,036
Other Operating Expenses	6,127	6,719	7,196	6,758	6,783	8,730
Realized/Unrealized Exchange (Gain)/Loss ***	-1,611	654	707	3,719	3,668	2,017
Depreciation and Amortization	1,187	1,603	2,276	2,684	2,042	1,779
Net Financial Cost	1,503	5,228	4,897	5,851	6,863	8,639
Compensation for cancellation of aircraft lease agreement	-	-	-	2,562	14,363	-
Other income and gains	2,544	1,673	2,526	3,622	3,565	5,876
Profit / (Loss) Before Tax	-26,089	-32,358	-16,433	-12,622	-28,930	-17,214
Accumulated losses	-78,883	-110,743	-128,232	-141,080	-169,755	-186,597
Serious loss of Capital	Yes	Yes	Yes	Yes	Yes	Yes
Key performance Indicators						
Passenger carried (RPK Million)	12,968.74	12,810.95	12,963.71	12,727.66	12,455.05	15,280.78
Aircraft Fleet (Nos)	22	21	21	21	24	26
Passenger Capacity (ASK Million)	15,944.31	15,780.54	16,180.27	15,790.28	15,608.10	18,487.54
% of Fuel Cost on Total Revenue	53%	49%	41%	26%	24%	32%
Passenger Load Factor	81.34	81.18	80.12	80.6	79.8	82.65

Sources: Sri Lankan Airlines Ltd and the Department of Public Enterprises

* Since crew (tech and cabin) salaries under employee cost were not mentioned in the statements submitted by SLA previously, above statement from 2012/13 has been re-stated to include crew salaries under employee cost.

** Crew expenses will be included for both tech and cabin - training costs, uniform costs etc. and the layover costs.

*** Realized and unrealized exchange gain or loss previously included under "Other Operating Expenses", is now mentioned as a separate line item.

7.7 CONSTRUCTION

Sri Lanka's construction industry accounted for 6.8 percent of GDP in 2018 which is a 6 percent decrease compared to the GDP contribution recorded in 2017, resulted by large scale projects initiated within the country. The State Engineering Corporation (SEC), Central Engineering Consultancy Bureau (CECB), State Development and Construction Corporation (SD&CC) are the main three state owned enterprises engaged in the construction industry. The total turnover of above three SOEs recorded almost a 15

percent decline over 2017. Although SEC, CECB and SD&CC undertake most of the government contracts, these enterprises contribute marginally 0.1 percent to the construction industry as a percentage of the Gross Domestic product considering the turnover of Rs. 16,373 million. Although it is a timely requirement to adopt new construction practices and processes with new investments to compete with the private sector, these three SOEs are experiencing liquidity constraints mainly due to the delay in receiving payment from government institutions for the works completed.

State Engineering Corporation (SEC)

In 2018, the revenue of SEC has increased by 7 percent to Rs. 3,176 million in 2018 from Rs. 2,960 million in 2017 and expenditure has also increased by 3 percent. SEC recorded a loss of Rs. 1,024 million in 2018 which is an increase of 9 percent compared to 2017. SEC's receivables of Rs. 2,182 million in 2017 has decreased by 75 percent to Rs. 547 million in 2018. Loss-making situation and long delays in receiving payments from government institutions due to various reasons has lead the institution to a liquidity crunch.

Cabinet of Ministers has granted the approval to provide a Treasury Guarantee amounting to Rs. 300 million, valid up to 08.08.2028 to obtain a bank loan to finance current and future projects for the use of National Equipment and Machinery Organization (NEMO) which is a separate unit of SEC and Rs. 1,280.26 million worth of Treasury Guarantee valid up to 30.06.2033 to SEC has been issued in order to finance current and future projects.

SEC has completed government projects such as Housing Scheme in Angoda worth of Rs. 4,393 million during 2018 and has undertaken the government projects worth of Rs. 20,576 million during the year

Central Engineering Consultancy Bureau - (CECB)

Central Engineering Consultancy Bureau (CECB) has been engaged in projects worth of Rs. 4,198 million as at 31.12.2018 which are almost government projects and undertaken new projects worth of Rs. 12,551 million. CECB has completed projects worth of Rs. 14,017 million in 2018 including the consultancy contract of employers quality representative for infrastructure development of Port City, Metro Colombo solid waste management project at Aruwakkalu, proposed Seethawaka hydropower project, construction of the new building complex for the Base Hospital in Nindavur- Ampara, construction of Academic and administration building of Nursing Training School at Anuradhapura.

Revenue of CECB decreased by 26 percent to Rs. 10,128 million in 2018 from Rs. 13,691 million in 2017 whereas profit declined by 16 percent to Rs. 531 million in 2018, compared to the profit of Rs. 633 million in 2017. Total receivables of CECB stood at Rs. 6,494 million at end 2018, a decrease over the receivables of Rs. 8,476 million in 2017.

TABLE 7.14 | Financial Outturn of the State Engineering Corporation

	Actual					Provisional
	2014	2015	2016	2017	2018	
Revenue	7,715	3,608	2,335	2,960	3,176	
Construction	4,747	2,134	1,211	1,911	2,064	
Consultancy	307	172	263	301	186	
Other Income	2,661	1,302	861	748	926	
Expenditure	7,668	4,317	3,293	3,900	4,200	
Operating Expenditure	5,591	2,475	1,462	1,937	2,002	
Staff Cost	1,668	1,678	1,635	1,677	1,857	
Financial Cost	73	77	112	196	243	
Other Expenditure	336	87	84	90	98	
Profit/ (loss)	47	-709	-958	-940	-1,024	
Outstanding Debts to Banks	582	563	1,261	2,050	2,039	
Receivables	2,338	1,726	1,894	2,182	547	

Source: State Engineering Corporation and Department of Public Enterprises

*Without accounts of National Equipment and Machinery Organization

TABLE 7.15 | Financial Outturn -Central Engineering Consultancy Bureau

	Rs. Million				
	Actual				Provisional
	2014	2015	2016	2017	2018
Revenue	13,574	11,034	10,817	13,691	10,128
Construction	11,127	8,734	8,209	10,769	7,032
Consultancy	2,132	1,976	2,124	2,427	2,634
Other Income	315	323	484	495	462
Expenditure	13,023	10,452	10,000	12,936	9,597
Operating Expenditure	11,622	9,033	8,679	11,620	7,970
Staff Cost	1,069	1,190	1,102	1,174	1,334
Financial Cost	18	9	6	10	13
Other Expenditure	314	220	213	132	280
Profit/ (loss)	551	582	816	755	531
Receivables	4,813	4,918	5,863	8,476	6,494

Source: Central Engineering Consultancy Bureau and Department of Public Enterprises

State Development & Construction Corporation (SD&CC)

SD&CC has been engaged in projects worth of Rs. 4,650 million as at 31.12.2018 and undertaken projects worth of Rs. 1,342.74 million. It has completed projects worth of Rs. 365 million such as the construction of Laggala Hospital, Auditorium of Royal College, Polonnaruwa, Training Centre of Ceylon Electricity Board, Piliyandala and Polpitiya Tunnel.

Total revenue of SD&CC's increased by 21 percent to Rs. 3,069 million, compared to the previous year while net profit increased to Rs. 15 million from Rs. 12 million in 2017. The Cabinet of Ministers has

granted approval to extend the Treasury Guarantee of Rs. 400 million up to 06.12.2018 which is obtained for a permanent overdraft facility.

7.8 STATE BANKS

The two licensed commercial banks and six licensed specialized banks in Sri Lanka continued to dominate the country's banking sector accounting for almost 44 percent of the total assets in the banking sector in 2018. The Bank of Ceylon (BOC), People's Bank (PB) and National Savings Bank (NSB) alone possess assets over Rs. 5.04 trillion, accounting 43 percent of the total assets in the banking sector in 2018. Out of the total branch network in the banking sector, the state banks accounted for 28 percent of

TABLE 7.16 | Financial Outturn of the State Development & Construction Corporation

	Rs. Million.				
	Actual				Provisional
	2014	2015	2016	2017	2018
Revenue	3,642	2,608	2,256	2,530	3,069
Construction	3,466	2,429	2,102	2,348	2,865
Others	176	179	154	182	204
Total Expenditure	3,530	2,558	2,223	2,518	3,054
Operating Expenditure	2,740	1,711	1,264	1,499	2,007
Staff Cost	595	602	697	815	827
Financial Cost	93	87	96	118	145
Others	102	158	176	86	75
Profit/ (loss)	112	50	23	12	15
Outstanding Debts to Banks	623	662	705	839	1,464
Receivables	479	377	451	353	437

Sources: State Development & Construction Corporation and Department of Public Enterprises

TABLE 7.17 | Sector Wise Credit Concentration

Description	2017		2018	
	Rs. Million	%	Rs. Million	%
Agriculture & Fishing	220,730	7.73	251,935	7.27
Manufacturing	92,659	3.24	139,067	4.01
Tourism	54,408	1.9	72,040	2.08
Transport	72,678	2.54	116,678	3.37
Housing & Construction	695,919	24.37	817,853	23.61
Trading	313,189	10.97	378,618	10.93
Financial & Business Services	123,497	4.32	128,541	3.71
Infrastructure	237,096	8.3	405,430	11.7
Credit Card	6,052	0.21	7,244	0.21
Pawning	206,666	7.24	231,641	6.69
Others	833,209	29.17	915,593	26.43
Total	2,856,105	100	3,464,639	100

Source: State Banks and Department of Public Enterprises

branches in the country facilitating the government policy of ensuring better financial accessibility and inclusiveness.

State Banks accounted for 45 percent of the lending portfolio of the banking sector at Rs. 3.5 trillion as at end 2018, an increase of 25 percent compared to 2017. The deposit base of the state banks increased by 10 percent to Rs. 4.2 trillion as at end 2018 which is almost half of the total deposit base of the banking sector.

To strengthen the capital base to meet the Basel III provisions, the government infused capital of Rs. 5 billion to BoC. In line with the Budget Proposal 2016, Lankaputhra Development Bank was acquired by the Regional Development Bank on 31.12.2018.

Bank Of Ceylon - (BOC)

Bank of Ceylon (BoC) continued its dominance in the Sri Lankan banking industry with an asset base of Rs. 2.28 trillion, lending portfolio of Rs. 1.43 trillion and a deposit base of Rs. 1.76 trillion in 2018. BoC's asset base accounts for 19 percent of the industry asset base while the lending portfolio continued to be the country's largest, accounting for 18.6 percent of the total lending portfolio of the banking industry in 2018. BoC's deposit base has recorded a growth of 14.2 percent in 2018 mainly due to the increase in time deposits by Rs. 191 billion, which

in return decreased the bank's CASA⁴ ratio from 38.1 percent to 37.4 percent. Bank operates with a branch network of 577 local branches, 15 SME centres and 3 overseas branches in Chennai, Male and Seychelles.

Despite the increase in net interest income by 11 percent and an increase in other income by 48 percent, profit before tax of the bank recorded a marginal increase of 5 percent to Rs. 31.9 billion in 2018 due to the increase in personnel expenses and impairment charges. BoC recorded a Return on Assets of 1.5 percent in 2018, which is below the industry average of 1.8 percent. BoC has paid Rs. 4,500 million as levy and Rs. 346 million as dividends to the Consolidated Fund in 2018.

The Trading sector accounted for 16.6 percent of the BoC's lending portfolio in 2018 followed by housing loans at 12.2 percent. BoC's non-performing loan ratio deteriorated to 3.6 percent in 2018 in comparison to 2.9 percent in 2017.

In line with a 2018 Budget Proposal, Government made a capital infusion of Rs. 5 billion to BoC with the objective of strengthening the bank's Balance Sheet to meet the Basel III provisions. Fitch Rating (Lanka) re-affirmed AA+ (lka) national long term rating for BoC with a stable outlook for 2018.

⁴ CASA is the Current and Savings Account to Total Deposits

TABLE 7.18 | Financial Outturn of Bank of Ceylon

Description	Actual				Provisional
	2014	2015	2016	2017	2018
	Rs. Million				
Total Income	127,130	132,915	154,121	189,211	221,017
Interest Income	106,384	114,158	134,685	171,344	194,575
Interest Expense	69,345	66,419	80,728	112,988	129,786
Net Interest Income	37,039	47,739	53,957	58,356	64,789
Other Income	20,746	17,685	19,436	17,868	26,442
Total Operating Expenses	36,929	40,146	31,543	45,881	59,337
Personnel Expenses	12,595	16,744	16,844	16,996	18,875
Other Expenses	24,334	23,402	14,699	28,885	40,462
Profit Before Tax	20,856	23,279	31,189	30,343	31,894
Key Performance Indicators					
Investments	446,171	510,099	473,872	582,451	626,098
Deposits	916,421	1,082,337	1,256,589	1,546,832	1,765,026
Loans and advances	760,871	870,730	1,047,190	1,163,161	1,432,050
Non Performing Advances	28,762	36,978	29,786	34,261	53,754
ROA (%)	1.65	1.7	1.93	1.7	1.5
ROE (%)	22.64	22.2	28.4	20.9	17.7
NPL Ratio (%)	3.78	4.3	2.88	2.9	3.6

Source: Bank of Ceylon and Department of Public Enterprises

People's Bank - (PB)

People's Bank (PB), the second largest bank in the country with an asset base amounting 14.7 percent

of the banking industry, operates with the largest branch network comprising 738 branches and a network of over 4,000 ATMs linked to the Lanka Pay Gateway. PB's asset base stood at Rs. 1.7 trillion, an

TABLE 7.19 | Financial Outturn of Peoples's Bank

Description	Actual				Provisional
	2014	2015	2016	2017	2018
	Rs. Million				
Total Income	96,378	103,649	121,905	161,904	185,615
Interest Income	84,480	92,404	109,970	149,184	171,135
Interest Expense	54,362	48,732	66,846	98,719	111,060
Net Interest Income	30,118	43,672	43,124	50,466	60,075
Other Income	11,776	11,071	11,935	12,720	14,480
Total Operating Expenses	26,093	31,483	34,245	28,322	36,272
Personnel Expenses	13,083	17,056	17,475	15,915	19,905
Other Expenses	13,010	14,427	16,770	12,407	16,367
Profit Before Tax	17,231	19,520	20,814	25,913	24,334
Key Performance Indicators					
Investments	290,486	307,719	178,727	269,691	299,152
Deposits	793,342	899,238	1,077,812	1,244,003	1,422,961
Loans and advances	685,310	829,234	950,824	1,074,248	1,334,420
Non Performing Advances	20,942	19,144	16,337	19,573	31,472
ROA (%)	1.8	1.8	1.9	1.9	1.4
ROE (%)	35.5	27.1	23	26.6	18.4
NPL Ratio (%)	3.2	2.4	1.7	1.9	2.5

Source: People's Bank and Department of Public Enterprises

increase of 21 percent over Rs. 1.4 trillion in 2017, which is above the industry asset growth rate of 14.6 percent.

PB has recorded a 19 percent increase in net interest income to Rs. 60.1 billion in 2018. Despite the increase in net interest income and other income, net profit before tax has decreased by 6.6 percent to Rs. 24.3 billion, in comparison to Rs. 25.9 billion in 2017, mainly due to the increase in personnel expenses by 25 percent with the new collective agreement 2018-2020. The bank has paid Rs. 3,200 million as levy and Rs. 316 million as dividends to the Consolidated Fund in 2018.

Bank's loan portfolio stood at Rs. 1.33 trillion recording an increase of 24.3 percent over Rs. 1.07 trillion in 2017, which is above the industry average loan growth of 19.6 percent.

Non-performing loan ratio of the bank increased to 2.5 percent in 2018, which is below the industry average of 3.4 percent.

PB's deposit base grew by 14.3 percent to Rs. 1.4 trillion by end of 2018. However, the bank's deposit mix turned expensive resulting in a CASA ratio of

37.9 percent over 42.1 percent in 2017, reflecting the need to attract low cost deposits.

In 2018, the bank has introduced many new initiations such as School Banking Units with CDM, self-banking units. Fitch Rating (Lanka) affirmed AA+ (lka) national long term rating for PB with a stable outlook for the year 2018.

National Savings Bank (NSB)

National Savings Bank (NSB) is the largest licensed specialized bank in the country with an asset base over Rs. 1 trillion and the only bank whose deposits are fully guaranteed by the government of Sri Lanka. The bank expanded its network to 255 branches in 2018 with the opening of 2 new branches. NSB's network is further strengthened by the network of 4,063 post offices/sub post offices distributed throughout the country.

Despite the increase in interest income by 7 percent to Rs. 110.5 billion in 2018, net interest income has declined marginally to Rs. 24.9 billion due to the higher interest rates paid for the time deposits which constitutes 76 percent of the total deposits of the bank. The bank's profit before tax decreased

TABLE 7.20 | Financial Outturn of National Savings Bank

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Total Income	77,890	79,282	87,399	107,996	111,902
Interest Income	74,023	78,128	86,390	103,579	110,507
Interest Expense	52,642	51,146	60,923	78,445	85,622
Net Interest Income	21,380	26,983	25,467	25,134	24,885
Other Income	3,798	1,043	872	4,308	1,254
Total Operating Expenses	14,706	14,992	13,036	15,307	18,197
Personnel Expenses	4,797	5,911	6,235	6,887	9,263
Other Expenses	9,908	4,802	6,800	8,420	8,935
Profit Before Tax	10,472	13,034	13,303	14,135	7,941
Key Performance Indicators					
Investments	534,485	549,743	554,235	593,333	565,841
Deposits	554,060	595,776	657,280	737,213	839,574
Loans and advances	222,696	271,751	323,811	375,704	423,532
Non Performing Advances	16,275	9,077	4,792	4,996	6,136
ROA (%)	1.5	1.6	1.51	1.47	0.78
ROE (%)	30.2	31.1	29.37	27.24	10.87
NPL Ratio (%)	7.6	3.5	1.55	1.34	1.44

Source: National Savings Bank and Department of Public Enterprises

to Rs. 7.9 billion in 2018 from Rs. 14.1 billion in 2017 mainly due to the increase in personnel expenses by Rs. 2.4 billion to Rs. 9.3 billion in 2018 with the salary increase through the collective agreement coupled with the decrease in other income by 71 percent. NSB has paid Rs. 500 million as levy and Rs. 60 million as dividends to the Consolidated Fund in 2018.

NSB holds Rs. 839.6 billion deposits, which accounted for 10 percent of the deposits of the total banking sector deposit base. Loan portfolio of the bank has increased by 12.7 percent to Rs. 423.5 billion by the end of 2018, of which loans granted for infrastructure and housing/construction categories represent 17.8 percent and 27.1 percent respectively. Assets quality of the bank has marginally deteriorated in 2018 as witnessed by an increase in NPL ratio to 1.44 percent from 1.34 percent in 2017.

In order to meet the Basel III provisions through a strong balance sheet, NSB increased its share capital by Rs. 2.7 billion in 2018 by utilizing the Unclaimed Deposit Reserve. NSB retained the AAA (Ika) credit rating by Fitch Ratings (Lanka) for the sixteenth consecutive year in 2018.

Housing Development and Finance Corporation Bank (HDFC)

The HDFC Bank, which is primarily engaged in granting credit facilities for housing purposes, is the only state owned bank listed on the Colombo Stock Exchange. Government of Sri Lanka holds around 51 percent of shares of HDFC Bank through the National Housing Development Authority, Urban Development Authority and Condominium Development Authority.

Despite the marginal increase in interest income in 2018, net interest income increased by 20 percent to Rs. 2.2 billion due to the improvement in interest margin from 3.93 percent in 2017 to 4.52 percent in 2018. Bank's profit before tax increased by 13 percent to Rs. 926 million in 2018, compared to Rs. 821 million in 2017 mainly due to the increase in net interest income and other income. Return on assets has increased to 1.87 percent in 2018, compared to 1.72 percent in 2017.

Lending portfolio of HDFC Bank increased by 8.5 percent to Rs. 37.9 billion of which 75 percent has been granted for the construction of small and medium housing units. HDFC's deposit base

TABLE 7.21 | Financial Outturn of Housing Development and Financial Corporation Bank

Description	Actual					Provisional
	2014	2015	2016	2017	2018	
Total Income	4,566	4,909	5,928	6,978	7,126	
Interest Income	4,378	4,660	5,473	6,614	6,679	
Interest Expense	2,535	2,539	3,509	4,742	4,441	
Net Interest Income	1,843	2,121	1,964	1,872	2,238	
Other Income	188	249	455	365	447	
Total Operating Expenses	1,254	1,377	1,409	1,472	1,665	
Personnel Expenses	671	829	895	941	1,113	
Other Expenses	583	548	514	474	644	
Profit Before Tax	777	993	848	821	926	
Key Performance Indicators						
Investments	9,559	13,687	13,622	12,859	9,400	
Deposits	244,479	28,593	32,123	36,655	37,016	
Loans and advances	23,899	26,685	30,260	34,967	37,934	
Non Performing Advances	5,198	5,486	4,509	5,708	7,057	
ROA (%)	1.21	2.5	1.94	1.72	1.87	
ROE (%)	13.72	15.8	11.01	10.97	12.59	
NPL Ratio (%)	22.57	20.8	14.95	16.5	18.94	

Source: Housing Development Finance Corporation Bank and Department of Public Enterprises

increased marginally to Rs. 37 billion by end of 2018. Asset quality of the bank has deteriorated, which reflected by the increase in NPL ratio from 16.5 percent in 2017 to 18.94 percent in 2018.

With the view of addressing the regulatory and operational challenges in existing business model in the medium term, the Board of Directors of the bank came up with a Business Restructuring Plan for the period from 2018 to 2022.

State Mortgage and Investment Bank (SMIB)

State Mortgage and Investment Bank (SMIB), a licensed specialized bank, continued to engage primarily in the housing finance market, with housing loans amounting 84.2 percent of the bank's total loan portfolio while loans for agriculture and fishing sector accounted for 15.7 percent in 2018. The bank operates with a branch network of 25. The total asset base of the bank increased by 1 percent to Rs. 42.6 billion by end of 2018.

Despite the increase in net interest income by 20 percent to Rs. 1.97 billion, net profit before tax declined by 12 percent to Rs. 498 million in 2018, mainly due to the increase in personnel expenses

through the collective agreement. The deposit base of the bank increased marginally by 1.9 percent to Rs. 34.3 billion, which is well below the industry average deposit growth of 14.8 percent in 2018. Asset quality of the bank has improved, which reflected by the decline in NPL ratio from 22.93 percent in 2017 to 21.75 percent in 2018. The bank operates with substantial assets and liability maturity mismatch, mainly due to the long term nature of housing loans and short term deposit base which needs to be addressed in the medium term.

Regional Development Bank (RDB)

The Regional Development Bank (RDB), which was formed in May 2010, by merging 6 Regional Development Banks operates with the objective of improving the living standards of the rural community by providing them with accessible and affordable credit facilities which in turn will result in strengthening the rural economy. The bank operates with a branch network of 265 branches to serve its customer base of over 6 million.

Despite the increase in total operating expenses by 26 percent, before tax profit of the bank increased by 11.5 percent to Rs. 3.7 billion mainly

TABLE 7.22 | Financial Outturn of State Mortgage and Investment Bank

Description	Actual					Provisional
	2014	2015	2016	2017	2018	
Total Income	3,746	3,999	4,372	4,916	5,680	
Interest Income	3,633	3,879	4,241	4,745	5,545	
Interest Expense	2,214	2,057	2,425	3,102	3,577	
Net Interest Income	1,419	1,822	1,815	1,643	1,968	
Other Income	113	120	131	171	135	
Total Operating Expenses	996	1,099	1,947	1,248	1,349	
Personnel Expenses	575	699	698	725	824	
Other Expenses	421	400	322	523	525	
Profit Before Tax	413	681	706	566	498	
Key Performance Indicators						
Investments	5,574	7,071	6,391	8,129	7,172	
Deposits	24,146	27,836	28,845	33,620	34,272	
Loans and advances	24,263	26,523	28,530	32,987	34,230	
Non Performing Advances	8,830	8,538	7,815	8,591	8,602	
ROA (%)	1.44	2.11	1.15	0.98	1.14	
ROE (%)	6.87	9.9	4.52	3.62	4.59	
NPL Ratio including EPF (%)	33.42	29.4	25.17	22.93	21.75	

Sources: State Mortgage and Investment Bank and Department of Public Enterprises

due to the increase in net interest income by Rs. 2.2 billion or 23 percent. The deposit base of the bank has recorded a marginal increase by end 2018, reflecting the need for strong deposit mobilization programs in the medium term. Loan portfolio of the bank increased by 5 percent at end 2018, which is well below the annual growth of 20 percent recorded in 2017. NPL ratio increased

contribution received from the employers with respect to their employees increased to Rs. 25.3 billion in 2018 in comparison to Rs. 22.8 billion in 2017.

There are 09 types of welfare benefit schemes available for ETF members including schemes providing assistance to the health care of members,

TABLE 7.23 | Financial Outturn of Regional Development Bank

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Total Income	11,186	12,510	15,744	22,016	26,073
Interest Income	10,593	11,759	14,813	20,910	24,869
Interest Expense	5,311	5,169	7,197	11,233	12,964
Net Interest Income	5,282	6,590	7,616	9,676	11,905
Other Income	593	751	931	1,106	1,204
Total Operating Expenses	4,476	5,779	6,416	7,476	9,420
Personnel Expenses	3,004	4,082	4,609	4,980	5,878
Other Expenses	1,472	1,697	1,807	2,495	3,542
Profit Before Tax	1,400	1,562	2,131	3,307	3,689
Key Performance Indicators					
Investments	27,505	16,385	20,879	36,431	37,461
Deposits	72,525	86,324	104,689	136,582	137,928
Loans and advances	62,006	88,396	106,806	128,344	135,470
Non Performing Advances	4,734	3,538	3,050	4,191	7,263
ROA (%)	1.05	1.57	1.79	2.2	1.94
ROE (%)	9.11	11.18	11.04	16.45	7.12
NPL Ratio (%)	7.64	4	2.86	3.27	5.36

Sources: Regional Development Bank and Department of Public Enterprises

from 3.27 percent in 2017 to 5.36 percent in 2018. Out of the total loan portfolio, RDB has granted 21 percent of its loans to the housing sector followed by 20 percent to the agriculture and fishing sector. In line with the 2016 Budget Proposal, RDB acquired Lankaputhra Development Bank Ltd. at end 2018.

Employee's Trust Fund Board (ETFB)

Employee's Trust Fund is the only social security programme operated in Sri Lanka which provides multiple benefits to its members. The employer makes a contribution of 3 percent from the gross earnings on behalf of the employee/member which is a non-contributory benefit to the member. In 2018, the number of members increased to 2.6 million from 2.5 million in 2017. Similarly, the total

housing requirements and financial assistance to the children of the members for education. Benefit claims amounted to 3,338 were processed during 2018 and Rs. 425 million was paid, while Rs. 144 million was paid for the children of members as a mean of assisting their higher education needs.

The objective of the Fund is to ensure that the members will have a non-contributory benefit to sustain them in their retirement life. In addition, members are paid the balance available in the account along with dividends and interest upon termination/retirement. Accordingly, 186,206 refund claims were processed in 2018 and the total amount paid was Rs. 18.3 billion. In 2018, the investment portfolio grew to Rs. 291 million, an increase of 11.1 percent over 2017. Over 75 percent

TABLE 7.24 | Financial Outturn of Employees' Trust Fund Board

Rs. Million.

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Total Income	18,833	19,833	24,579	29,000	28,386
Investment Income(net)	18,516	19,513	24,047	28,148	28,340
Other Income	317	320	532	852	46
Total Expenditure	1,559	1,724	1,776	1,920	2,077
Operating Expenses	1,129	1,343	1,148	1,251	1,348
Member Expenses	430	381	628	669	729
Profit before tax	17,274	18,109	22,803	27,080	26,726
Profit for Distribution	17,680	18,052	20,408	24,374	23,285
Interest on Member Fund 3%	5,287	6,014	6,760	7,546	8,435
Dividend	12,337	12,028	13,520	15,091	16,869
Total Rate of Interest & Dividend (%)	10	9	9	9	9

Sources: Employees' Trust Fund Board and Department of Public Enterprises

of the ETF are placed in government Securities yielding a guaranteed return in the prevailing market conditions.

Correspondingly, in 2018, ETFB earned Rs. 28.3 billion Net Interest Income held while profit and dividends earned on shares account for Rs. 38 million. In 2018, the Fund earned a Net Profit of Rs. 23.2 billion and has proposed to declare a total Dividend plus Interest rate of 9 percent to all members which accounted for Rs. 16.86 billion.

7.9 INSURANCE

The insurance industry in Sri Lanka, with 20 local players and 7 foreign-based companies, becoming vibrant and competitive. The Insurance Regulatory Commission of Sri Lanka (IRC SL) (previously known

as the Insurance Board of Sri Lanka), being the regulator of the insurance industry, supervises the insurance companies and guides the government on policy and laws that would make the industry remain viable. The State presence is visible in the insurance sector through the Sri Lanka Insurance Corporation (SLIC), Agricultural and Agrarian Insurance Board (AAIB), National Insurance Trust Fund (NITF) and Sri Lanka Export Credit Insurance Corporation (SLEICIC).

Overall Gross Written Premium (GWP) of the insurance industry grew by 10.26 percent in 2018, recording a GWP of Rs. 181,507 million compared to Rs. 164,623 million recorded in the year 2017. The value of the total assets of the insurance companies increased to Rs. 623,477 million in 2018, compared to Rs. 582,417 million recorded in 2017, reflecting a

TABLE 7.25 | Performance of the Insurance Industry

Description	2017	2018
Gross Written Premium	164,623	181,507
Life	71,504	80,303
General	93,119	101,204
Total Assets	582,417	623,477
Life	392,400	429,706
General	185,767	190,088
Reinsurance	4,250	3,683
Insurance Penetration¹	1.24	1.26
Insurance Density (Rs)²	7,677	8,376

Sources: Insurance Regulatory Commission 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 the total population

growth of 7 percent. The insurance penetration in the country increased up to 1.26 during 2018 from 1.24 while the insurance density increased to Rs. 8,376.million in 2018 from Rs. 7,677 million in 2017.

Sri Lanka Insurance Corporation (SLIC)

Sri Lanka Insurance Corporation (SLIC) is the largest government-owned insurer in Sri Lanka having an asset base of over Rs 171.8 billion, the largest life fund in the insurance industry of Rs. 90.3 billion and stated capital of Rs. 6.0 billion.

In 2018, SLIC has stepped down to 3rd position in the general insurance industry having a market share of 19.3 percent while holding market shares of 17.19 percent and 20.51 percent under the categories of non- motor sector and motor leading sector, respectively.

SLIC recorded a revenue of Rs. 43,883 million in 2018, which is an 11.4 percent increase compared to Rs. 39,400 million recorded in last year. Gross Written Premium (GWP) has marginally increased by 0.95 percent to Rs. 31,727 million in 2018 from Rs. 31,438 million total GWP in 2017. The GWP from life insurance business increased by 5.5 percent to Rs. 13,206 million from Rs. 12,517 million in the previous year. SLIC reported a GWP of Rs. 18,521 million for non-life insurance in 2018 which was 2.1 percent decrease compared to Rs. 18,921 million

in 2017. Meanwhile, the SLIC has contributed Rs. 1,856 million to the Consolidated Fund in 2018 by means of dividends.

National Insurance Trust Fund - (NITF)

NITF was established in 2006 under the National Insurance Trust Fund Act, No. 28 of 2006. NITF mainly serves the public sector employees providing “Agrahara” medical insurance scheme while managing the Strike, Riots, Civil Commotion and Terrorism Fund (SRCC & T) and Crop insurance. Furthermore, it provides reinsurance since it is compulsory to contribute 30 percent to the domestic insurance industry from their total business.

NITF’s revenue increased to Rs. 15,003 million in 2018, compared to Rs. 12,764 million in 2017, reflecting a growth of 18 percent. In 2018, GWP increased by 7 percent up to Rs. 9,684 million, compared to Rs. 9,071 million recorded in 2017. Total claims decreased by 2 percent in 2018 over 2017. Agrahara medical scheme and National Natural Disaster Insurance Scheme were able to decrease the losses incurred to Rs. 2,252 million in 2018 from Rs. 3,018 million in the previous year. However, the SRCC&T fund has remained profitable recording a profit of Rs. 4,187 million in 2018. In 2018, NITF’s profit has tripled to Rs. 3,289 million from Rs. 1,077 million in 2017. NITF’s investment in government securities increased 31 percent to Rs. 10,675 million in 2018 from Rs. 8,161 million in 2017.

TABLE 7.26 | Financial Outturn of Sri Lanka Insurance Corporation

Description	Actual			Provisional	
	2014	2015	2016	2017	2018
Revenue	29,301	31,156	42,107	39,400	43,883
Gross written premium	20,665	24,520	27,615	31,438	31,727
Net earned premium	17,804	20,393	24,013	25,938	27,884
Benefit, Losses & Expenses	-18,928	-21,539	21,870	-18,351	-20,306
Investment income	11,216	9,506	17,274	13,462	15,999
Operating & Administrative Expenses	-6,000	-4,975	-6,446	-7,484	-8,691
Profit from operations	4,373	4,820	13,791	13,564	14,886
Net Profit for the year	3,257	3,439	12,741	4,569	3,515
Key Performance Indicators					
Claims ratio – General (%)	63	64	69.8	67	67
Capital Adequacy ratio- Life (%)	-	402	427	434	440
Capital Adequacy ratio- – General (%)	-	213	186	188	208
Life Fund	74706	77858	87537	98,580	107,108

Source: Sri Lanka Insurance Corporation and Department of Public Enterprises

TABLE 7.27 | Financial Outturn of National Insurance Trust Fund

Description	Actual					Rs. Million
						Provisional
	2014	2015	2016	2017	2018	
Total Revenue (Rs.Mn)	8,016	8,788	9,839	12,764	15,003	
Gross Written Premium	5,842	5,063	6,814	9,071	9,684	
Contribution received for Agrahara	1,495	1,637	2,004	2,727	4,017	
Crop insurance levy collected	1,185	1,259	1,511	1,878	2,138	
Net earned premium income	8,016	7,931	8,851	11,614	13,653	
Other income	640	856	989	1,150	1,350	
Reinsurance ceded	-	-	-761	-1,175	-2,486	
Insurance Claims & Benefits	-3,205	-3,226	-5,543	-9,901	9,691	
Underwriting & acquisition cost	-695	-947	-1,068	-1,441	-1,609	
Total Expenditure	173	226	388	344	415	
Staff Related Costs	85	84	164	201	219	
Administration & Other Expenses	88	142	224	143	196	
Income over Expenditure	4,583	4,390	2,840	1,077	3,289	
Agrahara Claims received(Nos)	118,232	132,126	140,216	165,379	185,870	
Agrahara Claims paid(Nos)	103,176	116,780	124,964	149,039	166,675	
Agrahara premium collected	1,494	1,637	2,004	2,727	4,017	
Agrahara Claims paid	1,229	1,581	1,967	2,757	4,033	

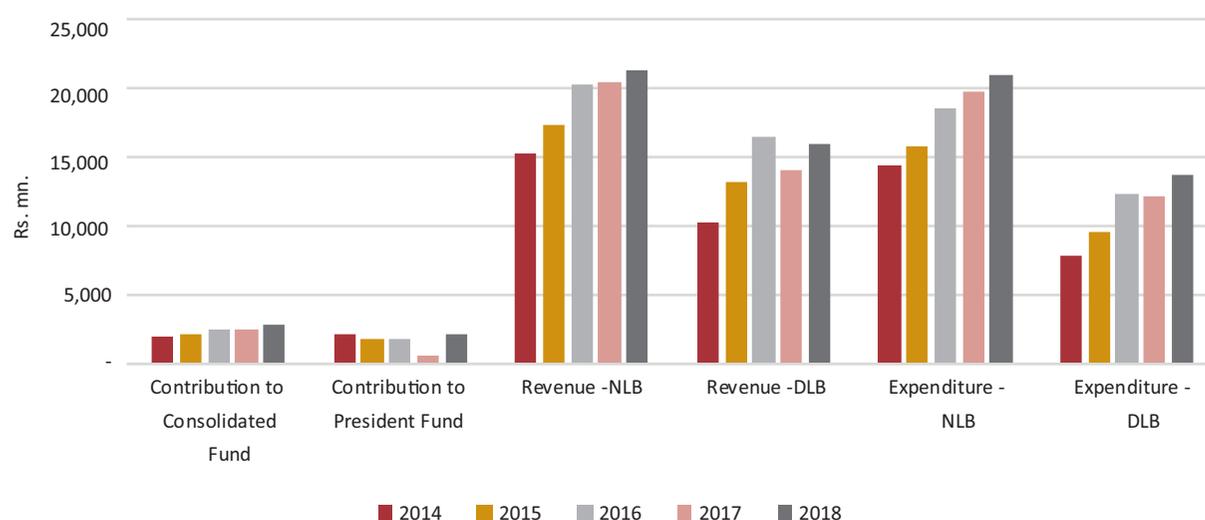
Sources: National Insurance Trust Fund and Department of Public Enterprises

7.10 LOTTERIES

National Lotteries Board (NLB) together with the Development Lotteries Board (DLB) dominate Sri Lankan lotteries market offering passive and instant lotteries. NLB's product portfolio consists of 13 brands of lotteries while DLB's product portfolio consists of 11 brands. The profit from the sale of

lotteries of the DLB is channelled to the Presidents Fund and the Mahapola Trust Fund to benefit the health and education sectors, while the profit of the NLB is channelled to the Consolidated Fund. During 2018, the lottery contribution of both NLB and DLB to the above funds increased by 82.8 percent to Rs. 4,615 million in 2018 from Rs. 2,524 million in 2017.

Figure 7.7 | Comparison of NLB & DLB Revenue, Expenditure and Contribution



Sources: National Lotteries Board, Development Lotteries Board and Department of Public Enterprises

National Lotteries Board (NLB)

NLB has an island wide agency network of around 3,100 agents and dealers. NLB recorded a revenue of Rs. 20,439 million in 2018, an increase of 22 percent compared to 2017. As a result, NLB's profit was strengthened by 66 percent from Rs. 624 million in 2017 to Rs. 1,038 million in 2018. Prizes declared by NLB grew by 23 percent to Rs. 9,834 million in 2018 from Rs. 7,995 million in 2017.

livestock products except dairy. Emphasis has been given by the Government to improve the dairy sector. The National Livestock Development Board (NLDB) and the Milco (Pvt) Limited (MILCO), the two State Owned Enterprises which are engaged in manufacturing and marketing dairy products, play an important role in achieving the government policy objectives of self-sufficiency in dairy products.

TABLE 7.28 | Financial Outturn of the National Lotteries Board

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Revenue	14,490	16,660	19,427	16,015	19,676
Lottery Sale Income	15,153	17,394	20,170	16,747	20,438
Less Direct Taxes – Excise Duty	-	-	-	131	-
Less Indirect Taxes – VAT	540	573	707	742	890
- NBT	211	253	286	236	286
Other Income	88	92	250	377	414
Expenditure	14,379	15,749	18,530	15,414	18,638
Agency Commission	2,818	3,245	3,772	3,103	3,826
Prizes Declared	7,311	8,368	9,723	7,995	9,834
Tickets Printing Cost	475	494	610	453	506
Distribution, Sales & Marketing	1,144	1,284	872	1,246	1,247
Admin Expenses	388	573	602	693	752
Finance Cost	37	30	37	40	43
Contribution to Consolidated Fund	1,753	1,888	2,131	2,016	2,427
Net Profit Before Tax	476	109	911	624	1,038
Income Tax	610	118	670	484	N/A
Net Profit After Tax	-134	-8.66	241	139	N/A
Key performance indicators					
Agency network	2,600	2,500	2,500	3,000	3,100
Contribution to consolidated fund as a % of revenue	12	12.46	12.25	12.12	12.56

Sources: National Lotteries Board and Department of Public Enterprises

Development Lotteries Board (DLB)

Development Lotteries Board's (DLB's) net sales increased by 11.8 percent to Rs. 15,855 million in 2018 from Rs. 13,981 million in 2017. DLB recorded a profit before tax amounted to Rs. 2,735 million in 2018, a 17 percent increase over 2017. Furthermore, DLB's budgeted sales in 2019 amounted to Rs. 17,717 million.

Sri Lanka fulfils a major part of its dairy requirement by importing milk powder from the global market. In 2018, Sri Lanka was the 5th largest importer of Whole Milk Powder (WMP) accounted for around 3.5 percent of the global WMP imports.

7.11 Livestock and the Dairy

Livestock products are considered as vital to improving the health standards of the people. At present, Sri Lanka is self-sufficient in most of the

Milco (Pvt) Ltd

MILCO, which was established with the vision to make the country self-sufficient in fresh milk is presently engaged in collecting, processing and in the distribution of milk based products in the country.

TABLE 7.29 | Financial Outturn of Development Lotteries Board

Rs. Million

Description	Actual			Provisional	
	2014	2015	2016	2017	2018
Revenue	10,157	11,994	14,921	14,068	16,164
Lottery sale income	10,388	12,280	15,314	14,628	16,577
Less Indirect Taxes – VAT	461	405	554	647	722
- NBT	199	194	241	229	259
-Excise	-	-	-	111	-
Other Income	151	58	119	130	201
Prize Write back	278	255	283	297	367
Expenditure	7,734	9,601	12,031	11,569	13,223
Agency Commission	154	2,310	2,676	2,529	3,102
Prizes Declared	6,211	6,150	7,755	7,263	8,296
Draw Cost	273	261	322	466	575
Tickets Printing Cost	378	325	444	387	402
Distribution, Sales & Marketing	371	223	457	494	848
Admin Expenses	347	332	377	419	463
Net Profit Before Tax	2,422	2,389	2,700	2,331	2,735
Income Tax	354	662	914	1,819	553
Net Profit After Tax	2,068	1,727	1,786	511	2,182
Contribution to President Fund	2,068	1,727	1,786	507	2,188
Dealers	2,196	2,242	2,854	2,854	3,100
Contribution to President fund as a % of revenue	19.91	14.06	11.57	3.43	13.8

Source: Development Lotteries Board and Department of Public Enterprises

MILCO has a product portfolio consisting of yoghurt, pasteurized milk, sterilized milk, curd, butter, ice cream, ghee, processed cheese, and milk powder. MILCO managed to retain its market leadership in yoghurt and liquid milk while competing with many others in the market leveraging on its brand, “Highland”.

Fresh milk collection, which is one of the key functions of MILCO, is performed by around 50,000 Farmer Managed Societies (FMSs) and the present milk collection meets the demands of the company. Raw milk collection of MILCO has decreased from 96 million litres to 91 million litres, which is around 5 percent slump over the previous year. MILCO has paid an average price of Rs. 68.71 per litre in 2018

TABLE 7.30 | Whole Milk Powder Imports (tons)

	2017	2018	Change 2018 over 2017 (%)
World	2,409,341	2,501,150	3.8
China	585,949	648,270	10.6
Algeria	262,000	311,780	19.0
UAE	145,425	144,000	-1.0
Saudi Arabia	141,771	138,200	-2.5
Sri Lanka	84,549	87,288	3.2
Bangladesh	71,110	82,000	15.3
Oman	66,681	81,351	22.0
Brazil	72,819	67,645	-7.1
Singapore	68,804	66,176	-3.8

Source: Food and Agriculture Organization of the United Nations

compared to Rs. 68.52 per litre paid in 2017. MILCO increased sales by 13.33 percent, supported by the product diversification, and increasing of milk production at restructured Digana, Polonnaruwa and Ambewela milk processing factories.

In 2019, it is expected to sign the SCI between the General Treasury, MILCO and relevant line Ministry

school children, officials involved in agriculture and livestock smallholders, 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.

TABLE 7.31 | Financial Outturn of Milco (pvt) Ltd

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Revenue	7,653	8,010	9,006	10,442	11,834
Sale of Milk Production	7,382	7,584	8,679	10,359	11,798
Other Income	271	426	327	83	92
Expenditure	7,365	8,006	8,666	10,556	12,645
Direct Expenses	6,359	7,012	7,844	9,391	11,353
Selling & Distribution	242	202	233	263	429
Administration	621	617	533	659	715
Finance cost	134	108	52	84	190
Other Expenditure	9	67	4	159	24
Profit/(Loss) Before Tax	288	4	340	-114	-820
Outstanding Debt to Banks	727	879	552	1,418	1613
Key Performance Indicators					
Milk Collection (ltrs. Million)	64.5	62	70	96	91
Earnings per share Rs.	8.67	0.52	10.02	-3.56	-25.68

Sources: Milco Pvt Ltd and the Department of Public Enterprises

which would be a mechanism for enhancing the operational and financial, performance of the MILCO within an agreed period in line with the macroeconomic policy framework of the Government.

National Livestock Development Board - (NLDB)

NLDB was established in 1973 with the vision to be the best self-sustaining organization in Sri Lanka to produce quality breeding materials, livestock and agricultural products to enhance socio-economic standards of the citizen. At present, it engages in breeding and multiplication of livestock, issuing quality breeding materials to farmers at a reasonable price, maintaining coconut plantations, practicing livestock/crop integrated farming system, providing training and demonstration facilities to farmers,

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 centre and 39 milk stalls in order to achieve its objectives.

NLDB has recorded a loss of Rs. 512 million in 2018, compared to Rs. 363 million loss recorded in 2017 while reducing the total expenditure and turnover by around 2.3 percent and 7.7 percent respectively.

In addition to the On-going development programs, NLDB has initiated several other programs in 2018 including an establishment of dairy processing plant at Welisara at a cost of Rs. 28.36 million and importation of swine, cattle and lamb seaman at a cost of Rs. 12.12 million in order to upgrade the Current herd of the board.

TABLE 7.32 | Financial Outturn of National Livestock Development Board

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Revenue	1,677	1,799	2,977	2,933	2,706
Expenditure	1,617	1,761	2,968	3,296	3,217
Profit/(Loss) Before Tax	60	38	9.49	-363	-512
Outstanding Debt to Banks	1,738	82.5	208.69	249	202
Key Performance Indicators					
Neat Cattle Milk (lt,'000)	10,000	10,238	17,240	14,368	14,003
Buffaloes Milk (lt,'000)	771	803	696	635	677
Goat Milk (lt,'000)	7.7	11	9	12.8	10
Curd Production (lt,'000)	429	442	500	482	476
Yoghurt (80ml Cups) (Nos,'000)	509	516	421	370	337

Source: National Livestock Development Board and Department of Public Enterprises

7.12 MARKETING AND DISTRIBUTION

Lanka Sathosa Ltd (LSL)

Lanka Sathosa Limited (LSL) is a government-owned retail store network operating with 403 outlets, providing essential items to consumers at affordable prices. In the retail market has been the rapid expansion of the private sector supermarket networks, challenging to the growth of LSL.

LSL recorded an operating loss amounting to Rs. 618 million in 2018. As a result, the loss before taxation of the LSL increased to around 4 percent over 2017. Company's gross profit ratio declined to 12.1 percent in 2018 from 16 percent in 2017. Further, revenue generated by LSL drastically decreased to 8 percent to Rs. 29,038 million in 2018 from Rs. 29,663 million in 2017. However, the interest expense amounting to Rs. 1,545 million in 2018, is the main cause for the loss incurred of the LSL.

TABLE 7.33 | Financial Outturn of Lanka Sathosa Limited

Description	Actual				Provisional
	2014	2015	2016	2017	2018
Revenue	31,678	28,479	30,339	30,377	29,988
Sales	31,320	28,412	29,983	29,663	29,039
Indirect Income	358	67	356	713	949
Expenditure	30,449	27,220	35,452	33,154	32,054
Cost of Sales	26,864	23,321	28,991	27,102	25,532
Other Expenditure	3,585	3,899	6,461	6,052	6,522
Profit/ (Loss) Before Tax	1,229	1,259	-5,113	-2,777	-2,066
No. of Outlets	303	303	303	320	370

Sources: Lanka Sathosa (pvt) Limited and Department of public Enterprises

In order to increase the asset base in the company, the new sophisticated Enterprise Resource Planning (ERP) system to cover the entire outlets, warehouses and the Head Office has been identified. The LSL will strengthen the marketing arm with a strong LSL brand and improve customer service in order to improve competition arising from the private sector supermarket chains. Strengthening the internal audit department with skilled audit staff and providing necessary resources while introducing proper internal control procedures are also important to improve the corporate governance of the LSL.

7.13 PLANTATION

Subsequent to the privatization of the plantation companies in 1994, 6 State Owned Plantations entities namely 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) currently function in the country while the government is the golden shareholder in each 23 Regional Plantation Companies.

The JEDB, SLSPC and EPL own 11,695 ha, 11,757 ha and 4,083 ha of lands, respectively. JEDB, SLSPC, EPL engage in both tea and rubber plantation. KTFL is operating four tea factories namely Kalubovitiyana, Menikdiwela, Derangala and Hiniduma. KPL and CPL manage 4,002.5 ha of coconut lands and 3,804 ha of coconut lands, respectively. With the expectation of improving the productivity of the land utilization, KPL implements intercrop programs and out growers' programs resulting in the earning of Rs. 25

million from other crops which represent 4 percent of the total revenue.

In 2018, coconut production of KPL totalled to 12.5 million nuts and total coconut palms managed around 422,000 palms which represent almost 80 percent of the total land used by the company. In 2018, the average yield per hectare of KPL was 4,018 nuts and profit per hectare was Rs. 75,645. In 2018, CPL produced 8.1 million of nuts and net average sales of 1,000 nuts were Rs. 35.8 per nut. Further, KPL and SLSPC will be made under the Statement of Corporate Intent (SCI) project to improve their operational, financial and service delivery performances.

TABLE 7.34 | Financial Outturn of State Owned Plantation Enterprises

	Actual			Provisional		
	2014	2015	2016	2017	2018	
Kurunegala Plantations Ltd	Operational Performance					
	Coconut Production (Nuts Mn)	16.7	14	16.6	10.6	12.5
	Rubber Production (Kgs)	157,474	140,678	144,376	119,486	113,078
	Yield per Ha. - Coconut(Nuts)	5,117	4,414	5,356	3,426	4,018
	- Rubber(Kgs)	818	767	809	689	652
	Financial Performance					
	Total Revenue (Rs. Mn)	576.8	492	490	553	612.7
	Coconut Sales (Rs. Mn)	266.9	262.1	255.3	248.2	296.3
	Rubber Sales (Rs. Mn)	42	37.5	47.2	36.8	37.8
	Total Cost of Sales (Rs. Mn)	325.9	316.6	319.9	316	355.6
	Net Profit/ (Loss) Before Tax (Rs. Mn)	220.9	165.9	144	247.9	211.4
Dividends (Rs. Mn)	50	35	40	-	-	
Chilaw Plantations Ltd	Operational Performance					
	Coconut Production(Nuts Mn)	12.9	12.5	16.5	11.6	8.1
	Yield per Ha (Nuts)	3748	3774	5923	4148	2823
	Financial Performance					
	Total Revenue (Rs. Mn)	412	479	448	575	362
	Coconut Sales (Rs. Mn)	374	399	383	516	291
	Cost of Sales (Rs. Mn)	222	250	234	310	293
	Net Profit/ (Loss) Before Tax (Rs. Mn)					
Dividends (Rs. Mn)	-	30	30	-	-	
Sri Lanka Cashew Corporation	Operational Performance					
	Yield per Ha	216	185.88	174.8	152	150
	Average Price Rs/Kg	2,297	250	250	350	400
	Financial Performance					
	Total Revenue (Rs. Mn)	115	75.3	94.9	101	119
	Net cashew sale	64	67.7	86.2	90	100
	Net Profit/ (Loss) Before Tax (Rs. Mn)	22	17	31.6	16.3	18
Treasury Grants - Revenue	50	66.1	48	58.2	50	
- Capital	39.5	35	40	80	55	
Janatha Estate Development Board	Operational Performance					
	Tea Production (MT)	1,914	1,833	1,314	1,444	1592
	Rubber Production (MT)	241	0.267	0.352	0.379	0.354
	Yield per Ha. - Tea	517	483	358	492	482
	- Rubber	567	617	758	706	620
	Financial Performance					
	Total Revenue (Rs. Mn)	632.6	584.77	504.36	1200	1000
	Cost of Production (Rs.Mn)	915.15	1,011.86	891.58	-	
	Net Profit/ (Loss) Before Tax (Rs. Mn)	-282	-413	-443	-295	-320
	Treasury Grants - Revenue	254	617	486	-	425
- Capital	-	-	-	-	-	

Sri Lanka State Plantation Corporation	Operational Performance					
	Tea Production (MT)	1,552	1,625	1,453	1,407	1585
	Rubber Production (MT)	40	36	37	38	33
	Yield per Ha. -Tea	494	525	513	542	509
	-Rubber	618	547	563	590	-
	Financial Performance					
	Total Revenue (Rs. Mn)	488	487.4	482.77	736	634
	Cost of Production (Rs.Mn)	646	689.78	617.03	632.5	737
	Net Profit/ (Loss) Before Tax (Rs. Mn)	-157	-202.38	-134.26	-79	-98
	Treasury Grants - Revenue	484	204	100	264	150
-Capital	-	-	-	-	-	
Kalubowitiyana Tea Factory Ltd (KTFL)	Operational Performance					
	Made Tea Production (MT)	1431.3	1792.1	1703.7	1474.4	1450
	Sales Quantity (MT)	1,554	1,261	1,582	2,384	1,633
	Financial Performance					
	Total Revenue (Rs. Mn)	751	775.7	935.5	1004.3	979
	Cost of Production (Rs. Mn)	737.9	767.3	881.6	983	961
Net Profit/ (Loss) Before Tax (Rs. Mn)	16.9	11.9	31.2	-6.9	-16	
Lanka Sugar Company Ltd	Sugar Production (MT)	32,364	42,984	51,422	42,822	42,770
	Sprit Production (000 Liters)	9,575	7,317	11,917	7,045	9,787
	Financial Performance					
	Total Revenue (Rs. Mn)	5,539	4,881	7,728	7,616	6,243
	Sugar Sale (Rs.Mn)	3,168	3,270	4,060	4,637	3,149
	Sprit Sales (RS.Mn)	2,371	1,611	3,668	2,978	3,094
Net Profit/ (Loss) Before Tax (Rs. Mn)	-211	-1,052	1,006	402	347	

Sources: SOBEs and the Department of Public Enterprises

TABLE 7.35 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
Banking & Finance			
Lankaputhra Development Bank (LDB)	To 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.	In 2018, total income increased by 5 percent to Rs. 898 million. The Bank has recorded a profit before tax of Rs. 297 million in 2018. Loans and advances have recorded a decline of 7 percent to Rs. 3,758 million as at end 2018. Deposit base of the bank declined to Rs. 325 million, against Rs. 403 million as at end 2017.	In line with the Budget Proposal 2016, Regional Development Bank acquired the LDB as at 31.12.2018 and the merger process was completed by 31.03.2019.

<p>Sri Lanka Savings Bank(SLSB)</p>	<p>Provide relief to the depositors of Pramuka Savings and Development Bank (PSDB).</p> <p>Involves mainly in granting micro finance loans, leasing and hire purchase facilities for small sectors in the economy.</p>	<p>SLSB's profit before tax decreased by 16.4 percent to Rs. 504 million in 2018.</p> <p>Loans and advances have recorded a decline of 8 percent to Rs. 2.7 billion as at end 2018.</p> <p>Deposit base of the bank has increased marginally to Rs. 1.09 billion by end 2018.</p>	<p>As per the 2016 Budget proposal, SLSB is to be merged with the NSB. Accordingly, Monetary Board of the Central Bank has given approval for NSB to acquire SLSB and hold it as a subsidiary.</p>
Insurance			
<p>Sri Lanka Export Credit Insurance Corporation</p>	<p>Provides support services to the export sector through the provision of export credit insurance and credit guarantee services to the exporters.</p>	<p>The total operational income, which consists of premium and operational income reduced to Rs. 238.92 million in 2018 compared to Rs. 266.05 million in 2017.</p> <p>In 2018, the Corporation has issued 11 new Insurance Policies to the value of Rs. 280.5 million as compared to the number of policies issued of 30 with a value of Rs. 1,004.5 million in 2017.</p>	<p>Paying more attention for the new business avenues is required for the expansion of SLEIC.</p>
<p>Agricultural & Agrarian Insurance Board(AAIB)</p>	<p>Operates Agricultural Insurance Scheme, Farmers Pension Scheme and Fishermen Pension Scheme</p>	<p>AAIB recorded total surplus of Rs. 669.2 million, a significant increase compared to Rs. 36.18 million in 2017.</p>	<p>Introduce new insurance schemes will be helpful to encourage farmers by mitigating risks in farming.</p>
Non Renewable Resources			
<p>Lanka Mineral Sands Ltd (LMSL)</p>	<p>Mine, process and market heavy mineral sands.</p> <p>Manufacture and sell any by product which may be produced as a result of refining and processing mineral sands.</p>	<p>Revenue increased by 6.9 percent to Rs. 1,665 million in 2018 from Rs. 1,557 million in 2017. The profit increased to Rs. 652 million in 2018 from Rs. 535 million in 2017.</p>	<p>Value addition is a competitive advantage on the existing products and should explore the possibilities of direct selling to end users.</p>
<p>Lanka Phosphate Ltd (LPL)</p>	<p>Excavate, process and sell rock phosphate which is used as a fertilizer for perennial agricultural crops such as Tea, Rubber and Coconut.</p>	<p>Eventhough, LPL has recorded a profit of Rs. 26 million in 2018/2019, this shows a decline of 31 percent compared to the profit of Rs. 38 million recorded in year 2017/2018 due to the decrease of revenue to Rs. 412 million in 2018/19 from Rs.493 million.</p> <p>The production of 46,857 MT in 2017/18 has decreased to 44,363 MT in 2018/19.</p>	<p>LPL need to explore the possibilities of new product and to find new market avenues for sustainable development.</p>

<p>Kahatagaha Graphite Lanka Ltd (KGLL)</p>	<p>Excavate, process and sell Graphite as industrial raw material</p>	<p>There is a decline in the revenue to 119 million 2018/19 from 123 million in 2017/18 by 3.2 percent. With the decrease in expenditure by 39 percent during the year 2018/19, KGLL has been able to record a profit of Rs. 31 million in 2018/19 over the profit of 24 million recorded in 2017/18.</p>	<p>KGLL should explore the possibilities of value adding to the end product and gain the advantage of price setter.</p>
Health			
<p>State Pharmaceuticals Manufacturing Corporation (SPMC)</p>	<p>Engaged in manufacturing high quality pharmaceuticals in Sri Lanka and making them available at affordable prices. SPMC is the only state sector entity in the field of pharmaceuticals manufacturing.</p>	<p>SPMC was able to increase its revenue by 45.57 percent to Rs. 4,621.54 million in 2018 over Rs. 3,174.61 million in 2017. Although, SPMC continued to be a profitable entity recording a profit of Rs. 359.68 million in 2018, it is an increase of 11.7 percent compared to Rs. 321.98 million in 2017.</p>	<p>SPMC has Introduced new formulas for the drug industry to control the high dependency on importation of drugs. SPMC has signed joint agreement with manufacture company to expand local pharmaceutical industry.</p>
<p>Sri Lanka Ayurvedic Drugs Corporation (SLADC)</p>	<p>Sri Lanka Ayurvedic Drugs Corporation (SLADC) operates with the prime objective of manufacturing and distributing quality Ayurvedic drugs. It manufactures 156 varieties of drugs and supplies to government hospitals, Ayurvedic physicians and to the private sector.</p>	<p>SLADC's total revenue increased by 16.7 percent to Rs. 675.87 million in 2018. SLADC recorded a profit before tax of Rs. 32.8 million during 2018. It is a 46.6 percent decline compared to 2017.</p>	<p>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 method to improve productivity. Further, the production, distribution and promotion of Ayurveda drugs should be enhance.</p>
<p>State Pharmaceuticals Corporation (SPC)</p>	<p>Major supplier and importer of essential medicines and surgical devices for all government hospitals and other state institutions.</p>	<p>SPC's income increased by 19.4 percent to Rs. 38,895 million in 2018 compared to Rs. 32, 563 million recorded in 2017. Profit before tax increased by around 9 percent in year 2018, compared 2017.</p>	<p>Considering the demand pattern of the pharmaceutical industry, the sound system needs to ensure that the procurement process is done through a modern database. Adopt procedures with regard to the expired drugs and expansion of the storage facilities. SPC has increased demand of general public on use of generic drug.</p>

Sri Jayawardenapura General Hospital (SJGH)	Sri Jayawardenapura General Hospital (SJGH) is the only fee levying state hospital and tertiary referral center which provides curative health service as well as educational training facilities for undergraduate and postgraduate medical students.	SJGH has recorded a Rs. 123 million Profit before tax for the year 2018 over the loss recorded amounted to Rs. 144 million in 2017. Budgetary Support has been made to SJGH during 2018, its 40 percent of total revenue in year 2018.	Sri Jayawardenapura General Hospital (SJGH) is the only fee levying state hospital and tertiary referral center which provides curative health service as well as educational training facilities for undergraduate and postgraduate medical students.
Media			
Independent Television Network (ITN)	ITN the pioneer television station in Sri Lanka, broadcast and produces a variety of programs in Sinhala, Tamil, and English languages including news, teledramas, documentaries, educational programmes, children entertainment, reality TV, religious programmes etc. through ITN, Vasantham TV, ITN FM, , Vasantham FM	ITN incurred a net loss of Rs. 627 million, which is almost a 112 percent increase over the loss of Rs. 295 million recorded in 2017. Revenue also decreased by 16 percent in year 2018 compared to the year 2017.	ITN should implement strategies to improve the quality of their programs to attract more viewers.
Sri Lanka Rupavahini Corporation (SLRC)	Produces and broadcast informative, educational and entertaining programmes through channels namely Rupavahini, channel Eye and Nethra TV.	SLRC has recorded net profit of Rs. 188 million including Treasury Grant of Rs. 479 million in Year 2018. The amount of Rs. 193 million of net loss was recorded in year 2017. Revenue income decreased by 4 percent and administrative expenses increased by 9 percent compared to year 2017.	SLRC should adopt strategies to improve the quality of their programmes and to expand the coverage with the aim of increasing its customer base to incline the market share.
Sri Lanka Broadcasting Corporation (SLBC)	As the oldest radio station in Sri Lanka it is engaged in broadcasting activities through 06 National channels, (Sinhala National Service, Tamil National Service, Commercial Service, City FM, Thendral Service, English Service) 06 Regional channels (Raja Rata FM, Ruhunu FM, Kandurata FM, Pierei FM, Yal FM, Wayabha Service and 1 community radio channels (Dambhana) with a view to providing its service as the pioneer radio broadcasting network in Sri Lanka.	SLBC's revenue has decreased by 5 percent in year 2018. Budgetary support of Rs. 380 million was granted to SLBC for capital and recurrent expenditure during the year 2018.	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.
Marketing & Distribution			
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 total revenue decline in 2018 by 2 percent in comparison with the previous year. Ultimately, the SLHB recorded a profit before tax of Rs. 18 million in 2018, which is a 24 percent decrease in comparison with the previous year.	Attractive sales outlets should be established to obtain maximum benefit from the tourism industry. Formulate proper strategic plan to the institute being sustainable.

State Timber Corporation (STC)	<p>Extracting and Purchasing of timber and converting them into Value added products.</p>	<p>Revenue of STC has decreased slightly by 4 percent to Rs. 4,069 million in 2018 over Rs. 4,253 million recorded in 2017. Timber logs represents approximately 64 percent of the revenue.</p>	<p>Due to the reduction of operational profit from co business activities of STC, it is recommended to diversify their product portfolio to mainly furniture and sawn timber through the SCI.</p>
	<p>Sale of logs, sawn timber and finished products.</p>	<p>Total expenditure of STC has increased by 13 percent to Rs. 1,680 million in 2018 from Rs. 1,486 million in 2017.</p>	<p>Undergo a cadre revision and introduce proper recruitment policies and enhance the profitability of the organization through a competent workforce.</p>
	<p>Reforestation.</p>	<p>STC has continued to be a profitable entity recording a profit of Rs. 322 million in 2018. However, STC has reported operational profit of only Rs. 8 million from its Co- business actives in 2018.</p> <p>STC's cost of sales accounted for 52 percent of the total turnover resulting Rs. 1,965 million gross profit on operation in 2018.</p> <p>STC's contribution to the consolidated fund was through the Levy amounting to Rs. 100 million in 2018.</p>	<p>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.</p>
STC General Trading (STC)	<p>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.</p>	<p>Total revenue of STC in 2017/18 has increased by around 16 percent in comparison with the previous year. STC recorded a profit before tax of Rs. 88 million, which is a 94 percent improvement in comparison with 2016/17.</p>	<p>Develop new strategies to promote its product in markets with considering demand of goods.</p>
State Printing Corporation (SPC)	<p>SPC's income accounts for 56 percent of school text book printing, 18 percent of exercise book printing and 26 percent of lottery ticket printing and other publications.</p>	<p>SPC's revenue has reduced by 27 percent mainly due to the decrease in the income generated from school text book printings and stationery printing work. Accordingly, the loss before tax has increased to Rs. 406 million in 2018 from the loss of Rs. 243 million in 2017. Increase in finance cost and administrative expenses were the other major reasons for the expansion of loss.</p>	<p>The corporation needs further improvement in working capital management to reduce its finance cost and improve its profitability.</p> <p>SPC needs to move for a strategic business model to be a profitable entity and undergo a cadre revision and introduce proper recruitment policies.</p>
Hotel Developers Lanka Ltd (HDL)	<p>Engages in the business of hospitality trade, owning Hilton Colombo Hotel.</p>	<p>HDL's revenue decreased to Rs. 2,910 million in 2018 from Rs. 3,015 million in 2017 by 3.4 percent. HDL recorded a Loss of Rs. 126 million in 2018 compared to the profit of Rs. 173 million recorded in 2017.</p>	<p>Formulate flexible pricing packages in order to attract local tourists for each spending year</p>
Fisheries			

Ceylon Fishery Harbours Corporation (CFHC)	Provide fishery harbor related services and supporting infrastructure facilities to the fishing communities through its harbors situated around the country.	During the year 2018, CFHC's operational revenue increased to Rs. 120 million by 26 million compared to 2017. However, with the increase in the expenditure, CFHC's losses increased to Rs. 70.5 million	Absence of a proper strategic plan to at least reach breakeven in the short to medium term
Ceylon Fisheries Corporation (CFC)	Engages in procurement of fish from fishermen and supply to the market in order to maintain a stable fish price in the market.	CFC recorded a profit before tax of Rs. 43 million in 2018 compared to Rs 37 million profit of the last year.	Absence of a proper business plan to improve sales and margins.
Fertilizer			
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.	CCFL's was able to increase its revenue by 156 percent to Rs. 2,111 million in 2017/18. The profit of CCFL increased to Rs. 290 million from Rs.70 million which is 3 times growth in comparison with 2016/17.	Reengineer the marketing division appropriately to compete with the private sector.
Ceylon Fertilizer Co. Ltd. (CFC)	Engages in importing, blending and distributing 65 percent of fertilizer to paddy farmers under the fertilizer subsidy scheme.	Total revenue increased to Rs. 3,373 million from Rs. 2,350 million as well the cost of sale increased to Rs. 3,342 million from Rs. 2,119 million. Ultimately, the CFC recorded decline of profit before tax by 69 percent to Rs. 39 million in 2017/18 comparison with 2016/17.	Reengineer the marketing division appropriately to compete with the private sector. Expediting the ERP (Enterprise Resource Planning) system for the optimum utilization of resource.

Sources: SOBEs and the Department of Public Enterprises

ANNEX I | Profitability of 54 State Owned Business Enterprises

Enterprise		Profit/(Loss)				Business Turnover 2018 *	Budgetary Support 2018	
		2008	2016	2017	2018		Recurrent	Capital
1	Bank of Ceylon	5,231	31,189	37,592	31,894	221,017	5,000	
2	People's Bank	5,664	20,814	25,913	24,334	185,615		
3	National Savings Bank	3,100	13,303	14,029	7,941	111,902		
4	State Mortgage & Investment Bank	41	706	446	498	5,680		
5	HDFC Bank	-94	660	557	926	7,126		
6	Lankaputhra Development Bank Ltd	227	259	378	297	898		
7	Regional Development Bank (RDB)	1,037	1,256	2,191	3,689	26,073		
8	Sri Lanka Savings Bank Ltd	149	691	708	504	1,041		
9	Employee's Trust Fund Board	10,020	16,043	19,534	26,726	28,386		
10	Sri Lanka Insurance Corporation	974	13,791	5,890	3,515	43,883	8,574 1,765	
11	National Insurance Trust Fund	2,862	2,840	813	3289	15,003		
12	Sri Lanka Export Credit Insurance Corporation	116	193	-182	387	239		
13	Agriculture and Agrarian Insurance Board	N/A	-3,261	-3,895	612	4,681		
14	Ceylon Electricity Board	-34,640	-13,191	-49,231	-29,000	238,946	- -	
15	Ceylon Petroleum Corporation	-14,735	69,620	3,504	-104,037	535,236	- -	
16	Sri Lanka Ports Authority	-10,035	1,035	13,222	4,247	50,123		
17	National Water Supply and Drainage Board	-2,915	1,737	738	-568	24,806		
18	Airport and Aviation Services (SL)Ltd	1,742	6,909	10,820	10,458.4	31,871		
19	Sri Lankan Airlines Ltd	4,497	-12,622	-28,930	(17,214)	161,654		
20	Sri Lanka Transport Board	-481	-633	1,617	2,169	42,887	11,004 2,349	
21	State Engineering Corporation	60	-958	-943	(1024)	3176		
22	Central Engineering Consultancy Bureau	199	499	757	531	10,128	14,427 308	
23	State Development and Construction Corp.	62	23	-491	15	3,069	- -	
24	Milco (Pvt) Ltd	109	274	-154	-770	11,834	- -	
25	National Livestock Development Board	20	9	-869	(429)*	2,298*	- -	
26	Sri Lanka State Plantations Corporation	-4	-117	-101	(76)	790		
27	Janatha Estates Development Board	19	-564	-399	(320)	1,000		
28	Kurunegala Plantations Ltd	100	144	248	211	612.76	- -	
29	Chilaw Plantations Ltd	35	126	85	-35	362		
30	Kalubovitiyana Tea Factory Ltd	49	43	31	-16	979	1,598.53 33	
31	Sri Lanka Cashew Corporation	40	-52	16	18	119	50 66.52	
32	Lanka Mineral Sands Ltd	233	170	535	652	1,665	2,081 4,806	
33	Lanka Phosphate Ltd	16	61	32	26	412	- -	
34	Kahatagaha Graphite Lanka Ltd	9	1	24	31	119	- -	
35	Development Lotteries Board	0.6	2,695	2,331	2,735	16,164		
36	National Lotteries Board	1038	897	624	1,038	19,676	19,945 187	
37	State Pharmaceuticals and Manufacturing Corp.	74.19	441	322	360	4,621.53		
38	SL Ayurvedic Drugs Corporation	49	53	60	33	676	- 47	
39	State Pharmaceuticals Corporation	449	1,940	1,868	1,720	38,895.31	- -	
40	Sri Jayawardenapura General hospital	-92	-171	-144	123	4,142.04		
41	Independent Television Network Ltd	-18	-70	-287	(627)	1,196	- 30	
42	SL Rupavahini Corporation	30	107	-196	188	1,699	479 100	
43	Sri Lanka Broadcasting Corporation	-18	84	75	(20)	659	360 20	
44	Sri Lanka Handicraft Board	-24	9	25	18	737.28		

45	State Timber Corporation	648	531	967	672	4,069.02	
46	STC General Trading Company	28	61	71	88	4,334.17	-
47	Lanka Sathosa Ltd	18	-4,445	-2,255	(2,066)	29,988	
48	State Printing Corporation	78	-32	-229	(406)	901.05	
49	Ceylon Fisheries Corporation	N/A	-161	N/A	N/A	N/A	
50	Ceylon Fishery Harbour Corporation	N/A	-113	-64	43	N/A	
51	Ceylon Fertilizer Company Ltd	27	713	836	39	3,373.99	
52	Colombo Commercial Fertilizer Company Ltd	N/A	253	70	290	2,111.88	
53	Hotel Developers Lanka PLC	987	172	173	-126	2,910.54	-
54	Lanka Sugar Company Ltd	*	1,006	638	347	6,243	
	Total	-41,941	154,968	59,370	-26,070	1,916,029	58,519
							14,712

Sources: SOBEs and the Department of Public Enterprises

ANNEX II | Submission of Annual Reports - SOBEs

	2013	2014	2015	2016	2017
1 Bank of Ceylon	√	√	√	√	√
2 People's Bank	√	√	√	√	√
3 National Savings Bank	√	√	√	√	X
4 State Mortgage & Investment Bank	√	√	√	√	X
5 HDFC Bank	√	√	√	√	√
6 Lankaputhra Development Bank Ltd	√	√	√	X	√
7 Regional Development Bank (RDB)	√	√	√	√	√
8 Sri Lanka Savings Bank Ltd	√	√	√	X	X
9 Employee's Trust Fund Board	√	√	√	√	√
10 Sri Lanka Insurance Corporation	√	√	√	√	√
11 National Insurance Trust Fund	√	√	X	X	X
12 Ceylon Electricity Board	√	√	√	X	X
13 Ceylon Petroleum Corporation	√	√	√	√	X
14 Sri Lanka Ports Authority	√	√	√	√	√
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	X
19 Sri Lanka Transport Board	√	√	√	√	X
20 State Engineering Corporation of Sri Lanka	X	√	√	√	X
21 Central Engineering Consultancy Bureau	√	√	√	√	√
22 State Development and Construction Corporation	√	√	X	X	X
23 Milco (Pvt) Ltd	√	√	√	√	X
24 National Livestock Development Board	√	√	√	√	X
25 Ceylon Fisheries Corporation	√	√	√	X	X
26 Ceylon Fishery Harbour Corporation	√	√	√	√	√
27 State Pharmaceuticals and Manufacturing Corporation	√	√	√	√	√
28 SL Ayurvedic Drugs Corporation	√	√	√	√	√
29 State Pharmaceuticals Corporation	√	√	√	√	√
30 Sri Jayawardenapura General hospital	√	√	√	√	X
31 Independent Television Network Ltd	√	√	√	√	X
32 SL Rupavahini Corporation	√	√	√	X	X
33 Sri Lanka Broadcasting Corporation	√	√	√	√	X
34 Ceylon Fertilizer Company Ltd	√	√	√	√	√
35 Colombo Commercial Fertilizer Company Ltd	√	√	√	√	√
36 State Timber Corporation	√	√	√	X	X
37 STC General Trading Company	√	√	√	√	√
38 Hotel Developers Lanka PLC	√	√	√	√	√
39 Lanka Sugar Company Ltd	√	√	X	X	X
40 Lanka Sathosa Ltd	√	X	X	X	X
41 Development Lotteries Board	√	√	√	√	X
42 National Lotteries Board	√	√	√	√	√
43 Lanka Mineral Sands Ltd	√	√	√	√	√
44 Lanka Phosphate Ltd	√	√	√	√	√
45 State Printing Corporation	√	X	X	X	X
46 Sri Lanka Export Credit Insurance Corporation	√	X	X	X	X
47 Agriculture and Agrarian Insurance Board	√	X	X	X	√
48 Sri Lanka State Plantations Corporation	X	X	X	X	X
49 Kurunegala Plantations Ltd	√	√	√	√	√
50 Janatha Estates Development Board	X	X	X	X	X
51 Chilaw Plantations Ltd	√	√	√	√	√
52 Kalubovitiyana Tea Factory Ltd	√	√	√	√	√
53 Sri Lanka Cashew Corporation	√	√	√	√	√
54 Sri Lanka Handicraft Board	√	√	X	X	X
55 Kahatagaha Graphite Lanka Ltd	√	√	X	√	X

Sources: SOBEs and the Department of Public Enterprises

**Public Finance
Review**

08

8.1 OVERVIEW

Public Financial Management (PFM) focuses on aspects of resource mobilization and expenditure management in the public sector. Government Expenditure on public services accounts for around Rs. 3971 billion in the country for the year 2018. Hence interest and expectations of citizen on these services are enormous and management of public funds needs to be able to endure scrutiny from all aspects. Therefore, sound public financial management is critical to the achievement of the objectives of the public sector through its role in improving the quality of public service outcomes; operational and strategic decision-making; long term sustainability of public services; building public trust in the performance of the sector; and ensuring the efficient and effective use of public funds.

Public Financial Management has been experiencing significant changes in the last few years with the introduction of the 19th Amendments, the Right to information Act, the National Audit Act and the Inland Revenue Act. Further, changes in the systems, the new rules and regulations have been introduced with the advanced technology in to the public sector service delivery such as e-Government Procurement system. Moreover, new Public Financial Management Bill will provide the necessary regulatory framework for the Public Financial Management system in it's entirely to help managing of the scarce resources.

8.2 PUBLIC FINANCIAL MANAGEMENT REFORM

New Public Financial Management (PFM) Bill

PFM reforms are vital to improve functionality of the processes, systems & procedures and its quality and outcomes in the field of public finance. At present, PFM Bill, which provides the broader legal framework for the public sector service delivery, together with related regulations are being drafted with the assistance of number of stakeholder organizations under the guidance of the World Bank. The new Public Financial Management law will replace the current version of Financial Regulations of 1992. Specific provisions in New PFM

law will apply to different levels of governments due to their different roles, functions and operational requirements while the general provisions in this regulations will apply across all the organizations irrespective of their organization type and nature.

In 2018, the Public Finance Management Bill was submitted to the Cabinet of Ministers, having referred it to a Committee of Experts. The PFM Bill was further improved after accommodating recommendations of the Committee of Experts and the draft was referred to the Legal Draftsman's Department on the November 23, 2018 to finalize the Bill as an Act. Accordingly, the Ministry of Finance intends to submit the new Public Financial Management Law to the Parliament in 2019.

8.3 PROCUREMENT MANAGEMENT

Public Procurement is an integral and important part of public financial management. Since government is the single largest buyer in the market, through its procurement policies, the public sector is required to stimulate the market and provide incentives to firms that contribute to generate economic growth by providing long-term support to disadvantaged sectors, Small and Medium Enterprises and enterprises headed by women and differently abled persons, while paying attention to the conservation of environment. In this context, the public procurement is a key factor in facilitating economic growth in the country.

The Government Procurement Guidelines-2006 (Goods & Works) is a comprehensive procedural guidance applying to government procurement for the procurement of goods, works and non-consultancy services. Guidelines for Selection and Employment of Consultants - 2007 is for the Consultancy services and other regulations such as manuals and Standard Bidding Documents (SBDs) are used to provide further guidance for the procurement process. These procurement guidelines and manuals are applicable for all government and semi-government institutions and have been adopted by all Provincial Councils with certain modifications. In accordance with the 19th amendment to the Constitution of Democratic

Box 8.1 | Fund Management

With the aim of bringing all Statutory and Non-Statutory Funds, which are now being operated by various government institutions under the control of Parliament, a Committee has been appointed to review such Funds as per the Public Finance Circular No.07/2016. The Committee has made recommendations, including the changes that are needed on the scope, mandate and objectives of such funds to reflect the present day requirements, which were subsequently approved by the Cabinet of Ministers. Based on the directives of the Cabinet of Ministers, Public Finance Circular No. 02/2018 dated August 27, 2018, on the review of the Statutory and Non-Statutory Funds was issued with the following recommendations:

- I. Out of the total 210 Funds reviewed, 105 Funds have been identified as Public Funds, of which 10 Funds have been identified as the highly impacted Funds hence, it requires further study to take policy decisions;
- II. Continuation of 21 Funds with the utilization of income earned by Funds;
- III. Measures to close Funds which have been identified feasible to close; and.
- IV. Making all other Funds under the financial control of Parliament as per the Article 148 and 149 of the Constitution.

