



# ANNUAL REPORT 2017

MINISTRY OF FINANCE  
SRI LANKA

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*\* The Subject of Mass Media has been assigned effective from 22<sup>nd</sup> May 2017*

# MINISTRY OF FINANCE

(AS AT 31<sup>ST</sup> DECEMBER 2017)

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Hon. Mangala Samaraweera, M.P.  
**Minister of Finance and Mass Media**

Hon. Eran Wickramaratne, M.P.  
**State Minister of Finance**

Hon. Lasantha Alagiyawanna, M.P.  
**Deputy Minister of Finance and Mass Media**

## PRINCIPAL OFFICIALS

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**Secretary, Ministry of Finance and Mass Media**  
**Secretary to the Treasury**

S.R. Attygalle  
**Deputy Secretary to the Treasury**

Ms. G.D.C. Ekanayake  
**Deputy Secretary to the Treasury**

A.R. Desapriya  
**Deputy Secretary to the Treasury**

R. Semasinghe  
**Additional Secretary**  
**Ministry of Finance and Mass Media**

# HEADS OF TREASURY DEPARTMENTS

(AS AT 31<sup>ST</sup> DECEMBER 2017)

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Ms. G.K. Wimalaweera  
Additional Director General

## Department of Public Enterprises

N.K.G.K. Nemmawatta  
Director General

H.H. Kasthuriarachchi  
Additional Director General

Ms. D.C.W. Hapugoda  
Additional Director General

P.H.A.S. Wijayarathna  
Additional Director General

## Department of Management Services

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M. Gopalaratnam  
Additional Director General

Ms. L.T.D. Perera  
Additional Director General

## Department of Fiscal Policy

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## Department of Trade and Investment Policy

K.A. Vimalenthirarajah  
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C. Jayasuriya  
Additional Director General

## Comptroller General Office

P.B.S.C. Nonis  
Comptroller General

## Department of Development Finance

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Director General

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Additional Director General

## Department of Public Finance

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Director General

Ms. K.D.R. Olga  
Additional Director General (Acting)

## Department of Treasury Operations

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Director General

R.M.A. Rathnayake  
Additional Director General (Acting)

## Department of State Accounts

S.G. Senarathna  
Director General

## Department of Information Technology

### Management

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Director General

S. Giridaran  
Additional Director General

## Department of Legal Affairs

Director General

### Auditor

S.M.D.S.S. Rohitha  
Assistant Auditor General

# HEADS OF DEPARTMENTS UNDER THE PURVIEW OF THE MINISTRY OF FINANCE (AS AT 31<sup>ST</sup> DECEMBER 2017)

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**Department of Inland Revenue**

I. Dissanayake  
Commissioner General

**Department of Customs**

Ms. P.S.M. Charles  
Director General

**Department of Excise**

Ms. K.H.A. Meegasmulla  
Commissioner General

**Department of Valuation**

Ms. P.D.D.S. Muthukumarana  
Chief Valuer

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**Insurance Regulatory Commission of  
Sri Lanka**

Ms. Indrani Sugathadasa  
Chairperson

Ms. Damayanthi Fernando  
Director General

**National Lotteries Board**

Ms. Shyamila Perera  
Chairperson

A.H.S. Gunawardane  
General Manager

**Development Lotteries Board**

S.A.P. Suriyapperuma  
Chairman

Saman Jayasinghe  
General Manager

**Sri Lanka Export Credit Insurance  
Corporation**

A.S.M. Misbah  
Chairman

Dilruk Ranasingha  
General Manager

**The Public Services Mutual Provident  
Association**

R.A.T.A. Ranaweera  
Chairman

**Sri Lanka Accounting & Auditing Standards  
Monitoring Board**

R.A.A. Jayalath  
Chairman

Ms. Wasantha Geeganage  
Director General

**Tax Appeals Commission**

H. Yapa  
Chairman

**Lady Lochore Loan Fund**

A.P. Kurumbalapitiya  
Chairman

Winston Pathiraja  
Managing Trustee

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## SRI LANKA AT A GLANCE 2015 - 2017

	2015	2016	2017 (a)		2015	2016	2017(a)
<b>GDP</b>				<b>TOTAL GOVERNMENT DEBT (Rs. Bn)</b>	8,503	9,387	10,313
GDP at Market Prices (Rs.Bn.)	10,951	11,907	13,289	Total Government Debt (Percent of GDP))	77.7	78.8	77.6
GDP at Market Prices (US\$ Bn.)	80.6	81.8	87.2	Domestic (Percent of GDP )	45.3	44.9	42.1
Per Capita GDP at Market Prices (Rs.)	522,304	561,560	619,729	Foreign (Percent of GDP )	32.4	34.0	35.5
Per Capita GDP at Market Prices (US\$)	3,842	3,857	4,065	Total Debt Service (Percent of GDP)	12.0	11.4	12.1
GDP (Growth %)	5.0	4.5	3.1				
GNP (Growth %)	4.8	4.3	3.1	<b>PROVINCIAL BUDGET</b>			
Inflation - GDP Implicit Price Deflator (%) 2010=100	0.6	4.1	8.2	Revenue (Rs.Bn)	66.1	79.3	86.3
Inflation - CCPI (%), 2013=100 (Annual Average)	2.2	4.0	6.6	Tax Revenue (Rs.Bn)	59.5	69.6	76.0
Unemployment (%)	4.7	4.4	4.2	Expenditure (Rs.Bn)	267.7	273.6	286.0
Labour Force Participation Rate (%)	53.8	53.8	54.1	Central Government Transfers (Rs.Bn)	201.6	196.5	200.9
<b>STRUCTURE OF THE ECONOMY</b>				<b>MONETARY SECTOR DEVELOPMENTS</b>			
<b>Share of GDP (%)</b>				Narrow Money (Rs.Bn.)	743	777	793
Agriculture	7.7	7.1	6.9	Broad Money (Rs.Bn)	5,533	5,406	6,308
Industry	26.2	26.6	26.8	Money Growth (M2b) (%)	17.8	18.4	16.7
Services	56.6	56.7	56.8				
Tax-Subsidier	9.5	9.6	9.5				
<b>Sectoral Growth (%)</b>				<b>ACCESS TO BANKING &amp; FINANCE</b>			
Agriculture	4.7	-3.8	-0.8	Domestic Commercial Banks	13	13	13
Industry	2.2	5.8	3.9	Branches	2,694	2,788	2,816
Services	6.0	4.7	3.2	Foreign Commercial Banks	12	12	12
				Branches	53	53	53
<b>EXTERNAL TRADE</b>				Specialized Banks	7	7	7
Exports (US\$ Mn.)	10,546	10,310	11,360	Branches	624	683	691
Imports (US\$ Mn.)	18,935	19,183	20,980				
Trade Balance (US\$ Mn.)	-8,388	-8,873	-9,619	<b>ATMs</b>			
Tourism (US\$ Mn.)	2,981	3,518	3,925	Domestic Commercial Banks	3,208	3,475	4,026
Worker's Remittances (US\$ Mn.)	6,980	7,242	7,164	Foreign Commercial Banks	49	56	57
Current Account Balance (US\$ Mn)	-1,883	-1,742	-2,309	Specialized Banks	295	320	333
Overall Balance of Payment (US\$ Mn)	-1,489	-500	2,068				
				Insurance Companies	28	29	27
<b>GOVERNMENT FINANCE</b>				Registered Finance Companies	46	46	45
Revenue ( Rs.Bn)	1,455	1,686	1,832	Specialized Leasing Companies	7	7	6
Tax Revenue (Rs.Bn)	1,356	1,464	1,670	Student Savings Units	3,045	2,583	2,667
Non -Tax Revenue (Rs.Bn)	99	222	161	Credit Cards Issued	198,843	264,058	290,264
Revenue (US\$ Mn.)	10,702	11,580	12,013	Credit Cards in Use	1,145,055	1,315,915	1,486,545
Tax Revenue (US\$ Mn)	9,973	10,053	10,955				
Non Tax Revenue (US\$ Mn)	729	1,527	1,058	<b>EXCHANGE RATES</b>			
Total Expenditure and Net Lending (Rs.Bn)	2,290	2,334	2,573	Annual Average			
Current Expenditure (Rs.Bn.)	1,702	1,758	1,928	Rs/US\$	135.94	145.60	152.46
Public Investment (Rs.Bn.)	603	594	657	Rs/SDR	190.16	202.39	211.49
Current Account Balance / (Present of GDP)	-2.3	-0.6	-0.7				
Primary Deficit/(Percent of GDP)	-2.8	-0.2	0.0	Year End			
Budget Deficit / (Percent of GDP)	-7.6	-5.4	-5.5	Rs/US\$	144.06	149.80	152.85
Total Expenditure and Net Lending (US\$.Mn)	16,848	16,029	16,877	Rs/SDR	199.63	201.38	217.69
Current Expenditure (US\$ Mn.)	12,518	12,073	12,644				
Public Investment (US\$ .)	4,434	4,080	4,312				
Budget Deficit (US\$ Mn.)	-6,102	-4,398	-4,811				

(a) Provisional

## SRI LANKA AT A GLANCE 2015 - 2017

	2014		2015	2016	2017 (a)
Duty free items	3,410	Duty free items - Raw Materials	3,922	3,938	4,064
5% Duty	-	5% Duty	-	2	2
7.5% Duty	188	10% Duty	-	9	9
15% Duty	1,601	25% Duty	-	25	25
25% Duty	1,450	15% Duty Intermediate Goods	1,324	1,309	1,534
30% Duty	-	30% Duty Luxury Goods & Motor Vehicles	1,457	1,430	1,454
75% Duty	3	75% Duty Tobacco	3	3	3
85% Duty	1	85% Duty Cigarettes	1	1	1
100% Duty	-	125% Duty Liquor	5	5	5
125% Duty	5	Specific Food Items ( 84 ) & Local Industries	67	65	85
Specific	84	Specific & Advelorum	186	255	256
Specific & Advelorum	184				
<b>Total</b>	<b>6,926</b>	<b>Total</b>	<b>6,965</b>	<b>7,042</b>	<b>7,438</b>

	2015	2016	2017 (a)		2015	2016	2017 (a)
<b>SOCIAL DEVELOPMENT</b>				<b>ACCESS TO BASIC INFRASTRUCTURE</b>			
Mid Year Growth of Population (%)	0.9	1.1	1.1	Electricity to Households (%)	98.5	99.3	n.a
Life Expectancy at Birth (2014/2015)	74.9	75.0	75.0	Access to Pipe-borne Water (% of Population)	45.9	47.7	49.2
Infant Mortality Rate (Per 1,000 Live Births) (2015)	8.5	n.a.	n.a.	Access to Safe Drinking Water (% of Population)	89.7	88.8	89.3
Maternal Mortality Rate (Per 100,000 Live Births)	n.a.	n.a.	n.a.				
Crude Birth Rate (per 1,000 persons)	16.0	15.6	15.2	<b>Telecommunications</b>			
Crude Death Rate (per 1,000 persons)	6.3	6.2	6.5	Fixed Access Services ( '000)	2,601	2,550	2,603
Literacy Rate - (%) (c)				Cellular Phones (No. of Subscribers) ('000)	24,385	26,228	28,199
Average	93.3	93.2	93.1	Internet and email Subscribers (Including mobile internet services) ('000)	4,091	4,921	5,904
Male	94.2	94.1	94.1				
Female	92.6	92.4	92.2	<b>Postal</b>			
Computer Literacy Rate (%) (b)	26.6	27.5	28.3	Public Post Offices	4,063	4,062	4,062
Dependency Ratio (%) (65 years and over)	11.50	11.76	49.4	Private Post Offices	629	629	628
<b>MOTOR VEHICLE IMPORTS</b>				<b>Roads</b>			
Motor Cars	108,866	45,172	39,182	Total Road Length (Km)	12,380	12,380	12,380
Motor Cycles	349,441	340,129	344,380	Road Density (Km2)	0.19	0.19	0.19
Three-Wheelers	132,865	56,945	23,537				
Tractors	14,233	13,947	13,049	<b>Ports</b>			
Motor Vehicles for Transport of Goods	44,218	32,158	25,431	Vessels Arrived	4,728	4,998	4,879
Passenger Van and Buses	4,687	2,685	3,331	Total Container Traffic ('000 TEUs)	5,185	5,735	6,209
Other	510	948	772	Total Cargo Handled ('000 MT)	77,579(d)	86,519	93,857
<b>Total Vehicle Stock</b>				Transshipment Containers Handling ('000 TEUs)	3,967	4,435	4,826
Motor Cars	672,502	717,674	756,856				
Three-Wheelers	1,059,042	1,115,987	1,139,524	<b>Production of Agriculture Sector</b>			
Motor Cycles	3,359,501	3,699,630	4,044,010	Tea (Mn Kg )	329	293	308
Buses	101,419	104,104	107,435	Rubber (Mn Kg )	89	79	83
Dual Purpose Vehicles	365,001	391,888	408,630	Coconut ( Mn Nuts)	3,050	3,011	2,450
Motor Vehicles for Transport of Goods	341,911	374,069	382,758	Paddy ('000 MT)	4,819	4,420	2,383
Land Vehicles - Tractors	343,339	352,666	361,487	Fresh Milk (Mn Ltr.)	374	384	396
Land Vehicles - Tailors	59,426	63,088	67,316	Fish ('000 MT)	520	531	531

(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 2015 - 2017

	2015	2016	2017 (a)		2015	2016	2017 (a)
<b>ACCESS TO BASIC NEEDS</b>				<b>PRINT MEDIA</b>			
<b>HEALTH</b>				<b>Newspapers (No.)</b>			
Public Hospitals	610	610	612	Sinhala	131	136	116
Private Hospitals	217	225	181	Tamil	39	38	24
Primary Medical Care Units	475	475	506	English	43	44	27
Beds*	76,781	76,829	76,774	<b>ELECTRONIC MEDIA</b>			
<b>PROFESSIONALS</b>				<b>Television Services</b>			
Doctors*	19,429	20,458	20,575	Government	5	5	5
Nurses*	32,272	32,499	33,363	Sinhala	2	2	2
Public Health Inspectors (PHI)	1,664	1,729	n.a.	Tamil	2	2	2
Attendants	8,689	8,268	8,562	English	1	1	1
Midwives	9,021	8,842	n.a.	Private	14	19	17
<b>EDUCATION</b>				Sinhala	9	13	12
Government				Tamil	2	3	2
Schools	10,144	10,162	10,194	English	3	3	2
Students ('000)	4,129	4,143	4,166	China	-	-	1
Teachers	236,999	235,999	241,018	<b>Radio Services</b>			
Private				Government	54	52	55
Schools	104	105	106	Sinhala	18	18	21
Students ('000)	136	136	139	Sinhala	12	12	12
Teachers	7,075**	6,872**	7,039**	Tamil	5	5	5
Pirivenas				English	1	1	2
Schools	749	754	753	Arabic	-	-	1
Students ('000)	65	66	62	Hindi	-	-	1
Teachers	6,776	6,503	6,335	Private	36	34	34
<b>WOMEN PARTICIPATION</b>				Sinhala	22	20	21
Women Population ('000) (e) (f)	8,245	8,384	8,552	Tamil	4	4	3
Employed Women ('000)	2,987	2,798	2,929	English	10	10	9
Women Participation in the Labour Force (%)	35.9	35.9	36.6	China	-	-	1
Women in the Public Service ('000)	529	498	528	<b>INSTALLED CAPACITY (MW)</b>			
Unemployed Women (%)	7.6	7.0	6.5	<b>Total</b>	<b>3,847</b>	<b>4,018</b>	<b>4,138</b>
<b>CAPITAL MARKET</b>				Public Sector	2,884	2,891	2,891
Market Capitalization (Rs.Bn)	2,938	2,745	2,899	Hydro Power	1,377	1,384	1,384
Average Daily Turnover (Rs.Mn)	1,060	737	915	Thermal Power	1,504	1,504	1,504
All Share Price Index (ASPI) 1985=100	6,895	6,228	6,369	Fuel	604	604	604
S&P SL 20 Index (2004 =1,000)	3,626	3,496	3,672	Coal	900	900	900
Market Price Earnings Ratio- End of the Year (%)	18.0	12.4	10.6	Other	3	3	3
Turnover to Market Capitalization (%)	8.6	6.2	7.8	Private Sector	963	1,127	1,248
<b>POVERTY (2016)</b>				Hydro Power	307	342	353
				Thermal Power - Fuel	511	611	689
				Other	145	174	206
				<b>POVERTY (2016)</b>			
				Poverty Head Count Index	n.a.	n.a.	4.1(g)
				Poverty Gap Index (%)	n.a.	n.a.	0.6(g)
				Gini Coefficient of Per Capita Expenditure	n.a.	n.a.	0.39(g)
				Average Daily kilo Calorie Intake	n.a.	n.a.	2095(g)

\* 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 2015 - 2017

GOVERNMENT TAX RATE (%)						
	2014		2015		2016	
	Rs. 500,000	Rs. 500,000	Rs. 500,000	Rs. 500,000	Rs. 500,000	Rs. 500,000
Tax Free Allowances						
Tax on Taxable income	Tax on Taxable income (h)					
First Rs. 500,000	4	4	Next Rs. 500,000	4	4	
Next Rs. 500,000	8	8	Next Rs. 500,000	8	8	
Next Rs. 500,000	12	12	Next Rs. 500,000	12	12	
Next Rs. 500,000	16	16	Next Rs. 500,000	16	16	
Next Rs. 1,000,000	20	20	Next Rs. 1,000,000	20	20	
Balance	24	24	Balance	24	24	

	As at end				As at end		
	2015	2016	2017		2015	2016	2017
<b>Corporate Tax (%)</b>				<b>Excise Duty</b>			
Standard Rate	28	28	28	<b>Cigarettes (Rs. Per 1,000)</b>			
Liquor & Tobacco	40	40	40	Length below 60mm	6,975	11,675	11,675
Taxable Income less than Rs.5.0 Mn. (i)	12	12	12	Length 60-67mm	12,675	17,375	17,375
Export Income (j)	12	12	12	Length 67-72mm	14,660	20,500	20,500
<b>Economic Service Charge (ESC)</b>				Length 72-84mm	23,750	30,500	30,500
ESC Rate (%)	0.25	0.5	0.5	Length Exceeding 84mm	27,240	34,250	34,250
(Any ESC Paid is Deductible from any Income Tax/ Corporate Tax Payable)							
<b>Value Added Tax (VAT) (%)</b>				<b>Liquor Duty Structure (Rs. Per Proof Liter)</b>			
Standard Rate	11	15	15	Coconut Processed/Molasses Arrack	1,595	1,850	3,300
Exports	0	0	0	Country Made Foreign Liquor	1,860	2,030	3,300
<b>Nation Building Tax (NBT) (%)</b>	2	2	2	Malt Liquor (Beer) above 5% in Strength	245	315	2,400
<b>Ports and Airports Development Levy (%)</b>	5	7.5	7.5	Malt Liquor (Beer) less than 5% in Strength	190	190	2,400
<b>Telecommunications Levy % (other than Internet)</b>	25	25	25	Liquor made from any cereal other than toddy	1,120	1,120	2,400
<b>Share Transaction Levy (%)</b>	0.3	0.3	0.3	Imported Malt Liquor	-	50	50
<b>CUSTOMS DUTY (%)</b>				Imported Wine	-	100	100
Inputs / Raw Material	0	0	0	Any other imported Liquor	-	200	200
Intermediate Goods	15	15	15				
Finished and Luxury Goods	30	30	30				

### SOCIAL & ECONOMIC DEVELOPMENT BY INTERNATIONAL RANKING (2017)

Index Name	No of Countries	Sri Lanka	India	Bangladesh	Bhutan	Maldives	Nepal	Pakistan
Prosperity index	149	53	100	111	N/A	N/A	89	137
Competitiveness Index	137	71	39	106	97	N/A	98	122
Human Development index	179	73	131	139	132	105	144	147
Global Hunger index	119	84	100	88	N/A	N/A	72	106
Global Innovation index	127	90	60	114	N/A	N/A	109	113
Corruption Perception index	180	91	81	143	26	112	122	117
Doing Business index	190	111	100	177	75	136	105	147
World Happiness index	156	116	133	115	97	N/A	101	75
Economic Freedom index	180	122	143	128	107	157	125	141
Logistics Performance index (2016)	163	N/A	35	87	135	104	124	68

(h) Taxable Income has been revised effect from 2018.04.01

(i) From 2018.04.01 has been abolished

(j) From 2018.04.01 onwards has been revised to 14%

# **PART I**

## **Macro-Fiscal Perspectives**



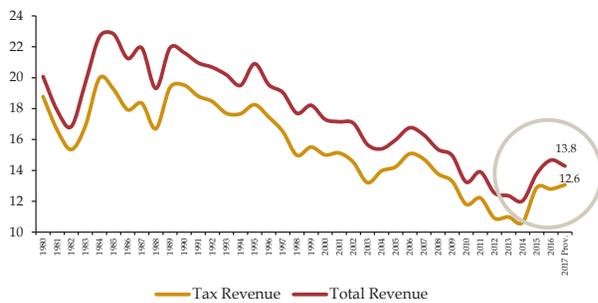
**Developments in  
Fiscal Policy, Strategy,  
and Challenges**

**01**

## 1.1 Overview

Government’s initiatives undertaken to bolster tax revenue and rationalize non-interest recurrent expenditure helped sustain the fiscal consolidation stance despite headwinds in 2017. Government’s attempts to rationalize expenditure were challenged by the rise in interest expenditure and unanticipated expenses due to the damage caused by inclement weather. Nonetheless, a notable turnaround was observed in government revenue which was falling for decades. The upward shift observed in government revenue in 2015 assisted by several policy initiatives carried the momentum through 2017 with slight moderation.

Chart 1.1 | Government Revenue (% of GDP)



The major realization in fiscal operations in 2017 was the surplus recorded in the primary balance after decades<sup>1</sup>. Even if the surplus is relatively small in 2017 (about 0.02 percent of GDP), its path of convergence towards a surplus is quite significant given the historical context, and such surplus is projected to get bigger over the medium-term. A primary surplus which formulates a major part of government’s fiscal strategy is the linchpin of the government’s efforts towards achieving public debt sustainability over the medium- to long-run. A primary surplus within a deficit budget implies that the government revenue can service a part of interest expenditure, hence, debt servicing would not entirely depend on borrowed funds, signalling a deceleration in government debt accumulation over time.

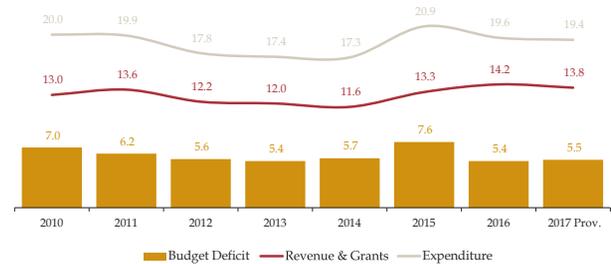
Government fiscal operations in 2017 met with multiple challenges due to slower than expected

<sup>1</sup> Government fiscal operations in the post-independence economy recorded a primary surplus in three occurrences, i.e., in 1954, 1955, and 1992 recording at 1.2 percent, 1.9 percent, and 0.05 percent of GDP, respectively.

economic growth and the delay in implementing several revenue measures. Weather-related supply shocks dampened the growth prospects in 2017 resulting in a below potential economic growth of 3.1 percent. Introduction of new Inland Revenue Act which aimed at simplifying and broadbasing the income tax was delayed from the initially expected timeline of March 2017 to October 2017, and it came into effect from April 2018. Meanwhile, the fiscal cost associated with weather-related supply shocks due to floods and drought burdened the expenditure rationalization measures.

The ratio of tax revenue to GDP rose modestly by 0.3 percentage point to 12.6 percent in 2017, helped mainly by revenue from taxes on goods and services due to amendments introduced in the tax system. Non-tax revenue moderated in 2017 from a high base in 2016, resulting in total government revenue being recorded at 13.8 percent of GDP in 2017, compared to 14.2 percent of GDP in 2016. Measures to rationalize government expenditure helped contain the non-interest recurrent expenditure while reorientation of public investments provided more funds for capital expenditure in priority areas in 2017. Hence, government expenditure was recorded at 19.4 percent of GDP in 2017, compared to 19.6 percent of GDP in 2016.

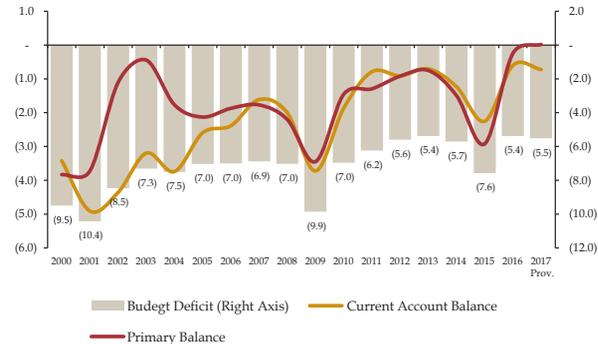
Chart 1.2 | Revenue, Expenditure and Budget Balance (% of GDP)



In spite of various downside risks to government fiscal operations, the fiscal deficit was curtailed at 5.5 percent of GDP in 2017, mainly assisted by favorable tax revenue and expenditure performance. However, it was marginally high compared to 5.4 percent of GDP in 2016. Meanwhile, government’s current account deficit increased marginally to 0.7 percent of GDP in 2017, from 0.6 percent of GDP in 2016, due mainly to a rise in interest payments to 5.5

percent of GDP in 2017 compared to 5.1 percent of GDP in 2016.

Chart 1.3 | Major Fiscal Balances (% of GDP)



Despite the marginal increases in the budget deficit and current account deficit in 2017, these balances show a notable downward adjustment on average over the recent years. Such improvements in the deficit in the overall balance and the current account, along with the surplus in primary balance will lend credible support to the fiscal consolidation stance of the government. The outstanding central government debt fell to 77.6 percent of GDP as at end 2017, compared to 78.8 percent of GDP at end 2016, reflecting the relatively low nominal growth of outstanding debt compared to the growth of nominal GDP. Fiscal consolidation envisaged in the government fiscal strategy would ensure a steady reduction of government debt over the medium-term.

Table 1.1 | Government Fiscal Operations (a)

	2014	2015	2016	2017 (Prov.)	2014	2015	2016	2017 (Prov.)
	Rs. Bn				% of GDP			
<b>Revenue &amp; Grants</b>	<b>1,205</b>	<b>1,461</b>	<b>1,694</b>	<b>1,840</b>	<b>11.6</b>	<b>13.3</b>	<b>14.2</b>	<b>13.8</b>
<b>Revenue</b>	<b>1,195</b>	<b>1,455</b>	<b>1,686</b>	<b>1,832</b>	<b>11.5</b>	<b>13.3</b>	<b>14.2</b>	<b>13.8</b>
<b>Tax Revenue</b>	<b>1,050</b>	<b>1,356</b>	<b>1,464</b>	<b>1,670</b>	<b>10.1</b>	<b>12.4</b>	<b>12.3</b>	<b>12.6</b>
Income Tax	198	263	259	275	1.9	2.4	2.2	2.1
Taxes on Goods & Services	616	804	842	1,026	5.9	7.3	7.1	7.7
Taxes on External Trade	236	289	363	370	2.3	2.6	3.0	2.8
<b>Non-Tax Revenue</b>	<b>145</b>	<b>99</b>	<b>222</b>	<b>161</b>	<b>1.4</b>	<b>0.9</b>	<b>1.9</b>	<b>1.2</b>
<b>Grants</b>	<b>9</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Expenditure</b>	<b>1,796</b>	<b>2,290</b>	<b>2,334</b>	<b>2,573</b>	<b>17.3</b>	<b>20.9</b>	<b>19.6</b>	<b>19.4</b>
<b>Recurrent Expenditure</b>	<b>1,323</b>	<b>1,702</b>	<b>1,758</b>	<b>1,928</b>	<b>12.8</b>	<b>15.5</b>	<b>14.8</b>	<b>14.5</b>
Salaries & Wages	441	562	571	589	4.3	5.1	4.8	4.4
Goods & Services	128	184	151	146	1.2	1.7	1.3	1.1
Interest	436	527	611	736	4.2	4.8	5.1	5.5
Subsidies & Transfers	318	428	425	458	3.1	3.9	3.6	3.4
<b>Capital Expenditure and Net Lending</b>	<b>473</b>	<b>589</b>	<b>576</b>	<b>645</b>	<b>4.6</b>	<b>5.4</b>	<b>4.8</b>	<b>4.9</b>
Public Investments	487	603	594	657	4.7	5.5	5.0	4.9
Other	(14)	(14)	(18)	(12)	(0.1)	(0.1)	(0.2)	(0.1)
<b>Current Account Balance</b>	<b>(128)</b>	<b>(247)</b>	<b>(72)</b>	<b>(96)</b>	<b>(1.2)</b>	<b>(2.3)</b>	<b>(0.6)</b>	<b>(0.7)</b>
<b>Primary Balance</b>	<b>(155)</b>	<b>(302)</b>	<b>(29)</b>	<b>2.1</b>	<b>(1.5)</b>	<b>(2.8)</b>	<b>(0.2)</b>	<b>0.02</b>
<b>Overall Fiscal Balance (Budget Deficit)</b>	<b>(591)</b>	<b>(830)</b>	<b>(640)</b>	<b>(733)</b>	<b>(5.7)</b>	<b>(7.6)</b>	<b>(5.4)</b>	<b>(5.5)</b>
<b>Deficit Financing</b>	<b>591</b>	<b>830</b>	<b>640</b>	<b>733</b>	<b>5.7</b>	<b>7.6</b>	<b>5.4</b>	<b>5.5</b>
<b>Foreign Financing (Net) (b)</b>	<b>316</b>	<b>369</b>	<b>392</b>	<b>439</b>	<b>2.1</b>	<b>2.2</b>	<b>3.3</b>	<b>3.3</b>
<b>Domestic Financing (Net)</b>	<b>276</b>	<b>460</b>	<b>248</b>	<b>294</b>	<b>3.7</b>	<b>5.4</b>	<b>2.1</b>	<b>2.2</b>

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

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

Source: Fiscal Policy Department

## 1.2 Fiscal Performance in 2017

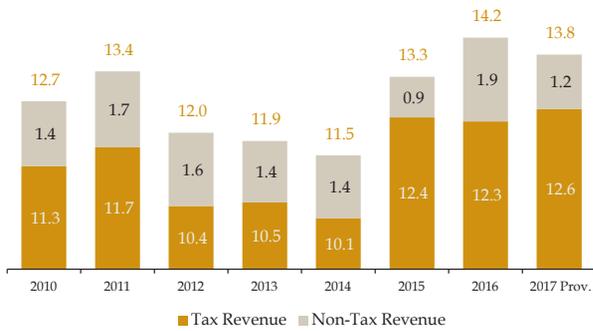
### Government Revenue

Government revenue which comprises tax revenue and non-tax revenue recorded at 12.6 percent of GDP and 1.2 percent of GDP, respectively, totaling 13.8 percent of GDP in 2017. Tax revenue in 2017 increased from 12.3 percent of

GDP in 2016, yet, such revenue increase fell below the expectations because the implementation delay in the new Inland Revenue Act and slowdown of economic activity weighed on the income tax collection. Non-tax revenue ratio decreased in 2017 from a high base of 1.9 percent of GDP in 2016 where large profit and dividend transfers from State-Owned-Enterprises took place. Such reduction in non-tax revenue drove

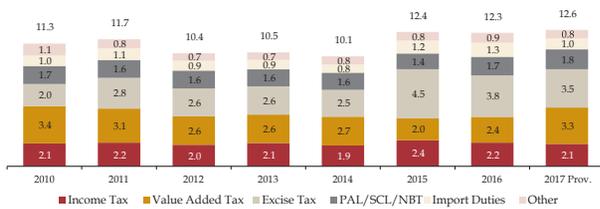
total government revenue marginally down in 2017, compared to 14.2 percent of GDP in 2016. Nonetheless, government revenue marked an year-on-year increase of 8.6 percent in nominal terms compared to 2016.