The approval has been granted to close the following 13 Funds

Table 01 | List of Funds decided to be closed

	Name of the Fund	Government entity
01	National Botanical Garden Trust Fund	Department of National Botanical Garden
02	Judicial Infrastructure Maintenance Trust Fund	Judicial Services Commission
03	Road Maintenance Trust Fund	Ministry of Highways & Road Development and Petroleum Resources Development
04	National Child Development Fund	Ministry of Women and Child Affairs
05	Wild Life Trust Fund	Ministry of Sustainable Development and Wild Life
06	Vehicle Emission Trust Fund	Department of Motor Traffic
07	"Sisu Aruna" Scholarships Fund	Ministry of Education
08	"Mahindodaya" Scholarship Fund	Ministry of Education
09	"Sujatha Diyaani" Fund	Ministry of Education
10	Shipping Development Fund	Ministry of Posts, Postal and Muslim Religious Affairs
11	"State Institution" Temporary Surplus Trust Fund	Ministry of Finance
12	Estate sector Self Employment Revolving Fund	Ministry of Hill Country New Villages, Infrastructure and Community Development
13	Dedicated Economic Centers Maintenance Fund	Ministry of Fisheries & Aquatic Resources Development and Rural Economic Affairs

Socialist Republic of Sri Lanka, activities relating to formulate fair, equitable, transparent, and cost effective procedures and guidelines for the procurement of goods, works, services, consultancy services and information systems for Government Institutions are vested with the National Procurement Commission (NPC). However, as of now, certain functions entrusted with NPC were carried out by the Department of Public Finance (DPF) in consultation with the NPC. Accordingly, the Department of Public Finance has continued issuance of circular instructions and supplements related to government procurement with the concurrence of the NPC.

Electronic Government Procurement System (e-GP)

Introduction of Electronic Government Procurement system has been recognized as the most important revolutionary reform in Public Procurement System. E-procurement is a cost-effect measure that involves the use of information and communication technology in the procurement process such as tender notices, supplier registration and e-submission of bids.

The concept of e-GP was approved by the Cabinet of Ministers in 2017 and a working group was appointed for the implementation of e-GP system with the participation of relevant stakeholders i.e.; National Chamber of Commerce, National Procurement Commission, Information and Communication Technology Agency of Sri Lanka (ICTA), Ministry of Telecommunication and Digital Infrastructure, Attorney General's Department, Ministry of Local Government and Provincial Councils, School of Computing (UCSC) of the University of Colombo and two representatives from the business/ construction community.

Based on the recommendations and the subsequent Action Plan of the Working Group, the e-GP Secretariat has been established under the Department of Public Finance in 2018. Further, various modules in e-GP such as, vendor registration,

procuring entity registration, categorization of goods and services, budget for procurement and plan and call for bid modules have been developed. The proposed e-GP system will be officially launched in May 2019.

8.4. ISSUANCE OF PUBLIC FINANCE CIRCULARS IN 2018

Department of Public Finance has issued following circulars and supplements in 2018 covering the areas of financial regulation, fund management and public procurement.

1. Issuance of Public Finance Circular No. 01/2018 to revise fees and charges according to the Proposal No. 261 in the Budget Proposals for 2018

It was revealed that the fees charged for the services provided by the government agencies have not been revised for many years. Therefore, Parliament as per proposal in the Budget for 2018 to revise Fees and Charges had the view that these must be revised periodically to reflect the present economic indicators. Thus, an increase of such fees which have not been revised during last 3 years, at least by 15% is proposed and the approval of Parliament had been obtained.

Consequently, the Department of Public Finance had issued the Public Finance Circular No. 01/2018 dated 17.01.2018 to instruct the Ministries, Provincial Councils, Departments and District Secretariats to submit the proposals to revise the fees and charges for their services to meet the current need of the economy.

2. Issuance of Public Finance Circular 02/2018 dated 27.08.2018

Review of the Statutory and Non Statutory Funds-2016 Budget Proposals

This circular was issued with the objective of rationalizing the existence of all the funds maintained under the government, and accordingly

Box 8.2 | Budgetary Discipline through a Good Internal Control

Introduction

The Government requires instruments to improve the budgetary discipline: internal control; good governance; and accounting information system. However, this Box article looks at the first instrument, that is, internal control.

A sound internal control will ensure the use of national resources optimally and effectively while minimizing wastage and corruption with an equal distribution of resources. It is a legitimate requirement of the accounting officers to be accountable, transparent and honest to the public while performing his/her duties. Hence, planning financial activities while complying to the rules and regulations of the Government is prerequisite to achieve financial discipline. In this context, Internal Audit Units of Public Institutions play a pivotal role in achieving organizational objectives.

With the objective of providing active support by the General Treasury to reach organizations to desired level, it is decided to make a close supervision of the Treasury on each government organizations.

Audit and Management Committees

The primary responsibility of the heads of each and every Institution is to maintain a good financial control by increasing efficiency and effectiveness. It has been instructed to setup Audit and Management Committees as a tool in each institution and to hold at least a meeting per quarter covering 4 meetings for a year. In these committees, audit issues raised by the internal and external auditors are discussed and take expeditious remedial actions, which will lead to strengthen the internal control system and streamline the operational process.

To ensure the financial discipline of all Ministries, District Secretariats, Special Spending Units and selected Departments by which close supervision and monitoring of the General Treasury is provided through an active participation of Treasury Representatives to such meetings. Accordingly, the Treasury representation for the Audit and Management Committees for the year 2018 is as follows.

Table 8.2.1 | Treasury Representations for Audit and Management Committees

Institutions	Number	Number of committee meetings attended
Ministries	43	167
District Secretariats	25	79
Revenue Departments under the Ministry of Finance	4	21
Selected Departments	29	65
Special Spending Units	10	27
Total		359

Source : Department of Management Audit

Conducting these committees help find corrective measures to the matters raised by the Auditor General and thereby minimizing the matters forwarded to the Committee on Public Accounts established as per the Constitution. The conduct and role of these Audit and Management Committees are being examined by the Committee on Public Accounts. It is emphasized the necessity of Treasury intervention for Internal Audit Activities in Provincial Councils and Local Government Institutions as well.

Committee on Public Accounts

In terms of the constitution the Auditor General reports to the Committee on Public Accounts on the Government Ministries, Departments and District Secretariats etc. shall monitor the manner in which financial and operational activities in the country are conducted, thereby can identify deficiencies and issue orders for remedial actions. When summoning these respective Institutions to the Committee on Public Accounts, the Treasury prepare and submit a report to the committee containing the information pertaining to the activities of the Institutions which enable them to comparatively analyze the facts when reviewing those Institutions.

Training and Guidance

In continually changing financial and operating environment, continuous professional development (CPD) and guidance has been identified as a key requirement in providing effective and active contribution to achieve organizational goals. To tackle this situation, providing updated knowledge on auditing, skills and attitude towards development will facilitate to establish a sound financial discipline of these Institutions.

In addition, with the aim of bringing Internal Auditing activities to a unitary level and improve the quality of Internal Auditing activities of Ministries, Departments, District Secretariats and Special Spending Units, the annual review of internal auditors is carried out and thereby suggesting solutions for the identified issues with managing available resources.

Internal Control of Foreign Funded Projects

There are large numbers of development projects being implemented in the country. In order to strengthen the internal control system of foreign funded projects, actions have been taken to appoint a permanent Internal Auditor to the project staff of foreign funded projects exceeding US\$ 10 million. The recruitment of Internal Auditor of such projects has been made as an institutional requirement and actions have been taken to issue necessary approvals and guidance. Accordingly, by appointing Internal Auditors for 28 such projects by the year 2018, it has been given opportunity to utilize the allocation effectively for the intended purpose of the project and ensure the safeguard of assets acquired by the project.

In addition, guidance is provided on the implementation of proper internal control system and monitoring the performance of other projects through the Internal Audit Unit of the respective Ministry.

bringing such funds under the financial control of Parliament adopting an accepted parliament procedure.

Further the circular has recommended around 13 funds to be closed according to the approval granted by the Cabinet of Ministers.

3. Issuance of Public Finance Circular No 05/2018 dated 16.11.2018,

Introduction of an Electronic Government Procurement (e-GP) System into the Sri Lanka Public Sector

This circular was issued as a part of the launching of e-GP system requesting following information from the government entities for the implementation of the e-GP system.

- I. Nominate officers as a Liaison officers
- II. Procurement transactions of each institution for the past 3 years commencing from 2015.
- III. Procurement Plan for 2019

4. Issuance of Public Finance Circular No.06/2018 dated 19.11.2018

Opening of Local Letter of Credit in Public Sector Procurement purposes

It has been observed that there is a tendency of opening Local Letters of Credit as a payment condition in procurement of goods and services by Ministries and Departments. The continuous occurrence of

this situation affects adversely on the government cash flow and public financial management. Therefore, the aforesaid Circular emphasizes that the prior concurrence of the Department of Treasury Operations shall be obtained in order to insert a payment condition as “Making payments by opening Local Letters of Credit” in the bidding documents relating to procurement of goods and services by Ministries and Departments.

5. Issuance of Public Finance Circular No 07/2018 dated 26.11.2018

Standing Cabinet Appointed Procurement Committees (SCAPCs)/Cabinet Appointed Procurement Committees (CAPCs)/Cabinet Appointed Negotiating Committees (CANCs)/ Cabinet Appointed Consultants Procurement Committees (CACPCs)

Due to the changes effects in the ministerial portfolio at the end of the year 2018, this circular was issued to continue the ongoing procurements by the new ministries and continue the services of former secretaries and retired officials until a formal arrangement is made in order to expedite the ongoing procurements as scheduled. Further, the procurement entity can make formal request to appoint/ reconstitute the procurement committee if required.

8.5 KEY CHALLENGES

The key challenges identified in the procurement process and the measures taken to address those challenges are summarized in Table

Challenges/ Issues	Measures taken
1. Rapid increase in cost of goods, works and services in procurement of construction and infrastructure projects.	Action taken to establish a 'Cost Estimate Review Committee' under the Ministry of National Policies and Economic Affairs, Resettlement and Rehabilitation, Northern Province Development, Vocational Training and Skill Development and Youth Affairs to review total cost estimates and contract cost variations in a prudent manner whilst complying with the regulatory requirements.
2. Lack of accuracy in technical specifications, plans, drawings, bill of quantities (BOQs) and cost estimates	A series of training programs in Public Procurement under USAID Short Term Assistance Project (STAIR) has been identified.
3. Non adherence to the Procurement Plan	Ministry of Finance has issued a circular giving instructions to Procurement Entities to strictly adhere to instructions in preparing procurement plan-Supplement No. 34 of the Govt. Procurement Guidelines
4. Delays in procurement time schedule	Action has been taken by the Ministry of Finance to fast track the procurement decision making- Supplement No. 32 of the Govt. Procurement Guidelines.
5. Lack of Technical accuracy and complete nature of Bid documents	Instructions have been issued by the Ministry of Finance to appoint experts outside the public service to the Technical Evaluation Committee to ensure the technical accuracy in Bids
6. Issues in using appropriate procurement methods	Instructions and guidance given to the Government Organizations to choose suitable procurement method for International and Domestic procurements.
7. Extending frequently the time period for bidding.	Government Procurement Guidelines was revised with the issuance of procurement Supplement No-31, giving minimum time for bidding under different financial thresholds.
8. Time taken for the appeal processes leading to delays in awarding contracts	Action has been taken and reappointed the Procurement Appeal Board comprised of three retired Secretaries who are conversant with the subject of procurement.
9. Need for advance notices to Bidders on Government Procurement	Procurement Entities have been advised to publish Advance Procurement Notices.
10. The minimal use of information and communication technology (ICT) in public procurement	Under the e-GP initiatives, steps are underway to introduce the electronic Government Procurement system and related e-GP websites.
11. Lack of national procurement performance standards and a performance assessment system for officials and Organizations involved in procurement activities.	It is proposed to develop the National Procurement Performance Standards for the public and private organizations.
12. Absence of a comprehensive mechanism for projects to be launched based on Public Private Partnership (PPP)	PPP Guidelines were prepared and submitted to National Procurement Commission for review and publish.
13. Rent-seeking behavior of the State Owned Enterprises	Ministry of Finance do not encourage the direct awards to the State Owned Enterprises and they have been instructed to obtain contract awards through the open competitive bidding process.
14. Officials involved in procurement decision making lack experience and knowledge in public procurement.	Capacity building program on procurement for public sector officials has been implemented under the USAID-STAIR project. Around 4,000 officials were trained so far.

Box: 8.3 | The Fifth and Sixth South Asia Region Public Procurement Conference

The Fifth South Asia Region Public Procurement Conference was held under the theme of “Public Procurement and Service Delivery” from February 5 – 8, 2018 in New Delhi, India. The Conference hosted by the Ministry of Finance of India 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 the South Asian Region were among the participants of the Conference.

South Asia Region Public Procurement Network (SARPPN) with the Asian Development Bank, the World Bank and Procurement iNET have launched the South Asia Procurement Innovation Awards 2019-20 with the objective of enhancing learning and knowledge sharing from innovative approaches and systems adapted by Procurement entities across the region.

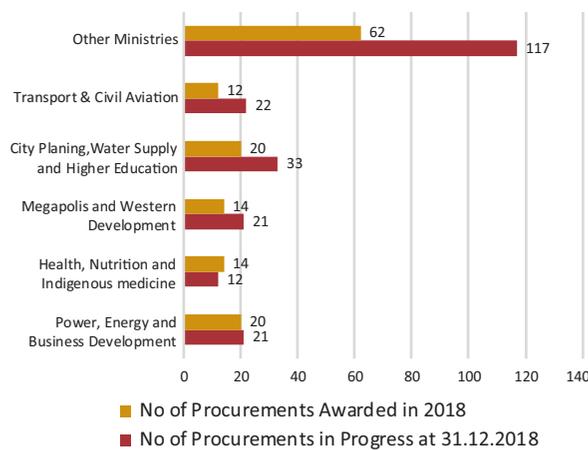
Most importantly, the submission titled as “Addressing the delays in public sector infrastructure procurements” from Sri Lanka has been selected as the winner in this year. This is the third consecutive year that the Country Case Story submitted by Sri Lanka (Department of Public Finance of the Ministry of Finance) has been awarded with the South Asia Procurement Innovation Award which creates an encouraging environment for innovations among procurement professionals in Sri Lanka.

8.6 PERFORMANCE OF THE PROCUREMENT MONITORING IN 2018

Undue delays in finalizing the procurement actions have been adversely affected timely implementation of government development programmes. Following a Cabinet decision, the Procurement Monitoring Unit (PMU) has been formed under the Ministry of Finance with the objective of carrying out continuous monitoring over the cabinet level procurements in order to improve efficiency of the procurement process, while facilitating the line Ministries.

Majority of the total procurements was carried out by 05 line ministries during the year. Out of those line ministries, the performance of Ministry of Health, Nutrition and Indigenous Medicine has outweighed other ministries/agencies with respect to the number of procurement awards and values in 2018. Total number of procurements in progress as at end 2018 was 226 and 142 procurements were awarded in 2018.

Figure 8.1 | Procurement In Progress and Awarded 2018

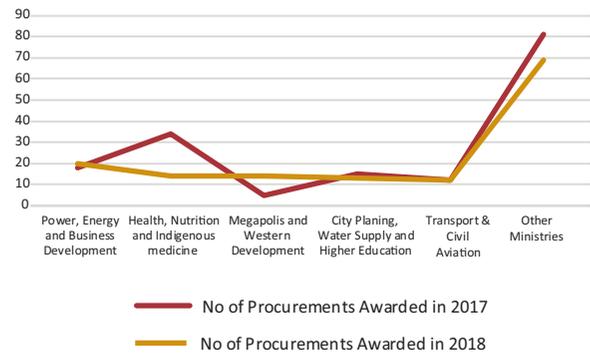


Source: Procurement Monitoring Unit, Ministry of Finance

In 2018, 134 new procurements were added to the procurement process. Duration of the delays in CAPC level procurements has reduced marginally towards the end of the year. The magnitude of delayed procurements has shifted from procurements with the delays over 6 months to the procurements with delays below 6 months. The procurements which delayed over 6 months was 41 percent by the end of

2017 has reduced to 38 percent by the end of 2018.

Figure 8.2 | No of Procurement Awarded in 2017 & 2018



Source: Procurement Monitoring Unit, Ministry of Finance

Efficiency of the Procurement Process

The following table describes the percentage of total delayed procurements with the delay of particular procurement in months compared against the relevant Procurement Time schedule.

Duration of the Delay	As at 31.12.2017	As at 31.12.2018
Less than 1 month	6%	4%
Between 1-3 month	15%	27%
Between 3-6 month	38%	31%
Between 6-12 month	27%	22%
Between 12-24 month	8%	13%
over 24 month	6%	3%

Source: Procurement Monitoring Unit, Ministry of Finance

This shows that the intervention of the PMU, among others, has positively impacted to the reduction of the long delays.

Box 8.4 | Non- Financial Asset Management of the Government

Non-financial asset management function was initiated by the Comptroller General’s Office by issuing Assets Management Circular No. 01/2017 dated June 28, 2017 was continued by circulating, Assets Management Circular No. 02/2017 dated December 21, 2017 to resolve registered ownership issues of motor vehicles and Assets Management Circular No. 01/2018 dated March 19, 2018 to dispose motor vehicles not in running condition. Also, Identifying that government institutions use considerable number of motor vehicles of which legal possession is owned by already close down or liquidated government agencies or ownership is not known, Asset Management Circular 03/2018 issued on 10th October 2018 to resolve such ownership issues.

Motor Vehicle Fleet of the Government

Motor vehicles in running condition

Central Government ^a	50,160
Provincial Councils ^b	14,358
Motor vehicles not in running condition	
Central Government ^a	7,723
Provincial Councils ^b	1,580

Motor vehicle fleet of the central government stood at 57,883 and provincial councils stood at 15,938, as mention in the table.

*Source: Comptroller General’s Office
a - as reported by 31st December 2017
b - as reported by 24th April 2018*

Managing the procuring of government vehicles: As per the National Budget Circular No. 03/2018 issued on 16th July 2018, assessing the requirement and economical use of existing vehicle fleet of the Government, the Comptroller General’s Office has recommended to Natioal Budget Department to grant approval to procure 2,492 motor vehicles out of total requests of 2,703 motor vehicles, as at 31stDecember 2018.

Guidelines for valuation of Non-Financial Assets of the Government: Neither the Financial Regulations of the Government issued in 1992 nor circulars issued by the General Treasury provide instructions on valuation of non-financial assets of the government. Hence, given the necessity for having a guideline for valuation of non - financial assets for proper recording and reporting of such assets for the use of non - financial assets management of the government, Assets Management Circular No. 04/2018 issued on 31st December 2018 providing the guideline for valuation of non - financial assets of the government.

Sales of Capital Assets Revenue as at 31.12.2018

Revenue Code	Description	(Rs.Mn.)
20.06.02.01	Sales of Vehicles	313.3
20.06.02.02	Sales of Other Assets	27.5
Total		340.8

Sales of Capital Assets Revenue: The Comptroller General was named as the revenue accounting officer for the ‘Sales of Capital Assets’ with effect from January 01, 2018. Accordingly, Asset Management Circular No. 02/2018 dated April 26, 2018 was issued to instruct the respective organisations to prepare revenue estimates for 2019.

Revenue generated from sales of capital amounted to Rs. 340.8 million as at end December 2018.

Further, in order to ensure the smooth functioning of management of non-financial Assets of the Government by facilitating the users in all government agencies and reporting real time information, an online software system is also being developed by the Comptroller General’s Office.

**Human Resources
Management in the
Public Sector**

09

9.1 Overview

The role of Human Resource Management Policies and Practices addresses a pressing island-wide need for public sector organizations to enhance the effectiveness of the public service delivery, while accommodating tighter budgets and scrutiny from Government and other stakeholders.

In order to enhance the quality and the effectiveness of service delivery in the public sector of Sri Lanka, the Department of Management Services approved posts to reach 1,581,694 at the end of 2018. In 2018, the actual employed population in the public sector reached 1,370,633, marking a utilization rate of about 87 percent of the total approved cadre of the public sector. Consequently, the number of vacant posts accounted for 211,061.

The trend of utilization of the approved cadre lies below 90 percent during all four quarters of the last year. The approved and existing cadres of the public sector on a quarterly basis are given in Table 9.1.

Table 9.1 | Approved and Existing Cadres of the Public Sector in 2018

	Approved Cadre	Existing Cadre
1st Quarter of 2018	1,556,471	1,373,539
2nd Quarter of 2018	1,568,111	1,370,885
3rd Quarter of 2018	1,587,803	1,373,338
4th Quarter of 2018	1,581,694	1,370,633

In meeting the growing needs of the public sector, the approved cadre has increased by about 20 percent over the period 2009-2018. However, the average total utilization of cadre positions remains at around 90 percent during this period with the highest cadre utilization at 96 percent in 2011. However, the utilization of cadre declined mostly during 2018 due to several reasons: (i) deceleration in new recruitments in spite of an acceleration of retirements; (ii) the delays at the management level to fill vacancies as and when they arise;

Table 9.2 | Public Sector Cadre Composition 2009-2018

Administrative level		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
National	App	680,442	698,335	705,331	710,909	796,266	844,948	858,680	874,046	880,971	892,509
	Act	607,717	643,748	443,399	661,837	683,719	703,600	722,950	754,548	756,339	742,960
Provincial Councils and Local Authorities	App	364,396	367,207	367,730	385,562	391,647	392,698	394,812	412,560	428,433	440,560
	Act	296,714	332,107	363,248	378,933	375,752	377,445	374,330	372,033	385,311	392,528
Total Public Service	App	1,044,838	1,065,542	1,073,061	1,096,471	1,187,913	1,237,646	1,253,492	1,286,606	1,309,404	1,333,069
	Act	904,431	957,855	1,006,647	1,040,770	1,059,471	1,081,045	1,097,280	1,126,581	1,141,650	1,135,488
Public Enterprises and Banks	App	227,224	227,792	228,326	245,100	245,687	245,339	244,800	234,220	242,194	248,625
	Act	234,547	236,121	236,543	239,079	239,058	221,213	219,583	226,695	233,849	235,145
Total Public Sector	App	1,272,072	1,293,334	1,301,387	1,341,571	1,433,600	1,482,985	1,498,292	1,520,826	1,551,598	1,581,694
	Act	1,138,978	1,211,976	1,243,190	1,279,849	1,298,529	1,302,258	1,316,863	1,353,276	1,375,499	1,370,633
Utilization (%)		90	94	96	95	91	88	88	88	88	87
Number of Pensioners		456,113	473,762	493,549	510,343	521,699	546,379	564,472	579,414	585,670	617,386

App – Approved Cadre
Act – Actual Number of Employees

Source: Department of Management Service, Department of Pensions

(iii) the nonintegrated approach taken in filling vacancies; (iv) lack of candidates with the relevant qualifications; (v) the difficulty to attract and retain qualified professional. These issues have been prevalent in the public sector for almost a decade given the lack of a thorough appraisal to understand the real requirement in the public sector particularly in the background of technology infusion which will make certain professions redundant. In this context, public sector service delivery has been constrained due to the lack of properly qualified personnel with the required skills or the availability of personnel without the required skills that the position seeks. Table 9.2 illustrates changes of the public sector cadre composition during the last decade.

9.2 Information on the cadre of the total public service by the service levels (as at 31.12.2018)

Table 9.3 illustrates the distribution of the cadre of the public service by service levels, excluding the cadres of the Tri-Forces and Public Enterprises and Statutory Boards and Government Owned Companies (SOEs).

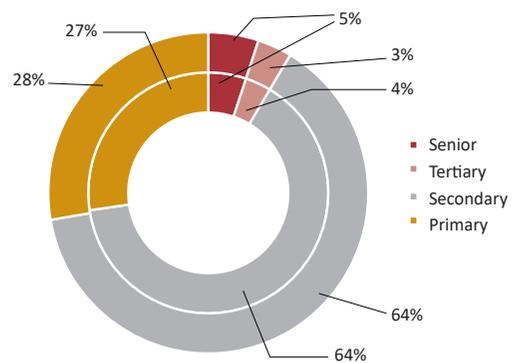
Table 9.3 | Total public service by the service levels

Service Level	Approved Cadre	Existing Cadre
Senior	53,107	44,837
Tertiary	36,296	30,770
Secondary	667,076	560,911
Primary	284,189	248,653
Sub Total	1,040,668*	879,171*

*excluding the cadre of Tri-Forces and SOEs

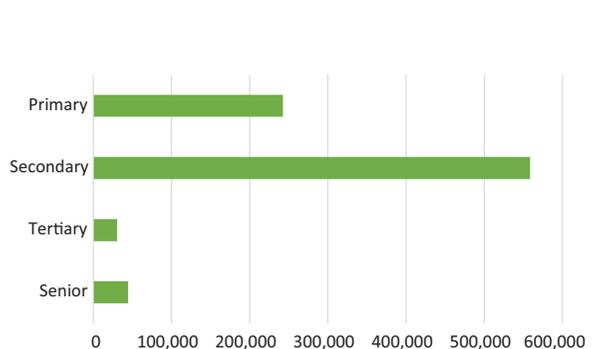
The pyramidal shape is internationally known to be the standard hierarchy of employment. However, in Sri Lanka, the public service reflects a structure that deviates greatly from the pyramidal shape.

Figure 9.1 | Public Service based on Service Levels (excluding Tri-Forces) as at 31.12.2018



The number of employees in the lowest category, i. e. Primary Service level is less than the Secondary Service Level, as the most number of employees, accounting for 64 percent of the total public sector cadre represents the Secondary Service Level. Since education and health sectors are the major employers of the public service and posts such as Teachers, Management Assistants and Development Officers belong to the Secondary Service Level, an irregularity could be observed by the size of the population distributed among the Service Levels.

Figure 9.2 | Structure of Employment in the Public Service (excluding Tri-Forces) as at 31.12.2018



Box 9.1 | Increased requirements of Human Resource in Health and Education Sectors

In accordance with the Human Development Index, Sri Lanka has secured the 76th Position and has been categorized as a country with high human development. It is also revealed that Sri Lanka has secured the 1st place in the South Asian region, owing to the fact that Sri Lanka has well-developed Free Public Health and Education Systems.

There were about 965 Hospitals including Primary Medical Care Units in operation in Sri Lanka and approximately 172,000 posts have been approved for the Health Sector of the Public Service at the end of the year 2018. With the recent developments in health care sector including adding new sections to hospitals, upgrading of existing hospitals and construction of new buildings have led to increasing the number of posts in the medical, nursing, supplementary professional services, paramedical services and supporting medical staff in the health sector. As a result, the approved cadre of Health Sector has increased over the years.

On the other hand, the cadre of the Education Sector has increased due to the recent policy reforms implemented by the Government. The “Guaranteed 13 Years of Education”, recruitment of teacher supervisors, the concept of “the nearest school is the best school” and introduction of new technical subjects were the new approaches introduced by the Government with a view of enhancing the quality of services. At the end of 2018, the teacher-student ratio has reached 1:17, indicating that Sri Lanka is in the forefront of providing quality education compared to other developing countries. The pivotal role of determining the optimum requirement of Human Resources for the public sector falls in the scope of the Department of Management Services. Although such an optimum cadre has been provided for the education sector of the country, a dearth of the existing cadre of teachers could be seen in rural schools with fewer facilities, while a surplus of staff of teachers could be observed in the urban and popular schools.

Box 9.2 | Cadres serving in Development Projects of the Government

While there is an approved cadre of more than 1.5 Million in the public sector, there are more than 7,000 employees serving in projects on contract basis, to carry out development projects of the Government.

As per the information of the Department of Project Management and Monitoring, the number of projects under operation in 2018, in respect of the development activities of the Government was 1,354.

According to the said report, the financial performance of these projects for the first quarter was approximately 44 percent of the targeted expenditure. Delays at the initial stage, procurement issues, weaknesses of the contractors and cash flow issues, bills payable, delays in imprest and approval of third parties, issues in land acquisition and payment of compensation, elections, mass protests, judicial actions and reasons that are beyond the control of the projects have been presented as the reasons that led to the failure to accomplish the expected targets of the projects. Even though there is a large cadre including the cadre of the relevant ministry and cadres assigned to projects including the Project Management Unit and Project Implementation Unit, special attention needs to be focused on the delays of implementation of the projects.

Although an opportunity has been provided for officers of public service or State Owned Enterprises to serve in projects for a maximum period of five years depending on the service requirement as per the provisions stipulated in the M.S.D. Circular No.01/2016, it is observed that cadres of Public Corporations are engaging in projects for more than 05 years, deviating from the provisions of the Circular. Accordingly, it is appropriate to draw the attention of the Heads of relevant institutions regarding the essentiality of such permanent posts. Further, it is appropriate to instruct all the Heads of Institutions, including the Secretaries to the Ministries, Heads of Departments, Chief Secretaries of Provincial Councils and the Heads of Semi-Government Institutions indicating that if an officer holding a permanent post in the Government is assigned for service in a project beyond 05 years on a secondment basis, an approval should be taken from the Cabinet of Ministers.

PART IV
Financial Statements

Financial Statements



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Note to Readers

Financial Statements of the Government for the year ended 31st December 2018 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flow, Statement of Changes in Net Assets / Equity, applied Accounting Policies and Notes thereto are forwarded herewith.

The Statement of Financial Position shows the assets and liabilities of the Government whereas Statement of Financial Performance shows government's affairs in relation to revenue collection and use of resources as provided by Appropriation Act No. 30 of 09th December 2017 for 2018, of twenty three (23) Special Spending Units, fifty two (52) Government Ministries, ninety six (96) Government Departments and twenty five (25) District Secretariats and the way that fiscal deficit could be financed. Further, in the Financial Statements, it is reflected the financial support provided to Forty Nine (49) Commercial Public Corporations, ninety (90) Government Owned Companies / Plantation Companies / US Dollar denominated Companies, three (03) Development Banks in the form of capital contribution or shareholding and also information relating to allocation of financial resources to nine (09) Provincial Councils by the Central Government.

As per the provisions provided under the Fiscal Management (Responsibility) Act No. 03 of 2003, Financial Statements should be prepared to reflect

financial results and Financial Position of the Democratic Socialist Republic of Sri Lanka. Since these financial statements should be prepared in accordance with the Article 149 and 150 of the Constitution of Democratic Socialist Republic of Sri Lanka in addition, generally accepted accounting principles could not be followed in all the time. However, in such deviations, reasons for deviation and the relevant alternate accounting policies are disclosed in the financial statements.

Modified cash basis accounting method is used to prepare the Financial Statements and actions are taken to include the assets and liabilities generated through the cash basis transactions in the financial statements whenever possible. Accordingly, a part of the non-financial assets have been reported in the financial statements and it is expected to record all the non-financial assets by year 2020.

The Computerized Integrated Government Accounting System (CIGAS) has been further developed enabling non-financial assets are recorded 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 the financial data in the GFS data format with a view to improve comparison of government statistics with those of other countries.

Statement of Responsibility

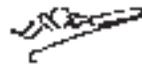
These Financial Statements have been prepared in keeping with the provisions of the Article 149 and 150 of the Constitution of Democratic Socialist Republic of Sri Lanka, Fiscal Management (Responsibility) Act No 03 of 2003 and National Audit Act No. 19 of 2018. The Financial Statements are in compliant with generally accepted Accounting Principles and relevant Treasury Circulars, whereas most appropriate accounting policies are used as disclosed in the Notes to the Financial Statements.

The General Treasury is responsible for establishing and maintaining a system of internal control to provide reasonable assurance that the transactions are effected within statutory authority and use of allocations provided by Appropriation Act or any other Law are properly recorded.

The accompanying “Statement of Accounting Policies” and “Notes to the Financial Statements” form an integral part of these Financial Statements. The designated authority in preparation and presentation of these Financial Statements is Department of State Accounts.



K.D.R. Olga
Director General
Department of State Accounts



R.H.S. Samaratinga
Secretary, Ministry of Finance and
Secretary to the Treasury

General Treasury
Colombo – 01
18 March, 2019

Statement of Financial Performance

for the Year ended 31st December 2018

Budget Estimate 2018 Rs.		Note	Actual 2018 Rs.	Actual 2017 Rs.
	REVENUE			
2,034,000,000,000	Tax Revenue		1,712,317,537,935	1,670,178,219,488
370,000,000,000	Income Tax	1	310,449,314,854	274,561,564,596
1,243,000,000,000	Taxes on Domestic Goods & Services	2	1,060,158,121,748	1,024,280,534,460
421,000,000,000	Taxes on International Trade	3	341,710,101,333	371,336,120,432
199,100,000,000	Non Tax Revenue & Others	4	222,777,949,292	174,839,117,299
2,233,100,000,000	TOTAL REVENUE (a)		1,935,095,487,228	1,845,017,336,787
	Less : EXPENDITURE			
496,602,357,805	Salaries, Wages and Other Employment Benefits	5	484,758,793,181	463,872,499,215
211,486,894,671	Other Goods & Services	6	172,293,827,456	164,446,014,046
619,200,409,248	Subsidies, Grants and Transfers	7	599,461,407,587	580,556,036,540
853,587,000,000	Interest Payments	8	852,190,046,487	735,565,676,711
360,928,023	Other Recurrent Expenditure	9	260,316,311	1,134,813,412
2,181,237,589,747	Total Recurrent Expenditure (b)		2,108,964,391,022	1,945,575,039,924
(51,862,410,253)	REVENUE DEFICIT (a) - (b)		173,868,903,795	100,557,703,137
880,228,849,253	Public Investments	10	625,310,389,518	657,530,018,379
828,366,439,000	BUDGET DEFICIT		799,179,293,313	758,087,721,515
	FINANCING THE BUDGET DEFICIT			
232,736,739,708	Foreign Borrowings	11	771,607,799,449	601,305,620,998
(307,015,440,000)	Foreign Debt Repayments		(307,015,430,305)	(219,349,640,270)
(74,278,700,292)	NET FOREIGN BORROWINGS		464,592,369,144	381,955,980,728
10,000,000,000	Foreign Grants	12	12,485,519,835	8,031,087,509
(64,278,700,292)	TOTAL FOREIGN FINANCING		477,077,888,979	389,987,068,236
1,871,960,622,411	Domestic Borrowings	13	1,099,262,448,221	856,671,070,650
(929,346,710,000)	Domestic Debt Repayments	14	(929,345,627,582)	(648,133,870,392)
942,613,912,411	NET DOMESTIC BORROWINGS		169,916,820,639	208,537,200,258
16,800,000,000	Recoveries from On-lending	15	25,583,642,348	16,418,064,232
100,000,000	Sale of Capital Assets		340,784,642	144,077,201
-	Divestiture Proceeds		107,882,895,275	44,676,984,794
	Net Change in Deposit Accounts and Liabilities (Increase)/ Decrease in Cash & Cash Equivalents		20,056,901,975 (1,679,640,545)	113,469,982,423 (15,145,655,629)
895,235,212,120	TOTAL FINANCING		799,179,293,313	758,087,721,515

Statement of Financial Position

as at 31st December 2018

	Note	Actual 2018 Rs	Actual 2017 Rs
Non Financial Assets	16	1,087,397,624,041	814,335,751,160
Financial Assets			
Advances to Public Officers	17	30,970,716,088	27,427,831,864
Advances to Government Departments	18	15,303,986,669	15,088,063,621
Membership Fees	19	3,517,179,875	3,517,179,875
On Lending	20	184,160,788,945	181,367,517,946
Capital Contributions to State Owned Enterprises	21	587,320,632,819	578,480,701,820
Rent & Work Advance	22	1,589,016,461	750,310,073
Stamps Stock Account		1,357,244,688	1,305,358,819
Total Financial Assets		824,219,565,545	807,936,964,018
Total Assets		1,911,617,189,586	1,622,272,715,178
Statutory & Other Funds			
Consolidated Fund	23	(303,948,639,803)	(285,571,378,373)
Contingency Fund		450,000,000	500,000,000
Foreign Loan Revolving Funds	24	33,678,534,101	31,264,171,850
Miscellaneous Funds	25	859,563,802	991,807,821
Net Assets Adjustment Account	26	(9,415,813,121,099)	(8,013,166,621,848)
Total Funds		(9,684,773,662,999)	(8,265,982,020,550)
Liabilities			
Bank Overdrafts	27	148,859,820,080	150,539,460,624
Advance from the Central Bank	28	198,632,571,400	199,800,871,400
Government Borrowings	29	11,276,281,183,366	9,588,100,902,848
Deposits	30	76,867,205,607	75,121,285,516
Accounts Operating with Government Departments	31	(104,886,490,795)	(125,940,730,340)
Sundry Accounts	32	636,562,927	632,945,680
Total Liabilities		11,596,390,852,585	9,888,254,735,728
Total Funds and Liabilities		1,911,617,189,586	1,622,272,715,178
Contingent Liabilities & Commitments	33	828,944,872,772	652,213,797,000

Statement of Cash Flows

for the Year ended 31st December 2018

	Actual 2018 Rs.	Actual 2017 Rs.
Cash Flow from Operating Activities		
Tax Receipts	1,712,317,537,935	1,670,178,219,488
Fees, Fines, Penalties and Licenses	39,521,778,601	31,830,927,652
Profits	37,230,000,000	50,447,214,138
Other Receipts	133,287,766,260	81,614,925,867
Total Cash flow from Operating Activities (a)	1,922,357,082,797	1,834,071,287,145
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	657,052,620,637	628,318,513,261
Subsidies & Transfer Payments	599,461,407,587	580,556,036,540
Finance Costs	852,450,362,798	736,700,490,123
Total Cash disbursed for Operating Activities (b)	2,108,964,391,022	1,945,575,039,924
NET CASH FLOWS FROM OPERATING ACTIVITIES (c)=(a)-(b)	(186,607,308,226)	(111,503,752,778)
Cash Flows from Investing Activities		
Interest	8,140,414,746	7,395,379,567
Dividends	4,597,989,685	3,550,670,075
Divestiture Proceeds & Sale of Physical Assets	108,223,679,917	44,821,061,994
Recoveries from On Lending	25,583,642,348	16,418,064,232
Total Cash flow from Investing Activities (d)	146,545,726,696	72,185,175,868
Less - Cash disbursed for:		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	625,310,389,518	657,530,018,379
Total Cash disbursed for Investing Activities (e)	625,310,389,518	657,530,018,379
NET CASH FLOW FROM INVESTING ACTIVITIES (f)=(d) - (e)	(478,764,662,822)	(585,344,842,511)
NET CASH FLOW FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	(665,371,971,048)	(696,848,595,289)
Cash Flow from Financing Activities		
Local Borrowings	1,099,262,448,221	856,671,070,650
Foreign Borrowings	771,607,799,449	601,305,620,998
Grants Received	12,485,519,835	8,031,087,509
Total Cash flow from Financing Activities (h)	1,883,355,767,505	1,466,007,779,157
Less - Cash disbursed for:		
Repayment of Local Borrowings	929,345,627,582	648,133,870,392
Repayment of Foreign Borrowings	307,015,430,305	219,349,640,270
Net Change in Deposit Accounts and Other Liabilities	(20,056,901,975)	(113,469,982,423)
Total Cash disbursed for Financing Activities (i)	1,216,304,155,912	754,013,528,239
NET CASH FLOW FROM FINANCING ACTIVITIES (j)=(h) - (i)	667,051,611,593	711,994,250,918
Net movement in Cash (k)=(g) + (j)	1,679,640,545	15,145,655,629
Opening Cash Balance as at 01st January	(150,539,460,624)	(165,685,116,253)
Closing Cash Balance as at 31st December	(148,859,820,080)	(150,539,460,624)

Statement of Changes in Net Assets / Equity

for the Year ended 31st December 2018

Rs.

Description	Attributable to Government Entities				Total Net Assets / Equity
	Consolidated Fund	Contingency Fund	Foreign Loan Revolving Fund	Miscellaneous Funds	
Balance at 31st December 2016	(187,247,051,580)	500,000,000	23,820,177,655	1,525,387,106	(161,401,486,819)
Changes in Net Assets/Equity for 2017					
Net Change in Consolidated Fund	(98,324,326,794)				(98,324,326,794)
Net Change in Contingency Fund		-			-
Net Change in Foreign Loan Revolving Fund			7,443,994,195		7,443,994,195
Net Change in Miscellaneous Funds				(533,579,285)	(533,579,285)
Balance at 31st December 2017	(285,571,378,374)	500,000,000	31,264,171,850	991,807,821	(252,815,398,703)
Changes in Net Assets/Equity for 2018					
Net Change in Consolidated Fund	(18,377,261,430)				(18,377,261,430)
Net Change in Contingency Fund		(50,000,000)			(50,000,000)
Net Change in Foreign Loan Revolving Fund			2,414,362,251		2,414,362,251
Net Change in Miscellaneous Funds				(132,244,019)	(132,244,019)
Balance at 31st December 2018	(303,948,639,803)	450,000,000	33,678,534,101	859,563,802	(268,960,541,900)

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 2018 to 31st December 2018.

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 - 29(I) and 29(II).

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 Balance

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.

Time of Recording and Measurement for Presenting the Financial Statements of Government

Statement of Financial Performance

Accounting Caption	Presented	Time of Recording	Measurement
Revenue (for current and past years)	Yes	Cash Accounting	Historical Cost Method
Expenditure (for current and past year)	Yes	Cash Accounting	Historical Cost Method
Surplus or Deficit (for current and past year)	Yes	Cash Accounting	Historical Cost Method
Depreciation	N/A	N/A	N/A

Statement of Financial Position

Accounting Caption	Presented	Time of Recording	Measurement
Property, Plant and Equipment	Yes	Modify Cash	Historical Cost Method
Investment Property	N/A	N/A	N/A
Intangible Assets	Yes	Modify Cash	Historical Cost Method
Financial Assets	Yes	Modify Cash	Historical Cost Method
Investment Recognized Using the Equity Method	Yes	Modify Cash	Historical Cost Method
Recoverable	N/A	N/A	N/A
Cash & Cash Equivalents	Yes	Cash Accounting	Historical Cost Method
Financial Liabilities	Yes	Modify Cash	Historical Cost Method
Provisions	N/A	N/A	N/A
Contingent Liabilities	N/A	N/A	N/A
Net Asset/Equity	Yes	Modify Cash	Historical Cost Method

Notes to the Financial Statements

Budget Estimate 2018 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2018 Rs.	2017 Rs.
	NOTE - 1	INCOME TAX		
160,000,000,000	1004.01.01	Income Tax	127,000,562,783	107,613,439,202
25,000,000,000	1004.01.02	Dividend Tax	21,470,317,140	17,073,746,500
10,000,000,000	1004.01.03	Remittance Tax	10,662,306,887	8,184,378,232
195,000,000,000	1004.01.00	Total Corporate Tax (a)	159,133,186,810	132,871,563,935
50,000,000,000	1004.02.01	PAYE	41,384,710,439	32,920,265,606
20,000,000,000	1004.02.99	Other	10,435,002,438	10,716,164,315
45,800,000,000	1004.03.00	Withholding Tax	46,413,757,511	53,333,812,781
40,000,000,000	1004.03.01	On Interest	35,991,293,842	51,350,859,423
5,800,000,000	1004.03.99	On Fees & Other	10,422,463,669	1,982,953,358
59,200,000,000	1004.04.00	Economic Service Charge	52,978,509,494	44,719,757,959
58,000,000,000	1004.04.01	Domestic	50,055,090,973	42,560,067,688
1,200,000,000	1004.04.02	Imports	2,923,418,521	2,159,690,272
-	1004.05.00	Capital Gain Tax	104,148,162	-
175,000,000,000	1004.02.00	Total Non-Corporate Tax (b)	151,316,128,044	141,690,000,661
370,000,000,000		Total Income Tax (a+b)	310,449,314,854	274,561,564,596
	NOTE - 2	TAXES ON DOMESTIC GOODS & SERVICES		
550,000,000,000	1002.01.00	Value Added Tax	461,650,624,889	443,739,474,789
65,000,000,000	1002.01.01	Financial Services	55,838,295,782	50,052,945,733
185,000,000,000	1002.01.02	Other Services	146,501,048,387	149,447,261,706
90,000,000,000	1002.01.03	Manufacturing	80,147,857,741	75,846,312,316
210,000,000,000	1002.01.04	Imports	179,163,422,979	168,392,955,034
-	1002.01.05	Wholesale and Retail Trade	-	-
-	1002.02.00	Goods and Services Tax	2,000	115,977
-	1002.02.01	Services	1,333	38,910
-	1002.02.02	Manufacturing	667	77,067
-	1002.02.03	Imports	-	-
-	1002.03.00	National Security Levy	40,986,382	15,947,317
-	1002.03.01	Services	40,986,382	15,947,317
-	1002.03.02	Manufacturing	-	-
-	1002.03.03	Imports	-	-
125,000,000,000	1002.04.00	Excise (Ordinance) Duty	113,890,332,214	113,214,008,524
125,000,000,000	1002.04.01	Liquor	113,890,332,214	113,214,008,524
410,000,000,000	1002.05.00	Excise (Special Provisions) Duty	370,351,175,024	356,239,838,354
90,000,000,000	1002.05.01	Cigarettes	92,198,105,735	85,956,030,985
-	1002.05.02	Liquor	53,274,720	469,563,640
80,000,000,000	1002.05.03	Petroleum Products	66,318,296,382	73,983,161,904
230,000,000,000	1002.05.04	Motor Vehicles	204,080,799,380	189,739,774,494
-	1002.05.05	Lottery	-	-
10,000,000,000	1002.05.99	Other	7,700,698,806	6,091,307,331
40,000,000	1002.06.00	Tobacco Tax	45,367,003	45,749,663
-	1002.07.00	Stamp Duty	-	-

Notes to the Financial Statements contd...

Budget Estimate 2018 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2018 Rs.	2017 Rs.
-	1002.08.00	Debits Tax	-	-
-	1002.09.00	Turnover Tax	88,934,025	20,753,568
-	1002.10.00	Social Responsibility Levy	-	1,905,608
30,000,000,000	1002.11.00	Telecommunication Levy	28,326,248,471	33,398,732,357
87,000,000,000	1002.12.00	Nation Building Tax	71,357,384,246	69,035,198,554
45,000,000,000	1002.12.01	Services	40,012,958,409	38,821,335,524
17,000,000,000	1002.12.02	Manufacturing	11,179,474,851	10,894,310,333
25,000,000,000	1002.12.03	Imports	20,164,950,986	19,319,552,697
50,000,000	1002.13.00	Teledramas, Films and Commercials Levy	1,068,301,454	584,708,736
8,000,000,000	1002.14.00	Cellular Tower Levy	-	-
4,000,000,000	1002.15.00	SMS Advertising Levy	-	-
4,400,000,000	1003	Licence Taxes and Other	4,728,196,496	4,602,650,998
1,600,000,000	1003.01.00	Luxury Motor Vehicle Tax	1,036,072,698	1,286,942,488
-	1003.02.00	Transfer Tax	-	-
1,000,000,000	1003.03.00	Betting & Gaming Levy	2,469,578,624	1,929,034,608
1,800,000,000	1003.04.00	Share Transaction Levy	1,196,346,653	1,333,904,584
-	1003.05.00	Construction Industry Guarantee Fund Levy	26,198,521	52,769,318
-	1003.06.00	Environment Conservation Levy	-	-
24,480,000,000	1003.07.00	Other Licences	8,574,446,086	3,354,571,182
100,000,000	1003.07.01	Pharmaceuticals, Equipment, Perfumes and Pharmacies Registration Fee	-	-
1,500,000,000	1003.07.02	Registration Fees Relevant to the Department of Registrar General	1,401,961,145	1,282,402,048
110,000,000	1003.07.03	Private Timber Transport	104,794,792	102,476,530
80,000,000	1003.07.04	Tax on Sale of Motor Vehicles	93,215,452	69,411,958
25,000,000	1003.07.05	Licence Fees Relevant to the Ministry of Defence	21,200,877	28,720,271
25,000,000	1003.07.06	Licence Fees Relevant to the Dept. of Fisheries & Aquatic Resources	32,497,474	24,841,220
-	1003.07.07	Levy on Rooms of Five Star Hotels	-	-
1,500,000,000	1003.07.08	Company Registration Levy	-	890,000
2,500,000,000	1003.07.09	Carbon Tax	-	-
1,650,000,000	1003.07.10	Vehicle Entitlement Levy	2,191,685,363	1,650,961,000
15,000,000,000	1003.07.11	Debt Repayment Levy	4,501,166,919	-
1,800,000,000	1003.07.12	Capital Gain Tax	-	-
190,000,000	1003.07.99	Other	227,924,065	194,868,154
15,000,000	1003.08.00	Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court	19,441,016	15,399,561
-	1003.09.00	Taxes on the Lands Leased out to Foreigners	-	7,382,158
15,000,000	1003.10.00	Migrating Tax	16,682,442	4,097,115
1,243,000,000,000		Total Taxes on Domestic Goods & Services	1,060,158,121,748	1,024,280,534,460
	NOTE - 3	TAXES ON INTERNATIONAL TRADE		
175,000,000,000	1001.01.00	Import Duties	96,990,575,618	136,501,263,081
40,000,000	1001.02.00	Export Duties	39,687,611	30,211,422
1,460,000,000	1001.03.00	Import & Export Licences Fees	1,554,482,324	1,487,761,561
115,000,000,000	1001.04.00	Ports & Airports Development Levy	113,949,869,596	102,360,158,539
49,500,000,000	1001.05.00	Cess Levy	53,368,977,765	59,554,404,461

Notes to the Financial Statements contd...

Budget Estimate 2018 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2018 Rs.	2017 Rs.
47,000,000,000	1001.05.01	Import Cess Levy	50,777,263,380	56,574,262,816
2,500,000,000	1001.05.02	Export Cess Levy	2,591,714,385	2,980,141,645
-	1001.06.00	Motor Vehicle Concessionary Levy	-	-
-	1001.07.00	Regional Infrastructure Development Levy	-	-
80,000,000,000	1001.08.00	Special Commodity Levy	75,806,508,419	71,402,321,367
-	1001.99.00	Other	-	-
421,000,000,000		Total Revenue from Taxes on International Trade	341,710,101,333	371,336,120,432
	NOTE - 4	NON-TAX REVENUE AND OTHERS		
8,000,000,000	2001.01.00	Railways	7,412,515,777	6,489,631,756
8,000,000,000	2001.02.00	Postal	7,709,579,363	6,996,940,832
100,000,000	2001.03.00	Stores Advance Accounts (Explosive Items)	220,272,044	200,000,000
70,000,000	2001.04.00	Prisons Industrial and Agricultural Advance Account	60,669,494	63,262,936
16,170,000,000		Revenue From Other Sources (a)	15,403,036,678	13,749,835,524
4,135,000,000	2002.01.00	Rent	5,590,677,887	4,449,839,574
950,000,000	2002.01.01	Rent on Government Building & Housing	963,818,831	912,604,145
1,800,000,000	2002.01.02	Rent on Crown Forests	1,906,610,218	1,850,664,220
65,000,000	2002.01.03	Rent from Land and Other	55,324,037	70,132,249
1,200,000,000	2002.01.04	Lease Rental from Regional Plantation Companies	873,390,090	1,257,691,348
-	2002.01.05	National Rent Income from Land & Building	-	-
120,000,000	2002.01.99	Other Rental	1,791,534,711	358,747,612
5,600,000,000	2002.02.00	Interest	8,140,414,746	7,395,379,567
4,300,000,000	2002.02.01	On-Lending	6,212,829,255	4,648,586,161
1,300,000,000	2002.02.99	Other	1,927,585,491	2,746,793,406
50,000,000,000	2002.03.00	Profits	37,230,000,000	50,447,214,138
5,600,000,000	2002.04.00	Dividends	4,597,989,685	3,550,670,075
-	2002.05.00	Transferring Surplus Fund from Public Enterprises	-	-
117,000,000	2003.01.00	Departmental Sales	162,290,249	120,682,249
58,277,000,000	2003.02.00	Administrative Fees & Charges	60,535,946,829	50,032,912,325
140,000,000	2003.02.01	Audit Fees	165,030,064	144,596,294
-	2003.02.02	Air Navigation Fees	-	-
250,000,000	2003.02.03	Fees Under Registration of Persons	422,242,766	289,794,898
350,000,000	2003.02.04	Fees of Department of Survey	433,055,709	437,066,486
650,000,000	2003.02.05	Service Charges of Government Press	865,910,551	611,677,519
25,000,000	2003.02.06	Fees Under the Fauna & Flora Protection Ordinance	24,614,885	22,971,347
16,000,000,000	2003.02.07	Fees of Passports, Visas & Dual Citizenship	17,258,407,247	15,298,923,374
17,000,000,000	2003.02.08	Embarkation Levy	19,964,333,668	15,445,503,620
80,000,000	2003.02.09	Fees of Department of Valuation	142,902,142	164,100,234
115,000,000	2003.02.10	Fees of Registrar of Companies	113,665,006	100,740,143
40,000,000	2003.02.11	Legal Fees from Corporations & Statutory Bodies	64,610,665	63,070,041
27,000,000	2003.02.12	Fees Recovered Under the Public Contract Act	39,502,500	31,174,500
450,000,000	2003.02.13	Examinations & Other Fees	287,176,086	413,039,697

Notes to the Financial Statements contd...

Budget Estimate 2018 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2018 Rs.	2017 Rs.
9,800,000,000	2003.02.14	Fees Under the Motor Traffic Act & Other Receipts	10,432,564,286	9,171,936,647
100,000,000	2003.02.15	Registration Fees on Motor Vehicle Transfers Under the Issuing Motor Vehicle Permits on Concessionary Terms	39,925,273	132,558,907
200,000,000	2003.02.16	Air craft Rentals	74,576,453	147,179,656
150,000,000	2003.02.17	Fee on Local Sale of Garments	306,300,455	218,284,477
300,000,000	2003.02.18	Fees Relevant to the Department of Agriculture	291,001,573	290,700,068
1,000,000,000	2003.02.19	Fees Relevant to the Botanical Gardens	836,498,614	786,096,421
-	2003.02.20	Accounting & Auditing Standards Cess Levy	-	-
100,000,000	2003.02.21	Fees Relevant to the Ministry of Petroleum Industries	131,000,069	120,102,515
11,500,000,000	2003.02.99	Sundries	8,642,628,817	6,143,395,481
3,700,000,000	2003.03.00	Fines and Forfeits	7,046,275,651	3,471,042,913
1,600,000,000	2003.03.01	Fines and Forfeits - Customs	5,464,283,033	1,964,059,793
2,100,000,000	2003.03.02	Fines and Forfeits - Other	1,581,992,618	1,506,983,121
-	2003.04.00	Public Officer's Motor Cycle Premium	38,886,714	55,805,309
1,000,000	2003.05.00	Treasury Bonds Premium	582,208,345	7,245,862
2,500,000,000	2003.06.00	Revenue from the United Nations' Peacekeeping Operations	2,518,434,615	3,644,515,992
15,000,000,000	2003.99.00	Other Receipts	37,456,484,012	12,894,828,541
26,000,000,000	2004.01.00	Social Security Contributions	25,214,516,999	22,940,413,517
16,000,000,000	2004.01.00	Central Government	16,531,521,737	15,531,146,912
10,000,000,000	2004.02.00	Provincial Councils	8,682,995,262	7,409,266,605
12,000,000,000	2005	Current Transfers	18,260,786,882	2,078,731,712
10,000,000,000	2005.01.00	Central Bank Profits	15,000,000,000	-
-	2005.01.99	Other Transfers	-	-
2,000,000,000	2005.99.00	National Lotteries Board and Other Transfers	3,260,786,882	2,078,731,712
-	2006.03.00	Domestic Capital Transfer	-	-
-	2006.20.00	Other	-	-
182,930,000,000		Revenue From Other Sources (b)	207,374,912,614	161,089,281,775
199,100,000,000		Total Non - Tax Revenue & Other Revenue (a) + (b)	222,777,949,292	174,839,117,299
2,233,100,000,000		Total Revenue (Note 1 - 4)	1,935,095,487,228	1,845,017,336,787

Notes to the Financial Statements contd...

Budget Estimate 2018	Object Code	Object Title	Actual	
			2018 Rs	2017 Rs
	NOTE-5	OBJECT CODE WISE CLASSIFICATION OF SALARIES, WAGES & OTHER EMPLOYMENT BENEFITS		
		Personal Emoluments		
265,837,057,141	1001	Salaries and Wages	258,299,811,213	223,786,953,663
29,097,234,632	1002	Overtime and Holiday Payments	28,980,856,840	20,465,993,264
201,668,066,032	1003	Other Allowances	197,478,125,129	219,619,552,288
496,602,357,805		Total	484,758,793,181	463,872,499,215
	NOTE - 6	OBJECT CODE WISE CLASSIFICATION OF OTHER GOODS AND SERVICES		
		Travelling Expenditure		
12,967,515,648	1101	Domestic	12,677,766,414	12,326,314,086
2,574,643,320	1102	Foreign	2,443,310,453	2,415,592,874
15,542,158,969		Total (a)	15,121,076,867	14,741,906,960
		Supplies		
3,101,491,013	1201	Stationery and Office Requisites	2,953,346,920	2,779,286,394
16,988,740,294	1202	Fuel	16,607,881,812	14,948,928,239
29,507,405,456	1203	Diets and Uniforms	24,508,923,383	25,228,353,911
48,912,055,000	1204	Medical Supplies	45,909,282,517	41,061,895,529
6,130,223,742	1205	Other	5,155,597,453	5,591,103,384
104,639,915,505		Total (b)	95,135,032,085	89,609,567,457
		Maintenance Expenditure		
3,812,174,221	1301	Vehicles	3,584,323,085	3,460,367,861
2,756,806,762	1302	Plant and Machinery	2,446,443,103	2,173,832,323
1,259,181,983	1303	Buildings and Structures	1,151,528,199	990,064,853
7,828,162,966		Total (c)	7,182,294,387	6,624,265,037
		Services		
5,539,054,802	1401	Transport	5,330,183,233	4,563,922,877
4,248,168,126	1402	Postal and Communication	4,009,154,880	3,675,850,676
11,716,611,984	1403	Electricity and Water	11,325,879,189	10,318,997,225
7,583,710,274	1404	Rents and Local Taxes	7,014,288,064	6,406,739,313
1,597,323,887	1406	Interest Payment for Leased Vehicles	1,170,028,998	1,445,846,872
1,016,961,967	1408	Lease Rental for Vehicles Procured Under Operational Leasing	767,477,934	371,714,719
51,774,826,192	1409	Other	25,238,411,818	26,687,202,911
83,476,657,231		Total (d)	54,855,424,117	53,470,274,592
211,486,894,671		TOTAL EXPENDITURE ON OTHER GOODS AND SERVICES (a+b+c+d)	172,293,827,456	164,446,014,046
	NOTE - 7	OBJECT CODE WISE CLASSIFICATION OF TRANSFERS, GRANTS & SUBSIDIES		
		Transfers		
119,592,720,000	1501	Welfare Programmes	111,596,401,751	115,438,845,716
199,537,927,369	1502	Retirement Benefits	195,153,776,493	182,983,877,075
79,787,012,013	1503	Public Institutions	76,820,764,463	71,923,571,088
31,118,621,000	1504	Development Subsidies	28,275,895,416	36,788,439,524

Notes to the Financial Statements contd...

Budget Estimate 2018	Object Code	Object Title	Actual	
			2018 Rs	2017 Rs
1,992,639,638	1505	Subscriptions and Contributions Fee	1,977,924,379	1,563,032,310
2,791,642,406	1506	Property Loan Interest to Public Servants	2,716,934,314	2,619,217,524
180,095,059,000	1507	Grants to Provincial Councils	180,095,059,000	166,348,491,893
4,284,787,822	1508	Other	2,824,651,772	2,890,561,410
-	1509	Contribution to Contingencies Fund	-	-
619,200,409,248		Total	599,461,407,587	580,556,036,540
	NOTE - 8	OBJECT CODE WISE CLASSIFICATION OF INTEREST PAYMENTS AND DISCOUNTS		
485,527,080,000	1601	Domestic Debt	484,130,141,662	442,728,838,568
184,532,440,000	1602	Foreign Debt	184,532,431,496	138,545,954,873
183,527,480,000	1603	Discounts on Treasury Bills and Treasury Bonds	183,527,473,328	154,290,883,270
853,587,000,000		Total	852,190,046,487	735,565,676,711
	NOTE - 9	OBJECT CODE WISE CLASSIFICATION OF OTHER RECURRENT EXPENDITURE		
232,596,497	1701	Losses and Write off	207,896,253	1,087,255,001
71,243,618	1702	Contingency Services		2,625,499
57,087,908	1703	Implementation of the Official Languages Policy	52,420,058	44,932,912
360,928,023		Total	260,316,311	1,134,813,412
2,181,237,589,747		Grand Total (Notes 5 to 9) Total Recurrent Expenditure	2,108,964,391,022	1,945,575,039,924
	NOTE - 10	OBJECT CODE WISE CLASSIFICATION OF PUBLIC INVESTMENT		
		Rehabilitation and Improvements of Capital Assets		
23,699,551,237	2001	Buildings and Structures	16,164,786,626	14,121,918,326
8,897,669,936	2002	Plant, Machinery and Equipment	7,691,450,592	5,986,409,226
6,130,750,181	2003	Vehicles	5,762,937,926	4,757,425,058
38,727,971,353		Total (a)	29,619,175,144	24,865,752,610
		Acquisition of Capital Assets		
18,181,604,236	2101	Vehicles	14,833,939,462	11,055,702,862
12,689,976,243	2102	Furniture and Office Equipment	5,633,780,094	5,687,460,535
23,403,557,288	2103	Plant, Machinery and Equipment	14,386,352,736	12,700,467,327
81,507,513,410	2104	Buildings and Structures	58,931,125,477	58,109,062,649
25,561,896,906	2105	Lands and Land Improvements	21,230,973,647	24,389,498,369
9,038,316,452	2106	Software Development	4,868,559,374	4,357,010,543
5,496,811,112	2108	Capital Payment for Leased Vehicles	5,446,134,116	4,707,582,166
175,879,675,647		Total (b)	125,330,864,906	121,006,784,451
		Capital Transfers		
77,737,635,200	2201	Public Institutions	63,298,443,565	56,232,654,422
45,519,042,254	2202	Development Assistance	29,475,901,318	44,241,031,817
25,724,597,000	2203	Contribution to Provincial Councils	15,997,800,000	23,486,380,000
3,634,400,000	2204	Transfers Abroad	3,578,579,570	1,614,000,000
2,423,409,000	2205	Capital Grants to Non-Public Institution	1,450,248,949	630,697,751
155,039,083,454		Total (c)	113,800,973,401	126,204,763,990

Notes to the Financial Statements contd...

Budget Estimate 2018	Object Code	Object Title	Actual	
			2018 Rs	2017 Rs
		Acquisition of Financial Assets		
8,760,075,000	2301	Equity Contribution	8,689,622,845	13,575,553,430
18,763,316,668	2302	On-Lending	12,408,495,545	19,043,179,725
27,523,391,668		Total (d)	21,098,118,391	32,618,733,155
		Capacity Building		
9,207,503,770	2401	Staff Training	7,472,838,173	6,661,500,162
9,207,503,770		Total (e)	7,472,838,173	6,661,500,162
		Other Capital Expenditure		
2,553,923,000	2501	Restructuring	1,289,134,984	3,857,606,006
	2502	Investments		177,186,769
268,853,529	2503	Contingency Services	5,117,806	3,452,884
9,929,165,300	2504	Contribution to Provincial Councils	7,483,251,116	11,024,801,992
299,843,162	2505	Procurement Preparedness	244,109,792	33,080,591
375,472,295,860	2506	Infrastructure Development	268,972,401,070	293,556,903,490
10,569,848,596	2507	Research and Development	7,546,587,255	2,453,929,789
74,757,293,914	2509	Other	42,447,817,481	35,065,522,490
473,851,223,362		Total (f)	327,988,419,503	346,172,484,010
880,228,849,253		TOTAL EXPENDITURE ON PUBLIC INVESTMENTS (a+b+c+d+e+f)	625,310,389,518	657,530,018,379
3,061,466,439,000		Total Expenditure (Notes 5 to 10)	2,734,274,780,540	2,603,105,058,302

Notes to the Financial Statements contd...

Note 11 - FOREIGN BORROWINGS - 2018

Funding Agency	Name of the Project	Loan Key	Loan Currency	2018		2017	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
ASIAN DEVELOPMENT BANK (ADB)				63,464,380,565		44,368,617,100	
1	Dry Zone Urban Water and Sanitation Project	2009008	XDR	-	-	1,298,231	266,681,587
2	Clean Energy and Access Improvement Project	2009006	USD	-	-	3,667,371	524,600,630
3	Clean Energy and Access Improvement Project	2009007	XDR	-	-	798,003	142,814,094
4	Greater Colombo Wastewater Management Project (OCR)	2009028	USD	9,474,206	1,547,411,852	8,647,145	1,316,968,732
5	Greater Colombo Wastewater Management Project (ADF)	2009029	XDR	277,442	63,541,006	1,481,807	310,228,285
6	ADB Funded Fiscal Management Efficiency Project	2010019	USD	5,399,542	891,847,087	9,170,771	1,396,155,010
7	Northern Road Connectivity Project (OCR)	2010025	USD	-	-	542,936	81,557,935
8	Northern Road Connectivity Project (ADF)	2010026	XDR	-	-	207,421	42,740,193
9	Jaffna & Killinochchi Water Supply & Sanitation Project (OCR)	2011001	USD	49,408	7,802,530	166,735	25,438,563
10	Jaffna & Killinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR	6,186,652	1,372,819,247	7,653,828	1,616,117,129
11	Sustainable Power Sector Support Project	2011012	USD	145,666	18,973,281	2,372,114	333,610,938
12	Local Government Enhancement Project	2011028	XDR	-	-	2,510,302	527,617,270
13	National Highways Sector Project (ADF)(OCR)	2011035	USD	-	-	1,164,108	175,001,573
14	Northern Road Connectivity Project (ADF)	2012029	XDR	2,915,877	648,451,439	2,455,453	522,891,733
15	Northern Road Connectivity Project (ADF)	2012030	USD	1,527,907	255,654,894	1,630,346	246,826,728
16	Clean Energy and Network Efficiency Improvement Project	2013015	USD	257,250	39,467,667	3,137,332	452,946,196
17	Clean Energy and Network Efficiency Improvement Project	2013017	XDR	-	-	36,553	7,302,330
18	Dry Zone Urban Water and Sanitation Project (ADF)	2013021	XDR	3,131,590	697,019,823	1,089,036	229,866,545
19	Education Sector Development Programme (OCR)	2013034	USD	6,500,000	1,016,859,200	9,981,181	4,445,860,204
20	Education Sector Development Programme (ADF)	2013035	XDR	4,330,068	969,978,678	-	-
21	Greater Colombo Water Wastewater Management Improvement Project	2013042	USD	6,504,133	998,955,438	6,333,287	956,915,892
22	Greater Colombo Water Wastewater Management Improvement Project	2013043	XDR	1,208,851	275,496,334	790,709	164,317,304
23	Southern Road Connectivity Project	2014017	USD	12,611,380	2,024,314,481	7,408,490	1,120,571,793
24	Southern Road Connectivity Project	2014018	XDR	285,571	67,016,574	255,488	54,788,519
25	Skills Sector Enhancement Programme	2014005	USD	5,000,000	779,862,500	13,427,957	2,061,046,297
26	Skills Sector Enhancement Programme	2014006	XDR	3,260,000	740,139,611	-	-
27	Integrated Road Investment Programme	2014041	XDR	1,060,705	237,527,955	6,900,444	1,415,373,334
28	Greater Colombo Water and Waste Water Management Programme-2	2014029	USD	4,312,532	667,287,063	6,949,188	1,049,765,645
29	Greater Colombo Water and Waste Water Management Programme-3	2014030	XDR	657,541	148,248,971	486,109	102,955,884
30	Integrated Road Investment Programme	2015009	XDR	-	-	326,854	66,657,348
31	Integrated Road Investment Programme	2015010	USD	-	-	20,469,518	3,070,744,668
32	Mahaweli Water Security Investment Programme	2015025	USD	8,214,482	1,323,704,133	1,920,025	291,375,186
33	Mahaweli Water Security Investment Programme	2015024	XDR	6,083,471	1,395,476,355	2,063,399	444,212,196
34	Green Power Development and Energy Efficiency Improvement Programme	2014036	XDR	-	-	446,366	90,194,294
35	Integrated Road Investment Programme - Tranch 3	2015036	USD	46,575,068	7,366,368,334	90,792,019	13,774,226,655
36	Integrated Road Investment Programme - Tranch 3	2015037	XDR	387,625	78,451,570	459,493	92,973,636
37	Small and Medium Sized Enterprises Line of Credit	2016014	USD	37,500,002	5,766,371,553	37,500,000	5,756,625,005
38	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016033	XDR	41,460	9,891,075	123,775	26,926,465
39	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016034	USD	621,336	98,657,270	3,968,603	603,835,190
40	Transport Project Preparatory Facility	2016035	XDR	1,704,962	399,685,724	1,225,424	263,891,650
41	Local Government Enhancement Sector Project - Additional Financing	2016036	USD	7,323,821	1,162,141,724	1,885,596	289,823,127
42	Project Design Advance for Northern Province Sustainable Fisheries Development Project	2017010	USD	427,515	67,491,894	40,829	6,171,339
43	Capital Market Development Programme	2016038	USD	125,000,000	19,403,187,500	-	-

Notes to the Financial Statements contd...

Note 11 - FOREIGN BORROWINGS - 2018

Funding Agency	Name of the Project	Loan Key	Loan Currency	2018		2017	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
44	Second Integrated Road Investment Programme- Tranche I	2017037	USD	17,912,976	2,885,213,691	-	-
45	Jaffna Killinochchi Water Supply Project - Additional Financing	2017039	USD	36,417	5,750,975	-	-
46	Integrated Road Investment Programme - Tranche 4	2017040	USD	19,614,412	3,309,028,440	-	-
47	Small and Medium Enterprises Line of Credit - Additional Financing	2018005	USD	25,000,000	3,956,422,500	-	-
48	Mahaweli Water Security Investment Program - Tranche 2	2018018	USD	88,053	15,517,242	-	-
49	Mahaweli Water Security Investment Program - Tranche 2	2018019	USD	1,947,036	316,738,571	-	-
50	Second Integrated Road Investment Programme Tranch 01	2017036	USD	433,739	73,235,981	-	-
51	Skills Sector Enhancement Program - Additional Financing	2018020	USD	7,800,000	1,417,422,240	-	-
52	Skills Sector Enhancement Program - Additional Financing	2018021	USD	5,200,000	944,948,160	-	-
	EXPORT IMPORT BANK OF UNITED STATES				136,179,117		2,334,489,730
53	Badulla Haliela & Ella Water Supply Project	2013025	USD	892,279	136,179,117	15,588,340	2,334,489,730
	BOERENLEEN BANK				811,796,799		231,931,049
54	Development of General Hospital Kaluthara	2016012	EUR	4,640,275	811,796,799	1,280,451	231,931,049
	HSBC BANK PLC (UK)				501,367,168		1,031,862,679
55	Construction of 210 Permanent Rural Steel Bridges	2012023	USD	-	-	-	-
56	Modernization of Processing Factories of MILCO (Pvt) Ltd	2013012	USD	3,304,220	501,367,168	5,083,856	671,958,864
57	Regional Bridge Project - Phase ii	2013027	USD	-	-	2,380,735	359,903,815
	HSBC (With Guarantee of EKF Denmark)						
58	Establishment of Dairy Processing Plant at Badalgama	2015019	EUR	7,466,565	1,414,599,082	21,193,894	3,479,419,736
	HSBC LIMITED (HONG KONG)				2,273,572,328		-
59	Procurement of 09 Nos Diesel Multiple Units for Upcountry Line Operation of Sri Lanka Railways.	2018015	USD	14,080,201	2,273,572,328	-	-
	INTERNATIONAL DEVELOPMENT ASSOCIATION				22,432,097,289		29,081,452,689
60	Transforming the School Education System as the Foundation of a Knowledge Hub Project	2012012	XDR	3,873,930	876,988,200	6,600,000	1,408,297,961
61	Second Health Sector Development Project	2013030	XDR	16,985,532	3,904,891,651	45,021,532	9,492,141,471
62	Climate Resilience Improvement Management Programme	2014010	XDR	13,530,001	3,009,422,866	9,514,383	1,958,339,823
63	Strategic Cities Development Project	2014019	XDR	10,453,157	2,346,134,710	5,092,839	1,065,700,000
64	Skills Development Project	2014022	XDR	3,120,000	693,695,448	14,040,000	2,968,920,933
65	Additional Financing for Dam Safety & Water Resources Planning Project	2014020	XDR	6,717,647	1,504,850,142	18,271,191	3,858,470,955
66	Water Supply and Sanitation Improvement Project	2015028	XDR	15,089,657	3,382,126,620	25,030,731	5,361,715,380
67	Early Childhood Development Project	2015030	XDR	4,738,944	1,070,859,773	3,305,616	676,910,451
68	Additional Financing for Strategic Cities Development Project	2016027	XDR	2,640,106	593,326,340	480,009	97,984,640
69	Additional Financing for Climate Resilience Improvement Project	2016028	XDR	4,351,551	981,348,300	4,087,780	870,834,217
70	Ecosystem Conservation and Management Project	2016029	XDR	3,299,622	737,726,200	2,099,510	437,248,638
71	Social Safety Nets Project	2016043	XDR	-	-	2,161,815	468,017,161
72	Agriculture Sector Modernization Project	2017001	USD	10,533,074	2,313,526,696	1,963,819	416,871,059
73	Transport Connectivity & Asset Management Project	2017023	XDR	1,052,265	236,127,195	-	-
74	Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017017	XDR	3,345,000	750,082,802	-	-
75	Financial Sector Modernization Project	2017024	XDR	138,500	30,990,345	-	-
	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT				4,390,834,327		1,727,268,626
76	Metro Colombo Urban Development Project	2012011	USD	25,000,000	3,932,942,500	11,457,835	1,727,268,626
77	Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017019	USD	2,881,484	457,891,827	-	-

Notes to the Financial Statements contd...

Note 11 - FOREIGN BORROWINGS - 2018

Funding Agency	Name of the Project	Loan Key	Loan Currency	2018		2017	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT				687,871,760		1,817,067,947
78	Smallholder Plantations Entrepreneurship Development Programme	2007011	XDR	-	-	307,916	61,679,158
79	National Agri Business Development Programme	2010009	XDR	350,092	70,701,079	2,356,027	503,162,543
80	Iranamadu Irrigation Development Project	2012008	XDR	271,111	53,306,521	2,150,662	444,167,905
81	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	2016016	USD	1,581,395	353,022,955	1,804,095	377,568,421
82	Implementation of Smallholder Agribusiness Partnership(SAP) Program	2017014	USD	1,222,519	210,841,204	2,800,000	430,489,920
	ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)				3,502,525,180		3,408,523,476
83	Kalu Ganga Development Project	2010038	USD	3,269,886	509,925,105	3,184,962	484,571,750
84	Road Network Development Project	2012024	USD	638,053	100,184,573	695,796	105,925,778
85	Colombo National Highways Project	2013023	USD	3,895,261	620,293,562	7,483,897	1,132,254,979
86	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	2015015	USD	7,290,815	1,175,722,782	11,098,394	1,685,770,969
87	Western Province Road Development Project	2015014	USD	4,580,703	730,599,175	-	-
88	Kalu Ganga Development Project (Additional Loan)	2017030	USD	2,094,545	365,799,983	-	-
	RAIFFISEN ZENTRAL BANK				1,922,010,924		627,725,742
89	Implementation of the Kochchikade Bridge	2016001	EUR	2,192,062	421,800,222	3,514,609	627,725,742
90	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	2017025	EUR	2,799,805	542,970,392	-	-
91	Obtaining 100 Ambulance Cars for Government Hospitals	2017029	EUR	5,024,210	957,240,310	-	-
	UNICREDIT BANK AUSTRIA AG				845,197,072		317,432,193
92	Sewerage Infrastructure at Kataragama Sacred City Area	2013045	EUR	595,434	178,590,366	1,881,077	317,432,193
93	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Higher Education and Highways in Sri Lanka	2018017	EUR	3,304,923	666,606,705	-	-
	CALYON CREDIT AGRICOLE CIB				4,247,856,180		3,075,841,200
94	Implementation of Greater Matale Water Supply Project	2016019	EUR	4,622,450	856,967,849	10,667,527	1,775,573,570
95	Implementation of Kelani Right Water Supply Project - Phase 11	2016020	EUR	18,276,690	3,390,888,331	8,327,960	1,300,267,630
	CO-OP CENTRALE RAIFFEISEN-BOERENLEENBANK				2,346,118,941		4,052,467,756
96	Sri Lanka Dairy Development Project Phase-II	2014032	USD	-	-	1,037,135	152,355,156
97	Construction of 463 Rural Bridges	2014035	USD	5,784,684	1,087,866,103	14,928,739	2,480,792,350
98	Implementation of Importation of 20,000 Dairy Animals Project(USD 62.86)	2016040	USD	-	-	6,559,020	1,000,210,141
99	Implementation of Importation of 20,000 Dairy Animals Project (USD 11.09)	2016041	USD	-	-	2,773,277	419,110,109
100	Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District.	2017034	EUR	6,564,066	1,258,252,838	-	-
	CHINA DEVELOPMENT BANK CORPORATION				6,483,317,842		16,176,032,777
101	Improvement and Rehabilitation of Priority Roads	2011007	USD	-	-	2,435,207	369,013,920
102	Moragahakanda Development Project	2012017	USD	4,821,082	740,699,892	29,973,757	4,540,507,372
103	Improvement and Rehabilitation of Priority Roads Project 3 (Phase i)	2014001	USD	16,985,442	2,738,410,957	41,660,717	6,349,420,802
104	Improvement and Rehabilitation of Priority Roads Project 3 (Phase ii)	2014034	USD	18,795,745	3,004,206,993	32,189,979	4,917,090,683
	GOVERNMENT OF FRANCE				813,423,879		-
105	Implementation of Ambathale Water Supply System Improvement & Energy Savings Project	2014027	USD	3,000,000	487,500,000	-	-
106	Implementation of Anuradhapura Integrated Urban Development Project	2016039	EUR	1,242,149	231,056,579	-	-
107	Implementation of Sanitation Hygiene Initiative for Towns Project Phase I	2016021	EUR	500,000	94,867,300	-	-
	GOVERNMENT OF GERMANY				409,519,917		1,110,496,939
108	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	2005051	EUR	-	-	342,253	53,025,016

Notes to the Financial Statements contd...