Chart 1.4 | Government Revenue (% of GDP)



The increase of government tax revenue can be mainly attributed to the rise in VAT collection by nearly 1 percentage point to 3.3 percent of GDP following the VAT amendment implemented in November 2016. Meanwhile, the major individual tax component - excise collection - moderated amidst weak excise collections due to a sharp drop in the volume of liquor and tobacco sales, despite the increase of excise collection on import of motor vehicles and petroleum oil. Further, other major tax components such as income tax and import duties recorded a decline in 2017 over 2016, reflecting the impact of modest economic growth.

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

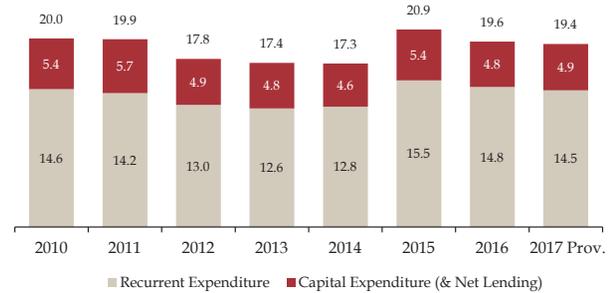


## Government Expenditure

Government expenditure which comprises recurrent and capital expenditure (including net lending to government institutions) was 14.5 percent of GDP and 4.9 percent of GDP respectively, in 2017. In comparison to 2016, the ratio of recurrent expenditure to GDP decreased from 14.8 percent of GDP, while capital expenditure (and net lending) increased from 4.8

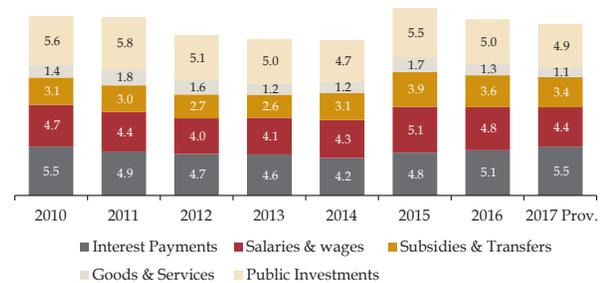
percent of GDP. Such rationalization of recurrent expenditure is noteworthy amidst a sizable fiscal cost incurred in 2017 on account of natural disasters amounting to an estimate of over 0.3 percent of GDP which included both relief and reconstruction measures. Total government expenditure moderated to 19.4 percent of GDP in 2017 from 19.6 percent of GDP in 2016, and in nominal terms, it recorded an year-on-year increase of 10.2 percent in 2017.

Chart 1.6 | Government Expenditure (% of GDP)



Rationalization of recurrent expenditure is reflected in all major components of non-interest expenditure. As such, non-interest recurrent expenditure as a ratio of GDP moderated by 0.7 percentage point to 9.0 percent in 2017. Particularly, recurrent expenditure on goods and services decreased even in nominal terms over the previous year.

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



## Budget Deficit and Financing

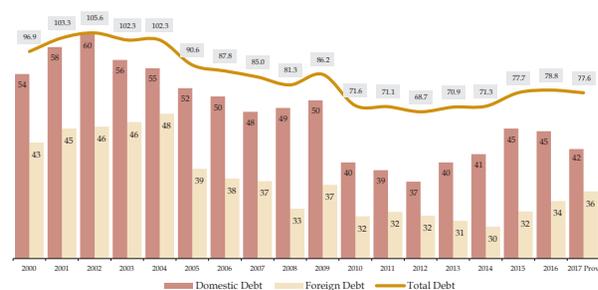
Government expenditure in excess of revenue and grants resulted in a deficit of 5.5 percent of GDP in 2017, marginally high compared to 5.4 percent of GDP in 2016. Despite the fall in government expenditure from 19.6 percent in 2016 to 19.4 percent of GDP in 2017, budget deficit rose in 2017 over the previous year due to a decline in non-tax revenue by 0.7 percentage

point of GDP in 2017 compared to 2016. Budget deficit warranted financing which was mainly sourced from borrowings, while proceeds from the long-term lease of Hambantota port also financed a part of budget deficit about 0.3 percent of GDP. Deficit financing from foreign sources, including the treasury bills and treasury bonds issued to foreigners accounted for 60 percent of total financing in 2017.

### Government Debt and Debt Servicing

The rise in the relative share of outstanding foreign debt gathered momentum in the recent years, while the reduction of the share of domestic debt contributed to consolidate the central government debt. As such the outstanding balance of central government debt decreased by 1.2 percentage points of GDP to 77.6 percent at end 2017, compared to 78.8 percent recorded at end 2016. Domestic debt at the end of 2017 was lower by 2.7 percentage points of GDP compared to end 2016, while foreign debt increased by 1.5 percentage points of GDP resulting in an overall decline in the outstanding debt level. Consequently, outstanding domestic debt which stood at 44.9 percent of GDP at end 2016 fell to 42.1 percent of GDP at end 2017, while the outstanding foreign debt rose to 35.5 percent of GDP at end 2017 from 34.0 percent of GDP at end 2016.

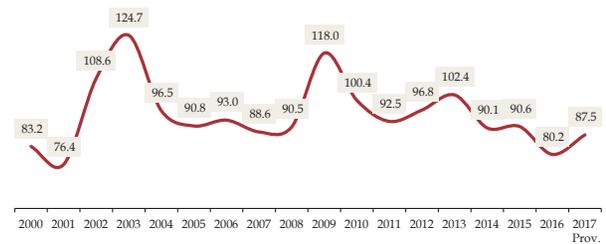
Chart 1.8 | Outstanding Central Government Debt (% of GDP)



The ratio of government debt service payments to government revenue shows a downward trend since 2009. In 2017, government debt service payments accounted for 87.5 percent of government revenue, which is considerably low compared to 124.7 percent in 2003 and 118 percent in 2009. However, compared to 2016 the ratio has

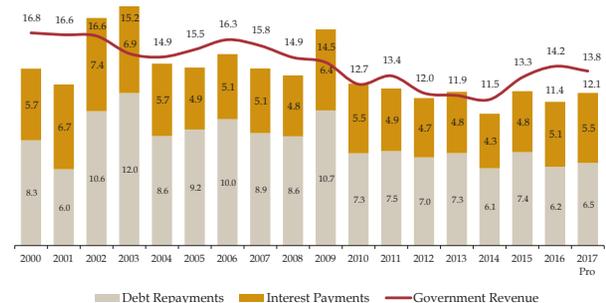
somewhat worsened, reflecting the impact of relatively higher nominal growth of debt service payments by 18.5 percent over the previous year, and moderate growth of government revenue in 2017 by 8.6 percent in nominal terms over 2016. Larger debt service payments in 2017 reflect both in interest payments which grew by 20.4 percent year-on-year, and debt repayments which recorded an increase of 17.0 percent in 2017 over 2016.

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



Government debt service payments amounted to 12.1 percent of GDP in 2017, inched up from 11.4 percent in 2016. Of total debt service payments, debt repayments accounted for 6.5 percent of GDP in 2017, while interest payments accounted for 5.5 percent of GDP. Meanwhile, domestic debt service payments accounted for over three-fourth of total debt service payments, recording at 9.1 percent of GDP, which comprises 4.8 percent of debt repayments and 4.3 percent of interest payments.

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



## 1.3 The Government's Fiscal Strategy

Government's fiscal strategy is driven by the objectives of achieving further stabilization of

the economy, efficient reallocation of resources, and effective redistribution of income, by means of managing the level and composition of government spending and revenue, and the related accumulation of government assets and liabilities.

Within the context of the broader framework of Government's fiscal strategy, the medium-term fiscal framework is formulated with a view to furthering fiscal consolidation efforts through a sustainable reduction of the fiscal deficit and public debt while enhancing revenue mobilization<sup>2</sup>. In order to facilitate the Government's fiscal strategy various reform initiatives were undertaken in such areas as taxation policy and administration, expenditure management, government debt management, reforms in state-owned-enterprises, public finance and procurement management, among others.

Most notable such initiatives include the enactment of new Inland Revenue Act and introduction of improvements to revenue administration measures. In particular, the new Inland Revenue Act would not only enhance government revenues but also make the tax system more equitable, by raising the share of direct taxes compared to indirect taxes. Government shows firm commitment towards improving the direct tax to indirect tax revenue ratio, from the current level of 16 percent and 84 percent, respectively, in 2017. Other notable reforms initiatives undertaken in 2017 include the introduction of an Information Technology Based Commitment Control System as a major step towards effective public finance management, signing of Statement of Corporate Intent (SCI) with major State-Owned-Enterprises, among others. Because the SCIs are expected to bring greater transparency in SOEs' financial operations, the government intends to expand the coverage of SCIs to include additional SOEs. Further, proposed measures to introduce a market based pricing mechanism for fuel and electricity

would ease pressure on the government arising from the implicit fuel and electricity subsidies. Nonetheless, government may need to take targeted measures to address any adverse impact of such possible price increases on the most vulnerable segments of the society. It is expected that the fiscal cost of such targeted fiscal spending on the most affected segments would be far below the savings from the implicit subsidies through market based pricing structures.

A major priority of the Government's fiscal strategy is to firmly commit towards effective redistribution of income through well targeted transfer schemes. As an initial step, government activated the Welfare Benefits Board (WBB) in order to facilitate rationalizing and broadening the coverage of the various social welfare schemes. The WBB has already commenced the creation of a national database, including a social registry for beneficiaries of welfare schemes, such as Samurdhi, elderly benefit schemes, disabled benefit schemes, chronic kidney disease benefit etc. It is envisaged that the selection of beneficiaries would be made in a more transparent and effective manner.

Government's fiscal strategy places a significant emphasis on the continuous improvements in the coverage, timeliness, and periodicity in fiscal reporting. Initiatives such as quarterly reporting to Parliament on government expenditure and income performance, publishing quarterly budget estimates would strengthen parliamentary control over public finance while improving the budget monitoring process. Further, publishing tax expenditure statements<sup>3</sup> along with the budget estimates ensures that Sri Lanka's budget documents follow international best practices with enhanced transparency, while there is further room for improvement. Moreover, publishing of non-commercial obligations of state-owned-business enterprises in the budget documents for 2018 enabled to recognize the quasi-fiscal cost of providing public utilities such as fuel and electricity at below cost recovery prices, thereby improving transparency of fiscal reporting.

<sup>2</sup> As required by the Fiscal Management (Responsibility) Act, a Fiscal Strategy Statement needs to be laid before parliament on the day of second reading of the appropriation bill. Accordingly, Fiscal Strategy Statement - 2018 was published on the 6 November 2017, setting out the government's fiscal policy objectives, broad strategic priorities, major fiscal measures to be implemented, along with the targets for major fiscal indicators over the medium-term upto 2021. However, some information published therein has been updated with the latest available data.

<sup>3</sup> A tax expenditure statement quantifies the fiscal cost of exclusions, exemptions, or reductions from the tax base in order to provide a special credit, a preferential rate of tax, or a deferral of tax liability.

The success of the government fiscal strategy reflects heavily on the curtailment of budget deficit and consolidation of government debt over the medium-term. As debt repayment obligations are to rise significantly over the medium-term, gross financing needs may increase. Against this backdrop, measures such as active liability management introduced through the Active Liability Management Act, No. 8 of 2018 (ALMA) would support government's efforts to raise funds in advance, as conditions become favourable to raise funds with the least cost for the government.

## 1.4 Medium-Term Fiscal Outlook

The medium-term fiscal outlook is anchored around the following: increasing government revenue to above 17 percent of GDP by 2022; rationalizing government recurrent expenditure by way of better targeting, hence, maintained at around 15 percent of GDP; strengthening public investment with prioritization of capital projects; containing the budget deficit to 3.5 percent of GDP by 2020 through 2022; reducing the government debt to a sustainable level, below 70 percent of

GDP by 2022 assisted by consolidated primary surplus over the medium-term. Meanwhile, the government current account balance is also expected to record a surplus in 2018 and beyond.

The primary surplus in the government fiscal operations and the expected rebound of economic activity along with stable and lower interest rates backed by tamed inflationary pressures are critical in continuing the government debt consolidation. Hence, the major macroeconomic assumptions over the medium-term include the real GDP growth gradually to reach around 6 percent by 2022, inflation to stabilize at around mid-single digit level, balance of payments to improve helped by faster export growth over imports, hence, external current account deficit to restrict at below 1.5 percent of GDP, real exchange rates to adjust to equilibrium levels with more flexibility predicted in the determination of exchange rates, government primary surplus to record above 2.5 percent of GDP over the medium-term. Further, net financing of the budget deficit would need to strike a balance between domestic and foreign financing sources, as gross foreign debt servicing requirements are set to rise over the medium-term.

Table 1.2 | Medium-Term Fiscal Framework (a)

	2016	2017	2018	2019	2020	2021	2022
		Provisional	Estimate	Projections			
<b>Revenue &amp; Grants</b>	14.2	13.8	15.7	15.9	16.4	17.0	17.4
<b>Revenue</b>	14.2	13.8	15.6	15.9	16.4	16.9	17.4
Tax Revenue	12.3	12.6	14.3	14.5	14.9	15.4	15.7
Non-Tax Revenue	1.9	1.2	1.3	1.4	1.5	1.5	1.6
<b>Grants</b>	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Expenditure</b>	19.6	19.4	20.4	19.8	20.0	20.5	20.9
Recurrent Expenditure	14.8	14.5	15.2	15.0	15.0	15.0	15.1
Interest Expenditure	5.1	5.5	5.8	5.9	5.9	5.9	6.1
Capital Expenditure & Net Lending	4.8	4.9	5.3	4.9	4.9	5.5	5.8
Of which Public Investments	5.0	4.9	5.4	4.9	5.0	5.5	5.8
<b>Current Account Balance</b>	(0.6)	(0.7)	0.5	0.9	1.4	1.9	2.3
<b>Primary Balance</b>	(0.2)	0.02	1.0	2.0	2.4	2.4	2.6
<b>Overall Budget Balance</b>	(5.4)	(5.5)	(4.8)	(3.9)	(3.5)	(3.5)	(3.5)
<b>Deficit Financing</b>	5.4	5.5	4.8	3.9	3.5	3.5	3.5
Foreign Financing	3.3	3.3	2.5	1.5	1.6	1.7	1.8
Domestic Financing	2.1	2.2	2.2	2.4	1.9	1.8	1.7
<b>Central Government Debt (% of GDP)</b>	78.8	77.6	77.4	74.8	71.7	69.0	69.0

(a) Projections are based on information as of end Dec 2017

Source: Fiscal Policy Department

## 1.5 Major Fiscal Challenges

**Restraining the Fiscal Deficit:** Realization of the medium-term fiscal strategy is fraught with numerous challenges. It requires stricter adherence to envisaged path of primary surplus

while frontloading fiscal consolidation measures to reduce the overall budget deficit to 3.5 percent of GDP by 2020 and beyond. Restraining the fiscal deficit along the envisaged path requires a credible commitment and fullest co-operation from all revenue collecting and spending agencies.

Sri Lanka’s fiscal deficit has been structural, as it remained well above 7 percent of GDP on average during the post-liberalization period, where the lowest and highest deficits were recorded at 5.4 percent of GDP in 2016 and 19.2 percent of GDP in 1980, respectively. It appears that public finance needs a structural shift to reach a fiscal deficit of 3.5 of GDP by 2020. In that context, effective implementation of the new Inland Revenue Act, improvements in tax administration and rationalization of government expenditure may prove to be essential prerequisites.

**Enhancing the Tax Return Compliance:** Low tax return compliance limits the capacity of the government to raise revenue. This becomes a serious concern when the government revenue collection is already low. Sri Lanka’s tax return compliance remains low as there exist significant compliance gaps in major tax components. According to the Inland Revenue Department (IRD), tax return compliance gap (after month of due date) in income tax categories remains in the range of 41-54 percent, while the same on VAT is 29 percent in 2015/16 assessment year. With regard to other major taxes such as NBT and PAYE compliance gap remains high, and in most cases the compliance gap has increased over the previous year. Such increase in compliance gap would incur significant administrative costs for IRD to implement follow up actions to ensure that a higher tax compliance ratio is achieved towards the end of the year. Such follow up actions utilize resources, undermining the efficiency of the tax system in the country. Meanwhile, weaker compliance in income taxation exacerbates the issue of Sri Lanka’s over reliance on indirect taxation. Such conditions auger well for urgent measures for improving the tax compliance in the country, thereby ensuring fairness in the tax system. While measures are being put in place to lessen the tax compliance gap, yet a sizable amount of revenue loss is estimated due to low tax compliance. For instance, compliance gap on VAT alone is estimated at 1 percent of GDP at present. Nonetheless, it is expected that the introduction of RAMIS would help minimize the tax compliance gap, however the full roll-out of RAMIS with an effective implementation mechanism is yet to be completed.

Table 1.3 | Tax Return Compliance Gap

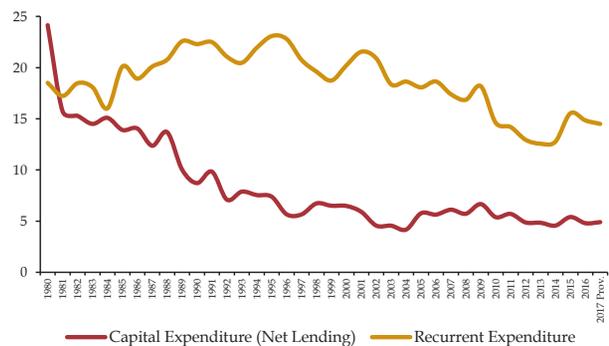
	2013/14	2014/15	2015/16
Corporate Income *	39%	42%	54%
Non-Corporate Income*	43%	38%	41%
VAT	51%	35%	29%
Economic Service Charge	29%	32%	21%
NBT	16%	14%	69%
PAYE	45%	37%	43%

\* Compliance Gap after one month from the due date.

Source: Inland Revenue Department (The compliance gap was calculated based on the tax compliance ratios reported in the IRD Performance Report 2016)

**Expenditure Management:** Sri Lanka faces multitude of challenges in government expenditure management causing significant risks on the government’s efforts towards credible fiscal consolidation over the medium-term. Main areas of such challenges include: rising debt servicing requirements; an extensive social safety network which is not well targeted and fraught with high level of leakages; a non-funded pension scheme in the backdrop of an ageing population; management inefficiencies and the non-implementation of cost-reflective tariff structures in State-Owned-Enterprises (SOEs); frequent natural disasters; budgeted revenue falling short of estimates due to implementation delays causing cash management issues etc. Urgent measures are needed to arrest these developments and mitigate any fiscal impact in order to ensure that government expenditure is maintained as planned. Measures are underway in certain areas such as improving performance of SOEs, so that fiscal burden will lessen.

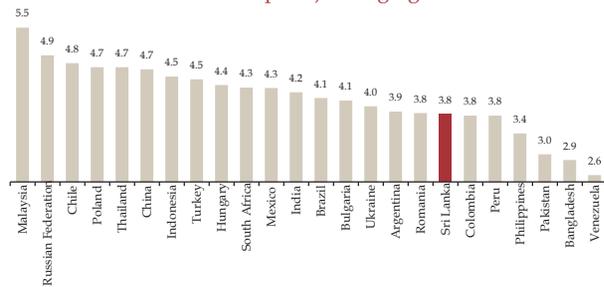
Chart 1.11 | Government Expenditure 1980-2017 (% of GDP)



**Public Investment Management:** Public investment provides much needed infrastructure for the economy to be competitive and achieve inclusive economic growth as the country reaches the upper middle-income status. Public investment has improved infrastructure in the

country and the quality of infrastructure is perceived well in general. Global Competitiveness Report 2017/18 shows that Sri Lanka scores 3.8 on a 7-point scale on the infrastructure pillar. Within the infrastructure pillar, quality of port infrastructure, roads and air transport infrastructure, and electricity supply score above the total score while certain sectors such as railroad infrastructure lag behind.

Chart 1.12 | Global Competitiveness Index (score on Infrastructure pillar) Emerging Market Economies



Source: The Global Competitiveness Report 2017-2018, World Economic Forum

However, Sri Lanka’s score of 3.8 is lower than the average for emerging market economies scoring 4.1, raising concerns of country’s competitiveness. Uplifting the adequacy and quality of infrastructure requires large sums of financial resources which become increasingly difficult through budget financing given the tight budget available for capital investment at present.

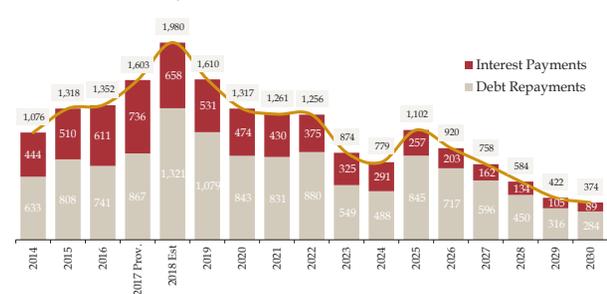
The recently conducted Public Investment Management Assessment (PIMA) finds that Sri Lanka’s public investment is yet to deliver the expected economic benefits, thereby highlighting the need for improving the efficiency and effectiveness of public investment. Strengthening public investment management and enhancing the efficiency of public investment are critical for Sri Lanka to remain competitive, given the thin fiscal space as fiscal consolidation efforts continue and concessionary funding becomes scarce. In this context, alternative modes of infrastructure financing such as Public-Private-Partnerships (PPP) for which the Government strongly promotes at present through the newly established National Agency for PPP are expected to contribute improve investment in the country.

For the economy to rebound over the medium-term, total investment needs to boost up from the current levels. In order to facilitate private

investment formation a stable and low real interest rate regime is required while creating a conducive environment for FDIs.

**Larger Debt Repayment Requirements:** The government faces significantly high debt repayments over the medium-term. The gross financing need of central government (the sum of maturing debt and budget deficit) is expected to rise above 12.5 percent of GDP on average during 2018-2019. Such level of gross financing need exceeds the emerging market and middle-income economies’ average of 8.7 percent of GDP for 2018-2019<sup>4</sup>. Mounting debt servicing requirements come at a time when global interest rates are set to rise as advanced economies record stronger than expected economic growth. Such tightening in global financial market conditions would increase the cost of rolling over the maturing debt in foreign currency such as international sovereign bonds, term-financing facilities, Sri Lanka Development Bonds etc. At the same time, if the non-resident investors continue to rebalance their investment portfolios amidst favorable global market conditions, depreciation effects could also raise government foreign debt servicing requirements in rupee terms. If such risks materialize it would further increase borrowing requirements and weigh on the government debt management efforts.

Chart 1.13 | Government Debt Servicing (Projections beyond 2019) Rs. Bn



Note: Debt servicing projections are based only on the debt instrument based borrowings (both domestic and foreign) and project related borrowings of central government, as at end 2017.

**Consolidation of Government Debt:** The outstanding central government debt reached 77.6 percent of GDP at end 2017. Sri Lanka’s debt to GDP ratio remains higher than the emerging market and middle income economies’ average of

<sup>4</sup> IMF’s Fiscal Monitor, April 2018.

49 percent at end 2017. Such level of government debt is a burden for the economy unless managed prudently. Hence, the envisaged fiscal consolidation path aims at a government debt level of 69 percent of GDP by 2022. A reduction of government debt needs to be supported by several favorable factors such as primary surpluses, higher real economic growth, lower real interest rates, stable exchange rates, among others. Nonetheless, recent years saw subdued growth performance due to the lingering effects of the weather-related supply shocks, and noticeable volatility in inflation, interest rates, and exchange rates. Unless the probability of such unfavorable developments is kept at a minimal level over the medium-term, debt sustainability could be at risk. Further, foreign-currency denominated debt accounted for 50 percent of total outstanding debt, while over 30 percent of foreign-currency denominated debt of the total debt is to mature within the next five years. Such high exposure to foreign-currency denominated debt makes government debt highly sensitive to exchange rate fluctuations. Hence, implementing a comprehensive medium-term debt management strategy and liability management operations will provide necessary guidelines for government debt management, assisted also by newly enacted Active Liability Management Act of No. 8 of 2018.

**Fiscal Impact of Natural Disasters:** The economy remains vulnerable to increasing incidence of supply shocks such as droughts and floods. In recent years Sri Lanka has become increasingly vulnerable to a series of natural disasters such as droughts, floods, landslides, high-winds etc. Based on historical data, the average annual expected loss due to property damage caused by natural disasters is estimated at the range of Rs. 50 - 60 billion, or approximately 0.5 percent of GDP. The impact of natural disasters encompasses many aspects in public finance management, besides the negative impact on economic growth, food prices, depreciation pressure due to increased imports and reduced exports etc. Natural disasters disturb the implementation of the government budget due to reallocation requirements of expenditure for unanticipated relief, reconstruction, and

mitigation measures. Also, natural disasters weigh on government revenue mobilization, due to slow down of economic activity as well as the need for temporary duty concessions on imports of essential goods.

## Long - term Challenges to Fiscal Sustainability

**Ageing Population:** Beyond the challenges highlighted in the areas of government revenue, expenditure and debt management over the medium-term, there exist some other risk areas which could strain public finance over the long-term. Ageing population is such area which would require immediate policy attention because Sri Lanka is moving towards a demographic transition. The share of population over 60 years was 6.6 percent in 1981 and it increased to 12.4 percent in 2012, and further to 15.5 percent in 2016. If a similar trend continues, it is projected that the share of population over 60 years would rise to 24.8 percent by 2041, implying that one out of every four persons will be over the working age. Such demographic transition would have significant fiscal implications owing to potential fall in revenue from income tax amidst changing labour market dynamics, and larger recurrent expenditure related to ageing population such as health, pensions, elderly care etc. Further, as the elderly population starts drawing down their saving balances, private-sector savings would also erode, resulting in a lower level of national savings, thus, burdening the already negative saving-investment balance. Against this backdrop, appropriate policy reforms on taxation, expenditure management, labour markets, innovative health care, social security systems etc., need to be thought through in order to minimize the potential impact of ageing population on public finance management, as well as economic growth prospects over the long-run.

**Income Inequality:** Sri Lanka's poverty headcount has reduced significantly, yet, the income inequality remains widened. Because a major part of fiscal policy making needs to involve redistribution of income, more attention is warranted to minimize widening income

inequality. As per available data for 2016, the richest 20 percent of households received about 51 percent of total household income of Sri Lanka, while the poorest 20 percent of households received only 5 percent total household income. A standard measure of inequality, the Gini coefficient, shows that the Gini of mean household income per month was 0.45 in 2016. In the urban sector the Gini coefficient was higher at 0.48, implying relatively larger inequality.

Having acknowledged the necessity to bridge the income inequality, the government has announced its intension to improve the ratio of direct/indirect taxes to 40/60 level from the existing level of about 16/84 in 2017. Against this backdrop, the new Inland Revenue Act and envisaged administrative improvements are expected to facilitate government efforts in lessening income inequality in the country.



# Economy in the Global Context

02

## 2.1 Sri Lanka’s Economy and Outlook

### 2.1.1 Overview

Amidst challenging economic conditions globally and locally, Sri Lanka’s economy recorded a below potential growth of 3.1 percent in 2017. Persisted impact of weather related supply side disruptions drove a negative growth in agriculture sector by 0.8 percent in 2017, while the services and industry sectors also recorded a moderate growth recording at 3.2 percent and 3.9 percent, respectively. Nonetheless, unemployment rate declined in 2017 to 4.2 percent, reflecting the job creation mainly in the industry and services sectors. Inflation which showed notable fluctuations during the year amidst supply disruptions and other changes marked at 7.7 percent in December 2017, as measured by annual average change of National Consumer Price Index. Meanwhile, tight monetary policy stance helped contain the private sector credit growth at 14.5 percent by end 2017, compared to 21.9 percent at end 2016. The external current account deficit widened to 2.6 percent of GDP reflecting mainly the higher imports of food and fuel stemming from weather-related shocks. Nonetheless, balance of payments recorded a significant improvement recording a surplus of US dollars 2.1 billion in 2017, assisted by notable inflows to the financial account including the highest ever FDI inflows, portfolio investment in government securities market and Colombo Stock Exchange. Further, significant inflows to the government on account of proceeds of the international sovereign bond issue, term financing facility, and two tranches of the extended fund facility of IMF etc., also strengthened the financial inflows in 2017.

### 2.1.2 Real Economy

In 2017, the Sri Lankan economy grew by 3.1 percent in real terms, amidst numerous global and domestic challenges. Unfavorable weather conditions that prevailed during the year adversely impacted the economic activity, primarily in the agriculture sector and marine fishing activities. Services related activities, which constitute 56.8 percent of real GDP, grew by 3.2 percent in 2017, on a year-on-year basis,

supported by the expansion in wholesale and retail trade, financial services, transport sector, personal services as well as real sector activities. Industry related activities, which account for 26.8 percent of real GDP, recorded a moderate growth of 3.9 percent, year on year, driven by the subsectors of manufacture of rubber, textiles, chemicals, furniture, construction and mining and quarrying, which grew by 3.9 percent, 3.1 percent and 5.9 percent, respectively.