Note 11 - FOREIGN BORROWINGS - 2018

Funding Agency	Name of the Project	Loan Key	Loan Currency	2018		2017	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
109	Construction of the Mahamodara Maternity Hospital Galle	2012022	EUR	2,132,817	406,096,552	6,306,525	1,057,471,923
110	Grid Substation Kelaniya & Ratmalana	1998037	EUR	22,880	3,423,365		-
GOVERNMENT OF INDIA					6,834,154,828		9,886,261,757
111	Upgrading of Railway Line Colombo Matara phase II	2010010	USD	425,919	68,096,313	777,769	119,485,385
112	Railway Line Omanthai -Pallai, Madhu- Tallaimannar & Medawachchiya	2010052	USD	5,077,969	901,372,596		-
113	India Dollar Credit Line Agreement	2008006	USD	238,110	36,597,436	8,731,205	1,329,417,855
114	Greater Dambulla Water Supply Project i	2012002	USD	2,576,286	411,932,453	742,020	112,919,628
115	Restoration of Northern Railway Services	2012003	USD	7,587,412	1,172,486,901	37,902,700	5,793,324,771
116	Procurement of Two Advanced Offshore Petrol Vessels	2013046	USD	26,898,148	4,243,669,130	16,637,500	2,531,114,119
GOVERNMENT OF KUWAIT					2,421,573,021		1,387,982,652
117	Kalu Ganga Development Project	2009002	KWD	3,127,654	1,655,928,878	2,012,326	1,008,204,971
118	South Eastern University of Sri Lanka Development Project Phase I "B"	2011030	KWD	531,067	276,893,821	311,446	154,898,832
119	Reconstruction of 25 Bridges Project	2014002	KWD	451,744	235,861,536	454,663	224,878,848
120	Building Complex For the Faculty of Healthcare Sciences, Eastern University, Sri Lanka	2016017	KWD	142,706	73,294,758		
121	Kalu Ganga Development Project (Supplementary)	2017033	KWD	311,922	179,594,028		
SAUDI FUND FOR ARAB ECONOMIC DEVELOPMENT					3,228,232,169		3,747,096,809
122	Bataloa - Trincomalee Road Project	2004043	SAR	69,306	2,730,667	573,762	21,890,781
123	Epilepsy Hospital & Health Centers Project	2008001	SAR	4,673,678	190,140,490	5,279,559	203,554,639
124	Kalu Ganga Development Project	2010028	SAR	46,342,106	1,923,407,411	55,651,767	2,189,791,233
125	Road Network Development Project	2012025	SAR	789,667	34,850,619	10,469,403	403,358,173
126	Epilepsy Hospital & Health Centers Project (ADF)	2015027	SAR	13,407,371	568,011,655	23,152,178	928,501,983
127	Improvement of Peradeniya-Badulla - Chenkaladi Road Project	2015026	SAR	12,215,658	509,091,327		-
GOVERNMENT OF JAPAN					17,400,529,849		13,945,078,402
128	Kandy City Waste Water Management Project	2010016	JPK	1,358,261	1,948,753,921	1,199,554	1,620,623,424
129	Greater Colombo Urban Transport Development Project. - Phase II	2011003	JPK	235,108	333,126,063	255,308	346,492,396
130	Improvement of Basic Social Services Targeting Emerging Region	2012007	JPK	1,099,084	1,581,591,381	304,894	409,218,916
131	Greater Colombo Transmission and Distribution Loss Reduction Project.	2013016	JPK	20,971	24,677,196	-	-
132	Major Bridges Construction Project	2013018	JPK	1,368,330	2,035,970,785	1,973,779	2,694,077,542
133	Landslide Disaster Protection Project	2013019	JPK	1,771,792	2,636,222,773	886,013	1,212,798,217
134	Anuradhapura North Water Supply Project	2013020	JPK	362,537	524,643,467	166,858	226,716,874
135	New Bridges Construction Project Over the Kelani River	2014003	JPK	5,526,094	8,315,544,262	5,410,110	7,390,471,636
136	National transmission and distribution network development and efficiency improvement project	2015018	JPK		-	32,856	44,679,397
BANCO BILBAO VISCAYA ARGETARIA (SPAIN)					282,894,641		1,329,911,364
137	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	2015033	EUR	1,530,192	282,894,641	8,010,491	1,329,911,364
GOVERNMENT OF THE REPUBLIC OF KOREA					1,485,422,631		282,848,999
138	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project in Sri Lanka	2013033	KRK	3,815,893	559,723,953	1,614,850	219,649,991
139	Construction of Solid Waste Disposal Facilities	2013031	KRK		-	460,970	63,199,008
140	Deduru Oya Water Supply Project	2014038	KRK	6,393,640	925,698,678	-	-
EXPORT FINANCE & INSURANCE CORPORATION					185,732,518		1,495,873,297
141	Supply and Purchase of Clinical Waste Disposal System & Related Equipment	2015034	USD	1,178,026	185,732,518	9,812,765	1,495,873,297
THE EXPORT - IMPORT BANK OF CHINA					55,534,237,260		68,982,466,034
142	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013005	USD	13,362,642	2,126,500,479	15,919,126	2,430,694,710
143	Kurunegala Water Supply & Sewerage Project	2013041	CNY	190,284,964	4,486,709,948	-	-

Notes to the Financial Statements contd...

Note 11 - FOREIGN BORROWINGS - 2018

Funding Agency	Name of the Project	Loan Key	Loan Currency	2018		2017	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
144	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013022	CNY	65,541,716	1,604,676,251	22,708,783	498,172,376
145	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	2014024	USD	80,969,279	12,967,138,958	68,373,418	10,451,323,135
146	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatta	2014025	CNY	247,681,494	5,956,057,648	724,430,382	16,386,265,862
147	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatta	2014040	USD	119,488,461	19,093,499,936	136,330,765	20,783,338,424
148	Hambantota Hub Development Project	2014026	CNY	143,579,999	3,469,539,437	400,369,285	8,971,830,009
149	Construction Extension of Southern Expressway Section 2 from Beliatta to Wetiya Project	2016015	USD	24,324,148	3,847,147,895	62,216,789	9,460,841,517
150	Consultancy Services for Design Review and Construction Supervision of Civil works on Extension of Southern Expressway Project	2017042	CNY	83,293,431	1,982,966,708	-	-
EXPORT IMPORT BANK OF HUNGARY					384,534,097		425,748,047
151	Rehabilitation of Kalatuwawa Water Treatment Plant Project	2013008	EUR	1,005,029	162,171,630	1,336,971	218,605,722
152	Rehabilitation of Labugama Water Treatment Plant Project	2013009	EUR	1,379,880	222,362,468	1,266,862	207,142,325
DEUTSCHE BANK AG					4,569,818,118		3,339,021,411
153	Construction of 537 Steel Beam Bridges	2014028	GBP			17,189,548	3,339,021,411
			USD	28,880,506	4,569,818,118		
KBC BANK OF BELGIUM							454,075,218
154	Implementation of Monaragala -Butthala Water Supply Project	2014007	EUR		-	2,769,366	454,075,218
KINGDOM OF SPAIN					879,566,674		3,525,715,614
155	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	2015032	EUR	1,822,680	350,288,967	15,607,813	2,659,668,365
156	Implementation of Anamaduwa Integrated Water Supply Project	2016023	EUR	2,842,242	529,277,707	5,358,928	866,047,249
REFUNDS							
157	Northern Road Connectivity Project (ADF)	2010026	XDR		-		(32,943,389)
158	Small & Micro Industries Leader & Entrepreneur Promotion Project	2004045	JPK		-		(245,103,684)
159	Environmentally Friendly Solution Fund Project	2004046	JPK		-		(1,232,605,674)
160	Sustainable Power Sector Support Project	2011012	USD		-		(2,612,883)
161	National Highways Sector Project (ADF)(OCR)	2011035	USD		-		(807,616)
REFUNDS							
162	Trincomalee Integrated Infrastructure Project [TIIP]	2005049	EUR	(131,299)	(23,744,315)		-
163	Smallholder Plantations Entrepreneurship Development Programme	2007011	XDR	(21,818)	(5,530,781)		-
164	Trincomalee Integrated Infrastructures Project (TIIP)	2008030	EUR	(9,620)	(1,739,630)		-
Total					209,858,349,449		220,128,635,998
Note:							
Project Loans (8343)					209,858,349,449		220,128,635,998
Foreign Currency Term Financing Facility (9190)					170,922,700,000		152,726,985,000
International Sovereign Bond (9194)					390,826,750,000		228,450,000,000
					771,607,799,449		601,305,620,998

Notes to the Financial Statements contd...

NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2018 Rs.	2017 Rs.
Grands Received in the form of Cash for Projects		
DONOR		
Asian Development Bank (ADB)	64,320,626	236,190,374
The Government of Japan (JICA)	2,730,383,188	85,236,260
International Labour Organization (ILO)	839,345	14,556,070
United States Agency for International Development (USAID)	27,751,192	2,392,146
International Development Research Centre (IDRC)	-	15,598
United Nations Industrial Development Organization (UNIDO)	21,874,187	20,650,051
United Kingdom (UK)	100,603,825	122,903,169
United Nations Development Programme (UNDP)	362,174,374	205,897,056
United Nations Educational, Scientific and Cultural Organization (UNESCO)	13,784,839	13,408,859
United Nations Fund for Population (UNFPA)	5,419,626	8,126,914
United Nations Children's Fund (UNICEF)	83,682,021	125,893,082
World Health Organization (WHO)	23,513,796	38,481,852
World Food Programme (WFP)	376,395,569	894,341,607
World Bank (WB)	862,737,472	935,852,033
United Nations Environment Programme (UNEP)	13,632,902	46,095,777
Global Alliance Vaccination Immunization (GAVI)	18,340,079	34,175,298
South Asian Association for Regional Cooperation (SAARC)	15,658,919	119,682,160
Food and Agricultural Organization (FAO)	7,782,748	4,189,468
Government of Korea	1,612,100	1,515,190
Government of Italy	12,744,519	26,636,797
Government of Norway (NORAD)	61,338,736	21,734,342
Government of Germany	-	475,573
Government of Bahrain	-	3,950,000
Government of China	86,320,136	19,439,757
Government of Pakistan	1,215,721	3,650,000
Government of Nepal	-	130,912
African Asian Rural Development Organization (AARDO)	546,074	297,455
Government of Netherland	17,391,100	55,686,072
Government of Australia	249,127	-
United Nations High Commissioner for Refugees (UNHCR)	130,526,869	-
UN Habitat	11,375,350	-
Sri Lanka	1,000,000	-
International Development Association (IDA)	224,970,493	-
Government of India	5,575,422	-
Swiss	7,835,682	-
International Fund for Agricultural Development (IFAD)	2,674,869	-
Total (a)	5,294,270,908	3,041,603,872

Notes to the Financial Statements contd...

NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2018 Rs.	2017 Rs.
Grant Received through Special Foreign Currency Accounts		
International Development Association (IDA)	79,856,071	1,508,537,973
Asian Development Bank (ADB)	237,739,500	319,846,966
International Fund for Agricultural Development (IFAD)	-	112,611,977
World Bank	232,653,020	128,087,023
AIIB	10,184,814	-
Total (b)	560,433,406	2,069,083,939
Grants Received in Materials & Equipments		
World Food Programme (WFP)	55,005,440	452,444,211
The Government of Korea (KOICA)	-	12,338,204
The Government of Japan (JICA)	-	38,911,151
Government of China	125,667,647	-
Germany (GIZ)	145,453,342	-
Government of India	37,696,857	-
Government of Austria	37,638,701	-
Total (c)	401,461,987	503,693,566
Direct Payments		
Government of Japan (JICA)	3,447,410,048	1,145,906,048
Government of India	1,291,706,822	695,531,378
Government of German (GIZ)	389,654,383	290,734,449
United Nations Development Programme (UNDP)	45,012,579	175,754,698
Government of China	-	30,405,925
Government of Austria	-	1,555,611
Government of Korea	168,337,596	-
United States Agency for International Development (USAID)	887,232,106	-
Total (d)	6,229,353,534	2,339,888,110
Budgetary Support Grant		
Qatar Development Fund	-	76,818,022
Total (e)	-	76,818,022
Grand Total = (a)+(b)+(c)+(d)+(e)	12,485,519,835	8,031,087,509

Notes to the Financial Statements contd...

	Actual	
	2018 Rs	2017 Rs
NOTE - 13 - DOMESTIC NON BANK BORROWINGS		
Net Borrowings through Treasury Bills - 8085	34,090,595,473	(67,690,854,309)
Treasury Bonds - 9093	763,020,000,000	548,815,000,000
Foreign Currency Banking Unit (Non Project) - 9107	62,376,980,000	33,282,000,000
Sri Lanka Development Bonds - 9105	234,092,178,937	338,524,166,772
Foreign Currency Banking Unit (Project) 9196 - Note 29(i)	5,682,693,811	3,740,758,187
	1,099,262,448,221	856,671,070,650
Net Borrowings through Treasury Bills - 8085		
Borrowings through Treasury Bills	1,653,259,330,000	1,624,266,320,000
Less: Total Repayments	1,619,168,734,527	1,691,957,174,309
Net of Borrowings/Repayment	34,090,595,473	(67,690,854,309)
NOTE - 14 - DOMESTIC DEBT REPAYMENTS		
Treasury Bonds - 9093	517,458,378,919	360,958,697,741
Sri Lanka Development Bonds - 9105	363,553,282,359	285,235,070,697
Foreign Currency Banking Unit (Non Project) - 9107	43,309,391,000	-
Deferred Loan Re-Payment	2,006,748,868	157,767,080
Foreign Currency Banking Unit (Project) - 9196	2,448,906,834	1,782,334,874
Ministry of Defence -Suhurupaya Loan - 9198	568,919,602	-
	929,345,627,582	648,133,870,392
Note : - Net Borrowings through Treasury Bills reflects the difference between borrowings through Treasury Bills and their settlements on maturity taken place during the year.		
NOTE - 15- RECOVERIES FROM ON-LENDING		
National Development Bank	604,302,045	433,670,608
Sri Lanka Ports Authority	5,179,100,598	4,839,922,812
Development Finance Corporation of Ceylon	2,685,022,076	2,549,476,926
Hatton National Bank	612,460,334	637,087,158
Bank of Ceylon	195,367,994	213,355,082
Sampath Bank	556,749,582	564,440,768
Commercial Bank	506,121,566	460,328,763
Seylan Bank	41,900,520	41,900,520
Lankaputhra Development Bank	107,365,960	8,878,643
Colombo Municipal Council	46,839,098	140,517,294
Ceylon Petroleum Corporation	113,939,085	37,979,695
Lanka Orix Leasing Company	160,546,668	160,546,668
Local Loan Development Fund	121,575,155	173,451,998
Revolving Funds of Central Bank with Regional Development Banks	13,130,943,447	4,619,354,548
Airport & Aviation Service (Ltd)	864,301,482	804,199,260
Other Institutions	344,979,843	402,785,460
Sub Total (a)	25,271,515,453	16,087,896,204
Treasury Funded Lending		
AHF Loan Scheme	212,473,332	215,730,336
Other Loans	99,653,562	114,437,692
Sub Total (b)	312,126,894	330,168,028
Grand Total (a+b)	25,583,642,347	16,418,064,232

Notes to the Financial Statements contd...

NOTE 16 - STATEMENT OF NON-FINANCIAL ASSETS 2018

Land-9153:	366,348,688,059
Building- 9151:	423,584,756,217
Machinery-9152:	183,834,519,289
WIP-9160:	88,731,070,407

Ledger	Category	Item	Code	Opening Balance	Purchases	Disposals	Closing Balance
9151-->	1.1-Dwellings		61111	29,383,119,794	224,371,003	6,275,716,798	23,331,774,000
		House Boats	****6111101	30,540,756	-	-	30,540,756
		Garages	****6111102	103,753,344	9,931,890	730,000	112,955,234
		Mobile Home	****6111103	4,420,718	-	-	4,420,718
		Housing Schemes/ Flats	****6111104	6,925,237,918	197,063	-	6,925,434,981
		Rest Houses	****6111105	532,290,264	-	-	532,290,264
		Hotels & Restaurants	****6111106	272,908,874	850,000	-	273,758,874
		Quarters	****6111107	13,648,189,714	159,161,653	165,948,445	13,641,402,923
		Circuit Bunglows	****6111108	7,865,778,206	54,230,397	6,109,038,353	1,810,970,250
9151-->	1.2-Non Residential Building		61112	263,544,976,240	7,087,863,077	10,562,023,263	260,070,816,054
		Office Building	****6111201	115,517,359,652	6,588,335,977	10,492,227,502	111,613,468,128
		Schools	****6111202	43,764,765,668	231,253,107	40,010,556	43,956,008,220
		Hospitals	****6111203	92,534,170,342	166,602,044	29,658,800	92,671,113,586
		Building for Public Entertainment	****6111204	1,577,051,181	58,228,606	57,500	1,635,222,287
		Warehouse	****6111205	1,533,970,762	42,315,389	-	1,576,286,151
		Airport	****6111206	98,705,486	162,139	68,905	98,798,720
		Markets	****6111208	202,618,531	-	-	202,618,531
		Laboratories & Research Stations	****6111209	3,202,446,581	965,814	-	3,203,412,395
		Factories	****6111210	5,113,888,037	-	-	5,113,888,037
9151-->	1.3-Other Structure		61113	140,179,145,980	13,322,558	10,302,374	140,182,166,163
		Highways Street Road	****6111301	51,096,059	-	-	51,096,059
		Tunnel	****6111303	4,450,002	-	-	4,450,002
		Railways Subways	****6111304	139,509,182,135	-	-	139,509,182,135
		Harbors dams & other water works	****6111306	28,612,810	-	-	28,612,810
		Structures associated with mining subsoil assets	****6111307	1,922,070	2,268,575	-	4,190,645
		Communication line power line & pipelines	****6111308	78,115,121	1,552,898	18,847	79,649,172
		Outdoor sport & recreation facilities	****6111309	303,218,095	9,347,472	10,232,098	302,333,469
		Sewerage Treatment Complex	****6111310	1,008,000	-	-	1,008,000
		Pumping Station	****6111311	129,260,952	102,185	-	129,363,137
		Farms and Agriculture related Assets	****6111312	72,280,735	51,429	51,429	72,280,735
	9151-Sub Total			433,107,242,013	7,325,556,637	16,848,042,434	423,584,756,217
9160-->	1.4-WIP-Building & Structure		61114	90,027,163,256	7,294,397,738	8,590,490,587	88,731,070,407
		WIP-Building & Structure	****611140	28,276,163,162	4,683,885,793	27,119,203	32,932,929,752
		Hospitals	****6111410	494,263,390	389,340,897	-	883,604,287
		Building for Public Entertainment	****6111411	112,282,196	78,836,209	-	191,118,405
		Warehouse	****6111412	1,099,209,569	510,729,586	-	1,609,939,155
		Airport	****6111413	380,721,537	-	-	380,721,537
		Laboratories & Research Stations	****6111416	-	194,979	-	194,979
		Highways Street Road	****6111418	1,255,579	7,294,075	-	8,549,653
		Garages	****611142	2,104,297	14,892,558	2,046,317	14,950,538
		Railways Subways	****6111421	34,560,422,429	56,991,282	1,122,601,680	33,494,812,031
		Air field runways	****6111422	3,352,000	601,580	-	3,953,580

Notes to the Financial Statements contd...

NOTE 16 - STATEMENT OF NON-FINANCIAL ASSETS 2018

Ledger	Category	Item	Code	Opening Balance	Purchases	Disposals	Closing Balance
		Harbors dams & other water works	****6111423	6,626,555	-	-	6,626,555
		Communication line power line & pipelines	****6111425	-	145,000	145,000	-
		Outdoor sport & recreation facilities	****6111426	201,362,372	119,030,968	4,400,928	315,992,412
		Sewerage Treatment Complex	****6111427	19,905	-	-	19,905
		Pumping Station	****6111428	117,300	1,525,505	-	1,642,805
		Farms and Agriculture related Assets	****6111429	-	2,559,156	-	2,559,156
		Mobile Home	****611143	749,250	129,784	-	879,034
		Hotels & Restaurants	****611145	2,229,468	751,784	-	2,981,252
		Quarters	****611146	753,916,017	182,857,428	9,492,500	927,280,946
		Circuit Bunglows	****611147	34,656,331	21,411,849	4,883	56,063,297
		Office Building	****611148	22,945,125,802	1,088,246,762	7,424,680,077	16,608,692,488
		Schools	****611149	1,152,586,098	134,972,542	-	1,287,558,640
	9160-Sub Total			90,027,163,256	7,294,397,738	8,590,490,587	88,731,070,407
9152-->	2.1-Transport Equipment		61121	136,860,943,871	1,573,851,780	551,966,908	137,882,828,743
		Passenger vehicle	****6112101	39,576,803,464	124,314,271	534,763,608	39,166,354,126
		Cargo vehicle	****6112102	11,876,438,326	-	12,008,000	11,864,430,326
		Agricultural vehicle	****6112103	1,433,104,483	1,995,216	5,054,800	1,430,044,899
		Industrial Vehicle	****6112104	3,231,371,250	4,071,000	120,000	3,235,322,250
		Ambulance	****6112105	2,272,469,967	1,435,983,793	-	3,708,453,760
		Ships	****6112106	21,418,825,871	-	-	21,418,825,871
		Railway locomotives	****6112107	2,763,308,509	-	-	2,763,308,509
		Aircraft	****6112108	53,501,406,740	-	-	53,501,406,740
		Motor cycle	****6112109	787,215,261	7,487,500	20,500	794,682,261
9152-->	2.2-Other Machinery & Equipment		61122	41,688,839,004	4,929,323,613	666,472,070	45,951,690,546
		Office Equipment	****6112201	4,296,310,045	854,212,768	180,073,445	4,970,449,368
		Computer Equipment	****6112202	4,851,247,242	557,286,994	142,547,151	5,265,987,086
		Electrical Equipment	****6112203	4,060,828,104	420,714,805	15,761,899	4,465,781,010
		Communication Equipment	****6112204	1,793,132,621	358,611,063	4,705,838	2,147,037,846
		Furniture	****6112205	8,602,172,341	619,642,429	247,961,139	8,973,853,631
		Musical Instruments	****6112206	368,016,543	10,274,038	6,000	378,284,581
		Medical Equipment	****6112207	14,038,985,713	1,239,106,793	8,754,223	15,269,338,283
		Sports equipment	****6112208	151,192,001	29,298,817	18,625,750	161,865,068
		Paintings Sculptures & other Antiques	****6112209	853,416	-	-	853,416
		Books Periodical & Journals	****6112210	24,526,669	5,154,968	186,962	29,494,676
		Laboratory Instruments	****6112211	1,617,373,976	581,021,047	6,486,902	2,191,908,121
		Industrial & Manufacturing Equipment	****6112212	493,697,692	102,599,738	67,450	596,229,980
		Construction Equipment	****6112213	498,087,424	22,951,257	40,699,475	480,339,205
		Broadcasting Equipment	****6112214	293,089,152	8,219,401	91,500	301,217,053
		Defence Equipment	****6112215	432,969,547	45,241,285	99,979	478,110,853
		Agricultural & Dairy Farm Equipment	****6112216	100,044,528	72,249,944	170,548	172,123,924
		Fire Protection Equipment	****6112217	66,311,990	2,738,265	233,810	68,816,446
	9152-Sub Total			178,549,782,875	6,503,175,392	1,218,438,979	183,834,519,289
9153-->	4.1-Land		61410	296,841,646,841	1,117,461,749	7,841,462,983	290,117,645,607
		Land	****614100	296,841,646,841	1,117,461,749	7,841,462,983	290,117,645,607
9153-->	4.1-Urban or Built-Up Land		61411	44,207,233,250	-	71,150,000	44,136,083,250
		Commercial and Services	****6141101	2,950,680,400	-	69,450,000	2,881,230,400
		Industrial	****6141102	1,700,000	-	1,700,000	-
		Mixed Urban	****6141104	41,254,852,850	-	-	41,254,852,850
9153-->	Water		61414	28,846,489,145	3,089,508,778	1,473,720	31,934,524,202
		Streams and Canals	****6141401	5,847,100,000	292,071	-	5,847,392,071

Notes to the Financial Statements contd...

NOTE 16 - STATEMENT OF NON-FINANCIAL ASSETS 2018

Ledger	Category	Item	Code	Opening Balance	Purchases	Disposals	Closing Balance
		Lakes	****6141402	132,000,000	-	-	132,000,000
		Reservoirs	****6141403	22,867,389,145	3,088,338,122	1,473,720	25,954,253,547
		Bays and Estuaries	****6141404	-	878,584	-	878,584
9153-->	Barren Land		61416	160,435,000	-	-	160,435,000
		Sandy Areas Other than Beaches	****6141603	160,435,000	-	-	160,435,000
	9153-Sub Total			370,055,804,236	4,206,970,526	7,914,086,703	366,348,688,059
	Total (a)			1,071,739,992,381	25,330,100,294	34,571,058,703	1,062,499,033,971

9180- Lease Assets

Head	Ministry/Department	Closing balance
06	Public Service Commission	39,000,000
103	Ministry of Defence	35,900,000
240	Department of National Budget	24,811,740,069
281	Department of Agrarian Development	11,950,000
	Total (b)	24,898,590,069

Total Non-Financial Assets = (a)+(b) **1,087,397,624,041**

Note: Detail non-financial assets report as at 31st December 2018 in Ministry/Department wise has published in the Department of State Accounts Website. (www.treasury.gov.lk/sad)

Notes to the Financial Statements contd...

	Actual	
	2018 Rs.	2017 Rs.
NOTE - 17 ADVANCES TO PUBLIC OFFICERS		
Advances to Public Officers Transferred to Provincial Councils (7004)	191,466,910	194,275,195
Advances to Public Officers of the Central Government (8493)	30,779,249,178	27,233,556,669
	30,970,716,088	27,427,831,864
NOTE - 18 ADVANCES TO GOVERNMENT DEPARTMENTS		
Treasury Authorized Advance Account (7000)	15,303,986,669	15,088,063,621
	15,303,986,669	15,088,063,621
NOTE - 19 MEMBERSHIP FEES PAID		
International Monetary Institutions Membership Fees (8234) and (8339)	1,885,484,942	1,885,484,942
Foreign Aid Counterpart Fund - Grants (8317)	1,631,694,933	1,631,694,933
	3,517,179,875	3,517,179,875

Notes to the Financial Statements contd...

Note 20 - ON LENDING

S.No.	Name of the Institution	Balance as at 01.01.2018 Rs.	New Loan During 2018 Rs.	Amount Settled During 2018 Rs.	Balance as at 31.12.2018 Rs.
1	Sri Lanka Ports Authority	57,727,503,898	-	5,179,100,598	54,646,464,095
	Add / (Less) : Parity Variance	2,098,060,795		-	11,132,317,951
	Balance	59,825,564,693	-	5,179,100,598	65,778,782,045
2	Development Finance Corporation of Ceylon	24,086,177,916	1,431,353,184	2,685,022,076	22,751,090,335
	Add / (Less) : Parity Variance/Adjustment	76,153,893			526,492,627
	Less: Revolving Recoveries/Disbursement	(157,572,583)			(187,638,447)
	Balance	24,004,759,226	1,431,353,184	2,685,022,076	23,089,944,515
3	Lankaputhra Development Bank	2,749,870,405	-	107,365,960	2,701,800,315
	Add / (Less) : Parity Variance	59,295,870			492,955,468
	Balance	2,809,166,275	-	107,365,960	3,194,755,783
4	People's Bank	1,687,203,029	654,554,826	177,505,793	2,129,227,488
	Add / (Less) : Parity Variance/Adjustment				(24,192,401)
	Less: Revolving Recoveries/ Disbursement	(35,024,573)			(91,898,020)
	Balance	1,652,178,456	654,554,826	177,505,793	2,013,137,068
5	National Development Bank	6,958,782,717	1,353,237,626	604,302,045	7,692,153,298
	Add / (Less) : Parity Variance/Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(15,565,000)			(89,761,456)
	Balance	6,943,217,717	1,353,237,626	604,302,045	7,602,391,842
6	NLDB (National Livestock Development Board)	5,108,614,853	-	-	5,226,174,301
	Add / (Less) : Parity Variance/Adjustment	117,559,448			995,381,570
	Balance	5,226,174,301	-	-	6,221,555,871
7	Colombo Municipal Council	1,405,891,933	309,355,433	46,839,098	1,668,408,268
	Add / (Less) : Parity Variance/Adjustment	-			(353,813,183)
	Balance	1,405,891,933	309,355,433	46,839,098	1,314,595,084
8	National Water Supply & Drainage Board	-	20,679,147	-	20,679,147
	Add / (Less) : Parity Variance/Adjustment				5,141,703
	Balance	-	20,679,147	-	25,820,850
9	MILCO (Pvt) Ltd	6,451,388,765	-	-	6,599,593,266
	Add / (Less) : Parity Variance/Adjustment	148,204,501			1,375,988,792
	Balance	6,599,593,266	-	-	7,975,582,058
10	Sampath Bank Ltd.	4,039,193,178	1,184,895,891	556,749,582	4,451,174,367
	Add / (Less) : Parity Variance/Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(216,165,119)			(256,148,911)
	Balance	3,823,028,059	1,184,895,891	556,749,582	4,195,025,457
11	Hatton National Bank PLC	3,741,807,931	1,184,660,763	612,460,334	4,141,642,507
	Add / (Less) : Parity Variance/Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(172,365,852)			(192,124,190)
	Balance	3,569,442,079	1,184,660,763	612,460,334	3,949,518,317
12	Commercial Bank of Ceylon PLC	6,411,421,772	1,182,790,038	506,121,566	6,908,437,111
	Add / (Less) : Parity Variance/Adjustment	5,245,849			43,666,150
	Less: Revolving Recoveries/ Disbursement	(184,898,982)			(215,966,233)
	Balance	6,231,768,639	1,182,790,038	506,121,566	6,736,137,028

Notes to the Financial Statements contd...

Note 20 - ON LENDING

S.No.	Name of the Institution	Balance as at	New Loan During	Amount Settled	Balance as at
		01.01.2018	2018	During 2018	31.12.2018
		Rs.	Rs.	Rs.	Rs.
13	Nations Trust Bank	639,625,001	640,707,950	-	1,280,332,951
	Less: Revolving Recoveries/ Disbursement	-			-
	Balance	639,625,001	640,707,950	-	1,280,332,951
14	Seylan Bank PLC	1,705,764,277	623,267,000	41,900,520	2,144,868,613
	Less: Revolving Recoveries/ Disbursement	(142,262,144)			(171,611,704)
	Balance	1,563,502,133	623,267,000	41,900,520	1,973,256,909
15	Ceylon Petroleum Corporation	265,857,864	-	113,939,085	151,918,779
16	Sri Lanka Savings Bank	1,339,739,922	-	9,607,640	1,330,132,282
17	Sarvodaya Economic & Enterprises Dev. Service	633,395,760	-	-	633,395,760
18	Local Loan Development Fund	5,165,623,945	-	121,575,155	5,044,048,790
19	Lanka Orix Leasing Co. Ltd.	361,870,124	-	160,546,668	201,323,456
	Add / (Less) : Parity Variance/Adjustment	-	-	-	(91,653,222)
	Less: Revolving Recoveries/ Disbursement	-			(31,440,557)
	Balance	361,870,124	-	160,546,668	78,229,677
20	Bank of Ceylon	1,430,235,642	1,160,580,763	195,367,994	2,346,016,784
	Add / (Less) : Parity Variance/Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(49,431,627)			(53,583,189)
	Balance	1,380,804,015	1,160,580,763	195,367,994	2,292,433,595
21	Urban Development Authority	276,749,960	-	-	276,749,960
22	Ceylinco Leasing Company Ltd.	14,649,677	-	7,324,839	7,324,838
23	People's Leasing Company Ltd	78,499,201	-	-	36,166,256
	Add / (Less) : Parity Variance/Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(42,332,945)			(25,517,111)
	Balance	36,166,256	-	-	10,649,145
24	Regional Development Bank (Kandurata)	23,228,021	-	-	12,391,545
	Add / (Less) : Parity Variance/Adjustment	-	-	-	3,423,617
	Less: Revolving Recoveries/ Disbursement	(10,836,476)			(4,024,869)
	Balance	12,391,545	-	-	11,790,293
25	Distance Learning Centre Ltd	4,809,240	-	3,206,160	1,603,080
26	Central Bank of Sri Lanka (EIB B)	17,142,500	-	8,571,500	8,571,000
27	Sanasa Development Bank (IFAD 283)	12,056,479	-	-	12,056,479
	Balance	34,008,219	-	11,777,660	22,230,559
28	Sanasa Development Bank	534,031,280	6,025,000	3,854,492	495,061,988
	Add / (Less) : Parity Variance/Adjustment				800
	Less: Revolving Recoveries/ Disbursement	(41,139,800)			(57,087,800)
	Balance	492,891,480	6,025,000	3,854,492	437,974,988
29	Regional Development Bank	2,547,184,185	1,197,305,763	95,584,159	3,508,269,571
	Less: Revolving Recoveries/ Disbursement	(140,636,218)			(200,531,288)
	Balance	2,406,547,967	1,197,305,763	95,584,159	3,307,738,282
30	Min.of Agricultural Dev. Agrarian Services	3,241,620,419	-	5,178,349	3,236,442,070
31	Alliance Finance Company Ltd.	92,906,404	-	15,509,909	77,396,495

Notes to the Financial Statements contd...

Note 20 - ON LENDING

S.No.	Name of the Institution	Balance as at 01.01.2018 Rs.	New Loan During 2018 Rs.	Amount Settled During 2018 Rs.	Balance as at 31.12.2018 Rs.
32	Revolving Funds with Central Bank of Sri Lanka	26,662,106,342	756,929,994	13,130,943,447	15,496,324,208
	Add: Parity Variance/ Adjustment	-	-	-	340,393,019
	Add: Revolving Recoveries/ Disbursement	1,208,231,319	-	-	1,577,333,774
	Balance	27,870,337,661	756,929,994	13,130,943,447	17,414,051,001
33	HDFC / NHDA	188,562,444	-	18,637,002	169,925,442
34	Airport & Aviation Services (Sri Lanka) Ltd	9,557,081,820	-	864,301,482	9,274,906,835
	Add / (Less) : Parity Variance/Adjustment	582,126,497	-	-	2,064,467,077
	Balance	10,139,208,317	-	864,301,482	11,339,373,912
	On Lending Based on Foreign Aids	178,247,243,758	11,706,343,377	25,271,515,453	181,192,641,649
35	Local Loans & Development Fund	171,572,936	-	21,304,615	150,268,321
36	Sri Lanka Rubber Manufacture & Dev. Corporation	773,340,000	-	-	773,340,000
37	Sri Lanka Handicraft Development Board	2,043,000	-	1,475,500	567,500
38	Other Local Loan (NLDB & Lady Lahore)	50,000,000	-	-	50,000,000
39	AHF Loan Scheme 2004/2005	519,344,502	-	212,473,332	306,871,170
40	Min. of Petroleum & Petroleum Resources Dev.	286,274,774	-	13,763,780	272,510,994
41	Department of Treasury Operations - (PLGF)	916,231,000	-	-	916,231,000
42	Ceylon Ceramic Corporations	8,676,923	-	-	8,676,923
43	Ceylon Fisheries Corporations	50,000,000	-	-	50,000,000
44	Ceylon Fisheries Corporations	11,600,000	-	-	11,600,000
45	Ceylon Fisheries Corporations	50,000,000	-	-	50,000,000
46	National Paper Company Ltd	50,000,000	-	-	50,000,000
47	Central Bank - (SPIRDP)	-	-	-	-
48	Selacine Rupavahini	-	-	-	-
49	Central Bank - SEPI Loan Scheme	231,191,054	160,000,000	63,109,667	328,081,387
	On Lending Based on Domestic Funds	3,120,274,189	160,000,000	312,126,894	2,968,147,295
	Total (Before Parity Variance/Adjustment)	178,280,871,094	11,866,343,377	25,583,642,347	167,529,519,309
	Total Parity Variance	3,086,646,853	-	-	16,631,269,635
	Total (After Parity Variance/Adjustment)	181,367,517,947	11,866,343,377	25,583,642,347	184,160,788,945

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)

	Balance as at 01.01.2018 Rs.	Additions/ Adjustment in 2018 Rs.	Deduction/ Adjustment in 2018 Rs.	Balance as at 31.12.2018 Rs.
Note - 21.1 (a) Capital Contribution in Commercial Public Corporations	454,718,602,984	8,634,622,845	-	463,353,225,830
Note - 21.1 (b) Contribution to the Central Bank of Sri Lanka	15,000,000	-	-	15,000,000
Note - 21.2 Shareholdings in Government Owned or Other Companies	113,703,307,882	-	45,400,000	113,657,907,882
Note - 21-3 Shareholdings in Plantation Companies	1,677,234,650	-	-	1,677,234,650
Note - 21.4 Shareholdings in Companies in Dollar Denomination	1,317,137,982	250,708,153	-	1,567,846,135
Note - 21.5 Shareholdings in Development Banks	7,049,418,322	-	-	7,049,418,322
Total	578,480,701,820	8,885,330,998	45,400,000	587,320,632,819

NOTE - 21.1 (a) - CAPITAL CONTRIBUTION IN COMMERCIAL PUBLIC CORPORATION

Name	Balance as at 01.01.2018 Rs.	Additions/ Adjustment in 2018 Rs.	Deduction/ Adjustment in 2018 Rs.	Balance as at 31.12.2018 Rs.
1 Agriculture and Agrarian Insurance Board	50,000,000			50,000,000
2 Bank of Ceylon	20,000,000,000	5,000,000,000		25,000,000,000
3 Central Engineering Consultancy Bureau	500,000			500,000
4 Ceylon Ceramics Corporation	2,640,000			2,640,000
5 Ceylon Electricity Board	302,694,796,682			302,694,796,682
6 Ceylon Fisheries Corporation	326,609,805			326,609,805
7 Ceylon Fishery Harbours Corporation	350,099,843			350,099,843
8 Ceylon Petroleum Corporation	28,487,125,000			28,487,125,000
9 Coconut Development Authority	88,943,221			88,943,221
10 Condominium Management Authority	500,000			500,000
11 Co operative Wholesale Establishment	4,398,056,590			4,398,056,590
12 Export Development Board	10,014,284			10,014,284
13 Geological Survey and Mines Bureau	98,316,264			98,316,264
14 Janatha Estates Development Board	3,670,000,000			3,670,000,000
15 National Gem & Jewelry Authority	30,000,000			30,000,000
16 National Transport Medical Institute	62,099,697			62,099,697
17 National Films Corporation of Sri Lanka	10,000,000			10,000,000
18 National Institute of Business Management	57,175,766			57,175,766
19 National Livestock Development Board	576,587,649			576,587,649
20 National Lotteries Board	21,263,100			21,263,100
21 National Savings Bank	6,700,000,000	2,700,000,000		9,400,000,000
22 National Water Supply & Drainage Board	54,003,028,373	934,622,845		54,937,651,218
23 National Housing Development Authority	40,000,000			40,000,000
24 People's Bank	12,198,133,000			12,198,133,000
25 Paddy Marketing Board	631,484,518			631,484,518
26 Sri Jayewardenapura General Hospital	1,016,825,162			1,016,825,162
27 Sri Lanka Bureau of Foreign Employment	632,659,759			632,659,759
28 Sri Lanka Institute of Hotel Management	454,850,952			454,850,952
29 Sri Lanka Ayurvedic Drugs Corporation	5,000,000			5,000,000
30 Sri Lanka Broadcasting Corporation	307,386,085			307,386,085
31 Sri Lanka Cashew Corporation	427,287,074			427,287,074
32 Sri Lanka Cement Corporation	966,971,844			966,971,844
33 Sri Lanka Transport Board	3,944,890,550			3,944,890,550
34 Sri Lanka Export Credit Insurance Corporation	40,000,000			40,000,000
35 Sri Lanka Handicraft Board	69,629,000			69,629,000
36 Sri Lanka Land Reclamation & Development Corporation	1,000,000			1,000,000
37 Sri Lanka Ports Authority	7,535,916,027			7,535,916,027
38 Sri Lanka Rupavahini Corporation	537,743,000			537,743,000
39 Sri Lanka Tourism Promotion Bureau	33,069,157			33,069,157
40 Sri Lanka Tea Board	672,012,202			672,012,202
41 State Development & Construction Corporation	16,671,650			16,671,650
42 State Engineering Corporation of Sri Lanka	70,000,000			70,000,000
43 State Mortgage & Investment Bank	889,813,000			889,813,000
44 State Pharmaceuticals Corporation of Sri Lanka	59,055,258			59,055,258
45 State Pharmaceuticals Manufacturing Corporation	690,079,000			690,079,000
46 State Printing Corporation	15,000,000			15,000,000
47 State Timber Corporation	41,503,668			41,503,668
48 Telecommunication Regulatory Commission	526,214,744			526,214,744
49 Urban Development Authority	1,257,651,060			1,257,651,060
Total (21.1)	454,718,602,984	8,634,622,845	-	463,353,225,830

Notes to the Financial Statements contd...

NOTE - 21.1 (b) - CENTRAL BANK OF SRI LANKA

Name	Balance as at 01.01.2018	Additions/ Adjustment in 2018	Reduction/ Adjustment in 2018	Balance as at 31.12.2018
	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 01-01-2018 Rs.	Value of the Investment as at 31.12.2018 Rs.	Percentage of Share holdings by the Treasury	
	As at 01.01.2018	Additions/ Adjustments	Deductions/ Adjustments					As at 31.12.2018
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 PLC	254,500			254,500	10.00	2,545,000	2,545,000	0.54
4 Lanka Building Materials Corporation Ltd.	1,000,000			1,000,000	10.00	10,000,000	10,000,000	100.00
5 Ceylon Agro-Industries Ltd.	11,903,402			11,903,402	5.00	59,517,010	59,517,010	5.62
6 Ceylon Fertilizer Co. Ltd.	50,245,608			50,245,608	10.00	502,456,080	502,456,080	100.00
7 Ceylon Hotels 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 Cey-Nor 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 PLC	30,501			30,501	5.00	152,505	152,505	0.0037
13 Cultural Publication Company Ltd.	3,164			3,164	113.60	359,430	359,430	-
14 Cultural Publication Company Ltd.	600			600	100.00	60,000	60,000	-
15 CWG Hambantota 2018	10,000,000			10,000,000	10.00	100,000,000	100,000,000	79.00
16 Distance Learning Center Ltd	14,206,509			14,206,509	10.00	142,065,090	142,065,090	99.99
17 Galadari Hotels (Lanka) PLC	292,200			292,200	10.00	2,922,000	2,922,000	0.058
18 Hotel Developers (Lanka) PLC	2,046,645,686			2,046,645,686	10.00	20,466,456,860	20,466,456,860	100.00
19 Human Resources Services Agency (Guarantee) Ltd.	-			-		5,000,000	5,000,000	100.00
20 Kigsbury PLC (Hotel Services Ltd)	2,263			2,263	10.00	22,630	22,630	0.0128
21 Hunas Falls Hotels PLC	1			1	10.00	10	10	-
22 Independent Television Network Ltd.	9,500,000			9,500,000	10.00	95,000,000	95,000,000	100.00
23 Information & Communication Technology Agency of Sri Lanka (Pvt) Ltd.	2			2	10.00	20	20	100.00
24 Kahatagaha Graphite Lanka Ltd.	1,300,000			1,300,000	10.00	13,000,000	13,000,000	100.00
25 Kalubowitiyana Tea Factory Ltd.	4,637,500			4,637,500	10.00	46,375,000	46,375,000	99.90
26 Kantale Sugar Industries Ltd.	2,689,993			2,689,993	100.00	268,999,300	268,999,300	100.00
27 Lafarge Mahaweli Cement (Pvt) Ltd.	480,000			480,000	10.00	4,800,000	4,800,000	10.00
28 Laxapana Batteries PLC - (Elephant Lite Corporation Ltd) (5% Cumulative Preference Shares)	1,000			1,000	10.00	10,000	10,000	5.00
29 Lanka Canneries Ltd.	40,002			40,002	100.00	4,000,200	4,000,200	9.09
30 Lanka Cement Ltd.	22,246,000			22,246,000	10.00	222,460,000	222,460,000	13.00
31 Lanka Coal Company (Pvt) Ltd.	400,000			400,000	10.00	4,000,000	4,000,000	20.00
32 Lanka Electricity Company (Pvt) Ltd.	49,880,000			49,880,000	10.00	498,800,000	498,800,000	43.56

Notes to the Financial Statements contd...

NOTE - 21.2 - SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

Company	Number of Shares			As at 31.12.2018	Nominal Value per Share Rs.	Value of the Investment as at 01-01-2018 Rs.	Value of the Investment as at 31.12.2018 Rs.	Percentage of Share holdings by the Treasury
	As at 01.01.2018	Additions/ Adjustments	Deductions/ Adjustments					
32 Lakdiwa Engineering Company (Pvt) Ltd.	2			2	10.00	20	20	100.00
33 Lanka Fabrics Ltd.	210,000			210,000	10.00	2,100,000	2,100,000	93.30
34 Lanka Hydraulic Institute Ltd.	50,000			50,000	10.00	500,000	500,000	4.54
35 Lanka Industrial Estates Ltd.	7,800,000			7,800,000	10.00	78,000,000	78,000,000	48.84
36 Lanka Leyland (Pvt) Ltd	1,289,900			1,289,900	6.94	8,951,906	8,951,906	
	860,000			860,000	0.01	8,600	8,600	100.00
37 Lanka Logistics and Technologies Ltd.	800,205			800,205	10.00	80,002,050	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 Limited	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
41 Lanka Textile Mills Emporium Ltd.	700,000			700,000	10.00	7,000,000	7,000,000	-
42 Lanka Sathosa Ltd.	87,095,381			87,095,381	10.00	870,953,810	870,953,810	98.00
43 Mantai Salt Ltd.	300,000			300,000	100.00	30,000,000	30,000,000	100.00
44 Mihin Lanka (Private) Ltd	51,406,108			51,406,108	100.00	14,476,251,900	14,476,251,900	100.00
45 MILCO (Pvt) Ltd - Kiriya Milk Industries	31,945,403			31,945,403	10.00	319,454,030	319,454,030	99.99
46 National Paper Company Ltd	32,300,000			32,300,000	10.00	323,000,000	323,000,000	100.00
47 National Development Bank PLC	552,186			552,186	10.00	5,521,860	5,521,860	0.27
48 Dufry Shops Colombo Ltd. (World Duty Free Group Lanka Ltd.)	1,048			1,048	10.00	10,480	10,480	0.035
49 Paranthan Chemicals Company Ltd.	4,000,000			4,000,000	10.00	40,000,000	40,000,000	100.00
50 Rakna Arakshaka Lanka Ltd.	500,205			500,205	10.00	5,002,050	5,002,050	100.00
51 Rajarata Food Grain Ltd.	386,249			386,249	10.00	3,862,490	3,862,490	-
52 Skills Development Fund Ltd.	10,000,001			10,000,001	10.00	100,000,010	100,000,010	98.00
53 Sri Lanka Insurance Corporation Ltd.	599,568,144			599,568,144	10.00	5,995,681,440	5,995,681,440	99.93
54 Sri Lanka Rubber Manufacturing & Export Corporation Ltd.	7,798,000			7,798,000	10.00	77,980,000	77,980,000	100.00
55 Sri Lanka Savings Bank Ltd.	8,204,460			8,204,460	100.00	820,446,000	820,446,000	100.00
56 Sri Lanka Telecom PLC	893,405,709			893,405,709	10.00	8,934,057,090	8,934,057,090	49.50
57 Sri Lankan Airlines Ltd.	511,574,169			511,574,169	100.00	51,157,416,900	51,157,416,900	99.11
58 State Resource Management Corporation Ltd.	4,100,000			4,100,000	10.00	41,000,000	41,000,000	100.00
59 Sri Lanka Thripasha Ltd.	35,000,000		4,540,000	30,460,000	10.00	350,000,000	304,600,000	100.00
60 Selinsing PLC (The Selinsing Company Ltd.)	615			615	10.00	6,150	6,150	0.011
61 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
62 Wakers & Greig Ltd.	2,850			2,850	2.00	5,700	5,700	-
63 West Coast Power (Pvt) Ltd (Ordinary)	55,000,000			55,000,000	112.95	6,212,500,000	6,212,500,000	50.00
Total	4,701,471,659	-	4,540,000	4,696,931,659		113,703,307,882	113,657,907,882	

Notes to the Financial Statements contd...

NOTE - 21.3 - SHAREHOLDING IN PLANTATION COMPANIES

	Company	Number of Shares			Nominal Value per Share	Value of the Investment at cost as at 01-01-2018	Value of the Investment at Cost as at 31.12.2018	Percentage of Share holdings by the Treasury	
		As at 01.01.2018	Additions/ Adjustment	Deductions/ Adjustment					As at 31.12.2018
1	Agarapatana Plantations Ltd.	23,284,644			23,284,644	10.00	232,846,440	232,846,440	9.91
2	Agalawatta Plantations PLC	741			741	10.00	7,410	7,410	0.003
3	Bogawantalawa Tea Estates PLC	21,664			21,664	6.67	144,430	144,430	0.03
4	Balangoda Plantations PLC	4,761			4,761	10.00	47,610	47,610	0.02
5	Chilaw Plantations Ltd.	20,000,001			20,000,001	10.00	200,000,010	200,000,010	100.00
6	Elkaduwa Plantations Ltd.	18,000,001			18,000,001	10.00	180,000,010	180,000,010	100.00
7	Elpitiya Plantations PLC	15,613,092			15,613,092	5.00	78,065,460	78,065,460	21.43
8	Gal-Oya Plantations (Pvt) Ltd.	51,600,000			51,600,000	10.00	516,000,000	516,000,000	51.00
9	Hapugastenne Plantations PLC	1			1	10.00	10	10	-
10	Horana Plantations PLC	5,889			5,889	10.00	58,890	58,890	0.023
11	Kahawatte Plantations PLC	1			1	10.00	10	10	-
12	Kegalle Plantations PLC	4,387			4,387	10.00	43,870	43,870	0.02
13	Kelani Valley Plantations PLC	1			1	10.00	10	10	-
14	Kotagala Plantations PLC	3,800,557			3,800,557	10.00	38,005,570	38,005,570	11.88
15	Kurunegala Plantations Ltd.	20,000,001			20,000,001	10.00	200,000,010	200,000,010	100.00
16	Madulsima Plantations PLC	3,805,653			3,805,653	10.00	38,056,530	38,056,530	2.25
17	Malwatta Valley Plantations PLC	1			1	10.00	10	10	-
18	Maskeliya Plantations PLC	9,008			9,008	10.00	90,080	90,080	0.017
19	Maturata Plantations Ltd.	7,806,020			7,806,020	10.00	78,060,200	78,060,200	22.30
20	Namunukula Plantations PLC	3,763,301			3,763,301	10.00	37,633,010	37,633,010	15.85
21	Pussellawa Plantations Ltd.	7,816,790			7,816,790	10.00	78,171,230	78,171,230	32.70
22	Talawakelle Tea Estates PLC	368			368	10.00	3,680	3,680	0.0015
23	Udapussellawa Plantations PLC	1			1	10.00	10	10	-
24	Watawala Plantations PLC	151			151	10.00	160	160	-
	Total	175,537,034	-	-	175,537,034		1,677,234,650	1,677,234,650	

Notes to the Financial Statements contd...

NOTE - 21.4 - SHAREHOLDING IN COMPANIES IN US DOLLAR DENOMINATION

Company	Number of Shares			As at 31.12.2018	Nominal Value per Share	Value of the Investment at cost as at 01-01-2018	Value of the Investment at cost as at 31.12.2018	Percentage of Share holdings by the Treasury
	As at 01.01.2018	Additions/ Adjustment	Deductions/ Adjustment					
					Rs.	Rs.	Rs.	
1 Asian Reinsurance Corporation	980			980	US\$1000	152,047,000	180,996,200	
2 Ceylon Shipping Agency	24,500			24,500	1(Singapore Dollar)	2,862,332	3,337,145	99.00
3 International Finance Corporation	7,491			7,491	US\$1000	1,162,228,650	1,383,512,790	
Total	32,971	-	-	32,971		1,317,137,982	1,567,846,135	

Exchange Rate (Buying Rate) as at 01.01.2018/ 31.12.2018

Currency	01.01.2018	31.12.2018
	Rate	Rate
US Dollar	148.71	184.69
Singapore Dollar	104.17	136.21

NOTE - 21.5 - SHAREHOLDING IN DEVELOPMENT BANKS

Name of Company	Number of Shares			As at 31.12.2018	Nominal Value per Share	Value of the Investment at cost as at 01-01- 2018	Value of the Investment at cost as at 31.12.2018	Percentage of Share holdings by the Treasury
	As at 01.01.2018	Additions/ Adjustment	Deductions/ Adjustment					
					Rs.	Rs.	Rs.	
1 Pradeshiya Sanwardhana Bank	337,744,671			337,744,671	10.00	3,377,446,710	3,377,446,710	87.00
2 Lankaputhra Development Bank	15,000,000			15,000,000	100.00	1,500,000,000	1,500,000,000	
3 Lankaputhra Development Bank	21,071,022			21,071,022	103.07	2,171,971,612	2,171,971,612	99.99
Total	373,815,693	-	-	373,815,693		7,049,418,322	7,049,418,322	

NOTES - 21.2, 21.3, 21.4, 21.5 - SUMMARY

Name	Numbers of Shares	Nominal Value of Shares as at 31.12.2018 (Rs.)
1 General	4,696,931,659	113,657,907,882
2 Plantation	175,537,034	1,677,234,650
3 Shares in Dollar Value	32,971	1,567,846,135
4 Development Banks	373,815,693	7,049,418,322
Total	5,246,317,357	123,952,406,989

Notes to the Financial Statements contd...

NOTE - 22 - RENT AND WORK ADVANCE ACCOUNT - 2018

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
11	Office of the Finance Commission	9188/11/0/2/1/0	Mobilization	34,895,697	-	34,895,697	-
13	Human Rights Commission of Sri Lanka	9188/13/0/1/1/0	Rent	5,940,000	-	3,960,000	1,980,000
21	Auditor General's Department	9188/21/0/1/1/0	Rent	5,070,000	-	2,145,000	2,925,000
23	Audit Service Commission	9188/23/0/1/1/0	Rent	-	3,886,364	818,182	3,068,182
24	National Procurement Commission	9188/24/0/1/1/0	Rent	3,902,185	1,764,000	3,902,185	1,764,000
118	Ministry of Agriculture	9188/118/0/1/1/0	Rent	-	622,440,000	-	622,440,000
130	Ministry of Public Administration and Management	9188/130/0/2/1/0	Mobilization	5,092,600	-	5,092,600	-
	Ministry of Public Administration and Management	9188/130/0/2/2/0	Mobilization	-	20,644,945	4,084,759	16,560,186
	Ministry of Public Administration and Management	9188/130/0/2/3/0	Mobilization	18,097,974	-	15,937,946	2,160,028
	Ministry of Public Administration and Management	9188/130/0/2/4/0	Mobilization	19,791,351	-	-	19,791,351
	Ministry of Public Administration and Management	9188/130/0/2/5/0	Mobilization	18,051,974	-	2,447,999	15,603,975
	Ministry of Public Administration and Management	9188/130/0/2/7/0	Mobilization	-	12,720,000	612,000	12,108,000
	Ministry of Public Administration and Management	9188/130/0/2/8/0	Mobilization	-	48,969,787	-	48,969,787
	Ministry of Public Administration and Management	9188/130/0/2/9/0	Mobilization	-	61,962,888	6,396,758	55,566,130
	Ministry of Public Administration and Management	9188/130/0/2/10/0	Mobilization	-	61,962,888	-	61,962,888
136	Ministry of Sports	9188/136/0/2/1/0	Mobilization	-	19,630,414	11,993,004	7,637,411
	Ministry of Sports	9188/136/0/2/2/0	Mobilization	-	7,839,024	-	7,839,024
193	Ministry of Labour & Trade Union Relations	9188/193/0/1/1/0	Rent	-	1,590,000	1,590,000	-
	Ministry of Labour & Trade Union Relations	9188/193/0/2/1/0	Mobilization	-	18,933,417	-	18,933,417
219	Department of Sports Development	9188/219/0/2/2/0	Mobilization	14,557,933	-	-	14,557,933
	Department of Sports Development	9188/219/0/2/3/0	Mobilization	15,379,895	-	-	15,379,895
	Department of Sports Development	9188/219/0/2/9/0	Mobilization	39,570,056	-	-	39,570,056
	Department of Sports Development	9188/219/0/2/11/0	Mobilization	2,207,189	-	-	2,207,189
	Department of Sports Development	9188/219/0/2/14/0	Mobilization	-	14,603,935	-	14,603,935
	Department of Sports Development	9188/219/0/2/17/0	Mobilization	-	2,000,000	-	2,000,000
222	Sri Lanka Army	9188/222/0/1/1/0	Rent	4,050,000	-	4,050,000	-
	Sri Lanka Army	9188/222/0/1/2/0	Rent	10,395,000	-	10,395,000	-
	Sri Lanka Army	9188/222/0/1/17/0	Rent	-	10,800,000	900,000	9,900,000
	Sri Lanka Army	9188/222/0/1/18/0	Rent	-	29,900,000	29,900,000	-
	Sri Lanka Army	9188/222/0/1/19/0	Rent	-	11,000,000	11,000,000	-
228	Courts Administration	9188/228/0/2/1/0	Mobilization	55,200,000	-	14,635,989	40,564,011
	Courts Administration	9188/228/0/2/2/0	Mobilization	57,000,000	-	22,293,235	34,706,765
	Courts Administration	9188/228/0/2/4/0	Mobilization	78,499,000	-	17,415,102	61,083,898
	Courts Administration	9188/228/0/2/5/0	Mobilization	41,492,000	-	27,862,859	13,629,141
	Courts Administration	9188/228/0/2/6/0	Mobilization	41,020,000	-	18,904,620	22,115,380
	Courts Administration	9188/228/0/2/7/0	Mobilization	50,000,000	-	28,853,723	21,146,277

Notes to the Financial Statements contd...

NOTE - 22 - RENT AND WORK ADVANCE ACCOUNT - 2018

Rs.

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
	Courts Administration	9188/228/0/2/9/0	Mobilization	-	24,002,800	2,142,150	21,860,650
	Courts Administration	9188/228/0/2/10/0	Mobilization	-	12,096,668	3,056,935	9,039,733
	Courts Administration	9188/228/0/2/11/0	Mobilization	-	17,872,150	2,475,244	15,396,906
	Courts Administration	9188/228/0/2/12/0	Mobilization	-	13,800,000	9,376,135	4,423,865
	Courts Administration	9188/228/0/2/13/0	Mobilization	-	50,000,000	-	50,000,000
	Courts Administration	9188/228/0/2/14/0	Mobilization	-	30,000,000	-	30,000,000
	Courts Administration	9188/228/0/2/15/0	Mobilization	-	50,000,000	-	50,000,000
	Courts Administration	9188/228/0/2/16/0	Mobilization	-	50,000,000	-	50,000,000
	Courts Administration	9188/228/0/2/17/0	Mobilization	-	10,000,000	-	10,000,000
	Courts Administration	9188/228/0/2/18/0	Mobilization	-	30,000,000	-	30,000,000
	Courts Administration	9188/228/0/2/19/0	Mobilization	-	9,620,895	-	9,620,895
	Courts Administration	9188/228/0/2/20/0	Mobilization	-	11,025,050	-	11,025,050
239	Department of External Resources	9188/239/0/1/1/0	Rent	-	3,000,000	3,000,000	-
247	Sri Lanka Customs	9188/247/0/1/1/0	Rent	780,000	-	-	780,000
255	District Secretariat, Colombo	9188/255/0/2/3/0	Mobilization	23,000,000	-	23,000,000	-
	District Secretariat, Colombo	9188/255/0/2/4/0	Mobilization	101,884,945	23,761,609	102,317,331	23,329,223
	District Secretariat, Colombo	9188/255/0/2/5/0	Mobilization	1,640,697	-	1,640,697	-
	District Secretariat, Colombo	9188/255/0/2/6/0	Mobilization	5,436,498	-	5,436,498	-
256	District Secretariat, Gampaha	9188/256/0/2/1/0	Mobilization	18,803,233	-	18,803,233	-
259	District Secretariat, Matale	9188/259/0/2/1/0	Mobilization	3,926,796	420,529	4,347,325	-
	District Secretariat, Matale	9188/259/0/2/2/0	Mobilization	35,590,000	-	10,201,633	25,388,367
	District Secretariat, Matale	9188/259/0/2/4/0	Mobilization	-	1,032,240	-	1,032,240
	District Secretariat, Matale	9188/259/0/2/5/0	Mobilization	-	966,552	-	966,552
261	District Secretariat, Galle	9188/261/0/2/2/0	Mobilization	8,100,000	1,900,000	10,000,000	-
	District Secretariat, Galle	9188/261/0/2/4/0	Mobilization	9,121,700	-	3,121,700	6,000,000
	District Secretariat, Galle	9188/261/0/2/5/0	Mobilization	-	17,563,077	3,121,700	14,441,377
264	District Secretariat/Kachcheri - Jaffna	9188/264/0/2/5/0	Mobilization	-	1,047,762	1,047,762	-
276	District Secretariat - Badulla	9188/276/0/2/3/0	Mobilization	10,906,674	-	9,632,410	1,274,265
	District Secretariat - Badulla	9188/276/0/2/5/0	Mobilization	10,906,674	-	-	10,906,674
	District Secretariat - Badulla	9188/276/0/2/6/0	Mobilization	-	5,593,140	-	5,593,140
290	Department of Fisheries and Aquatic Resources	9188/290/0/2/1/0	Mobilization	-	19,636,618	11,117,693	8,518,925
291	Department of Coast Conservation	9188/291/0/2/1/0	Mobilization	-	11,441,901	2,797,160	8,644,741
	Total			750,310,073	1,345,428,652	506,722,264	1,589,016,461

Notes to the Financial Statements contd...

	2018 Rs	2017 Rs
NOTE - 23 - CONSOLIDATED FUND		
Opening Balance of the Consolidated Fund as at 1st January	(285,571,378,373)	(187,247,051,579)
Add: Prior Year Adjustments		-
Add Receipts to the Consolidated Fund		
Total Cash flow from Operating Activities	1,922,357,082,797	1,834,071,287,145
Total Cash flow from Investing Activities	146,545,726,696	72,185,175,868
Total Cash flow from Financing Activities	1,883,355,767,505	1,466,007,779,157
Total Cash Receipts (a)	3,952,258,576,998	3,372,264,242,170
Less Total Payments of the Consolidated Fund		
Total Cash Disbursement for Operating Activities	2,108,964,391,022	1,945,575,039,924
Total Cash Disbursement for Investing Activities	625,310,389,518	657,530,018,379
Total Cash Disbursement for Repayment of Debt	1,236,361,057,887	867,483,510,662
Total Cash Payments (b)	3,970,635,838,427	3,470,588,568,964
Net Cash Flow (a) - (b)	(18,377,261,430)	(98,324,326,794)
Closing Balance of the Consolidated Fund as at 31st December	(303,948,639,803)	(285,571,378,373)
NOTE - 24 - FOREIGN LOAN REVOLVING FUNDS		
Reimbursable Foreign Aid Revolving Fund (8760)	3,448,809,061	2,913,412,847
IDA Revolving Fund (8814)	13,848,391,427	13,277,379,778
ADB Special Dolor Revolving Fund (8919)	6,947,528,890	5,980,062,515
CBSL Special Dollar Account (International Fund for Agr. Dev. Revolving Fund) (8974)	1,224,588,685	982,665,306
IBRD Revolving Fund (8982)	1,570,884,206	1,570,884,206
CBSL Revolving Fund (Yen) - (9095)	2,334,943,591	2,334,943,591
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 Rupee Revolving Fund (9120)	(476,985)	(476,985)
Special Foreign Currency Revolving Fund (Euro Italy) (9121)	2,573,887,625	2,570,275,165
Special Rupee Revolving Fund (9122)	498,950,000	498,950,000
Special Foreign Currency Revolving Fund (9126)	1,004,092,963	909,140,788
	33,678,534,101	31,264,171,850
NOTE - 25 - MISCELLANEOUS FUNDS		
Public Service Provident Fund Account (8098)	13,382,291	223,648,581
Teachers' Widows & Orphans Pension Fund (8186)	846,181,511	768,159,240
	859,563,802	991,807,821
NOTE - 26 - NET ASSETS ADJUSTMENTS ACCOUNT		
Impact on Borrowings		
Capital Expenditure Investment- Appropriation Loan Account (8341)	(24,088,000,000)	(24,088,000,000)
Capital Investment Inland & Foreign Consolidated Loan Account (8342)	(3,194,153,832,259)	(2,664,230,793,414)
Treasury Bond Repayment Account (9103)	(3,999,931,674,545)	(3,754,370,053,464)
SL Development Bond Investment Account (9106)	(614,218,758,902)	(637,886,008,620)
Foreign Currency Banking Unit Investment Account (9108)	(100,512,445,000)	(64,199,016,000)
Treasury Bills Utilization Account (9109)	(758,796,101,164)	(724,705,505,691)
Least Asset Investment Account (9183)	(7,660,356,498)	(12,261,954,236)
Foreign Currency Term Financing Facility (9191)	(330,174,244,330)	(217,053,816,000)
International Sovereign Bond Investment Account (9195)	(2,220,411,285,000)	(1,475,048,820,000)
Foreign Currency Banking Unit (Project) Investment Account (9197)	(19,507,450,440)	(14,256,935,423)
Suhurupaya Investment Account of Ministry of Defence (9199)	(6,827,035,228)	-
	(11,276,281,183,366)	(9,588,100,902,847)

Notes to the Financial Statements contd...

	2018 Rs	2017 Rs
Impact on Acquisition of Financial & Non Financial Assets		
Government Corporations Capital Fund (8467)	463,368,225,830	454,733,602,985
Government Shares Account (8547)	123,952,406,989	123,747,098,836
On-lent Loan Investment Account (9117)	184,160,788,946	181,367,517,946
Property Plant & Equipment Reserve Fund Account (9165)	973,767,963,565	762,566,559,615
Work in Progress Reserve Fund Account (9166)	88,731,070,407	27,223,804,335
Lease Asset Reserve Fund Account (9182)	24,898,590,069	24,545,387,209
Rental & Work Advance Reserve (9189)	1,589,016,461	750,310,073
	1,860,468,062,266	1,574,934,281,000
Balance as at 31st December	(9,415,813,121,099)	(8,013,166,621,848)
Note:	In accordance with Article No. 149 & 150 of the Constitution of the Democratic Socialist Republic of Sri Lanka, acquisition of financial & non-financial assets and domestic & foreign borrowings are accounted as payments and receipts to the consolidated fund. Assets & liabilities corresponding to those receipts and payments are included in the Financial Position Report and its impact on net assets are adjusted through Net Asset Adjustment Account.	
NOTE - 27 - BANK BALANCE		
Treasury Authorized Imprest Account (7002)	3,283,029,232	2,847,181,635
Treasury Authorized Imprest Account- (RFA) (7003)	35,827,186	71,289,902
DST Cash Account (8020) Note - 27(I)	(151,304,639,789)	(140,300,840,780)
Crown Agent Current Account (8030)	29,935,607	38,132,124
Temporary Employed Balances of CBSL (8192)	(18,483,481,826)	(27,511,761,858)
Central Bank of Sri Lanka - IDA Special Dollar Accounts (8813)	12,591,128,482	9,846,590,923
ADB Loan SLCB Special Dollar Account (8918)	3,849,388,478	3,513,665,639
International Fund for Agriculture Development Special Dollar Account (8973)	347,720,921	652,277,919
Special Foreign Currency Account Italy (9119)	-	109,807,882
Special Foreign Currency French Development Agency Account (9125)	791,271,630	194,195,990
	(148,859,820,080)	(150,539,460,624)
NOTE - 27(I)		
Sub Accounts of DST Accounts - (8020)		
Bank of Ceylon - 0002026450	(188,112,168,211)	(113,630,664,237)
Peoples Bank - 014100130110432	(87,966,910,316)	(76,130,776,033)
Central Bank of Sri Lanka - 50516	147,387	305,099
Central Bank of Sri Lanka - 45013	29,493,915,099	-
Central Bank of Sri Lanka - 45026	91,374,950,000	44,648,476,096
Central Bank of Sri Lanka - 50548	1.14	138,259,752
Central Bank of Sri Lanka - 50549	108,201,697	-
Central Bank of Sri Lanka - 50550	1,833,034,161	-
Central Bank of Sri Lanka - 50551	6,100,171	-
Bank of Ceylon - 0007040004	-	224,552,863
Bank of Ceylon - 0007040501	53,054,124	1,473,969,582
Bank of Ceylon - 0007041570	1,411,216,724	1,936,216,724
Bank of Ceylon - 0007041571	493,819,374	1,038,819,374
	(151,304,639,789)	(140,300,840,780)
NOTE - 28 - ADVANCES FROM CENTRAL BANK OF SRI LANKA		
Advance from CBSL - Monetary Law Act (8176)	198,632,571,400	199,800,871,400
	198,632,571,400	199,800,871,400

Notes to the Financial Statements contd...

	2018 Rs	2017 Rs
NOTE - 29 - GOVERNMENT BORROWINGS		
Domestic		
Treasury Bills (8085)	758,796,101,164	724,705,505,691
Treasury Bonds (9093)	3,999,931,674,545	3,754,370,053,464
Rupee Loans (8249)	24,088,000,000	24,088,000,000
Sri Lanka Development Bonds (9105)	614,218,758,902	637,886,008,620
Local Loans in Foreign Currency (9107)	100,512,445,000	64,199,016,000
Foreign Currency Banking Units (Projects) (9196) Note 29(I)	19,507,450,440	14,256,935,423
Suhurupaya Loan Account of Ministry of Defence (9198)	6,827,035,228	-
Lease Creditors (9181)	7,660,356,498	12,261,954,236
Total Borrowings - Domestic (a)	5,531,541,821,777	5,231,767,473,434
Foreign		
Foreign (Projects) (8343) Note 29(II)	3,194,153,832,259	2,664,230,793,414
Foreign Currency Term Financing Facility (9190) Note 29(III)	330,174,244,330	217,053,816,000
International Sovereign Bond (9194) Note 29(IV)	2,220,411,285,000	1,475,048,820,000
Total Foreign Borrowings (b)	5,744,739,361,589	4,356,333,429,414
Total Borrowings = (a)+(b)	11,276,281,183,366	9,588,100,902,848
NOTE - 30 - DEPOSITS		
Treasury General Deposit Account (6000)	76,877,880,445	75,130,917,052
Treasury Deposit Account for District Secretaries (6003)	(10,674,838)	(10,674,838)
	76,867,205,607	75,120,242,214
NOTE - 31 - OPERATING ACCOUNTS WITH GOVERNMENT DEPARTMENTS [(Dr.)/ Cr.]		
General Manager - Railway Department (8003)	(1,000,515,781)	(1,000,515,781)
Director General of Customs (8005)	(2,410,473)	(119,950,344)
Treasury Operations Department (8233) and (8583)	(400,071,183)	(396,979,984)
Cheques Return from Banks (8657)	(3,995,094)	(3,963,994)
Treasury Operations Department (9092)	267,819,411	235,548,416
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)	306,362,155	346,240,339
Value Added Control Account (9185)	(143,197,086)	(103,349,223)
Treasury Bond Premium Account (9186)	8,167,439,142	457,407,226
Treasury Bill Discount Account (9187)	(87,117,506,365)	(98,072,083,123)
Accrued Interest on Treasury Bond (9192)	2,805,589,000	403,918,000
Discount on Treasury Bill Issuance (9193)	(27,707,278,494)	(27,628,275,846)
	(104,886,490,795)	(125,940,730,340)
NOTE - 32 - SUNDRY ACCOUNTS [(Dr.)/ Cr.]		
Parity Variance Account on Crown Agent Account (8029)	101,531,485	98,064,923
Foreign Aid Expenditure Account (8301)	(80,558,007)	(80,558,007)
Sinking Fund Investment Account (8574)	(46,492,720)	(46,492,720)
Sinking Fund Account (8575)	46,492,720	46,492,720
Stock Certificates received from Inland Revenue Commissioner as Capital Tax (8491)	(88,589)	(88,589)
Investment Account for National Housing Bonds (8859)	(1,284,200)	(1,284,200)
Currency Payments Accounts-International Monetary Institutions Fund (8340)	616,811,553	616,811,553
Public Service Mutual Guarantee Association (8013)	150,685	1,043,301
	636,562,927	633,988,982

Notes to the Financial Statements contd...

Loan Key	Project Name	Loan Currency	Balance as at 01-01-2018		Accounted during the year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2013013	Grater Rathnapura Water Supply Project Phase 1	USD	2,353,416	359,730,932	-	724,136	120,440,562	58,460,388	1,629,280	297,750,758
2009001	Rehabilitation of New Laxapana & Wimalasurendra Hydro Power Plant Project - 1	USD	878,483	134,280,266	-	878,483	149,500,060	15,219,793	-	(1)
2009003	Rehabilitation of New Laxapana & Wimalasurendra Hydro Power Plant Project -11	USD	107,929	16,497,073	-	107,924	18,366,613	1,869,103	-	(437)
2010012	Rehabilitation of Old Laxapana Hydro Power Plant Project	EUR	3	466	-	-	-	-	-	466
2010039	Rehabilitation of the Eastern Railway Network	EUR	-	-	-	-	-	-	-	-
2013011	Construction of 210 Steel Bridges Project	USD	6,834,275	1,044,651,370	-	1,242,595	210,268,827	187,496,260	5,591,680	1,021,878,803
2013028	Upgrading of Peripheral Blood Bank -National Transfusion Service	USD	3,104,501	474,537,786	-	776,125	122,826,493	73,799,060	2,328,376	425,510,353
2013044	Implementation of Badulla, Haliela & Ella Integrated Water Supply Project	USD	6,734,545	1,029,407,223	-	1,683,638	284,900,929	178,546,837	5,050,909	923,053,131
2014014	Monaragala - Buttala Integrated Water Supply Scheme	LKR	1,113,818,155	1,113,818,155	-	111,367,872	111,367,872	-	1,002,450,283	1,002,450,283
2015035	Establishment of Clinical Waste Management Systems in the Needy Hospitals Project	LKR	352,212,520	352,212,520	-	28,177,002	28,177,002	-	324,035,518	324,035,518
2016002	Anamadawa Integrated Water Supply Project	LKR	372,770,463	372,770,463	-	-	-	-	372,770,463	372,770,463
2016013	Development of General Hospital Kalutara	EUR	4,317,442	787,871,471	-	2,158,721	439,708,178	102,993,879	2,158,721	-
2010027	Ampara Water Supply Scheme - Phase 111	USD	5,714,678	873,516,050	-	1,904,893	322,341,110	145,063,019	3,809,785	696,237,959
2016042	Southern Expressway Sec 02 Bellatta to Wetiya	LKR	2,878,790,053	2,878,790,053	996,117,092	-	-	-	3,874,907,144	3,874,907,144
2017044	Pilot Project on Establishment of a Ground Water Monitoring Network in 03 Selected Districts	LKR	-	-	603,425,195	-	-	-	603,425,195	603,425,195
2017045	Procuring of 09 no Diesel Multiple Units	USD	-	-	14,080,201	2,181,727,176	-	391,428,185	14,080,201	2,573,155,361
2011034	Kolonna - Balangoda Water Supply Project	EUR	7,962,265	1,452,999,414	-	924,464	179,829,148	197,977,918	7,037,801	1,471,148,184
2012005	Greater Dambulla Water Supply Project I	USD	8,258,019	1,262,277,815	-	1,425,833	233,024,085	283,494,807	6,832,185	1,312,748,537
2012013	Development of Hambantota General Hospital	EUR	5,269,743	961,652,740	-	585,527	106,919,250	124,233,928	4,684,216	978,967,417
2015020	Kolonna - Balangoda Water Supply Project - Additional Financing	LKR	331,873,327	331,873,327	-	29,127,500	29,127,500	-	302,745,827	302,745,827
2012014	Development of Nuwara Eliya District General Hospital	EUR	4,438,969	810,048,299	-	504,486	92,109,204	104,339,478	3,934,483	822,278,573
2018025	Thalpitigala Reservoir Project	USD	-	-	-	-	-	-	-	-
2018034	Widening & Improvement of 64.31 Km Roads & Reconstruction of 13 Bridges in the Central & Uva Province of SL	USD	-	-	11,235,189	1,901,424,348	-	151,805,385	11,235,189	2,053,229,733
Total			14,256,935,423	14,256,935,423	5,682,693,811	2,448,906,834	2,016,728,039	19,507,450,440		

Notes to the Financial Statements contd...

NOTE - 29 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
Canada										
1	1967001	Import of Asbestos Fiber	CAD	(1)	(38)				38	(0)
2	1968004	Import of Newsprint	CAD	-	0				(0)	0
3	1969004	Import of Newsprint	CAD	37,500	4,560,289		25,000	3,149,929	265,630	12,500
4	1969005	Import of Asbestos Fiber	CAD	12,500	1,520,095		12,500	1,519,801	(293)	-
5	1969007	Import of Commodities	CAD	75,000	9,120,578		50,000	6,299,858	531,260	25,000
6	1970006	Import of Commodities	CAD	172,500	20,977,328		57,500	7,244,836	1,686,616	115,000
7	1971004	Import of Commodities	CAD	218,750	26,601,685		62,500	7,874,822	2,223,012	156,250
8	1972003	Import of Newsprint & Radio Telecom Equipment	CAD	125,000	15,200,963		25,000	3,149,929	1,356,886	100,000
9	1973004	Import of Asbestos, Nylon & Tyre Cord	CAD	242,250	29,459,465		40,375	5,087,135	2,694,909	201,875
10	1974005	Import of Commodities	CAD	357,500	43,474,753		55,000	6,929,843	4,014,048	302,500
11	1975004	Import of Commodities	CAD	367,500	44,690,829		52,500	6,614,850	4,158,969	315,000
12	1975005	Import of Commodities	CAD	2,550,000	310,099,635		300,000	37,799,145	29,377,710	2,250,000
13	1977009	Import of Fertilizer & Commodities	CAD	2,375,000	288,818,288		250,000	31,499,288	27,599,300	2,125,000
14	1978005	Import of Fertilizer, Alum.Rods & Asbestos	CAD	5,250,000	638,440,425		500,000	62,998,575	61,434,350	4,750,000
France										
15	2002048	Import of Commodities	EURO	(1)	(214)				214	(0)
Germany										
16	2001049	Purchase of 16 Locomotives (11A)	EURO	3,655,737	667,119,585		332,340	65,256,267	92,702,614	3,323,396
17	2001054	General Commodity Aid 1995 for Potash	EURO	3,432,405	626,364,702		185,088	36,366,893	88,667,990	3,247,317
18	2001058	Import of Commodities	EURO	1,763,957	321,897,046		113,507	22,287,526	45,322,830	1,650,450
19	2001060	Commodity Aid for Electro.Equip.for Cbsl	EURO	330,295	60,274,078		17,384	3,415,674	8,537,718	312,911
20	2001064	Import of Commodities	EURO	2,578,955	470,622,510		151,342	29,716,701	66,447,863	2,427,613
21	2001067	Import of Commodity Loan XIII	EURO	1,431,615	261,249,372		102,258	20,078,852	36,655,577	1,329,357
22	2001068	Import of Commodities XVI	EURO	2,236,900	408,202,205		127,823	25,098,566	57,678,215	2,109,077
23	2001106	Import of Commodities XVII	EURO	2,597,364	473,981,784		125,778	24,696,987	67,258,919	2,471,586
24	2001108	Import of Commodities XVIII	EURO	2,684,283	489,843,345		127,823	25,098,566	69,537,054	2,556,460
25	2001111	Import of Commodities (12)	EURO	760,802	138,835,373		63,400	12,448,889	19,365,340	697,402
26	2001112	Import of Commodities XIX	EURO	2,096,297	382,544,211		167,704	32,929,317	53,447,195	1,928,593
27	2001113	Import of Commodities X	EURO	1,331,404	242,962,322		126,800	24,897,775	33,689,071	1,204,604
28	2001116	Import of Commodities (11B)	EURO	708,651	129,318,729		64,423	12,649,677	17,970,081	644,228
29	2001123	Import of Commodities IX	EURO	786,878	143,594,020		82,829	16,263,869	19,811,003	704,049
Germany										
30	2001117	Small Entrepreneur Promotion Programme by DFCC	EURO	2,201,112	401,671,535		125,778	24,713,413	56,771,865	2,075,334
USA										
31	1976007	Supply of Wheat Pl 480-Title 1 -1976	USD	-	8					(8)
32	1976008	Supply of Wheat Pl 480-Title 1 -1977	USD	0	(14)					14

Notes to the Financial Statements contd...