Table 2.1 | Sectoral GDP Growth Rates in 2017 (%)

Sector	Q1	Q2	Q3	Q4	Annual
GDP (Nominal)	12.2	9.8	13.1	11.3	11.6
Agriculture	4.8	15.5	15.1	23.4	15.0
Industry	11.9	12.6	12.4	8.3	11.3
Services	11.2	9.2	9.4	8.3	9.5
GDP (Real)	3.4	3.0	2.9	3.2	3.1
Agriculture	-4.4	-3.1	-3.0	7.1	-0.8
Industry	3.6	5.6	3.9	2.7	3.9
Services	4.3	2.7	2.8	3.2	3.2

Source: Department of Census and Statistics

Chart 2.1 | Quarterly Growth Rates of GDP

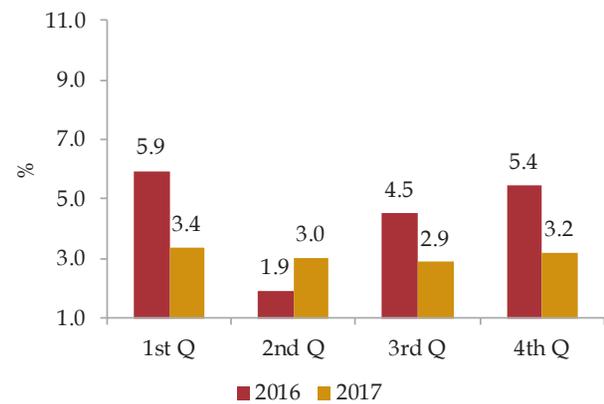
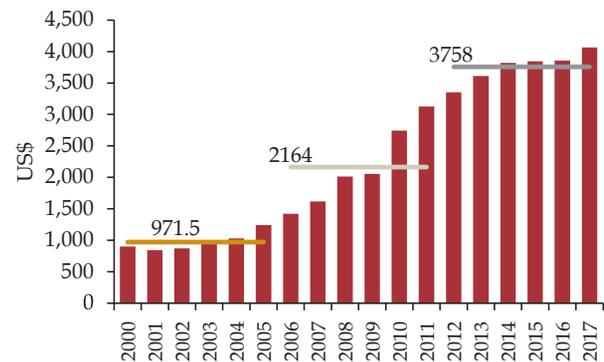


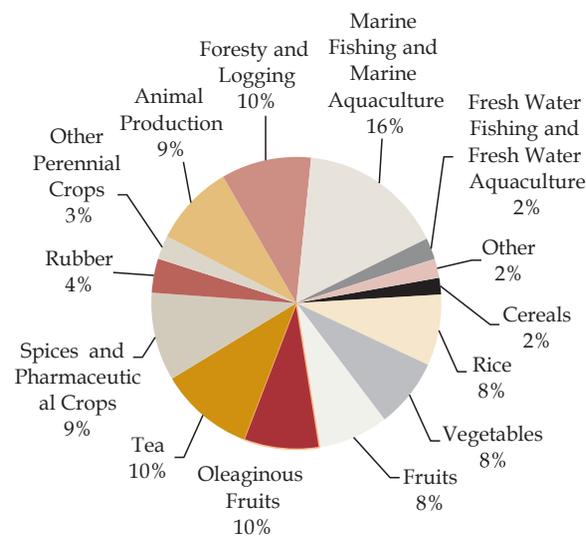
Chart 2.2 | Per Capita GDP (US\$)



## Agriculture, Forestry and Fishing

Activities of Agriculture, Forestry and Fishing sector recorded a 0.8 percent of negative growth compared to previous year. Agriculture sector was negatively affected by the unfavorable weather conditions prevailed in the year. The worst affected subsectors include growing of cereals, vegetables, coconut, sugarcane and tobacco etc. However, export based agriculture activities such as green tea production, rubber, fruits, production of spices, aromatic, drugs and pharmaceutical crops expanded in 2016. Animal production and forestry and logging related activities grew in 2017.

Chart 2.3 | Agriculture Sector Composition - 2017



### Rice

Paddy production in 2017 contracted by 4.0 percent compared to the negative growth of 31.3 percent in 2016. The average yield of paddy cultivation dropped to 4,297 kg/hectare in 2017 from 4,372 kg/hectare in 2016. Extent of land sown for paddy cultivation especially in Maha season in 2016/2017 declined by 28.1 percent to 543,000 hectares in which only 383,000 hectares was harvested due to inadequate water levels in the major tanks as a result of inclement weather.

### Tea

Tea production showed significant improvement growing by 4.8 percent in 2017 reflecting an expansion of extent of tea by 5.2 percent in 2017. Further, the average Colombo auction price

increased by 31.1 percent to Rs. 620.44 per kg in 2017 due to high demand from the countries such as Turkey, Russian Federation and the Middle East countries. Meantime Tea export grew by 20.8 percent to US Dollars 1,512.41 million in 2017 compared to the previous year.

### Rubber

Rubber sector grew by 4.9 percent in 2017 compared to negative growth of 10.7 percent in 2016. Rubber production increased by 5.1 percent to 83.1 million kilograms in 2017 compared to the previous year. The Government invested more than Rs. 2 billion in 2017 for fertilizer subsidy scheme for replanting rubber and new planting, research activities and export promotions on rubber based products.

### Coconut and Coconut Related Products

Coconut and coconut related products contracted by 19.5 percent in 2017 compared to a negative growth of 0.8 percent recorded in 2016. The drought condition prevailed in the districts of Kurunegala, Puttalam and Gampaha mainly affected production of coconut and coconut based products. Despite the increase in extent of coconut plantation to 471,000 hectares in 2017, total nuts production declined by 19 percent to 2,450 million. The Government adjusted prices by limiting export of fresh coconuts and by reducing vegetable oil by Rs. 20 per litre through Special Commodity Levy (SCL).

### Cereals, Fruits and Vegetables

Cereals and vegetables subsectors were severely affected by unfavorable weather conditions expended in 2017. Productions of cereals and vegetables contracted by 10.3 percent and 16.2 percent respectively.

Table 2.2 | Gross Domestic Product (GDP) at constant (2010) market prices, 2012 to 2017

Economic Activity	2012	2013	2014	2015(b)	2016(b)	2017(a)	Rs. Million	
							2016/2015 Change (%)	2017/2016 Change (%)
Agriculture, Forestry and Fishing	592,443	611,676	639,696	669,725	644,262	639,273	-3.8	-0.8
1 Growing of Cereals (except rice)	12,521	14,307	13,969	14,984	13,149	11,799	-12.2	-10.3
2 Growing of Rice	62,289	65,607	61,019	76,293	52,387	50,269	-31.3	-4.0
3 Growing of Vegetables	51,244	54,153	55,244	56,730	58,705	49,198	3.5	-16.2
4 Growing of Sugar cane, tobacco and other non-perennial crops	2,254	2,441	2,287	1,882	2,168	1,863	15.2	-14.1
5 Growing of Fruits	38,248	37,385	40,888	48,038	46,511	49,960	-3.2	7.4
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	62,201	53,424	64,158	67,514	66,970	53,929	-0.8	-19.5
7 Growing of Tea (Green Leaves)	72,100	74,734	73,936	72,051	63,970	67,019	-11.2	4.8
8 Growing of other beverage crops (Coffee, Cocoa, etc)	1,319	1,321	1,538	1,259	1,354	1,268	7.5	-6.4
9 Growing of spices, aromatic, drug and pharmaceutical crops	44,426	50,833	57,505	60,797	62,197	62,499	2.3	0.5
10 Growing of rubber	44,249	37,987	28,688	25,783	23,028	24,167	-10.7	4.9
11 Growing of other perennial crops	15,167	14,344	15,402	16,839	16,484	16,739	-2.1	1.5
12 Animal Production	29,511	36,599	47,950	51,857	55,629	57,809	7.3	3.9
13 Plant propagation and agricultural supporting activities	9,105	9,183	9,767	10,421	10,210	10,250	-2.0	0.4
14 Forestry & Logging	38,188	43,044	47,450	48,362	52,669	64,261	8.9	22.0
15 Marine Fishing and Marine Aquaculture	97,063	103,879	105,822	104,413	105,094	103,036	0.7	-2.0
16 Fresh water fishing Fresh water Aquaculture	12,560	12,435	14,072	12,503	13,735	15,208	9.9	10.7
Industries	2,035,601	2,119,080	2,218,711	2,267,725	2,399,285	2,492,286	5.8	3.9
17 Mining and quarrying	184,468	198,447	201,613	191,145	218,587	231,516	14.4	5.9
18 Manufacture of food, beverages and Tobacco products	507,121	507,127	513,960	528,821	527,794	535,966	-0.2	1.5
19 Manufacture of textiles, wearing apparel and leather related products	244,496	264,527	276,800	282,719	287,760	304,244	1.8	5.7
20 Manufacture of wood and of products of wood and cork, except furniture	23,472	25,258	23,139	27,320	31,666	31,556	15.9	-0.3
21 Manufacture of paper products, printing and reproduction of media products	24,738	24,925	24,968	27,728	30,504	33,236	10.0	9.0
22 Manufacture of coke and refined petroleum products	28,858	27,514	28,723	29,075	31,245	29,743	7.5	-4.8
23 Manufacture of chemical products and basic pharmaceutical products	75,582	81,982	82,243	83,179	86,929	89,174	4.5	2.6
24 Manufacture of rubber and plastic products	83,307	82,187	71,909	76,144	88,635	96,366	16.4	8.7
25 Manufacture of other non - metallic mineral products	87,090	81,037	78,671	75,191	67,168	72,783	-10.7	8.4
26 Manufacture of basic metals and fabricated metal products	24,591	26,589	24,882	28,953	36,186	39,312	25.0	8.6
27 Manufacture of machinery and equipments i.e	30,849	30,845	32,064	38,848	45,087	48,104	16.1	6.7
28 Manufacture of furniture	63,922	67,488	82,748	94,489	97,958	102,714	3.7	4.9
29 Other manufacturing and repair and instalation of machinery and equipment	41,962	44,443	55,993	68,509	72,973	75,873	6.5	4.0
30 Electricity, gas, steam and air conditioning supply	75,262	76,789	80,298	85,202	92,350	94,816	8.4	2.7
31 Water collection, treatment and supply	10,554	10,975	11,504	12,023	12,971	13,569	7.9	4.6
32 Sewerage, Waste, treatment, and disposal activities	14,572	15,511	17,355	21,681	25,539	27,567	17.8	7.9
33 Construction	514,757	553,438	611,842	596,697	645,933	665,747	8.3	3.1
Services	4,245,461	4,405,644	4,618,501	4,894,717	5,124,016	5,289,227	4.7	3.2
34 Wholesale and retail trade	848,686	859,977	884,094	933,216	956,918	993,429	2.5	3.8
35 Transportation of goods and passengers including warehousing	805,391	849,539	885,506	931,529	982,643	991,703	5.5	0.9
36 Postal and courier activities	4,441	4,364	4,056	4,052	4,260	4,425	5.1	3.9
37 Accomodation, Food and beverage service activities	134,160	126,392	131,481	134,017	139,442	146,431	4.0	5.0
38 Programming and broadcasting activities and audio vedio productions	2,252	2,422	2,513	2,624	2,831	3,205	7.9	13.2
39 Telecommunication	26,450	27,395	30,986	34,146	36,982	41,434	8.3	12.0
40 IT programming consultancy and related activities	7,972	9,693	10,579	12,148	13,015	13,564	7.1	4.2
41 Financial Service Activities Auxiliary financial service	364,688	386,009	420,223	493,785	554,521	606,448	12.3	9.4

Table 2.2 | Gross Domestic Product (GDP) at constant (2010) market prices, 2012 to 2017 (contd.)

Economic Activity	2012	2013	2014	2015(b)	2016(b)	2017(a)	Rs. Million	
							2016/2015 Change (%)	2017/2016 Change (%)
42 Insurance, reinsurance and pension funding	69,026	70,854	74,978	82,013	88,999	94,087	8.5	5.7
43 Real estate activities, including ownership of dwelling	369,719	417,024	444,049	489,352	520,080	544,726	6.3	4.7
44 Professional services	155,741	161,963	166,486	154,266	152,228	158,720	-1.3	4.3
45 Public Administration and defense, compulsory social security	385,615	382,470	402,205	430,105	452,586	430,671	5.2	-4.8
46 Education	167,107	157,477	173,751	159,875	171,826	172,696	7.5	0.5
47 Human Health Activities, Residential care and social work activities	173,898	146,551	147,962	160,056	162,400	174,148	1.5	7.2
48 Other personal service activities	730,316	803,514	839,633	873,534	885,286	913,540	1.3	3.2
Gross Value Added (GVA), at basic prices	6,873,506	7,136,401	7,476,908	7,832,167	8,167,563	8,420,786	4.3	3.1
(+) Taxes less Subsidies on Products	715,011	709,802	758,522	815,667	866,727	894,702	6.3	3.2
Gross Domestic Products (GDP), at Constant Market Price	7,588,517	7,846,202	8,235,429	8,647,833	9,034,290	9,315,488	4.5	3.1

Source: Department of Census and Statistics

(a) Provisional

(b) Revised

## Spices, Aromatic and Pharmaceutical Crops

The production of spice, aromatic and pharmaceutical crops grew by 0.5 percent in 2017 compared to a growth of 2.3 percent in 2016. The Government policy to promote export oriented small scale farmers of the sector by applying modern technology, efficient water management

and intercropping etc supported the expansion of betel leaves, cinnamon, pepper, cloves and nutmeg. However, production of cardamom, coffee, cocoa, arecanut, ginger, turmeric and citronella decreased in 2017.

Table 2.3 | Minor Export Agricultural Crops: Production and Exports (MT)

Crop	Production				Export*			
	2014	2015	2016	2017(a)	2014	2015	2016	2017(a)
Cinnamon	17,600	17,707	18,945	22,341	13,686	13,549	14,693	16,617
Pepper	18,660	28,177	18,476	29,546	7,930	16,657	7,876	13,309
Cocoa	500	457	650	471	2,099	911	35	160
Cardamon	87	91	120	113	8	120	779	839
Clove	3,225	5,253	1,823	6,428	1,102	4,783	1,843	7,806
Nutmeg & Mace	2,960	2,750	2,723	3,009	1,829	1,889	1,705	2,043

Sources: Department of Export Agriculture and Sri Lanka Customs

(a) Provisional

\* Including Re-export

## Animal Production

Animal production registered a growth of 3.9 percent in 2017 compared to 7.3 percent in 2016. The Government policy on importation of high yielding cows and gap financing assistance to small scale dairy farmers with the implementation of Private Public Partnership (PPP) projects supported to keep the growth momentum. Custom Import Duty (CID) was also exempted for animal feed to boost local production. Similarly, Value Added Tax (VAT) was exempted for dairy

products other than milk powder. However, domestic milk production met only about 40 percent of milk consumption of the country while the balance was imported according to the Department of Animal Production and Health (DAPH). The Government increased the custom duty waiver for milk power in order to ensure adequate supply to domestic market thereby ensuring food security of the country.

National egg production increased by 0.6 percent to 2072.9 million in 2017 compared to a growth of 7.6 percent in 2016. Similarly poultry meat production also showed a positive growth of 7.6 percent in 2017. The Government supported the small and medium poultry producers by providing soft loans facilities for machinery and equipment.

## Marine and Fresh Water Fishing

Output of marine fishing sector in 2017, registered a negative growth of 2.0 percent compared to a growth of 0.7 percent of the previous year whereas inland fishing activities increased by 10.7 percent in 2017. Output of

shrimp farms and aquaculture dropped by 23.4 percent and 7.9 percent, respectively. Inclement weather conditions in Western and Southern regions affected coastal fishing significantly. Fish exports increased by 41.8 percent in quantity term in 2017 while volume of fish imports to Sri Lanka declined by 8.4 percent in 2017. The Government reduced import duties of certain fish varieties and canned fish in order to ensure adequate supply in the market. However, retail sale and whole sale prices of fish increased in 2017 compared to 2016. The Government initiated policy measures to encourage exports of ornamental fish by providing 50 percent interest subsidy loan schemes to local producers.