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Parity		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
33	1978019	USD	1,105,168	168,930,271			1,105,168	187,886,553	18,956,282			-
34	1979012	USD	1,045,618	159,827,646			522,809	84,419,494	20,135,089		522,809	95,543,241
35	1980030	USD	2,255,752	344,802,534			751,917	124,542,036	54,565,137		1,503,835	274,825,636
36	1981026	USD	2,185,571	334,074,982			546,393	92,268,620	57,753,270		1,639,178	299,559,632
37	1982018	USD	4,090,829	625,302,887			681,805	109,095,591	76,791,576		3,409,024	622,998,872
38	1982019	USD	2,686,985	410,718,583			537,397	89,010,466	11,128,903		2,149,588	392,837,021
39	1983016	USD	5,123,873	783,208,657			731,982	115,679,651	135,088,726		4,391,891	802,617,732
40	1984016	USD	6,412,196	980,135,007			829,696	133,525,613	173,592,036		5,582,500	1,020,201,430
41	1985009	USD	9,569,609	1,462,760,660			1,480,872	246,566,782	262,021,999		8,088,737	1,478,215,876
42	1986004	USD	7,144,034	1,091,999,858			727,614	124,438,966	205,039,101		6,416,420	1,172,599,993
43	1987026	USD	8,772,092	1,340,856,438			797,463	134,666,530	251,172,838		7,974,629	1,457,362,747
44	1988046	USD	12,974,443	1,983,205,915			1,106,112	184,809,796	370,540,304		11,868,331	2,168,936,423
45	1989054	USD	15,053,626	2,301,018,952			1,157,971	204,063,938	442,474,464		13,895,655	2,539,429,478
46	1991042	USD	819,163	125,212,926			204,791	33,250,073	20,313,552		614,372	112,276,406
47	1992024	USD	2,702,044	413,020,363			540,409	96,788,990	78,807,215		2,161,635	395,038,588
48	1993006	USD	2,475,752	378,430,491			412,625	65,377,787	63,983,403		2,063,127	377,036,107
49	1994002	USD	5,228,897	799,261,903			746,985	130,988,111	150,795,021		4,481,912	819,068,813
50	1994040	USD	6,485,797	991,385,161			810,725	138,559,158	184,292,860		5,675,072	1,037,118,863
51	1995055	USD	3,583,618	547,773,207			398,180	62,247,722	96,613,026		3,185,438	582,138,511
52	1997013	USD	3,820,868	584,038,101			382,087	61,137,717	105,536,629		3,438,781	628,437,013
53	1998007	USD	4,201,793	642,264,226			381,981	60,546,960	116,352,957		3,819,812	698,070,224
54	2000031	USD	2,484,994	379,843,272			191,153	32,676,852	72,032,733		2,293,841	419,199,153
55	2001047	USD	4,178,613	638,721,062			298,472	51,129,330	121,503,591		3,880,141	709,095,323
India												
56	2001041	USD	14,845,873	2,269,262,948			2,420,000	379,147,329	380,711,429		12,425,873	2,270,827,048
57	2002056	USD	4,402,790	672,987,585			2,940,000	500,334,198	94,671,339		1,462,790	267,324,726
58	2003049	USD	13,705,663	2,094,976,329			1,584,194	269,600,828	389,821,690		12,121,469	2,215,197,191
59	2004040	USD	9,792,103	1,496,769,911			1,494,000	236,884,532	256,592,073		8,298,103	1,516,477,453
60	2008006	USD	53,592,368	8,191,940,478	238,110	36,597,436	7,948,118	1,293,992,009	1,450,450,716		45,882,360	8,384,996,621
China												
61	2000037	CNY	10,000,000	234,547,999			5,000,000	95,230,130	16,237,908		5,000,000	155,555,777
India												
62	2002057	USD	(20)	(3,057)					(598)			(3,655)
Japan												
63	2003041		2,812,661	3,813,687,050			181,462	266,803,579	806,961,514		2,631,199	4,353,844,986

Notes to the Financial Statements contd...

NOTE - 29 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
64	2016032 Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPK	10,000,000	13,559,000,000	-	-	2,988,000,000	-	10,000,000	16,547,000,000
Agence Francaise De Development										
65	2005049 Trincomalee Integrated Infrastructure Project (TIIP)	EURO	50,073,984	9,137,785,991	(131,299)	(23,744,315)	1,199,276,722	6,242,836	43,699,849	9,132,953,922
66	2007040 Construction Sector Support Project (for Post Tsunami Reconstruction)	EURO	9,000,000	1,642,371,300	-	-	225,935,200	1,000,000	8,000,000	1,671,942,400
67	2008030 Trincomalee Integrated Infrastructure Project	EURO	14,550,156	2,655,195,434	(9,620)	(1,739,630)	364,099,147	1,454,054	13,086,482	2,734,980,706
68	2011036 Implementation of Jaffna Kilinochchi Water Supply and Sanitation Project (France)	EURO	(0)	0	-	-	(0)	-	-	0
69	2014027 Implementation of Ambatale Water Supply System Improvement & Energy Saving Project	USD	5,000,000	764,274,000	3,000,000	487,500,000	210,225,200	-	8,000,000	1,461,999,200
70	2015021 Nawalapitiya, Wewalwatta and Ragala	EURO	-	91,459,000	-	-	140,636,555	-	-	232,095,555
71	2015023 Green Power Development & Energy Efficiency Improvement Investment Programme	EURO	2,062,184	479,592,646	-	-	370,005,576	2,062,184	-	849,598,222
72	2016021 Implementation of Sanitation Hygiene Initiative for Towns Project - Phase 1	EURO	-	500,000	500,000	94,867,300	9,629,100	-	500,000	104,496,400
73	2016039 Implementation of Anuradhapura Integrated Urban Development Project	EURO	-	1,242,149	1,242,149	231,056,579	28,543,598	-	1,242,149	259,600,177
China Development Bank										
74	2010051 Rehabilitation and Improvement of Priority Road Project PhI	USD	93,715,455	14,324,857,091	-	-	2,571,080,266	11,750,000	81,965,455	14,979,178,657
75	2011007 Improvement and Rehabilitation of Priority Roads PhII	USD	346,160,000	52,912,217,554	-	-	9,453,217,856	38,460,000	307,700,000	56,232,144,213
76	2012017 Moragahakanda Development Project	USD	160,749,268	24,571,297,287	4,821,082	740,699,892	4,494,799,749	20,000,000	145,570,350	26,602,966,928
77	2014001 Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	USD	227,255,064	34,737,027,401	16,985,442	2,738,410,957	6,621,769,052	23,100,000	221,140,506	40,413,405,364
78	2014034 Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	USD	43,195,149	6,602,585,804	18,795,745	3,004,206,993	1,542,796,518	7,700,000	54,290,893	9,921,655,300
China										
79	2000073 Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	20,000,000	469,096,000	-	-	62,270,000	-	20,000,000	531,366,000
80	2002076 Economic and Technical Cooperation-National Performance Art theater (Nellum Pokuna)	CNY	30,000,000	703,644,000	-	-	93,405,000	-	30,000,000	797,049,000
81	2003077 Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	50,000,000	1,172,740,000	-	-	155,675,000	-	50,000,000	1,328,415,000
Canada										
82	1968003 Maskeliya Oya Hydro Electric Development Project	CAD	(1)	(63)	-	-	63	-	-	(0)
83	1971003 Mechanical Logging Project	CAD	292,156	35,528,478	-	-	2,968,991	83,473	208,683	27,980,063
84	1973003 Purchase of 14 Locomotives	CAD	828,144	100,708,670	-	-	9,099,725	152,000	676,144	90,656,828
85	1976002 Agricultural Sector Support Credit	CAD	1,571,089	191,056,504	-	-	18,122,022	182,109	1,388,980	186,233,326
86	1977004 Water Supply Project	CAD	1,425,000	173,290,971	-	-	15,969,727	150,000	1,275,000	170,950,978
87	1980014 Maduruoya Reservoir Complex	CAD	23,040,000	2,801,841,396	-	-	271,825,823	1,920,000	21,120,000	2,831,752,691

Notes to the Financial Statements contd...

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
88	Maduruoya Right Bank - Mahaweli System B.	CAD	4,262,500	518,352,768	-	-	275,000	34,649,216	50,937,200	3,987,500	534,640,751
France											
89	Expansion of Telephone Exchanges in Colombo	EURO	696,010	127,011,912	-	-	49,710	9,761,650	17,821,922	646,300	135,072,185
90	Ta/Maintenance Water Treatment Plant Colombo	EURO	173,178	31,602,528	-	-	11,556	2,269,288	4,444,692	161,622	33,777,932
91	Cardio Thoracic Equipment for Kandy Hospital	EURO	805,586	147,007,925	-	-	51,608	10,137,439	20,705,487	753,978	157,575,972
92	Elihouse & F/S on Colombo North Water Supply	EURO	415,295	75,785,399	-	-	27,002	5,303,273	10,668,316	388,293	81,150,442
93	Modernization - Colombo Water Distribution Network	EURO	161,944	29,552,485	-	-	10,930	2,146,419	4,154,796	151,014	31,560,863
94	Improvement of Government Film Unit	EURO	224,819	41,026,252	-	-	13,250	2,601,978	5,792,123	211,569	44,216,397
95	Water Treatment Plant in Anuradhapura	EURO	2,371,703	432,801,932	-	-	406,130	79,767,568	220,562,734	2,744,578	573,597,098
96	Modern. Rathmalana Air Traffic Control System	EURO	710,290	129,617,769	-	-	105,442	20,706,658	17,497,767	604,848	126,408,878
97	Expansion of E 108 Telecom Exchange - 1996	EURO	576,205	105,149,173	-	-	95,276	18,709,886	14,071,412	480,929	100,510,699
98	Improvement of Government Film Unit	EURO	255,548	46,633,855	-	-	31,756	6,235,912	6,372,973	223,792	46,770,916
99	Extension of Colombo Telecommunication Units	EURO	693,370	126,530,078	-	-	49,526	9,725,667	17,754,225	643,844	134,558,636
100	Ambathale Water Treatment Plant Project	EURO	2,596,511	473,826,243	-	-	624,277	122,604,297	60,960,910	1,972,234	412,182,855
101	Samanalawewa Transmission Project	EURO	923,357	168,499,369	-	-	379,551	74,533,467	19,685,529	543,806	113,651,430
102	Mixed Credit for Telecommunication & Ceb	EURO	955,753	174,411,347	-	-	191,022	37,516,102	22,928,141	764,731	159,823,385
103	Mixed Credit for Irri. Telecom. Ceb.	EURO	363,572	66,346,638	-	-	250,724	48,969,219	6,207,001	112,848	23,584,420
104	Rehabilitation of Ambatale Water Plant	EURO	1,222,383	223,067,260	-	-	97,566	19,164,848	31,176,020	1,124,817	235,078,432
105	Water Supply Network of Colombo	EURO	1,182,450	215,780,185	-	-	150,924	29,641,740	29,443,106	1,031,526	215,581,551
106	Colombo Airport Telecommunication Project	EURO	57,870	10,560,517	-	-	39,468	7,390,206	675,722	18,402	3,846,033
107	Mixed Credit for Airport, Telecom, Irriga., Nwsdb	EURO	107,204	19,563,228	-	-	49,022	9,343,749	1,940,248	58,182	12,159,727
108	Nilwala Ganga Project	EURO	20,091	3,666,344	-	-	11,343	2,202,756	364,777	8,748	1,828,365
109	Mixed Credit for Airport, Telecom, Irriga. Nwsdb	EURO	206,660	37,712,581	-	-	133,711	26,086,001	3,619,423	72,949	15,246,003
110	Greater Trincomalee Water Supply Project	EURO	12,049,396	2,198,842,479	-	-	45,366	8,912,187	318,825,567	12,004,030	2,508,755,859
111	Spatial information Infrastructure for Reconstruction Monitoring Project	EURO	6,250,738	1,140,670,372	-	-	300,109	59,301,069	162,269,313	5,950,629	1,243,638,616
112	Provision of Oxygen Concentrators, Operating Theaters & Medical Equipment to Tsunami Affected & Remote Hospitals Project	EURO	8,595,099	1,568,482,614	-	-	634,859	124,694,160	219,844,393	7,960,240	1,663,632,846
113	Widening and Reconstruction of 46 Bridges on National Road Network	EURO	21,821,156	3,982,048,960	-	-	578,415,569	-	-	21,821,156	4,560,464,529
Government of the Federal Republic of Germany											
114	Private Sector Infrastructure Development Project	EURO	1,621,464	295,893,980	-	-	80,952	15,905,763	41,967,755	1,540,512	321,955,973
115	Grib Substation Kelaniya & Ratmalana	EURO	4,910,576	896,861,693	22,880	3,423,365	234,172	46,011,152	127,842,552	4,699,284	982,116,458
116	Nawalapitiya Water Supply Project	EURO	2,723,788	497,052,316	-	-	129,704	25,484,891	70,577,361	2,594,084	542,144,787
117	Ampara Water Supply Project	EURO	1,627,360	296,969,977	-	-	77,493	15,226,260	42,167,307	1,549,867	323,911,024
118	Koggala Water Supply Project	EURO	3,300,892	602,365,667	-	-	153,550	30,166,272	85,576,719	3,147,362	657,776,113

Notes to the Financial Statements contd...

NOTE - 29 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
119	1999054	NDB IV Project	EURO	5,624,211	1,026,338,026	255,646	50,230,516	145,883,870	5,368,565	1,121,991,380
120	2000010	DFCC Bank (DFCC III)	EURO	5,660,001	1,032,869,275	251,556	49,426,827	146,883,732	5,408,445	1,130,326,180
121	2001042	Colombo Grib Substation Project	EURO	7,018,814	1,280,833,098	343,588	67,509,813	181,750,756	6,675,226	1,395,074,041
122	2001061	Kirindioya Irrigation & Settlement Project	EURO	2,466,370	450,077,339	158,500	31,142,919	63,393,787	2,307,870	482,328,207
123	2001063	Railway Wagons for Fertilizer Distribution	EURO	2,276,272	415,387,203	151,342	29,716,701	58,424,617	2,124,930	444,095,119
124	2001065	Expans of Two 132/11 kv Substa. in Colombo	EURO	3,988,078	727,767,133	204,517	40,184,414	103,154,257	3,783,561	790,736,976
125	2001100	Randenigala Dam Project	EURO	71,580,863	13,062,483,890	5,112,919	1,003,942,573	1,832,780,455	66,467,944	13,891,321,772
126	2001101	2Nd Ext. of Sapugaskanda Diesel Power Pl	EURO	21,186,913	3,866,308,650	631,957	124,169,834	553,699,041	20,554,956	4,295,837,857
127	2001102	Rantembe Dam Project	EURO	31,401,499	5,730,324,574	1,697,489	333,530,625	811,130,318	29,704,010	6,207,924,268
128	2001103	Railway Bridges Project	EURO	824,204	150,405,324	63,400	12,448,889	21,045,946	760,804	159,002,381
129	2001104	Small Entrepreneur Promote Programme (DFCC II)	EURO	638,604	116,536,095	31,700	6,228,585	16,531,034	606,904	126,838,544
130	2001105	Kirindioya Irrigation & Settlement Project	EURO	3,938,994	718,810,082	328,249	64,495,981	100,305,530	3,610,745	754,619,631
131	2001110	Supply of A Railway Crane	EURO	713,252	130,158,233	31,700	6,224,445	18,505,586	681,552	142,439,374
132	2001115	Railway Bridges II	EURO	5,055,656	922,584,924	223,946	44,001,931	131,209,642	4,831,710	1,009,792,635
133	2001118	Embilipithya Paper Mills Project	EURO	639,116	116,629,451	51,129	10,039,424	16,294,891	587,987	122,884,918
134	2001122	NDB Small Loan Programme III	EURO	708,651	129,318,682	33,745	6,630,427	18,362,194	674,906	141,050,449
135	2003047	NDB VI - Small and Micro Enterprises	EURO	1,748,757	319,123,218	68,000	13,360,960	45,503,936	1,680,757	351,266,195
136	2005043	DFCC IV Private Sector Development	EURO	4,697,919	857,303,004	166,000	32,616,460	122,451,859	4,531,919	947,138,403
137	2005044	NDB V - Private Sector Promotion Programme	EURO	4,697,919	857,303,002	166,000	32,616,460	122,451,859	4,531,919	947,138,401
138	2005051	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	EURO	5,636,601	1,028,599,048	414,000	81,344,666	144,231,588	5,222,601	1,091,485,970
139	2006040	DFCC V Credit Line for Sme in the North and East	EURO	4,668,000	851,843,247	166,000	32,616,460	121,658,798	4,502,000	940,885,585
140	2010036	Reconstruction of Water Supply Galle District - Phase II	EURO	1,258,204	229,604,260	33,351,342	33,351,342	33,351,342	1,258,204	262,955,602
141	2012022	Construction of Mahamodara Maternity Hospital, Galle	EURO	9,174,335	1,674,184,948	2,132,817	406,096,552	247,634,040	8,493,152	1,775,007,594
Government of Denmark										
142	1986001	Construction of 2 Coast Protection Scheme	DKK	7,310,074	179,179,408	2,800,000	73,255,099	20,309,946	4,510,074	126,234,255
143	2004077	Colombo Sewerage Rehabilitation Project	EURO	(0)	(0)	2,004,200	392,534,796	53,359,721	1,002,100	209,431,686
144	2006079	Nuwara Eliya District Group Water Supply Project	EURO	3,006,300	548,606,760	5,257,413	1,029,696,457	349,011,277	10,514,826	2,197,523,033
145	2008028	Kelani Right Bank Water Treatment Plant (Denmark)	EURO	15,772,239	2,878,208,213	4,600,927	901,119,607	305,430,693	9,201,854	1,923,121,217
146	2008029	Oluvil Port Development Project (Denmark)	EURO	13,802,781	2,518,810,131	13,229,275	2,149,299,754	1,040,852,833	30,549,306	5,583,319,229
Government of India										
147	2008011	Upgrading of Railway Line Colombo - Matara	USD	43,778,581	6,691,766,150	8,960,025	1,454,716,766	1,054,404,205	32,522,480	5,943,480,049
148	2010010	Upgrading of Railway Line Colombo - Matara Phase II	USD	41,056,586	6,275,696,297	425,919	68,096,313	1,054,404,205	32,522,480	5,943,480,049
149	2010052	Railway Line Omanthai - Pallai, Madhuthalaimannar & Medawachchiya	USD	388,830,952	59,434,677,394	5,077,969	901,372,596	11,282,453,133	375,029,020	68,536,515,836

Notes to the Financial Statements contd...

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
150	2012002 Greater Dambulla Water Supply Project I	USD	37,075,185	5,667,120,043	2,576,286	411,932,453	5,277,391	835,269,609	1,110,347,296	34,374,081	6,354,130,183
151	2012003 Restoration of Northern Railway Services	USD	260,424,758	39,807,474,299	7,587,412	1,172,486,901	6,037,390	985,875,956	7,894,576,585	261,974,781	47,888,361,829
152	2013046 Procurement of Two Advanced Offshore Patrol Vessels	USD	81,573,833	12,468,951,980	26,898,148	4,243,669,130	16,537,333	2,752,879,749	2,841,306,371	91,934,648	16,801,047,731
Japan											
153	1987022 Samanlalawewa Hydroelectric Power Project II	JPY	-	-	-	-	-	-	-	-	-
154	1987024 Port of Colombo Expansion Project	JPY	-	-	-	-	-	-	-	-	-
155	1988009 Mahawali Development (System C) Project II	JPY	70,912	96,149,590	-	-	70,912	101,680,717	5,531,127	-	-
156	1988011 Minipe & Nagadeepa Irrigation Rehabilitation Project	JPY	83,364	113,033,248	-	-	83,364	117,018,047	3,984,799	-	-
157	1988012 Road Maintenance & Rehabilitation Project	JPY	279,044	378,355,760	-	-	279,044	391,694,063	13,338,303	-	-
158	1988066 Transmission System Augmentation Development Project	JPY	186,886	253,398,727	-	-	186,886	279,011,454	25,612,727	-	-
159	1988067 Commuter Train Improvement Project	JPY	328,760	445,765,684	-	-	328,760	490,822,242	45,056,558	-	-
160	1990010 Towns East of Colombo Water Supply Project	JPY	239,825	325,178,719	-	-	95,930	141,045,879	53,970,218	143,895	238,103,058
161	1990011 Greater Colombo Drainage Rehabilitation Project	JPY	36,380	49,327,642	-	-	14,552	21,395,806	8,186,955	21,828	36,118,792
162	1990012 Transmission & Grid Substation Development Project	JPY	285,560	387,190,804	-	-	114,224	167,943,547	64,262,422	171,336	283,509,679
163	1990014 Port of Colombo Extension Project (I)	JPY	695,530	943,069,127	-	-	278,212	409,055,104	156,522,071	417,318	690,536,095
164	1990015 Colombo - Katunayake Expressway Construction Project	JPY	62,340	84,526,806	-	-	24,936	36,663,401	14,028,994	37,404	61,892,399
165	1990049 Railway Rehabilitation Project	JPY	1,333,692	1,808,352,983	-	-	444,564	646,618,338	309,505,457	889,128	1,471,240,102
166	1991005 Greater Colombo Telecom Network (II) Project	JPY	1,737,218	2,355,493,886	-	-	496,348	729,780,464	427,554,167	1,240,870	2,053,267,588
167	1991006 Port of Colombo Extension Project (LI)	JPY	1,781,122	2,415,023,320	-	-	508,892	748,223,908	438,359,569	1,272,230	2,105,158,982
168	1991007 Samanlalawewa Hydroelectric Power (III) Project	JPY	557,263	755,592,902	-	-	159,218	234,098,225	137,150,385	398,045	658,645,061
169	1992008 Port of Colombo Extension Project III	JPY	4,381,956	5,941,494,141	-	-	973,768	1,431,731,090	1,129,765,634	3,408,188	5,639,528,684
170	1992009 Greater Colombo Flood Control & Env. Imp.(I)	JPY	2,291,922	3,107,617,040	-	-	509,316	748,847,315	590,908,423	1,782,606	2,949,678,148
171	1992010 Upper Kotmale Hydroelectric Power (Eng. S)	JPY	225,666	305,980,530	-	-	50,148	73,732,604	58,181,710	175,518	290,429,635
172	1993023 Baseline Road Project	JPY	1,441,812	1,954,952,891	-	-	240,302	349,519,259	382,704,965	1,201,510	1,988,138,597
173	1993024 Port of Colombo Extension Project IV	JPY	1,998,492	2,709,755,303	-	-	333,082	484,467,769	530,466,393	1,665,410	2,755,753,927
174	1993025 Transmission System Augmentation & Development Project	JPY	192,564	261,097,528	-	-	32,094	46,680,723	51,112,904	160,470	265,529,709
175	1993026 Sri Lanka-Japanese Friendship Bridge Widening Project	JPY	633,264	858,642,658	-	-	105,544	153,513,748	168,089,374	527,720	873,218,284
176	1993027 The Regional Telecommunications Development Project	JPY	2,789,412	3,782,163,731	-	-	464,902	676,199,959	740,402,925	2,324,510	3,846,366,697
177	1993028 Greater Colombo Water Supply System Extension Project	JPY	981,264	1,330,495,858	-	-	163,544	237,874,748	260,460,174	817,720	1,353,081,284
178	1994015 Greater Colombo Flood Control & Env. Project (II)	JPY	1,211,448	1,642,602,343	-	-	173,064	242,929,937	318,541,598	1,038,384	1,718,214,004
179	1994016 Industrial Estates Development Project	JPY	1,291,584	1,751,258,745	-	-	184,512	258,999,494	339,612,787	1,107,072	1,831,872,038
180	1994017 Kukule Ganga Hydroelectric Power Project	JPY	6,580,672	8,922,733,165	-	-	940,096	1,319,612,755	1,730,340,698	5,640,576	9,333,461,108

Notes to the Financial Statements contd...

NOTE - 29 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Parity	Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
181	1994018	Port of Colombo North Pier Development Project	JPK	1,665,706	2,258,530,766	237,958	334,021,645	437,985,495	1,427,748	2,362,494,617	
182	1994019	Walawe L.B. Irrigat. Upgrading & Exp. Project	JPK	129,402	175,456,173	18,486	25,948,798	34,025,332	110,916	183,532,707	
183	1994020	Coal Fired Thermal Development Project	JPK	229,796	311,580,397	32,828	46,080,664	60,423,217	196,968	325,922,950	
184	1995028	Samanalawewa Hydro Electric Power Project	JPK	1,222,944	1,658,189,796	152,868	222,346,506	334,811,499	1,070,076	1,770,654,789	
185	1995029	Walawe Left Bank Irriga. Upgra & Exten. Project	JPK	973,760	1,320,321,184	121,720	177,041,740	266,591,144	852,040	1,409,870,588	
186	1996053	Kelanitissa Combined Cycle Power Plant	JPK	5,885,748	7,980,485,714	653,972	973,895,102	1,650,429,136	5,231,776	8,657,019,748	
187	1996054	Walawe Left Bank Irriga. & Exten. Project (II)	JPK	3,782,610	5,128,840,890	420,290	625,895,868	1,060,685,871	3,362,320	5,563,630,893	
188	1996055	Towns North of Colombo Water Supply Project	JPK	2,246,418	3,045,918,167	249,602	371,707,298	629,920,566	1,996,816	3,304,131,435	
189	1996056	G.C. Flood Control & Enviro. Imp. Project (III)	JPK	2,579,004	3,496,871,530	286,556	426,739,195	723,181,379	2,292,448	3,793,313,714	
190	1996057	Plantation Reform Project	JPK	1,789,452	2,426,317,966	198,828	296,094,658	501,782,224	1,590,624	2,632,005,532	
191	1997032	Transmission & Substation Development Project	JPK	1,206,420	1,635,784,878	120,642	175,473,789	336,325,768	1,085,778	1,796,636,857	
192	1997051	Baseline Road Project (II)	JPK	1,117,520	1,515,245,368	111,752	162,543,284	311,542,226	1,005,768	1,664,244,310	
193	1997052	Telecom. Network Expan. Project in Colombo	JPK	4,071,480	5,520,519,732	407,148	592,196,766	1,135,047,194	3,664,332	6,063,370,160	
194	1997053	Kalu Ganga Water Supply Project for Greater Colombo	JPK	5,411,320	7,337,208,794	541,132	787,076,494	1,508,567,791	4,870,188	8,058,700,091	
195	1997054	Mahwell System C. Upgrading Project	JPK	1,501,660	2,036,100,794	150,166	218,416,447	418,632,775	1,351,494	2,236,317,122	
196	1997055	Small & Micro ind. Leader & Entrep. Project	JPK	2,639,060	3,578,301,454	263,906	383,851,277	735,717,147	2,375,154	3,930,167,324	
197	1998053	Transmission & Substation Development Project II	JPK	1,516,964	2,056,851,488	131,944	193,997,263	428,938,370	1,385,020	2,291,792,595	
198	1998054	Medium Voltage Distribution Network	JPK	1,849,822	2,508,173,650	164,682	242,131,945	522,359,453	1,685,140	2,788,401,159	
199	1998055	Telecom. Network Expansion - Colombo Metro	JPK	155,848	211,314,303	14,168	20,831,210	43,954,803	141,680	234,437,895	
200	1998056	Environmentally Friendly Solution Fund	JPK	1,631,322	2,211,909,500	77,682	114,215,845	473,114,453	1,553,640	2,570,808,109	
201	1999029	Bandaranayake International Airport Development Project	JPK	7,217,848	9,786,680,103	570,514	829,812,613	2,042,472,776	6,647,332	10,999,340,266	
202	1999030	Road Network Improvement Project	JPK	1,847,468	2,504,981,869	144,494	210,166,523	523,095,741	1,702,974	2,817,911,087	
203	1999031	Poverty Alleviation Micro Finance Project	JPK	800,688	1,085,652,859	66,724	97,050,058	225,887,429	733,964	1,214,490,230	
204	1999032	Engineer Service for the Southern Highway	JPK	273,636	371,023,053	12,438	18,091,071	79,272,349	261,198	432,204,331	
205	1999033	Reduction of Non Revenue Water Project	JPK	175,336	237,738,083	9,178	13,349,401	50,552,961	166,158	274,941,643	
206	1999034	Urgent Upgrading of Colombo Port Project	JPK	949,680	1,287,671,106	73,200	106,469,400	269,109,743	876,480	1,450,311,449	
207	2000015	Port of Colombo North Pier Development Project II (Modification Agreement)	JPK	1,612,275	2,186,083,673	128,982	189,642,235	457,963,490	1,483,293	2,454,404,929	
208	2001043	Small & Micro ind. Leader & Entrep. Project II	JPK	2,821,014	3,825,012,883	208,964	293,322,767	790,469,019	2,612,050	4,322,159,135	
209	2001044	Impr.Nati.Blood Transfusion Services	JPK	889,256	1,205,742,323	63,222	88,744,721	249,840,143	826,034	1,366,837,745	
210	2001045	Southern Highway Construction Project	JPK	12,471,912	16,910,665,482	899,472	1,322,493,682	3,560,744,669	11,572,440	19,148,916,470	
211	2001046	Greater Kandy Water Supply Project	JPK	3,578,157	4,851,623,070	152,262	223,870,819	1,041,076,197	3,425,895	5,668,828,449	
212	2001051	Colombo City Electricity Distribution Development Project	JPK	4,157,840	5,637,615,401	276,290	420,527,195	1,205,712,587	3,881,550	6,422,800,794	
213	2001052	Lunawa Envir.Improv. & Community Development Project	JPK	4,403,376	5,970,537,523	296,564	451,385,236	1,276,389,537	4,106,812	6,795,541,824	
214	2002040	Upper Kotmale Hydro Power Project	JPK	26,224,751	35,558,139,537	1,070,398	1,573,806,179	7,638,574,127	25,154,353	41,622,907,484	

Notes to the Financial Statements contd...

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
215	2003042	JPk	1,283,152	1,739,825,783	82,784	121,717,315	368,140,447	1,200,368	1,986,248,915
216	2003043	JPk	4,375,557	5,932,817,739	282,294	415,056,868	1,255,361,414	4,093,263	6,773,122,285
217	2003044	JPk	4,519,893	6,128,522,913	291,606	428,748,302	1,296,771,883	4,228,287	6,996,546,494
218	2003045	JPk	2,172,263	2,945,371,405	140,146	206,056,664	623,229,261	2,032,117	3,362,544,002
219	2003046	JPk	7,254,403	9,836,245,027	468,026	688,138,628	2,081,311,622	6,786,377	11,229,418,021
220	2004044	JPk	10,418,058	14,125,844,842	385,854	587,289,081	3,061,732,197	10,032,204	16,600,287,958
221	2004045	JPk	8,340,624	11,309,052,087	308,912	470,179,510	2,451,201,275	8,031,712	13,290,073,852
222	2004046	JPk	3,768,822	5,110,145,755	139,586	212,456,871	1,107,607,931	3,629,236	6,005,296,814
223	2005040	JPk	1,131,295	1,533,922,890	41,138	62,614,093	332,573,991	1,090,157	1,803,882,788
224	2005041	JPk	9,021,705	12,232,529,810	328,062	499,326,767	2,652,168,029	8,693,643	14,385,371,072
225	2006041	JPk	0	0	1		(1)	0	0
226	2006042	JPk	4,167,441	5,650,633,175	146,226	214,996,088	1,218,267,279	4,021,215	6,653,904,367
227	2006043	JPk	1,464,465	1,985,668,078	172,290	253,317,987	405,811,862	1,292,175	2,138,161,953
228	2007004	JPk	20,844,369	28,262,879,931	1,068,942	1,571,665,423	6,031,184,553	19,775,427	32,722,399,061
229	2007005	JPk	3,855,774	5,228,043,970	197,732	290,725,360	1,115,643,491	3,658,042	6,052,962,101
230	2007006	JPk	12,585,573	17,064,778,427	645,414	948,952,204	3,641,554,870	11,940,159	19,757,381,093
231	2008012	JPk	5,713,683	7,747,482,930	93,723	132,693,181	1,684,858,064	5,619,960	9,299,347,813
232	2008013	JPk	17,412,408	23,609,484,311	424,808	601,443,481	5,101,340,896	16,987,600	28,109,381,726
233	2008014	JPk	8,269,185	11,212,187,858	201,745	285,630,479	2,422,635,586	8,067,440	13,349,192,965
234	2008015	JPk	2,561,731	3,473,450,904	42,151	59,677,222	755,375,332	2,519,580	4,169,149,014
235	2008016	JPk	486,664	659,868,262	11,904	16,854,251	142,571,363	474,760	785,585,374
236	2010013	JPk	9,143,653	12,397,879,684		2,732,123,644		9,143,653	15,130,003,328
237	2010014	JPk	3,956,899	5,365,159,935		1,182,321,550		3,956,899	6,547,481,485
238	2010015	JPk	4,847,213	6,572,334,081		1,448,346,798		4,847,213	8,020,680,879
239	2010016	JPk	3,315,078	4,494,618,382		1,342,690,372		4,673,339	7,786,062,676
240	2010017	JPk	4,548,933	6,167,898,176		1,359,221,163		4,548,933	7,527,119,339
241	2011003	JPk	29,745,837	40,332,202,005		8,944,141,667		29,980,945	49,609,469,735
242	2011004	JPk	1,364,401	1,849,990,663		407,682,875		1,364,401	2,257,673,538
243	2011027	JPk	6,987,376	9,474,183,053		2,087,827,934		6,987,376	11,562,010,987
244	2012006	JPk	173,678	246,337,982		544,634,864		173,678	790,972,846

Notes to the Financial Statements contd...

NOTE - 29 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
245	2012007 Improvement of Basic Social Services Targeting Emerging Region	JPK	2,600,798	3,516,129,701	1,099,084	1,581,591,381			1,031,767,709	3,699,882	6,129,488,792
246	2013016 Greater Colombo Transmission and Distribution Loss Reduction Project	JPK	1,970,604	2,653,033,856	20,971	24,677,196			3,314,177,666	1,991,574	5,991,888,717
247	2013018 Major Bridges Construction Project of the National Road Network	JPK	5,634,869	7,640,319,939	1,368,330	2,035,970,785			1,911,904,770	7,003,200	11,588,195,494
248	2013019 Landslide Disaster Protection Project of the National Road Network	JPK	1,404,928	1,904,941,709	1,771,792	2,636,222,773			715,353,490	3,176,720	5,256,517,972
249	2013020 Anuradhapura North Water Supply Project (I)	JPK	536,318	727,193,237	362,537	524,643,467			344,330,722	898,855	1,596,167,426
250	2014003 New Bridge Construction Project Over the Kelani River	JPK	6,861,297	9,303,233,074	5,526,094	8,315,544,262			2,878,639,581	12,387,392	20,497,416,918
251	2014023 Digitalization of Terrestrial Television Broadcasting Project										
252	2015018 National Transmission and Distribution Network Development and Efficiency Improvement Project	JPK	57,599	78,035,120					21,541,635	57,599	99,576,755
253	2016037 Anuradhapura North Water Supply Project (Phase 2)	JPK									
254	2017015 Rural Infrastructure Development Project in Emergency Region	JPK									
255	2017016 Kalu Ganga Water Supply Expansion Project (I)	JPK									
Government of the Republic of Korea											
256	1996038 Horana Area Telecom. Facility Improvement	KRK	1,761,186	252,201,836			503,196	76,957,886	31,569,607	1,257,990	206,813,557
257	1996039 Expansion of Telecom Centre Gampaha	KRK	1,939,273	277,703,893			554,078	84,739,687	34,761,852	1,385,195	227,726,057
258	1996042 Ratnapura-Balangoda Road Rehabilitation	KRK	11,030,382	1,579,550,702			1,225,598	178,682,192	211,037,979	9,804,784	1,611,906,489
259	1996043 Housing Project for Public Servants	KRK	3,674,430	526,178,376			408,270	59,522,436	70,300,764	3,266,160	536,956,704
260	2001048 Greater Galle Water Supply Project	KRK	24,679,004	3,534,033,373			1,762,786	260,602,813	493,995,679	22,916,218	3,767,426,240
261	2001050 Medical Equipment Project	KRK	845,448	121,068,153			211,362	30,814,856	13,990,440	634,086	104,243,738
262	2003048 Balangoda -Bandarawela Road Rehabilitation Project	KRK	15,202,383	2,176,981,316			950,150	138,524,120	304,609,990	14,252,233	2,343,067,186
263	2005042 Greater Galle Water Supply Project Phase II	KRK	13,561,170	1,941,959,544			774,924	119,296,167	279,395,465	12,786,246	2,102,058,842
264	2005046 Re-Engineering Government Component of E-Sri Lanka Project	KRK	12,989,376	1,860,078,642			721,632	108,701,365	265,439,835	12,267,744	2,016,817,113
265	2006044 Administrative Complex in Hambantota Project	KRK	17,565,528	2,515,383,610			949,488	146,169,533	362,462,899	16,616,040	2,731,676,977
266	2007013 Greater Galle Water Supply Project Phase II (Supplementary)	KRK	6,574,854	941,519,092			337,172	51,906,158	135,861,986	6,237,682	1,025,474,921
267	2007016 Upgrading of Niwagama National Vocational Training Centre Project	KRK	6,681,542	956,796,814			460,796	70,937,533	136,831,361	6,220,746	1,022,690,642
268	2008040 Lanka Government Network Stage II Project	KRK	8,328,330	1,192,616,850					176,560,595	8,328,330	1,369,177,445
269	2008041 Improvement of Padeniya - Anuradhapura Road Project	KRK	75,883,150	10,866,467,138					1,608,722,788	75,883,150	12,475,189,926
270	2009004 Ruhunupura Water Supply Development Project	KRK	87,048,316	12,465,318,828					1,845,424,296	87,048,316	14,310,743,124
271	2010041 Hatton - Nuwara Eliya Road Improvement Project	KRK	42,917,197	6,145,742,645					909,844,581	42,917,197	7,055,587,226
272	2012027 Improvement of Padeniya - Anuradhapura Road Project (Supplementary Loan)	KRK	12,923,423	1,850,634,156					273,976,565	12,923,423	2,124,610,721

Notes to the Financial Statements contd...

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Parity	Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
273	2013031	Construction of Solid Waste Disposal Facilities	KRK	1,536,568	220,466,805	-	-	-	39,090,297	1,536,568	259,557,102
274	2013033	Establishment of Colombo Central Vocational Training Center & Gampaha College of Technology Project in Sri Lanka	KRK	8,437,244	1,209,194,008	3,815,893	559,723,953	-	246,483,341	12,253,137	2,015,401,301
275	2014038	Deduru Oya Water Supply Project	KRK	12,633,738	1,811,890,070	6,393,640	925,698,678	-	495,533,260	19,027,378	3,233,122,008
276	2014039	Ruwanwella Water Supply Project	KRK	-	-	-	-	-	-	-	-
277	2015011	Hatton-Nuwara Eliya Improvement Project (Supplementary Loan)	KRK	18,826,696	2,695,982,903	-	-	-	399,125,961	18,826,696	3,095,108,864
Government of Kuwait											
278	1995013	Bridges Reconstruction & Rehabilitation Project	KWD	779,636	394,436,155	-	-	-	59,543,608	498,836	299,983,914
279	1999017	Rehabilitation of Irrigation Schemes - Hambanthota	KWD	672,000	339,980,865	-	-	-	56,424,968	576,000	346,388,318
280	2000023	Rural Electrification Project V	KWD	919,600	465,247,621	-	-	-	82,796,296	804,650	483,891,247
281	2005048	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	KWD	4,118,374	2,083,583,687	-	-	-	377,191,842	3,818,374	2,296,250,049
282	2007041	South Eastern University of Sri Lanka Development Project Phase I 'A'	KWD	1,500,000	758,885,851	-	-	-	137,872,017	1,400,000	841,916,041
283	2009002	Kalu Ganga Development Project	KWD	5,881,660	2,976,273,913	3,127,654	1,655,928,878	-	745,538,743	8,509,313	5,117,233,642
284	2011030	South Eastern University of Sri Lanka Development Project Phase I 'B'	KWD	2,227,431	1,127,050,257	531,067	276,893,821	-	246,987,684	2,608,498	1,568,669,022
285	2014002	Reconstruction of 25 Bridges Project	KWD	1,039,012	525,660,721	451,744	235,861,536	-	134,971,324	1,490,756	896,493,580
286	2016017	Building Complex for the Faculty of Healthcare Sciences, Eastern University	KWD	-	-	142,706	73,294,758	-	12,524,197	142,706	85,818,955
287	2017033	Kalu Ganga Development Project (Supplementary)	KWD	-	-	311,922	179,594,028	-	7,985,979	311,922	187,580,007
Sweden											
288	2004072	Education Reforms in Plantation Schools	SEK	23,564,325	436,679,948	-	-	-	46,383,131	19,919,617	413,829,294
USA											
289	1977015	Co-Ordination Rice Research Project	USD	(0)	14	-	-	-	(14)	-	(0)
290	1977016	Mahaweli Development Project Stage 2	USD	109,749	16,775,743	-	-	-	233,009	-	-
291	1978016	Malaria Control Project	USD	1,087,333	166,204,072	-	-	-	21,845,674	512,408	93,642,625
292	1978017	Agricultural Base Mapping Project	USD	165,293	25,265,813	-	-	-	2,665,416	-	-
293	1978018	Paddy Storage & Processing Project	USD	231,894	35,446,092	-	-	-	910,489	-	-
294	1978020	Agricultural Inputs Project	USD	586,395	89,633,324	-	-	-	8,055,174	-	-
295	1979017	Water Management Project	USD	623,890	95,364,481	-	-	-	12,267,444	379,893	69,425,312
296	1979018	Agricultural Inputs Project	USD	1,320,914	201,908,147	-	-	-	26,671,963	669,355	122,324,617
297	1979068	Malaria Control Project	USD	839,901	128,382,834	-	-	-	20,992,560	662,859	121,137,408
298	1980026	Mahaweli Basin Development Phase I	USD	1,574,406	240,655,502	-	-	-	35,563,408	1,141,191	208,552,601
299	1980027	Reforestation & Watershed Management Project	USD	523,289	79,987,261	-	-	-	12,487,060	379,300	69,317,159
300	1980028	Jaffna Market Town Water Supply	USD	622,879	95,210,028	-	-	-	16,809,075	491,583	89,836,743

NOTE - 29(III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
301	1980029	Agricultural Inputs Project	USD	690,487	105,544,270	225,866	35,369,960	14,735,222	464,621	84,909,532
302	1980034	Water Management Project	USD	469,554	71,773,679	56,716	9,016,537	12,688,976	412,838	75,446,118
303	1980115	Reforestation & Watershed Management Project	USD	729,087	111,444,472	76,511	12,527,223	20,341,019	652,576	119,258,268
304	1981024	Mahaweli Basin Development Phase 2 Maduruoya	USD	5,253,757	803,061,995	1,107,433	188,584,544	143,262,844	4,146,324	757,740,296
305	1981084	Mahaweli Sector Support	USD	3,950,826	603,902,621	832,790	135,810,319	101,728,401	3,118,036	569,820,703
306	1982093	Mahaweli Basin Development Phase 2	USD	7,372,106	1,126,861,813	1,043,406	162,832,370	192,539,873	6,328,700	1,156,569,316
307	1982094	Mahaweli Sector Support (Rupee Expenditure)	USD	4,112,571	628,626,365	635,434	103,266,721	110,086,924	3,477,137	635,446,568
308	1982100	Mahaweli Development Phase 2 & Maduruoya Project	USD	670,792	102,533,785	81,024	12,650,745	17,897,095	589,768	107,780,135
309	1983013	Private Enterprise Promotion Project	USD	335,044	51,213,218	40,469	6,448,234	9,068,671	294,575	53,833,656
310	1983082	Mahaweli Sector Support	USD	5,405,113	826,197,410	652,872	103,002,593	145,276,669	4,752,241	868,471,485
311	1983083	Mahaweli Development Phase 2- Maduruoya System B Project	USD	5,366,336	820,270,242	648,188	101,205,943	143,176,743	4,718,148	862,241,042
312	1983084	Malaria Control Project	USD	1,513,340	231,321,301	197,366	32,586,837	41,759,671	1,315,974	240,494,136
313	1983089	Water Management Project	USD	369,915	56,543,288	38,819	6,310,523	10,274,988	331,096	60,507,753
314	1984006	Mahaweli Development Phase 2- Maduruoya System B Project	USD	8,655,934	1,323,101,028	972,638	152,471,316	233,491,782	7,683,296	1,404,121,493
315	1984007	Malaria Control Project	USD	1,196,784	182,934,224	117,696	19,965,560	34,234,590	1,079,088	197,203,254
316	1984008	Mahaweli Basin Development Ph-2 (Maduru Oya System)	USD	3,056,843	467,253,175	300,621	47,184,398	83,630,555	2,756,222	503,699,333
317	1984013	Water Supply & Sanitation Project	USD	525,382	80,307,017	59,035	9,320,723	14,238,347	466,347	85,224,642
318	1984014	Diversified Agriculture Research Project	USD	698,014	106,694,821	46,785	7,446,019	19,763,270	651,229	119,012,072
319	1984068	Water Supply & Sanitation Project	USD	1,368,742	209,218,863	119,273	18,720,578	37,842,239	1,249,469	228,340,524
320	1984072	Malaria Control Project	USD	646,956	98,890,270	56,376	9,524,455	18,562,582	590,580	107,928,397
321	1984074	Diversified Agriculture Research Project	USD	659,680	100,835,282	74,126	12,622,905	18,797,591	585,554	107,009,968
322	1984084	Mahaweli Development Phase 2- Madur Oya System B Project	USD	76,342	11,669,268	7,057	1,106,263	2,098,770	69,285	12,661,775
323	1986002	Water Supply & Sanitation Project	USD	469,650	71,788,379	30,029	5,074,389	13,626,770	439,621	80,340,761
324	1986010	Irrigation System Management Project	USD	3,566,439	545,147,267	282,386	47,112,559	102,125,721	3,284,053	600,160,429
325	1986011	Agricultural Planning & Analysis Project	USD	527,800	80,676,898	43,461	6,868,803	14,704,929	484,339	88,513,024
326	1987009	Mahaweli Agriculture & Rural Development	USD	1,550,139	236,946,187	113,734	17,884,606	43,441,191	1,436,405	262,502,772
327	1987010	Mahaweli Downstream Support Project	USD	1,701,732	260,117,850	114,060	19,251,296	49,280,281	1,587,672	290,146,835
328	1987027	Irrigation System Management Project	USD	1,786,206	273,030,125	125,699	20,549,334	50,976,663	1,660,507	303,457,453
329	1988087	Mahaweli Agriculture & Rural Development	USD	295,914	45,231,853	21,901	3,700,137	8,544,048	274,013	50,075,764
330	1989019	Water Supply & Sanitation Project	USD	815	124,581	48	7,788	23,456	767	140,248
Spain										
331	2006086	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	4,882,423	890,972,263	1,220,606	236,596,754	110,917,834	3,661,817	765,293,343
332	2006087	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,980,000	1,273,750,186	-	-	185,019,558	6,980,000	1,458,769,744

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
333	2007001	EUR	2,360,876,805	-	-	342,930,967	-	12,937,325	2,703,807,772	
	Design Supply & Setting-up of Two Water Treatment Plants At Galle & Negambo									
334	2015032	EUR	6,528,236,716	1,822,680	350,288,967	978,902,008	-	37,596,643	7,857,427,690	
	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Bilateral Portion)									
335	2016023	EUR	981,077,225	2,842,242	529,277,707	203,630,639	-	8,201,170	1,713,985,571	
	Implementation of Anamadawa Integrated Water Supply Project									
Saudi										
336	2002058	SAR	510,058,964	-	-	79,407,558	-	-	463,390,159	
	Development Health Facilities -Colombo Hospital									
337	2004043	SAR	698,615,622	69,306	2,730,667	119,046,917	-	14,543,630	708,353,344	
	Baticoloo - Trincomalee Road Project									
338	2008001	SAR	2,050,397,085	4,673,678	190,140,490	410,739,377	-	51,199,281	2,493,681,497	
	Epilepsy Hospital & Health Centers Project									
339	2008002	SAR	338,757,578	-	-	62,374,391	-	7,761,315	378,017,969	
	Development of Health Facilities in Colombo Project (Additional Loan)									
340	2010028	SAR	4,101,631,383	46,342,107	1,923,407,411	1,057,662,473	-	135,496,445	6,599,408,539	
	Kalu Ganga Development Project									
341	2012025	SAR	7,802,830,583	789,667	34,850,619	1,424,747,437	-	177,229,770	8,632,046,822	
	Road Network Development Project									
342	2015026	SAR	-	12,215,658	509,091,327	85,877,203	-	12,215,658	594,968,530	
	Imprment of Peradeniya - Badulla - Chenkaladi Road Project									
343	2015027	SAR	25,244,747	13,407,371	568,011,655	285,260,897	-	38,652,119	1,882,566,899	
	Epilepsy Hospital & Health Centers Project (Additional Finance)									
344	2015031	SAR	-	-	-	-	-	-	-	
	Left Bank Development Project in Kalu Ganga									
Germany										
345	2005403	EUR	14	2,497	-	(2,497)	-	-	-	
	Debt Moratorium from Germany									
Bear Stearns & Co										
346	1988015	USD	38,213,700	-	-	1,446,950	-	-	-	
	Low Income Shelter Programme Phase -3									
Riggs National Bank Washington										
347	1987006	USD	(3)	-	-	3	-	-	(0)	
	Low Income Shelter Programme Phase -3									
348	1994046	USD	534,991,800	-	-	95,634,125	-	3,000,000	548,249,700	
	Sri Lanka -Usaid Housing Guarantee Loan									
349	1997067	USD	1,146,411,000	-	-	204,631,650	-	6,750,000	1,233,561,825	
	Sri Lanka -Usaid Housing Guarantee Loan									
350	1998049	USD	429,046,074	-	-	79,620,451	-	2,626,141	479,926,978	
	Us Housing Guarantee Loan for Pvt.Sector									
International Bond Issues										
351	2018013	USD	-	-	-	-	-	-	-	
	International Sovereign Bonds (Usd 125 Mn)									
352	2018014	USD	-	-	-	-	-	-	-	
	International Sovereign Bonds (Usd 125 Mn)									
ADB										
353	1991061	XDR	72,501,946	-	-	11,357,081	-	306,257	77,639,635	
	Special Operation -Merchant Bank									
354	1989068	XDR	7,063,937,606	-	-	641,379,491	-	29,745,924	7,540,918,837	
	Agriculture Programme									
355	1990051	XDR	6,909,772,740	-	-	1,097,275,030	-	29,300,125	7,427,904,052	
	Financial Sector Programme									
356	1991055	XDR	2,339,812,879	-	-	360,812,973	-	9,980,768	2,530,234,598	
	Second Agriculture Programme									
357	2001001	XDR	6,320,144,898	-	-	983,727,475	-	24,885,693	6,308,796,912	
	Private Sector Development Sub Programme 1									
358	2002002	XDR	1,672,296,444	-	-	227,755,418	-	6,721,882	1,704,070,957	
	Small & Medium Enterpr.Sector Development Programme									
359	2002005	USD	(0)	-	-	0	-	-	(0)	
	Power Sector Development Programme									

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
360	2004001	Rural Finance Sector Development Programme	USD	4,744,650	725,242,527	4,744,650	743,165,001	17,922,474	-	-
361	2004009	Fiscal Management Programme	USD	11,644,665	1,779,942,932	5,541,192	938,088,578	273,554,750	6,103,473	1,115,409,104
362	2004014	Financial Markets for Private Sector Development	USD	17,262,077	2,638,591,358	8,214,275	1,286,637,871	301,531,449	9,047,802	1,653,484,937
363	2016038	Capital Market Development Programme	USD	-	-	125,000,000	19,403,187,500	3,440,550,000	125,000,000	22,843,737,500
364	2017036	Second Integrated Road Investment Programme	USD	433,739	73,235,981	433,739	73,235,981	32,589,667	433,739	105,825,648
365	2017037	Tranche 1	USD	-	-	17,912,976	2,885,213,691	388,380,971	17,912,976	3,273,594,662
366	2017039	Second Integrated Road Investment Programme	USD	36,417	5,750,975	36,417	5,750,975	1,372,656	36,417	7,123,631
367	2017040	Jaffna & Kilinochchi Water Supply Project Additional Financing	USD	19,614,412	3,309,028,440	19,614,412	3,309,028,440	275,503,409	19,614,412	3,584,531,849
368	2018005	Integrated Road Investment Programme - Tranche 4	USD	25,000,000	3,956,422,500	25,000,000	3,956,422,500	612,325,000	25,000,000	4,568,747,500
369	2018018	Small and Medium-Sized Enterprises Line of Credit - Additional Financing	USD	88,053	15,517,242	88,053	15,517,242	872,173	88,053	16,389,415
370	2018019	Mahaweli Water Security Investment Programme - Tranche 2	USD	1,947,036	316,738,571	1,947,036	316,738,571	123,294,903	1,947,036	440,033,474
		Mahaweli Water Security Investment Programme - Tranche 2	USD	-	-	-	-	-	-	-
		Economic Restructuring Credit	XDR	39,923,096	8,690,699,124	3,193,678	709,565,205	1,330,177,624	36,729,418	9,311,311,543
371	1990009	Public Manufacturing Ent.Adj.Credit	XDR	49,014,139	10,669,691,875	3,770,316	837,064,062	1,637,179,014	45,243,823	11,469,806,828
372	1990047	Poverty Reduction Support Credit	XDR	82,537,000	17,967,149,382	1,814,000	400,968,105	2,897,987,176	80,723,000	20,464,168,453
373	2003021	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	USD	100,000,000	15,285,480,000	-	-	2,989,510,000	100,000,000	18,274,990,000
374	2016030	Accelerating Higher Education Expansion and Development Operation (Ahead) Programme	XDR	-	-	3,345,000	750,082,802	97,911,490	3,345,000	847,994,292
375	2017017	Post Tsunami Coastal Rehabilitation & Resource Mgt Programme	XDR	8,615,425	1,875,457,309	313,300	74,267,465	303,490,053	8,302,125	2,104,679,897
376	2005022	Post Tsunami Livelihood Support & Partnership Programme	XDR	1,430,000	311,290,980	52,000	12,326,550	50,373,728	1,378,000	349,338,157
377	2005023	Implementation of Stallholder Agribusiness Partnership (SAP) Programme	USD	2,800,000	427,993,440	1,222,519	210,841,204	96,280,301	4,022,519	735,114,945
378	2017014	Special Assistance to Selected Projects	XDR	3,584,857	780,373,112	651,600	151,214,808	114,454,531	2,933,257	743,612,836
379	1983006	Aquaculture Development Project	XDR	3,496,352	761,106,867	635,800	147,548,149	111,622,663	2,860,552	725,181,380
380	1983071	Walawe Irrigation Improvement Project	XDR	3,052,582	664,504,283	469,600	111,379,266	101,689,236	2,582,982	654,814,254
381	1984018	Plantation Sector Project	XDR	11,665,822	2,539,486,225	1,666,400	395,235,109	390,712,468	9,999,422	2,534,963,584
382	1985001	Secondary Towns Power Distribution Project	XDR	3,734,652	812,981,349	533,600	126,558,722	125,079,143	3,201,052	811,501,770
383	1985002	Trunk Roads Improvement Project	XDR	6,447,085	1,403,440,219	805,800	181,088,554	207,776,223	5,641,285	1,430,127,888
384	1985003	Development Financing Project	XDR	5,918,465	1,288,366,944	740,000	171,101,034	195,531,898	5,178,465	1,312,797,808
385	1985004	Kirindioya Irrigation & Settlement Project	XDR	4,488,278	977,035,313	498,800	115,331,345	149,672,622	3,989,478	1,011,376,590
386	1986020		XDR	-	-	-	-	-	-	-

NOTE - 29(III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
387	1987001	XDR	9,310,542	2,026,774,648	1,034,600	239,217,742	310,485,429	8,275,942	2,098,042,335
388	1987002	XDR	8,916,577	1,941,013,981	990,800	222,663,861	290,921,534	7,925,777	2,009,271,654
389	1987003	XDR	2,162,263	470,694,372	240,200	53,980,480	70,550,207	1,922,063	487,264,100
390	1988002	XDR	4,304,399	937,007,429	430,400	99,516,062	144,610,027	3,873,999	982,101,394
391	1988003	XDR	2,405,868	523,723,773	253,400	61,108,091	83,058,623	2,152,468	545,674,305
392	1988004	XDR	11,001,218	2,394,811,081	1,100,000	260,896,916	376,153,441	9,901,218	2,510,067,606
393	1988005	XDR	10,631,557	2,314,341,037	1,119,000	269,849,857	367,046,564	9,512,557	2,411,537,743
394	1988008	XDR	7,117,786	1,549,442,356	711,600	168,776,587	243,372,842	6,406,186	1,624,038,611
395	1988013	XDR	4,498,914	979,350,536	428,600	95,374,046	147,892,816	4,070,314	1,031,869,306
396	1988062	XDR	4,588,096	998,764,365	437,000	98,207,617	151,791,866	4,151,096	1,052,348,613
397	1988063	XDR	13,044,847	2,839,680,599	1,134,400	252,431,914	432,180,685	11,910,447	3,019,429,370
398	1989011	XDR	5,377,066	1,170,511,918	489,000	109,893,650	178,560,148	4,888,066	1,239,178,416
399	1989067	XDR	6,981,433	1,519,760,326	607,200	135,116,942	231,294,917	6,374,233	1,615,938,301
400	1990025	XDR	26,418,503	5,750,938,137	2,113,600	468,196,151	878,818,154	24,304,903	6,161,560,141
401	1990046	XDR	10,418,449	2,267,950,494	833,600	197,712,427	359,626,593	9,584,849	2,429,864,660
402	1991017	XDR	10,573,022	2,301,598,779	783,200	181,089,636	361,318,319	9,789,822	2,481,827,463
403	1991029	XDR	18,108,885	3,942,050,633	1,293,400	286,805,491	607,665,152	16,815,485	4,262,910,293
404	1991034	XDR	7,464,851	1,624,993,563	553,000	122,722,538	249,959,243	6,911,851	1,752,230,269
405	1991056	XDR	16,062,929	3,496,674,682	1,189,800	286,923,466	560,750,496	14,873,129	3,770,501,712
406	1992029	XDR	7,273,555	1,583,351,080	484,800	107,587,496	245,260,469	6,788,755	1,721,024,053
407	1992039	XDR	3,520,870	766,443,999	220,000	48,783,987	119,146,716	3,300,870	836,806,728
408	1992040	XDR	9,004,821	1,960,223,440	621,000	149,755,819	314,923,197	8,383,821	2,125,390,818
409	1993002	XDR	10,679,034	2,324,676,118	712,000	159,016,138	361,092,687	9,967,034	2,526,752,667
410	1993003	XDR	11,239,529	2,446,688,080	749,200	180,973,101	393,698,781	10,490,329	2,659,413,760
411	1993029	XDR	17,550,190	3,820,430,667	1,132,400	252,907,127	594,566,828	16,417,790	4,162,090,369
412	1993030	XDR	14,207,611	3,092,797,970	888,000	196,706,180	480,576,070	13,319,611	3,376,667,860
413	1993041	XDR	5,202,963	1,132,612,097	325,200	72,036,993	175,991,348	4,877,763	1,236,566,452
414	1994026	XDR	34,150,279	7,434,037,693	2,069,800	459,332,920	1,158,049,607	32,080,479	8,132,754,379
415	1995006	XDR	24,430,129	5,318,096,997	1,437,200	318,945,441	829,808,793	22,992,929	5,828,960,349
416	1996001	XDR	26,988,286	5,874,971,933	1,542,200	371,905,674	947,796,340	25,446,086	6,450,862,599
417	1996002	XDR	38,228,893	8,321,894,831	2,123,800	512,160,075	1,343,303,510	36,105,093	9,153,038,266
418	1996028	XDR	12,641,329	2,751,840,436	702,400	169,385,648	444,195,148	11,938,929	3,026,649,936
419	1996059	XDR	8,905,846	1,938,677,925	481,400	116,090,904	313,102,630	8,424,446	2,135,689,651
420	1998004	XDR	6,205,455	1,350,840,681	318,200	71,065,920	212,709,145	5,887,255	1,492,483,907
421	1998005	XDR	44,532,459	9,694,092,969	2,226,600	497,282,773	1,528,190,541	42,305,859	10,725,000,737
422	1998006	XDR	16,854,477	3,668,983,700	842,800	188,228,654	578,381,232	16,011,677	4,059,136,278

NOTE - 29(ii) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
423	1998018	Second Perennial Crops Development Project	XDR	10,277,758	2,237,324,063	514,000	114,067,601	351,963,633	9,763,758	2,475,220,094
424	1998019	Science & Technology Personals Development Project	XDR	10,782,577	2,347,216,073	553,000	133,579,986	379,674,227	10,229,577	2,593,310,314
425	1998059	Urban Development & Low-Income Housing Sector	XDR	37,762,162	8,220,294,061	1,398,599	342,911,159	1,341,180,138	36,363,563	9,218,563,040
426	1999002	Coastal Resource Management Project	XDR	15,493,361	3,372,687,759	1,106,670	245,398,975	519,895,610	14,386,691	3,647,184,394
427	1999004	Road Network Improvement Project	XDR	52,231,411	11,370,046,955	1,274,000	282,503,631	1,830,720,919	50,957,411	12,918,264,242
428	1999005	Tea Development Project	XDR	19,438,267	4,231,438,627	720,000	168,264,129	682,112,131	18,718,267	4,745,286,629
429	1999045	Skills Development Project	XDR	7,585,278	1,651,208,776	541,804	120,142,542	254,531,844	7,043,474	1,785,598,078
430	1999057	Southern Transport Development Project	XDR	37,573,078	8,179,132,983	2,683,790	603,131,856	1,268,817,076	34,889,288	8,844,818,204
431	2000032	Forest Resources Management Sector Project	XDR	10,160,592	2,211,818,650	700,732	168,983,404	355,343,346	9,459,860	2,398,178,592
432	2000044	Secondary Education Modernization Project	XDR	22,851,389	4,974,427,489	1,575,958	380,680,735	799,809,061	21,275,431	5,393,555,815
433	2000045	Water Resources Management Project	XDR	775,501	168,815,728	53,484	12,897,811	27,121,355	722,017	183,039,272
434	2000055	Protected Area Mgt. & Wildlife Conserv. Project	XDR	4,997,688	1,087,926,739	344,668	83,256,321	174,921,369	4,653,020	1,179,591,787
435	2001004	North East Community Restoration & Development Project	XDR	11,708,614	2,548,801,396	731,788	164,455,734	398,400,531	10,976,826	2,782,746,193
436	2002001	Southern Province Rural Economic Adva.Project	XDR	12,456,945	2,711,702,520	778,558	174,966,421	423,863,626	11,678,387	2,960,599,726
437	2002003	Sme - Business Service Facility Project	XDR	749,758	163,211,813	46,860	11,114,209	26,094,763	702,898	178,192,367
438	2002004	SME SDP Credit Assistance Project	USD	8	1,130			(1,130)	(0)	0
439	2002006	Power Sector Development Project	XDR	37,971,371	8,265,835,863	2,233,610	497,033,189	1,291,112,849	35,737,761	9,059,915,523
440	2002007	Aquatic Resource & Quality Improvement	XDR	6,788,483	1,477,757,697	411,422	97,205,931	236,103,329	6,377,061	1,616,655,095
441	2002008	Plantation Development Project	XDR	4,044,627	880,458,751	245,128	59,113,274	141,869,405	3,799,499	963,214,882
442	2002009	Plantation Development Project	JPK	535,670	726,315,006	99,490	150,630,937	146,063,298	436,180	721,747,367
443	2003001	Road Sector Development	XDR	28,565,184	6,218,240,604	1,680,304	377,617,054	974,988,711	26,884,878	6,815,612,261
444	2003003	Aquatic Resource Development & Quality Improvement	JPK	433,292	587,499,861	29,104	43,481,375	124,791,318	404,188	668,809,804
445	2003004	Secondary Towns & Rural Community Water / Sanitation	XDR	33,004,022	7,184,513,457	1,900,916	450,857,382	976,798,252	30,414,674	7,710,454,327
446	2003005	Distance Education Modernization Project	XDR	17,403,663	3,788,533,785	994,496	222,108,025	593,478,576	16,409,167	4,159,904,336
447	2004002	Rural Finance Sector Development Programme	USD	6,423,037	981,792,024	341,669	53,517,028	183,094,436	6,081,368	1,111,369,432
448	2004003	Rural Finance Sector Development Programme	XDR	2,701,139	588,000,081	150,064	33,302,413	92,027,833	2,551,075	646,725,500
449	2004004	Conflict Affected Areas Rehabilitation Project	XDR	31,150,661	6,781,062,878	677,200	150,285,176	1,094,579,972	30,473,461	7,725,357,674
450	2004005	North East Coastal Community Development Project	XDR	9,584,862	2,086,490,274	532,492	118,171,371	326,556,473	9,052,370	2,294,875,376
451	2004007	North East Community Restoration & Development Project	XDR	5,363,677	1,167,597,400	115,400	25,609,731	188,508,291	5,248,277	1,330,495,960
452	2004008	Secondary Education Modernization II	XDR	17,860,765	3,888,038,426	965,446	233,208,429	628,319,144	16,895,319	4,283,149,140
453	2004010	Strengthening of the Fiscal Management Institutions Project	XDR	3,683,571	801,861,645	193,872	46,830,776	129,646,090	3,489,699	884,676,959
454	2004011	Modernization of Revenue Administration	USD	9,430,362	1,441,476,057	435,103	73,658,800	276,065,354	8,995,259	1,643,882,611
455	2004012	Conflict Affected Areas Rehabilitation Project	USD	23,688,738	3,620,937,344	507,375	79,466,555	694,920,941	23,181,363	4,236,391,730

NOTE - 29(III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018			
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		
456	2005001	Tsunami-Affected Areas Rebuilding Project	XDR	4,077,365	887,585,370			85,800	19,025,754	143,346,127	3,991,565	1,011,905,743
457	2005002	North East Community Restoration & Development Project II	XDR	15,558,183	3,386,798,555			327,600	72,643,790	546,965,481	15,230,583	3,861,120,246
458	2006001	Local Government Infrastructure Improvement Project	XDR	21,412,016	4,661,096,157			1,070,602	253,924,329	749,600,425	20,341,414	5,156,772,253
459	2006002	Technical Education Development	XDR	10,784,863	2,347,713,752			539,242	127,896,886	377,560,835	10,245,621	2,597,377,701
460	2006003	National Highways Sector Project Af	USD	126,936,227	19,402,811,702			5,091,390	849,995,031	3,714,315,267	121,844,837	22,267,131,937
461	2006004	Secondary Towns & Rural Community Water / Sanitation Supp.1	XDR	27,545,876	5,996,351,563			1,311,708	311,109,611	965,408,211	26,234,168	6,650,650,163
462	2007007	Colombo Port Expansion Project	USD	265,201,379	40,537,303,752			8,745,875	1,375,237,968	7,705,151,929	256,455,504	46,867,217,714
463	2007012	Secondary Towns & Rural Community Water / Sanitation (Ocr)	USD	10,529,342	1,609,460,374			369,897	61,750,647	308,927,650	10,159,445	1,856,637,377
464	2007030	SME Regional Development Project	XDR	23,848,065	5,191,389,978			1,084,004	257,102,999	836,653,006	22,764,061	5,770,939,984
465	2007031	Education for Knowledge Society Project	XDR	37,888,401	8,247,774,375			1,722,200	408,469,698	1,329,225,006	36,166,201	9,168,529,682
466	2008003	Southern Transport Development Project - Supplementary	USD	80,778,597	12,347,396,197			2,492,459	416,122,666	2,375,510,318	78,286,138	14,306,783,850
467	2009006	Clean Energy and Access Improvement Project	USD	103,860,997	15,886,012,578			2,941,579	491,104,522	3,183,624,468	100,919,418	18,578,532,525
468	2009007	Clean Energy and Access Improvement Project	XDR	14,795,370	3,233,004,988			701,792	166,450,335	558,297,042	14,093,578	3,624,851,694
469	2009008	Dry Zone Urban Water and Sanitation Project	XDR	29,165,147	6,348,844,121			1,268,050	300,754,850	1,024,131,604	27,897,097	7,072,220,875
470	2009018	Eastern & North Central Provincial Road Project	XDR	42,047,964	9,153,253,195			1,751,998	389,862,668	1,452,080,230	40,295,966	10,215,470,757
471	2009028	Greater Colombo Waste Water Management Project (Ocr)	USD	41,568,220	6,353,901,947			1,004,653	158,143,970	1,401,228,147	50,037,772	9,144,397,976
472	2009029	Greater Colombo Waste Water Management Project (Adf)	XDR	10,307,926	2,243,891,190			277,442	63,541,006	380,572,077	10,053,702	2,569,695,504
473	2010019	Adb Funded Fiscal Management Efficiency Project	USD	20,301,369	3,103,161,648			463,121	73,708,044	690,902,767	25,237,789	4,612,203,458
474	2010020	N-E Community Restoration & Development Project II Supplementary	XDR	7,613,542	1,657,361,522					272,755,145	7,613,542	1,930,116,667
475	2010021	Conflict Affected Region Emergency Project	USD	138,172,360	21,120,308,435			1,506,463	255,403,257	4,110,773,820	136,665,897	24,975,678,998
476	2010025	Northern Road Connectivity Project (Ocr)	USD	122,002,691	18,648,696,933			2,769,095	462,307,832	3,603,538,676	119,233,596	21,789,927,776
477	2010026	Northern Road Connectivity Project (Adf)	XDR	15,278,446	3,325,903,757			318,301	78,081,975	544,739,492	14,960,145	3,792,561,274
478	2011001	Jaffna & Killinochchi Water Supply & Sanitation Project Ocr	USD	4,016,360	613,919,944			86,460	14,439,388	120,379,611	3,979,308	727,662,697
479	2011002	Jaffna & Killinochchi Water Supply & Sanitation Project Adf	XDR	23,176,463	5,050,225,905					1,072,976,937	29,363,116	7,496,022,090
480	2011012	Sustainable Power Sector Support Project OCR	USD	81,493,816	12,463,157,141			1,772,807	295,974,949	2,449,632,658	79,866,675	14,635,788,130
481	2011013	Sustainable Power Sector Support Project ADF	XDR	5,573,251	1,213,960,314					201,447,595	5,573,251	1,415,407,909
482	2011015	Secondary Towns & Rural Com/Based Water Supply Add.	USD	3,721,250	568,810,854			75,064	12,532,056	110,061,332	3,646,186	666,340,130
483	2011016	Secondary Towns & Rural Com/Based Water Supply Add (XDR)	XDR	6,566,120	1,429,352,368					235,231,244	6,566,120	1,664,583,612
484	2011028	Local Government Enhancement Sector Project	XDR	36,247,624	7,890,600,406					1,298,571,151	36,247,624	9,189,171,557
485	2011035	National Highways Sector Project Af OCR	USD	77,548,845	11,853,713,135			1,475,961	232,087,771	2,280,686,430	76,072,884	13,902,311,794

NOTE - 29(III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
486 2012029	Northern Road Connectivity Project (ADF)	XDR	37,798,124	8,231,471,036	2,915,877	648,451,439	1,449,250,989	40,714,001	10,329,173,464	
487 2012030	Northern Road Connectivity Project (ADF)	USD	22,996,119	3,515,067,181	1,527,907	255,654,894	685,852,310	23,421,955	4,281,261,482	
488 2013015	Clean Energy and Network Efficiency Improvement Project	USD	43,515,174	6,678,960,162	257,250	39,467,667	2,173,005,942	38,806,008	8,105,512,549	
489 2013017	Clean Energy and Network Efficiency Improvement Project	XDR	4,752,017	1,085,307,758			457,720,247	4,752,017	1,543,028,005	
490 2013021	Dry Zone Urban Water and Sanitation Project (ADF)	XDR	15,295,793	3,333,211,566	3,131,590	697,019,823	673,363,133	18,427,383	4,703,594,522	
491 2013034	Education Sector Development Programme (OCR)	USD	83,500,000	12,763,375,800	6,500,000	1,016,859,200	2,657,469,020	87,869,050	16,055,268,812	
492 2013035	Education Sector Development Programme (ADF)	XDR	55,598,931	12,103,108,952	4,327,750	969,978,678	2,115,236,241	58,428,456	14,812,836,030	
493 2013042	Greater Colombo Water Wastewater Management Improvement Project 1	USD	31,189,508	4,769,449,331	6,504,133	998,955,438	1,129,690,663	35,914,014	6,606,731,963	
494 2013043	Greater Colombo Water Wastewater Management Improvement project 1	XDR	2,791,618	607,696,239	1,208,851	275,496,334	133,578,093	4,000,469	1,016,770,666	
495 2014005	Skills Sector Enhancement Programme - Results Based Lending	USD	45,000,000	6,878,466,000	5,000,000	779,862,500	1,479,166,500	50,000,000	9,137,495,000	
496 2014006	Skills Sector Enhancement Programme - Results Based Lending	XDR	29,340,000	6,386,907,240	3,260,000	740,139,611	1,137,411,749	32,600,000	8,264,458,600	
497 2014017	Southern Road Connectivity Project	USD	19,740,402	3,019,932,519	12,611,380	2,024,314,481	865,800,097	31,661,381	5,788,816,748	
498 2014018	Southern Road Connectivity Project	XDR	2,768,591	602,683,496	285,571	67,016,574	103,881,221	2,970,962	753,171,616	
499 2014029	Greater Colombo Water & Waste Water Management Pro-2	USD	13,436,710	2,054,842,915	4,312,532	667,287,063	583,487,430	17,302,771	3,229,135,585	
500 2014030	Greater Colombo Water & Waste Water Management Pro-2	XDR	1,411,783	307,571,389	657,541	148,248,971	64,388,958	1,773,624	449,922,263	
501 2014036	Green Power Development & Energy Efficiency Improvement Project	XDR	1,137,629	259,836,143			183,192,391	1,137,629	443,028,534	
502 2014037	Green Power Development & Energy Efficiency Improvement Project	USD	1,907,096	290,022,967			375,394,361	1,907,096	665,417,328	
503 2014041	Integrated Road Investment Programme	XDR	51,549,241	11,221,548,111	1,060,705	237,527,955	1,878,123,868	52,609,946	13,337,199,934	
504 2015009	Integrated Road Investment Programme-Tranch 2 (ADF)	XDR	6,143,000	1,337,245,007			220,072,960	6,143,000	1,557,317,967	
505 2015010	Integrated Road Investment Programme-Tranch 2(OCR)	USD	93,778,036	14,334,422,986			2,803,503,773	93,778,036	17,137,926,759	
506 2015024	Mahaweli Water Security Investment Programme-Tranch 1	XDR	8,715,818	1,898,260,103	6,083,471	1,395,476,355	458,046,118	14,799,289	3,751,782,576	
507 2015025	Mahaweli Water Security Investment Programme-Tranch 1	USD	8,624,267	1,316,193,768	8,214,482	1,323,704,133	437,381,794	16,838,749	3,077,279,694	
508 2015036	Integrated Road Investment Programme-Tranch 3	USD	90,905,769	13,890,712,022	46,575,068	7,366,368,334	3,867,528,789	137,480,837	25,124,609,145	
509 2015037	Integrated Road Investment Programme-Tranch 3	XDR	17,322,375	3,776,024,996	387,625	78,451,570	635,203,243	17,710,000	4,489,679,810	
510 2016014	Small and Medium-Sized Enterprises Line of Credit	USD	50,000,000	7,642,740,000	37,500,002	5,766,371,553	2,990,888,747	87,500,002	16,400,000,300	
511 2016033	Greater Colombo Water and Waste Water Management Imp. Inv.Programme-3	XDR	123,775	26,944,039	41,460	9,891,075	5,158,215	165,646	41,993,329	
512 2016034	Greater Colombo Water and Waste Water Management Imp. Inv.Programme-3 (Ocr)	USD	3,968,603	606,620,006	621,336	98,657,270	138,564,401	4,589,939	843,841,677	
513 2016036	Local Government enhancement Sector Project (ADF)	USD	1,885,596	287,321,858	7,323,821	1,162,141,724	251,801,262	9,209,417	1,701,264,844	

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Loan Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
514 2017010	Project Design Advance For Northern Province Sustainable Fisheries Development Project	USD	40,829	6,225,323	427,515	67,491,894	-	-	11,872,566	468,344	85,589,783
515 2018020	Skill Sector Enhancement Programme	USD	-	-	7,800,000	1,417,422,240	-	-	-	7,800,000	1,417,422,240
516 2018021	Skill Sector Enhancement Programme	USD	-	-	5,200,000	944,948,160	-	-	-	5,200,000	944,948,160
European Int. Bank											
517 2002075	DFCC Global Loan	USD	7,600,955	1,219,321,082	-	-	3,959,683	670,335,119	116,456,263	3,641,272	665,442,227
518 2006073	Post Tsunami Line of Credit - Contract A	EUR	24,836,601	4,532,324,573	-	-	7,358,076	1,422,244,366	542,805,619	17,478,525	3,652,885,826
519 2006074	Post Tsunami Line of Credit - Contract B	EUR	-	-	-	-	-	-	-	-	-
520 2006093	DFCC Global Loan II	USD	31,346,600	7,018,085,793	-	-	2,342,050	866,853,529	1,552,763,548	29,004,550	7,703,995,812
		EUR	14,000,000	-	-	-	2,500,000	-	-	11,500,000	-
521 2013047	Sri Lanka Sme & Green Energy Global Loan	USD	21,124,941	16,423,713,000	-	-	-	-	2,809,115,480	21,124,941	19,232,828,480
		EUR	73,553,958	-	-	-	-	-	-	73,553,958	-
IBRD											
522 2012011	Metro Colombo Urban Development	USD	90,034,571	13,762,216,102	25,000,000	3,932,942,500	5,413,662	908,634,642	3,246,686,420	109,620,909	20,033,210,379
523 2014013	Disaster Risk Management Development Policy Loan With A Catastrophe Differed Draw Down Option Cat-DDC	USD	96,002,400	14,674,427,651	-	-	5,997,600	1,000,019,732	2,773,960,280	90,004,800	16,448,368,199
524 2017019	Accelerating Higher Education Expansion and Development Operation (Ahead) Programme	USD	-	(58,089)	2,881,484	457,891,827	-	-	68,757,226	2,881,484	526,590,964
IDA											
525 1968001	Lift Irrigation Project	USD	29,715	4,542,121	-	-	32,042	5,065,749	523,628	-	-
526 1968002	Highway Development Project	USD	22,599	3,454,531	-	-	22,600	3,468,656	14,126	-	-
527 1969001	Drainage & Land Reclamation Project	USD	117,776	18,002,651	-	-	78,517	12,877,883	2,049,799	39,259	7,174,567
528 1970016	Mahaweliganga Development Project	USD	927,477	141,769,368	-	-	463,739	71,705,307	14,684,145	463,738	84,748,206
529 1973001	Fifth Power Project	USD	990,000	151,326,252	-	-	180,000	28,629,702	25,330,869	810,000	148,027,419
530 1974001	Dairy Development Project	USD	807,514	123,432,388	-	-	124,000	20,958,852	22,438,576	683,514	124,912,112
531 1974002	Programme Credit Project	USD	2,925,000	447,100,290	-	-	450,000	74,572,785	79,778,498	2,475,000	452,306,003
532 1975001	Private Sector Industrial Project	USD	934,417	142,830,161	-	-	124,589	21,091,680	26,257,561	809,828	147,996,041
533 1975002	Agricultural Development Project	USD	4,958,814	757,978,464	-	-	619,852	97,113,684	132,080,077	4,338,962	792,944,856
534 1977001	Tank Irrigation Modernization Project	USD	1,077,172	164,650,900	-	-	126,724	20,155,946	29,199,311	950,448	173,694,264
535 1977002	Mahaweli Ganga Development Project (Phase 2)	USD	3,054,114	466,835,976	-	-	339,340	56,234,509	85,523,199	2,714,774	496,124,666
536 1977003	Water Supply Project	USD	2,622,000	400,785,285	-	-	276,000	43,212,119	71,158,099	2,346,000	428,731,265
537 1977005	4th Development Finance Corporation Project	USD	2,149,852	328,615,188	-	-	226,300	36,766,044	59,679,781	1,923,552	351,528,925
538 1978001	Tree Crop Rehabilitation (Tea) Project	USD	5,092,291	778,381,062	-	-	484,976	75,982,378	139,587,599	4,607,315	841,986,283
539 1979001	Kurunegala Rural Development Project	USD	5,910,330	903,422,349	-	-	513,938	81,387,324	164,155,120	5,396,392	986,190,144
540 1979002	Road Maintenance Project	USD	5,159,303	788,624,280	-	-	448,630	70,513,510	142,764,312	4,710,673	860,875,082
541 1979003	Agricultural Extension & Research Project	USD	2,746,061	419,748,576	-	-	238,786	37,979,845	76,435,489	2,507,275	458,204,220
542 1979004	Small & Medium Industries Project	USD	5,202,085	795,163,702	-	-	452,350	70,870,783	143,720,725	4,749,735	868,013,644