Table 2.4 | Fishery Sector Performance

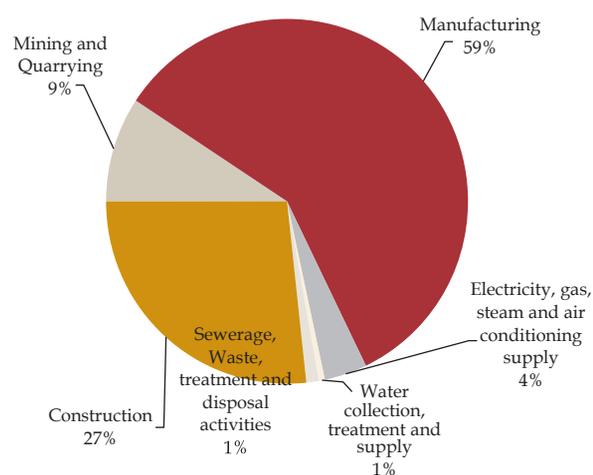
Year	Operating Fishing Boats by Type			Annual Fish Production by Fishing Sub-sectors (Mt)					Fish Imports & Exports			
	Marine Fishing Fleets (No.)	Inland Fishing Fleet (No.)	Total Fishing Crafts (No.)	Marine Fish Catch		Inland & Aquaculture	Total Fish Production	Wet Fish for Dry or Smoking	Total Fish Imports		Total Fish Exports	
				Coastal	Off Shore/ Deep Sea				Value (Rs.Mn)	Quantity (MT)	Value (Rs.Mn)	Quantity (MT)
2006	35,350	7,046	42,396	121,360	94,620	35,290	251,270	71,740	9,681	77,382	14,440	18,647
2007	37,040	6,600	43,640	150,110	102,560	38,380	291,050	77,830	11,961	86,156	19,123	21,423
2008	39,717	7,170	46,887	165,320	109,310	44,490	319,120	93,240	12,521	76,266	19,077	20,593
2009	41,454	7,560	49,014	180,410	112,760	46,560	339,730	97,690	13,939	75,411	21,015	18,714
2010	46,134	7,990	54,128	202,420	129,840	52,410	384,670	100,120	14,162	80,013	19,834	18,325
2011	53,476	8,020	61,492	222,350	162,920	59,560	444,830	112,295	16,240	81,957	21,876	18,462
2012	53,210	8,350	61,620	257,540	159,680	67,590	484,810	61,320	17,401	71,413	26,363	18,631
2013	52,301	7,988	60,289	267,980	177,950	66,910	512,840	146,630	21,119	78,401	31,792	23,910
2014	53,988	8,536	62,524	278,850	180,450	75,750	535,050	157,982	18,860	78,712	34,797	26,320
2015	51,741	9,613	61,354	269,020	183,870	67,300	520,190	126,390	30,729	120,046	24,716	17,461
2016	50,669	9,661	60,330	274,160	182,830	73,930	530,920	145,620	35,172	115,693	26,802	17,593
2017(a)	46,890	9,745	56,635	259,720	189,720	81,870	531,310	138,430	33,969	106,020	39,230	24,827

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

## Industry

Industries sector grew by 3.9 percent in 2017, compared to a positive growth of 5.8 percent recorded in 2016. The growth was mainly contributed by manufacturing activities in especially printing, media, rubber, plastic, metal related products, machinery, equipment and furniture. Even though activities in mining, quarrying, and construction subsectors had a positive growth in 2017, growth rate of these subsectors declined compared to growth in the previous year. Electricity, water supply and sewerage related activities expanded positively in the year 2017.

Chart 2.4 | Industry Sector Composition - 2017



## Manufacturing

The Government initiatives in 2017 to establish business portal for expanding rubber based, pharmaceutical, fabric manufacturing, mineral, chemical and automobiles sectors were contributed to the development of these sectors.

Textiles and garments sectors expanded by 5.7 percent compared to a growth of 1.8 percent recorded in 2016. Manufacturing of food, beverages and tobacco sector contributed to 5.8 percent in the GDP and had a marginal growth of 1.5 percent in 2017 compared to negative growth of 0.2 percent in 2016.

Table 2.5 | Performance of the Selected Industrial Exports

Item	US\$ Mn.					
	2012	2013	2014	2015	2016 (b)	2017(a)
<b>Food, Beverages and Tobacco</b>	284	235	289	307	324	393
Animal Fodder		64	64	75	68	80
<b>Textiles and Garments</b>	3,991	4,508	4,930	4,820	4,884	5,032
Garments	3,784	4,265	4,682	4,556	4,603	4,739
<b>Rubber Products</b>	859	888	890	761	768	835
Rubber Tyres	540	551	564	467	476	510
Surgical Gloves and Other Gloves	177	195	176	165	176	198
Other Rubber Products	143	141	150	130	116	128
<b>Gems, Diamonds and Jewellery</b>	559	446	394	332	274	257
Gems	118	130	173	164	149	145
Diamonds	417	295	198	148	105	94
Jewellery	24	21	22	19	20	18
<b>Machinery and Mechanical Appliances</b>	297	312	343	294	318	371
<b>Transport Equipment</b>	165	146	152	244	131	162
o/w Ships, Boats and Floating Structures	57	82	86	182	65	97
<b>Petroleum Products</b>	463	428	338	374	287	434
o/w Bunkers and Aviation Fuel	457	423	327	364	271	404
<b>Chemical Products</b>	117	120	134	126	126	146
<b>Wood and Paper Products</b>	112	116	123	112	117	139
<b>Leather Travel Goods and Footwear</b>	55	77	139	136	166	158
<b>Plastics and Articles Thereof</b>	53	55	67	62	66	75
<b>Base Metals and Articles</b>	56	59	62	56	90	116
<b>Ceramic Products</b>	36	40	41	35	34	34
Tiles	7	8	9	7	7	7
Tableware, Household Items and Sanitaryware	25	29	29	25	23	23
Other	4	3	3	3	4	4
<b>Other Industrial Exports</b>		255	296	283	288	309
<b>Total</b>	<b>7,047</b>	<b>7,750</b>	<b>8,262</b>	<b>8,017</b>	<b>7,940</b>	<b>8,541</b>

Source: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

Table 2.6 | Manufacturing Sector Statistics

Category	Value Addition (Current Price) Rs. Mn.				Number of Projects Approved by BOI			
	2014	2015	2016(b)	2017(a)	2014	2015	2016(b)	2017(a)
Food, Beverages and Tobacco Products	759,354	823,461	866,921	976,820	11	6	14	6
Textiles, Apparel and Leather Products	415,363	399,291	402,540	477,409	14	13	10	10
Wood and Wood Products	22,269	29,023	27,771	24,793	3	-	3	3
Paper and Paper Products, Publishing and Printing	36,585	39,575	43,487	44,682	1	-	2	-
Chemical, Petroleum, Coke	140,824	94,203	92,493	92,457	5	2	5	3
Rubber & Plastic Products	77,754	81,853	94,206	107,076				
Non-Metallic Mineral Products	110,571	92,862	97,618	102,960	10	2	3	4
Basic Metal Products & Fabricated Metal Products	33,635	39,298	53,537	68,943	5	6	7	2
Machinery and Equipment	33,421	46,309	51,049	62,953				
Manufacture of Furniture	78,967	78,569	80,714	87,215	10	12	12	12
Other manufacturing and Repair and Installation of Machinery and Equipment	49,971	56,342	64,615	74,461	10	12	12	

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

(a) Provisional

(b) Revised

Production of chemicals and pharmaceuticals showed a modest growth of 2.6 percent in 2017 compared to a growth of 4.5 percent in 2016. Similarly, rubber and rubber based products, leather and related products showed a positive expansion by 8.7 percent compared to a growth of 16.4 percent in 2016.

Manufacturing of machinery, metal, fabricated metal products and non-metallic mineral products showed a positive growth in 2017. Especially, non-metallic products increased by 8.4 percent in 2017 compared to a negative growth of 10.7 percent in 2016. The Government policy on providing clean energy, Value Added Tax (VAT) was exempted for machinery and accessories for renewable energy generation.

Table 2.7 | Industrial Production Index (2015 = 100)

Category	2014	2015(b)	2016	2017(b)
Manufacture of Food Products	102.3	107.3	101.7	105.0
Manufacture of Beverages	111.8	123.1	103.6	91.5
Manufacture of Tobacco Products	87.6	95.4	105.1	106.3
Manufacture of Textile	132.9	131.0	104.0	106.4
Manufacture of Wearing Apparel	149.5	173.4	105.7	110.7
Manufacture of Leather and Related Products	97.0	86.4	106.0	111.9
Manufacture of Wood and Products of Wood and Cork, except Furniture	108.9	121.7	99.1	93.7
Manufacture of Paper and Paper Products	126.6	126.6	111.0	108.4
Printing and Reproduction of Media	112.4	112.4	103.6	106.9
Manufacture of Coke and Refined Petroleum Products	86.0	82.6	99.1	94.3
Manufacture of Chemical and Chemical Products	82.2	88.3	104.2	96.6
Manufacture of Basic Pharmaceuticals Products and Pharmaceuticals Preparations	142.8	142.2	109.1	111.1
Manufacture of Rubber and Plastic Products	134.2	131.3	103.7	108.0
Manufacture of Other Non-metallic Mineral Products	102.9	118.8	104.7	111.5
Manufacture of Basic Metals	112.9	115.0	108.1	120.8
Manufacture of Fabricated Metal Products except Machinery and Equipment	97.1	109.8	99.3	115.8
Manufacture of Electrical Equipment	99.5	130.6	98.2	99.9
Manufacture of Machinery and Equipment			106.7	112.4
Manufacture of Furniture			108.8	105.2
Other Manufacturing			102.0	98.4
Index of Industrial Production	114.9	125.4	103.3	105.8

Source: Central Bank of Sri Lanka

(b) Revised

### Construction, Mining and Quarrying

Construction, mining and quarrying sector contributed to 9.6 percent of GDP similar to 2016. Construction sector showed a positive growth to 3.1 percent in 2017 compared to 8.3 percent in 2016. The Government invested mainly on construction of national road, infrastructure development in education and health sectors, housing projects and urban development in 2017. Mining and quarrying activities had a moderate growth of 5.9 percent in 2017 compared to a growth of 14.4 percent in 2016.

### Electricity, Water and Waste Treatment

Electricity, water and waste treatment activities contributed to 1.4 percent to GDP in 2017 similar to 2016. These subsectors had a moderate growth in 2017 compared to in 2016. Total electricity generation increased by 4 percent in 2017. Electricity generation from hydropower declined by 5.1 percent whereas electricity generation by fuel oil and by coal increased by 13.1 percent and 1.1 percent, respectively in 2017. The consumption of electricity Industrial and hotel sectors increased by 5 percent and 8 percent, respectively.

Table 2.8 | Sectoral Distribution of GDP Growth (%) -Constant (2010) Prices

Economic Activity	2013	2014	2015(b)	2016(b)	2017(a)
<b>Agriculture, Forestry and Fishing</b>	3.2	4.6	4.7	-3.8	-0.8
1 Growing of Cereals (except rice)	14.3	-2.4	7.3	-12.2	-10.3
2 Growing of Rice	5.3	-7.0	25.0	-31.3	-4.0
3 Growing of Vegetables	5.7	2.0	2.7	3.5	-16.2
4 Growing of Sugar Cane, Tobacco and Other non-perennial Crops	8.3	-6.3	-17.7	15.2	-14.1
5 Growing of Fruits	-2.3	9.4	17.5	-3.2	7.4
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	-14.1	20.1	5.2	-0.8	-19.5
7 Growing of Tea (Green Leaves)	3.7	-1.1	-2.5	-11.2	4.8
8 Growing of Other Beverage Crops (Coffee, Cocoa, etc)	0.1	16.4	-18.1	7.5	-6.4
9 Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	14.4	13.1	5.7	2.3	0.5
10 Growing of Rubber	-14.2	-24.5	-10.1	-10.7	4.9
11 Growing of Other Perennial Crops	-5.4	7.4	9.3	-2.1	1.5
12 Animal Production	24.0	31.0	8.1	7.3	3.9
13 Plant Propagation and Agricultural Supporting Activities	0.9	6.4	6.7	-2.0	0.4
14 Forestry and Logging	12.7	10.2	1.9	8.9	22.0
15 Marine Fishing and Marine Aquaculture	7.0	1.9	-1.3	0.7	-2.0
16 Fresh Water Fishing and Fresh Water Aquaculture	-1.0	13.2	-11.2	9.9	10.7
<b>Industries</b>	4.1	4.7	2.2	5.8	3.9
17 Mining and Quarring	7.6	1.6	-5.2	14.4	5.9
18 Manufacture of Food, Beverages and Tobacco Products	0.0	1.3	2.9	-0.2	1.5
19 Manufacture of Textiles, Wearing Apparel and Leather related Products	8.2	4.6	2.1	1.8	5.7
20 Manufacture of Wood and Products of Wood and Cork, except Furniture	7.6	-8.4	18.1	15.9	-0.4
21 Manufacture of Paper Products, Printing and Reproduction of Media Products	0.8	0.2	11.1	10.0	9.0
22 Manufacture of Coke and Refined Petroleum Products	-4.7	4.4	1.2	7.5	-4.8
23 Manufacture of Chemical Products and Basic Pharmaceutical Products	8.5	0.3	1.1	4.5	2.6
24 Manufacture of Rubber and Plastic Products	-1.3	-12.5	5.9	16.4	8.7
25 Manufacture of Other Non-metallic Mineral Products	-7.0	-2.9	-4.4	-10.7	8.4
26 Manufacture of Basic Metals and Fabricated Metal Products	8.1	-6.4	16.4	25.0	8.6
27 Manufacture of Machinery and Equipment	0.0	4.0	21.2	16.1	6.7
28 Manufacture of Furniture	5.6	22.6	14.2	3.7	4.9
29 Other Manufacturing and Repair and Installation of Machinery and Equipment	5.9	26.0	22.4	6.5	4.0
30 Electricity, Gas, Steam and Air Conditioning Supply	2.0	4.6	6.1	8.4	2.7
31 Water Collection, Treatment and Supply	4.0	4.8	4.5	7.9	4.6
32 Sewerage, Waste, Treatment and Disposal Activities	6.4	11.9	24.9	17.8	7.9
33 Construction	7.5	10.6	-2.5	8.3	3.1
<b>Services</b>	3.8	4.8	6.0	4.7	3.2
34 Wholesale and Retail Trade	1.3	2.8	5.6	2.5	3.8
35 Transport of Goods and Passenger including Warehousing	5.5	4.2	5.2	5.5	0.9
36 Postal Courier Activities	-1.7	-7.1	-0.1	5.1	3.9
37 Accommodation, Food and Beverage Service Activities	-5.8	4.0	1.9	4.0	5.0
38 Programming and Broadcasting Activities and Audio Video Productions	7.6	3.8	4.4	7.9	13.2
39 Telecommunication	3.6	13.1	10.2	8.3	12.0
40 IT Programming Consultancy and Related Activities	21.6	9.1	14.8	7.1	4.2
41 Financial Service Activities and Auxiliary Financial Services	5.8	8.9	17.5	12.3	9.4
42 Insurance, Reinsurance and Pension Funding	2.6	5.8	9.4	8.5	5.7
43 Real Estate Activities, Including Ownership of Dwelling	12.8	6.5	10.2	6.3	4.7
44 Professional Services	4.0	2.8	-7.3	-1.3	4.3
45 Public Administration and Defence; Compulsory Social Security	-0.8	5.2	6.9	5.2	-4.8
46 Education	-5.8	10.3	-8.0	7.5	0.5
47 Human Health Activities, Residential Care and Social Work Activities	-15.7	1.0	8.2	1.5	7.2
48 Other Personal Service Activities	10.0	4.5	4.0	1.3	3.2
<b>Gross Value Added (GVA), at basic prices</b>	<b>3.8</b>	<b>4.8</b>	<b>4.8</b>	<b>4.3</b>	<b>3.1</b>
<b>(+) Taxes less Subsidies on Products</b>	<b>-0.7</b>	<b>6.9</b>	<b>7.5</b>	<b>6.2</b>	<b>3.2</b>
<b>Gross Domestic Products (GDP), at Constant Market Price</b>	<b>3.4</b>	<b>5.0</b>	<b>5.0</b>	<b>4.5</b>	<b>3.1</b>

Source : Department of Census and Statistics

(a) Provisional

(b) Revised

## Services

Services sector contributed to 56.8 percent of GDP and had a growth of 3.2 percent in 2017. Expansions in financial services activities, wholesale, retail trade and transport sector were significant in 2017. Personal services, real estate businesses, health services, professional services, education services, and tourism and insurance businesses contributed positively toward expansion in the Service Sector. However, activities of public sector contracted by 4.8 percent compared to a growth of 5.2 percent in

2016, resulting from the Government's policy on minimizing expenditure of the public sector. Telecommunication, postal services, consultancy and programming of Information Technology (IT) and broadcasting activities recorded a positive growth in 2017.