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
543	1979074	Water Supply Project	DKK	353,970	8,676,265	30,780	856,228	30,780	1,225,857	323,190	9,045,894
544	1979077	Water Supply Project	GBP	348,487	71,626,591	30,303	7,042,927	30,303	9,191,604	318,184	73,775,268
545	1980003	Road Passenger Transport Project	USD	19,362,975	2,959,723,661	1,549,036	241,101,180	1,549,036	536,873,078	17,813,939	3,255,495,559
546	1980004	Small Holder Rubber Rehabilitation Project	USD	4,177,552	638,558,938	334,198	52,016,565	334,198	115,830,261	3,843,354	702,372,634
547	1980005	Telecommunications Project	USD	11,250,000	1,719,616,500	900,000	140,081,355	900,000	311,926,320	10,350,000	1,891,461,465
548	1980006	Second Water Supply & Sewerage Project	USD	11,250,000	1,719,616,500	900,000	140,081,355	900,000	311,926,320	10,350,000	1,891,461,465
549	1980007	Sixth Power Project	USD	7,104,634	1,085,977,365	568,366	88,463,866	568,366	196,988,772	6,536,268	1,194,502,271
550	1980110	Mahaweli Ganga T.A. Project	DKK	101,520	2,488,387	8,460	235,338	8,460	351,645	93,060	2,604,694
551	1980120	Mahaweli Ganga T.A. Project	GBP	99,900	20,532,964	8,325	1,934,872	8,325	2,634,727	91,575	21,232,819
552	1981001	2nd Rural Development Project	XDR	8,909,194	1,939,406,803	685,318	151,483,274	685,318	296,919,497	8,223,876	2,084,843,026
553	1981002	Construction Industry Project	XDR	4,095,951	891,631,137	303,400	67,994,300	303,400	137,816,499	3,792,551	961,453,336
554	1981003	Village Irrigation Rehabilitation Project	XDR	7,119,857	1,549,893,292	527,384	125,451,495	527,384	246,822,744	6,592,473	1,671,264,541
555	1981004	Third Mahaweli Ganga Development Project	XDR	23,892,165	5,200,989,840	1,769,788	420,988,411	1,769,788	828,264,498	22,122,377	5,608,265,926
556	1982001	Second Small & Medium Industries Project	XDR	11,135,828	2,424,113,928	795,414	176,723,544	795,414	374,018,396	10,340,414	2,621,408,780
557	1982002	Seventh Power Project	XDR	12,619,456	2,747,078,818	901,388	216,790,306	901,388	440,370,531	11,718,068	2,970,659,043
558	1982003	Tea Rehabilitation & Diversification Project	XDR	5,398,572	1,175,193,648	372,314	83,438,464	372,314	182,456,628	5,026,258	1,274,211,813
559	1983001	Forest Resources Development Project	XDR	2,056,088	447,581,556	137,068	33,052,957	137,068	71,964,062	1,919,020	486,492,661
560	1983002	Third Rural Development Project	XDR	1,118,909	243,570,904	72,186	16,743,092	72,186	38,528,075	1,046,723	265,355,887
561	1983003	Industrial Development Project	XDR	10,741,500	2,338,274,170	693,000	167,111,935	693,000	376,243,049	10,048,500	2,547,405,284
562	1985005	Major Irrigation Rehabilitation Project	XDR	5,654,154	1,230,830,063	332,596	79,991,735	332,596	198,235,040	5,321,558	1,349,073,368
563	1985006	Forth Tree Crops Project	XDR	29,662,500	6,457,110,975	1,695,000	379,862,686	1,695,000	1,012,820,604	27,967,500	7,090,068,893
564	1986007	Second Industrial Development Project	XDR	9,479,782	2,063,615,796	512,420	120,704,537	512,420	330,413,615	8,967,362	2,273,324,875
565	1986008	Municipal Management Project	XDR	4,878,862	1,062,059,854	263,720	62,732,408	263,720	170,661,702	4,615,142	1,169,989,148
566	1986012	Water Supply & Sanitation Rehabilitation Project	XDR	17,815,500	3,878,184,933	963,000	226,842,183	963,000	620,951,377	16,852,500	4,272,294,127
567	1986013	2nd Vocational Training Project	XDR	5,550,043	1,208,166,660	299,998	67,231,886	299,998	190,009,383	5,250,045	1,330,944,158
568	1986014	9th Power Project	XDR	19,272,571	4,195,368,883	1,014,344	235,372,489	1,014,344	668,664,981	18,258,227	4,628,661,375
569	1987005	Agricultural Research Project	XDR	6,974,124	1,518,169,206	367,056	88,279,613	367,056	245,072,698	6,607,060	1,674,962,291
570	1988001	Third Small & Medium Industries Project	XDR	6,019,527	1,310,366,787	601,950	139,618,533	601,950	202,667,146	5,417,577	1,373,415,401
571	1988007	Emergency Reconstruction & Rehabilitation Project	XDR	13,301,685	2,895,590,523	1,330,158	313,329,117	1,330,158	452,652,285	11,971,527	3,034,913,691
572	1988014	Health & Family Planning Project	XDR	3,375,793	734,862,868	321,496	75,730,898	321,496	115,165,909	3,054,297	774,297,880
573	1988045	Distribution & Transmission Project	XDR	5,756,917	1,253,200,164	548,276	129,150,697	548,276	196,398,240	5,208,641	1,320,447,706
574	1988085	2nd Smallholder Rubber Rehabilitation Programme	XDR	3,903,013	849,631,202	371,710	87,559,198	371,710	133,152,051	3,531,303	895,224,055
575	1988086	3rd Industrial Development Project	XDR	12,556,183	2,733,305,277	1,195,824	269,539,648	1,195,824	416,210,370	11,360,359	2,879,975,998
576	1989069	Forest Sector Development Project	XDR	3,652,942	795,194,342	317,640	73,674,610	317,640	124,016,025	3,335,302	845,535,757
577	1990003	General Education Project	XDR	18,480,000	4,022,837,280	1,540,000	370,381,092	1,540,000	642,020,152	16,940,000	4,294,476,340
578	1990048	Third Roads Project	XDR	14,084,995	3,066,106,193	1,083,458	251,301,302	1,083,458	481,227,722	13,001,537	3,296,032,613

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
579	1991009 Poverty Alleviation Project	XDR	14,209,751	3,093,263,780	1,052,568	237,249,635	479,476,385	13,157,183	3,335,490,530	
580	1991022 Second Telecommunications Project	XDR	18,638,411	4,057,321,063	1,380,620	311,192,809	628,911,515	17,257,791	4,375,039,768	
581	1991023 Forth Small & Medium Industries Project	XDR	17,686,897	3,850,489,830	1,310,140	295,306,563	596,804,741	16,376,757	4,151,688,009	
582	1991030 2nd Power Distribution & Transmission Project	XDR	17,195,083	3,743,128,890	1,273,708	306,335,947	599,450,815	15,921,375	4,036,243,758	
583	1991043 National Irrigation Rehabilitation Project	XDR	9,474,143	2,062,388,354	701,780	158,181,752	319,683,986	8,772,363	2,223,890,588	
584	1992023 Second Agriculture Extension Project	XDR	3,277,908	713,554,687	226,058	53,249,729	113,372,594	3,051,850	773,677,552	
585	1992041 Community Water Supply & Sanitation Project	XDR	9,991,052	2,174,912,183	666,068	149,271,019	338,344,899	9,324,984	2,363,986,063	
586	1993013 Private Finance Development Project	XDR	24,431,425	5,318,379,111	1,576,218	349,942,933	825,610,120	22,855,207	5,794,046,298	
587	1993017 Colombo Urban Transport Project	XDR	6,218,939	1,353,775,935	401,220	95,440,229	216,520,032	5,817,719	1,474,855,738	
588	1995023 Colombo Environmental Improvement Project	XDR	12,385,957	2,696,249,401	707,764	170,672,167	434,973,111	11,678,193	2,960,550,345	
589	1996011 Telecomm.Regula.& Pub. Enterprise Ref.	XDR	5,591,053	1,217,093,879	302,218	67,146,211	190,831,351	5,288,840	1,340,779,018	
590	1996033 Teacher Education & Teacher Deployment Project	XDR	32,160,119	7,000,807,571	1,738,384	413,518,182	1,124,954,964	30,421,735	7,712,244,352	
591	1996035 Private Sector Infrastructure Development Project	XDR	29,227,448	6,362,406,170	1,579,858	375,808,800	1,022,370,730	27,647,590	7,008,968,100	
592	1997002 Health Services Project	XDR	7,602,076	1,654,865,533	400,106	94,248,096	265,161,200	7,201,970	1,825,778,637	
593	1997022 Environmental Action 1 Project	XDR	8,125,515	1,768,810,832	416,692	93,922,697	279,383,262	7,708,823	1,954,271,397	
594	1997023 Energy Services Delivery Project	XDR	13,173,730	2,867,736,532	675,574	152,274,901	452,959,089	12,498,159	3,168,420,720	
595	1997064 Second General Education Project	XDR	39,846,257	8,673,972,382	1,992,310	469,304,200	1,391,723,870	37,853,947	9,596,392,051	
596	1998017 Mahaweli Restructuring & Rehabilitation Project	XDR	33,734,142	7,343,450,524	1,249,411	281,258,508	1,173,044,728	32,484,731	8,235,236,744	
597	1999001 Year 2000 Emergency Assistance Project	XDR	9,054,009	1,970,931,026	218,166	48,527,846	317,580,242	8,835,843	2,239,983,421	
598	1999058 North-East Irrigated Agriculture Project	XDR	15,668,677	3,410,851,524	373,062	89,724,098	556,479,115	15,295,615	3,877,606,541	
599	2000036 Legal & Judicial Reforms Project	XDR	10,035,812	2,184,655,830	236,137	56,792,592	356,462,300	9,799,675	2,484,325,538	
600	2001020 Distance Learning Project	XDR	912,844	198,713,322	21,228	5,118,981	32,440,080	891,616	226,034,421	
601	2001021 Land Titling & Related Services Project	XDR	2,764,278	601,744,672	64,284	15,501,621	98,235,188	2,699,994	684,478,239	
602	2001022 Sri Lanka Central Bank Strengthening Project	XDR	20,564,080	4,476,512,314	472,736	106,555,058	723,419,447	20,091,344	5,093,376,703	
603	2001024 Mahaweli Ganga T.A	EUR	246,741	45,026,783	20,357	4,219,667	6,505,500	226,384	47,312,616	
604	2001025 Water Supply	EUR	1,258,244	229,611,464	108,498	22,489,320	33,166,383	1,149,746	240,288,527	
605	2002022 Renewable Energy for Rural Economic Development Project	XDR	52,770,027	11,487,295,958	1,185,843	285,957,529	1,875,819,402	51,584,184	13,077,157,831	
606	2003020 Economic Reform Technical Assistance Project	XDR	9,765,788	2,125,875,094	217,017	50,357,614	345,200,612	9,548,771	2,420,718,092	
607	2003022 Improving Relevance & Quality of Undergraduate Education	XDR	26,124,681	5,686,977,430	574,169	126,914,765	917,273,370	25,550,512	6,477,336,035	
608	2004020 Second North East Irrigated Agriculture Project (Yali Pubudamu SL)	XDR	38,882,433	8,464,161,248	836,181	194,030,905	1,375,012,889	38,046,252	9,645,143,232	
609	2004021 E - Sri Lanka Development Project	XDR	28,013,621	6,098,173,029	596,034	131,747,969	984,234,635	27,417,587	6,950,659,694	
610	2005020 North East Housing Reconstruction Project	XDR	48,034,000	10,456,329,323	1,022,000	227,328,999	1,689,058,807	47,012,000	11,918,059,131	
611	2005021 Tsunami Emergency Recovery Project II	XDR	28,514,853	6,207,284,338	600,311	133,530,440	1,002,889,605	27,914,542	7,076,643,503	
612	2006020 Road Sector Assistance Project	XDR	65,976,699	14,362,203,653	1,374,515	309,816,640	2,324,977,313	64,602,184	16,377,364,327	
613	2007021 Puttalam Housing Project	XDR	14,136,777	3,077,378,443	1,570,753	354,048,933	462,295,806	12,566,024	3,185,625,315	

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
614 2008020	Renewable Energy for Rural Economic Development Project	XDR	23,669,958	5,152,618,508			2,629,995	634,204,342	815,447,843	21,039,963	5,333,862,010
615 2008031	Dam Safety & Water Resources Planning	XDR	41,100,000	8,946,894,600			2,055,000	468,180,205	1,419,622,600	39,045,000	9,898,336,995
616 2008033	Public Sector Capacity Building Project	XDR	9,046,808	1,969,363,518			452,340	103,054,418	312,483,055	8,594,468	2,178,792,155
617 2008034	Additional Financing for North East Housing Reconstructions Project	XDR	26,194,875	5,702,257,466			1,309,744	298,108,892	904,505,831	24,885,131	6,308,654,405
618 2008035	Additional Financing for Education Sector Development Project	XDR	5,829,875	1,269,082,256			291,494	65,827,610	200,786,019	5,538,381	1,404,040,665
619 2008036	Additional Financing for Road Sector Assistance Project	XDR	59,589,686	12,971,840,491			2,979,484	678,800,768	2,058,269,236	56,610,202	14,351,308,959
620 2009014	Additional Financing for Health Sector Development Project	XDR	15,417,553	3,356,185,423					552,333,833	15,417,553	3,908,519,256
621 2009020	Seconded Community Development Livelihood Improvement Project	XDR	48,213,880	10,495,486,640					1,777,262,244	48,213,880	12,222,748,884
622 2010001	Provincial Roads Project	XDR	62,947,162	13,702,715,901					2,255,082,078	62,947,162	15,957,797,979
623 2010002	Emergency Additional Financing for Community Livelihoods in Conflict Affected Areas	XDR	7,597,416	1,653,851,086					272,177,426	7,597,416	1,926,028,512
624 2010003	Emergency Northern Recovery Project	XDR	40,895,407	8,902,357,514					1,465,077,947	40,895,407	10,367,435,461
625 2010024	Higher Education for the Twenty First Century Project	XDR	24,725,154	5,382,319,828					885,778,635	24,725,154	6,268,098,463
626 2010042	Sustainable Tourism Development Project	XDR	108,457	23,609,667					3,885,488	108,457	27,495,155
627 2010043	North East Local Services Improvement Project Pura Neguma	XDR	32,952,036	7,173,196,911					1,180,506,690	32,952,036	8,353,703,601
628 2010044	Small & Medium Enterprise Development Facility Project	XDR	33,857,174	7,370,232,805					1,212,933,263	33,857,174	8,583,166,068
629 2011037	2nd & 3rd Additional Financing for Community Livelihood in Conflict-Affected Areas	XDR	30,296,196	6,595,057,770					1,085,361,230	30,296,196	7,680,419,000
630 2012004	Additional Financing for E-Sri Lanka Development Project	XDR	6,862,031	1,493,768,119			234,175	55,704,342	242,170,721	6,627,856	1,680,234,498
631 2012012	Transforming the School Education System as the Foundation of A Knowledge Hub Project	XDR	57,479,604	12,512,505,096			3,873,930	876,988,200	2,131,227,734	59,238,234	15,017,543,937
632 2013030	Second Health Sector Development Project	XDR	112,774,112	24,549,345,312			4,283,400	1,008,988,363	4,364,359,343	125,476,243	31,809,607,943
633 2014010	Climate Resilience Improvement Management- Crip	XDR	34,782,398	7,574,796,891					1,663,504,864	48,312,399	12,247,724,621
634 2014019	Strategic Cities Development Project	XDR	19,009,203	4,138,037,242					984,860,183	29,462,360	7,469,032,135
635 2014020	Additional Financing for Dam Safety & Water Resources Planning Project	XDR	46,823,768	10,192,878,719			6,717,647	1,504,850,142	1,875,608,829	53,541,416	13,573,337,691
636 2014021	Skills Development Project-(Portion B)	XDR	-	-					-	-	-
637 2014022	Skills Development Project-(Portion A)	XDR	29,620,758	6,448,024,372					1,158,422,535	32,740,758	8,300,142,354
638 2015028	Water Supply and Sanitation Improvement Project	XDR	31,952,793	6,955,675,597					1,587,976,089	47,042,449	11,925,778,306
639 2015030	Early Childhood Development Project	XDR	4,345,391	945,930,787					286,188,338	9,084,335	2,302,978,898
640 2015031	Additional Financing for North East Local Services Improvement Project (NELSIP)	XDR	14,300,000	3,112,909,800					512,297,500	14,300,000	3,625,207,300
641 2016027	Additional Financing for Strategic Cities Development Project	XDR	480,009	104,491,337					93,165,994	3,120,116	790,983,671

NOTE - 29(III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
642	2016028	Additional Financing for Climate Resilience Improvement Project	XDR	4,087,780	889,852,412	4,351,551	981,348,300	268,262,494	8,439,331	2,139,463,206
643	2016029	Ecosystem Conservation and Management Project	XDR	2,099,510	457,033,967	3,299,622	737,726,200	173,979,140	5,399,132	1,368,739,307
644	2017001	Agriculture Sector Modernization Project	XDR	1,963,819	416,871,059	10,533,074	2,313,526,696	437,702,213	12,496,894	3,168,099,968
645	2017023	Transport Connectivity and Asset Management Project			1,052,265	236,127,195		30,633,575	1,052,265	266,760,770
646	2017024	Financial Sector Modernization Project			138,500	30,990,345		4,120,929	138,500	35,111,274
IFAD										
647	1978004	Kirindioya Irrigation & Settlement Project	USD	3,000,000	458,564,400			85,877,520	2,700,000	493,424,730
648	1981006	Anuradhapura Dry Zone Agricultural Project	XDR	1,220,426	265,669,570			42,047,331	1,126,550	285,592,719
649	1982004	Coconut Development Project	XDR	1,074,213	233,841,165			37,115,166	997,487	252,873,967
650	1982009	Kirindioya Irrigation & Settlement Project	XDR	1,319,465	287,229,003			44,430,606	1,231,501	312,198,776
651	1983004	Badulla, Rural Development Project	XDR	3,911,677	851,517,328			57,694,009	3,650,897	925,542,560
652	1986026	Kegalle Rural Development Project	XDR	2,783,351	605,896,504			34,209,773	2,628,721	666,409,641
653	1988088	Small Farmers & Landless Credit Project	XDR	2,137,962	465,404,328			73,226,487	2,033,670	515,557,636
654	1991033	2nd Badulla Integrated Rural Development	XDR	5,239,675	1,140,603,827			181,483,360	5,016,711	1,271,791,346
655	1992051	N-W Province Dry Zone Participatory Development Project	XDR	2,844,144	619,130,342			25,662,690	2,730,380	692,181,378
656	1995040	North/Cen. Provin.Partici. Rural Development Project	XDR	3,239,424	705,177,253			111,025,374	3,059,456	775,605,750
657	1999007	Matale Regional Economic Advancement Project	XDR	5,458,153	1,188,163,503			188,278,290	5,198,241	1,317,811,285
658	2004022	Dry Zone Livelihood Support & Partnership Programme	XDR	13,483,476	2,935,164,043			472,128,267	12,984,086	3,291,608,727
659	2007011	Smallholder Plantations Entrepreneurship Development Programme	XDR	13,401,056	2,917,222,231	(21,818)	(5,530,781)	469,990,302	12,917,133	3,274,635,461
660	2008025	Post Tsunami Coastal Rehabilitation & Resource Mgt. Programme I	XDR	10,181,277	2,216,321,459			358,863,379	9,824,037	2,490,501,436
661	2008026	Post Tsunami Livelihood Support & Partnership Programme II	XDR	1,521,936	331,304,209			53,644,264	1,468,534	372,289,580
662	2010009	National Agribusiness Development Programme	XDR	13,946,036	3,036,152,970	350,092	70,701,079	517,784,510	14,296,128	3,624,638,560
663	2012008	Iranamadu Irrigation Development Project	XDR	14,076,701	3,064,300,749	271,111	53,306,521	519,720,997	14,347,813	3,637,328,267
664	2016016	Sri Lanka Smallholder Tea and Rubber Revitalization Project (Start)	XDR	1,804,095	392,726,148	1,581,395	353,022,955	112,509,690	3,385,489	858,258,793
Nordic Development Fund										
665	1996008	2nd Power Dist & Transm. Project (Anuradapura)	EUR	3,916,166	714,644,304			98,561,555	3,698,601	772,981,036
666	1999055	The Skills Development Project	XDR	6,267,629	1,143,752,608			162,451,577	6,114,760	1,277,940,748
667	1999056	Southern Transport Development Project	XDR	3,649,266	665,938,829			94,585,851	3,560,260	744,068,570
668	2000052	Secondary Education Modernization Project	EUR	4,633,049	845,465,279			120,180,824	4,524,036	945,491,069
OPEC Fund										
669	2000012	Skills Development Project	USD	0	0			(0)	0	0
670	2002070	Southern Prov. Rural Economic Advancement Project	USD	1,207,050	184,503,402			28,902,771	905,330	165,448,986

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
671	2002071	USD	1,024,849	156,653,135		256,160	42,711,260	26,536,018	768,689	140,477,893
	North East Community Restoration & Development Project									
672	2003076	USD	2,766,867	422,928,936		503,040	79,956,196	70,741,458	2,263,827	413,714,198
	Road Sector Development Project									
673	2010037	USD	6,666,700	1,019,037,096		533,320	87,163,501	189,000,987	6,133,380	1,120,874,582
	National Highway Sector Project									
674	2010038	USD	11,335,036	1,734,247,104		3,269,886	509,925,105	418,532,649	14,276,504	2,609,029,629
	Kalu Ganga Development Project									
675	2012024	USD	31,339,129	4,790,248,844		638,053	100,184,573	901,888,845	29,310,522	5,356,494,952
	Road Network Development Project									
676	2013023	USD	15,913,992	2,432,530,082		3,895,261	620,293,562	522,449,733	16,475,933	3,010,975,134
	Colombo National Highways Project									
677	2015014	USD	-	192,920	4,580,703	730,599,175		106,330,916	4,580,703	837,123,011
	Western Province Road Development Project									
678	2015015	USD	11,098,394	1,696,536,512	7,290,815	1,175,722,782		488,456,804	18,389,209	3,360,716,099
	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project									
679	2017030				2,094,545	365,799,983		16,977,848	2,094,545	382,777,831
	Kalu Ganga Development Project(Additional Loan)									
	ADB									
680	2001003	XDR	3,843,909	836,765,262		240,244	53,990,368	130,793,926	3,603,665	913,568,820
	Colombo Fort Efficiency and Expansion Project									
681	2004006	XDR	7,496,674	1,631,921,063		416,482	96,297,974	259,283,566	7,080,192	1,794,906,655
	TA Loan -Road Project Preparatory Facility									
682	2004013	XDR	234,999	51,155,981		12,368	2,744,725	8,028,138	222,631	56,439,395
	TA for Financial Markets Programme for Private Sector Development									
683	2016035	XDR	1,225,424	266,891,975	1,704,962	399,685,724		76,307,357	2,930,386	742,885,055
	Technical Assistance Loan Agreement									
	IDA									
684	1980001	USD	696,713	106,495,965		55,732	8,674,460	19,317,755	640,981	117,139,260
	Mahaweli Ganga T.A. Project									
	ADB									
685	2010103	XDR	-	0				(0)	-	(0)
	Development Finance Corporation of Ceylon									
686	2010104	XDR	1,437	312,980				(312,980)	-	0
	Canyon Hydro Power Project									
687	2010105	XDR	-	(0)				0	-	0
	Kirindioya Irrigation & Settlement Project									
688	2010106	XDR	673,599	146,633,092		679,999	157,066,903	10,433,811	52,037	13,192,050
	Sevanagala Sugar Development									
689	2010107	XDR	156,637	34,097,766		104,600	23,276,073	2,370,357	52,037	13,192,050
	Urea Fertilizer (Supplementary) Project									
690	2010108	XDR	563,884	122,749,759		282,200	65,489,286	14,149,644	281,684	71,410,116
	Rural Credit Project									
691	2010109	XDR	984,650	214,344,423		477,466	105,846,758	16,394,617	492,650	124,892,283
	2nd DFCC Project									
692	2010110	XDR	834,287	181,612,528		333,400	77,371,112	22,738,865	500,887	126,980,281
	Mahaweli Area Roads Development Project									
693	2010111	XDR	1,550,046	337,423,307		516,400	114,509,321	39,126,637	1,033,646	262,040,623
	Third Tea Development Project									
694	2010112	XDR	863,448	187,960,519		432,200	100,299,325	21,664,892	431,248	109,326,086
	Rural Electrification Project									
695	2010113	XDR	1,136,968	247,501,998		379,200	87,999,779	32,600,283	757,768	192,102,503
	Anuradhapura Dry Zone Agriculture Project									
696	2010114	XDR	1,600,039	348,306,195		457,000	101,418,083	42,884,971	1,143,039	289,773,083
	National Development Bank of Sri Lanka									
697	2010115	XDR	245,793	53,505,740		70,200	16,291,099	7,300,168	175,593	44,514,809
	Second Fisheries Development Project									
698	2010116	XDR	371,117	80,786,943		106,200	24,645,508	11,017,901	264,917	67,159,336
	Coconut Development Project									
699	2010117	XDR	1,952,691	425,073,596		390,800	87,280,207	58,163,280	1,561,891	395,956,669
	Kirindioya Irrigation & Settlement Project									
700	2010118	XDR	1,370,700	298,382,159		342,400	80,898,227	42,947,870	1,027,300	260,431,802
	Community Forestry Project									
701	2010119	XDR	1,211,643	263,757,807		269,400	62,518,829	37,630,091	942,243	238,869,069
	Health & Population Project									
702	2010120	XDR	2,487,608	541,517,382		552,800	130,609,053	79,586,720	1,934,808	490,495,050
	Technical Education Project									

NOTE - 29(III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Loan Key	Name	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018			
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		
703	2010121	Livestock Development Project	XDR	2,466,045	536,823,473	-	-	493,400	110,194,609	73,458,344	1,972,645	500,087,208
		IDA										
704	2011010	Second Additional Financing for Road Sector Assistance Project	XDR	51,848,188	11,286,624,577	-	-	-	1,857,461,323	51,848,188	-	13,144,085,900
705	2016043	Social Safety Nets Project	XDR	2,161,815	470,596,836	-	-	-	77,447,018	2,161,815	-	548,043,854
		Pakistan										
706	1991003	Pakistan Line of Credit (Pakistan)	USD	1,120,000	171,197,376	-	-	160,000	25,987,296	30,229,824	960,000	175,439,904
		Pakistan										
707	2006071	Pakistan Line of Credit	USD	15,956,022	2,438,954,522	-	-	3,759,839	593,603,052	383,499,740	12,196,183	2,228,851,210
		Russia										
708	2010018	Russian Line of Credit (Russia)	USD	141,663,660	21,653,970,399	-	-	23,610,610	3,696,610,498	3,616,823,164	118,053,050	21,574,183,065
		AB Svensk Ex.Credit										
709	2001072	Molecular Biology Institute - Colombo	SEK	-	-	-	-	-	-	-	-	-
710	2004076	Fourth Rural Electrification Project-Usd Portion	USD	1,377,233	210,516,721	-	-	918,156	156,139,062	29,518,762	459,077	83,896,421
711	2007029	Ratmalana & Ja-Ela Waste Water Treatment Facilities Project (Sweden)	USD	80,854,777	12,359,040,742	-	-	11,519,948	1,958,700,337	2,270,592,716	69,334,829	12,670,933,121
712	2009026	Fourth Rural Electrification Project-Euro Portion (Sweden)	EUR	3,369,222	614,834,743	-	-	2,246,149	441,333,912	61,213,655	1,123,075	234,714,485
		Aust. & New Zealand Inv. Bank										
713	2010023	Integrated Water Supply Scheme for the Unserved Areas of Ampara District-Phase III (Australia)	USD	63,323,860	9,679,355,973	-	-	11,312,564	1,894,887,206	1,720,590,474	52,011,296	9,505,059,241
		Bank Austria										
714	2003070	Sirimavo Bandarayanayake Children Hospital (Austria)	EUR	3,464,175	632,162,264	-	-	1,732,087	319,928,619	49,760,093	1,732,088	361,993,738
715	2003071	Railway Bridges to Extend Rail tracks	EUR	5,205,825	949,988,564	-	-	1,735,275	339,344,893	114,676,249	3,470,550	725,319,920
716	2004073	Water Supply Welligama, Ambalantota, Kataragama (Austria)	EUR	3,335,256	608,636,449	-	-	952,930	185,202,830	74,455,245	2,382,326	497,888,864
717	2006089	Enhancement & Strengthening of the Road Infrastructure by Construction of Five Bridges (Austria)	EUR	7,912,500	1,443,918,100	-	-	879,167	172,712,994	198,710,919	7,033,333	1,469,916,025
718	2007003	Greater Colombo Sewerage Rehabilitation System II (Austria)	EUR	7,103,019	1,296,199,504	-	-	789,224	153,561,996	176,900,230	6,313,795	1,319,537,738
719	2008021	Rehabilitation & Augmentation of Kirindi Oya Water Supply Project (Austria)	EUR	7,347,826	1,340,873,281	-	-	1,335,968	262,452,061	178,013,859	6,011,858	1,256,435,079
720	2008023	Supply of Modern Medical Equipments for Teaching Hospital Kurunegala (Austria)	EUR	4,500,000	821,185,647	-	-	1,000,000	195,108,800	105,397,949	3,500,000	731,474,796
		Banco										
721	2012015	Veyangoda Railway Crossing Flyover Project (Spain)	EUR	4,528,912	826,461,757	-	-	1,006,425	195,009,785	104,722,544	3,522,487	736,174,516
722	2012016	Veyangoda Railway Crossing Flyover Project (Spain)	EUR	-	-	-	-	-	-	-	-	-
723	2013003	Implementation of the Greater Rathnapura Water Supply Scheme	EUR	17,544,000	3,201,529,121	-	-	2,193,000	410,709,097	417,428,449	15,351,000	3,208,248,473
724	2015033	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	EUR	14,414,787	2,631,468,884	1,530,192	282,894,641	1,396,976	270,288,310	396,352,620	14,548,003	3,040,427,835

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
BNP Paribas										
725	2004070	EUR	(1)	(134)					134	0
726	2013032	EUR	3,671,180	669,937,735			305,932	57,718,742	91,093,555	703,312,548
Calyon Credit Agricole CIB										
727	2008042	USD	29,988,548	4,583,893,589			5,452,463	911,356,899	811,430,421	4,483,967,111
728	2016019	EUR	10,667,527	1,950,345,601	4,622,450	856,967,849			686,349,647	3,493,663,098
729	2016020	EUR	8,327,960	1,529,596,662	18,276,690	3,390,888,331			1,253,309,899	6,173,794,892
Boerenleen Bank										
730	2006085	EUR	2,016,442	367,971,804			2,016,442	392,086,122	24,114,318	-
731	2008039	EUR	1,442,648	263,262,533			961,765	188,846,442	26,084,944	100,501,035
732	2009031	EUR	9,541,647	1,741,214,188			2,120,366	398,761,554	208,541,712	1,550,994,346
733	2011026	USD	5,009,030	765,654,156			834,838	132,401,665	129,580,497	762,832,988
734	2012010	EUR	33,763,826	6,161,415,549			4,220,478	780,618,830	793,550,373	6,174,347,093
735	2013001	USD	20,804,799	3,180,113,467			2,773,973	471,983,090	587,001,314	3,295,131,691
736	2013024	EUR	14,802,366	2,701,220,125			1,850,296	348,495,343	354,164,649	2,706,889,432
737	2014032	USD	14,101,463	2,155,476,401			1,763,520	287,288,861	386,570,435	2,254,757,975
738	2014033	USD	1,556,047	237,849,253			1,556,047	245,995,470	8,146,218	-
739	2014035	USD	64,092,024	11,695,877,995			8,400,000	1,633,770,180	1,759,628,947	12,909,602,864
740	2016012	EUR	1,280,451	295,345,106	4,640,275	811,796,799			130,247,244	1,237,389,149
741	2016040	USD	6,559,020	1,002,577,742			2,619,206	441,878,011	468,281,703	1,028,981,435
742	2016041	USD	2,773,277	423,908,710					291,101,186	715,009,896
743	2017034	EUR			6,564,066	1,258,252,838			113,589,659	1,371,842,497
Danske Bank A/S										
744	2006072	EUR	7,772,202	1,418,315,797			4,245,099	802,642,268	121,465,730	737,139,259
Deutsche Bank AG										
745	2014028	USD	125,698,183	18,060,350,032	28,880,505	4,569,818,118	20,638,100	3,447,645,789	5,295,106,753	24,477,629,115
Exp. Development Bank of Iran										
746	2008027	USD	40,495,443	6,189,922,871			7,592,895	1,183,573,836	1,006,588,249	6,012,937,284
747	2010005	EUR	12,694,548	2,316,573,548			11,391,565	2,140,181,584	95,922,155	272,314,120

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
Exp. Fin & Ins.Cop											
748 2015034	Supply and Purchase of Clinical Waste Disposal Systems and Related Equipment	USD	11,210,139	1,713,314,999	1,178,026	185,732,518	1,376,463	233,021,580	346,361,423	11,011,701	2,012,387,360
Exp.Imp.Bank of US											
749 2013025	Badulla, Hallela and Ella Integrated Water Supply Project	USD	52,206,074	7,979,948,931	892,279	136,179,117	5,275,760	865,776,967	1,704,886,652	47,822,593	8,955,237,733
Exp. Imp. Bank of China											
750 2003050	Rural Electrification Project VII	CNY	87,983,336	2,063,631,533	-	-	14,663,889	363,332,253	247,673,760	73,319,447	1,947,973,040
751 2004041	Kelanthissa Diesel Storage Tank Project	CNY	6,530,721	153,176,746	-	-	3,265,360	80,906,960	14,485,287	3,265,361	86,755,073
752 2007014	Supply of 100 Nos. Railway Passenger Carriages	CNY	73,198,978	1,716,867,396	-	-	14,639,796	362,735,278	201,685,814	58,559,182	1,555,817,932
753 2007015	Supply of 15 Nos. Diesel Multiple Units	CNY	104,211,519	2,444,260,327	-	-	20,842,304	516,416,964	287,134,949	83,369,215	2,214,978,312
754 2009009	Bunkering Facility & Tank Farm Project at Hambantota	USD	44,382,619	6,784,096,385	-	-	5,917,683	928,533,507	1,173,900,455	38,464,936	7,029,463,333
755 2009010	Colombo-Katunayake Expressway (CKE) Section A2	USD	42,382,543	6,478,375,139	-	-	5,297,818	831,271,597	1,130,126,272	37,084,725	6,777,229,814
756 2009011	Colombo-Katunayake Expressway (CKE) Section A1	USD	46,694,352	7,137,455,780	-	-	5,886,794	915,841,418	1,245,100,218	40,857,558	7,466,714,580
757 2009012	Colombo-Katunayake Expressway (CKE) Section A3	USD	31,867,562	4,871,109,892	-	-	3,983,445	625,035,633	849,745,368	27,884,117	5,095,819,626
758 2009013	Colombo-Katunayake Expressway (CKE) Section A4	USD	44,522,210	6,805,433,429	-	-	5,565,276	873,238,024	1,187,180,263	38,956,934	7,119,375,667
759 2010007	Supply of 13 Nos. Diesel Multiple Units to Sri Lanka Railway Project	CNY	537,036,531	12,596,084,414	-	-	42,962,922	1,064,507,182	1,595,118,608	494,073,609	13,126,695,840
760 2010029	Supply of Two Nos. Ma 60 Aircrafts Project	CNY	228,976,321	5,370,593,802	-	-	17,613,563	436,417,342	681,372,687	211,362,758	5,615,549,147
761 2010030	Procurement of Material for the Northern Province Power Sector Development Programme	USD	19,965,063	3,051,755,701	-	-	3,071,548	481,951,397	517,483,834	16,893,515	3,087,288,138
762 2010031	Northern Road Rehabilitation Project (A009) from Galkulama to 230Km Post	USD	50,278,170	7,685,259,704	-	-	5,915,079	928,124,971	1,350,215,834	44,363,091	8,107,350,566
763 2010032	Northern Road Rehabilitation Project-11B	USD	31,882,275	4,873,358,768	-	-	3,542,475	555,843,730	861,580,577	28,339,800	5,179,095,615
764 2010033	Northern Road Rehabilitation Project (Mula-tivu-Kokkila)-11A	USD	30,293,772	4,630,548,430	-	-	3,563,973	559,216,970	813,536,569	26,729,799	4,884,868,029
765 2010034	Northern Road Rehabilitation Project (Ab020)	USD	52,953,729	8,094,231,619	-	-	6,229,850	977,515,242	1,422,067,713	46,723,879	8,538,784,090
766 2010035	Northern Road Rehabilitation Project (Ab018)	USD	49,945,058	7,634,341,972	-	-	5,875,889	921,975,798	1,341,270,147	44,069,169	8,053,636,322
767 2011005	Highway Section from Pinnaduwa to Kodagoda (30Km to 45Km)	USD	63,711,349	9,738,585,501	-	-	7,079,038	1,110,759,818	1,721,723,479	56,632,311	10,349,549,162
768 2011006	Highway Section from Kodagoda to Godagama (45Km to 61Km)	USD	47,459,591	7,254,426,256	-	-	5,273,286	827,422,342	1,282,539,065	42,186,305	7,709,542,980
769 2011008	Re. & im.of 67Km Length of Navatkuli-Karai-tivu-Mannar Road	USD	38,266,978	5,849,291,098	-	-	4,028,102	632,042,637	1,039,902,226	34,238,873	6,257,150,687
770 2011009	Re. & im.of 113Km Length of Puttalam-Marichchikade-Mannar Road	USD	58,060,555	8,874,834,617	-	-	5,806,056	911,018,377	1,585,688,454	52,254,499	9,549,504,695
771 2012001	Finance Material Required for Lighting Sri Lanka Eastern Province Project	USD	27,011,516	4,128,839,885	-	-	2,701,152	423,833,106	737,709,894	24,310,364	4,442,716,674
772 2013005	Matarara - Belliatta Section of Matarara - Kataragama Railway Extension Project	USD	163,893,321	25,051,880,908	13,362,642	2,126,500,479	-	-	5,215,128,293	177,255,964	32,393,509,680
773 2013041	Greater Kurunegala Water Supply and Sewerage Project	CNY	251,444,875	5,924,686,343	190,284,964	4,486,709,948	-	-	1,394,037,358	441,729,839	11,805,433,649

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
774 2014024	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	USD	128,963,328	19,707,356,885	80,969,279	12,967,138,958	5,690,667,123	209,932,607	38,365,162,966		
775 2014025	Construction of Extension of Southern Expressway, Section 4 from Mattala to Hambantota via Andarawewa Project	CNY	1,119,067,772	26,247,510,773	247,681,494	5,956,057,648	4,108,636,108	1,366,749,266	36,312,204,530		
776 2014026	Hambantota Hub Development Project	CNY	716,430,696	16,803,738,691	143,579,999	3,469,539,437	2,575,744,031	860,010,695	22,849,022,159		
777 2014040	Construction of Extension of Southern Expressway, Section 1 from Matara to Bellatta	USD	300,323,962	45,905,074,131	119,488,461	19,093,499,936	11,722,104,164	419,812,423	76,720,678,231		
778 2016015	Construction of Extension of Southern Expressway, Section 2 from Bellatta to Wethya Project	USD	111,052,224	16,974,865,517	24,324,148	3,847,147,895	3,918,005,035	135,376,372	24,740,018,447		
779 2017042	Construction Service for Design Review and Construction Supervision of Civil Works on Extension of Southern Expressway Project	CNY	-	-	83,293,431	1,982,966,708	229,998,151	83,293,431	2,212,964,859		
Export Import Bank of Hungary											
780 2013008	Rehabilitation of Kalatuwawa Water Treatment Plant	EUR	16,378,877	3,010,142,625	1,005,029	162,171,630	460,796,935	17,383,906	3,633,111,190		
781 2013009	Rehabilitation of Labugama Water Treatment Plant Project	EUR	15,334,165	2,827,711,733	1,379,880	222,362,468	443,877,990	16,714,045	3,493,952,191		
Fortis Bank											
782 2011029	Implementation of Kolonna and Balangoda Water Supply Projects (Belgium)	EUR	6,486,545	1,183,701,555	-	-	1,179,372	228,520,777	5,307,173	1,109,160,843	
HSBC UK											
783 2007027	Regional Bridge Project HSBC Bank PLC(UK)	JPK	5,600,000	7,593,039,999	-	-	1,120,000	1,569,232,000	4,480,000	7,413,055,999	
784 2008024	Supply & Installation of 5000 Solar Powered Drip Irrigation & Fertilizing Systems (Australia)	USD	3,425,000	523,527,690	-	-	1,370,000	215,949,059	67,972,413	2,055,000	375,551,045
785 2008037	The Development of the Dikkowita Fisheries Harbour (Netherlands)	EUR	11,812,059	2,155,531,855	-	-	3,374,874	635,919,577	8,437,185	1,763,310,917	
786 2010011	Emergency Purchase of Container Handling Equipments - Jay Terminal (Uk)	USD	-	-	-	-	-	-	-	-	
787 2012023	Construction of 210 Permanent Rural Steel Bridges	USD	39,728,618	6,072,709,928	-	-	4,414,291	696,391,242	1,077,371,030	35,314,327	6,453,689,715
788 2013012	Modernization of Processing Factories of Milco (Pvt) Ltd	USD	19,163,670	2,938,435,674	3,304,220	501,367,168	6,765,663	1,131,881,311	586,401,808	15,702,227	2,894,323,339
789 2013027	Regional Bridges Project-Phase II-Buyer's Credit Facility	USD	56,534,653	8,641,401,600	-	-	5,951,016	967,115,106	1,569,868,128	50,583,637	9,244,154,623
HSBC Hong Kong											
790 2013026	Regional Bridges Project-Phase II-Commercial Credit Facility	USD	2,120,175	324,078,925	-	-	2,120,175	360,276,143	36,197,218	-	-
791 2018015	Procurement of 09 Nos Diesel Multiple Unit for Upcountry Line Operation of SL	USD	-	-	14,080,201	2,273,572,328	-	-	299,583,033	14,080,201	2,573,155,361
HSBC (EKF Denmark)											
792 2015019	Establishment of Dairy Processing Plant at Badalgama	EUR	48,913,259	8,927,122,566	7,466,565	1,414,599,082	2,493,966	444,665,015	1,365,857,627	53,885,858	11,262,914,259
ING Bank											
793 2008032	Negombo Water Supply Project (Netherlands)	EUR	5,890,476	1,074,927,660	-	-	1,682,993	330,462,560	4,207,483	879,333,699	

NOTE - 29(II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Notes to the Financial Statements contd...

Loan Key	Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Closing Balance as at 31.12.2018		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
JIBC											
794 2008022	Ukuweia Power Station Rehabilitation Project (Japan)	JPK	355,279	481,722,881	-	-	118,424	176,439,918	86,641,109	236,855	391,924,072
KBC Bank											
795 2007009	Delimitation of the Outer Edge of the Continental Margin of Sri Lanka-Belgium	USD	200,000	30,570,960	-	-	200,000	30,784,300	213,340	-	-
796 2014007	Implementation of Monaragala- Buttala Water Supply Project	EUR	11,773,777	2,148,545,809	-	-	1,732,877	339,325,082	294,676,066	10,040,900	2,103,896,793
Nordea Bank Finland											
797 2005079	Solar Energy for the Development of Health & Education Facilities in Rural Areas-Finland	EUR	7,988,327	1,457,755,550	-	-	2,282,379	448,154,533	182,901,089	5,705,948	1,192,502,105
Nordea Bank Sweden											
798 2011011	Rural Electrification Project 4 Extension (Sweden)	USD	23,327,179	3,565,671,313	-	-	6,276,189	994,847,535	545,243,109	17,050,990	3,116,066,887
Raiffeisen Bank											
799 2008038	Up-Grading of Technical Education (Siate)(Austria)	EUR	9,166,667	1,672,785,585	-	-	916,667	179,991,257	231,396,274	8,250,000	1,724,190,602
800 2016001	Implementation of the Kochchikade Bridge	EUR	5,906,252	1,077,806,576	2,192,062	421,800,222	-	-	192,882,597	8,098,314	1,692,489,395
801 2017025	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	EUR	-	-	2,799,805	542,970,392	-	-	44,747,345	2,799,805	587,717,737
802 2017029	Obtaining 100 Ambulance Cars for Government Hospitals	EUR	-	-	5,024,210	957,240,310	-	-	121,366,969	5,024,210	1,078,607,279
Uni Credit Bank Austria											
803 2010004	Rehabilitation Old Laxapana Hydroelectric Power Plant (Austria)	EUR	8,621,910	1,573,375,282	-	-	3,448,764	651,260,973	159,035,958	5,173,146	1,081,150,267
804 2010022	Rehabilitation of Eastern Railway Line (Austria)	EUR	2,477,711	452,146,967	-	-	991,085	192,737,012	51,284,370	1,486,626	310,694,325
805 2013004	Augmentation of Mahiyangana Water Supply Project	EUR	10,404,953	1,898,755,132	-	-	-	-	275,805,130	10,404,953	2,174,560,262
806 2013006	Supply of 2 Nos Cardiac Catheterization System to Cardiology Dep.of the NHSI	EUR	2,382,000	434,680,937	-	-	-	-	63,139,912	2,382,000	497,820,849
807 2013045	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area	EUR	9,904,566	1,811,938,566	595,434	178,590,366	-	-	203,895,461	10,500,000	2,194,424,394
808 2018017	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Highways in SL	EUR	-	-	3,304,923	666,606,705	-	-	24,098,366	3,304,923	690,705,071
Raiffeisen											
809 2012009	Development of Nuwara Eliya District General Hospital (Netherlands)	EUR	29,907,150.48	5,457,627,245	-	-	3,572,379	660,746,461	429,329,236	25,006,650	5,226,210,020
Exp. Imp. Bank of China											
810 2011014	Procurement of Materials for Lighting Uva Province	USD	14,429,846	2,205,671,094	-	-	2,219,976	348,332,688	374,013,927	12,209,870	2,231,352,332
811 2013022	Matarata-Beliatta Section of Matarata-Kataragama Railway Extension Project	CNY	276,266,140	6,479,767,056	65,541,716	1,604,676,251	-	-	996,810,354	341,807,856	9,081,253,661
Total											
				2,664,230,793,414		209,858,349,449		186,830,755,630	506,895,445,025		3,194,153,832,259

Notes to the Financial Statements contd...

Note - 29 (III) FOREIGN CURRENCY TERM FINANCING FACILITY (9190)

Loan Key	Project Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Parity		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Rs.	Loan Currency Amount	Rs.
2016025	Foreign Currency Term Financing Facility	USD	420,000,000	64,199,016,000	-	-	280,000,000	47,630,198,000	9,016,168,000	140,000,000	25,584,986,000	
2017011	Foreign Currency Term Financing Facility	USD	1,000,000,000	152,854,800,000	-	-	333,300,000	52,598,672,940	21,583,231,270	666,700,000	121,839,358,330	
2018044	Foreign Currency Term Financing Facility	USD	-	-	1,000,000,000	170,922,700,000	-	-	11,827,200,000	1,000,000,000	182,749,900,000	
Total			1,420,000,000	217,053,816,000	1,000,000,000	170,922,700,000	613,300,000	100,228,870,940	42,426,599,270	1,806,700,000	330,174,244,330	

Note - 29 (IV) INTERNATIONAL SOVEREIGN BOND (9194)

Loan Key	Project Name	Loan Currency	Balance as at 01-01-2018		Accounted During the Year		Repayments		Parity		Closing Balance as at 31.12.2018	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Rs.	Loan Currency Amount	Rs.
2010040	International Sovereign Bond	USD	1,000,000,000	152,854,800,000	-	-	-	-	29,895,100,000	1,000,000,000	182,749,900,000	
2011017	International Sovereign Bond	USD	1,000,000,000	152,854,800,000	-	-	-	-	29,895,100,000	1,000,000,000	182,749,900,000	
2012018	International Sovereign Bond	USD	1,000,000,000	152,854,800,000	-	-	-	-	29,895,100,000	1,000,000,000	182,749,900,000	
2014008	International Sovereign Bond	USD	1,000,000,000	152,854,800,000	-	-	-	-	29,895,100,000	1,000,000,000	182,749,900,000	
2014009	International Sovereign Bond	USD	500,000,000	76,427,400,000	-	-	-	-	14,947,550,000	500,000,000	91,374,950,000	
2015008	International Sovereign Bond	USD	650,000,000	99,355,620,000	-	-	-	-	19,431,815,000	650,000,000	118,787,435,000	
2015029	International Sovereign Bond	USD	1,500,000,000	229,282,200,000	-	-	-	-	44,842,650,000	1,500,000,000	274,124,850,000	
2016024	International Sovereign Bond	USD	1,000,000,000	152,854,800,000	-	-	-	-	29,895,100,000	1,000,000,000	182,749,900,000	
2016026	International Sovereign Bond	USD	500,000,000	76,427,400,000	-	-	-	-	14,947,550,000	500,000,000	91,374,950,000	
2017012	International Sovereign Bond	USD	1,500,000,000	229,282,200,000	-	-	-	-	44,842,650,000	1,500,000,000	274,124,850,000	
2018013	International Sovereign Bond	USD	-	-	1,250,000,000	195,413,375,000	-	-	33,024,000,000	1,250,000,000	228,437,375,000	
2018014	International Sovereign Bond	USD	-	-	1,250,000,000	195,413,375,000	-	-	33,024,000,000	1,250,000,000	228,437,375,000	
Total			9,650,000,000	1,475,048,820,000	2,500,000,000	390,826,750,000	-	-	354,535,715,000	12,150,000,000	2,220,411,285,000	

Notes to the Financial Statements contd...

Note - 30 - DEPOSIT ACCOUNTS BALANCES AS AT 31ST DECEMBER 2018 (6000 & 6003)

Category	Opening Balance as at 01.01.2018	Debits	Credits	Closing Balance as at 31.12.2018
6000/ 01	7,470,564,562	1,327,024,025	1,584,595,563	7,728,136,100
6000/ 02	619,631,690	621,208,949	559,857,870	558,280,611
6000/ 03	(929,023)	-	-	(929,023)
6000/ 04	4,426,465	-	-	4,426,465
6000/ 05	1,034	-	-	1,034
6000/ 06	18,826,678,517	6,855,163,205	10,036,049,694	22,007,565,006
6000/ 07	500,000	-	-	500,000
6000/ 08	392,855,188	27,898,467	49,644,657	414,601,379
6000/ 10	4,261,091,476	5,348,034,357	2,412,154,135	1,325,211,254
6000/ 11	-	-	21,000,000	21,000,000
6000/ 12	50	100,336,491	100,196,889	(139,553)
6000/ 13	14,886,325,393	29,555,306,238	29,206,330,245	14,537,349,400
6000/ 14	2,657,201,335	49,651,278,431	50,745,099,674	3,751,022,578
6000/ 15	(742,282)	487,420	1,207,363	(22,339)
6000/ 16	10,540,651,307	5,781,469,391	6,794,744,981	11,553,926,897
6000/ 17	1,860,706,331	7,805,548,421	8,109,846,532	2,165,004,442
6000/ 18	13,020,618,176	22,827,476,712	21,918,924,144	12,112,065,609
6000/ 19	191,052,483	288,967,981	259,253,155	161,337,657
6000/ 20	400,296,049	1,243,819,231	1,382,077,810	538,554,628
6000/ 286	(11,700)	-	-	(11,700)
Sub Total	75,130,917,052	131,434,019,319	133,180,982,712	76,877,880,445
6003/ 1	(10,000,000)	-	-	(10,000,000)
6003/ 15	(563,838)	-	-	(563,838)
6003/ 54	(108,030)	-	-	(108,030)
6003/ 63	(2,970)	-	-	(2,970)
Sub Total	(10,674,838)	-	-	(10,674,838)
Grand Total	75,120,242,214	131,434,019,319	133,180,982,712	76,867,205,607

Notes to the Financial Statements contd...

NOTE - 33 - STATEMENT OF CONTINGENT LIABILITIES
NOTE - 33(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2018

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees		Date of Issue	Date of Expiry	Outstanding Amount - Capital	
				US\$ Mn.	Euro Mn.			US\$ Mn.	Euro Mn.
1	Lakdhanavi Ltd.	National Savings Bank	Secure the Bonds			2,992.00	22-Feb-07	31-Mar-22	1,709.71
2	Lakdhanavi Ltd.	Employees' Trust Fund Board	Secure the Bonds			2,992.00	1-Mar-07	31-Mar-22	1,742.54
3	Ceylon Electricity Board	People's Bank	Credit Facility			4,116.00	7-May-08	3-Mar-23	-
4	West Coast Power(Pvt) Ltd.	Hong Kong & Shanghai Banking Co.Ltd.	Secure the Loan Facility	134.84			28-Jun-07	28-Jun-22	32.47
5	Ceylon Electricity Board	People's Bank	Credit Facility	4.20		1,200.00	11-Jun-08	9-Oct-23	0.87
6	Urban Development Authority	National Savings Bank	(Rs.1.2Bn + US\$ 4.2Mn)			2,770.00	6-Nov-09	5-Nov-24	1,556.00
7	Road Development Authority	Commercial Bank	Secure the Loan Facility			1,085.00	1-Sep-11	28-Feb-26	957.25
8	General Sir John Kotelawala Defence University	Bank of Ceylon	Secure the Loan Facility			85.00	29-Aug-11	31-Dec-26	45.78
9	Road Development Authority	People's Bank	Secure the Loan Facility			2,328.36	14-Mar-12	31-Dec-26	1,486.08
10	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			1,784.36	12-Mar-12	31-Dec-26	1,639.70
11	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			2,063.00	12-Mar-12	31-Dec-26	1,833.33
12	Road Development Authority	People's Bank	Secure the Loan Facility			1,050.00	21-Mar-12		872.65
13	Road Development Authority	People's Bank	Secure the Loan Facility			5,983.68	21-Mar-12	31-Dec-26	5,315.60
14	Road Development Authority	People's Bank	Secure the Loan Facility			2,146.81	21-Mar-12	31-Dec-26	1,894.61
15	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			2,007.64	6-Jun-12	31-Dec-26	1,786.14
16	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			315.56	15-Oct-12	30-Apr-27	1,553.33
17	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			1,413.16	31-Jan-13	30-Apr-27	1,651.67
18	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			354.58	15-Oct-12	30-Apr-27	
19	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			1,494.31	31-Jan-13	30-Apr-27	1,813.80
20	Road Development Authority	National Savings Bank	Secure the Loan Facility			384.25	25-Oct-12	30-Apr-27	956.75
21	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,643.39	31-Jan-13	30-Apr-27	
22	Road Development Authority	Commercial Bank	Secure the Loan Facility			209.04	15-Nov-12	31-May-27	3,445.28
23	Road Development Authority	Commercial Bank	Secure the Loan Facility			863.57	31-Jan-13	31-May-27	
24	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			670.75	15-Nov-12	31-May-27	1,814.21
25	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			3,139.25	31-Jan-13	31-May-27	957.65
26	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			385.64	15-Nov-12	31-May-27	1,496.25
27	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			1,636.31	31-Jan-13	31-May-27	1,559.66
28	Road Development Authority	Commercial Bank	Secure the Loan Facility			209.06	26-Dec-12	30-Jun-27	1,016.71
29	Road Development Authority	Commercial Bank	Secure the Loan Facility			864.94	31-Jan-13	30-Jun-27	404.46
30	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			299.25	26-Dec-12	30-Jun-27	
31	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			1,363.75	31-Jan-13	30-Jun-27	2,512.31
32	Road Development Authority	Hatton National Bank	Secure the Loan Facility			309.12	28-Dec-12	30-Jun-27	433.71
33	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,423.73	11-Feb-13	30-Jun-27	18,818.43
34	Road Development Authority	National Savings Bank	Secure the Loan Facility			225.54	31-Dec-12	30-Jun-27	
35	Road Development Authority	National Savings Bank	Secure the Loan Facility			965.09	31-Jan-13	30-Jun-27	
36	Road Development Authority	DFCC Bank	Secure the Loan Facility			89.60	31-Dec-12	30-Jun-27	
37	Road Development Authority	DFCC Bank	Secure the Loan Facility			362.77	31-Jan-13	30-Jun-27	
38	Road Development Authority	Hatton National Bank	Secure the Loan Facility			2,512.31	14-May-13	30-Nov-27	
39	General Sir John Kotelawala Defence University	Bank of Ceylon	Secure the Loan Facility			750.00	7-Jun-13	30-Jun-28	
40	General Sir John Kotelawala Defence University	National Savings Bank	Secure the Loan Facility	201.63			24-Jun-13	31-Jan-32	95.00
41	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,581.74	11-Jul-13	31-Jan-28	1,446.16
42	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,537.53	11-Jul-13	31-Jan-28	1,454.32
43	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			3,330.95	25-Jul-13	31-Jan-28	3,021.07
44	Road Development Authority	Hatton National Bank	Secure the Loan Facility			897.00	5-Aug-13	31-Jan-28	815.79
45	Road Development Authority	Hatton National Bank	Secure the Loan Facility			2,133.44	5-Aug-13	31-Jan-28	1,965.85

Notes to the Financial Statements contd...

NOTE - 33 - STATEMENT OF CONTINGENT LIABILITIES
NOTE - 33(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2018

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees		Date of Issue	Date of Expiry	Outstanding Amount - Capital	
				US\$ Mn.	Euro Mn.			US\$ Mn.	Euro Mn.
46	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,907.48		12-Aug-13	29-Feb-28		1,723.00
47	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,173.92		28-Aug-13	29-Feb-28		1,979.26
48	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,403.53		30-Aug-13	29-Feb-28		1,275.38
49	Road Development Authority	National Savings Bank	Secure the Loan Facility	415.70		24-Oct-13	31-Oct-27		367.40
50	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,456.08		24-Oct-13	30-Apr-28		1,316.89
51	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,866.63		24-Oct-13	30-Apr-28		1,688.30
52	Road Development Authority	National Savings Bank	Secure the Loan Facility	3,136.99		24-Oct-13	30-Apr-28		2,837.51
53	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,502.08		24-Oct-13	30-Apr-28		1,357.31
54	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,314.00		24-Oct-13	31-Oct-27		1,195.37
55	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,478.49		24-Oct-13	30-Apr-28		1,337.52
56	Road Development Authority	National Savings Bank	Secure the Loan Facility	2,427.00		28-Nov-13	31-May-28		2,859.22
57	Road Development Authority	National Savings Bank	Secure Term Loan Facility	663.39		9-May-16	30-Nov-30		871.15
58	Road Development Authority	Hatton National Bank	Secure the Loan Facility	871.15		28-Nov-13	31-May-28		1,131.12
59	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,168.49		28-Nov-13	31-May-28		377.13
60	Road Development Authority	Hatton National Bank	Secure the Loan Facility	393.99		28-Nov-13	31-May-28		5,318.26
61	Road Development Authority	Hatton National Bank	Secure the Loan Facility	5,839.00		28-Nov-13	31-May-28		1,436.49
62	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,579.00		28-Nov-13	31-May-28		8,452.54
63	National School of Business Management Limited	Bank of Ceylon	Secure the Loan Facility	8,600.00		18-Dec-13	31-Dec-28		591.45
64	Road Development Authority	DFCC Bank	Secure the Loan Facility	653.48		27-Dec-13	30-Jun-28		1,658.00
65	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,807.00		27-Dec-13	30-Jun-28		3,261.85
66	Road Development Authority	National Savings Bank	Secure the Loan Facility	3,588.22		27-Jan-14	31-Jul-28		4,666.29
67	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	5,209.74		11-Feb-14	31-Aug-28		1,110.06
68	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,253.93		13-Feb-14	31-Aug-28		590.21
69	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	749.00		13-Feb-14	31-Aug-28		5,796.70
70	Road Development Authority	National Savings Bank	Secure the Loan Facility	6,377.05		7-Mar-14	31-Aug-28		766.98
71	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	852.28		14-Mar-14	30-Sep-28		1,500.00
72	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,664.00		14-Mar-14	30-Sep-28		416.40
73	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	462.05		25-Mar-14	30-Sep-28		443.93
74	Road Development Authority	Hatton National Bank	Secure the Loan Facility	486.51		25-Mar-14	30-Sep-28		607.26
75	Road Development Authority	Commercial Bank	Secure the Loan Facility	694.81		3-Apr-14	15-Oct-28		2,664.42
76	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,249.98		7-Apr-14	15-Oct-28		752.50
77	Road Development Authority	National Savings Bank	Secure the Loan Facility	2,931.86		5-Mar-14	30-Sep-28		1,236.87
78	Road Development Authority	National Savings Bank	Secure the Loan Facility	828.01		7-May-14	15-Nov-28		1,053.28
79	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,361.26		7-May-14	15-Nov-28		789.26
80	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,160.23		21-May-14	15-Nov-28		1,413.81
81	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	871.17		7-Jul-14	15-Jan-29		1,899.33
82	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,548.81		8-Jul-14	15-Jan-29		1,845.71
83	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	2,080.71		15-Jul-14	31-Jan-29		1,604.30
84	Road Development Authority	Commercial Bank	Secure the Term Loan Facility	2,022.39		15-Jul-14	31-Jan-29		1,848.28
85	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,757.66		15-Jul-14	31-Jan-29		353.51
86	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility	1,894.95		16-Jul-14	31-Jan-29		1,171.37
87	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	385.06		17-Jul-14	31-Jan-29		870.25
88	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,291.03		21-Jul-14	31-Jan-29		1,358.70
89	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	957.77		21-Jul-14	31-Jan-29		823.24
90	Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,488.19		20-Aug-14	28-Feb-29		422.96
91	Road Development Authority	National Savings Bank	Secure the Loan Facility	901.90		20-Aug-14	28-Feb-29		
92	Road Development Authority	National Development Bank PLC	Secure the Loan Facility	472.29		26-Aug-14	28-Feb-29		
93	Road Development Authority	People's Bank	Secure the Term Loan Facility	44.71		22-Sep-14	30-Sep-27	35.45	

Notes to the Financial Statements contd...

NOTE - 33 - STATEMENT OF CONTINGENT LIABILITIES
NOTE - 33(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2018

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees		Date of Issue	Date of Expiry	Outstanding Amount - Capital	
			US\$ Mn.	Yen Mn.			US\$ Mn.	Yen Mn.	Rs. Mn.
94	Road Development Authority	National Savings Bank			23-Sep-14	31-Mar-29		1,224.78
95	Sri Lanka Land Reclamation & Development Corporation	National Savings Bank			26-Sep-15	31-Oct-28		2,668.59
96	Sri Lanka Land Reclamation & Development Corporation	National Savings Bank			13-Jul-14	31-Oct-28		
97	Road Development Authority	Bank of Ceylon			21-Sep-14	15-Apr-29		2,073.54
98	National Water Supply & Drainage Board	Bank of Ceylon			12-Nov-14	31-May-29		1,046.79
99	National Water Supply & Drainage Board	Bank of Ceylon			14-Nov-14	30-Nov-29		2,654.06
100	National Water Supply & Drainage Board	National Savings Bank			17-Nov-14	31-May-29		742.04
101	National Water Supply & Drainage Board	Commercial Bank			8-Dec-14	15-Jul-29		898.76
102	National Water Supply & Drainage Board	Commercial Bank			9-Jul-14	15-Jul-29		
103	National Water Supply & Drainage Board	National Development Bank PLC			9-Dec-14	31-Dec-29		2,476.34
104	National Water Supply & Drainage Board	DFCC Bank			9-Dec-14	31-Dec-29		2,564.76
105	Road Development Authority	Bank of Ceylon			1-Dec-14	31-May-29		829.38
106	Road Development Authority	Bank of Ceylon			11-Sep-15	31-May-29		
107	National Water Supply & Drainage Board	Bank of Ceylon			30-Dec-14	30-Jun-29		2,759.59
108	National Water Supply & Drainage Board	Bank of Ceylon			31-May-16	30-Jun-29		
109	Airport & Aviation Services (Sri Lanka) Limited	Japan International Corporation Agency (JICA)	28,969.00		28-Mar-12	28-Mar-52		2,060.00
110	Airport & Aviation Services (Sri Lanka) Limited	Japan International Corporation Agency (JICA)	45,428.00		9-May-16	9-May-56		-
111	Ceylon Electricity Board	Industrial And Commercial Bank of China Limited	69.72		12-Mar-13	12-Mar-28	24.98	
112	National Water Supply & Drainage Board	Bank of Ceylon			28-Jul-15	31-Jan-30		2,117.17
113	National Water Supply & Drainage Board	Bank of Ceylon			30-Jun-16	31-Jan-30		
114	Ceylon Electricity Board	People's Bank			29-Apr-15	30-Apr-23		3,000.80
115	National Water Supply & Drainage Board	Bank of Ceylon			29-Sep-15	31-Mar-30		5,560.47
116	National Water Supply & Drainage Board	Bank of Ceylon			24-May-16	31-Mar-30		
117	National Water Supply & Drainage Board	Hatton National Bank			29-Sep-15	31-Dec-30		1,319.70
118	National Water Supply & Drainage Board	National Development Bank PLC			30-Sep-15	31-Dec-30		990.11
119	National Water Supply & Drainage Board	Bank of Ceylon			28-Jan-16	30-Jul-30		976.50
120	Northsea Limited	Bank of Ceylon			24-Feb-16	29-Feb-21		22.50

Notes to the Financial Statements contd...

NOTE - 33 - STATEMENT OF CONTINGENT LIABILITIES
NOTE - 33(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2018

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees		Date of Issue	Date of Expiry	Outstanding Amount - Capital	
			US\$ Mn.	Rs. Mn.			US\$ Mn.	Rs. Mn.
121 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	2,890.00	15-Sep-30				1,944.05
122 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	948.00	15-Sep-30				626.88
123 Telecommunications Regulatory Commission of Sri Lanka	Exim Bank of China	Buyers Credit Loan	88.66	18-May-13	21-Jul-24	49.53		
124 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility	300.00	29-Jul-16	31-Jan-31			155.93
125 National Water Supply & Drainage Board	People's Bank	Secure the Loan Facility	397.00	29-Jul-16	31-Jul-31			206.70
126 National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan Facility	937.87	16-Aug-16	11-Jul-31			1,680.01
127 National Water Supply & Drainage Board	DFCC Bank	Secure the Total Term Loan Facility	1,358.98	6-Nov-17	11-Jul-31			
128 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	29.10	31-Aug-16	28-Feb-31			4,414.47
129 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	3,378.00	31-Aug-16	28-Feb-31			-
130 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	16.20	31-Aug-16	28-Feb-31			2,308.76
131 Ceylon Electricity Board	National Savings Bank	Secure the Term Loan Facility	6,250.00	1-Jan-18	31-Dec-18			5,000.00
132 National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	164.90	28-Sep-16	11-Jul-31	39.22		
133 National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	91.80	28-Sep-16	30-Sep-31	29.76		
134 National Water Supply & Drainage Board	Hatton National Bank	Secure the Term Loan Facility	13.06	12-Oct-16	15-Apr-31			4,508.38
135 National Water Supply & Drainage Board	China Development Bank	Sovereign Guarantee	48.77	9-Sep-16	26-Dec-31	48.77		
136 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	34.43	28-Nov-16	28-Nov-31			5,184.41
137 National Water Supply & Drainage Board	Hatton National Bank	Secure the Term Loan Facility	23.42	9-Dec-16	14-Dec-30			3,675.82
138 National Water Supply & Drainage Board	People's Bank	Secure the Term Loan Facility	560.97	13-Feb-17	13-Feb-32			560.97
139 Airport & Aviation Services (Sri Lanka) Limited	Hong Kong & Shanghai Banking Co.Ltd.	Secure the Loan Facility	44.14	1-Mar-17	1-Mar-32	39.82		
140 National Water Supply & Drainage Board	National Development Bank PLC	Term Loan Facility	4,500.00	25-Jul-17	26-Jul-35			3,099.52
141 Road Development Authority	National Savings Bank	Secure the Total Term Loan Facility	11,200.00	4-Aug-17	8-Feb-32			11,200.00
142 Road Development Authority	National Savings Bank	Settle Compensation Payment for Land Acquisition	7,500.00	12-Sep-17	13-Mar-32			7,500.00
143 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	9.67	19-Oct-17	23-Oct-32			1,265.40
144 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	18.10	19-Oct-17	23-Oct-32			1,561.30
145 National Water Supply & Drainage Board	China Development Bank	Loan Facility	13.70	21-Aug-17	6-Mar-33	10.41		

Notes to the Financial Statements contd...

NOTE - 33 - STATEMENT OF CONTINGENT LIABILITIES
NOTE - 33(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2018

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount - Capital		
			US\$ Mn.	Euro Mn.	J.Yen Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.
146	Ceylon Petroleum Corporation	People's Bank	Cover up Foreign Currency Loans and Import Bills Payable	900.00		26-Oct-17	12-Jun-18	900.00		
147	Ceylon Petroleum Corporation	Bank of Ceylon	Secure the Foreign Currency Loans	200.00		26-Oct-17	31-Jul-18	200.00		
148	Ceylon Petroleum Corporation	Bank of Ceylon	Coverup Loans	700.00		12-Mar-18	31-Dec-18	700.00		14,500.00
149	Road Development Authority	Samath Bank	Secure the Term Loan Facility		14,500.00	20-Dec-17	31-Dec-32			3,129.78
150	Paddy Marketing Board	Bank of Ceylon	Secure the Loan Facility		3,129.78	29-Dec-17	31-Dec-18			2,247.23
151	Paddy Marketing Board	People's Bank	Secure the Loan Facility		2,247.23	29-Dec-17	31-Dec-18			5,459.14
152	Paddy Marketing Board	Bank of Ceylon	Pledge Loan		5,841.10	29-Dec-17	31-Dec-18			599.48
153	Paddy Marketing Board	People's Bank	Pledge Loan		616.90	29-Dec-17	31-Dec-18			
154	Ceylon Electricity Board	Asian Development Bank	Secure the Loan Facility	115.00		29-Jun-17	15-May-41	12.69		
155	Ceylon Electricity Board	Asian Development Bank	Secure the Loan Facility	150.00		10-Jul-17	15-Nov-41	14.38		
156	Road Development Authority	Bank of Ceylon	Secure the Total Term Loan Facility		1,387.00	24-Jan-18	31-Jan-33			226.09
157	National Water Supply & Drainage Board	Unicredit Bank Austria AG	Sovereign Guarantee	50.60		28-Mar-18	31-Aug-32		9.5	
158	National Water Supply & Drainage Board	People's Bank	Secure the Term Loan Facility		7.62	6-Apr-18	10-Apr-33			1,246.70
159	State Development and Construction Corporation	Bank of Ceylon	Secure the Loan Facility		1,000.00	8-Jun-18	11-Jun-33			1,000.00
160	State Engineering Corporation	Bank of Ceylon	Secure the Term Loan Facility		1,280.26	30-Jun-18	30-Jun-33			1,250.00
161	Ceylon Electricity Board	Asian Development Bank	Sovereign Guarantee	200.00		22-Nov-17	15-Sep-37	13.00		
162	National Water Supply & Drainage Board	People's Bank	Secure the Term Loan Facility		128.32	13-Jul-18	31-Jul-33			-
163	State Engineering Corporation	Bank of Ceylon	Secure the Term Loan Facility		300.00	6-Aug-18	8-Aug-28			300.00
164	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility		10,000.00	13-Aug-18	15-Aug-33			21,771.51
165	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility		5,766.52	3-Sep-18	15-Aug-33			
166	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility		4,150.00	11-Sep-18	15-Aug-33			
167	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility		1,854.99	17-Sep-18	15-Aug-33			
168	Ceylon Petroleum Corporation	People's Bank	Secure the Term Loan Facility	7.73		31-Aug-18	15-Sep-31	7.725		849.87
169	State Printing Corporation	People's Bank	To secure OD, LC & Letter of Guarantee		1,165.00	7-Sep-18	15-Sep-21			
170	State Printing Corporation	People's Bank	Secure the Loan Facility		185.00	7-Sep-18	6-Sep-23			171.71
171	Ceylon Shipping Corporation Ltd	People's Bank	Secure the Loan Facility	71.91		7-Sep-18	3-Jun-34	70.92		
172	Airport & Aviation Services (Sri Lanka) Limited	Hatton National Bank	Secure the Debenture		4,000.00	25-Sep-18	25-Sep-33			
173	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility		382.24	25-Sep-18	15-Sep-33			221.28
174	Lanka Coal Company (Pvt) Ltd	People's Bank	To Open the Letter's of Credit to facilitate the Coal Imports		11,000.00	11-Oct-18	31-May-19			11,000.00
175	Building Materials Corporation Ltd	Bank of Ceylon	Secure the Term Loan Facility		500.00	22-Oct-18	19-Oct-33			500.00
176	State Engineering Corporation	Bank of Ceylon	Secure the Term Loan Facility		719.74	22-Oct-18	30-Jun-33			470.00

Notes to the Financial Statements contd...

NOTE - 33(B) - STATEMENT OF LETTERS OF COMFORT ISSUED TO LOCAL BANKS AND THE LIABILITIES AS AT 31ST DECEMBER 2018

	Institution	Name of the Bank or Institution	LC Amount		Date of Issue	Date of Expiry	Outstanding Amount - Capital	
			US\$ Mn	Rs. Mn.			US\$ Mn.	Rs. Mn.
1	Lanka Sathosa Limited	People's Bank	21.50		1-Sep-14	31-Aug-15		1,238.80
2	Lanka Sathosa Limited	Bank of Ceylon	45.00		31-Oct-14	30-Apr-15		6,547.60
3	Lanka Sathosa Limited	Bank of Ceylon	11.25		30-Dec-14	31-Jul-15		
4	Sri Lanka Tea Board	Bank of Ceylon		500.00	22-Jul-16	31-Jul-20		96.74
5	Sri Lanka Tea Board	People's Bank		500.00	22-Jul-16	31-Jul-20		248.16
7	Co-operative Wholesale Establishment	Paddy Marketing Board		440.00	11-Jan-17	11-Jan-18		440.00
8	Co-operative Wholesale Establishment	Paddy Marketing Board		440.00	1-Mar-17	22-Feb-18		364.60
9	Co-operative Wholesale Establishment	People's Bank		2,500.00	12-May-17	12-May-18		-
10	Sri Lankan Air Lines Limited	Bank of Ceylon	32.50		1-Jan-18	31-Dec-18	32.50	
11	Sri Lankan Air Lines Limited	People's Bank	32.50		1-Jan-18	31-Dec-18	32.50	
12	Bank of Ceylon and Peoples Bank	Export Development Board		60.00	29-Mar-18	31-Mar-25		13.30
13	Lanka Sathosa Limited	People's Bank		2,350.00	14-May-18			1,901.00
14	Sri Lankan Air Lines Limited	People's Bank	25.00		23-May-18	22-Feb-19	25.00	
15	Sri Lankan Air Lines Limited	Bank of Ceylon	25.00		23-May-18	22-Feb-19	25.00	
16	Mihin Lanka Limited	Bank of Ceylon	2.50		28-Jun-18	31-Dec-18	2.50	
17	Mihin Lanka Limited	People's Bank	2.50		28-Jun-18	31-Dec-18	2.50	
18	Mihin Lanka Limited	Bank of Ceylon		1,650.00	28-Jun-18	31-Mar-19		1,650.00
19	Mihin Lanka Limited	People's Bank		1,650.00	28-Jun-18	31-Mar-19		1,650.00
20	Sri Lankan Air Lines Limited	People's Bank		13,350.00	30-Aug-18	30-Jun-19		13,350.00
21	Sri Lankan Air Lines Limited	Bank of Ceylon		12,900.00	30-Aug-18	30-Jun-19		12,900.00
22	Mihin Lanka Limited	Bank of Ceylon	2.50		13-Sep-18	31-Dec-18	2.50	
23	Mihin Lanka Limited	People's Bank	2.50		13-Sep-18	31-Dec-18	2.50	
24	Sri Lankan Air Lines Limited	Bank of Ceylon	42.50		26-Oct-18	7-Oct-19	42.50	
25	Sri Lankan Air Lines Limited	People's Bank	42.50		26-Oct-18	7-Oct-19	42.50	
			287.75	36,340.00			210.00	40,400.20
	Exchange Rate		184.69				184.69	
	Total		53,144.55	36,340.00			38,784.90	40,400.20
				89,484.55				79,185.10

Explanatory Notes

Note 16 - Statement of Non-Current Assets

As stated in the Statement of Financial Position up to 31st December 2018, 15 Special Spending Units, 42 Ministries, 73 Departments and 25 District Secretariats have reported non-financial assets at cost or revalued amount amounting to Rs. 1,062,499,033,971/-. Balance part of the non-financial assets of the above mentioned institutes if any, and other Ministries / Departments which have not yet been recorded the non-financial assets will also be bringing to the same system gradually, to be completed by 2020.

Schedule III - 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 asset could be capitalized. Accordingly, Rs. 94,875,800/- of interest has been capitalized in respect of foreign funded projects listed in Note No 33 during the financial year.

Schedule V - Total Revenue and Expenditure of Provincial Councils

Total Revenue of Rs. 91,644,310,434/- and Total Expenditure of Rs. 293,201,188,722/- were reported in respect of 9 Provincial Councils (Provisional figures) during the financial year.

Adopt New Accounting Policies

Previously adopted accounting method on reporting Treasury Bonds was revised from the year 2016. From 2016 and onward Treasury Bonds are recorded on their face value, and required adjustments have been done accordingly. However due to unavailability of the adequate budgetary provisions, accounting of accumulated discount value of the Treasury bond issued prior to 2016 are yet to be accounted.

Defunct Institutions

Institutions namely CWG Hambanthota 2018, Mihin Lanka (Private) Ltd, Lanka Fabrics Ltd., Rajarata Food Grain Ltd., State Resource Management Corporation Ltd. and Ceylon Ceramics Corporation are in the process of winding up. Hence, once the winding up process are completed, Treasury Books will be adjusted accordingly.

Treasury Bond (9093)

Face value of Treasury Bond as at 31st December 2018 is Rs. 4,344,237,745,500. (Schedule VI)

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
103	Ministry of Defence	Strategic Defence Communication Network	118,736,000	113,331,847	95
104	Ministry of National Policies and Economic Affairs	Decentralized Budget	2,500,000,000	2,210,798,133	88
		Rural Infrastructure Development Programme (Budget Proposal - 2016)	15,950,000,000	8,035,491,091	50
		Gamperaliya - Rapid Rural Development Programme 2018-2019	20,003,500,000	4,584,177,572	23
106	Ministry of Disaster Management	Rehabilitation of Roads that were Affected by the Disasters due to Floods and Industries	1,000,000,000	998,423,157	100
111	Ministry of Health Nutrition and Indigenous Medicine	Health Sector Training	50,000,000	35,130,070	70
		Upgrading Nurses Training Schools	300,000,000	238,222,090	79
		Activities under the Second Health Sector Development Programme (GOSL - WB)	115,000,000	81,170,452	71
		Strengthening Patient Care Services by Establishing Clinical Waste Management Systems in the Needy Hospitals	200,000,000	185,732,518	93
		Comes under the Provincial Councils in Sri Lanka (GOSL- Australia)			
		Strengthening Patient Care Services by Establishing Clinical Waste Management Systems in the Needy Hospitals	25,000,000	20,686,231	83
		Comes under the Provincial Councils in Sri Lanka (GOSL- Australia)			
		Rehabilitation and Expansion of Production Capacity at State Pharmaceutical Manufacturing Corporation (GOSL - JICA)	20,000,000	14,444,582	72
		Programme for Strengthening Primary Level Health Care	200,000,000	37,964,623	19
		Funded Activities by SAARC Fund	10,000,000	3,813,167	38
		Strengthening of Quarantine Unit	5,000,000	1,081,200	22
		Development of Homeopathic System	1,000,000	275,400	28
117	Ministry of Higher Education and Highways	Outer Circular Highway (OCH - I & II)	334,126,063	333,126,063	100
		Outer Circular Highway (OCH - I & II)	45,000,000	31,000,000	69
		Central (Northern) Expressway	5,100,000,000	5,082,000,000	100
		Central (Northern) Expressway	564,000,000	357,328,685	63
		Extension of Southern Expressway (From Matara to Hambantota) - Section 04 - (Andarawewa-Mattala) (GOSL - China)	46,970,000,000	34,349,211,624	73
		Extension of Southern Expressway (From Matara to Hambantota) - Section 01 - (Godagama - Beliatta) (GOSL - China)	3,852,500,000	3,840,215,711	100
		Extension of Southern Expressway - From Matara to Hambantota (GOSL-China) - Section 02 (Beliatta-Wetiya)	1,051,000,000	996,117,092	95
		Outer Circular Highway (OCH- 111) Section from Kadawatha to Kerawalapitiya (GOSL - China Exim Bank)	17,086,000,000	12,967,138,958	76
		Outer Circular Highway (OCH- 111) Section from Kadawatha to Kerawalapitiya (GOSL - China Exim Bank)	227,000,000	200,450,000	88
		Colombo - Rathmapura - Pelmadulla Expressway	90,000,000	75,300,000	84
		Elevated Highway from New Kelani Bridge to Athurugiriya	111,750,000	53,033,489	47
		Port Access Elevated Highway Project	32,000,000	30,451,281	95
		Road Maintenance Trust Fund (Maintenance of Roads and Bridges)	5,385,000,000	4,360,000,000	81
		Baseline Road - Phase III	5,000,000	848,865	17
		Rehabilitation of Hatton - Nuwara Eliya Road (GOSL-EDCF)	30,600,000	30,600,000	100
		Network Planning & Road Safety (Improvement of Traffic Management and Road Safety)	19,000,000	16,360,105	86
		Traffic Management (Traffic Management in Greater Colombo Area)	41,500,000	37,444,611	90
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL- SFD)	1,000,000,000	509,091,327	51
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL- SFD)	180,000,000	180,000,000	100

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
		Road Network Development Project (GOSL-SFD)	150,000,000	34,850,619	23
		Road Network Development Project (GOSL-SFD)	3,250,000	3,250,000	100
		Northern Road Connectivity Project - Supplementary Loan (GOSL-ADB)	748,000,000	628,594,011	84
		Northern Road Connectivity Project - Supplementary Loan (GOSL-ADB)	80,000,000	79,975,672	100
		Road Network Development Project (GOSL-OPEC)	225,000,000	100,184,573	45
		Road Network Development Project (GOSL-OPEC)	25,000,000	24,800,000	99
		Colombo District Road Development Project (GOSL-OFID)	820,000,000	620,293,562	76
		Colombo District Road Development Project (GOSL-OFID)	41,000,000	40,771,059	99
		Rehabilitation & Improvement of Priority Roads Projects 3 - Phase I (GOSL-CDB)	2,778,000,000	2,738,410,957	99
		Rehabilitation & Improvement of Priority Roads Projects 3 - Phase I (GOSL-CDB)	687,000,000	682,500,000	99
		Western Province National Highways Project (GOSL - OFID)	930,000,000	730,599,175	79
		Western Province National Highways Project (GOSL - OFID)	152,700,000	151,900,000	99
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL - OFID)	1,400,000,000	1,072,257,667	77
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL - OFID)	55,000,000	55,000,000	100
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL - OFID)	190,000,000	190,000,000	100
		Expressway Connectivity Improvement Plan Project (GOSL - ADB)	52,500,000	46,570,228	89
		Expressway Connectivity Improvement Plan Project (GOSL - ADB)	47,000,000	13,819,671	29
		Southern Road Connectivity Project (GOSL - ADB)	2,309,050,000	1,976,373,591	86
		Southern Road Connectivity Project (GOSL - ADB)	70,000,000	59,000,000	84
		Southern Road Connectivity Project (GOSL - ADB)	50,000,000	38,000,000	76
		Integrated Road Investment Programme - (i Road) (GOSL-ADB)	16,200,000,000	13,815,323,709	85
		Integrated Road Investment Programme-I (Road) (GOSL-ADB)	359,000,000	117,807,506	33
		Widening and Improvement of Roads and Bridges in Central and Uva Provinces (GOSL - EXIM China)	1,902,000,000	1,901,424,348	100
		Rehabilitation and Improvement of Priority Roads Projects 3-Phase II (GOSL - CDB)	3,820,000,000	3,004,206,993	79
		Rehabilitation and Improvement of Priority Roads Projects 3-Phase II (GOSL - CDB)	650,000,000	650,000,000	100
		Transport Project Preparatory Facility (GOSL-ADB)	243,000,000	172,040,797	71
		Transport Project Preparatory Facility (GOSL-ADB)	36,000,000	36,000,000	100
		Transport Connectivity & Asset Management Project (GOSL -WB)	72,000,000	14,618,941	20
		Transport Connectivity & Asset Management Project (GOSL -WB)	20,000,000	16,604,762	83
		Marine Drive Extension up to Panadura	200,000,000	76,200,000	38
		Government Guaranteed Local Bank Funded Road Rehabilitation Project - Interest & Loan Repayment	35,200,000,000	35,194,900,000	100
		Surveys, Investigations and Feasibility Studies	149,000,000	101,977,185	68
		Widening & Improvements of Roads - Colombo District	944,000,000	283,713,326	30
		Widening & Improvements of Roads - Gampaha District	705,000,000	368,572,354	52
		Widening & Improvements of Roads - Kalutara District	568,000,000	104,707,365	18
		Widening & Improvements of Roads - Kandy District	450,000,000	378,466,228	84
		Widening & Improvements of Roads - Matale District	331,000,000	50,048,750	15
		Widening & Improvements of Roads - Nuwara Eliya District	237,000,000	44,990,467	19

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
67		Widening & Improvements of Roads - Matara District	345,000,000	229,543,117	67
19		Widening & Improvements of Roads - Galle District	269,000,000	51,425,400	19
93		Widening & Improvements of Roads - Hambantota District	300,000,000	278,278,642	93
56		Widening & Improvements of Roads - Jaffna District	145,000,000	81,733,967	56
99		Widening & Improvements of Roads - Killinochchi District	155,000,000	154,088,850	99
1		Widening & Improvements of Roads - Mannar District	92,000,000	654,049	1
67		Widening & Improvements of Roads - Vavuniya District	175,000,000	117,210,870	67
100		Widening & Improvements of Roads - Mullaitivu District	240,000,000	239,203,083	100
100		Widening & Improvements of Roads - Batticaloa District	118,000,000	117,569,556	100
84		Widening & Improvements of Roads - Ampara District	125,000,000	104,949,798	84
82		Widening & Improvements of Roads - Trincomalee District	75,000,000	61,747,879	82
100		Widening & Improvements of Roads - Kurunegale District	412,100,000	412,007,789	100
53		Widening & Improvements of Roads - Puttalam District	347,000,000	183,338,966	53
100		Widening & Improvements of Roads - Anuradhapura District	313,400,000	313,323,789	100
66		Widening & Improvements of Roads - Polonnaruwa District	274,500,000	180,807,499	66
97		Widening & Improvements of Roads - Badulla District	151,000,000	146,872,434	97
18		Widening & Improvements of Roads - Monaragala District	168,000,000	30,956,976	18
60		Widening & Improvements of Roads - Kegalle District	224,000,000	134,191,462	60
100		Widening & Improvements of Roads - Rathnapura District	201,000,000	200,853,552	100
74		Tax Component	800,000,000	589,743,834	74
100		National Savings Bank Funded Projects	2,700,000,000	2,700,000,000	100
61		Reconstruction of Damaged/Weak Bridges on National Highways	400,000,000	243,687,481	61
64		Construction of Rural Bridges using Old Bridge Component	343,000,000	221,200,000	64
100		Regional Bridge Project (GOSL-UK) Phase II	346,000,000	346,000,000	100
87		Reconstruction of 25 Bridges on National Highways (GOSL-Kuwait)	270,000,000	235,861,536	87
60		Reconstruction of 46 Bridges and Widening and Reconstruction of Bridges on National Road Network (GOSL-France)	50,000,000	29,972,306	60
100		Major Bridges Construction Project of National Road Network (GOSL-JICA)	107,000,000	107,000,000	100
99		Major Bridges Construction Project of National Road Network (GOSL-JICA)	2,047,000,000	2,035,970,785	99
100		Construction of Kochchikade Bridge on Peliyagoda-Puttalam Road (GOSL-Austria)	100,000,000	99,919,093	100
100		Construction of Kochchikade Bridge on Peliyagoda-Puttalam Road (GOSL-Austria)	423,000,000	421,800,222	100
99		Second New Kelani Bridge Construction Project (GOSL - JICA)	14,000,000	13,800,000	99
98		Second New Kelani Bridge Construction Project (GOSL - JICA)	8,500,000,000	8,315,544,262	98
27		Establishment of Bridge Maintenance System (BMS) and Bridge Assessment Unit (BAU) in the Road Development Authority (GOSL - JICA)	510,000,000	139,266,082	27
82		Thattuthurai Causeway & Road Network Development Project (Thattuthurai Bridge) (GOSL - SFD)	15,000,000	12,267,468	82
55		Construction of 03 Fly Overs at Rajagiriya, Polgahawela & Ganemulla (GOSL -Spain)	5,000,000	2,730,667	55
100		Construction of 03 Fly Overs at Rajagiriya, Polgahawela & Ganemulla (GOSL -Spain)	635,000,000	633,183,608	100
100		Construction of 03 Fly Overs at Rajagiriya, Polgahawela & Ganemulla (GOSL -Spain)	105,000,000	105,000,000	100

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
		Pro-Poor Eastern Infrastructure Development (GOSL-Japan)	723,000,000	722,523,138	100
		Landslide Disaster Protection Project of National Road Network (GOSL- JICA)	2,650,000,000	2,636,222,773	99
		Landslide Disaster Protection Project of National Road Network (GOSL- JICA)	432,000,000	422,000,000	98
		Rural Road Reawakening Programme (Maga Neguma)	3,100,330,000	2,003,807,173	65
118	Ministry of Agriculture	Rehabilitation of Small Tanks and Canals	500,000,000	114,231,625	23
		Restoration, Rehabilitation and De-Silting of 1500 Small Tanks	2,280,935,432	1,566,356,721	69
119	Ministry of Power & Renewable Energy	Convert Public Sector Building to Green Energy	245,200,000	245,200,000	100
		Clean Energy & Network Efficiency Improvement Project - Implemented by Sustainable Energy Authority (GOSL/ADB)	33,000,000	28,062,994	85
		Appropriate Mitigation Actions in the Energy Generation and End - Use Sectors in Sri Lanka Project (GEF/UNDP/FAO)	78,283,000	37,206,069	48
120	Ministry of Women and Child Affairs	Establishment of Child Care Centers in Government Office Premises	50,000,000	41,176,435	82
121	Ministry of Home Affairs	Providing Sanitary Facilities for National Heritage Sites	5,000,000	2,089,741	42
123	Ministry of Housing and Construction	Development of Training Infrastructure at Operator Training Centre at Galkulama	75,000,000	75,000,000	100
		Renovation of Housing Schemes	200,000,000	200,000,000	100
		Implementation of UN Habitat Programmes	5,000,000	5,000,000	100
		Middle Income Housing Project	310,000,000	142,492,887	46
126	Ministry of Education	Other Capital Expenditure	10,000,000	1,777,765	18
		Other Capital Expenditure	303,024,060	302,994,053	100
		Providing Electricity Facilities (Through National Grid or Solar) For the Schools	100,000,000	99,382,130	99
130	Ministry of Public Administration and Management	Providing Sanitary Water Facilities for all Schools	500,000,000	495,930,405	99
136	Ministry of Sports	Other Capital Expenditure	84,000,000	76,766,476	91
		Development of Sports Infrastructure	580,000,000	421,393,137	73
		Development of Cricket in 1000 Outstation Schools	50,000,000	46,969,342	94
		Infrastructure Development of Sports Schools	100,000,000	11,220,292	11
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	Livelihood and Basic Facility Improvement in Rural Areas	100,000,000	51,450,377	51
		Laggig Area Socio-Economic Development Project	500,000,000	370,196,235	74
		Estate Housing Programme	2,000,000,000	1,166,660,707	58
		Upgrading Vocational Training Centre (TVCT) in Hatton	15,000,000	1,432,679	10
		Indian Grant Assisted Housing Programme	587,000,000	587,000,000	100
		Indian Grant Assisted Housing Programme	90,000,000	64,293,594	71
149	Ministry of Industry and Commerce	Expediting the Rehabilitation Work of Mannar Town Area and Silvathurai Township Development	250,000,000	55,000,000	22
		Industrial Estates Development Programmes (Providing Infrastructure Facilities for 19 New Industrial Estates and 29 Existing Industrial Estates)	430,480,000	314,330,942	73
		Upgrading and Modernization of Mini Industrial Estates	123,190,000	78,540,522	64
		Improvements in Elephant Pass Saltern	31,232,000	26,903,836	86
		Provide Necessary Infrastructure and Entrepreneur Training in Handloom Industry through Industrial Development Board and Upliftment of Industrial Estates	324,120,000	47,822,933	15
151	Ministry of Fisheries & Aquatic Resources Development	Assistance for Introducing New Technology - Establishment of Quarantine Facility for "Penaeus Vannamei" in Mannar	10,000,000	5,583,088	56

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
		Fishery Community Empowerment	180,947,927	114,987,796	64
		Dickowita Fishery Harbour	27,000,000	13,507,199	50
		Dickowita Fishery Harbour	50,000,000	7,370,303	15
		Stocking of Fish Fingerlings in Fresh Water Bodies to Develop Inland Fisheries	30,000,000	29,997,981	100
		Development and Rehabilitation of Fishery Harbours, Anchorage and Landing Sites	959,600,000	378,621,080	39
		Enhancing Fish Breeding Capacity	200,000,000	137,410,024	69
		National Food Production Programme	380,000,000	221,118,930	58
		Development and Upgrading of Fishery Harbours in Chilaw, Mirissa, Kalmunai, Valvettithurai, Karainagar and Puranawella	213,000,000	136,248,847	64
		Establishment of Aquaculture Park	250,000,000	115,481,450	46
		Northern Province Sustainable Fishery Development Programme (ADB/GOSL)	500,000,000	67,491,894	13
		Northern Province Sustainable Fishery Development Programme (ADB/GOSL)	37,000,000	30,938,449	84
		Assistance for Fisheries Sector Development (India/GOSL)	300,000,000	81,397,734	27
		Assistance for Fisheries Sector Development (India/GOSL)	43,400,000	43,319,680	100
		Improvement of Fishery Villages in 10 Coastal Districts Including Hambantota, Jaffna and Batticaloa	219,052,073	218,642,131	100
		Establishment of Integrated Inland Fishery Villages "Wawak Sahitha Gamak Programme"	300,000,000	239,873,814	80
		Expansion of Operations of NAQDA	70,000,000	30,785,211	44
		Supply of Boats to Fishermen of Mullaitivu (India)	117,000,000	64,055,609	55
		Supply of Boats to Fishermen of Mullaitivu (India)	15,000,000	7,601,589	51
		Development of Fishery Harbours in Wellamankara and Gandara	600,000,000	342,950,678	57
		Establishment of a Milk Fish Hatchery and a Marine Ornamental Fish Hatchery	100,000,000	29,244,873	29
		Development of Mylitty Harbour into a Fishery Harbour and Establishment of Cool Rooms and Storage Facilities	150,000,000	25,114,573	17
154	Ministry of Rural Economic Affairs	Establishment of Economic Centres	28,170,000	27,538,181	98
		Development and Improvement of Traditional Handicraft Villages	25,000,000	24,241,782	97
		Development of Pottery Villages	5,000,000	4,567,448	91
		Kithul Development Project	16,350,000	12,926,732	79
		Development of Rural Infrastructure Facilities and Livelihood Development	670,520,000	620,961,006	93
		Construction of Special Economic Centers	128,068,200	127,855,491	100
		Construction of 2 Cold Stores	2,871,800	1,252,441	44
		Facilitation and Promotion of Liquid Milk Consumption	46,310,000	25,575,333	55
		Medium Term Livestock Development Programme	50,940,000	25,596,127	50
		Development of Small and Medium Scale Poultry Farming System	15,790,000	11,591,348	73
		Swine Industry Development	10,650,000	7,895,648	74
		Importation of 20000 Dairy Animals	160,000,000	19,379,299	12
		Development of Mini Dairy Cooperative Societies	900,000,000	1,129	0.0001
		Development of Mini Dairy Cooperative Societies	121,000,000	8,200	0.0068
155	Ministry of Provincial Councils and Local Government	Greater Colombo Waste Water Management Project - (GOSL/ ADB)	1,587,000,000	1,397,014,991	88
		Greater Colombo Waste Water Management Project - (GOSL/ ADB)	480,000,000	380,000,000	79

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
		Greater Colombo Water and Waste Water Investment Management Programme -Tranche 2 - (GOSL/ADB)	86,000,000	79,700,631	93
		Greater Colombo Water and Waste Water Investment Management Programme -Tranche 2 - (GOSL/ADB)	25,000,000	25,000,000	100
		Sewerage System - Colombo Municipal Council	832,800,000	781,046,109	94
		Greater Colombo Water and Waste Water Improvement Investment Programme - Tranche 3 (GOSL & ADB)	578,000,000	61,374,906	11
		Greater Colombo Water and Waste Water Improvement Investment Programme - Tranche 3 (GOSL & ADB)	81,000,000	58,360,772	72
		Construction of 537 Rural Bridges (GOSL/UK)	4,569,822,700	4,569,818,118	100
		Construction of 537 Rural Bridges (GOSL/UK)	127,325,305	127,325,305	100
		Construction of 463 Rural Bridges (GOSL/NETHERLAND)	1,088,445,000	1,087,866,103	100
		Construction of 463 Rural Bridges (GOSL/NETHERLAND)	150,000,000	31,663,700	21
157	Ministry of National Co-Existence, Dialogue and Official Languages	Establishment of Provincial Centers (LLRC)	20,000,000	18,125,779	91
159	Ministry of Tourism Development and Christian Religious Affairs	Other Capital Expenditure	250,000,000	3,772,890	2
160	Ministry of Mahaweli Development and Environment	Upgrading the Railway Stations and Declared as Archeological Sites	75,000,000	35,538,652	47
		Pilisaru Programme	215,000,000	165,000,000	77
		Construction of Solid Waste Disposal Facilities - Anuradhapura, Hikkaduwa, Udunuwara and Panadura (GOSL/Korea)	39,000,000	36,950,000	95
		Eco Systems Conservation and Management Project (GOSL-WB)	940,000,000	939,850,715	100
		Eco Systems Conservation and Management Project (GOSL-WB)	10,000,000	8,989,792	90
		Moragahakanda and Kaluganga Reservoir Project (GOSL - China, Kuwait & Saudi)	9,320,700,000	9,220,204,000	99
		Moragahakanda and Kaluganga Reservoir Project (GOSL - China, Kuwait & Saudi)	4,500,000,000	3,039,334,381	68
		Moragahakanda and Kaluganga Reservoir Project (GOSL - China, Kuwait & Saudi)	3,457,000,000	2,716,057,843	79
		Moragahakanda and Kaluganga Reservoir Project (GOSL - China, Kuwait & Saudi)	1,600,000,000	1,055,034,704	66
		Mahaweli Consolidation Project (System B Rehabilitation)	290,000,000	290,000,000	100
		Uma Oya Diversion Project (GOSL-Iran)	7,510,000,000	6,523,304,111	87
		Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure Rehabilitation Works	150,000,000	137,000,000	91
		Redemaliyadda Integrated Development Project	76,000,000	64,000,000	84
		Weliyaya Integrated Development Project	260,000,000	260,000,000	100
		System B Maduru Oya Right Bank Development	60,000,000	60,000,000	100
		Water Resources Development Investment Programme (GOSL / ADB) - Upper Elehera Canal,	3,440,000,000	3,400,186,914	99
		Moragahakanda,Kalugaga Transfer Canal,Minipe Anicut Raising & Lb Rehabilitation, North Western Province Canal			
		Water Resources Development Investment Programme	609,000,000	600,716,773	99
		Water Resources Development Investment Programme (GOSL / ADB) - Upper Elehera Canal, Moragahakanda, Kalugaga	1,150,000,000	1,107,489,573	96
		Transfer Canal,Minipe Anicut Raising & Lb Rehabilitation, North Western Province Canal			
		Additional Financing for Dam Safety and Water Resources Planning Project (GOSL/WB)	2,500,000,000	2,243,050,648	90
		Additional Financing for Dam Safety and Water Resources Planning Project (GOSL /WB)	40,000,000	40,000,000	100

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
		Rambakan Oya Integrated Development Project	108,000,000	94,000,000	87
		Agriculture and Livestock Programme Implemented by Sri Lanka Mahaweli Authority	214,000,000	175,000,000	82
		Maduru Oya Right Bank Development (GOSL-China)	145,000	143,736	99
162	Ministry of Megapolis and Western Development	International Convention Center - Hambantota (GOSL - Korea)	33,800,000	33,785,995	100
		Metro Colombo Urban Development Project (GOSL / World Bank)	5,890,000,000	2,693,026,393	46
		Metro Colombo Urban Development Project (GOSL / World Bank)	1,266,000,000	1,200,362,193	95
		Greater Colombo Urban Transport Development Project -Phase I - (GOSL/Japan)	616,500,000	612,000,000	99
		Development of Strategic Cities - Kandy & Galle (GOSL/World Bank)	3,100,000,000	1,976,875,788	64
		Development of Strategic Cities - Kandy & Galle (GOSL/World Bank)	480,000,000	465,658,997	97
		Metro Colombo Solid Waste Management Project	4,908,200,000	3,523,768,536	72
		Metro Colombo Solid Waste Management Project (Para-26)	110,000,000	10,184,814	9
		Relocation of Manning Market at Pellygoda	1,510,000,000	1,508,315,984	100
		Townships Development and Urban Solid Waste Management	600,000,000	600,000,000	100
		Establishment of Project Offices for proposed Western Region Magapolis Authority	384,000,000	297,025,093	77
		Development of Strategic Cities - Jaffna (GOSL-World Bank)	1,000,000,000	243,497,278	24
		Development of Strategic Cities - Jaffna (GOSL-World Bank)	350,000,000	73,897,360	21
		Development of Strategic Cities - Anuradhapura - (GOSL- AFD)	300,000,000	82,142,729	27
		Development of Strategic Cities - Anuradhapura - (GOSL- AFD)	45,000,000	41,603,808	92
		Port City Development Project	3,335,000,000	3,255,131,020	98
		Preparation of Master Plan for Trincomalee District	80,350,000	80,243,703	100
		Town Development Projects in Nine Provinces	5,765,000,000	4,128,382,423	72
		Light Rail Transit System Project (GOSL/JICA)	135,000,000	95,268,583	71
		Beira Lake Rehabilitation and Redevelopment Project	450,000,000	88,033,346	20
		Urban Regeneration Programme (Para 216)	17,100,000,000	6,014,917,036	35
		Improving Bus Service to Promote Public Transport	1,100,000,000	592,666,400	54
		Bogambara Prison Precinct Redevelopment Project	200,000,000	70,387,096	35
		Improvement of Road Infrastructure in the Homagama Region (Tech City)	100,000,000	48,386,857	48
		Weras Ganga Storm Water Drainage & Environment Improvement Project	1,873,000,000	1,277,372,746	68
		Espace Nilwala Project (Para 34)	690,000,000	130,589,847	19
		Establish Haritha Udanaya in Every Pradeshiya Saba Division as a Public Private Partnership (B.P. No. 33)	500,000,000	345,424,270	69
		Implementation of Megapolis Development Projects and Land Acquisition (B.P. No. 221)	400,000,000	859,050	0.21
		Development and Creating Modern Sustainable Urban Hub (B.P. No. 221)	783,000,000	241,219,846	31
		Urban Project Preparatory Facility Project	20,000,000	164,400	1
		Western Region Administrative Cities Development Project	16,000,000	10,163,506	64
		Preservation of Native Habitats	2,000,000	1,752,309	88
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	Shilpa Gammana Programme	2,000,000	1,200,229	60
		Other Capital Expenditure	1,257,180,741	574,279,465	46

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
166	Ministry of City Planning and Water Supply	Implementation of Rain Water Harvesting Programme Catchment Protection & Prevention of Pollution at Sources South Asia Conference on Sanitation, Follow up Action - All Island Sanitation Programme Improvement of Rural Water Supply and Sanitation Prevention of Water Borne Diseases in the Chronic Kidney Disease Affected Areas Water Supply and Sanitation Improvement Project (GOSL-WB) Water Supply and Sanitation Improvement Project (GOSL-WB) Second Phase of the Pipe Laying Project from Andaragasyaya Underground Tank to Gannoruwa in Hambantota District China-Sri Lanka Grant Research Project (for the Investigation of Chronic Kidney Disease) China-Sri Lanka Grant Research Project (for the Investigation of Chronic Kidney Disease) Tissamaharama Water Supply Scheme Integrated Township in Samanthurai and Kalmunai Development of Comprehensive Plan to Upgrade Cities Water Supply Facilities for Resettlement Villages in Kegalle District Augmentation of Trincomalee Water Supply Scheme Establishment of a Regional Secretariat for the South Asian Conference on Sanitation (GOSL-UNICEF) Establishment of a Regional Secretariat for the South Asian Conference on Sanitation (GOSL-UNICEF) Development of Townships in Lagging Regions Compensation for the Acquisition of Land for the Second Stage of the Hambantota Port Project Developing Jetty Facilities in the Jaffna Peninsula and Suburban Islands Infrastructure Facilities in Free Trade Zones (Along the Expressway Corridors)	5,000,000 5,000,000 20,000,000 130,000,000 585,000,000 4,600,000,000 167,000,000 20,000,000 150,000,000 175,000,000 20,000,000 800,000,000 1,500,000,000 112,000,000 155,000,000 7,000,000 6,000,000 1,200,000,000 219,470,000 30,000,000 900,000,000 100,000,000 2,000,000,000 500,000,000 544,000,000 31,000,000 400,000,000 50,000,000 2,280,000,000 250,000,000 1,670,000,000 10,000,000 500,000,000 100,000,000 1,000,000,000 25,000,000	669,148 4,096,804 19,677,522 82,457,509 492,563,478 4,525,618,470 165,790,057 4,563,657 125,667,647 121,747,782 8,297,463 178,840,152 1,425,991,212 90,351,778 132,046,307 2,379,600 4,887,635 169,030,329 156,214,591 30,000,000 43,835,661 8,107,722 904,942,109 154,535,503 542,970,392 30,456,185 270,811,235 39,450,023 2,279,986,683 247,088,821 1,669,999,999 1,106,050 319,044,605 35,306,779 591,767,968 24,280,639	13 82 98 63 84 98 99 23 84 70 41 22 95 81 85 34 81 14 71 100 5 8 45 31 100 98 68 79 100 99 100 11 64 35 59 97
176	Ministry of Ports and Shipping				
195	Ministry of Development Strategies and International Trade				
197	Ministry of Skills Development and Vocational Training				
198	Ministry of Irrigation and Water Resources Management				
199	Ministry of Primary Industries				
202	Department of Muslim Religious & Cultural Affairs				

SCHEDULE I - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2018

Head No	Institution	Project Description	Provision (Rs)	Expenditure (Rs)	Expenditure as % of Provision
204	Department of Hindu Religious & Cultural Affairs	Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples	88,000,000	87,999,181	100
208	Department of National Museums	Renovation of Colombo National Museum	4,100,000	3,775,727	92
209	Department of National Archives	Archives Management Project	3,064,000	3,064,000	100
		Computerization of Indices at the National Archives of Sri Lanka	2,800,000	2,787,692	100
		Digitization of Films	2,300,000	2,295,000	100
219	Department of Sports Development	Digitization & Publishing of the Map Collection	3,000,000	947,885	32
223	Sri Lanka Navy	Other Capital Expenditure	531,700,000	291,245,642	55
		Construction of Quay at Dockyard - Trincomalee	145,010,000	135,569,067	93
		Other Capital Expenditure	80,000,000	78,930,422	99
225	Department of Police	Establishment of a Police and Criminal Justice University	125,000,000	22,059,228	18
230	Department of Legal Draftsman	Other Capital Expenditure	2,000,000	436,679	22
262	District Secretariat - Matara	Other Capital Expenditure - "Nilwala" Urban Development Project - Matara	234,400,000	200,398,001	85
280	Department of Project Management and Monitoring	Project Evaluation & Web Based Monitoring System	3,597,000	3,582,055	100
281	Department of Agrarian Development	Project for Improvement of Basic Social Services Targeting Emerging Regions (GOSL/JICA)	5,000,000	5,000,000	100
		Development of Minor Irrigation Systems and Abandoned Paddy Lands	2,024,564,022	1,050,806,970	52
284	Department of Wildlife Conservation	Development of Village Tank Cascades Systems (Elangawa)	300,000,000	43,743,000	15
		Other Capital Expenditure	10,000,000	5,929,326	59
		Habitat Enrichment for Wildlife	35,000,000	20,666,355	59
		Improvement of Road Network in National Parks	40,000,000	17,381,440	43
		Mitigate Human-Elephant Conflict in Sri Lanka	40,000,000	33,379,572	83
		Conservation of Endemic Species	20,000,000	4,152,565	21
285	Department of Agriculture	Development of Maduru Oya and Gal Oya National Parks to Support Tented Safari's etc.	75,000,000	11,704,425	16
		Improvement of School of Agriculture	14,682,102	8,822,544	60
		Accelerated Seed Farms Development Programme	159,696,812	59,296,251	37
		Strengthening of Seed Certification Activities (Office, Quarters, Laboratories and Equipment)	1,197,991	1,197,991	100
289	Department of Export Agriculture	Other Capital Expenditure	1,000,000	484,656	48
		Other Capital Expenditure	1,000,000	962,261	96
290	Department of Fisheries and Aquatic Resources	Introduction of Modern Technology for Small and Medium Fishing Industry	407,000,000	12,709,359	3
		50% of the Cost of Improving the Operational Efficiency in Multi Day Boats	175,000,000	65,896,707	38
294	Department of National Zoological Gardens	Development of Safari Park at Hambantota	50,000,000	13,891,931	28
		Implementation of "Open Cage" at the Dehiwela Zoo	75,000,000	17,608,144	23
311	Department of National Physical Planning	Born Free Chain Free at the Pinnawela Elephant Orphanage	75,000,000	18,973,929	25
322	Department of National Botanical Gardens	Physical Plans and Research Activities	5,000,000	359,850	7
		Improvement of Community Water Supply	200,000,000	56,766,896	28
	Total		366,867,401,165	268,972,401,070	

Schedule II - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2018

Head	Institution	Total			Recurrent			Capital			Rs. '000		
		Provision	Expenditure	Savings	Provision	Expenditure	Savings	Provision	Expenditure	Savings			
		%	%	%	%	%	%	%	%	%	%		
1	His Excellency the President	10,887,925	8,048,756	2,839,169	74	2,898,716	2,888,742	9,974	100	7,989,209	5,160,014	2,829,195	65
2	Office of The Prime Minister	1,962,680	951,210	1,011,470	48	1,128,580	858,757	269,823	76	834,100	92,453	741,647	11
4	Judges of The Superior Courts	282,000	263,662	18,338	93	218,600	203,507	15,093	93	63,400	60,155	3,245	95
5	Office of The Cabinet Ministers	107,000	92,284	14,716	86	93,350	85,786	7,564	92	13,650	6,498	7,152	48
6	Public Service Commission	331,481	299,015	32,466	90	188,000	183,968	4,032	98	143,481	115,047	28,434	80
7	Judicial Service Commission	76,909	70,446	6,463	92	74,509	68,145	6,364	91	2,400	2,302	98	96
8	National Police Commission	127,764	121,925	5,839	95	117,315	115,445	1,870	98	10,449	6,480	3,969	62
9	Administrative Appeals Tribunal	27,466	26,756	710	97	26,816	26,269	547	98	650	487	163	75
10	Commission to Investigate Allegations of Bribery or Corruption	510,852	429,379	81,473	84	452,713	395,456	57,257	87	58,139	33,923	24,216	58
11	Office of the Finance Commission	369,300	273,480	95,820	74	58,350	55,984	2,366	96	310,950	217,495	93,455	70
12	National Education Commission	49,480	46,464	3,016	94	40,010	38,474	1,536	96	9,470	7,991	1,479	84
13	Human Rights Commission of Sri Lanka	270,165	226,846	43,319	84	244,000	204,482	39,518	84	26,165	22,364	3,801	85
16	Parliament	3,202,350	2,588,875	613,475	81	2,550,400	2,370,364	180,036	93	651,950	218,511	433,439	34
17	Office of the Leader of the House of Parliament	41,560	39,415	2,145	95	40,510	38,870	1,640	96	1,050	545	505	52
18	Office of the Chief Govt/Whip of Parliament	86,110	60,156	25,954	70	84,210	58,823	25,387	70	1,900	1,333	567	70
19	Office of the Leader of the Opposition of Parliament	90,650	76,896	13,754	85	82,100	69,175	12,925	84	8,550	7,721	829	90
20	Election Commission	6,321,155	4,105,260	2,215,895	65	6,205,605	4,052,690	2,152,915	65	115,550	52,570	62,980	45
21	National Audit Office	1,928,400	1,834,768	93,632	95	1,800,500	1,731,584	68,916	96	127,900	103,184	24,716	81
22	Office of the Parliamentary Commissioner for Administration	25,242	25,033	209	99	24,009	23,869	140	99	1,233	1,164	69	94
23	Audit Service Commission	47,207	39,940	7,267	85	44,397	37,432	6,965	84	2,810	2,507	303	89
24	National Procurement Commission	84,566	68,243	16,323	81	71,413	57,286	14,127	80	13,153	10,956	2,197	83
25	Delimitation Commission	14,740	13,356	1,384	91	14,015	12,786	1,229	91	725	570	155	79
26	Right to Information Commission	50,690	28,620	22,070	56	41,190	26,632	14,558	65	9,500	1,988	7,512	21
101	Ministry of Buddhasasana	1,323,707	1,085,052	238,655	82	245,195	217,265	27,929	89	1,078,512	867,787	210,726	80
102	Ministry of Finance	6,290,318	4,130,364	2,159,953	66	2,067,276	2,005,989	61,287	97	4,223,042	2,124,375	2,098,667	50
103	Ministry of Defence	18,597,705	16,404,944	2,192,761	88	6,964,605	6,663,755	300,850	96	11,633,100	9,741,189	1,891,911	84
104	Ministry of Policies and Economic Affairs	50,803,088	22,056,263	28,746,825	43	3,160,150	2,728,638	431,512	86	47,642,938	19,327,625	28,315,313	41
106	Ministry of Disaster Management	11,975,259	10,916,598	1,058,661	91	6,214,140	6,079,638	134,502	98	5,761,119	4,836,960	924,159	84
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	170,970	145,535	25,435	85	124,905	102,509	22,396	82	46,065	43,026	3,039	93
110	Ministry of Justice	1,088,611	982,570	106,041	90	922,600	902,427	20,173	98	166,011	80,142	85,868	48
111	Ministry of Health, Nutrition and Indigenous Medicine	184,591,238	166,983,751	17,607,487	90	137,592,550	134,448,817	3,143,733	98	46,998,688	32,534,934	14,463,754	69
112	Ministry of Foreign Affairs	12,828,585	12,435,608	392,976	97	11,178,064	11,140,656	37,408	100	1,650,521	1,294,953	355,568	78
114	Ministry of Transport & Civil Aviation	22,215,400	19,244,894	2,970,506	87	12,342,887	11,899,222	443,665	96	9,872,513	7,345,672	2,526,841	74
117	Ministry of Higher Education and Highways	212,471,293	178,521,164	33,950,129	84	2,118,111	1,735,241	382,870	82	210,353,182	176,785,922	33,567,260	84
118	Ministry of Agriculture	41,619,427	35,549,624	6,069,803	85	33,062,353	31,320,680	1,741,673	95	8,557,074	4,228,944	4,328,130	49
119	Ministry of Power & Renewable Energy	1,175,321	993,019	182,302	84	507,890	487,684	20,206	96	667,431	505,335	162,096	76

Schedule II - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2018

Head	Institution	Total			Recurrent			Capital			Rs. '000
		Provision	Expenditure	%	Provision	Expenditure	%	Provision	Expenditure	%	
120	Ministry of Women and Child Affairs	8,588,906	7,997,708	93	6,958,323	6,846,825	98	1,630,583	1,150,883	71	
121	Ministry of Home Affairs	21,337,473	18,672,906	88	8,441,409	8,068,054	96	12,896,064	10,604,851	82	
122	Ministry of Lands and Parliamentary Reforms	3,863,358	3,379,755	87	1,117,520	995,878	89	2,745,838	2,383,877	87	
123	Ministry of Housing and Construction	11,389,060	9,643,761	85	442,697	417,915	94	10,946,363	9,225,846	84	
124	Ministry of Social Empowerment, Welfare and Kandy Heritage	14,163,798	13,297,814	94	13,412,928	12,864,851	96	750,870	432,963	58	
126	Ministry of Education	101,040,220	72,356,252	72	59,160,270	46,711,812	79	41,879,950	25,644,440	61	
130	Ministry of Public Administration and Management	2,132,005	1,844,203	87	1,106,246	1,053,153	95	1,025,759	791,050	77	
135	Ministry of Plantation Industries	7,797,182	6,105,017	78	3,125,308	2,971,633	95	4,671,874	3,133,384	67	
136	Ministry of Sports	5,046,950	1,709,074	34	525,400	430,257	82	4,521,550	1,278,818	28	
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	3,753,081	2,574,822	69	346,375	316,297	91	3,406,706	2,258,525	66	
145	Ministry of Prison Reforms, Rehabilitation, Resettlement and Hindu Religious Affairs	8,305,715	6,248,095	75	2,981,115	2,171,476	73	5,324,600	4,076,620	77	
147	Ministry of Regional Development	977,755	756,409	77	357,755	331,591	93	620,000	424,817	69	
148	Ministry of Development Assignment	1,207,205	268,203	22	129,625	93,701	72	1,077,580	174,502	16	
149	Ministry of Industry and Commerce	11,818,805	5,656,658	48	1,827,032	1,640,844	90	9,991,773	4,015,814	40	
150	Ministry of Petroleum Resources Development	328,030	276,960	84	243,930	217,103	89	84,100	59,857	71	
151	Ministry of Fisheries and Aquatic Resources Development	9,003,361	4,982,792	55	1,663,910	1,620,827	97	7,339,451	3,361,965	46	
154	Ministry of Rural Economic Affairs	6,274,110	4,276,081	68	1,197,910	783,989	65	5,076,200	3,492,093	69	
155	Ministry of Provincial Councils and Local Government	18,094,395	15,062,483	83	1,294,192	922,844	71	16,800,203	14,139,639	84	
157	Ministry of National Co-Existence, Dialogue and Official Languages	905,732	745,442	82	431,513	399,546	93	474,219	345,896	73	
158	Ministry of Public Enterprise Development	6,273,670	1,088,451	17	295,150	266,067	90	5,978,520	822,384	14	
159	Ministry of Tourism Development and Christian Religious Affairs	1,293,660	458,028	35	438,040	119,037	27	855,620	338,991	40	
160	Ministry of Mahaweli Development and Environment	43,569,964	37,974,241	87	3,895,079	3,857,000	99	39,674,885	34,117,241	86	
161	Ministry of Sustainable Development and Wildlife	1,044,250	585,858	56	192,250	151,204	79	852,000	434,654	51	
162	Ministry of Megapolis and Western Development	61,082,100	32,121,320	53	909,190	705,048	78	60,172,910	31,416,272	52	
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	4,743,376	2,508,099	49	942,883	835,175	89	3,800,493	1,472,924	39	
165	Ministry of National Integration and Reconciliation	7,653,144	2,985,485	39	766,308	134,133	18	6,886,836	2,851,351	41	
166	Ministry of City Planning and Water Supply	35,010,350	32,508,700	93	198,610	177,957	90	34,811,740	32,330,743	93	
167	Ministry of Special Assignment	109,100	31,051	28	78,100	30,986	40	31,000	65	0	
176	Ministry of Ports and Shipping	3,904,184	1,547,129	40	509,565	490,330	96	3,394,619	1,056,799	31	
182	Ministry of Foreign Employment	686,055	566,920	83	633,030	560,986	89	53,025	5,934	11	
192	Ministry of Law and Order and Southern Development	12,266,854	10,034,265	82	8,343,394	7,800,630	93	3,923,460	2,233,635	57	
193	Ministry of Labour and Trade Union Relations and Sabaragamuwa Development	1,039,664	278,943	27	258,927	212,528	82	780,737	66,415	9	
194	Ministry of Telecommunication and Digital Infrastructure	5,790,342	3,525,151	61	615,336	455,526	74	5,175,006	3,069,625	59	
195	Ministry of Development Strategies and International Trade	6,283,960	2,138,719	34	594,110	535,744	90	5,689,850	1,602,976	28	
196	Ministry of Science, Technology and Research	6,697,128	4,944,504	74	1,888,600	1,711,701	91	4,808,528	3,232,803	67	

Schedule II - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2018

Head	Institution	Total			Recurrent			Capital			Rs. '000	
		Provision	Expenditure	%	Provision	Expenditure	%	Provision	Expenditure	Savings	%	
197	Ministry of Skills Development and Vocational Training	9,015,513	7,673,438	85	4,636,341	4,358,309	94	4,379,172	3,315,129	1,064,043	76	
198	Ministry of Irrigation and Water Resources Management	13,982,206	7,838,335	56	5,15,647	497,625	97	13,466,559	7,340,710	6,125,849	55	
199	Ministry of Primary Industries	2,497,915	1,403,204	56	1,84,240	176,501	96	2,313,675	1,226,704	1,086,971	53	
201	Department of Buddhist Affairs	1,401,705	1,238,835	88	1,347,005	1,188,616	88	54,700	50,219	4,481	92	
202	Department of Muslim Religious and Cultural Affairs	307,900	281,491	91	248,200	233,789	94	59,700	47,702	11,998	80	
203	Department of Christian Religious Affairs	242,567	216,036	89	185,147	167,100	90	57,420	48,936	8,484	85	
204	Department of Hindu Religious and Cultural Affairs	290,610	263,212	91	195,960	169,497	86	94,650	93,715	935	99	
205	Department of Public Trustee	68,035	66,283	97	56,980	55,310	97	11,055	10,973	82	99	
206	Department of Cultural Affairs	777,592	707,147	91	673,373	624,243	93	104,219	82,904	21,315	80	
207	Department of Archaeology	1,036,350	1,015,533	98	928,550	919,927	99	107,800	95,606	12,194	89	
208	Department of National Museums	286,633	267,883	93	192,593	189,904	99	94,040	77,979	16,061	83	
209	Department of National Archives	338,070	131,989	39	109,810	100,784	92	228,260	31,206	197,054	14	
210	Department of Information	748,430	560,607	75	602,291	515,321	86	146,139	45,286	100,853	31	
211	Department of The Government Printer	2,633,610	2,563,057	97	2,505,725	2,450,766	98	127,885	112,291	15,594	88	
212	Department of Examinations	4,031,800	3,823,791	95	3,212,800	3,161,005	98	819,000	662,785	156,215	81	
213	Department of Educational Publications	132,260	123,257	93	58,660	54,447	93	73,600	68,809	4,791	93	
214	University Grants Commission	56,239,500	50,032,799	89	36,785,500	35,949,739	98	19,454,000	14,083,060	5,370,940	72	
215	Department of Technical Education & Training	2,197,666	2,077,272	95	1,958,206	1,850,561	95	239,460	226,711	12,749	95	
216	Department of Social Services	707,660	663,580	94	552,780	521,040	94	154,880	142,540	12,340	92	
217	Department of Probation and Child Care Services	350,430	342,727	98	271,081	266,970	98	79,349	75,757	3,592	95	
219	Department of Sports Development	3,403,750	2,056,594	60	1,144,450	972,296	85	2,259,300	1,084,299	1,175,001	48	
220	Department of Ayurveda	2,241,600	2,032,043	91	1,590,600	1,558,332	98	651,000	473,711	177,289	73	
221	Department of Labour	3,830,100	3,429,130	90	1,619,100	1,615,472	100	2,211,000	1,813,658	397,342	82	
222	Sri Lanka Army	158,172,895	148,300,893	94	149,135,196	142,393,544	95	9,037,699	5,907,349	3,130,351	65	
223	Sri Lanka Navy	60,359,604	60,120,377	100	48,950,654	48,789,654	100	11,408,950	11,330,723	78,227	99	
224	Sri Lanka Air Force	43,827,837	41,481,866	95	35,855,800	34,624,004	97	7,972,037	6,857,862	1,114,175	86	
225	Department of Police	71,388,033	66,158,563	93	65,939,033	62,651,065	95	5,449,000	3,507,498	1,941,502	64	
226	Department of Immigration and Emigration	2,786,928	2,727,249	98	1,713,928	1,675,481	98	1,073,000	1,051,768	21,232	98	
227	Department of Registration of Persons	1,159,080	1,030,225	89	1,027,588	974,551	95	131,492	55,674	75,818	42	
228	Courts Administration	9,725,032	8,424,208	87	6,514,382	6,499,119	100	3,210,650	1,925,090	1,285,560	60	
229	Department of Attorney General	1,693,540	1,608,980	95	1,209,040	1,206,795	100	484,500	402,185	82,315	83	
230	Department of Legal Draftsman	160,692	150,154	93	122,492	118,883	97	38,200	31,272	6,928	82	
231	Department of Debt Conciliation Board	28,570	14,856	52	27,720	14,250	51	850	605	245	71	
232	Department of Prisons	6,193,174	5,592,472	90	5,297,074	5,169,547	98	896,100	422,925	473,175	47	
233	Department of Government Analyst	435,695	390,192	90	336,955	319,794	95	98,740	70,398	28,342	71	
234	Registrar of Supreme Court	186,173	168,463	90	177,308	163,704	92	8,865	4,759	4,106	54	
235	Department of Law Commission	21,470	14,959	70	19,345	13,173	68	2,125	1,786	339	84	

Schedule II - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2018

Head	Institution	Total			Recurrent			Capital			Rs. '000		
		Provision	Expenditure	Savings %	Provision	Expenditure	Savings %	Provision	Expenditure	Savings %			
236	Department of Official Languages	153,265	147,073	6,192	96	136,934	133,253	3,681	97	16,331	13,820	2,511	85
237	Department of National Planning	211,000	122,074	88,926	58	97,000	88,462	8,538	91	114,000	33,612	80,388	29
238	Department of Fiscal Policy	4,082,060	60,919	4,021,141	1	4,080,460	60,201	4,020,259	1	1,600	718	882	45
239	Department of External Resources	4,411,345	4,353,695	57,650	99	464,445	463,382	1,063	100	3,946,900	3,890,313	56,587	99
240	Department of National Budget	7,086,549	6,244,465	842,085	88	1,816,945	1,291,845	525,100	71	5,269,604	4,952,620	316,984	94
241	Department of Public Enterprises	9,146,895	8,717,715	429,180	95	503,070	76,031	427,039	15	8,643,825	8,641,684	2,141	100
242	Department of Management Services	87,110	81,821	5,289	94	80,535	78,885	1,650	98	6,575	2,936	3,639	45
243	Department of Development Finance	15,285,260	12,462,643	2,822,617	82	870,010	618,523	251,487	71	14,415,250	11,844,119	2,571,131	82
244	Department of Trade and Investment Policy	291,880	287,345	4,535	98	290,450	286,098	4,352	99	1,430	1,247	183	87
245	Department of Public Finance	217,112	190,034	27,078	88	89,293	82,632	6,661	93	127,819	107,402	20,417	84
246	Department of Inland Revenue	4,933,500	4,134,300	799,200	84	3,530,000	3,440,162	89,838	97	1,403,500	694,138	709,362	49
247	Sri Lanka Customs	3,615,400	2,277,925	1,337,475	63	3,269,071	2,167,953	1,101,118	66	346,330	109,972	236,357	32
248	Department of Excise	1,657,200	1,001,472	655,728	60	1,127,226	817,685	309,541	73	529,974	183,786	346,188	35
249	Department of Treasury Operations	2,108,659,235	2,093,929,660	14,729,575	99	871,982,985	857,442,032	14,540,953	98	1,236,676,250	1,236,487,629	188,621	100
250	Department of State Accounts	56,530	54,108	2,422	96	53,030	51,870	1,160	98	3,500	2,237	1,263	64
251	Department of Valuation	806,970	518,978	287,992	64	392,320	376,413	15,907	96	414,650	142,565	272,085	34
252	Department of Census & Statistics	997,627	911,257	86,370	91	877,965	834,350	43,615	95	119,662	76,907	42,755	64
253	Department of Pensions	229,242,430	225,467,887	3,774,543	98	229,177,900	225,403,976	3,773,924	98	64,530	63,910	620	99
254	Department of Registrar General	1,468,270	1,443,941	24,329	98	1,410,000	1,395,868	14,132	99	58,270	48,073	10,197	83
255	District Secretariat - Colombo	2,005,000	1,992,175	12,825	99	772,000	762,716	9,284	99	1,233,000	1,229,459	3,541	100
256	District Secretariat - Gampaha	1,528,840	1,103,332	425,508	72	1,040,000	1,004,536	35,464	97	488,840	98,796	390,044	20
257	District Secretariat - Kalutara	2,334,227	1,878,490	455,737	80	872,600	867,494	5,106	99	1,461,627	1,010,996	450,631	69
258	District Secretariat - Kandy	1,329,000	1,248,298	80,702	94	1,226,000	1,145,488	80,512	93	103,000	102,810	190	100
259	District Secretariat - Matale	929,000	767,970	161,030	83	597,000	591,275	5,725	99	332,000	176,696	155,304	53
260	District Secretariat - Nuwara Eliya	501,000	477,130	23,870	95	476,000	453,933	22,067	95	25,000	23,197	1,803	93
261	District Secretariat - Galle	1,975,760	1,909,867	65,893	97	1,101,000	1,096,260	4,740	100	874,760	813,607	61,153	93
262	District Secretariat - Matara	3,160,768	2,884,587	276,181	91	934,500	919,506	14,994	98	2,226,268	1,965,081	261,187	88
263	District Secretariat - Hambanthota	1,143,810	1,065,705	78,105	93	782,000	743,203	38,797	95	361,810	322,502	39,308	89
264	District Secretariat - Jaffna	817,000	800,990	16,010	98	728,500	712,507	15,993	98	88,500	88,483	17	100
265	District Secretariat - Mannar	263,000	245,195	17,805	93	213,000	195,447	17,553	92	50,000	49,748	252	99
266	District Secretariat/ Kachcheri - Yavuniya	278,700	274,506	4,194	98	206,700	202,895	3,805	98	72,000	71,610	390	99
267	District Secretariat - Mullaitivu	275,200	262,966	12,234	96	198,200	197,078	1,122	99	77,000	65,888	11,112	86
268	District Secretariat - Killinochchi	271,000	261,288	9,712	96	206,000	196,903	9,097	96	65,000	64,385	615	99
269	District Secretariat - Batticaloa	864,000	778,222	85,778	90	586,000	582,528	3,472	99	278,000	195,693	82,307	70
270	District Secretariat - Ampara	1,009,000	921,904	87,096	91	933,000	846,585	86,415	91	76,000	75,318	682	99
271	District Secretariat - Trincomalee	449,650	438,192	11,458	97	403,650	393,036	10,614	97	46,000	45,155	845	98
272	District Secretariat - Kurunegala	1,866,800	1,737,057	129,743	93	1,795,800	1,674,946	120,854	93	71,000	62,111	8,889	87

Schedule II - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2018

Head	Institution	Total			Recurrent			Capital			Rs. '000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
273	District Secretariat - Puttalam	783,000	780,527	2,473	100	681,000	678,642	2,358	100	102,000	101,886	114	100
274	District Secretariat - Anuradhapura	923,000	917,815	5,185	99	828,991	825,032	3,959	100	94,009	92,783	1,226	99
275	District Secretariat - Polonnaruwa	828,000	820,809	7,191	99	396,000	389,543	6,457	98	432,000	431,266	734	100
276	District Secretariat - Badulla	803,000	764,803	38,197	95	697,000	666,326	30,674	96	106,000	98,477	7,523	93
277	District Secretariat - Monaragala	622,000	607,826	14,174	98	495,000	482,370	12,630	97	127,000	125,456	1,544	99
278	District Secretariat - Rathnapura	3,464,920	2,565,532	899,388	74	806,000	796,379	9,621	99	2,658,920	1,769,153	889,767	67
279	District Secretariat - Kegalle	794,740	756,380	38,360	95	639,000	626,263	12,737	98	155,740	130,116	25,624	84
280	Department of Project Management and Monitoring	103,620	97,865	5,755	94	91,323	85,848	5,475	94	12,297	12,018	279	98
281	Department of Agrarian Development	9,616,894	7,985,522	1,631,372	83	6,827,002	6,659,995	167,007	98	2,789,892	1,325,527	1,464,365	48
282	Department of Irrigation	14,590,870	11,094,506	3,496,364	76	3,115,670	2,831,381	284,289	91	11,475,200	8,263,125	3,212,075	72
283	Department of Forests	2,314,154	2,236,013	78,141	97	1,400,554	1,324,066	76,488	95	913,600	911,948	1,652	100
284	Department of Wildlife Conservation	2,024,800	1,643,861	380,939	81	1,100,000	1,097,244	2,756	100	924,800	546,617	378,183	59
285	Department of Agriculture	7,460,977	5,609,407	1,851,570	75	5,327,930	4,412,333	915,597	83	2,133,047	1,197,073	935,973	56
286	Department of Land Commissioner General	429,340	395,333	34,007	92	361,840	354,533	7,307	98	67,500	40,800	26,700	60
287	Department of Land Title Settlement	397,417	394,579	2,838	99	392,835	390,028	2,807	99	4,582	4,551	31	99
288	Department of Surveyor General	4,045,583	3,709,565	336,018	92	3,673,265	3,483,543	189,722	95	372,318	226,022	146,296	61
289	Department of Export Agriculture	1,179,465	1,109,609	69,856	94	623,965	621,415	2,550	100	555,500	488,194	67,306	88
290	Department of Fisheries and Aquatic Resources	1,325,706	637,829	687,876	48	505,615	477,353	28,262	94	820,091	160,477	659,614	20
291	Department of Coast Conservation and Coastal Resource Management	1,594,970	673,910	921,060	42	227,350	225,075	2,275	99	1,367,620	448,836	918,784	33
292	Department of Animal Production & Health	1,705,700	1,061,603	644,097	62	540,700	526,257	14,443	97	1,165,000	535,347	629,653	46
293	Department of Rubber Development	1,306,000	958,883	347,117	73	339,000	323,230	15,770	95	967,000	635,653	331,347	66
294	Department of National Zoological Gardens	1,154,710	719,406	435,304	62	421,210	420,923	287	100	733,500	298,483	435,017	41
295	Department of Commerce	150,750	144,631	6,119	96	136,850	131,825	5,025	96	13,900	12,806	1,094	92
296	Department of Import & Export Control	66,312	63,262	3,050	95	63,330	60,289	3,042	95	2,982	2,973	8	100
297	Department of The Registrar of Companies	58,400	58,033	367	99	58,400	58,033	367	99	0	0	0	0
298	Department of Measurement Units, Standards and Services	137,850	107,321	30,529	78	111,350	105,850	5,500	95	26,500	1,471	25,029	6
299	National Intellectual Property Office of Sri Lanka	31,850	31,724	126	100	31,850	31,724	126	100	0	0	0	0
300	Department of Food Commissioner	218,870	216,402	2,468	99	85,670	83,910	1,760	98	133,200	132,492	708	99
301	Department of Co-Operative Development	103,442	85,394	18,048	83	71,067	70,511	556	99	32,375	14,883	17,492	46
302	Co-operative Employees Commission	17,930	17,197	733	96	16,230	15,709	521	97	1,700	1,488	212	88
303	Department of Textile Industries	113,400	104,716	8,684	92	74,350	71,985	2,365	97	39,050	32,730	6,320	84
304	Department of Meteorology	647,800	360,767	287,033	56	292,800	286,271	6,529	98	355,000	74,496	280,504	21
306	Department of Sri Lanka Railways	31,310,335	29,629,185	1,681,150	95	14,435,684	14,380,549	55,135	100	16,874,651	15,248,636	1,626,015	90
307	Department of Motor Traffic	3,331,682	3,282,831	48,851	99	2,142,682	2,100,215	42,467	98	1,189,000	1,182,616	6,384	99
308	Department of Posts	13,234,100	13,174,447	59,653	100	12,932,500	12,896,566	35,934	100	301,600	277,881	23,719	92
309	Department of Buildings	446,850	430,121	16,729	96	355,350	354,627	723	100	91,500	75,494	16,006	83

Schedule II - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2018

Head	Institution	Total			Recurrent			Capital			Rs. '000	
		Provision	Expenditure	Savings	Provision	Expenditure	Savings	Provision	Expenditure	Savings		
		%	%	%	%	%	%	%	%	%		
310	Government Factory	305,450	163,901	141,549	54	100,950	100,168	782	204,500	63,733	140,767	31
311	Department of National Physical Planning	397,060	210,417	186,643	53	198,360	181,710	16,650	198,700	28,707	169,993	14
312	Western Provincial Council	17,051,656	15,863,161	1,188,495	93	14,962,361	14,562,361	0	2,089,295	900,800	1,188,495	43
313	Central Provincial Council	28,827,003	27,862,439	964,564	97	25,894,296	25,894,296	0	2,932,707	1,968,143	964,564	67
314	Southern Provincial Council	26,858,999	25,777,546	1,081,453	96	23,806,746	23,806,746	0	3,052,253	1,970,800	1,081,453	65
315	Northern Provincial Council	23,971,071	22,450,963	1,520,108	94	19,034,939	19,034,939	0	4,936,132	3,416,024	1,520,108	69
316	North Western Provincial Council	25,709,310	24,662,176	1,047,134	96	22,463,376	22,463,376	0	3,245,934	2,198,800	1,047,134	68
317	North Central Provincial Council	19,013,127	17,598,210	1,414,917	93	15,354,623	15,354,623	0	3,658,504	2,243,587	1,414,917	61
318	Uva Provincial Council	20,547,798	19,053,001	1,494,797	93	16,268,401	16,268,401	0	4,279,397	2,784,600	1,494,797	65
319	Sabaragamuwa Provincial Council	25,450,140	24,151,295	1,298,845	95	21,828,495	21,828,495	0	3,621,645	2,322,800	1,298,845	64
320	Department of Civil Security	17,583,120	16,348,597	1,234,523	93	17,268,120	16,112,041	1,156,079	315,000	236,556	78,444	75
321	Eastern Provincial Council	24,385,055	23,036,622	1,348,433	94	20,481,822	20,481,822	0	3,903,233	2,554,800	1,348,433	65
322	Department of National Botanical Gardens	810,210	749,909	60,301	93	412,510	403,062	9,448	397,700	346,847	50,853	87
323	Department of Legal Affairs	12,220	11,736	484	96	11,720	11,367	353	500	369	131	74
324	Department of Management Audit	52,930	49,151	3,779	93	49,530	45,935	3,595	3,400	3,216	184	95
325	Department of Sri Lanka Coast Guard	91,450	90,067	1,383	98	38,250	36,901	1,349	53,200	53,166	34	100
326	Department of Community Based Corrections	291,958	281,265	10,693	96	271,497	264,490	7,007	20,461	16,774	3,687	82
327	Department of Land Use Policy Planning	420,802	392,387	28,415	93	375,802	352,719	23,083	45,000	39,668	5,332	88
328	Department of Manpower and Employment	384,655	379,886	4,769	99	352,655	348,649	4,006	32,000	31,236	764	98
329	Department of Information Technology Management	271,300	129,575	141,725	48	258,402	128,203	130,199	12,898	1,371	11,527	11
331	Department of Samurdi Development	55,802,100	53,332,475	2,469,625	96	53,763,700	52,234,808	1,528,892	2,038,400	1,097,668	940,732	54
332	Department of National Community Water Supply	372,567	191,895	180,672	52	168,067	134,549	33,518	204,500	57,345	147,155	28
333	Comptroller General's Office	46,598	23,193	23,405	50	28,398	22,114	6,284	18,200	1,080	17,120	6
Grand Total		4,297,828,589	3,970,635,838	327,192,751		2,181,237,590	2,108,964,391	72,273,199	2,116,590,999	1,861,671,447	254,919,552	

Schedule III - CAPITALIZATION OF BORROWING COST

Head No.	Ministry/Department	Project Description	Vote Particulars	Rs.
				Interest
160	Ministry of Mahaweli Development and Environment	Additional Financing for Dam Safety and Water Resources Planning Project	160-2-5-13-2506-12	94,875,800
	Total			94,875,800

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS

Head	Ministry/Department	Recurrent		Capital		Total		Rs.
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	
1	His Excellency the President	-	42,990,858	11,918,836	412,160,147	11,918,836	455,151,006	
2	Office of The Prime Minister	800,000	33,880,642	-	192,620	800,000	34,073,262	
5	Office of The Cabinet Ministers	-	784,179	-	176,403	-	960,582	
7	Judicial Service Commission	-	129,967	-	-	-	129,967	
8	National Police Commission	-	1,088,540	-	-	-	1,088,540	
11	Office of the Finance Commission	918,041	87,712	4,006,000	112,765	4,924,041	200,477	
12	National Education Commission	-	104,813	-	-	-	104,813	
16	Parliament	-	5,166,144	-	80,907,248	-	86,073,392	
20	Election Commission	-	29,306,660	-	19,318,943	-	48,625,603	
21	National Audit Office	-	2,733,523	-	17,137,960	-	19,871,483	
23	Audit Service Commission	-	202,680	-	-	-	202,680	
25	Delimitation Commission	-	12,310	-	-	-	12,310	
26	Right to Information Commission	-	-	-	135,505	-	135,505	
101	Ministry of Buddhasasana	-	24,118,718	10,209,249	77,234,089	10,209,249	101,352,808	
102	Ministry of Finance	-	178,450	-	10,016,180	-	10,194,630	
103	Ministry of Defence	243,939,303	256,187,381	3,557,263	1,045,459,735	247,496,566	1,301,647,116	
104	Ministry of Policies and Economic Affairs	41,000	3,161,366	552,216,481	2,530,529,158	552,257,481	2,533,690,524	
106	Ministry of Disaster Management	38,142,035	106,911,246	5,883,067	249,799,692	44,025,102	356,710,938	
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	118,691	25,659,452	-	4,094,624	118,691	29,754,075	
110	Ministry of Justice	534,794	4,756,100	-	430,290	534,794	5,186,390	
111	Ministry of Health, Nutrition and Indigenous Medicine	138,402,862	2,647,456,113	277,943,324	4,874,769,666	416,346,186	7,521,925,779	
112	Ministry of Foreign Affairs	-	-	-	12,565,487	-	12,565,487	
114	Ministry of Transport & Civil Aviation	-	5,336,643	20,933,381	34,845,669,780	20,933,381	34,851,006,422	
117	Ministry of Higher Education and Highways	-	-	50,000	3,614,964,204	50,000	3,614,964,204	
118	Ministry of Agriculture	5,351,798	4,686,675	117,394,281	1,312,719,230	122,746,080	1,317,405,905	
120	Ministry of Women and Child Affairs	40,310,776	185,326,280	2,773,816	73,265,396	43,084,591	258,591,676	
121	Ministry of Home Affairs	13,749,313	215,168,696	289,560,284	1,690,921,574	303,309,597	1,906,090,270	
122	Ministry of Lands and Parliamentary Reforms	323,984	24,379,830	10,157,563	85,629,476	10,481,547	110,009,306	
123	Ministry of Housing and Construction	-	-	-	1,925,166,000	-	1,925,166,000	
124	Ministry of Social Empowerment, Welfare and Kandy Heritage	16,024,535	29,987,695	69,500	45,894,792	16,094,035	75,882,488	
126	Ministry of Education	807,681,697	866,361,879	1,259,959,299	3,960,515,247	2,067,640,996	4,826,877,126	
130	Ministry of Public Administration and Management	159,997	18,785,227	1,618,601	155,957,371	1,778,598	174,742,598	
135	Ministry of Plantation Industries	17,000	11,101,288	-	120,764,591	17,000	131,865,879	
136	Ministry of Sports	-	59,467	400,372,705	245,873,275	400,372,705	245,932,741	
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	4,250,390	53,000	637,404,057	53,000	641,654,448	
145	Ministry of Prison Reforms, Rehabilitation, Resettlement and Hindu Religious Affairs	-	63,000,319	30,411,747	8,862,854,821	30,411,747	8,925,855,141	

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS

Head	Ministry/Department	Recurrent		Capital		Total		Rs.
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	
147	Ministry of Regional Development	-	1,626,680	6,427,706	70,026,280	6,427,706	71,652,960	
148	Ministry of Development Assignment	8,000,000	39,488,120	27,000,000	99,227,218	35,000,000	138,715,338	
149	Ministry of Industry and Commerce	-	12,748,864	32,398,060	1,551,422,727	32,398,060	1,564,171,591	
151	Ministry of Fisheries and Aquatic Resources Development	-	172,380	9,867,525	892,799,361	9,867,525	892,971,741	
154	Ministry of Rural Economic Affairs	-	9,638,971	4,533,257	102,053,324	4,533,257	111,692,295	
155	Ministry of Provincial Councils and Local Government	251,082,605	65,227,075	4,579,901,970	2,191,320,019	4,830,984,575	2,256,547,094	
157	Ministry of National Co-Existence, Dialogue and Official Languages	214,665	3,663,506	3,042,657	95,605,204	3,257,321	99,268,710	
158	Ministry of Public Enterprise Development	-	11,986,954	-	20,013,482	-	32,000,435	
159	Ministry of Tourism Development and Christian Religious Affairs	-	5,607,480	3,053,000	46,651,823	3,053,000	52,259,303	
160	Ministry of Mahaweli Development and Environment	-	1,691,103	430,322,670	3,094,276,529	430,322,670	3,095,967,632	
161	Ministry of Sustainable Development and Wildlife	-	11,051,189	-	112,184,317	-	123,235,506	
162	Ministry of Megapolis and Western Development	-	3,428,074	13,942,456	14,670,603,603	13,942,456	14,674,031,677	
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	-	84,479	1,447,335,220	1,056,775,199	1,447,335,220	1,056,859,678	
165	Ministry of National Integration and Reconciliation	-	3,615,000	79,512,550	591,455,153	79,512,550	595,070,153	
166	Ministry of City Planning and Water Supply	-	-	2,902,810	115,064,301	2,902,810	115,064,301	
167	Ministry of Special Assignment	-	2,100,691	-	-	-	2,100,691	
176	Ministry of Ports and Shipping	-	3,190,704	-	653,161,234	-	656,351,938	
182	Ministry of Foreign Employment	594,824	1,607,096	12,500	109,530	607,324	1,716,626	
192	Ministry of Law and Order and Southern Development	511,835	184,659,799	7,890,170	520,177,894	8,402,005	704,837,693	
193	Ministry of Labour and Trade Union Relations and Sabaragamuwa Development	-	2,379,393	-	184,025,383	-	186,404,775	
194	Ministry of Telecommunication and Digital Infrastructure	-	39,976,927	1,659,519	113,957,725	1,659,519	153,934,652	
195	Ministry of Development Strategies and International Trade	-	7,000,000	-	1,461,923,379	-	1,468,923,379	
196	Ministry of Science, Technology and Research	84,285	28,533,563	102,728	306,228,618	187,013	334,762,180	
197	Ministry of Skills Development and Vocational Training	6,538	12,315,811	5,000,000	309,791,221	5,006,538	322,107,032	
198	Ministry of Irrigation and Water Resources Management	105,470	4,548,825	25,728,413	1,838,375,357	25,833,883	1,842,924,182	
199	Ministry of Primary Industries	-	-	-	161,254,404	-	161,254,404	
201	Department of Buddhist Affairs	14,097,321	50,637,788	2,308,389	860,656	16,405,710	51,498,444	
202	Department of Muslim Religious and Cultural Affairs	-	12,545,719	35	888,785	35	13,434,504	
203	Department of Christian Religious Affairs	-	-	-	7,683,990	-	7,683,990	
205	Department of Public Trustee	-	72,319	-	-	-	72,319	
206	Department of Cultural Affairs	599,260	5,910,443	2,404,199	393,036	3,003,459	6,303,479	
207	Department of Archaeology	-	620,527	-	1,708,612	-	2,329,139	
208	Department of National Museums	820,762	797,419	-	643,160	820,762	1,440,578	
209	Department of National Archives	75,000	1,645,092	-	54,391,731	75,000	56,036,823	
210	Department of Information	-	188,108,540	-	37,144,580	-	225,253,120	
212	Department of Examinations	0.25	12,498,073	-	85,609,320	0.25	98,107,393	

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS

Head	Ministry/Department	Recurrent		Capital		Total		Rs.
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	
215	Department of Technical Education & Training	-	31,126,017	-	11,157,376	-	42,283,393	
216	Department of Social Services	252,005	3,408,466	14,510	115,520	266,515	3,523,986	
217	Department of Probation and Child Care Services	437,323	1,326,650	416,002	584,735	853,325	1,911,384	
219	Department of Sports Development	-	53,725,250	-	458,699,908	-	512,425,158	
220	Department of Ayurveda	-	33,054,999	-	7,796,693	-	40,851,692	
221	Department of Labour	-	6,571,288	-	289,121,864	-	295,693,153	
222	Sri Lanka Army	929,772,945	15,701,474,955	-	932,210,225	929,772,945	16,633,685,180	
223	Sri Lanka Navy	573,495,038	1,504,525,559	146,718,143	30,714,420,728	720,213,181	32,218,946,287	
224	Sri Lanka Air Force	-	617,511,782	-	114,815,288	-	732,327,069	
225	Department of Police	99,551	537,565,532	165,750	292,250,989	265,301	829,816,521	
227	Department of Registration of Persons	638,079	7,480,339	-	78,000	638,079	7,558,339	
228	Courts Administration	291,868	21,121,972	3,066,676	631,274,367	3,358,544	652,396,340	
230	Department of Legal Draftsman	-	1,493,813	-	2,293,430	-	3,787,243	
232	Department of Prisons	17,878,108	119,012,869	177,785	242,553,574	18,055,893	361,566,444	
233	Department of Government Analyst	7,743,003	46,411	316,500	-	8,059,503	46,411	
234	Registrar of Supreme Court	-	-	-	2,948,220	-	2,948,220	
236	Department of Official Languages	7,941,854	60,036,414	9,870,013	23,018,173	17,811,867	83,054,587	
237	Department of National Planning	-	660,190	-	1,105,161	-	1,765,351	
238	Department of Fiscal Policy	-	447,019	-	-	-	447,019	
240	Department of National Budget	-	106,192,200	-	640,575,868	-	746,768,068	
241	Department of Public Enterprises	-	603,762	-	189,001	-	792,762	
242	Department of Management Services	-	158,088	-	-	-	158,088	
243	Department of Development Finance	173,526,695	3,697,096	2,050,832,526	-	2,224,359,221	3,697,096	
244	Department of Trade and Investment Policy	-	57,263	-	-	-	57,263	
245	Department of Public Finance	-	278,096	-	-	-	278,096	
246	Department of Inland Revenue	23,667,817	29,446,909	27,814,242	14,366,694	51,482,058	43,813,603	
247	Sri Lanka Customs	-	31,846,478	-	293,193	-	32,139,671	
249	Department of Treasury Operations	-	73,963,530	-	-	-	73,963,530	
250	Department of State Accounts	-	286,980	-	-	-	286,980	
251	Department of Valuation	18,699,465	2,000,000	-	-	18,699,465	2,000,000	
252	Department of Census & Statistics	27,000	8,830,887	-	10,984,524	27,000	19,815,410	
253	Department of Pensions	9,248,883,658	1,006,784,135	-	177,917	9,248,883,658	1,006,962,051	
254	Department of Registrar General	18,244,458	1,258,940	230,121	3,612,215	18,474,579	4,871,155	
255	District Secretariat - Colombo	20,425	1,431,253	-	11,087,022	20,425	12,518,276	
256	District Secretariat - Gampaha	108,550	1,759,058	-	-	108,550	1,759,058	
257	District Secretariat - Kalutara	3,091,401	10,259,721	74,428,208	303,772,245	77,519,609	314,031,966	
258	District Secretariat - Kandy	18,803,210	41,332,600	-	47,275,000	18,803,210	88,607,600	

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
259	District Secretariat - Matale	24,000	208,803	119,303	17,567,456	143,303	17,776,259
260	District Secretariat - Nuwara Eliya	-	5,000	-	1,500,000	-	1,505,000
261	District Secretariat - Galle	8,294	2,224,813	-	19,431,998	8,294	21,656,811
262	District Secretariat - Matara	26,486	7,289,797	-	49,212,304	26,486	56,502,101
263	District Secretariat - Hambanthota	109,341	549,308	-	3,727,884	109,341	4,277,192
264	District Secretariat - Jaffna	-	4,900	-	6,253	-	11,153
265	District Secretariat - Mannar	-	148,850	-	-	-	148,850
266	District Secretariat/ Kachcheni - Vavuniya	262,566	1,569,573	-	11,326	262,566	1,580,899
267	District Secretariat - Mullaitivu	-	109,336	-	11,084,228	-	11,193,564
268	District Secretariat - Killinnochi	-	438,563	12,500	3,925	12,500	442,489
269	District Secretariat - Batticaloa	24,276	274,881	42,918,575	36,105,364	42,942,851	36,380,245
270	District Secretariat - Ampara	83,566	-	39,205	-	122,771	-
271	District Secretariat - Trincomalee	-	243,171	-	38,000	-	281,171
272	District Secretariat - Kurunegala	2,153,683	515,489	-	-	2,153,683	515,489
273	District Secretariat - Puttalam	-	750,113	-	11,105	-	761,218
274	District Secretariat - Anuradhapura	-	464,129	-	854,102	-	1,318,231
275	District Secretariat - Polonnaruwa	50,585	1,764,095	-	-	50,585	1,764,095
276	District Secretariat - Badulla	166,438	2,745,940	354,000	13,702,069	520,438	16,448,009
277	District Secretariat - Monaragala	-	22,418	-	-	-	22,418
278	District Secretariat - Rathnapura	-	77,935	151,635,757	82,838,697	151,635,757	82,916,632
279	District Secretariat - Kegalle	2,656,219	392,693	-	610	2,656,219	393,303
280	Department of Project Management and Monitoring	2,616	626,211	-	-	2,616	626,211
281	Department of Agrarian Development	597,702	16,346,784	200,695,768	907,299,538	201,293,470	923,646,322
282	Department of Irrigation	79,057,277	3,040,728	67,949,394	2,875,047,947	147,006,671	2,878,088,675
283	Department of Forests	768,204	171,817	534,377	1,480,529	1,302,581	1,652,346
284	Department of Wildlife Conservation	-	-	15,847,435	-	15,847,435	-
285	Department of Agriculture	13,942,438	778,198	-	629,118,113	13,942,438	629,896,311
286	Department of Land Commissioner General	500	7,052,154	-	7,470,699	500	14,522,853
287	Department of Land Title Settlement	-	360,503	-	-	-	360,503
288	Department of Surveyor General	41,137,443	28,937,431	7,329,536	22,007,812	48,466,980	50,945,243
289	Department of Export Agriculture	-	-	294,792	89,124,448	294,792	89,124,448
290	Department of Fisheries and Aquatic Resources	-	12,856,962	4,222,047	194,538,983	4,222,047	207,395,945
291	Department of Coast Conservation and Coastal Resource Management	-	1,018,405	-	84,465,876	-	85,484,280
292	Department of Animal Production & Health	-	2,347,076	-	183,824,770	-	186,171,846
293	Department of Rubber Development	66,294	65,089,899	1,793,439	100,833,096	1,859,734	165,922,995
294	Department of National Zoological Gardens	-	-	-	107,064,530	-	107,064,530
295	Department of Commerce	-	85,028	-	127,797	-	212,826

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS

Head	Ministry/Department	Recurrent		Capital		Total		Rs.
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	
296	Department of Import & Export Control	-	172,750	-	-	-	-	172,750
301	Department of Co-Operative Development	268,335	6,456	-	-	268,335	6,456	6,456
302	Co-operative Employees Commission	-	88,122	-	-	-	88,122	88,122
303	Department of Textile Industries	-	103,815	-	4,126,895	-	4,230,710	4,230,710
304	Department of Meteorology	-	364,100	-	509,865	-	873,965	873,965
306	Department of Sri Lanka Railways	-	-	-	100,000,000	-	100,000,000	100,000,000
308	Department of Posts	132,612	2,713,971	-	433,957	132,612	3,147,928	3,147,928
310	Government Factory	-	-	6,130,000	27,557,250	6,130,000	27,557,250	27,557,250
311	Department of National Physical Planning	-	256,497	-	1,823,626	-	2,080,123	2,080,123
312	Western Provincial Council	-	3,206,000,000	-	-	-	3,206,000,000	3,206,000,000
313	Central Provincial Council	-	5,078,000,000	-	-	-	5,078,000,000	5,078,000,000
314	Southern Provincial Council	-	5,093,820,000	-	1,149,200,000	-	6,243,020,000	6,243,020,000
315	Northern Provincial Council	-	5,895,000,000	7,364,413,888	3,572,638,996	7,364,413,888	9,467,638,996	9,467,638,996
316	North Western Provincial Council	-	4,034,000,000	5,595,200,000	-	5,595,200,000	4,034,000,000	4,034,000,000
317	North Central Provincial Council	-	3,500,000,000	8,500,000	13,796,484	8,500,000	3,513,796,484	3,513,796,484
318	Uva Provincial Council	-	3,482,345,000	3,670,800,000	-	3,670,800,000	3,482,345,000	3,482,345,000
319	Sabaragamuwa Provincial Council	-	4,510,000,000	3,244,800,000	-	3,244,800,000	4,510,000,000	4,510,000,000
320	Department of Civil Security	-	193,340,291	-	30,906,420	-	224,246,711	224,246,711
321	Eastern Provincial Council	-	3,985,000,000	3,845,200,000	1,100,000,000	3,845,200,000	5,085,000,000	5,085,000,000
322	Department of National Botanical Gardens	0.09	2,112,819	93,244	226,221	93,244	2,339,039	2,339,039
323	Department of Legal Affairs	-	639,392	-	-	-	639,392	639,392
324	Department of Management Audit	-	261,349	-	-	-	261,349	261,349
325	Department of Sri Lanka Coast Guard	1,893,076	15,745	-	17,817,560	1,893,076	17,833,304	17,833,304
326	Department of Community Based Corrections	15,000	1,329,513	-	3,044,650	15,000	4,374,163	4,374,163
327	Department of Land Use Policy Planning	5,300	450,981	13,000	1,878,321	18,300	2,329,301	2,329,301
328	Department of Manpower and Employment	29,735	53,051	1,000	20,550	30,735	73,601	73,601
329	Department of Information Technology Management	38,687,703	578,243	-	-	38,687,703	578,243	578,243
331	Department of Samurdhi Development	33,275,842	782,557,192	42,598,396	838,480,302	75,874,237	1,621,037,494	1,621,037,494
332	Department of National Community Water Supply	-	742,067	-	97,795,967	-	98,538,033	98,538,033
333	Comptroller General's Office	-	88,894	-	23,750	-	112,644	112,644
		12,841,776,374	65,291,567,622	36,269,980,362	144,516,005,678	49,111,756,737	209,807,573,299	

Schedule V

Rs.

STATEMENT OF PROVINCIAL COUNCILS REVENUE AND EXPENDITURE REPORT - 2018

Category	Province							Total		
	Western	Central	Southern	Northern	North Western	North Central	Uva		Sabaragamuwa	Eastern
Total Revenue	47,108,676,034	7,922,214,976	8,516,314,238	4,005,558,825	8,553,339,121	3,962,208,249	3,707,121,776	4,030,144,215	3,838,733,000	91,644,310,434
Recurrent Expenditure	56,805,361,188	32,278,170,502	29,692,508,358	22,109,481,281	30,560,249,848	18,090,006,191	20,306,905,808	24,115,158,818	24,586,098,892	258,543,940,886
Capital Expenditure	12,649,421,383	355,335,534	3,072,576,493	2,800,769,430	5,170,988,110	5,728,557,688	449,462,140	4,119,562,339	310,574,718	34,657,247,836
Total Expenditure	69,454,782,571	32,633,506,036	32,765,084,851	24,910,250,711	35,731,237,958	23,818,563,878	20,756,367,949	28,234,721,158	24,896,673,610	293,201,188,722

Schedule VI -FACE VALUE OF THE TREASURY BOND (9093) AS AT 31ST DECEMBER 2018

As per Financial Position report	3,999,931,674,545.00
Add: Unaccounted Discount Value	344,306,070,955.00
Face Value of Treasury Bond	4,344,237,745,500.00

Unaccounted Treasury Bond Discount as at 31.12.2018

Year of Maturity	Face Value	Amount Accounted in Main Ledger (9093)	Unaccounted Discount
2019	370,432,910,000.00	344,372,633,388.31	26,060,276,611.69
2020	219,042,950,000.00	191,962,845,304.15	27,080,104,695.85
2021	155,145,150,000.00	140,919,338,524.71	14,225,811,475.29
2022	278,814,745,500.00	250,293,254,150.04	28,521,491,349.96
2023	173,988,320,000.00	154,496,304,416.80	19,492,015,583.20
2024	73,831,830,000.00	72,609,412,264.05	1,222,417,735.95
2025	121,375,900,000.00	116,422,582,199.00	4,953,317,801.00
2026	151,613,230,000.00	95,909,645,958.80	55,703,584,041.20
2028	210,778,920,000.00	156,349,055,007.80	54,429,864,992.20
2030	27,437,000,000.00	26,385,533,209.00	1,051,466,791.00
2032	134,365,350,000.00	77,077,329,415.64	57,288,020,584.36
2033	144,976,500,000.00	106,586,980,134.36	38,389,519,865.64
2035	74,565,000,000.00	70,868,796,105.00	3,696,203,895.00
2043	33,809,250,000.00	22,143,149,567.00	11,666,100,433.00
2045	10,058,000,000.00	9,532,124,900.00	525,875,100.00
	2,180,235,055,500.00	1,835,928,984,544.66	344,306,070,955.34



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தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



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எனது இல. }
My No. }

TRE/A/DSA/2/18/IA/01

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உமது இல. }
Your No. }

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திகதி }
Date }

31 May 2019

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 2018 in terms of Section 11(1) and 15 (1) of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of financial statements of the Government for the year ended 31 December 2018 comprising the statement of financial position as at 31 December 2018 and the statement of financial performance, cash flow statement for the year then ended, 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 read in conjunction with provisions in the National Audit Act No. 19 of 2018. My comments and observations on these financial statements which are presented to the Secretary in terms of Section 11 (1) of National Audit Act No. 19 of 2018 appear in this report. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 10 of the National Audit Act No. 19 of 2018 will be tabled in due course.