## Wholesale and Retail Trade

Wholesale and retail trade activities expanded by 3.8 percent in 2017 compared to a positive growth of 2.5 percent in 2016.

Table 2.9 | Selected Indicators of Services Sector

Indicator	2014	2015	2016(b)	2017(a)
<b>Port Services</b>				
Vessels Arrived *(c)	4,298	4,760	5,023	4,942
Total Cargo Handled (MT '000)	74,431	77,611	86,546	93,879
Total Container Traffic (TEU '000)(c)	4,908	5,185	5,735	6,209
Transshipment Container ** (TEU '000)	3,781	3,967	4,435	4,826
<b>Telecommunication Sector</b>				
Fixed Telephone Lines*** (No '000)	1,123	1,128	1,166	1,198
Cellular Phones (No '000)	22,123	24,385	26,228	28,199
Wireless Phone (No '000)	1,587	1,473	1,384	1,405
Fixed Internet and E mail Subscribers ('000)	606	683	929	1,222
<b>Health Sector</b>				
Private Hospitals	210	221	225	181
Public Hospitals	601	598	610	612
No of Beds (Government)	76,918	76,781	76,829	76,774
No of Doctors (Government)	17,903	19,429	20,458	20,349
No of Nurses (Government)	31,964	32,272	32,499	34,221
<b>Financial Sector</b>				
Bank Branches and Other Outlets	6,591	6,594	6,107	6,227
Credit Cards in Use	1,032,833	1,145,055	1,315,915	1,486,545
Registered Finance Companies	48	46	46	45
Registered Leasing Companies	8	7	7	6
<b>Tourism Sector</b>				
Tourist Arrivals	1,527,153	1,798,380	2,050,832	2,116,407
Tourist Earnings (US\$ Mn)	2,431	2,981	3,518	3,925
Annual Room Occupancy Rate	74.3	74.5	74.8	73.3
<b>Transport Services (New Registrations)</b>				
Buses	3,851	4,140	2,685	3,331
Cars	38,780	105,628	45,172	39,182
Dual Purpose Vehicles	20,799	39,456	26,887	16,742
Goods Transport Vehicles - Lorries	5,121	7,142	5,271	8,689
Motor Cycles	272,855	370,889	340,129	344,380
Three Wheelers	79,038	129,547	56,945	23,537
Land Vehicles - Tractors	7,070	9,977	10,285	8,821
Land Vehicles - Trailers	2,012	2,128	3,662	4,228

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

(a) Provisional

(b) revised

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

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

\*\*Including Re-Stowing

\*\*\* excluding fixed wireless phones

## Transportation of Goods and Passengers

Transportation sector contributed by 10.6 percent in the GDP and had a marginal growth of 0.9 percent in 2017 compared to 5.5 percent growth in 2016. New registration of buses and vans used for transport services increased by 24 percent to 3,331 in 2017. Total buses in transport services increased by 3.2 percent in 2017 compared to growth of 2.6 percent recorded in 2016. Passenger transport services provided by Sri Lanka Railways increased by 1.1 percent to 7,495 million passenger kilometer in 2017 compared to a moderate growth in 2016. Sri Lankan Airlines expanded passenger flown by 8.8 percent to 13,984 million kilometers in 2017.

Number of goods transport vehicles grew by 2.3 percent to 382,758 in 2017. Sri Lanka railway increased freight services by 3.6 percent to 145 million in 2017. Sri Lankan Airlines increased cargo services by 9.7 percent to 124,000 metric tons in 2017. Cargo operation of Sri Lanka ports increased by 8.5 percent in 2017 in Colombo and Trincomalee ports compared to 11.5 percent in 2016.

## Accommodation, Food and Beverages

The Accommodation, Food and Beverages sector grew by 5.0 percent in 2017 compared to growth of 4.0 percent recorded in 2016 reflecting the increased number of tourists arrived to Sri Lanka by 3.2 percent to 2.1 million and number of accommodation units increased by 5.0 percent to 401 in 2017 despite the fact that operation hours for passengers were shortened at the Bandaranaike International Airport due to the construction works.

## Information and Telecommunication

Telecommunication sector expanded by 12.0 percent in 2017. Information technology and consultancy services grew by 4.2 percent in 2017 compared to growth of 7.1 percent registered in 2016. Wireline telephones increased by 2.8 percent to 1.2 million in 2017. Similarly, subscribers of wireless loop line and cellular phones increased by 1.5 percent and 7.5 percent, respectively. Hence, each 100 persons had 143.64

phones, which was an increase by 5.8 percent in 2017. Internet services expanded by 20 percent in 2017.

## Financial, Banking and Insurance Services

The sector accounted for 7.5 percent of GDP in 2017 and expanded mainly through the financial services and insurance services which grew by 9.4 percent and 5.7 percent in 2017, respectively. Total branches of commercial banks increased by 1.0 percent, mainly by private banks in 2017. Automated Teller Machines (ATM) expanded by 16 percent in 2017 reflecting the increase ATM machines of private banks and public banks increased by 32 percent and 16 percent, respectively. Specialized banks increased branches by 1.2 percent in 2017. In 2017, 27 insurance companies and 6 leasing companies operated.

## Real Estate, Professional Services, Public Administration

Real estate and professional services grew by 4.7 percent in 2017 compared to a growth of 6.3 percent in 2016. Professional services grew by 4.3 percent in 2017 compared to a negative growth of 1.3 percent in 2016. Public administration and public services contracted by 4.8 percent in 2017.

## Healthcare, Educational Services and Personal Services

Education services had a modest growth of 0.5 percent compared to 7.5 percent in 2016. The Government increased investment in education by 8.0 percent in 2017. In 2017, 3.3 percent of children of schooling age were unable to attend school compared to 4.4 percent in 2016. Educational attainment increased in 2017. Pass rates of students at the G.C.E. (O/L) and G.C.E. (A/L) registered improvement by 15.3 percent and 13.8 percent, respectively. Enrollment of University students increased by 5.21 percent in 2017. Health sector grew by 7.2 percent in 2017. Supply of free medicine increased by 1.4 percent in 2017. Personal services such as photography, creative arts and entertainment activities grew by 3.2 percent in 2017.

### 2.1.3 Aggregate Demand and Consumption

Aggregate demand which comprises domestic and external demand accelerated by 11.6 percent at current market prices amounting to Rs. 13,289.5 billion in 2017, and it grew by 3.1 percent at constant prices. Domestic demand accounted for 70 percent of total demand while the rest was the external demand. The consumption expenditure which consists of government consumption expenditure (GCE) and private consumption expenditure (PCE), enhanced by 9.0 percent at

current market price in 2017 compared to 3.1 percent growth in 2016.

The government consumption expenditure increased by 11.4 percent in 2017. The expansion of GCE was mainly due to the increased recurrent expenditure on account of interest payments and salaries and wages. The private consumption expenditure (PCE) which is the largest component of total consumption expenditure accounting for 88 percent of total value grew by 8.7 percent in 2017 in comparison to 3.1 percent in 2016.

Table 2.10 | Domestic Demand, Supply and Trade Balance (a)

Item	Current Market Prices (Rs. Bn.)			Change (%)			As a Percent of GDP (%)		
	2015(b)	2016(b)	2017(c)	2015(b)	2016(b)	2017(c)	2015(b)	2016(b)	2017(c)
	Domestic Demand	11,777	12,781	14,248	5.2	8.5	11.5	107.5	107.3
Consumption	8,662	8,616	9,394	10.3	(0.5)	9.0	79.1	72.4	70.7
Private	7,677	7,601	8,263	10.0	(1.0)	8.7	70.1	63.8	62.2
Government	985	1,015	1,131	13.3	3.1	11.4	9.0	8.5	8.5
Investment	3,115	4,165	4,854	(7.0)	33.7	16.5	28.4	35.0	36.5
Net External Demand (Trade balance)	(825)	(874)	(958)	(1.4)	5.9	9.6	(7.5)	(7.3)	(7.2)
Export of Goods and Services	2,301	2,540	2,914	5.3	10.4	14.7	21.0	21.3	21.9
Import of Goods and Services	3,126	3,414	3,872	3.4	9.2	13.4	28.5	28.7	29.1
Domestic Supply = GDP	10,952	11,907	13,289	6	9	12	100	100	100

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

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

(b) Revised

(c) Provisional

Table 2.11 | Aggregate Supply and Use of Goods and Services (a)

Item	Rs. Bn.			Growth (%)		As a % of GDP	
	2015(b)	2016(b)	2017(c)	2016(b)	2017(c)	2016(b)	2017(c)
Aggregate Demand	14,078	15,321	17,162	8.8	12.0	128.7	129.1
Domestic Demand	11,777	12,781	14,248	8.5	11.5	107.3	107.2
External Demand = Export of Goods and Services	2,301	2,540	2,914	10.4	14.7	21.3	21.9
Aggregate Supply	14,078	15,321	17,162	8.8	12.0	128.7	129.1
Gross Domestic Product	10,952	11,907	13,289	8.7	11.6	100.0	100.0
Import of Goods and Services	3,126	3,414	3,873	9.2	13.4	28.7	29.1
Trade Gap of Goods and Services	-825	-874	-958	(6.0)	(9.6)	-7.3	-7.2
Share of Imports in Aggregate Supply (%)	22.2	22.3	22.6	104.5	111.7	22.3	22.6

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

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

(b) Revised

(c) Provisional

The growth trajectory of the economy is projected to gradually expand over the medium term, mainly with the higher private sector participation supported by conducive macroeconomic policies. Although the growth performance of the Sri Lankan economy in 2017 remained modest, the annual real GDP growth is expected to gradually improve to around 6.0 percent by 2022.

### 2.1.4 Investment and Savings

The total investment expenditure of Sri Lanka

grew by 16.6 percent to Rs. 4,854 billion in 2017 compared to the growth of 22 percent in 2016. A major part of investment expenditure was attributed to construction sector during the year. Several large scale projects undertaken by government and private sector contributed to the growth of construction expenditure. Meanwhile, Foreign Direct Investment (FDI) including loans to companies registered under BOI, amounted to US dollars 1,913 million in 2017 compared to US dollars 1,078 million in the previous year.

Table 2.12 | Investment and Savings (a)

Item	Rs. Bn.		As a % of GDP	
	2016(b)	2017(c)	2016(b)	2017(c)
Domestic Investment	4,165	4,854	35.0	36.5
Domestic Savings	3,291	3,896	27.6	29.3
Private	3,362	3,992	28.2	30.0
Government	-71.7	-96.2	-0.6	-0.7
Investment - Domestic Savings Gap	874.3	958.2	7.3	7.2
Net Factor Income From Abroad (d)	-321.3	-356.3	-2.7	-2.7
Net Foreign Private Transfers	940	963	7.9	7.2
National Savings	3,909	4,503	33	34

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

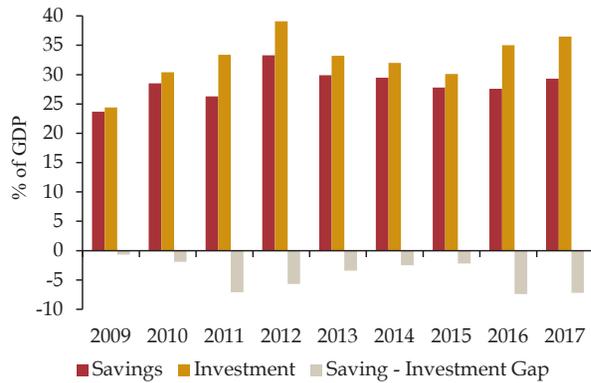
(a) The data is based on the base year 2010 GDP estimates of the Department of Census and Statistics

(b) Revised

(c) Provisional

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

Chart 2.5 | Savings - Investment Gap



The national savings increased by 15.2 percent and amounted to Rs. 4,502.2 billion in 2017 compared to 2016. The nominal growth of national savings was modest mainly due to lower growth of domestic savings and net current transfers from the rest of the world. National savings as a percentage of GDP increased to 33.9 percent in 2017 in comparison to 32.8 in the previous year. The national savings investment gap widened to 2.6 percent of GDP in 2017 from 2.1 percent of GDP in 2016.

Global growth momentum is expected to improve further in 2018 and 2019 with better prospects for both advanced and emerging economies. Hence, the investment outlook for Sri Lanka would need to improve over the medium term while expanding the capacity for savings. Against this backdrop, it is imperative that Sri Lanka initiates necessary measures to continue well focused reforms to boost the investment and savings prospects in the country.

### 2.1.5 External Sector Developments

External sector of Sri Lanka recorded modest performance in 2017 due to the widening trade deficit driven by a sharp growth in imports and a slowdown in exports. Weakening global demand at the beginning of the year and floods and droughts prevailed in the country adversely affected the economic growth and exports performance. The current account deficit expanded further reflecting the growth of imports. Meanwhile, inflows to the financial account increased significantly on account of inflows to the government, banking and private sector.

Table 2.13 | External Trade

Item	US\$ Mn.									
	2009	2010	2011	2012	2013	2014	2015	2016(b)	2017(a)	
<b>Exports</b>	7,085	8,626	10,559	9,774	10,394	11,130	10,546	10,310	11,361	
Agricultural Exports	1,836	2,305	2,528	2,332	2,581	2,794	2,481	2,326	2,767	
Industrial Exports	5,228	6,097	7,992	7,371	7,749	8,262	8,017	7,940	8,542	
Mineral Exports	20	24	33	61	52	60	28	29	35	
Unclassified	-	199	7	10	12	15	20	15	17	
<b>Imports</b>	10,207	13,451	20,269	19,190	18,003	19,417	18,935	19,183	20,980	
Consumer Goods	1,565	2,476	3,654	2,995	3,182	3,853	4,713	4,319	4,503	
Intermediate Goods	6,159	8,054	12,274	11,578	10,554	11,398	9,638	9,870	11,436	
Investment Goods	2,093	2,758	4,286	4,590	4,253	4,152	4,567	4,981(b)	4,895	
Unclassified	390	162	54	28	14	14	16	13	147	
<b>Trade Deficit</b>	-3,122	-4,825	-9,710	-9,417	-7,609	-8,287	-8,388	-9,090	-9,619	

Source: Sri Lanka Customs

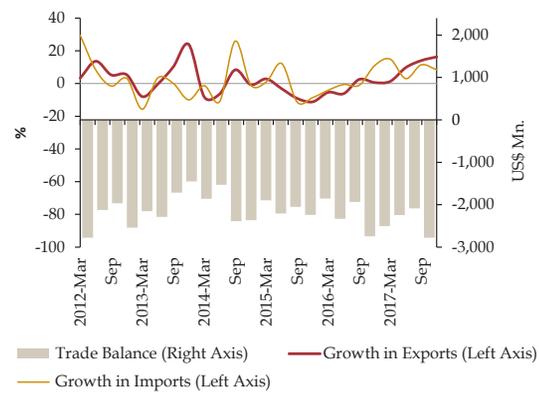
(a) Provisional

(b) Revised

The trade deficit expanded to US dollars 9,619 million in 2017, in comparison to US dollars 8,873 million recorded in 2016. As a percentage of GDP, the trade deficit was recorded at 11.0 percent in 2017 compared to 10.9 per cent in 2016. However, export grew significantly in 2017 to US dollars 11,360 million. Continual inflows by way of tourist earnings and workers' remittances cushioned the trade deficit substantially.