In my opinion, except for the effects of the matters described in Paragraph 1.6 in this report, the financial statements give a true and fair view of the financial position of the Government as at 31 December 2018 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Chief Accounting Officer's Responsibility for the Financial Statements

The Chief Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act No. 19 of 2018 for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. As per Section 16(1) of the National Audit Act No. 19 of 2018, the Ministry of Finance is required to maintain proper books and records of all income, expenditure, assets and liabilities of the Government, to enable annual and periodic financial statements to be prepared.

In terms of Sub-section 38(1) (c) of the National Audit Act, the Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists and carry out periodic reviews to monitor the effectiveness of such system and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or



in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate whether the structure and content of the financial statements, including the disclosures represent the underlying transactions and events in a manner that achieves fair presentation.
- Evaluate whether the overall presentation, structure and content of the financial statements, represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



1.5. Report on Other Legal Requirements

I express the following matters in terms of Section 6 (d) of the National Audit Act, No.19 of 2018.

- (a) Financial statements presented are consistent with that of the preceding year.

- (b) The recommendations relevant to Paragraphs from 1.6.1.1(a) (i) to (iv), 1.6.1.1 (a)(vi), 1.6.1.1(b), 1.6.1.2(a) (i) and 1.6.1.5 included in this report and made by the Auditor General on the financial statements of the Government in the preceding year had not been included in the financial statements of the year under review.

1.6 Comments on Financial Statements

1.6.1 Accounting Deficiencies

The following observations are made.

1.6.1.1 Public Debts

The following observations are made.

- (a) According to the financial statements presented to Audit, the balance of debts payable by the Government as at 31 December 2018 amounted to Rs.11,276,281 million, whereas according to the following matters observed at the audit test check, the aforesaid balance of debts had been understated by Rs.828,377 million in the accounts. Details appear below.
 - (i) The accounting policy related to the Treasury Bonds included in the financial statements of the Government had been corrected with effect from the year 2016 and accordingly, in the issuance of Treasury Bonds, instead of their net value, accounting at their face value had been initiated. Nevertheless, due to failure in further adjusting the face value of the Treasury Bonds issued before the year 2016

to the accounts, the total liability relating to Treasury Bonds of Rs.344,306 million had been understated in the financial statements by 31 December 2018.

- (ii) The debt balance of Rs.366,126 million remained as at 31 December 2018 relating to 08 loan agreements entered into by the Government under the contractual agreements had not been included in the financial statements.
- (iii) Of the debt balances included in the aforesaid 08 loan agreements, a sum of Rs.172,517 million represents the balance payable for the loans obtained by the Sri Lanka Government for the construction of Hambantota Port. The approval of the Cabinet of Minister for the Cabinet Memorandum No. MPS/SEC/2017/32 dated 20 July 2017 named “Hambantota Port Relief Agreement” presented by the Ministry of Port and Naval Affairs in this connection, had been granted on 04 August 2017. Accordingly, the General Treasury had undertaken the responsibility for the settlement of remaining balance of the loans obtained by the Sri Lanka Government for the construction of Hambantota Port so as to be effective from the date of enforcement of the said Relief Agreement, whereas that debt balance had not been included in the financial statements of the Government. Similarly, the above balance had also been eliminated from the financial statements of the Sri Lanka Ports Authority as at 31 December 2018.
- (iv) Sums totalling Rs.58,442 million comprising Rs.39,416 million realized during the year 2018 relating to 50 foreign loan agreements and Rs.19,026 million realized in the year 2017 relating to 15 foreign loan agreements had not been brought to account as foreign loan even by 31 December 2018.
- (v) According to the Statement of Foreign Loan Balances, Note 29 of the Financial Statements, when converting loan balances from foreign currency in circulation into Rupees, foreign exchange adjustments as at 31 December 2018 relevant to aforesaid loan realizing specified in paragraph (iv) above that had not so far been accounted had been adjusted to the loan balance. As a result, the foreign debt

balance as at the end of the year had been overstated by Rs.9,570 million relating to 36 foreign loan agreements and understated by Rs.13 million relating to 02 foreign loan agreements.

- (vi) Of the loan obtained by the Department of Pensions from the commercial banks for the payment of pension gratuity from the year 2014, the balance further remained payable as at 31 December 2018 amounted to Rs.65,110 million and that amount had not been recognized as domestic loans in the financial statements and brought to account.
 - (vii) For the payment of arrears of Rs.3,950 million payable to the contractor in respect of the construction of Suriyawewa International Cricket Stadium, the Sri Lanka Ports Authority had obtained a loan from the People's Bank and according to the Cabinet Paper No.17/2660/706/111-1 dated 20 November 2017 and the decision reached thereon, payment of above loan and the relevant interest had been entrusted to then existed Ministry of Finance and Mass Media. Accordingly, while making budget provisions relevant thereto, payment of interest of that loan had been commenced from the year 2018 and payment of loan instalments had been scheduled to be made from the year 2021, after a grace period of 03 years. That amount had not been recognized as domestic loans in the financial statements and brought to account.
- (b) According to the financial statements of the Government, repayment of foreign loans stood at Rs.307,015 million during the year 2018, whereas value of the repayment of foreign loans in the year 2018 had been stated to be Rs.287,060 million in the Note 29 (Statement of Foreign Loan Balances) of the financial statements, thus observing a difference of Rs.19,955 million relating to the repayment of foreign loans between the financial statements and the Notes relevant thereto.

- (c) When comparing the Report 854-1 of the External Resources Department and the Note 29, Statement of Foreign Loan Balances of the financial statements of the Government, a difference of Rs.2,467 million was observed relating to 03 foreign loan agreements as at 31 December 2018.

- (d) According to the financial statements of the Government, the total loan balance of the Government amounted to Rs. 11,467 billion as at 31 December 2018 (inclusive of the advances obtained by the Government from the Central Bank of Sri Lanka as short-term loans). However, the loan balance of the Government totalled Rs. 11,977 billion as at that date in accordance with the information of the Central Bank of Sri Lanka, thus observing a difference of Rs. 510 billion between the information being maintained by the Treasury and the Central Bank of Sri Lanka.

1.6.1.2 On-lending

The following observations are made.

- a) According to the information made available to the Audit, the loans on-lent as at 01 January 2018 totalled Rs. 181,368 million whilst a sum of Rs. 11,866 million had been on-lent during the year. Of that, only a sum of Rs. 25,584 million had been recovered during the year, whereas the balance of the on-lending including the other adjustments totalled Rs. 184,161 as at 31 December 2018 (changes in the foreign exchanges). The following observations are made in this connection.
 - (i.) In order to be dispersed among the Golden Key depositors, a sum totalling Rs. 7,489 million had been granted to the Ministry of National Policies and Economic Affairs comprising sums of Rs. 4,989 million and Rs. 2,500 million given in the years 2015 and 2016, and 2017 respectively, under the Object, No. 2302. On-lending agreements had not been entered into, nor had been brought into accounts as on-lending in that connection. As such, the on-lending balance shown in the financial statements had been understated by a sum of Rs. 7,489 million.

- (ii.) When the loan balances with respect to 18 on-lending agreements shown in the financial statements as at 31 December 2018, had been compared with the direct confirmation of balances, the on-lending balances had been overstated by a sum of Rs. 64 million whilst being understated by a sum of Rs. 93 million in the financial statements.

1.6.1.3 Capital Contribution of the Enterprises Owned by the Government

According to the financial statements made available to the Audit, the value of investments made by the Government in miscellaneous Government-owned enterprises totalled Rs. 587,321 million. However, as per the audit test check carried out in that connection, it was observed that the value of investment shown in the financial statements had been overstated by a sum of Rs. 1,625.3 million whilst being understated by a sum of Rs. 30,430.6 million in the accounts.

1.6.1.4 Contingent Liabilities and Commitments

The following observations are made.

- a) In order to settle the loans obtained by the Road Development Authority from local institutions under guarantees of the Treasury, a sum equivalent to the said loans and the interest thereon is provided annually for the Road Development Authority by the Treasury through the Object, No. 117-02-04-51-2506 of the Ministry of Higher Education and Highways. Those funds, having been recognized as a separate source of income, had been accounted in the annual financial statements of the Road Development Authority. An amount of Rs.180,121.60 million obtained under 94 Loan Agreements as at 31 December 2018 out of the domestic debts obtained from local Commercial Banks and Specialized banks by the Authority and a balance of USD 35.45 million (Rs.6,478.48 million) obtained under one loan agreement had been stated under contingent liabilities and liabilities in the Financial Statements.

Accordingly, the afore-mentioned loan balance of Rs. 186,600.08 million obtained from the local banks and the full responsibility of Loan Servicing of the amount would be held by the General Treasury had not been identified as a liability in the financial statements. Likely, it had not been applied even in the computation of the annual liability limit.

- (b) According to the budget proposals 2015, 15 per cent of annual interest was being paid for fixed deposits of one million rupees or less than that maintained by the senior citizens in licensed commercial banks or licensed specialized banks and 15 per cent for fixed deposits of Rs. 1.5 million or less than that is being paid since the year 2017. The General Treasury should reimburse the amount related to the difference between this interest rate and the normal interest rate to the relevant banks. However, the interest subsidy that should be paid to 07 State banks and 22 private banks as at 31 December 2018 had become Rs. 33,198.08 million. The Liability had not been revealed in the Financial Statements and it had not been revealed in the financial statements of the relevant institution too.
- (c) Even though a value of Rs. 3,224 million for which the recommendation had been granted by a Committee appointed as per the decision of the Cabinet of Ministers dated 01 February 2016 for the settlement of arrears of contractual liabilities from the year 2011 up to the end of the year 2014 to the Provincial Road Development Authority (Western Province) had been included as receivables from the General Treasury in the Annual Financial Statements of the Authority, the value had not been stated under liabilities in the financial statements of the Government.

1.6.1.5 Suspense Account

Action had not been taken to write off the loss of Rs.400 million incurred in the sale of 82 motor vehicles purchased for the Commonwealth Heads of Government Meeting from the books even by 31 December 2018 and the reasons for that had not been revealed in the Audit. Likely, this value prevails from more than 04 years had been further included in the Suspense Account in the financial statements.

1.6.1.6 Unsettled Balances

Debit balances of Rs. 1,188.1 million in relation to 08 accounts maintained as dormant accounts for a longer period in the Financial Statements of the Republic in the year 2018 and Credit balances of Rs. 2,960 million related to 06 accounts had been continuously included in the Statement of Financial Position without settling the amount.

1.6.1.7 Foreign Grants

The following observations are made.

- (a) In terms of the State Accounts Circular No.30/94 of 20 April 1994 relating to the accounting of foreign aid, it had been mentioned that all transactions relating to foreign aid should be carried out by the Director General of the Department of External Resources coming under the General Treasury. However, according to the information obtained on a sample test, foreign grants amounting to Rs.341 million had been directly obtained by 05 relevant institutions during the year under review without notifying the General Treasury. The information on the said grants had not been included in the reports of the General Treasury and it was observed that an adequate methodology for confirming that whether such foreign aid had been received to other Ministries/Departments, is not available with the General Treasury.
- (b) Out of the money received as foreign grants to various Ministries and Departments during the year 2018, budgetary provisions totalling Rs.4,097 million had been made under each Object for the performance of relevant functions. However, only a sum of Rs.2,183 million representing 53.3 per cent of the total provisions had been utilized for relevant functions during the year. Moreover, despite having budgetary provisions amounting to Rs.1,914 million made during the year under review for foreign funded projects, a sum of Rs.1,322 million had been retained in General Deposit Accounts without utilizing for relevant purposes and accounting as foreign grants.

1.6.1.8 Non-financial Assets

According to the financial statements of the Government, the value of non-financial assets as at 31 December 2018 had been Rs.1,087,398 million. The following matters were observed in the comparison of non-financial assets remained as at 31 December 2018, included in the Note 16 of Financial Statements with the balance of non-financial assets remained as at 31 December 2018, included in the “statement of non-financial assets” of the Format A.C.A - 6 of the Annual Financial Statements -2018 in 93 institutions selected on sample basis.

(a) **Non-financial Assets not accounted in the Financial Statements of the Government**

The accounting of non-financial assets in the financial statements of the Government had been carried out through the “New Cigas System” and there were 42 institutions with balances of assets not included in the said System as at 31 December 2018. The balance of non-financial assets totalling Rs.19,664 million, indicated in the financial statements of 27 of the above institutions selected on sample basis, had not been brought to account in the financial statements of the Government.

(b) According to the Note 16 of the financial Statements of the Government as at 31 December 2018, the value of non-financial assets of 15 institutions selected on sample basis, had been Rs.15,655 million. However, the said balance had only been Rs.2,875 million in the financial statements (according to the Format A.C.A – 6) certified by the Chief Accounting Officers of the relevant institutions. As such, it was observed that the value of non-financial assets had been overstated by Rs.12,780 million in the financial statements of the Government as at 31 December 2018.

Category of Assets	Assets	Balance as at 31/12/2018 according to the Financial Statements of the Government	Balance as at 31/12/2018 according to the Format A.C.A-6	Overstatement in Accounts in the Financial Statements of the Government
		Rs. Millions	Rs. Millions	Rs. Millions
9152	Machinery and Equipment	3,890	2,875	1,015
9153	Lands	7,481	-	7,481
9160	Work-in-progress	4,284	-	4,284
	Total	15,655	2,875	12,780

- (c) The value of non-financial assets of 19 institutions selected on sample basis according to Note 16 of the financial statements of the Government as at 31 December 2018, amounted to Rs.189,587 million. However, the said balance had been indicated as only Rs.267,177 million in the financial statements (according to Format A.C.A - 6) certified by the Chief Accounting Officers of the relevant institutions. As such, it was observed that the value of non-financial assets in the financial statements of the Government as at 31 December 2018 had been understated by Rs.77,590 million as follows.

Category of Assets	Assets	Balance as at 31/12/2018 according to the financial statements of the Government	Balance as at 31/12/2018 according to Format A.C.A - 6	Understatement in the financial statements of the Government
		Rs. Millions	Rs. Millions	Rs. Millions
9151	Building and Constructions	151,665	161,828	10,163
9152	Machinery and Equipment	35,325	101,111	65,786
9153	Lands	2,582	3,639	1,057
9160	Work-in-progress	15	599	584
	Total	189,587	267,177	77,590

2. Financial Review

2.1 Non-compliance with Laws, Rules Regulations etc.

Non-compliances with the following laws, rules, regulations etc. were observed.

- (a) In terms of Article 151 of the Democratic Socialist Republic of Sri Lanka, Parliament may by law create a Contingencies Fund for the purpose of providing for urgent and unforeseen expenditure and the Minister in charge of the subject of Finance may authorize provision to be made therefor by an advance from the Contingencies Fund. Moreover, as soon as possible after every such advance, a Supplementary Estimate

shall be presented to Parliament for the purpose of replacing the amount so advanced. However, a sum of Rs.50 million had been granted from the Contingencies Fund on 27 April 2018 to the Ministry of Youth Affairs, Project Management and Southern Development for incurring of expenditure until making provisions by a Supplementary Estimate through the Contingencies Fund Licence No.BD/CBP/4/1/11 dated 11 April 2018. Moreover, action had not been taken even by 31 May 2019 for settling the advances obtained from the Contingencies Fund by submitting such a Supplementary Estimate.

Therefore, the balance of Contingencies Fund of the statement of changes in equity included in the financial statements for the year ended 31 December 2018 should be Rs.500 million, whereas a balance of Rs.450 million only had been indicated therein.

- (b) It is specified in Paragraph 3 (a) of the Fiscal Management (Responsibility) Act, No.3 of 2003 that the reduction of Government debt to prudent levels, by ensuring that the budget deficit at the end of the year 2006, shall not exceed five per cent of the estimated Gross Domestic Product for the year and to ensure that such levels be maintained thereafter, is an objective with responsibility that forms the basis to the financial management which is required to be followed by the Government.

Nevertheless, the Ministry of Finance had failed to maintain the budget deficit in the preceding year and the year under review in a manner not to exceed five per centum of the estimated Gross Domestic Product related to those years. Accordingly, those percentages stood at 7.38 per cent and 5.62 per cent in the year under review relating to the estimated budget deficit and the actual budget deficit respectively. Details appear below.



Year	Estimated Gross Domestic Product	Budget Deficit		Estimated Budget Deficit as a Percentage of the Estimated Gross Domestic Product	Actual Budget Deficit as a Percentage of the Estimated Gross Domestic Product
		Estimated	Actual		
	Rs.Billions	Rs.Billions	Rs.Billions		
2017	13,500	828	758	6.13	5.61
2018	14,200	1,049	799	7.38	5.62

(c) In terms of Fiscal Management (Responsibility) Act, No.3 of 2003 as amended by the Fiscal Management (Responsibility) Amendment Act, No.15 of 2013, the maximum value of liabilities at the end of a certain year shall not exceed 80 per cent of the estimated Gross Domestic Product of that year. Even though the records of the Ministry of Finance demonstrate that the Ministry had complied with the above limit, when taking into consideration the liabilities relevant to various public enterprises which had been brought to account outside the statement of financial position, the relevant limit had been exceeded. Details appear below.

Liability	Value of Liability as at 31 December 2018
	Rs.Billions
Bank Overdraft	149
Central Bank Advances	199
Public Debt	11,276
Liabilities not accounted in the financial statements.	366
- Foreign loans accounted outside the Balance Sheet.	
- Understating the balance of Treasury Bonds in the accounts	344
- Foreign loans not accounted due to lack of provision	58

- Loans obtained from commercial banks for the payment of pension gratuity	65
- Loans obtained for the payment for construction of the Sooriyawewa International Cricket Stadium	4
Total Liability	----- 12,461*
Gross Domestic Product	=====
Total Liability as a percentage of the Gross Domestic Product	14,200 87.75

* The value of guarantees and letter of comfort amounting to Rs.829 billion granted to the banks in respect of the loans obtained by the public enterprises upon the guarantees of the General Treasury and also the values totalling Rs.213 billion (according to the reports of the Department of State Accounts) included in the statements of liabilities in the annual financial statements of Ministries, Departments and Special Expenditure Units were not included in the above liabilities.

Sgd. W.P.C. Wickramaratne
 Auditor General.

Sgd./W.P.C. Wickramaratne
 Auditor General

Statistical Appendix



Table 1 | Sri Lanka: Demographic and Related Trends

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Mid Year Population	'000	19,644	19,858	20,039	20,217	20,450	20,653	20,869	20,328	20,483	20,771	20,966	21,203	21,444	21,670
Mid- Year Population by Age Group															
0-14 Years	'000	5,163	5,220	5,266	5,315	5,378	5,431	5,488	5,132	5,171	5,235	5,288	5,348	5,411	5,470
15- 64 Years		13,243	13,386	13,509	13,625	13,784	13,921	14,065	13,604	13,707	13,901	14,030	14,187	14,349	14,499
65 Years and Over		1,238	1,252	1,264	1,277	1,288	1,301	1,316	1,592	1,605	1,635	1,648	1,668	1,684	1,701
Growth of Population	%	1.1	1.1	1.1	1.1	1.1	1.0	1.0	0.9	0.8	0.9	0.9	1.1	1.1	1.1(g)
Density of Population	Persons per sq.km	314	317	319	332	326	329	333	324	327	331	334	338	342	346
Life Expectancy at Birth															
Male	Years	-	69.9	-	-	-	-	70.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Female		-	78.7	-	-	-	-	79.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Birth Rate	Per '000	18.9	18.8	19.3	18.8	18.4	17.6	17.4	17.5	17.9	16.9	16.0	15.6	15.2	15.1
Crude Death Rate	Per '000	6.7	5.9	5.9	5.9	5.9	6.2	5.9	6.0	6.2	6.2	6.3	6.2	6.5	6.4
Infant Mortality Rate (IMR)	Per '000 Live Births	11.2	10.0	8.5	8.5	9.7	-	-	n.a.	8.2	n.a.	n.a.	n.a.	8.5	8.5
Maternal Mortality Rate (MMR)	Per 100,000 Live Births	11.9	14.2	-	-	22.3	22.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Migration Rate	Per '000	(1.5)	(1.5)	(1.8)	(2.2)	(1.4)	(1.1)	(2.2)	(2.6)	(2.3)	(2.0)	0.7	2.1	2.3	0.8
Dependency Ratio	%	48.33	48.35	48.34	48.38	48.36	48.36	48.38	49.40	52.90	49.40	49.10	49.40	49.40	49.40
Dependency Ratio - 65 years and Over	%	9.35	9.35	9.36	9.37	9.34	9.35	9.36	11.70	14.10	11.80	11.50	11.76	11.74	11.73
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	93.20	93.10	92.60	92.6
Computer Literacy Rate (c)	% of Population	-	-	16.1	-	-	20.3	35.0	37.0	40.0	24.9	27.1(f)	27.6(f)	28.6(f)	27.5(f)
Average Daily Calorie Intake	Kilocalories	-	-	2,118	-	-	-	2,094	-	2,111	-	-	-	2095(d)	2095(d)

Source: Department of Census and Statistics, Department of Immigration and Emigration and Ministry of Education

(a) Provisional

(b) Population 10 years & over

(c) Computer Literacy Survey 2006/07, 2009, 2014 & 2017

(d) Household Income and Expenditure Survey in 2016

(e) Based on Census of Population and Housing 2012, Department of Census and Statistics

(f) First 6 months of 2015, 2016, 2017 & 2018

(g) As reported by Registrar General's Department

Table 2 | Climate

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Annual Rainfall (Average) Total	mm	1,607	1,921	1,640	2,020	1,711	1,992	2,027	1,776	1,687	2,375	2,387	1,351	1,757	1,944
Highest Rainfall															
Cities with Highest Rainfall	mm														
Anuradhapura		81.0	90.3	109.2	127.1	89.3	98.6	114.4	130.8	145.4	162.5	121.6	192.5	122.4	92.1
Badulla		60.6	108.4	65.7	69.8	72.6	90.9	131.6	102.9	108.6	195.9	79.4	73.8	78.8	69.7
Batticaloa		75.5	90.2	95.9	114.1	241.7	145.5	312.2	127.5	229.2	147.8	182.9	210.6	97.4	145.9
Colombo		270.1	163.9	131.6	111.0	207.0	440.2	81.9	114.6	134.3	102.8	114.4	256.9	95.2	125.9
Hambantota		67.6	91.8	139.9	56.0	62.6	82.9	100.6	176.5	104.8	112.0	92.2	104.0	75.4	60.3
Kandy		90.8	91.0	87.0	79.4	93.0	115.6	137.3	181.2	94.8	139.6	80.4	133.5	64.5	74.9
Kurunegala		97.1	162.0	97.0	186.3	123.2	135.4	144.4	315.5	139.6	162.6	97.9	156.4	85.2	104.8
Nuwara Eliya		73.2	76.8	77.6	48.7	62.8	68.2	94.1	109.5	73.2	77.1	120.0	78.7	73.6	65.2
Ratnapura		113.3	115.4	146.6	186.1	126.2	139.9	166.9	99.1	114.9	178.1	82.7	136.0	348.5	181.3
Vavuniya		77.3	81.3	156.5	104.7	104.7	163.9	123.2	225.7	81.8	205.2	136.5	202.5	93.6	88.6
Annual Average Minimum Temperature	°C														
Low Country		24.8	24.7	24.4	24.3	24.7	24.9	24.7	24.2	24.3	23.4	24.3	24.7	24.4	24.1
Hill Country		17.4	17.2	17.2	17.0	16.9	17.5	17.1	16.8	17.1	17.1	16.9	17.2	18.2	16.9
Annual Average Maximum Temperature	°C														
Low Country		31.5	31.2	31.2	31.1	31.4	31.4	31.1	32.1	31.7	31.9	32.0	32.6	32.1	31.8
Hill Country		26.6	26.2	26.0	25.8	26.1	25.9	26.0	26.1	25.3	25.7	25.9	26.5	27.3	25.8

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.)	Per Capita GDP at Current Market Price	Real GDP Growth (%)	Share of GDP (at Current Factor Cost Prices) (%)	GDP Deflator (%)	Annual Average Price Change of CCPI (%)	Annual Average Price Change of NCP (%)	End Year	Annual Average	Indian Rs	US\$	Yen	Euro	Indian Rs
	Rs.	US\$		Agriculture	Industry	Services		US\$	Yen	Euro	US\$	Yen	Euro	Indian Rs
2005	2,452,782	124,709	6.2	11.8	30.2	58.0	10.4	11.0(c)	-	102.12	100.50	0.91	125.09	2.28
2006	2,938,680	147,775	7.7	11.3	30.6	58.0	11.3	10.0(c)	-	107.70	103.96	0.89	130.63	2.30
2007	3,578,688	178,845	6.8	11.7	29.9	58.4	14.0	15.8(c)	-	108.72	110.62	0.94	151.63	2.69
2008	4,410,682	218,167	6.0	13.4	29.4	57.2	16.3	22.6(c)	-	113.14	108.33	1.05	159.31	2.52
2009	4,835,293	236,445	3.5	12.7	29.7	57.6	5.9	3.5(d)	-	114.38	114.94	1.23	160.21	2.40
2010	6,413,668	310,214	8.0	8.5	26.6	54.6	7.3	6.2(d)	-	110.95	113.06	1.30	150.10	2.49
2011	7,219,106	345,925	8.4	8.8	28.0	55.1	3.8	6.8(d)	-	113.90	110.57	1.39	153.86	2.38
2012	8,732,463	427,559	9.1	7.4	30.1	55.6	10.8	7.5(d)	-	127.16	127.60	1.60	164.00	2.39
2013	9,592,125	466,112	3.4	7.7	29.2	56.4	6.2	6.9(d)	-	130.75	129.11	1.32	171.51	2.21
2014	10,361,151	498,828	5.0	8	28.3	56.9	2.9	3.2(d)	-	131.05	130.56	1.24	173.59	2.14
2015	10,950,621	522,304	5.0	8.2	27.2	57.4	0.6	2.2(f)	3.8(f)	144.06	135.94	1.12	150.84	2.12
2016(b)	11,996,083	565,773	4.5	7.4	27.8	56.4	4.8	4.0(f)	4.0(f)	149.80	145.60	1.34	161.16	2.17
2017(b)	13,418,287	625,736	3.4	7.8	27.3	55.7	8.2	6.6(f)	7.7(f)	152.85	152.46	1.36	171.73	2.34
2018(a)	14,449,931	666,817	3.2	7.9	27.0	56.8	4.3	4.3(f)	2.1(f)	182.75	162.54	1.47	191.71	2.37

Source : Department of Census and Statistics

(a) Provisional

(b) Revised

(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

(g) Revised

Table 4 | Gross Domestic Product -Sectoral Composition (2010) Constant Prices

		Rs. million										
	Sector	2010	2011	2012	2013	2014	2015	2016 (b)	2017 (b)	2018 (a)		
	Agriculture, Forestry and Fishing	544,914	569,954	592,445	611,676	639,696	669,725	644,655	642,366	672,923		
1	Growing of Cereals (except rice)	10,548	10,593	12,521	14,307	13,969	14,984	13,158	11,503	11,822		
2	Growing of Rice	60,086	70,205	62,289	65,607	61,019	76,293	52,388	48,647	65,144		
3	Growing of Vegetables	47,704	52,349	51,244	54,153	55,244	56,730	58,349	55,240	56,694		
4	Growing of Sugar Cane, Tobacco and Other Non-perennial Crops	2,442	2,142	2,254	2,441	2,287	1,882	2,347	2,044	1,818		
5	Growing of Fruits	36,610	37,791	38,248	37,385	40,888	48,038	46,512	49,960	55,578		
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	60,231	57,110	62,201	53,424	64,158	67,514	66,971	53,773	57,161		
7	Growing of Tea (Green Leaves)	72,208	71,769	72,100	74,734	73,936	72,051	63,972	66,876	66,308		
8	Growing of Other Beverage Crops (Coffee, Cocoa etc.,)	1,295	1,287	1,319	1,321	1,538	1,259	1,354	1,268	1,592		
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	28,468	28,147	44,426	50,833	57,505	60,797	62,931	63,199	66,574		
10	Growing of Rubber	44,411	45,956	44,249	37,987	28,688	25,783	23,028	24,165	24,013		
11	Growing of Other Perennial Crops	14,496	14,666	15,167	14,344	15,402	16,839	16,484	16,717	15,892		
12	Animal Production	27,230	26,359	29,511	36,599	47,950	51,857	55,631	58,726	61,475		
13	Plant Propagation and Support Activities to Agriculture	8,533	8,436	9,105	9,183	9,767	10,421	10,210	9,459	9,624		
14	Forestry and Logging	43,339	42,505	38,188	43,044	47,451	48,362	52,485	62,545	61,984		
15	Marine Fishing and Marine Aquaculture	77,579	89,575	97,063	103,879	105,822	104,413	105,100	103,037	100,958		
16	Fresh Water Fishing and Fresh Water Aquaculture	9,737	11,065	12,560	12,435	14,072	12,503	13,735	15,208	16,286		
	Industries	1,708,867	1,866,947	2,035,600	2,119,080	2,218,711	2,267,725	2,396,833	2,495,721	2,518,964		
17	Mining and Quarrying	124,926	148,100	184,468	198,447	201,613	191,145	217,577	237,381	225,321		
18	Manufacture of Food, Beverages and Tobacco Products	433,769	487,943	507,121	507,127	513,960	528,821	529,786	525,211	554,127		
19	Manufacture of Textile, Wearing Apparel and Leather Related products	264,905	238,254	244,496	264,527	276,800	282,719	289,001	300,122	310,948		
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	26,318	31,521	23,472	25,258	23,139	27,320	32,855	32,617	32,834		
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	26,094	27,605	24,738	24,925	24,968	27,728	30,283	31,839	30,519		
22	Manufacture of Coke and Refined Petroleum Products	22,281	35,457	28,858	27,514	28,723	29,075	31,245	29,743	27,312		
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	69,450	67,644	75,582	81,982	82,243	83,179	90,095	92,758	90,941		
24	Manufacture of Rubber and Plastic Products	63,257	75,656	83,307	82,187	71,909	76,144	77,055	85,730	87,754		
25	Manufacture of Other Non-metallic Mineral Products	79,267	86,204	87,090	81,037	78,671	75,191	69,660	78,782	84,035		
26	Manufacture of Basic Metals and Fabricated Metal Products	31,665	26,295	24,591	26,589	24,882	28,953	38,577	43,430	46,512		
27	Manufacture of Machinery and Equipment	35,909	33,650	30,849	30,845	32,064	38,848	46,610	50,971	50,271		
28	Manufacture of Furniture	56,402	53,352	63,922	67,488	82,748	94,489	96,303	99,889	97,564		

Table 4 | Gross Domestic Product - Sectoral Composition (2010) Constant Prices Contd.....

Sector	2010	2011	2012	2013	2014	2015	2016 (b)	2017 (b)	2018 (a)
29 Other Manufacturing and Repair and Installation of Machinery and Equipment	48,660	34,555	41,962	44,443	55,993	68,509	70,923	77,291	78,836
30 Electricity, Gas, Steam and Air Conditioning Supply	68,491	73,927	75,262	76,789	80,298	85,202	92,356	94,796	98,693
31 Water Collection, Treatment and Supply	9,381	9,846	10,554	10,975	11,504	12,023	12,972	13,569	14,113
32 Sewerage, Waste, Treatment and Disposal Activities	11,712	12,141	14,572	15,511	17,355	21,681	25,539	27,567	29,497
33 Construction	336,381	424,798	514,757	553,438	611,842	596,697	645,994	674,025	659,687
Services	3,504,323	3,817,155	4,245,462	4,405,644	4,618,501	4,894,717	5,127,616	5,311,107	5,560,849
34 Wholesale and Retail Trade	705,778	788,048	848,686	859,977	884,094	933,216	957,088	993,471	1,042,926
35 Transport of Goods and Passenger including Warehousing	662,153	745,891	805,391	849,539	885,506	931,529	982,703	1,013,792	1,042,173
36 Postal Courier Activities	4,066	4,068	4,441	4,364	4,056	4,052	4,260	4,425	4,482
37 Accommodation, Food and Beverage Service Activities	87,693	105,372	134,160	126,392	131,481	134,017	139,443	146,431	154,475
38 Programming and Broadcasting Activities and Audio Video Productions	2,526	2,178	2,252	2,422	2,513	2,624	2,831	2,804	2,609
39 Telecommunication	22,931	24,420	26,450	27,395	30,986	34,146	36,984	41,502	45,386
40 IT Programming Consultancy and Related Activities	6,194	7,216	7,972	9,693	10,579	12,148	13,015	13,564	15,026
41 Financial Service Activities and Auxiliary Financial Services	274,933	314,678	364,688	386,009	420,223	493,785	554,564	606,459	677,989
42 Insurance, Reinsurance and Pension Funding	67,830	67,596	69,026	70,854	74,978	82,013	92,172	94,088	103,489
43 Real Estate Activities, Including Ownership of Dwelling	307,112	328,076	369,719	417,024	444,049	489,352	520,085	544,727	565,303
44 Professional Services	112,062	127,358	155,741	161,963	166,486	154,266	152,229	158,754	165,247
45 Public Administration and Defence; Compulsory Social Security	383,823	367,093	385,615	382,470	402,206	430,105	452,586	430,671	427,978
46 Education	138,553	136,172	167,107	157,477	173,751	159,875	171,830	172,697	178,483
47 Human Health Activities, Residential Care and Social Work Activities	136,574	155,994	173,898	146,551	147,962	160,056	162,405	174,150	177,940
48 Other Personal Service Activities	592,095	642,995	730,316	803,514	839,633	873,534	885,421	913,573	957,342
Gross Value Added (GVA), at basic prices	5,758,104	6,254,056	6,873,506	7,136,401	7,476,908	7,832,167	8,169,103	8,449,194	8,752,736
(+) Taxes less Subsidies on Products	655,564	698,664	715,011	709,801	758,522	815,667	866,727	895,646	891,992
Gross Domestic Product (GDP), at market prices	6,413,668	6,952,720	7,588,517	7,846,202	8,235,429	8,647,833	9,035,830	9,344,839	9,644,728

Source: Department of Census and Statistics

(a) Provisional

(b) Revised

Table 5 | Savings, Investments and Selected External Sector Indicators

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 (d)	2017 (d)	2018 (a)
Investment (b)	Rs. Mn	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	3,414,556	3,341,171	3,867,947	4,130,406
Savings (b)(c)	Rs. Mn	583,473	656,301	834,928	784,278	1,148,305	1,825,232	1,897,484	2,908,642	2,865,365	3,088,201	3,157,031	3,087,012	3,516,606	3,676,098
Savings - Investment Gap (b)	Rs. Mn	(74,546)	(165,939)	(165,392)	(430,970)	(33,144)	(121,475)	(511,089)	(501,869)	(323,961)	(259,437)	(257,526)	(254,159)	(351,341)	(454,308)
Investment (b)	% of GDP	26.8	28.0	28.0	27.6	24.4	30.4	33.4	39.1	33.2	32.3	31.2	27.9	28.8	28.6
Savings (b)(c)	% of GDP	23.8	22.3	23.3	17.8	23.7	28.5	26.3	33.3	29.9	29.8	28.8	25.7	26.2	25.4
Savings - Investment Gap (b)	% of GDP	(3.0)	(5.6)	(4.6)	(9.8)	(0.7)	(1.9)	(7.1)	(5.7)	(3.4)	(2.5)	(2.4)	(2.1)	(2.6)	-3.1
Exports of Goods	US\$ Mn.	6,347	6,883	7,640	8,111	7,085	8,626	10,559	9,774	10,394	11,130	10,546	10,310	11,360	11,890
Imports of Goods	US\$ Mn.	8,863	10,253	11,297	14,091	10,207	13,451	20,269	19,190	18,003	19,417	18,935	19,183	20,980	22,233
Trade Balance	US\$ Mn.	(2,518)	(3,368)	(3,657)	(5,981)	(3,122)	(4,825)	(9,710)	(9,417)	(7,609)	(8,287)	(8,388)	(8,873)	(9,620)	(10,343)
% of GDP (b)	(10.3)	(11.9)	(11.3)	(14.7)	(7.4)	(8.5)	(14.9)	(13.8)	(10.2)	(10.4)	(10.4)	(10.4)	(10.8)	(10.9)	(11.6)
Exports of Goods & Services	US\$ Mn.	7,892	8,517	9,419	10,114	8,972	11,092	13,644	13,562	15,079	16,735	16,943	17,448	19,084	20,264
Imports of Goods & Services	US\$ Mn.	10,072	11,627	12,776	15,687	11,704	15,210	22,256	21,678	21,508	23,142	23,006	23,442	25,401	26,841
Exports and Imports of Goods & Services	US\$ Mn.	17,964	20,144	22,195	25,801	20,676	26,301	35,899	35,239	36,587	39,877	39,949	40,890	44,485	47,105
Foreign Remittances	US\$ Mn.	1,918	2,161	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242	7,164	7,015
Earnings from Tourism	US\$ Mn.	429	410	385	342	350	576	830	1,039	1,715	2,431	2,981	3,518	3,925	4,381
Earnings from Computer and Information Services	US\$ Mn.	82	98	110	230	245	265	355	564	604	628	677	724	786	848
Current Account Balance	US\$ Mn.	(650)	(1,499)	(1,402)	(3,886)	(214)	(1,075)	(4,615)	(3,982)	(2,541)	(1,988)	(1,883)	(1,742)	(2,309)	(2,814)
% of GDP (b)	(2.7)	(5.3)	(4.3)	(9.5)	(0.5)	(0.5)	(1.9)	(7.1)	(5.8)	(3.4)	(2.5)	(2.3)	(2.1)	(2.6)	(3.2)
Foreign Direct Investments including loans	US\$ Mn.	272	604	734	889	601	516	1,066	1,382	1,438	1,635	1,160	1,078	1,839	2,068
Inflows	US\$ Mn.	272	480	603	752	404	478	956	941	933	894	680	897	1,373	1,611
Outflows	US\$ Mn.	38	29	55	62	20	43	60	64	65	67	53	237	72	68
Loans & Other	US\$ Mn.	38	153	186	198	217	81	170	505	571	808	533	418	538	525
Portfolio Investments	US\$ Mn.	60	51	101	60	(6)	(230)	(171)	2,126	2,068	2,065	686	993	1,771	129
Inflows	US\$ Mn.	276	355	423	548	375	819	452	2,116	2,068	2,065	686	993	1,771	129
Outflows	US\$ Mn.	215	304	322	488	381	1,049	623	(10.0)	-	(0.2)	...	...	...	...
Total Reserves	US\$ Mn.	4,201	4,005	4,956	3,640	7,030	8,621	7,991	8,586	8,574	9,884	9,337	8,433	10,436	9,583
Gross Official Reserves	US\$ Mn.	2,735	2,837	3,508	2,402	5,357	7,197	6,749	7,106	7,495	8,208	7,304	6,019	7,959	6,919
Total External Debt	US\$ Mn.	11,354	11,981	13,990	15,107	18,662	21,438	32,748	37,098	39,905	42,989	44,839	46,418	51,824	52,310

Source: 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

(d) Revised

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
1. Revenue and Grants	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	1,839,562	1,932,459
1.1 Total Revenue	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	1,831,531	1,919,974
Tax	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	1,670,178	1,712,318
Non-Tax	42,919	49,455	56,104	69,639	80,711	92,532	122,165	142,547	131,552	144,844	99,099	222,372	161,353	207,656
1.2 Grants	32,640	30,068	30,508	31,222	25,922	16,909	15,141	16,071	15,859	9,415	6,014	7,496	8,031	12,485
2. Expenditure and Lending minus Repayments	584,783	713,647	841,604	996,126	1,201,927	1,280,206	1,433,182	1,556,497	1,669,396	1,795,866	2,290,394	2,333,883	2,573,056	2,693,228
2.1 Recurrent	443,350	547,960	622,758	743,710	879,575	937,094	1,024,906	1,131,021	1,205,180	1,322,899	1,701,657	1,757,782	1,927,692	2,089,714
2.2 Capital and Net Lending	141,433	165,687	218,846	252,416	322,352	343,112	408,276	425,476	464,216	472,967	588,737	576,101	645,364	603,514
o/w Public Investment	148,582	177,443	229,273	263,859	330,448	356,519	422,300	443,973	481,204	486,610	602,768	594,012	657,386	624,969
3. Current Account Surplus(+)/ Deficit (-)	(63,603)	(70,127)	(57,707)	(88,450)	(179,931)	(119,815)	(57,043)	(79,560)	(67,733)	(127,693)	(246,779)	(71,721)	(96,161)	(169,740)
4. Budget Deficit	(172,396)	(205,745)	(246,045)	(309,644)	(476,360)	(446,017)	(450,180)	(488,964)	(516,090)	(591,244)	(829,502)	(640,326)	(733,494)	(760,769)
5. Financing of Budget Deficit	172,396	205,745	246,045	309,644	476,361	446,017	450,180	488,964	516,090	591,244	829,502	640,326	733,494	760,769
5.1. Total Foreign Financing (Net)	47,773	41,941	100,907	(4,645)	230,807	243,788	218,956	286,455	123,700	212,523	236,803	391,913	439,243	323,535
Gross Borrowings	69,133	87,930	165,022	116,964	345,523	321,972	317,745	486,824	327,693	395,632	521,096	561,020	663,852	632,505
Repayments	(21,360)	(45,989)	(64,115)	(121,609)	(114,716)	(78,184)	(98,789)	(200,369)	(203,993)	(183,109)	(284,293)	(169,107)	(224,609)	(308,970)
5.2. Total Domestic Financing (Net)	124,624	163,805	145,137	314,289	245,554	202,229	231,223	202,511	392,390	378,721	592,698	248,411	294,251	437,234
Non-Bank Financing (Net)	93,109	83,797	111,308	114,437	185,247	193,891	44,171	70,984	82,413	265,155	300,857	108,456	61,841	219,885
Gross Borrowings	296,456	331,333	363,473	373,157	586,543	583,563	484,065	486,425	578,455	714,709	824,681	680,898	704,716	1,147,276
Repayments	(203,347)	(247,536)	(252,165)	(258,720)	(401,296)	(389,672)	(439,894)	(415,441)	(496,042)	(449,554)	(523,824)	(572,442)	(642,875)	(927,392)
Bank Financing (Net)	26,195	80,008	15,769	195,233	49,027	(1,892)	191,850	131,527	296,977	126,929	291,841	139,955	187,733	109,466
Other Borrowings (Net) (b)	5,320	-	18,060	4,619	11,280	10,230	(4,798)	-	13,000	(13,363)	-	-	44,677	107,883

Source: 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

(a) Provisional

(b) Includes domestic grants, divestiture proceeds and other non market borrowings

Table 7 | Economic Classification of Government Fiscal Operations

Item	As a percentage of GDP													
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
1. Revenue and Grants	16.8	17.3	16.6	15.6	15.0	13.0	13.6	12.2	12.0	11.6	13.3	14.2	13.7	13.4
1.1 Total Revenue	15.5	16.3	15.8	14.9	14.5	12.7	13.4	12.0	11.9	11.5	13.3	14.2	13.6	13.3
Tax	13.7	14.6	14.2	13.3	12.8	11.3	11.7	10.4	10.5	10.1	12.4	12.3	12.4	11.9
Non-Tax	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	1.4
1.2 Grants	1.3	1.0	0.9	0.7	0.5	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
2. Expenditure and Lending minus Repayments	23.8	24.3	23.5	22.6	24.9	20.0	19.9	17.8	17.4	17.3	20.9	19.6	19.2	18.6
2.1 Recurrent	18.1	18.6	17.4	16.9	18.2	14.6	14.2	13.0	12.6	12.8	15.5	14.8	14.4	14.5
2.2 Capital and Lending minus Repayment o/w Public Investment	5.8	5.6	6.1	5.7	6.7	5.3	5.7	4.9	4.8	4.6	5.4	4.8	4.8	4.2
	6.1	6.0	6.4	6.0	6.8	5.6	5.8	5.1	5.0	4.7	5.5	5.0	4.9	4.3
3. Current Account Surplus(+)/ deficit (-)	(2.6)	(2.4)	(1.6)	(2.0)	(3.7)	(1.9)	(0.8)	(0.9)	(0.7)	(1.2)	(2.3)	(0.6)	(0.7)	(1.2)
4. Budget Deficit	(7.0)	(7.0)	(6.9)	(7.0)	(9.9)	(7.0)	(6.2)	(5.6)	(5.4)	(5.7)	(7.6)	(5.4)	(5.5)	(5.3)
5. Financing of Budget Deficit	7.0	7.0	6.9	7.0	9.9	7.0	6.2	5.6	5.4	5.7	7.6	5.4	5.5	5.3
5.1. Total Foreign Financing (Net)	1.9	1.4	1.8	0.3	1.7	3.0	2.7	2.4	0.9	2.1	2.2	3.3	3.3	2.2
Gross Borrowings	2.8	3.0	3.6	1.5	4.0	5.0	4.4	5.6	3.4	3.8	4.8	4.7	4.9	4.4
Repayments	(0.9)	(1.6)	(1.8)	(1.2)	(2.3)	(1.2)	(1.4)	(2.3)	(1.9)	(1.8)	(2.6)	(1.4)	(1.7)	(2.1)
5.2. Total Domestic Financing (Net)	5.0	5.6	5.1	6.7	8.1	3.2	3.2	3.0	5.9	3.7	5.4	2.1	2.2	3.0
Non-Bank Financing (Net)	3.8	2.9	3.1	2.6	3.8	3.0	0.6	2.2	2.7	2.6	2.7	0.9	0.5	1.5
Gross Borrowings	12.1	11.3	10.2	8.5	12.1	9.1	6.7	5.6	6.0	6.9	7.5	5.7	5.3	7.9
Repayments	(8.3)	(8.4)	(7.0)	(5.9)	(8.3)	(7.0)	(6.1)	(4.8)	(5.2)	(4.3)	(4.8)	(4.8)	(4.8)	(6.4)
Bank Financing (Net)	1.1	2.7	0.4	4.4	1.0	-0.0	2.7	0.7	3.1	1.2	2.7	1.2	1.4	0.8
Other Borrowings (Net)	0.2	-	0.5	0.1	0.2	0.2	(0.1)	-	0.1	(0.1)	-	-	0.3	0.7

Source: 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

(a) Provisional

Note: Rebased 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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
1. Tax Revenue	336,828	428,378	508,947	585,621	618,933	724,748	845,697	908,915	1,005,895	1,050,362	1,355,779	1,463,689	1,670,178	1,712,318
Income Tax	52,535	79,693	107,169	126,541	139,558	135,624	157,310	172,594	205,666	198,115	262,583	258,857	274,562	310,450
Personal and Corporate Income Tax	32,139	50,175	59,659	68,235	72,162	78,914	97,814	98,124	121,136	122,343	193,531	182,493	176,508	211,057
Corporate & Non Corporate	26,478	42,710	48,409	53,901	57,716	62,646	83,016	83,360	102,578	100,046	167,325	154,324	143,588	169,672
Pay-As-You-Earn (PAVE)	5,661	7,465	11,250	14,334	14,446	16,268	14,798	14,764	18,558	22,297	26,206	28,169	32,920	41,385
Economic Service Charge (ESC)	8,067	8,853	12,203	14,476	14,207	18,048	21,335	14,864	6,596	6,155	6,148	20,458	44,720	52,979
Tax on Interest Income	12,329	20,665	35,307	43,830	53,188	38,662	38,160	59,606	77,934	69,617	62,904	55,906	53,334	46,414
Value Added Tax (VAT) (b)	138,660	164,555	187,452	203,646	171,510	219,990	225,858	229,604	250,757	275,350	219,700	283,470	443,739	461,650
Domestic (Net)	65,300	71,877	85,490	102,815	103,891	120,412	104,897	109,370	124,440	140,084	130,527	168,134	275,346	282,487
Services	45,951	49,613	62,920	79,116	75,652	88,694	71,447	69,680	80,716	93,630	87,242	132,721	199,500	202,339
Manufacturing	19,349	22,265	22,570	23,699	28,239	31,718	33,450	39,828	43,724	46,454	43,285	35,413	75,846	80,148
Import (net)	73,360	92,678	101,962	100,831	67,619	99,578	120,961	120,234	126,317	135,266	89,173	115,336	168,393	179,163
National Security Levy (NSL) (b)	35	-	-	-	-	-	-	-	-	-	-	-	-	-
Excise Tax	76,978	93,529	96,675	100,971	97,604	129,864	204,822	223,960	250,700	256,690	497,623	454,952	469,500	484,242
Liquor	16,285	20,661	23,723	27,434	28,525	36,654	55,286	60,086	66,008	69,100	105,234	120,238	113,684	113,944
Cigarettes/Tobacco	26,992	30,067	31,437	37,288	37,602	40,675	49,623	53,563	58,567	57,240	80,015	88,792	86,002	92,198
Petroleum	17,041	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719	73,983	66,318
Motor Vehicles	14,220	21,671	17,415	11,067	3,192	21,199	71,646	78,509	96,478	98,531	263,470	186,499	189,740	204,081
Other	2,440	2,896	4,976	6,205	5,268	3,298	5,798	3,336	2,516	3,087	3,812	3,704	6,091	7,701
Stamp Duties (c)	9	1,516	4,026	3,751	3,328	4,439	-	-	-	-	-	-	-	-
Ports & Airports Development Levy (PAL)	10,969	21,126	26,700	31,017	36,286	49,632	66,028	70,111	61,987	68,646	58,644	88,823	102,360	113,950
Debits Tax (d)	5,700	6,255	7,187	8,410	8,036	10,843	4,232	-	-	-	-	-	-	-
Import Duties	45,391	52,657	56,017	63,842	79,560	64,165	79,811	80,155	83,123	81,108	132,189	156,487	136,501	96,991
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	59,554	53,369

Table 8 | Economic Classification of Government Revenue contd...

Item	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018(a)
Special Commodity Levy (SCL)	-	-	-	14,603	18,965	10,173	15,622	33,666	46,705	47,953	52,276	55,825	71,402	75,807
Nation Building Tax (NBT) (e)	-	-	-	-	27,205	46,022	35,667	38,736	40,937	44,583	45,004	57,424	69,035	71,357
Domestic	-	-	-	-	11,594	19,310	19,040	23,076	25,243	28,494	28,044	39,029	49,715	51,192
Imports	-	-	-	-	15,611	26,712	16,627	15,660	15,694	16,089	16,960	18,395	19,320	20,165
Telecommunications Levy (f)	-	-	-	-	-	8,869	18,651	22,290	24,445	31,351	33,358	35,976	33,399	28,326
License Taxes & Other	2,108	3,175	6,563	8,367	8,361	15,376	8,035	5,058	5,485	7,858	8,113	10,145	10,126	16,177
2. Non Tax Revenue	42,919	49,455	56,104	69,639	80,712	92,532	122,165	142,547	131,552	144,844	99,099	222,372	161,353	207,656
Rent	1,155	1,294	1,709	2,050	1,425	2,048	3,580	2,197	2,331	5,669	2,823	10,980	4,450	5,591
Interest	8,642	10,320	9,242	9,305	9,043	8,017	9,847	9,489	9,664	7,978	4,498	4,826	7,395	8,140
Profit and Dividends	5,929	7,451	7,682	7,365	11,982	31,301	34,351	46,761	35,169	46,814	29,798	108,160	53,998	41,828
Sales and Charges	16,196	22,249	18,437	32,260	25,387	22,925	37,292	26,019	40,720	38,492	44,632	72,606	66,575	105,202
Social Security Contributions	4,910	6,470	8,777	9,791	11,165	11,120	12,628	11,738	15,145	14,919	15,213	18,046	22,940	25,214
Central Bank Profit Transfers	5,000	-	4,000	8,000	20,000	15,000	22,000	43,000	26,350	11,500	-	5,000	-	15,000
Other	1,087	1,671	6,257	868	1,710	2,122	2,468	3,343	2,173	19,472	2,135	2,754	5,995	6,681
Total Revenue	379,747	477,833	565,051	655,259	699,644	817,279	967,862	1,051,462	1,137,447	1,195,206	1,454,878	1,686,061	1,831,531	1,919,974

Source: 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) NSL was abolished since April 2002 with the introduction of VAT.

(c) 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.

(d) Debits tax was abolished with effect from April 2011.

(e) 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.

(f) 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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
1. Recurrent Expenditure	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	1,927,691	2,089,714
1.1 Expenditure on Goods & Services	194,861	253,025	292,632	360,328	379,731	388,286	451,605	487,833	512,624	568,829	746,011	722,054	734,490	764,900
Salaries and Wages	138,604	175,031	214,160	239,078	271,229	300,558	319,601	347,747	393,228	440,982	561,730	570,761	588,518	626,045
Central Government	44,950	54,544	61,799	65,315	71,859	75,817	83,072	95,965	113,223	133,584	172,491	184,856	197,914	212,481
Provincial Councils	44,620	41,453	69,366	73,791	74,634	81,887	90,818	88,217	105,034	121,789	150,796	143,740	149,715	162,086
Defence	38,040	44,960	60,185	73,509	94,189	110,335	112,703	126,950	134,295	141,138	176,810	180,829	180,998	189,055
Police and Public Security	10,993	14,074	22,810	26,463	30,547	32,519	33,008	36,615	40,677	44,471	61,633	61,336	59,891	62,423
Other Purchases of Goods and Services	56,257	77,994	78,472	121,250	108,502	87,728	132,004	140,086	119,396	127,847	184,281	151,293	145,972	138,855
Central Government	21,466	29,012	25,725	46,950	42,970	38,618	71,741	92,738	74,307	50,767	106,567	60,157	61,705	55,479
Provincial Councils	1,859	1,576	1,416	3,075	3,110	3,112	3,784	3,676	3,810	4,417	18,959	26,011	16,633	18,010
Defence	23,458	36,283	41,671	61,201	50,695	33,471	43,400	32,631	31,855	51,463	50,923	47,119	50,908	49,025
Police and Public Security	9,474	11,123	9,660	10,024	11,727	12,527	13,079	11,040	9,424	21,200	7,832	18,006	16,726	16,341
1.2 Interest Payments	120,159	150,777	182,681	212,475	309,676	352,592	356,699	408,498	444,007	436,395	527,227	610,895	735,565	852,190
Foreign	6,995	16,990	21,311	30,277	35,698	55,464	68,565	90,839	100,985	108,461	132,938	126,713	164,942	212,708
Domestic	113,164	133,787	161,370	182,198	273,978	297,127	288,134	317,659	343,022	327,934	394,289	484,182	570,623	639,482
1.3 Subsidies and Transfers	128,331	144,157	147,445	170,908	190,168	196,216	216,601	234,692	248,549	317,674	428,419	424,833	457,636	472,624
Households	101,602	104,842	110,910	131,342	148,993	156,194	171,438	187,895	195,288	249,710	354,484	341,349	372,519	383,659
o/w Pensions	46,782	58,006	68,822	74,922	85,139	90,995	99,961	111,682	123,293	127,049	156,577	173,152	181,696	194,488
Samurdhi	9,161	10,789	9,200	9,995	9,267	9,241	9,043	10,553	15,256	15,042	39,994	40,740	39,707	39,239
Fertilizer Subsidy	6,846	11,867	11,000	26,450	26,935	26,028	29,802	36,456	19,706	31,858	49,571	27,771	30,361	26,979
Sub National Governments	233	172	150	217	-	-	-	-	-	-	-	-	-	-
Non Financial Public Enterprises	10,412	18,336	10,639	12,942	14,126	12,361	12,999	11,817	13,854	21,387	27,927	29,120	23,438	23,367
Institutions and other	16,084	20,807	25,746	26,407	27,049	27,661	32,164	34,979	39,407	46,577	46,008	54,364	61,679	65,598
2. Capital Expenditure	140,154	162,214	206,162	232,607	277,416	302,087	377,812	400,082	454,303	459,854	588,176	577,035	638,343	612,561
2.1 Acquisition of Fixed Capital Assets	88,141	88,209	111,510	128,605	143,590	158,488	208,963	176,562	252,535	252,303	313,260	328,202	348,260	350,034
2.2 Capital Transfers	52,013	74,005	94,652	104,002	133,826	143,599	168,849	223,520	201,768	207,551	274,916	248,833	290,083	262,527
Institutions	20,700	32,371	50,408	59,991	90,291	99,151	105,603	145,935	143,504	147,166	197,712	184,689	242,322	221,135
Non Financial Public Enterprises	19,969	21,526	23,737	22,432	19,750	20,345	35,168	50,860	27,193	28,322	42,473	32,066	13,394	17,911
Sub National Governments	11,141	19,699	20,346	21,237	23,780	24,101	27,619	25,266	29,692	31,547	34,063	29,887	34,511	23,481
Abroad	203	409	160	341	5	1	459	1,459	1,379	516	668	2,191	(144)	-
3. Lending Minus Repayments	1,279	3,473	12,684	19,809	44,936	41,025	30,464	25,394	9,913	13,113	561	(934)	7,021	(9,047)
3.1 Net Lending through Advance Accounts	1,850	83	700	1,457	1,932	2,126	854	(2,088)	(1,019)	1,249	(1,070)	708	4,396	4,129
3.2 Lending to Public Enterprises	8,428	15,230	23,112	31,253	53,032	54,433	44,488	43,891	26,901	26,756	14,592	16,977	19,043	12,408
3.3 Loan Repayments by Public Enterprises	(10,364)	(13,881)	(11,677)	(13,526)	(11,978)	(15,535)	(14,878)	(16,409)	(15,969)	(14,892)	(12,961)	(18,619)	(16,418)	(25,584)
3.4 Restructuring Expenditure	1,365	2,041	549	625	1,950	-	-	-	-	-	-	-	-	-
Total	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	2,573,056	2,693,228

Source: 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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
1. Recurrent Expenditure	443,350	547,960	622,758	743,710	879,575	937,094	1,008,244	1,131,023	1,205,180	1,322,898	1,701,657	1,757,782	1,927,693	2,089,713
General Public Services	106,992	136,352	165,807	207,348	224,281	228,184	245,266	254,371	270,554	334,354	414,275	408,176	424,975	422,432
Civil Administration	25,027	29,912	31,481	36,150	37,123	37,895	43,076	47,135	54,303	73,282	105,661	104,518	113,175	107,847
Defence	61,498	81,243	101,856	134,710	144,884	145,243	156,103	163,219	170,150	195,401	233,733	224,315	228,013	228,235
Police and Public Security	20,467	25,197	32,470	36,487	42,274	45,046	46,087	44,017	46,101	65,671	74,881	79,343	83,787	86,350
Social Services	188,652	204,635	226,271	240,768	260,072	267,636	315,749	335,427	399,666	446,441	564,190	607,626	640,369	685,739
Education	50,697	61,144	72,592	77,141	82,414	85,195	99,043	107,271	119,819	139,787	169,600	179,319	187,628	195,168
Health	34,113	44,069	51,741	55,874	58,789	60,506	74,443	81,946	99,609	116,151	140,560	155,402	161,312	180,568
Welfare	92,909	86,753	91,747	94,789	105,017	107,690	123,122	128,451	159,787	165,467	230,035	251,490	264,510	276,773
Community Services	10,933	12,669	10,191	12,963	13,852	14,245	19,141	17,758	20,451	25,036	23,995	21,415	26,919	33,230
Economic Services	25,811	43,977	45,479	74,489	78,464	78,819	81,646	92,034	82,146	105,031	173,430	129,435	126,310	127,052
Agriculture and Irrigation	13,500	22,173	22,849	41,579	43,967	44,081	46,290	46,429	29,899	46,782	91,267	63,787	71,460	63,451
Energy and Water Supply	1,008	2,766	3,647	3,323	3,429	3,492	3,533	3,612	4,001	394	5,479	1,334	1,478	1,483
Transport and Communication	11,303	19,038	18,983	29,587	31,068	31,246	31,823	34,995	36,810	41,129	57,028	48,959	34,657	41,805
Other	-	-	-	-	-	-	-	6,998	11,435	16,726	19,656	15,354	18,715	20,313
o/w Interest Payments	121,896	162,996	185,201	221,105	316,759	362,455	365,583	449,191	452,814	437,073	549,763	612,544	736,040	854,490
	120,159	150,777	182,681	212,475	309,675	352,592	356,699	408,498	444,007	436,395	527,227	610,895	735,566	852,190
2. Capital Expenditure and Lending	148,582	177,443	229,273	263,859	330,448	356,519	438,962	443,972	481,203	486,610	602,767	594,013	657,386	624,970
General Public Services	9,901	21,356	32,143	34,403	20,095	21,510	32,484	27,510	32,804	43,620	48,699	50,504	46,348	50,261
Civil Administration	8,537	18,109	28,438	29,675	18,686	20,212	28,668	26,565	31,631	40,282	44,886	46,128	41,362	44,275
Police and Public Security	1,364	3,247	3,705	4,728	1,409	1,298	3,816	945	1,173	3,338	3,813	4,376	4,986	5,986
Social Services	35,992	48,387	54,986	60,236	53,938	56,205	63,366	71,176	77,643	112,338	124,370	117,297	135,307	133,232
Education	12,860	17,200	19,948	22,942	18,092	19,053	22,326	28,930	31,982	50,363	55,447	58,971	69,752	71,748
Health	10,738	13,969	16,961	18,674	12,664	13,329	14,794	17,155	19,920	22,252	37,230	30,747	35,509	37,893
Housing	3,937	4,021	4,481	4,826	5,291	5,489	7,105	7,823	8,014	7,769	7,811	7,152	9,553	9,493
Community Services	8,457	13,197	13,596	13,794	17,891	18,334	19,141	17,267	17,727	31,954	23,882	20,426	20,493	14,098
Economic Services	77,537	106,788	141,244	168,879	256,410	278,803	342,653	343,828	369,377	330,136	429,030	424,021	474,118	437,897
Agriculture and Irrigation	10,041	12,615	14,736	17,681	22,105	24,865	28,617	30,351	36,721	57,099	54,447	68,990	66,663	58,895
Energy and Water Supply	19,234	26,376	47,850	48,783	59,983	66,569	85,186	85,589	87,517	51,314	55,499	48,840	54,872	39,107
Transport and Communication	31,765	37,988	50,995	82,916	139,104	165,505	190,026	204,539	210,398	177,471	239,279	200,478	228,847	216,147
Other	16,500	29,810	27,663	19,499	35,219	21,804	38,825	23,350	34,741	44,252	79,805	105,713	123,736	123,748
Other	704	912	900	341	5	1	459	1,459	1,379	516	668	2,191	1,614	3,579
3. Other	24,448	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure and Lending	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	2,585,079	2,714,683

Source: Central Bank of Sri Lanka, Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

(a) Provisional

Table 11 | Composition of Government Debt

Source	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
1. Foreign Debt	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	4,718,618	5,959,547
1.1 Project Loans(b) (c)	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	2,610,547	3,149,905
1.2 Non-project Loans	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	2,108,071	2,809,642
Commodity	69,116	69,021	68,665	66,499	62,304	54,653	53,460	56,599	61,597	69,993	71,470	69,101	62,727	63,267
Other (d)	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	2,045,344	2,746,375
2. Domestic Debt	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	5,594,427	6,017,992
2.1 Rupee Loans	140,563	116,713	131,509	130,009	112,292	87,709	61,961	58,386	55,518	55,518	24,088	24,088	24,088	24,088
2.2 Treasury Bills (e)	234,174	257,732	307,012	402,600	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581	697,154	746,887
2.3 Treasury Bonds (f)	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	3,822,620	4,140,661
2.4 Sri Lanka Development Bonds (SLDBs)	25,519	62,469	86,459	158,805	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219
2.5 Central Bank Provisional Advances	39,746	49,015	60,679	76,308	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307	199,801	198,633
2.6 Other (g)	74,151	107,329	110,687	90,528	92,160	67,869	53,400	116,017	146,429	148,463	152,031	167,545	212,879	293,504
Total	2,222,342	2,582,648	3,041,685	3,588,962	4,161,422	4,590,245	5,133,365	6,000,112	6,799,249	7,390,899	8,503,227	9,387,303	10,313,045	11,977,539
Government Debt to GDP Ratio														
Foreign Debt	39.0	37.5	37.1	32.8	36.4	31.6	32.3	31.7	30.9	30.0	32.4	34.0	35.2	41.2
Domestic Debt	51.6	50.3	47.9	48.5	49.7	40.0	38.8	37.0	40.0	41.3	45.3	44.9	41.7	41.6
Total Debt	90.6	87.9	85.0	81.4	86.1	71.6	71.1	68.7	70.8	71.3	77.7	78.8	76.9	82.9

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

(b) Obtained from External Resources Department, Ministry of Finance

(c) Includes outstanding balance of loans contracted with multilateral and bilateral lending partners

(d) Includes rupee dominated Treasury Bonds and rupee dominated Treasury Bills held by foreign investors the International Sovereign Bonds, outstanding defence loans and foreign currency term financing facility

(e) Excludes outstanding Treasury Bills held by foreign investors.

(f) Includes rupee dominated Treasury Bonds held by foreign investors and Treasury Bonds amounting to Rs. 56,662 million issued to settle dues to CPC in January 2012. Original issue was (Rs. 78,447 million and was partly matured in January 2017 and the outstanding as at 31st December 2018 was Rs. 56,662 million)

(g) Includes administrative borrowing arising from foreign loans channeled through government or semi-government agencies and outstanding borrowings from Offshore Banking Units (OBUs)

Table 12 | Domestic Production of Selected Items

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Plantation Crops															
Tea	(kg Mn)	317.2	310.8	305.2	318.7	291.0	331.0	327.5	328.4	340.2	338.0	328.9	292.6	307.7	303.8
Rubber	(kg Mn)	104.4	109.2	117.6	129.2	136.9	153.0	158.2	152.0	130.4	98.6	88.5	79.1	83.1	82.6
Coconut	(Nuts Mn)	2,515	2,785	2,869	2,909	2,853	2,584	2,808	2,940	2,513	2,870	3,056	3,011	2,445	2,623
Seasonal Crops															
Paddy	(Mt'000)	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	3,833.0	3,929.8
Potatoes	(Mt'000)	79.4	78.5	77.4	74.8	61.7	51.9	59.4	72.2	78.8	82.7	94.8	95.8	73.3	88.9
Sweet Potatoes	(Mt'000)	41.2	41.6	49.2	52.5	47.3	46.5	47.3	43.6	51.3	50.9	51.9	44.7	40.7	43.3
Chilies -Green	(Mt'000)	52.9	52.9	48.7	51.0	46.4	49.0	44.4	61.5	71.0	71.0	62.9	72.3	51.8	79.0
Chilies -Dried	(Mt'000)	13.2	12.7	12.2	12.8	11.6	12.3	10.9	15.4	17.8	17.9	15.7	18.1	13	n.a
Big Onions	(Mt'000)	55.5	73.6	92.2	57.4	81.7	58.9	45.7	83.6	69.6	101.2	89.6	65.2	53.6	28.1
Red Onions	(Mt'000)	53.7	60.7	57.0	49.3	46.2	61.8	72.3	74.0	55.6	63.1	61.2	63.7	57.7	61.1
Maize	(Mt'000)	41.8	47.5	56.4	112.3	129.8	161.7	137.8	202.3	209.0	240.6	261.1	243.9	195.7	270.0
Green Gram	(Mt'000)	9.0	7.9	8.5	8.9	9.3	11.7	17.0	12.0	14.1	14.6	15.0	14.5	9.4	9.9
Black Gram	(Mt'000)	6.9	7.5	7.7	9.5	7.1	10.0	5.8	10.2	9.4	9.6	11.9	11.2	7.3	11.9
Kurakkan	(Mt'000)	6.4	6.3	5.4	6.5	6.4	7.3	5.4	6.0	6.9	8.8	8.9	8.6	5.6	8.1
Cowpea	(Mt'000)	11.2	10.1	10.8	11.9	13.5	11.6	10.4	14.8	14.2	15.1	12.3	13.7	8.6	11.2
Soya Beans	(Mt'000)	5.0	5.2	4.8	3.0	3.8	7.5	3.8	1.7	13.4	10.7	11.3	9.8	14.4	2.5
Gingerly	(Mt'000)	6.2	6.0	6.3	6.3	8.5	16.9	11.3	12.4	14.2	14.2	13.1	12.4	7.7	8.6
Ground Nuts	(Mt'000)	9.0	9.6	9.8	10.3	13.1	14.4	16.9	22.0	27.5	25.1	28.5	24.2	22.5	27.6
Other Agricultural Crops															
Sugar	(Mt'000)	54.0	56.0	29.0	39.0	32.0	31.0	35.0	36.7	53.0	51.8	56.0	62.0	56.0	51.3
Coffee	(Mt'000)	3.5	3.5	3.0	3.1	3.1	3.2	5.3	5.3	5.9	6.5	5.3	5.5	5.4	6.5
Cinnamon	(Mt'000)	14.5	15.9	16.5	14.9	15.8	16.4	18.2	16.1	16.0	19.0	23.9	24.5	24.7	24.0
Pepper	(Mt'000)	14.3	14.4	16.6	12.9	15.8	17.3	10.8	25.6	27.0	28.4	35.4	32.1	35.1	48.3
Cloves	(Mt'000)	6.1	3.6	3.0	8.2	3.0	9.6	5.5	4.0	4.0	6.3	8.2	8.2	7.3	5.5
Livestock and Fish															
Milk	(ltr Mn)	193.0	196.6	202.0	208.1	233.4	247.6	258.3	299.2	329.2	333.9	374.4	384.0	396.2	471.6
Fish	(Mt'000)	163.2	251.3	291.0	319.1	339.7	384.7	444.8	486.2	512.8	535.1	520.2	530.9	531.3	527.0

Source: 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

US\$ million

Category	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Agricultural Exports	1,249	1,423	1,647	1,976	1,835	2,306	2,528	2,332	2,581	2,794	2,481	2,326	2,768	2,579
Tea	811	882	1,027	1,272	1,185	1,441	1,491	1,412	1,542	1,628	1,340	1,269	1,530	1,428
Black Tea	718	769	890	1,111	1,072	1,383	1,430	1,354	1,471	1,555	1,280	1,208	1,463	1,359
Bulk	407	463	535	643	616	567	534	512	561	563	504	473	605	553
Packets	213	203	235	321	301	607	667	640	693	754	593	547	669	620
Bags	98	103	121	147	156	209	229	203	217	238	183	188	188	185
Instant	7	7	9	11	10	13	15	11	15	19	16	17	17	20
Green Tea	14	19	22	29	29	44	46	47	56	55	45	44	50	50
Other	72	86	106	118	74	-	-	-	-	-	-	-	-	-
Rubber	47	93	109	125	99	173	206	125	71	45	26	33	39	32
Crepe Rubber	49	49	51	51	30	73	116	64	47	35	23	26	23	24
Smoked Sheets	36	42	42	42	42	69	63	38	14	4	2	3	6	2
Natural Rubber Latex	10	17	11	17	11	15	8	8	2	2	0	2	8	2
TSNR (e)	10	11	11	11	9	8	14	12	6	2	1	2	2	1
Other Natural Rubber	4	4	4	4	7	9	5	2	3	1	1	1	1	1
Coconut	113	124	141	171	166	166	266	209	205	356	352	366	348	311
Kernal Product	49	53	60	82	58	56	136	80	86	214	222	216	190	149
Other	64	71	81	89	108	110	130	129	119	142	130	150	158	162
Other Agricultural Exports	183	195	208	243	215	335	379	388	529	511	600	489	610	542
Vegetables	11.8	10.0	11.5	13.0	11.7	23.4	16.9	13.3	24.9	40.1	30.5	26.5	28.5	28.2
Fruits (Fresh or Dry)	6.3	9.6	11.2	13.9	12.1	14.5	17.1	18.1	29.1	44.2	38.0	34.7	41.5	39.0
Arecanut	0.7	2.0	0.9	3.4	1.4	2.2	2.5	3.7	15.9	63.6	67.5	34.1	37.7	17.6
Coffee	0.2	0.2	0.1	0.2	0.1	0.3	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.3
Pepper	12.2	17.1	31.7	26.2	20.6	42.7	32.1	70.2	128.3	72.4	149.0	76.4	88.0	77.6
Cinnamon (b)	58.3	66.2	75.8	82.6	74.1	82.9	128.9	135.5	138.6	139.8	139.6	171.4	218.4	228.5
Cloves (c)	17.5	12.6	9.2	33.0	12.0	37.4	35.4	18.5	49.7	14.0	48.3	13.8	47.7	16.7
Nutmeg and Maize	7.4	6.3	7.6	9.0	8.1	16.0	28.2	23.0	31.2	29.8	33.3	39.9	35.2	28.8
Cardamoms	0.2	0.2	0.1	0.3	0.2	0.3	0.6	0.2	0.2	0.3	1.1	5.8	5.7	1.0
Other Oil Seeds (d)	...	...	0.2	...	0.1	...	0.1	5.2	0.4	1.2	0.1	0.1	0.2	0.2
Betel Leaves	2.6	2.6	4.1	6.7	6.0	5.1	6.9	5.0	10.6	10.5	9.1	7.7	20.7	16.2

Table 13 | Value of Exports cont...

Category	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Cocoa	0.0	0.0	0.1	0.1	0.2	4.1	21.3	13.1	0.3	1.1	0.2	0.1	0.5	0.7
Unmanufactured Tobacco	35.1	35.3	40.2	39.5	33.5	32.6	38.4	42.2	47.6	41.3	31.8	31.2	36.5	35.6
Sesame Seeds	0.7	1.3	0.6	0.4	1.6	8.9	0.5	2.5	10.4	6.2	4.7	4.4	2.0	4.9
Cashew Nuts	1.6	1.1	1.0	1.4	1.1	2.2	2.6	1.3	0.6	1.4	1.4	0.8	0.9	0.8
Essential Oils	1.4	1.7	3.5	3.8	2.4	5.0	1.1	0.9	1.3	4.5	2.4	4.7	4.8	3.9
Cinnamon Bark Oil	2.6	3.6	5.2	3.9	2.4	4.4	7.7	5.8	6.2	7.6	8.4	12.3	16.2	15.2
Clove Oil	...	0.2	0.3	0.3	0.1	0.4	0.4	0.3	0.3	0.2	0.4	0.4	0.6	0.8
Other Minor Agricultural Crops	24.2	24.7	4.2	5.8	27.6	52.4	38.4	28.7	33.5	32.9	34.1	24.5	24.6	25.0
Seafood	96.0	129.9	162.5	164.6	170.6	192.3	185.3	198.0	233.7	252.7	163.1	169.6	240.6	265.8
Industrial Exports	4,949	5,402	5,937	6,112	5,228	6,097	7,992	7,371	7,749	8,262	8,017	7,940	8,541	9,258
Food, Beverages and Tobacco	223	232	323	244	183	245	348	284	235	289	307	324	393	462
Milling Industry Products	30	52	48	62	40	71	142	90	37	43	31	26	29	30
Vegetable, Fruit and Nut Preparations	10	15	29	49	55	51	61	59	63	80	87	100	129	147
Cereal Preparations	4	5	7	11	9	11	19	20	25	22	21	19	20	20
Fish Preparations	3	1	1	1	1	1	...	...	1	1	0	0	1	10
Manufactured Tobacco	20	16	23	28	24	26	41	47	49	56	58	73	73	93
Other	156	142	215	93	54	85	85	67	61	88	109	105	141	162
Textile and Garments	2,890	3,084	3,337	3,478	3,261	3,356	4,191	3,991	4,508	4,930	4,820	4,884	5,032	5,318
Garments	2,748	2,917	3,144	3,284	3,120	3,178	3,986	3,784	4,265	4,682	4,556	4,603	4,739	4,961
Woven Fabrics	34	46	61	66	55	70	85	92	124	90	102	107	119	149
Yarn	24	24	45	44	42	50	57	58	58	68	63	70	69	83
Other Made Up Textile Articles	84	96	86	84	44	57	64	56	61	90	100	105	104	126
Petroleum Products	131	188	170	255	134	263	553	463	428	338	374	287	434	622
Bunkers and Aviation Fuel	131	181	168	253	133	259	524	457	423	327	364	271	404	559
Other Petroleum Products	-	7	2	2	2	4	28	6	5	11	10	16	30	63
Ceramic Products	47	47	47	49	36	40	38	36	40	41	35	34	34	31
Tiles	9	11	11	12	8	8	6	7	8	9	8	7	7	6
Tableware, Household Items and Sanitaryware	31	32	30	30	24	27	28	25	29	29	25	23	23	21
Other	7	5	5	7	4	5	5	4	3	3	3	4	4	4
Rubber Products	395	450	483	542	385	558	885	860	888	890	761	768	835	875
Rubber Tyres	259	295	309	337	213	336	569	540	551	564	467	476	510	545
Surgical Gloves and Other Gloves	86	105	111	117	114	137	181	177	195	176	165	176	198	188
Other Rubber Products	50	50	64	88	58	85	135	143	141	150	130	116	128	143

Table 13 | Value of Exports cont...

US\$ million

Category	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Leather, Travel Goods and Footwear	133	127	60	56	47	60	65	55	77	139	136	166	158	148
Footwear	13	19	24	22	17	20	17	12	29	87	86	118	108	89
Travel Goods	19	13	26	23	20	27	31	27	28	31	29	29	33	35
Other	101	94	10	12	10	13	17	16	19	21	21	19	17	23
Machinery and Mechanical Appliances	330	396	371	322	187	259	312	297	312	343	294	318	371	435
Gems, Diamonds and Jewellery	402	414	474	514	402	409	532	559	446	394	332	274	257	278
Gems	124	86	105	76	69	70	95	118	130	173	164	149	145	142
Diamonds	265	312	348	418	317	322	414	417	295	198	148	105	94	120
Jewellery	13	16	22	20	17	17	22	24	21	22	19	20	18	15
Transport Equipment	105	138	151	108	127	144	225	165	146	152	244	131	162	120
Road Vehicles	13	20	23	39	50	58	49	86	32	39	40	42	39	57
Ships, Boats and Floating Structures	9	8	37	22	58	59	149	57	82	86	182	65	97	27
Other	83	111	91	48	20	28	27	22	33	27	22	25	27	37
Printing Industry Products	9	15	34	47	48	246	235	42	36	52	46	42	49	32
Other Industrial Exports	285	311	487	497	418	517	608	619	633	694	669	712	816	937
Chemical Products	73	65	78	71	74	93	118	117	120	134	126	126	146	167
Mineral Exports	23	17	22	22	20	24	33	61	52	59	28	29	34	34
Unclassified Exports	125	42	38	-	-	199	7	10	12	15	20	15	17	18
Total Exports	6,347	6,883	7,641	8,111	7,085	8,626	10,559	9,774	10,394	11,130	10,547	10,310	11,360	11,890

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

(a) Provisional

(b) Includes Cinnamon Oil

(c) Includes Clove Oil

(d) Includes Soyabeans, Mustard Seeds and Oil Seeds

(e) Technically Specified Natural Rubber

... negligible

Table 14 | Value of Imports

Category	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Consumer Goods	1,289	1,551	1,664	2,007	1,565	2,410	3,654	2,995	3,182	3,853	4,713	4,319	4,503	4,980
Food and Beverages	573	711	802	1,089	933	1,256	1,567	1,304	1,368	1,634	1,627	1,627	1,841	1,606
Sugar	132	224	151	203	218	363	426	345	289	255	253	343	256	248
Milk and Milk Products	133	171	186	288	165	259	345	307	291	339	251	249	316	332
Rice	16	6	39	44	23	59	18	24	18	282	135	13	301	107
Flour	32	3	2	1	1	1	14	5	2	2	2	2	2	3
Fish	68	92	108	115	119	128	147	134	162	141	218	234	214	192
Other Food and Beverages	192	216	317	437	407	446	617	489	607	614	768	787	752	725
Potatoes	7.6	10.4	20.0	23.6	23.0	36.9	35.7	22.7	28.5	35.8	35.5	31.5	35.7	33
Chillies	16.2	26.3	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7	51.8	69
Onions	26.0	28.0	57.0	53.0	60.0	96.0	86.0	51.9	100.1	65.3	122.0	100.0	123.0	109
Lentils	31.6	37.6	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4	114.4	79.0
Green Gram	3.0	3.8	7.4	11.0	10.7	15.6	13.8	7.3	11.2	13.6	27.2	15.6	14.9	14.0
Peas	5.0	6.3	10.0	18.8	12.9	14.9	18.5	19.0	19.9	21.8	31.8	25.6	23.0	25.0
Chick Peas	4.4	6.3	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1	32.7	26.0
Kurakkan	0.2	0.2	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6	1.3	1.0
Oil and Fat	15.0	14.0	21.0	31.0	14.0	19.0	25.9	20.0	59.2	20.1	33.5	35.9	46.0	47.0
Spices	24.0	35.0	50.0	64.0	65.0	72.0	111.0	68.0	79.9	98.2	113.3	132.0	92.8	114.0
Other	59.0	47.7	44.7	68.8	47.4	99.3	99.3	158.7	134.1	157.9	156.7	183.2	216.0	208.0
Non-food Consumables	716	840	862	918	632	1,154	2,087	1,691	1,814	2,219	3,086	2,692	2,662	3,374
Vehicles	235	308	244	239	93	455	881	495	582	897	1,360	795	773	1574
Home appliances-Radio and Television Sets	52	65	59	64	24	45	118	118	103	86	120	136	141	124
Rubber Products	38	42	44	51	46	72	83	80	88	90	114	112	94	95
Medical and Pharmaceutical Products	135	162	179	212	202	217	348	372	378	381	460	526	520	532
Household and Furniture Items	63	69	70	75	61	88	127	117	125	134	150	182	186	169
Other	193	194	266	277	206	277	530	509	538	632	882	941	948	880
Garments	91.5	81.5	85.9	89.1	98.9	94.4	112.0	131.9	157.6	227.0	321.4	290.9	292.3	237.0
Other Articles of Plastics (b)	28.9	36.3	32.9	29.8	18.3	20.7	33.0	35.4	33.2	34.0	52.8	28.9	24.3	20.0
Printed Books	4.5	4.8	5.0	4.4	21.5	19.8	15.0	14.1	11.9	10.4	10.7	13.0	17.3	18.0
Fans	5.9	6.1	7.5	7.1	7.0	12.3	23.1	23.4	27.4	24.4	33.5	41.8	34.9	29.0
Washing Preparations	5.1	7.4	7.5	9.7	11.0	10.6	6.0	6.0	5.6	4.3	4.0	5.0	4.4	3.0
Powders, Makeup	2.8	4.3	4.2	6.2	4.8	5.6	10.7	6.8	8.1	6.7	9.0	13.5	12.5	12.0
Cookers	3.7	3.6	3.5	3.8	3.7	5.0	9.4	6.4	6.8	5.7	9.2	11.6	10.8	10.0

Table 14 | Value of Imports cont...

Category	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Intermediate Goods	5,607	6,257	6,983	9,019	6,159	8,054	12,274	11,578	10,554	11,398	9,638	9,869	11,435	12,488
Fertilizer	134	163	192	577	182	240	407	311	239	272	290	137	103	262
Petroleum	1,657	2,070	2,516	3,392	2,184	3,041	4,795	5,045	4,308	4,597	2,700	2,481	3,428	4,152
Chemical Products	312	357	405	508	432	520	702	670	734	808	870	856	835	904
Paper and Paper Boards	222	254	290	328	264	350	427	363	380	490	477	487	485	529
Wheat and Maize	168	217	255	402	269	265	429	364	323	405	357	249	357	373
Textile	1,659	1,656	1,724	1,788	1,529	1,812	2,321	2,266	2,046	2,328	2,296	2,705	2,724	2,859
Diamond and Precious Metals	244	257	284	545	277	378	1,076	588	483	1,75	162	514	772	573
Base Metal	298	298	252	275	167	239	354	440	406	478	471	456	629	683
Vehicle and Machinery Parts	105	121	127	159	127	176	223	211	210	228	264	281	295	296
Other Intermediate Goods	808	864	938	1,045	728	1,033	1,540	1,320	1,425	1,616	1,752	1,703	1,809	1,857
Semi Finished Products of Iron	71	78	105	137	72	91	157	256	238	168	151	n.a.	n.a.	n.a.
Polymer of Ethylene	77	82	106	103	76	103	109	99	106	142	147	144	134	149
Unmanufactured Tobacco	46	32	40	42	39	31	52	71	62	70	83	68	68	79
Palm Oil (Refined ^d)	131	131	145	127	35	68	161	67	81	123	111	84	148	146
Investment Goods	1,937	2,400	2,597	2,852	2,093	2,758	4,286	4,590	4,253	4,152	4,567	4,981	4,895	4,690
Machinery and Equipment	1,051	1,341	1,428	1,467	1,077	1,339	2,141	2,356	2,222	2,131	2,278	2,741	2,621	2,492
Recorders and Primary Batteries	50	49	119	124	107	87	124	138	152	n.a.	17	17	n.a.	n.a.
Medical Instrument and Appliance - Used	56	56	60	73	54	63	81	87	92	104	117	137	n.a.	n.a.
Wire Cables (Electrical)	18	19	5	13	11	38	33	32	34	33	37	31	n.a.	n.a.
Gas Cylinders (For Industries)	3	4	7	6	3	6	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Transport Equipment	333	405	410	481	357	593	1,065	992	668	707	931	663	675	668
Building Material	548	651	753	900	656	822	1,076	1,237	1,357	1,309	1,352	1,569	1,591	1,525
Iron Pipe & Tube	79	85	93	126	88	108	85	84	70	56	70	79	103	115
Other Investment Goods	5	3	6	4	3	4	4	5	6	5	6	8	8	6
Unclassified Imports	31	48	52	213	390	162	54	28	14	14	16	13	147	75
Total Imports	8,863	10,253	11,296	14,091	10,207	13,385	20,269	19,190	18,003	19,417	18,935	19,183	20,980	22,233

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

(a) Provisional

(b) Includes Plastic kitchenware, plastic furniture, plastic ornamental articles, plastic clothing articles and plastic stationary articles

Table 15 | Import Quantities of Selected Items

Item	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Sugar	444.2	520.6	470.7	563.1	460.7	539.2	596.6	559.0	539.0	509.5	624.0	638.7	483.2	624.3
Milk Powder	52.8	68.1	62.1	62.5	62.4	72.4	84.1	79.5	66.0	67.2	81.8	94.0	93.1	99.0
Potatoes	40.8	46.6	85.9	99.4	99.6	129.9	130.5	112.8	123.2	118.2	142.2	148.1	151.4	158.7
Chilies - Red	27.3	29.4	31.2	34.7	36.0	37.7	42.2	40.7	44.1	47.8	49.9	51.0	51.7	52.8
Big Onions	110.7	119.5	140.7	146.6	143.2	158.1	170.7	145.9	168.9	150.5	210.3	215.6	232.3	246.2
Red Onions	10.2	10.9	23.8	26.9	16.2	11.9	6.8	7.0	15.4	11.8	15.2	19.8	10.9	15.3
Dhal	86.4	107.7	103.2	104.9	108.0	134.3	151.3	114.0	150.9	153.4	160.9	154.3	165.9	162.6
Rice	51.7	11.5	88.0	84.7	51.7	125.8	27.8	36.2	22.9	599.7	285.6	29.5	748.0	248.9
Maize	146.8	83.7	78.4	82.5	27.2	9.6	7.0	1.0	0.5	86.8	67.2	41.9	179.6	120.6
Green Gram	9.3	11.5	12.8	13.7	14.2	11.5	10.5	7.9	7.1	5.2	11.5	13.9	15.5	16.4
Black Gram	4.6	6.2	7.1	5.0	3.3	1.5	7.1	3.2	4.2	6.3	8.1	12.0	12.8	12.4
Peas	21.3	25.2	26.9	27.2	26.7	33.0	36.1	31.9	30.8	35.9	45.4	35.6	36.7	47.8
Chick Peas	13.9	18.5	14.7	17.2	20.0	19.1	19.9	18.7	25.3	25.7	27.7	27.0	26.5	27.3
Kurakkan	1.4	1.9	2.6	2.9	3.3	2.1	2.2	3.6	12.0	0.7	0.8	2.2	2.9	3.1
Cowpea	0.2	0.3	0.6	0.7	0.4	0.6	0.9	0.7	1.1	1.0	5.6	6.1	7.3	8.1
Soya Bean	1.3	0.2	...	2.4	1.8	1.6	...	0.1	1.1	...	7.3	7.1	3.2	6.4
Coriander	9.9	11.0	14.8	9.7	10.9	12.1	13.3	10.1	15.3	13.8	12.3	15.0	12.2	18.0
Turmeric	3.4	3.4	3.3	4.4	3.9	3.9	4.1	3.8	4.1	4.2	4.9	4.7	4.9	5.4
Turmeric (Powder)	0.5	0.4	0.3	0.3	0.3	0.3	0.2	...	...	...	...	1.0	12.0	0.0
Tamarind	1.0	0.1	0.1	0.1	0.1	0.9	0.7	...	...	...	1.1	0.1	0.4	0.5
Garlic	18.4	18.4	20.9	25.0	21.2	20.4	23.8	23.1	24.4	27.0	28.2	26.0	27.5	32.9
Apples	17.5	16.6	18.0	17.2	20.1	22.4	21.2	21.1	20.1	15.9	20.2	25.3	26.7	27.3
Grapes	3.0	3.5	3.4	3.7	3.4	4.3	6.9	6.6	6.2	3.8	6.9	6.2	7.3	10.0
Orange	3.8	5.0	3.3	3.6	4.3	4.5	7.0	6.0	7.6	6.5	7.5	8.1	8.7	8.4
Mandarin	4.0	6.1	3.7	5.3	7.4	10.9	10.5	10.6	9.5	7.1	8.9	10.6	6.0	11.0
Melon	0.1	0.1	0.1	0.1	0.1	...	-	...	...	-	...	...	...	0.3
Canned Fish	20.2	19.7	23.1	18.2	13.6	16.7	20.7	19.6	22.2	19.7	49	37.1	40.6	28.1
Maldive Fish	5.5	5.6	3.6	3.1	3.2	2.9	2.8	1.4	1.4	1.3	2.2	2.7	2.7	2.3
Sprats	21.5	23.2	25.4	22.8	25.4	27.3	27.6	25.2	23.5	24.9	24.6	24.5	22.8	23.2
Other Dry Fish	23.4	21.6	22.7	22.1	20.1	18.5	19.6	14.2	14.0	10.0	7.9	9.8	9.1	4.2
Palm Oil	326.2	297.1	205.6	126.8	49.7	74.3	135.5	51.1	45.3	142.0	161.8	120.5	195.3	217.7
Coconut Oil	5.5	4.9	5.5	15.6	2.4	3.5	3.6	5.2	2.2	3.9	3.4	1.2	0.9	9.9

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

... negligible

(a) Provisional

Table 16 | Value of Food Imports

Item	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Sugar	132.3	223.7	151.0	203.0	218.0	363.0	426.0	345.0	288.9	255.5	252.5	342.5	256.0	248.0
Milk Powder and Milk Products	133.0	171.0	186.0	288.0	165.0	259.0	345.0	307.0	291.0	339.4	250.9	249.3	315.8	332.3
Flour	31.9	3.0	2.0	1.0	1.0	1.0	14.0	4.9	1.8	2.1	2.0	1.8	2.0	3.0
Potatoes	7.6	10.4	20.0	23.6	23.0	36.9	35.7	22.7	28.4	35.8	35.5	31.5	36.0	32.6
Chilies - Red	16.2	26.3	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7	52.0	68.7
Big Onions	18.2	18.7	39.7	32.1	40.8	58.8	59.3	29.5	71.1	42.0	79.8	46.7	79.0	79.4
Red Onions	3.0	3.6	8.6	14.6	9.4	5.7	4.2	3.0	10.7	5.0	8.8	9.0	8.0	9.3
Dhal	31.6	37.6	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4	114.4	78.6
Rice	15.6	5.5	38.7	44.3	22.9	59.0	18.4	24.2	17.9	281.7	135.1	12.8	300.9	106.8
Maize	25.0	15.7	18.7	22.8	0.6	2.5	2.3	0.4	0.3	23.9	16.1	10.8	53.0	39.4
Green Gram	3.0	3.8	7.4	11.0	10.7	15.6	13.8	7.3	7.6	6.8	15.0	15.6	15.0	13.8
Black Gram	1.2	1.6	2.2	2.5	2.7	1.7	7.2	3.0	3.5	6.9	11.3	22.4	13.0	8.4
Peas	5.0	6.3	10.0	18.8	12.9	14.9	18.5	19.0	19.9	20.4	31.8	25.6	23.0	25.2
Chick Peas	4.4	6.3	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1	33.0	26.0
Kurakkan	0.2	0.2	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6	1.0	0.8
Cowpea	0.1	0.1	0.1	0.4	0.3	...	0.7	0.6	0.9	0.9	4.1	4.5	6.5	6.2
Soya Bean	0.4	0.6	...	0.9	0.7	0.8	...	0.1	...	...	3.4	3.0	8.0	10.1
Coriander	2.8	3.2	6.6	10.9	9.5	9.5	9.9	6.5	14.8	19.2	14.0	10.0	6.0	10.8
Turmeric	1.1	1.1	1.1	2.7	4.2	8.2	7.0	3.7	4.6	4.6	6.5	7.1	7.0	7.1
Turmeric (Powder)	0.2	0.1	0.1	0.2	0.5	0.6	0.2	...	...	...	...	...	...	...
Tamarind	0.2	...	...	...	...	0.2	0.2	-	...	...	0.4	...	0.2	0.1
Garlic	4.5	6.0	8.2	6.4	9.9	31.2	22.0	19.1	18.0	18.2	25.5	44.3	36.0	20.0
Apples	5.4	5.2	5.7	5.4	7.7	9.6	9.7	14.4	19.8	17.2	18.3	24.0	24.0	26.5
Grapes	3.1	3.7	3.7	4.0	4.4	5.6	6.8	10.5	11.2	8.4	13.4	15.9	15.0	15.0
Orange	1.5	1.8	1.4	1.6	2.0	2.3	3.7	4.0	5.2	4.7	4.6	5.9	6.0	5.8
Mandarin	0.8	1.2	0.8	1.2	2.1	3.2	3.3	3.8	2.8	2.1	2.7	3.5	2.0	-
Melon	0.2	0.2	0.2	0.2	0.2	...	-	...	...	-	...	0.4	0.6	3.7
Canned Fish	23.3	27.0	34.8	39.4	32.1	38.6	50.7	43.6	47.5	39.5	81.9	66.2	63.0	53.3
Maldive Fish	8.3	8.5	5.9	8.1	14.1	11.5	12.3	7.5	6.6	5.0	11.4	13.7	11.0	9.4
Sprats	14.5	25.2	29.1	26.5	31.4	35.1	39.1	40.0	55.2	44.9	49.1	62.1	59.0	58.2
Other Dry Fish	23.2	27.8	27.4	31.2	37.0	32.0	36.8	30.0	25.3	18.1	15.4	22.5	25.0	26.4
Palm Oil	130.9	131.0	145.3	127.4	35.3	68.1	160.6	67.2	81.4	123.0	103.5	84.1	148.0	146.2
Coconut Oil	2.7	3.0	4.9	13.4	1.8	3.6	6.6	4.8	2.2	0.2	5.8	3.7	16.0	20.1

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

... negligible

(a) Provisional

Table 17 | Motor Vehicles

Item	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Motor Vehicle Imports														
Total	295,928	337,693	296,290	258,244	169,493	383,099	533,056	374,175	308,398	482,003	655,086	469,305	460,261	494,488
Motor Bicycles	193,411	209,635	177,193	153,191	117,913	221,832	252,036	186,372	159,791	322,257	349,523	329,978	364,346	354,998
Three-Wheelers	39,154	50,310	34,485	44,046	30,356	92,207	137,389	93,284	80,586	83,233	132,779	47,976	19,021	20,782
Tractors	26,106	23,120	23,629	28,181	12,874	18,617	26,870	18,967	13,247	5,511	14,234	13,185	10,295	6,992
Transport Vehicles (goods)	18,423	22,987	36,084	13,742	5,639	20,655	55,786	45,560	25,655	25,664	44,287	32,161	25,964	25,077
Passenger Vans and Buses	2,229	3,025	2,094	1,117	649	2,766	3,836	3,245	1,627	3,906	4,690	2,849	3,732	2,581
Motor Cars	15,944	28,464	22,315	17,273	1,852	26,745	56,370	26,312	27,084	41,030	109,059	42,208	36,125	82,627
Quadricycle	-	-	-	-	-	-	-	-	-	-	-	-	6	642
Other	661	152	490	694	210	277	769	435	408	402	514	948	772	1,789
New Registration of Motor Vehicles														
Total	229,669	300,522	297,892	265,199	204,075	359,243	525,421	397,295	326,651	429,556	668,907	491,036	451,653	480,799
Motor Cars	17,283	27,578	22,603	20,237	5,762	23,072	57,886	31,546	28,380	38,780	105,628	45,172	39,182	80,776
Three Wheelers	41,085	64,466	43,068	44,804	37,364	85,648	138,426	98,815	83,673	79,038	129,547	56,945	23,537	20,063
Motor Cycles	130,696	156,626	182,508	155,952	135,421	204,811	253,331	192,284	169,280	272,885	370,889	340,129	344,380	339,763
Buses	2,069	3,346	2,637	1,180	739	2,491	4,248	3,095	1,805	3,851	4,140	2,685	3,331	2,957
Dual Purpose Vehicles	6,851	7,245	5,193	2,856	1,280	11,712	33,518	37,397	24,603	20,799	39,456	26,887	16,742	16,931
Goods Transport Vehicles - Lorries	14,262	20,436	18,408	14,038	8,225	11,845	14,818	12,266	5,872	5,121	7,142	5,271	8,689	9,371
Land Vehicles - Tractors	15,597	19,040	21,346	24,357	13,951	17,363	20,073	18,450	10,772	7,070	9,977	10,285	8,821	7,460
Land Vehicles - Trailers	1,826	1,785	2,129	1,775	1,333	2,301	3,121	3,442	2,266	2,012	2,128	3,662	4,228	2,822
Quadricycle & Motor Home	-	-	-	-	-	-	-	-	-	-	-	-	-	652
Total Vehicle Fleet *														
Total	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	6,793,177	7,247,122	7,727,921
Motor Cars	311,030	338,608	361,211	381,448	387,210	410,282	468,168	499,714	528,094	566,874	672,502	717,674	756,856	837,632
Three Wheelers	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	1,139,524	1,159,587
Motor Cycles	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	4,044,010	4,383,773
Buses	73,887	77,233	79,870	81,050	81,789	84,280	88,528	91,623	93,428	97,279	101,419	104,104	107,435	110,392
Dual Purpose Vehicles	180,942	188,187	193,380	196,236	197,516	209,228	242,746	280,143	304,746	325,545	365,001	391,888	408,630	425,561
Goods Transport Vehicles - Lorries	223,740	244,176	262,584	276,622	284,847	296,692	311,510	323,776	329,648	334,769	341,911	347,182	360,906	370,277
Land Vehicles - Tractors	180,940	199,980	221,326	245,683	259,634	276,997	297,070	315,520	326,292	333,362	343,339	353,624	362,445	369,905
Land Vehicles - Trailers	37,134	38,919	41,048	42,823	44,156	46,457	49,578	53,020	55,286	57,298	59,426	63,088	67,316	70,138
Quadricycle & Motor Home	-	-	-	-	-	-	-	-	-	-	-	-	-	656

Source: Department of Customs and Department of Motor Traffic

(a) Provisional

(b) Revised

* Cumulative number of all vehicles registered in Sri Lanka

Table 18 | Power Sector

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Installed Capacity	MW	2,411	2,434	2,444	2,645	2,684	2,818	3,146	3,312	3,356	3,932	3,847	4,018	4,086	4,048
Hydro Power		1,291	1,314	1,324	1,345	1,379	1,383	1,401	1,584	1,625	1,665	1,680	1,726	1,745	1,768
Thermal		1,115	1,115	1,115	1,285	1,290	1,390	1,396	1,338	1,335	1,215	1,115	1,215	1,233	1,164
Coal		-	-	-	-	-	-	300	300	300	900	900	900	900	900
Wind*		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	205	216
Maximum Demand	MW	1,748	1,893	1,842	1,922	1,868	1,955	2,163	2,146	2,164	2,152	2,283	2,453	2,523	2,616
Total sales by CEB	GWh	7,255	7,832	8,276	8,417	8,441	9,268	10,023	10,474	10,621	11,063	11,786	12,785	13,431	14,091
Generation **	GWh	8,769	9,389	9,814	9,901	9,882	10,714	11,528	11,800	11,898	12,357	13,090	14,149	14,671	15,305
Average Electricity Price	Rs	7.71	9.01	10.56	13.17	13.10	13.03	13.21	15.56	17.93	18.50	15.93	16.18	16.26	16.29
Average Cost of Electricity	Rs	10.91	10.93	13.48	17.67	14.93	13.03	15.59	23.66	16.94	19.97	15.06	18.10	20.34	19.12
Access to Electricity	000'	3,592	3,698	3,811	3,995	4,158	4,327	4,611	4,979	5,211	5,418	5,649	5,964	6,193	6,354
Access to Electricity	%	76.7	78.1	80.0	83.0	85.4	88.0	91.0	94.0	96.0	98.0	99.0	99.3	99.0	99.0

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Total Road Length	km	111,436	112,964	113,506	113,573	113,674	114,272	114,768	115,272	115,383	117,012	116,407	118,059	119,480	119,490
National Roads		11,693	11,773	11,874	11,891	11,922	12,019	12,019	12,258	12,289	12,369	12,380	12,380	12,380	12,390
Class A		4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,215	4,215	4,215	4,215	4,215
Class B		7,474	7,554	7,655	7,672	7,703	7,800	7,800	7,944	7,949	7,993	7,995	7,995	7,995	8,005
Expressways		-	-	-	-	-	-	95	95	121	161	170	170	170	170
Provincial Roads		15,743	16,532	16,532	16,532	16,532	16,973	17,429	17,614	17,614	19,083	18,397	18,353	18,900	18,900
Rural Roads		84,000	84,659	85,100	85,150	85,220	85,280	85,320	85,400	85,480	85,560	85,630	87,326	88,200	88,200
Total Roads Density	km/km ²	1.70	1.72	1.73	1.73	1.73	1.74	1.75	1.76	1.76	1.78	1.77	1.80	1.82	1.82
National Roads Density		0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.19	0.19	0.19	0.19	0.19	0.19	0.19
Provincial Roads Density		0.24	0.25	0.25	0.25	0.25	0.26	0.27	0.27	0.27	0.29	0.28	0.28	0.29	0.29
Rural Roads Density		1.28	1.29	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.31	1.33	1.34	1.34
Road Condition of National Roads as per IRI*															
Excellent	%	-	-	7	7	11	16	23	24	29	27	27	35	36	n.a
Good	%	-	-	28	23	24	27	23	29	36	27	28	29	30	n.a
Fair	%	-	-	19	18	17	13	10	10	8	9	9	10	13	n.a
Poor	%	-	-	36	41	37	33	26	17	13	16	16	11	10	n.a
Bad	%	-	-	10	11	11	11	18	20	14	22	20	15	11	n.a

Source: Road Development Authority and Department of National Planning

*IRI = International Roughness Index

(a) Provisional

Table 20 | Port Services

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Vessels Arrived *	No.	4,139	4,469	4,710	4,814	4,592	4,075	4,358	4,178	4,024	4,298	4,760	5,023	4,942	4,933
Colombo		3,929	4,228	4,326	4,424	4,114	3,910	4,124	3,870	3,667	3,742	4,197	4,405	4,329	4,331
Sri Lanka Ports Authority		2,972	3,160	3,114	3,151	2,939	2,928	3,040	2,750	2,600	2,424	2,169	2,061	1,998	1,934
South Asia Gateway Terminal		957	1,068	1,212	1,273	1,175	982	1,084	1,120	1,011	855	1,026	1,087	1,073	1,152
Colombo International Container Terminal		-	-	-	-	-	-	-	-	56	463	1,002	1,257	1,258	1,245
Galle		114	100	87	68	32	48	73	69	36	60	72	96	87	84
Trincomalee		96	141	297	322	310	109	126	161	134	127	164	216	233	189
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	-	-	-	9	34	139	335	295	281	230	270
KKS, Myliddy, Point Pedro & Karrainagar		-	-	-	-	136	8	26	44	48	34	32	25	63	59
Total Cargo Handled	MT '000	37,300	42,661	46,344	50,582	48,778	61,240	65,097	65,030	66,292	74,431	77,611	86,546	93,879	104,952
Colombo		34,523	39,428	43,502	47,960	46,373	58,768	62,016	61,669	63,482	70,794	73,718	81,879	89,034	100,151
Sri Lanka Ports Authority		24,885	27,585	28,985	30,924	27,281	33,775	36,019	36,867	39,186	39,998	36,668	35,172	35,001	39,216
South Asia Gateway Terminal		9,638	11,843	14,517	17,036	19,092	24,993	25,997	24,802	23,551	22,148	16,893	21,196	23,622	27,042
Colombo International Container Terminal		-	-	-	-	-	-	-	-	745	8,648	20,157	25,511	30,411	33,893
Galle		655	735	627	459	167	318	464	422	207	394	542	771	712	729
Trincomalee		2,123	2,498	2,215	2,163	2,238	2,154	2,574	2,859	2,435	2,748	3,027	3,514	3,897	3,560
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	-	-	-	15	20	119	474	292	355	213	494
KKS, Myliddy, Point Pedro & Karrainagar		-	-	-	-	246	11	28	60	49	21	32	27	23	18
Total Container Traffic (b)	TEUs '000	2,455	3,079	3,381	3,687	3,464	4,137	4,263	4,187	4,306	4,908	5,185	5,735	6,209	7,047
Sri Lanka Ports Authority		1,524	1,744	1,835	1,961	1,714	2,167	2,299	2,317	2,502	2,559	2,252	2,100	2,011	2,304
South Asia Gateway Terminal		931	1,335	1,546	1,726	1,750	1,970	1,963	1,870	1,747	1,662	1,371	1,632	1,810	2,067
Colombo International Container Terminal		-	-	-	-	-	-	-	-	57	687	1,562	2,003	2,388	2,676
Transshipment Container ** (b)	TEUs '000	1,716	2,330	2,578	2,874	2,712	3,205	3,216	3,167	3,274	3,781	3,967	4,435	4,826	5,704
Sri Lanka Ports Authority		1,106	1,297	1,412	1,517	1,301	1,604	1,652	1,652	1,825	1,916	1,711	1,617	1,623	1,976
South Asia Gateway Terminal		610	1,033	1,166	1,357	1,411	1,601	1,564	1,515	1,405	1,325	1,043	1,314	1,434	1,687
Colombo International Container Terminal		-	-	-	-	-	-	-	-	44	540	1,213	1,504	1,769	2,041
Employment (Sri Lanka Ports Authority)	No.	13,527	13,660	13,667	13,715	13,367	12,828	11,008	10,200	9,886	9,598	9,550	9,651	9,414	9,748
Colombo		12,217	12,382	12,470	12,548	12,263	11,681	10,059	9,325	9,014	8,747	8,725	8,856	8,625	8,948
Galle		622	615	577	553	513	500	433	391	378	373	355	348	351	362
Trincomalee		688	663	620	614	591	598	466	436	426	419	417	402	401	400
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	-	-	49	50	48	68	59	53	45	37	38
Revenue (Sri Lanka Ports Authority) ***	Rs Mn	20,552	23,004	25,913	25,142	23,331	28,279	31,086	38,098	37,232	37,492	40,805	44,080	43,963	52,283

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

*** For the comparison purpose part of Hambanthota has been removed from the 2017 actual values.

The South Asia Gateway Terminal commenced its operations in 1999.

Table 21 | Water Supply and Sewerage

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Access to Pipe Borne Water	% population	30.0	31.0	32.0	34.0	37.0	40.0	42.4	43.5	43.7	44.3	45.9	47.7	49.2	50.5
Access to Safe Drinking Water	% population	75.0	76.0	77.0	78.0	80.0	81.0	82.9	84.1	88.7	84.6	86.0	87.8	89.3	90.6
Access to Piped Sewerage *	% population	n.a	n.a	n.a	1.8	1.8	1.8	1.8	1.9	1.9	2.0	2.0	2.0	2.1	2.1
Average Cost (per month)**	Rs.000'	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	1,934,313	2,077,083	2,334,333
Average Household Bill (per month)	Rs	285.4	300.9	305.7	290.9	412.7	438.2	437.7	473.9	557.0	570.7	547.9	632.5	610.6	615.26
Water Supply Connections	No.	907,622	989,395	1,078,892	1,186,931	1,266,328	1,353,573	1,449,301	1,587,663	1,707,742	1,831,998	1,953,721	2,092,471	2,219,172	2,328,654
Water Production	Mn cum	383	398	425	440	449	470	490	525	547	575	600	649	686	707
Water Consumption	Mn cum	253	261	284	299	309	322	342	368	381	411	436	483	508	531
Water Sales (Bill Revenue)	Rs Mh	5,839	6,947	7,422	7,875	11,119	12,409	13,343	13,209	18,167	19,969	20,472	23,975	24,846	26,164
Non- Revenue Water															
Colombo City	%	51.3	51.8	53.2	54.0	53.1	52.0	50.0	49.2	47.7	46.6	46.2	45.7	43.1	41.7
Island wide	%	33.8	34.4	33.1	32.1	31.1	31.6	30.4	29.9	30.2	28.5	27.3	25.55	25.98	24.9
Employees	No.	7,981	8,335	8,848	9,006	9,063	9,018	9,199	9,670	9,953	10,483	10,245	10,352	10,338	10,046
Employees	Per 1000 connections	8.8	8.4	8.2	7.6	7.2	6.7	6.4	6.1	5.8	5.7	5.2	5.0	4.7	4.3
Collection Efficiency (Collection/Billing)		1.02	0.98	1.00	0.99	0.94	1.00	0.99	0.98	1.01	1.00	1.11	1.00	1.03	1.05

Source: National Water Supply and Drainage Board

(a) Provisional

* Increased of Pipe 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.

Table 22 | Communications

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
Telecommunication															
Fixed Access Services	No.	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	2,603,178	2,484,616
Wireline in Service		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	1,198,483	1,215,967
Wireless Access (b)		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	1,404,695	1,268,649
Cellular Phones (b)	No.	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	28,199,083	32,528,104
Telephone Density (Including Cellular Phones)	per 100 persons	23.4	36.7	53.6	71.9	86.6	100.8	105.1	116.9	112.4	119.6	128.7	135.7	143.6	161.5
Public Pay Phones	No. of Booths	6,285	7,561	8,526	7,417	7,378	7,054	6,458	6,983	6,788	6,642	5,809	5,297	5,137	5,091
Internet and Email Subscribers	No.	115,000	130,000	202,348	234,000	249,756	280,000	359,216	423,194	507,845	606,100	682,512	929,089	1,221,960	1,530,099
Mobile Broadband Subscribers *	No.	-	-	-	-	91,356	200,000	485,533	942,461	1,501,611	2,790,195	3,408,408	3,991,465	4,682,300	5,733,062
Internet Service Providers	No.	1	3	4	5	8	9	20	19	15	15	15	13	8	7
Postal															
Public Post Offices	No.	4,043	4,046	4,051	4,053	4,057	4,059	4,058	4,062	4,061	4,063	4,063	4,062	4,062	4,063
Main Post Offices		633	637	641	645	647	649	648	651	651	653	653	652	653	653
Sub Post Offices		3,410	3,409	3,410	3,408	3,410	3,410	3,410	3,411	3,410	3,410	3,410	3,410	3,409	3,410
Private Post Offices	No.	654	679	646	654	657	606	675	676	602	629	629	629	628	412
Private Agency Post Offices		439	463	480	488	494	491	512	516	497	524	524	524	523	307
Rural Agency Post Offices		157	158	159	159	159	111	156	156	101	101	101	101	101	101
Estate Agency Post Offices **		58	58	7	7	4	4	7	4	4	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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)
International Prices (End Year)															
Crude Oil															
Brent	US\$(bbl)	56.75	62.31	91.45	41.58	74.67	91.80	107.97	109.64	110.63	62.16	53.61	45.03	54.95	71.96
WTI	US\$(bbl)	59.41	62.00	91.36	41.44	74.49	89.22	98.61	88.19	97.90	59.10	49.28	54.76	51.30	64.99
Dubai	US\$(bbl)	53.13	58.67	85.75	41.00	75.49	89.18	106.20	105.67	107.94	60.39	50.91	41.27	53.18	69.65
Oman*	US\$(bbl)	50.42	62.13	68.50	94.51	62.02	78.22	106.64	109.55	109.98	96.95	51.18	41.81	53.41	69.92
Refined Products (Singapore Plattes)(Annual Avg)															
Petrol	US\$(bbl)	62.14	72.54	81.73	101.95	68.18	86.23	117.33	120.29	116.30	108.14	66.08	53.32	65.42	77.88
Diesel	US\$(bbl)	65.86	78.06	86.10	122.01	69.77	89.97	125.34	127.37	121.50	112.10	64.58	52.05	64.64	82.88
Kerosene	US\$(bbl)	67.93	80.66	86.77	122.08	70.14	90.18	125.29	126.84	122.98	112.49	64.80	52.83	65.28	85.00
Domestic Prices (End Year)															
Petrol (92 Octane)**	Rs/ltr	80.00	92.00	117.00	120.00	115.00	115.00	137.00	159.00	162.00	150.00	117.00	117.00	117.00	125.00
Petrol (95 Octane)	Rs/ltr	83.00	95.00	120.00	133.00	133.00	133.00	155.00	167.00	170.00	158.00	128.00	128.00	128.00	149.00
Auto Diesel	Rs/ltr	50.00	60.00	75.00	70.00	73.00	73.00	84.00	115.00	121.00	111.00	95.00	95.00	95.00	101.00
Super Diesel	Rs/ltr	55.30	65.30	80.30	85.30	88.30	88.30	106.30	142.00	145.00	133.00	110.00	110.00	110.00	121.00
Kerosene	Rs/ltr	30.50	48.00	68.00	50.00	51.00	51.00	71.00	106.00	106.00	81.00	49.00	49.00	59.00	101.00
Furnace Oil - 800 Sec	Rs/ltr	32.80	45.80	53.90	33.90	32.90	42.20	52.20	92.20	92.20	92.20	82.20	82.20	82.20	92.00
Furnace Oil - 1000 Sec	Rs/ltr	31.40	44.40	44.40	52.70	52.70	48.70	48.70	-	-	-	-	-	80.00	n.a
Furnace Oil - 1500 Sec	Rs/ltr	30.30	43.30	51.70	25.00	32.70	40.00	50.00	90.00	90.00	90.00	80.00	80.00	80.00	92.00
Furnace Oil - 3500 Sec	Rs/ltr	28.00	41.00	41.00	45.00	26.00	40.00	50.00	90.00	90.00	-	80.00	80.00	80.00	n.a
Quantity Imported															
Crude Oil	Mt 000'	2,008	2,151	1,968	1,853	2,066	1,819	2,070	1,486	1,743	1,824	1,763	1,685	1,591	1,674
Refined Products (b)	Mt 000'	1,823	1,926	2,411	2,476	2,264	2,991	4,283	4,891	4,376	4,993	5,204	3,885	4,895	4,959
L.P. Gas	Mt 000'	149	158	156	144	146	163	180	199	197	198	277	345	387	413
Domestic Production															
L.P. Gas	Mt 000'	13	15	16	16	24	23	24	17	22	28	10	9	19	22
Local Sales															
Petrol (92 Octane)**	Mt 000'	526	454	487	490	518	573	676	726	733	767	911	1,036	1,109	1,179
Petrol (95 Octane)	Mt 000'	23	24	31	29	22	22	35	40	55	69	100	137	168	189
Auto Diesel	Mt 000'	1,862	1,633	1,752	1,606	1,681	1,663	1,985	2,054	1,705	1,947	1,779	2,143	2,194	1,987
Super Diesel	Mt 000'	17	9	14	9	9	12	15	42	50	61	74	75	92	101
Kerosene	Mt 000'	252	206	168	151	151	165	169	143	126	122	130	137	161	210
Furnace Oil	Mt 000'	1,026	912	986	999	1,110	1,117	1,222	1,322	827	915	630	817	1,040	949
L.P. Gas	Mt 000'	165	170	197	174	194	210	228	228	218	232	293	356	412	435
Petroleum Tax Revenue	Rs Mn.	27,413	26,004	23,270	33,072	32,287	39,434	32,725	39,556	76,775	64,128	89,303	158,370	172,302	119,284
o/w Excise Duty	Rs Mn.	17,041	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719	73,983	66,318

Source: Ceylon Petroleum Corporation, Central Bank of Sri Lanka and Energy Statistics on Index Mundi(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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Petrol															
Value Added Tax (VAT)	%	15	15	15	15	5	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	20	20	16	Rs 35 Duty waived	Rs 35 Duty waived	Rs.35 (Rs. 23 duty waived)	Rs.35 (Rs. 23 duty waived)	35	35	35	35 (Rs. 23 duty waived)	35 (a)
Excise Duty	Rs. per ltr	20	20	20	20	25	25	25	25	27	27	27	27	27	27
Ports and Airports Development Levy (PAL)	%	1.5	2.5	3	3	3	3	5	5	5	5	5	5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1.0
Social Responsibility Levy (SRL)	%	-	-	1	1	1.5	1.5	-	-	-	-	-	-	-	-
Surcharge	%	-	-	10	10	15	Free	-	-	-	-	-	-	-	-
Provincial Turnover Tax (TT)	%	1	1	1	1	1	1	-	-	-	-	-	-	-	-
Diesel															
Value Added Tax (VAT)	%	15	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Rs. 15 Duty waived	Rs. 15 Duty waived	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	15 (Rs. 11 duty waived)	15 (Rs. 11 duty waived)
Excise Duty	Rs. per ltr	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3	3	3	3	13
Ports and Airports Development Levy (PAL)	%	1.5	2.5	3	3	3	3	5	5	5	5	5	5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1.0
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	-	-	-	-	-	-	-	-
Kerosene															
Value Added Tax (VAT)	%	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
Excise Duty	Rs. per ltr	1.25	1.25	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	1.5	2.5	3	3	3	3	5	5	5	5	5	5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1.0
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	-	-	-	-	-	-	-	-
L.P.Gas															
Value Added Tax (VAT)	%	15	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
Excise Duty	Rs. per ltr	Ex	Ex	5% or Rs. 8 ltr	5% or Rs. 14 24 ltr	5% or Rs. 14 24 ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	1.5	2.5	3	3	3	3	5	5	5	5	5	5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	Ex	Ex	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	-	-	-	-	-	-	-	-
L.P.Gas															
Value Added Tax (VAT)	%	15	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
Excise Duty	Rs. per ltr	Ex	Ex	5% or Rs. 8 ltr	5% or Rs. 14 24 ltr	5% or Rs. 14 24 ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	1.5	2.5	3	3	3	3	5	5	5	5	5	5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	-	-	Ex	Ex	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	-	-	-	-	-	-	-	-

Source: Department of Fiscal Policy
 (a) Rs. 20 duty waive for petrol 92 Octane and No waive for petrol 95 Octane
 (b) Rs. 5 duty waive for Auto Diesel and No waive for Super Diesel
 Note: EX - Exempted
 All Prices considered as at 31st December

Table 25 | Health Services

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Hospitals	No.	606	604	734	747	716	740	778	790	809	811	831	835	769	n.a
Public		606	604	619	612	555	568	592	593	603	601	610	610(d)	628	n.a
Private		n.a	n.a	115	135	161	172	186	197	206	210	221	225(e)	141	n.a
Central Dispensaries	No	397	397	387	417	461	476	475	480	481	484	475	475(d)	496	n.a
Beds	No	61,937	61,835	66,430	66,835	68,905	69,501	69,731	73,437	79,945(c)	82,604(c)	76,781	76,781(d)	83,275 (f)	n.a
Doctors	No.	12,107	12,419	12,842	14,192	15,165	15,503	16,464	17,190	18,846	19,873	20,280	21,168	22,091 (f)	n.a
Administrative MOO		124	124	128	131	136	138	240	211	143**	128	203	84	204	n.a
Specialist MOO		848	905	959	1,006	1,135	1,216	1,264	1,458	1,566	1,493	1,836	1,703	222	n.a
Medical Officers		9,070	9,297	9,662	10,932	11,684	11,782	12,630	13,329	14,584	15,873	15,833	16,934	17,375	n.a
Dental Surgeons		805	848	849	879	1,022	1,209	1,230	1,110	1,279	1,324	1,391	1,416	1,473	n.a
RMO/AMO		1,260	1,245	1,244	1,244	1,188	1,158	1,100	1,082	1,057	1,055	1,017	1,031	818	n.a
Nurses	No.	20,332	20,912	22,088	22,977	26,351	27,494	29,234	30,217	30,928	31,527	32,272	32,499	35,782 (f) (g)	n.a
Public Health Nursing Sisters (PHNS)	No.	308	312	297	210	328	365	326	364	331	n.a.	299	241	328	n.a
Public Health Midwives (PHM)	No.	7,316	7,165	7,590	8,722	8,276	8,276	8,385	8,703	9,120	9,164	9,021	8,842	6,086	n.a
Public Health Inspectors (PHI)	No.	1,581	1,574	1,662	1,695	1,691	1,689	1,718	1,644	1,713	1,867	1,664	1,729	1,981	n.a
Health Education Officers (HEOO)	No.	49	50	43	43	51	50	56	47	48	40	47	44	-	n.a
Professions Supplementary to Medicine (PSM)	No.	2,557	2,485	2,488	2,756	3,251	3,509	3,553	3,694	3,699	3,773	3,995	2,848	4,715 (f)	n.a
Medical Lab Technicians (MLTT)		984	913	910	1,020	1,332	1,422	1,415	1,399	1,421	1,423	1,448	1,067	1,724	n.a
Physiotherapists		220	217	215	241	268	322	328	339	319	340	400	367	618	n.a
Radiographers		345	340	336	385	464	477	485	534	536	531	551	421	610	n.a
Occupational Therapists		47	46	47	56	75	92	100	105	94	93	101	98	137	n.a
Pharmacists		961	969	980	1,054	1,112	1,196	1,225	1,317	1,329	1,386	1,495	895	1,626	n.a
Attendants	No.	6,705	7,091	7,129	7,184	8,358	8,189	8,403	8,375	8,091	8,096	8,689	8,268(d)	9,327	n.a

Source: Ministry of Health and Indigenous Medicine

(a) Provisional

(b) Revised

(c) Private and Public Hospitals

(d) Including line Ministry

(e) Including PGIM Trainees

(f) Government Only

(g) Including Matrons, Sisters etc.

* - Excluding Specialist MOO attached to Anti Filaria Campaign, Blood Bank Colombo, Faculty Staff Colombo, Fever HS Colombo, Mental HS Angoda, Rehabilitation HS Ragama, NIRS, STD Clinic Katugastota, BH Kalmunai South, BH Dehiattakandiya, BH Madirigiya & BH Nilaweratiya

** Permanently employed

Table 26 | Education

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
General Education															
Schools	No.	10,461	10,459	10,430	10,445	10,205	10,502	10,549	10,737	10,849	10,971	10,997	11,021	11,053	11,042
Government		9,723	9,714	9,678	9,662	9,410	9,685	9,731	9,905	10,012	10,121	10,144	10,162	10,194	10,175
o/w National		324	327	328	330	334	340	342	342	350	352	352	353	353	353
Private		85	91	94	92	98	98	98	98	103	103	104	105	106	106
Pirivenas		653	654	658	691	697	719	720	734	734	747	749	754	753	761
Students	000'	4,098	3,999	4,111	4,101	4,038	4,119	4,159	4,195	4,234	4,272	4,330	4,345	4,365	4,414
Government		3,937	3,838	3,942	3,930	3,865	3,940	3,974	4,004	4,037	4,078	4,129	4,143	4,166	4,215
National		723	682	730	749	759	785	800	793	797	797	806	803	811	839
Provincial		3,214	3,156	3,212	3,181	3,106	3,155	3,174	3,211	3,240	3,281	3,324	3,340	3,355	3,376
Private		106	106	114	115	115	117	122	126	130	131	136	136	136	139
Pirivenas		55	55	55	56	58	62	63	65	66	63	65	66	63	60
Teachers	No.	199,715	215,439	220,204	223,314	224,672	226,646	231,819	235,533	236,131	245,922	250,850	249,374	254,560	260,906
Government		189,234	204,645	209,197	212,116	213,126	214,562	219,886	223,333	223,752	232,990	236,999	235,999	241,591	247,334
Private		5,000	5,266	5,414	5,454	5,701	5,994	5,804	6,114	6,317	6,471	7,075	6,872	6,555	6,783
Pirivenas		5,481	5,528	5,593	5,744	5,845	6,090	6,129	6,086	6,062	6,461	6,776	6,503	6,414	6,789
University Education															
Universities	No.	17	17	17	17	17	17	17	17	17	17	17	17	17	17
UGC (a)		15	15	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
Students	No.	74,458	78,600	80,836	80,057	82,822	86,592	92,963	86,197	94,492	105,084	109,870	111,065	117,029	123,792
UGC (b)		66,386	68,588	71,257	69,491	71,471	73,398	77,657	70,222	77,126	83,539	87,085	87,741	91,905	98,314
OUSL		7,774	9,700	9,222	10,153	10,904	12,818	14,915	15,418	16,739	20,916	22,097	22,546	24,346	24,453
MoHE		298	312	357	413	447	376	391	557	627	629	688	778	778	1,025
New Admissions	No.	14,520	16,598	17,196	20,069	20,846	21,547	22,016	29,009	24,444	25,200	25,676	29,337	30,953	31,451
Employees	No.	13,269	13,859	14,119	14,549	15,412	15,670	15,905	16,301	16,971	17,641	16,007	16,783	17,581	18,506
Academic															
Lecturers		3,814	4,066	4,363	4,504	4,790	5,032	5,117	5,242	5,508	5,688	5,281	5,533	5,762	6,054
UGC (a)		3,770	4,016	4,313	4,452	4,735	4,984	5,064	5,176	5,439	5,610	5,199	5,440	5,669	5,940
MoHE		44	50	50	52	55	48	53	66	69	78	82	93	93	114
Non Academic		9,455	9,793	9,756	10,045	10,622	10,638	10,788	11,059	11,463	11,953	10,726	11,250	11,819	12,452
Graduate Output*															
First Degree	No.	12,545	16,812	16,837	19,755	20,931	20,357	23,167	11,788**	20,880	28,357	29,545	29,035	26,179	31,515
Postgraduate		4,589	3,071	3,852	4,665	6,518	6,330	5,614	8,054	8,636	8,141	7,513	7,697	10,437	9,581

Source: 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 Buddhavaraka Bhiksu University under Ministry of Higher Education
 * 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
 (b) Revised

Table 27 | Access to Banking and Finance

Category	Unit	2005		2006		2007		2008		2009		2010		2011		2012		2013		2014		2015		2016		2017 (b)		2018 (a)	
		No.		No.		No.		No.		No.		No.		No.		No.		No.		No.		No.		No.		No.		No.	
Domestic Commercial Banks																													
State	No.	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Private	No.	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Branches	No.	1,090	1,179	1,263	1,289	1,333	1,417	1,567	1,567	1,627	2,582**	2,672**	2,705**	2,788	2,803	2,825	2,803	2,825	2,803	2,825	2,803	2,825	2,803	2,825	2,803	2,825	2,803	2,825	2,803
State	No.	624	630	633	637	640	640	654	654	675	1,356	1,361	1,366	1,377	1,373	1,377	1,373	1,377	1,373	1,377	1,373	1,377	1,373	1,377	1,373	1,377	1,373	1,377	1,373
Private	No.	466	549	630	652	693	777	913	913	952	1,226	1,311	1,339	1,411	1,430	1,448	1,430	1,448	1,430	1,448	1,430	1,448	1,430	1,448	1,430	1,448	1,430	1,448	1,430
Other offices	No.	742	2,296	2,894	3,256	3,452	3,523	3,610	3,610	3,727	2,864***	2,871***	2,870***	2,556***	2,639***	3,309***	2,639***	3,309***	2,639***	3,309***	2,639***	3,309***	2,639***	3,309***	2,639***	3,309***	2,639***	3,309***	2,639***
State	No.	368	1,955	2,566	2,910	3,077	3,101	3,160	3,160	3,265	2,610	2,610	2,610	2,303	2,386	3,055	2,386	3,055	2,386	3,055	2,386	3,055	2,386	3,055	2,386	3,055	2,386	3,055	2,386
Private	No.	374	341	328	346	375	422	450	450	462	254	261	260	253	253	254	253	254	253	254	253	254	253	254	253	254	253	254	253
Automated Teller Machines (ATMs)	No.	n.a.	n.a.	1,256	1,510	1,710	1,815	2,035	2,035	2,187	2,316	2,406	3,188	3,475	4,029	4,597	3,475	4,029	3,475	4,029	3,475	4,029	3,475	4,029	3,475	4,029	3,475	4,029	3,475
State	No.	n.a.	n.a.	392	490	625	664	740	740	787	871	894	1,033	1,181	1,561	1,902	1,181	1,561	1,181	1,561	1,181	1,561	1,181	1,561	1,181	1,561	1,181	1,561	1,181
Private	No.	n.a.	n.a.	864	1,020	1,085	1,151	1,295	1,295	1,400	1,445	1,512	2,155	2,294	2,468	2,695	2,294	2,468	2,294	2,468	2,294	2,468	2,294	2,468	2,294	2,468	2,294	2,468	2,294
Foreign Commercial Banks																													
Branches	No.	11	12	12	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Other Offices	No.	35	39	43	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Automated Teller Machines (ATMs)	No.	7	23	133	170	170	170	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171	171
Specialized Banks (c)																													
State	No.	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Private	No.	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Branches	No.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
State	No.	369	379	409	448	465	500	515	515	527	645**	652**	624**	683	691	696	683	691	683	691	683	691	683	691	683	691	683	691	683
Private	No.	170	175	191	229	239	270	280	280	287	390	541	546	595	600	602	595	600	595	600	595	600	595	600	595	600	595	600	595
Other Offices	No.	36	212	219	220	233	257	272	272	273	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***	175***
State	No.	23	194	202	203	215	236	251	236	251	167	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175
Private	No.	13	18	17	17	18	21	21	21	22	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Automated Teller Machines (ATMs)	No.	n.a.	n.a.	68	97	119	158	158	158	180	180	180	295	320	333	376	295	320	333	376	295	320	333	376	295	320	333	376	295
Insurance Companies	No.	14	15	15	16	18	19	22	22	22	22	21	28	29	27	26	28	29	27	26	28	29	27	26	28	29	27	26	28
Registered Finance Companies	No.	28	29	32	34	35	36	39	39	47	48	48	46	46	45	43	46	46	45	43	46	46	45	43	46	46	45	43	46
Specialized Leasing Companies	No.	18	18	20	22	21	21	16	16	13	10	8	7	6	6	5	7	6	6	5	7	6	6	5	7	6	6	5	7
Credit Cards Issued	No.	181,857	234,720	200,679	122,033	68,430	90,489	148,481	167,424	166,181	176,750	198,843	264,058	290,264	338,743	338,743	290,264	338,743	290,264	338,743	290,264	338,743	290,264	338,743	290,264	338,743	290,264	338,743	290,264
Credit Cards In Use	No.	629,740	810,179	905,561	929,112	840,905	778,544	862,352	891,170	951,625	1,032,833	1,145,055	1,315,915	1,486,545	1,715,369	1,715,369	1,486,545	1,715,369	1,486,545	1,715,369	1,486,545	1,715,369	1,486,545	1,715,369	1,486,545	1,715,369	1,486,545	1,715,369	1,486,545

Source: Central Bank of Sri Lanka and Insurance Board of Sri Lanka

(a) Provisional

(b) Revised

(c) Up to 2013, specialized banks were classified as National level and regional level banks.

* During 2010, business of 6 Regional Development Banks was vested with a new level bank, i.e. Pradeshiya Sanwardhana 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	2005	2006 (c)	2007 (c)	2008 (a)	2009 (a)	2010 (a)	2011	2012	2013	2014	2015	2016 (d)	2017 (d)	2018 (d)
Labour Force															
Total Labour Force	000'	8,141	7,576	7,473	8,062	8,051	8,096	7,936	7,808	8,034	8,048	8,214	8,311	8,567	8,388
Labour Force Participation Rate	%	48.3	51.2	49.8	49.5	48.7	48.1	52.9	52.5	53.7	53.2	53.8	53.8	54.1	51.8
Employed Population by Industry															
Agriculture	000'	2,306	2,270	2,193	2,474	2,460	2,513	2,519	2,338	2,321	2,223	2,245	2,154	2,140	2,044
Industry	000'	1,928	1,888	1,871	2,003	1,905	1,865	1,820	1,942	1,997	2,027	2,018	2,098	2,331	2,239
Services	000'	3,284	2,927	2,963	3,151	3,215	3,319	3,262	3,217	3,363	3,450	3,568	3,696	3,737	3,732
Unemployment															
Unemployment No.	000'	623	492	446	433	471	400	335	310	353	348	383	363	359	373
By Gender															
Male	000'	302	227	210	194	223	185	142	147	164	165	158	154	156	164
Female	000'	322	268	237	239	248	215	193	163	189	183	225	209	203	209
By Age Group															
15-19 years	000'	122	86	70	68	68	59	43	43	48	49	56	58	46	53
20-29 years	000'	381	300	272	260	277	240	211	184	208	206	222	221	215	229
30-39 years	000'	76	59	59	58	71	59	53	49	53	54	61	48	53	56
Over 40 years	000'	44	48	46	46	55	42	28	34	43	39	45	36	45	35
By Level of Education															
Grade 5 & Below	000'	28	23	20	19	20	11	10	8	14	11	10	10	11	8
Grade 6 - 10	000'	232	207	183	170	188	140	128	116	129	131	132	129	108	113
GCE O/L	000'	178	131	98	101	109	91	66	84	78	78	94	80	89	80
GCE A/L & Above	000'	185	133	146	142	154	159	131	102	132	128	148	144	151	171
Unemployment Rate	%	7.7	6.5	6.0	5.4	5.9	4.9	4.2	4.0	4.4	4.3	4.7	4.4	4.2	4.4

Source: Department of Census and Statistics

(a) Data including Eastern provinces but excluding Northern province

(b) Excluding Mullativu and Killinochchi districts

(c) Excluding Northern and Eastern provinces

(d) 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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (a)(b)
Paddy Cultivation	Rs. per day														
Male		361.00	391.00	456.00	562.00	615.00	658.00	704.00	787.00	882.00	937.00	1,056.00	1,148.00	1,245.00	1,383.00
Female		261.00	293.00	336.00	395.00	423.00	454.00	530.00	599.00	667.00	678.00	765.00	810.00	854.00	994.00
Tea Cultivation	Rs. per day														
Male		300.00	333.00	375.00	440.00	496.00	543.00	617.00	691.00	764.00	819.00	887.00	952.00	1,085.00	1,242.00
Female		217.00	234.00	263.00	305.00	356.00	391.00	438.00	512.00	565.00	598.00	656.00	673.00	766.00	895.00
Rubber Cultivation	Rs. per day														
Male		305.00	335.00	389.00	500.00	532.00	588.00	658.00	741.00	853.00	881.00	931.00	978.00	1,113.00	1,216.00
Female		230.00	249.00	277.00	377.00	416.00	463.00	490.00	585.00	652.00	702.00	742.00	786.00	870.00	955.00
Coconut Cultivation	Rs. per day														
Male		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	1,284.00	1,374.00
Carpentry	Rs. per day														
Master Carpenter		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	1,795.00	1,990.00
Skilled and Unskilled		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	1,249.00	1,335.00
Masonry	Rs. per day														
Master Mason		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	1,785.00	1,994.00
Skilled and Unskilled		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	1,257.00	1,350.00
Strikes															
No. of Strikes		57	53	25	51	8	15	21	34	42	38	51	41	32	49

Source: Department of Labour and Central Bank of Sri Lanka

(a) Provisional

(b) Wage information is based on monthly wages from data collection centers under the revamped CWDCS.

Table 30 | Poverty and Inequality

Index	Unit	Survey period						
		1990/91	1995/96	2002	2006/07	2009/10	2012/13	2016
Poverty Head Count Index								
Sri Lanka	%	26.1	28.8	22.7	15.2	8.9	6.7	4.1
Sector								
Urban	%	16.3	14.0	7.9	6.7	5.3	2.1	1.9
Rural	%	29.5	30.9	24.7	15.7	9.4	7.6	4.3
Estate	%	20.5	38.4	30.0	32.0	11.4	10.9	8.8
District								
Colombo	%	16.2	12.0	6.4	5.4	3.6	1.4	0.9
Gampaha	%	14.7	14.1	10.7	8.7	3.9	2.1	2.0
Kalutara	%	32.3	29.5	20.0	13.0	6.0	3.1	2.9
Kandy	%	35.9	36.7	24.9	17.0	10.3	6.2	5.5
Matale	%	28.7	41.9	29.6	18.9	11.5	7.8	3.9
Nuwara Eliya	%	20.1	32.1	22.6	33.8	7.6	6.6	6.3
Galle	%	29.7	31.6	25.8	13.7	10.3	9.9	2.9
Matara	%	29.2	35.0	27.5	14.7	11.2	7.1	4.4
Hambantota	%	32.4	31.0	32.2	12.7	6.9	4.9	1.2
Jaffna	%	-	-	-	-	16.1	8.3	7.7
Mannar		-	-	-	-	-	20.1	1.0
Vavunia	%	-	-	-	-	2.3	3.4	2.0
Mullaitivu		-	-	-	-	-	28.8	12.7
Killinochchi		-	-	-	-	-	12.7	18.2
Batticaloa	%	-	-	-	10.7	20.3	19.4	11.3
Ampara	%	-	-	-	10.9	11.8	5.4	2.6
Trincomalee	%	-	-	-	-	11.7	9.0	10.0
Kurunegala	%	27.2	26.2	25.4	15.4	11.7	6.5	2.9
Puttlum	%	22.3	31.1	31.3	13.1	10.5	5.1	2.1
Anuradapura	%	24.4	27.0	20.4	14.9	5.7	7.6	3.8
Polonnaruwa	%	24.9	20.1	23.7	12.7	5.8	6.7	2.2
Badulla	%	31.0	41.0	37.3	23.7	13.3	12.3	6.8
Monaragala	%	33.7	56.2	37.2	33.2	14.5	20.8	5.8
Rathnapura	%	30.8	46.4	34.4	26.6	10.5	10.4	6.5
Kegalle	%	31.2	36.3	32.5	21.1	10.8	6.7	7.1
Poverty Gap	%	5.6	6.6	5.1	3.1	1.0	1.2	0.6
Squard Poverty Gap	%	1.8	2.2	1.6	0.9	0.5	0.30	0.10
Poverty Shortfall	Average (Rs./Month)	101	191	317	448	587	607	620
Gini Coefficient of Per Capita Expenditure		0.32	0.35	0.40	0.40	0.36	0.39	0.40
Gini Coefficient of Household Expenditure		-	0.36	0.41	0.41	0.37	0.40	0.41
Gini Coefficient of Household Income		0.43	0.46	0.47	0.49	0.49	0.48	0.45
Quintile Ratio	%	4.7	5.3	6.9	6.7	5.7	12.0	11.8

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)

Household Income and Expenditure Survey 2016 (covered all districts)

Table 31 | Remittances and Departures for Foreign Employment

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Total Remittances	US\$ mn	1,918	2,161	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242	7,164	7,015
By Country															
Middle East		1,089	1,234	1,451	1,745	1,995	2,474	3,030	3,358	3,562	3,902	3,769	3,889	3,711	3,592
European Union		355	411	500	525	603	724	885	1,071	1,160	1,270	1,222	1,282	1,311	1,312
Europe, Other		135	143	135	128	148	177	232	275	308	337	307	739	330	309
East Asia		86	110	135	175	203	247	401	509	557	611	698	333	824	849
North America		125	119	105	114	127	140	154	174	186	204	209	210	208	182
South and Central America		19	22	20	23	28	35	41	48	58	63	63	398	50	35
South East Asia		38	52	75	90	100	144	206	263	288	316	391	174	394	407
South Asia		19	22	25	32	40	58	51	90	83	91	98	109	107	154
Australia and New Zealand		29	28	33	55	57	82	103	132	147	161	161	51	172	154
Other		24	22	23	29	30	35	41	66	58	63	63	58	57	21
Total Departures	No.	231,290	201,948	218,459	250,499	247,126	267,507	262,961	282,447	293,218	300,703	263,443	242,816	211,992	211,459
Professional		1,421	1,713	1,653	2,835	2,832	3,057	3,844	4,448	5,151	5,372	6,251	6,578	6,379	7,210
Middle Level		8,042	6,638	3,962	8,667	6,388	6,884	6,134	9,280	16,510	20,778	6,951	8,234	7,127	7,748
Clerical and Related		7,742	7,911	4,551	6,791	6,719	7,923	9,906	16,184	26,561	29,267	12,501	10,862	9,271	10,021
Skilled		46,688	45,063	50,263	59,718	61,321	71,537	67,726	67,150	73,707	73,162	81,682	76,545	68,980	67,053
Semi Skilled		-	-	3,499	5,326	6,015	4,932	4,180	3,467	3,412	3,977	4,847	3,926	3,297	2,770
Unskilled		41,904	40,912	52,176	59,239	50,173	60,422	63,680	62,907	70,977	79,519	77,985	71,656	61,054	51,719
Housemaid Female		125,493	99,711	102,355	107,923	113,678	112,752	107,491	119,011	96,900	88,628	73,226	65,015	55,884	64,938

Source: Sri Lanka Bureau of Foreign Employment and Central Bank of Sri Lanka

(a) Provisional

(b) Revised

Table 32 | Welfare Payments and Development Subsidies

Description	Rs.million													
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Healthcare														
Pharmaceuticals (free medicine)	7,100	11,379	10,804	12,082	12,149	13,544	16,617	16,740	27,269	34,805	31,703	38,028	38,596	43,440
Empowering the Vulnerable and Needy														
Samurdhi	9,103	10,789	9,200	9,995	9,267	9,241	9,044	10,553	15,256	15,042	39,994	40,740	39,707	39,239
No. of Beneficiaries (Families Mn)	2.0	1.9	1.8	1.6	1.6	1.6	1.5	1.5	1.4	1.5	1.4	1.4	1.4	1.4
Assistance to Elderly (Over 70yrs age)	-	648	326	922	960	650	950	554	2,045	2,655	8,039	9,060	9,008	9,590
Daily Allowance for Differently Abled Students	40	50	71	70	74	71	80	80	123	138	220	247	195	31
Allowance for Disable People	n.a.	n.a.	43	75	74	75	394	403	513	479	936	1,114	1,083	1,141
Financial Supports for kidney patients	-	-	-	-	-	-	-	-	-	-	-	487	869	1,318
Empowering Government Security Forces														
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	26,772	27,808	45,901
Agriculture Development														
Fertilizer Subsidy	6,846	10,700	11,000	26,450	26,935	23,028	29,802	36,456	19,706	31,858	49,571	27,771	30,361	26,879
Paddy Purchasing (To Stabilise the Paddy Prices)	n.a.	755	990	680	1,060	1,805	1,629	1,440	1,789	228	7,480	242	-	-
Commercial Crop Development														
Crop Subsidy														
Tea	183	188	199	232	211	191	171	182	272	331	7,292	549	445	615
Rubber	115	176	193	275	200	371	485	435	587	763	2,871	713	703	542
Coconut	124	270	179	222	237	269	293	353	403	485	471	709	598	653
Cashew	18	22	23	35	34	25	29	27	49	40	35	40	54	67
Minor Crops - (Cinnamon, Cocoa, Coffee, Pepper)	45	79	134	117	175	180	220	185	207	254	360	380	336	440
School Children and University Students														
School Uniforms	1,060	963	1,067	582	1,260	950	1,364	2,218	2,300	3,574	2,261	2,157	2,479	1,073
Season Tickets	250	250	500	600	1,384	1,369	1,359	1,233	1,430	1,695	1,800	1,998	4,923	5,000
School and Dharma School Text books	1,080	1,123	2,250	3,387	2,196	2,056	2,337	2,127	2,583	2,773	3,979	5,599	4,476	4,318
Grade v Scholarships, Mahapola and Bursary	421	235	201	565	578	645	777	790	801	852	1,390	1,914	1,344	2,136
Nutrition Program	166	722	1,308	1,649	2,251	2,475	2,631	2,790	3,077	3,725	3,938	3,916	4,434	-
Thripasa for Children and Expectant Mothers	504	537	488	649	1,155	865	1,336	1,189	1,396	1,787	1,956	1,351	1,692	1,982

Table 32 | Welfare Payments and Development Subsidies cont...

Description	Rs. million													
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Poshana Malla for Expectant Mothers	-	82	418	386	505	388	360	249	203	279	2,422	5,746	5,408	5,490
Morning Milk for Pre-school and school Children	-	-	13	35	167	178	249	205	230	197	189	106	167	256
Poshana Manpetha and Lama Saviya	4	25	22	24	30	30	18	17	19	21	49	30	-	-
Disaster Assistance														
Flood and Drought Relief	348	171	345	323	738	264	649	153	148	521	271	132	5,854	5,279
Cooked Meals and Dry Rations	1,482	2,586	1,670	1,457	2,859	1,000	199	54	32	28	118	111	-	-
Assistance to Religious Places														
Water for Religious Places	45	45	30	46	144	42	46	49	47	50	50	-	-	-
Losses of Public Enterprises														
Petroleum (Ceylon Petroleum Corporation)	-	946	-	11,085	7,717	20,295	85,165	89,656	7,969	-	19,468	69,620	3,504	(104,037)
Kerosene	-	-	259	357	-	-	-	-	-	-	-	-	-	-
Electricity (Ceylon Electricity Board)	6,852	14,176	22,314	33,870	7,440	-	19,266	61,164	-	15,737	-	14,499	(49,231)	(29,000)
Water	92	214	1,278	2,915	1,417	5,955	-	578	-	-	252	2,977	738	(568)
Railway	3,505	3,981	4,298	4,553	4,768	3,173	4,060	3,796	5,163	11,034	7,714	6,773	7,595	n.a
Sri Lanka Transport Board	2,778	2,542	2,312	6,261	8,026	827	3,307	4,287	4,333	6,351	5,229	3,617	1,617	2,169
Transport Facilities														
SLTB Transport Facilities - Uneconomical Routes	3,689	4,360	3,159	3,736	2,332	2,460	1,922	2,184	2,335	4,770	4,975	4,999	5,000	5,004
Transportation Facilities for Armed Forces	-	-	-	200	598	208	257	182	169	276	300	289	321	219
Common Facilities														
Street Lighting	800	900	1,000	1,300	204	360	123	-	-	-	-	-	-	-
Total	51,401	74,835	83,520	133,829	106,941	103,489	198,751	255,421	117,063	159,037	228,766	272,686	150,084	69,177

Source: Department of National Budget, Department of Treasury Operations and Department of Public Enterprises

(a) Provisional

(b) Revised

Table 33 | Tourism

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Tourist Arrivals by Country of Nationality	No.	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	2,116,407	2,333,796
North America		46,727	35,688	28,338	23,203	25,044	40,552	53,658	59,236	65,616	72,653	91,956	98,376	105,297	129,492
Latin America & the Caribbean		732	805	4,104	3,721	666	594	1,167	1,626	3,166	3,202	5,698	5,625	5,560	8,134
Western Europe		227,558	228,666	195,813	165,822	170,186	255,172	320,431	373,063	421,037	498,758	599,415	643,333	680,901	840,956
Eastern Europe		9,305	14,236	25,485	29,352	26,177	35,630	51,922	72,401	125,695	141,984	125,284	161,171	161,967	176,905
Middle East		10,230	10,191	13,587	16,701	23,821	37,501	36,376	56,169	80,509	88,654	101,676	107,635	95,581	71,636
Africa		2,337	3,163	2,991	2,354	1,591	2,249	6,736	5,045	8,081	10,674	14,473	12,144	12,703	14,873
Asia		222,844	241,954	200,697	175,944	174,382	245,753	334,274	380,289	509,653	640,045	787,483	938,697	962,395	966,731
Australasia		29,575	24,900	22,993	21,378	26,023	37,025	51,411	57,776	60,836	71,183	72,395	83,851	92,003	125,069
Tourist Arrivals by Purpose of Visit *	No.														
Leisure		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	1,744,149	1,979,819
Private & Official Business		92,789	99,404	52,116	37,261	38,473	83,270	68,436	90,040	67,553	4,616	6,705	37,121	77,086	76,702
Convention & Meetings		12,543	17,009	7,620	5,867	6,262	6,350	14,681	22,220	26,766	4,495	5,240	16,652	27,455	29,048
Visiting Friends & Relations		43,943	42,617	40,968	36,304	23,122	35,386	70,531	117,520	164,422	419,266	458,411	236,127	237,874	223,916
Religious & Cultural		5,400	9,561	13,902	11,523	9,127	5,150	2,321	22,371	65,004	200	1,202	390	281	168
Sports & Health		-	-	-	-	-	-	-	-	-	-	-	-	27,580	22,799
Other		12,312	13,919	48,164	26,441	12,718	7,782	12,178	5,018	35,689	60,992	128,582	50,515	1,982	1,334
Official Tourist Receipts *	US \$ Mn	362	410	384	342	349	575	830	1,038	1,715	2,431	2,981	3,519	3,925	4,381
Receipt Per Tourist Per Day *	US\$	74.6	83.4	79.1	76.7	81.8	88.0	98.0	103.0	156.5	160.8	164.1	168	170	174
Average Duration (Nights)*	No.	9	10	10	10	9	10	10	10	9	10	10	10	11	11
Accommodation Capacity Hotels (Classified/ unclassified and Boutique Hotels	No.														
Rooms		13,162	14,218	14,604	14,793	14,461	14,714	14,653	15,510	16,223	18,510	19,377	22,336	23,477	24,757
Beds*		24,740	27,117	27,500	28,698	28,344	28,978	28,844	30,880	32,284	36,883	38,479	45,509	48,550	52,237
Foreign Travel by Sri Lankans (Departures)		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	1,439,429	1,471,481

Table 33 | Tourism cont...

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Revenue from Tourism															
Tourism Development Levy		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	1,541.5	1,482.1
Embarkation Tax on Foreign Tourists	Rs. Mn	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	2,378.8	2,824.9
Museums															
Number of Foreign Visitors		15,281	13,771	9,040	7,353	10,244	22,061	31,096	37,305	44,751	45,405.3	55,852.1	59,982	68,107	8,551
Revenue from Sale of Tickets	Rs. '000	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	50,210	76,035
Cultural Triangle															
Number of Foreign Visitors		110,443	138,232	104,583	112,190	109,404	197,947	239,920	592,980	504,699	627,136	722,676	905,333	978,606	980,096
Revenue from Sale of Tickets	Rs. Mn	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	3,774.4	4,200.1
Zoological Gardens															
Number of Foreign Visitors		135,006	178,902	155,310	153,934	149,833	249,556	284,898	287,485	305,860	348,842	393,064	415,776	369,685	373,106
Revenue from Sale of Tickets	Rs. Mn	61.4	82.7	133.1	134.3	201.7	410.1	470.2	480.7	550.9	745.7	813.9	841.1	729.0	698.8
Botanical Gardens															
Number of Foreign Visitors		110,639	150,138	113,759	117,751	123,425	210,949	237,763	259,572	293,454	345,468	407,553	465,405	440,270	463,695
Revenue from Sale of Tickets	Rs. '000	32,605	44,210	66,560	69,119	72,267	123,162	253,896	279,045	314,871	369,858	435,151	594,297	640,043	673,428
Wild Life Parks															
Number of Foreign Visitors		57,441	84,198	58,258	54,323	70,688	143,198	198,536	254,052	325,153	454,053	558,521	783,203	934,633	1,100,435
Revenue from Sale of Tickets	Rs. '000	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	1,730,718	2,138,490

Source: Sri Lanka Tourism Development Authority, Central Cultural Fund

(a) Provisional

(b) Revised

* Estimated

Note: Since 2014, data on "tourist arrivals by purpose of visit" as per the new classification

Table 34 | Livestock Sector

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (b)	2018 (a)
Total Livestock Population		13,619	15,133	15,820	16,444	15,591	16,076	16,262	16,191	18,619	18,468	18,542	39,108	43,513	43,268
Cattle	No. '000	1,185	1,215	1,223	1,196	1,137	1,170	1,192	1,254	1,169	1,105	1,088	1,366	1,400	1,474
Buffalo	No. '000	308	314	319	440	372	423	405	415	381	321	323	426	445	458
Goat/Sheep	No. '000	405	395	405	387	385	381	384	394	341	307	317	470	513	523
Swine	No. '000	85	92	94	89	81	84	82	89	81	105	70	125	155	168
Chicken	No. '000	11,636	13,117	13,779	14,331	13,615	14,018	14,199	14,039	16,647	16,630	16,744	36,720	41,000	40,645
Total Production															
Milk	Mn Lt.	193	197	202	208	233	248	258	299	329	334	374	454	483	495
Chicken meat	Mt '000	86	85	100	103	99	104	117	137	145	150	164	174	201	214
Eggs	Mn	1,449	1,243	1,252	1,380	1,099	941	1,185	2,279	1,637	1,721	1,899	2,201	2,856	2,853
Mutton	Mt	1,800	1,700	1,600	1,400	1,500	1,700	1,790	1,600	1,840	1,340	1,350	1,400	1,740	1,630
Pork	Mt	11,000	11,500	11,700	11,100	10,120	10,435	9,800	7,030	7,040	7,080	7,018	7,280	7,890	10,043
Domestic Demand															
Domestic Demand - Milk															
Milk Requirement	Mn. Ltrs per Year	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	1,206.6	1,264.0
Domestic Production	Mn Ltrs.	192.7	196.6	202.0	208.0	233.3	247.5	258.3	299.3	329.2	333.9	374.4	453.8	482.7	494.0
Domestic Production / Total Req. Ratio	%	26.9	27.1	27.7	28.2	31.3	32.8	33.7	40.0	44.5	35.6	36.2	35.0	40.0	39.0
Production Gap	Mn Ltrs.	524.9	529.0	528.4	530.0	513.1	506.2	508.7	442.7	410.8	603.8	631.6	712.6	723.9	769.0
Domestic Demand - Chicken															
Chicken Requirement	Mt'000 per year	251.2	253.8	256.5	261.1	261.2	263.8	266.6	259.7	261.7	148.7	165.0	174.1	201.1	214.3
Domestic Production	Mt'000	86.3	85.3	100.1	102.5	99.3	104.2	116.8	137.4	144.5	150.3	164.5	173.83	201.0	214.2
Production Gap	Mt'000	164.9	168.6	156.5	158.6	162.0	159.6	149.8	122.3	117.2	-	-	-	0.09	0.07
Domestic Demand - Egg															
Egg Requirement	Mn. per Year	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	2,861	2,858
Domestic Production	Mn.	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	2,201	2,856	2,853
Production Gap	Mn.	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	0.0	4.6	5.6
Per Capita Availability															
Milk	LMEL per Year	9.8	9.9	10.1	10.3	11.4	12.0	12.4	14.7	16.1	16.1	17.9	21.4	22.5	23.1
Chicken Meat	kg per Year	4.4	4.3	5.0	5.0	4.9	4.9	5.7	6.8	7.1	7.2	7.8	8.31	9.4	9.9
Eggs	No. per Year	73.7	62.6	62.4	67.5	53.7	45.6	82.0	112.7	102.6	107.9	109.1	105.0	133.2	131.7

Table 34 | Livestock Sector cont...

Item	Unit	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(b)	2018(a)
Mutton	kg per Year	0.1	0.1	0.1	0.1	0.1	0.1	0.1	...	0.1	0.1	0.1	0.09	0.11	0.1
Pork	kg per Year	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.3	0.3	0.3	0.35	0.37	0.5
Beef	kg per Year	1.5	1.4	1.3	1.1	1.1	1.1	1.7	1.7	1.8	1.6	1.5	1.51	1.41	n.a
Imports															
Milk and Milk Products	Mt	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	98,863.4	104,862
	Rs. Mn	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	48,145	54,002
Poultry and Poultry Products	Mt	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	280	301
	Rs. Mn	151.6	32.7	88.7	228.9	85.2	149.7	300.1	148.0	112.0	99.2	129.4	99.6	167	162
Mutton and Mutton Products	Mt	405.7	450.0	415.9	293.1	269.7	284.9	169.2	338.0	385.5	350.3	502.7	485.2	545	517
	Rs. Mn	109.0	116.6	116.4	93.0	58.3	82.2	72.9	200.3	172.8	165.7	218.9	213.7	236	218
Pork and Pork Products	Mt	4.2	48.8	60.3	37.7	0.5	0.2	0.3	0.9	0.1	2.6	...	0.6	50	118
	Rs. Mn	4.6	6.2	27.6	21.1	0.4	0.5	0.4	0.8	0.1	0.5	0.1	0.4	31.1	73
Beef and Beef Products	Mt	33.6	67.5	23.7	30.1	22.0	28.9	61.1	27.5	36.0	36.1	50.7	72.4	151	139
	Rs. Mn	24.1	29.0	23.1	25.6	16.9	12.7	52.3	24.2	28.5	28.8	39.7	80.2	141	174

Source: 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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fishing Fleet Capacity (Total Boats)	No.	30,504	38,819	38,383	39,049	40,245	48,134	53,476	54,310	52,301	62,524	61,354	68,618	46,890	51,672
High Seas Boats		10	11	10	13	19	26	29	130	-	-	1,576	1,455	1,417	1,281
Multi Day Boats		1,328	2,394	2,454	2,529	2,604	2,679	3,843	3,950	4,111*	4,447*	3,456	3,833	2,779	4,381
One Day Boats		1,164	907	1,085	1,110	1,135	1,160	1,120	890	802	876	789	835	868	918
Out Board 6-8 m FRP		11,010	16,685	15,016	15,016	15,016	15,016	22,890	23,160	23,134	23,982	24,882	26,136	22,394	24,132
Motorized Traditional Boats		1,660	1,842	2,188	2,213	2,238	2,263	2,960	2,340	2,514	2,720	2,179	2,248	2,185	2,206
Non-Motorized Traditional Boats (b)		14,739	16,347	16,640	17,178	18,243	26,000	21,650	22,800	20,566	29,325	26,859	32,291	16,035	17,434
Beach Scene Boats		593	633	990	990	990	990	984	1,040	1,174	1,174	1,613	1,820	1,212	1,320
Annual Fish Production	MT	162,680	251,270	291,050	319,120	339,730	384,670	444,830	484,810	512,840	535,050	520,190	530,920	531,310	527,060
Marine Fish Catch		130,400	215,980	252,670	274,630	293,170	332,260	385,270	417,220	445,930	459,300	452,890	456,990	449,440	439,370
Coastal		63,690	121,360	150,110	165,320	180,410	202,420	222,350	257,540	267,980	278,850	269,020	274,160	259,720	249,020
Offshore and Deep Sea		66,710	94,620	102,560	109,310	112,760	129,840	162,920	159,680	177,950	180,450	183,870	182,830	189,720	190,350
Inland and Aquaculture		32,280	35,290	38,380	44,490	46,560	52,410	59,560	67,590	66,910	75,750	67,300	73,930	81,870	87,690
Fish for Dry or Smoking	MT	18,900	71,740	77,830	93,240	97,690	100,120	112,295	61,320	146,630	157,982	126,390	145,620	138,430	141,080

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

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