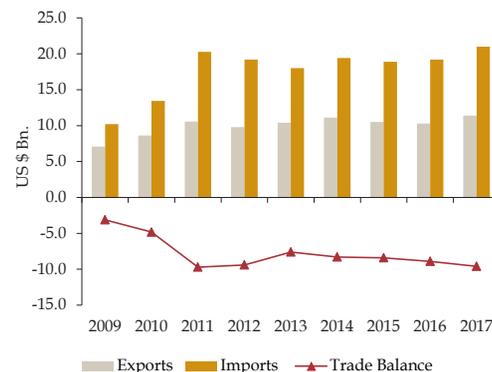
The overall balance of the BOP and international reserves improved considerably in 2017. With increased inflows to the financial account, the overall balance of the BOP recorded a surplus of US dollars 2,068 million in 2017 against the deficit of US dollars 500 million in 2016. The Extended Fund Facility from the International Monetary Fund was instrumental in strengthening the financial account of the Balance of Payment. Meanwhile gross official reserves stood at US dollars 8 Billion by the end of 2017 with an accompanying qualitative improvement. The country's gross official reserves are projected to improve to a healthy level with the envisaged improvements in the economy while reducing the risk of external shocks. Further, a market based exchange rate policy supported to absorb US dollars 1.7 billion from the domestic foreign exchange market on a net basis. Sri Lankan Rupee depreciated by 2 percent during the year. The significant increase experienced in foreign investment in the government securities market and the CSE, particularly during the last three quarters of the year, positively impacted the financial account of the BOP.

Chart 2.6 | Growth in Exports &amp; Imports and Trade Balance (Quarterly)



The external sector is poised to benefit from the GSP+ with preferential access to European Union and rapidly growing tourism sector although the drought conditions could adversely affect exports and increase petroleum imports. Diversification of product mix and entering new export destinations will improve export sector while narrowing down the trade deficit in the medium term. Far-reaching reforms are needed for Sri Lanka to shift the growth model to a private investment-and tradable sector-led growth, and link up with global value chains.

Chart 2.7 | Trade Balance



## Exports

Earnings from exports increased by 10 percent to US dollars 11,360 million during the year in comparison to 2016. The improvement of the exports was supported by restoration of EU

Generalized System of Preferences Plus facility, recovery in external demand, expansion of investment in export related industries, favorable commodity prices in international market together with policy and institutional support.

Table 2.14 | Value of Agricultural Exports

	US\$ Mn.									
Category	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)	
<b>Tea</b>	1,185	1,441	1,491	1,412	1,542	1,628	1,340	1,269	1,530	
Black Tea	1,072	1,383	1,430	1,354	1,471	1,555	1,280	1,208	1,463	
Bulk	616	567	534	512	561	563	504	473	605	
Packets	301	607	667	640	693	754	593	547	670	
Bags	156	209	229	203	217	238	183	188	188	
Instant	10	13	15	11	15	19	16	17	17	
Green Tea	29	44	46	47	56	55	45	44	50	
Other	74	-	-	-	-	-	-	-	-	
<b>Rubber</b>	99	173	206	125	71	45	26	33	39	
<b>Coconut</b>	166	166	266	209	205	356	352	366	348	
Kernal Product	58	56	136	80	86	214	222	216	190	
Other	108	110	130	129	119	142	130	150	158	
<b>Other Agricultural Exports</b>	215	335	379	388	529	511	600	489	610	
<b>Seafood</b>	171	192	185	198	234	253	163	170	241	
<b>Total</b>	1,836	2,306	2,528	2,332	2,581	2,794	2,481	2,326	2,768	

Sources: Sri Lanka Customs, Department of Trade and Investment Policy and Central Bank of Sri Lanka  
 ... Negligible  
 - Not Available  
 (a) Provisional

The earnings from the exports of food, beverages, tobacco, transport equipment increased in 2017. Export income from rubber products rose by 8.8 percent to US dollars 835 million in 2017. Earnings from tea exports grew in 2017 of which about 48 percent came from United Arab Emirates (UAE). Significant improvement was observed in spices category recording 28 percent growth including cinnamon, pepper and clove.

Several policy measures were adopted in 2017 to strengthen export oriented industries. Textiles and garment exports continued to increase significantly which increased by 3 percent to US dollars 5,032 million due to exports to the European Union (EU) following the restoration of the GSP+ facility in May 2017. Garment exports

to the US and other non-traditional markets also increased in 2017.

Chart 2.8 | Composition of Exports

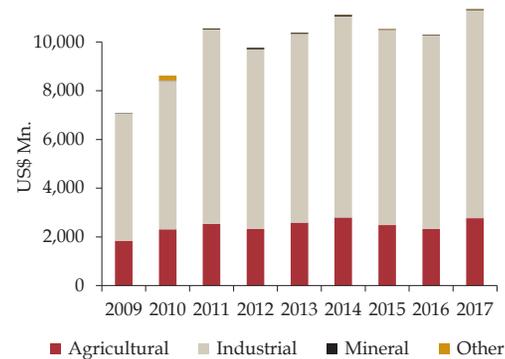


Table 2.15 | Value of Industrial Exports

Category	US\$ Mn								
	2009	2010	2011	2012	2013	2014	2015	2016	2017 (a)
Textile and Garments	3,261	3,356	4,191	3,991	4,508	4,930	4,820	4,884	5,032
Garments	3,120	3,178	3,986	3,784	4,265	4,682	4,556	4,603	4,739
Woven Fabrics	55	70	85	92	124	90	101	107	119
Yarn	42	50	57	58	58	68	63	70	69
Other Made Up Textile Articles	44	57	64	56	61	90	100	105	104
Rubber Products	385	558	885	860	888	890	761	768	835
Rubber Tyres	213	336	569	540	551	564	467	476	510
Surgical Gloves and Other Gloves	114	137	181	177	195	176	165	176	198
Other Rubber Products	58	85	135	143	141	150	130	116	128
Petroleum and Chemical Products	208	356	671	580	548	472	500	413	580
Gems, Diamonds and Jewellery	402	409	532	559	446	394	332	274	257
Gems	69	70	95	118	130	173	164	149	145
Cut Diamonds	317	322	414	417	295	198	148	105	94
Jewellery	17	17	22	24	21	22	19	20	18
Machinery and Mechanical Appliances	187	259	312	297	312	343	294	318	371
Food, Beverages and Tobacco	183	245	348	284	235	289	307	324	393
Milling Industry Products	40	71	142	90	37	43	31	26	29
Vegetable, Fruit and Nut Preparations	55	51	61	59	63	80	87	100	129
Cereal Preparations	9	11	19	20	25	22	21	19	20
Fish Preparations	1	1	...	...	...	1	...	...	1
Manufactured Tobacco	24	26	41	47	49	56	58	73	73
Other	54	85	85	67	61	88	109	105	141
Other Industrial Exports	602	914	1,053	801	813	944	1,003	960	1,074
<b>Total</b>	<b>5,228</b>	<b>6,097</b>	<b>7,992</b>	<b>7,371</b>	<b>7,749</b>	<b>8,262</b>	<b>8,017</b>	<b>7,940</b>	<b>8,542</b>

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

... Negligible

--Not Available

(a) Provisional

Export increased in 2017 driven by high volumes and average export prices. Earnings from seafood exports increased by 111.2 percent in 2017 supported by the removal of the ban on fisheries products to the EU market. Moreover earnings from minor agricultural products increased by 21 percent to US dollars 348 million in 2017. Industrial products continued to be the main source of export income with a contribution of 70 percent while tea exports remained as the second source for earnings of exports.

## Imports

The total expenditure on imports increased by 9 percent surpassing the US dollars 20 billion mark for the second time since 2011. The most significant category was the import of intermediate goods including fuel which accounted for 16 percent of total imports owing to increased price and

volumes of refined petroleum product and crude oil. Expenditure on imports of intermediate goods accounting for 55 percent of total imports amounted to US dollars 11,436 million during the year.

Expenditure on fuel imports increased by 38 percent to US dollars 3,428 million including sub categories; crude oil, refined petroleum products and coal. Imports of refined petroleum products increased significantly due to higher demand for domestic power generation reflecting dry weather conditions in 2017. Expenditure on diamonds, precious stones and metal increased considerably while gold imports amounted to US dollars 650 million during the year. Import expenditure on food and beverages rose in 2017. However, imports on fertilizer, chemical products and mineral products recorded a decline in 2017.

Table 2.16 | Value of Imports

Category	US\$ Mn.						
	2011	2012	2013	2014	2015	2016(b)	2017(a)
<b>Consumer Goods</b>	<b>3,654</b>	<b>2,995</b>	<b>3,182</b>	<b>3,853</b>	<b>4,713</b>	<b>4,319</b>	<b>4,503</b>
Food and Beverages	1,567	1,304	1,368	1,634	1,627	1,627	1,841
Sugar	426	345	289	256	253	343	256
Milk and Milk Products	345	307	291	339	251	249	316
Rice	18	24	18	282	135	13	301
Flour	14	5	2	2	2	2	2
Fish	147	134	162	141	218	234	214
Other Food and Beverages	617	489	607	614	768	787	752
Potatoes	35.7	22.7	28.5	35.8	36	32	36
Chilies	82.4	46.4	49.3	59.6	77	93	52
Onions	86.0	51.9	100.1	65.3	122	100	123
Lentils	116.8	68.9	104.1	121.2	148	139	114
Green Gram	13.8	7.3	11.2	13.7	15	16	15
Peas	18.5	19.0	19.9	21.8	32	26	23
Chick Peas	26.9	25.6	20.5	20.0	24	30	33
Kurakkan	0.6	0.4	...	0.2	0	1	1
Oil and Fat	25.9	20.0	59.2	20	33	36	46
Spices	111.0	68.0	79.9	98	113	132	93
Other	99.3	158.7	134.1	172	169	184	216
Non-food Consumables	2,087	1,691	1,814	2,219	3,086	2,692	2,662
Vehicles	881	495	582	897	1,360	795	773
Home appliances-Radio and Television Sets	118	118	103	86	120	136	141
Rubber Products	83	80	88	90	114	112	94
Medical and Pharmaceutical Products	348	372	378	381	460	526	520
Household and Furniture Items	127	117	125	134	150	182	186
Other	530	509	538	632	882	941	948
Garments	112.0	131.9	157.6	227.0	321	291	292
Other Articals of Plastics	33.0	35.4	515.2	608.0	53	29	24
Printed Books	15.0	14.1	11.9	10.4	11	13	17
Fans	23.1	23.4	27.4	24.4	34	42	35
Washing Preparations	6.0	6.0	5.6	4.3	4	5	4
Powders, Makeup	10.7	6.8	8.1	6.7	9	14	12
Gas Cookers	9.4	6.4	6.8	5.7	9	12	11
<b>Intermediate Goods</b>	<b>12,274</b>	<b>11,578</b>	<b>10,554</b>	<b>11,398</b>	<b>9,638</b>	<b>9,869</b>	<b>11,436</b>
Fertilizer	407	311	239	272	290	137	103
Petroleum	4,795	5,045	4,308	4,597	2,700	2,481	3,428
Chemical Products	702	670	734	808	870	856	834
Paper and Paper Boards	427	363	380	490	477	487	485
Wheat and Maize	429	364	323	405	357	249	357
Textile & Textile article	2,321	2,266	2,046	2,328	2,296	2,705	2,724
Diamond and Presious Metals	1,076	588	483	175	162	514	772
Base Metal	354	440	406	478	471	456	629
Vehicle and Machinery Parts	223	211	210	228	264	281	295
Other Intermediate Goods	1,540	1,320	1,425	1,616	1,752	1,703	1,809
Semi Finished Products of Iron	157	256	238	168	n.a.	n.a.	n.a.
Polymer of Ethylene	109	99	106	142	147	144	134
Unmanufactured Tobacco	52	71	62	70	83	68	68
Palm Oil (Refined')	161	67	81	123	111	84	148
<b>Investment Goods</b>	<b>4,286</b>	<b>4,590</b>	<b>4,253</b>	<b>4,152</b>	<b>4,567</b>	<b>4,981</b>	<b>4,895</b>
Machinery and Equipment	2,141	2,356	2,222	2,131	2,278	2,741	2,621
Recorders and Primary Batteries	124	138	152	n.a.	17	17	n.a.
Medical Instrument and Appliance - Used	81	87	92	104	117	137	n.a.
Wire Cables (Electrical)	33	32	34	33	37	31	n.a.
Gas Cylinders (For Industries)	12	0				n.a.	n.a.
Transport Equipment	1,065	992	668	707	931	663	675
Building Material	1,076	1,237	1,357	1,309	1,352	1,569	1,591
Iron Pipe & Tube	85	84	70	56	70	79	103
Other Investment Goods	4	5	6	5	6	8	8
<b>Unclassified Imports</b>	<b>54</b>	<b>28</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>13</b>	<b>147</b>
<b>Total Imports</b>	<b>20,269</b>	<b>19,190</b>	<b>18,003</b>	<b>19,417</b>	<b>18,934</b>	<b>19,182</b>	<b>20,981</b>

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

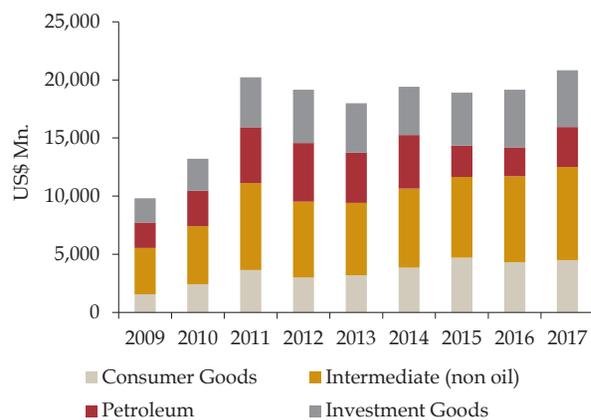
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(a) Provisional

(b) Revised

Chart 2.9 | Composition of Imports



Several initiatives were introduced in tax system to meet shortage in the domestic market such as on the reduction of SCL. Meanwhile the

SCL on the importation of several food items was introduced and SCL for some items was revised several times in 2017 in order to provide necessary protection for domestic agricultural producers during harvesting seasons and to reduce volatility in prices in the domestic market. It is noted that import of personal motor vehicle decreased by 2.8 percent compared to previous year while importation of motor cars declined by 16 percent.

Sri Lanka continued to engage in bilateral, regional and multilateral negotiations with a view to enhancing market access through preferential and free trade agreement.

Table 2.17 | Import of Services (Gross Expenditure)

Item	US\$ Mn.									
	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)	2017(a)	
Transportation Services	631	817	953	1,172	1,382	1,462	1,579	1,618	1,688	
Computer and Information Services	-	-	-	-	281	300	327	337	345	
Travel and Tourism	411	453	501	710	1,188	1,263	1,420	1,542	1,599	
Communication Services	54	56	57	68	87	98	102	105	110	
Construction Services	6	6	7	9	26	29	30	29	32	
Insurance Services	46	50	55	64	85	90	92	89	94	
Financial Services	-	-	-	-	-	350	380	403	415	
Other Business Services	319	348	373	464	383	58	63	67	69	
Government Expenditure n.i.e.	35	38	39	51	73	77	79	68	69	
<b>Total</b>	<b>1,501</b>	<b>1,768</b>	<b>1,985</b>	<b>2,538</b>	<b>3,505</b>	<b>3,725</b>	<b>4,072</b>	<b>4,259</b>	<b>4,421</b>	

Sources: Central Bank of Sri Lanka

- Not Available

(a) Provisional

Table 2.18 | Export of Services (Gross Income)

Item	US\$ Mn.									
	2006	2009	2010	2011	2012	2013	2014	2015(b)	2016(a)	2017(a)
Transportation Services	865	1,162	1,392	1,634	1,784	1,923	2,105	2,250	2,376	
Computer and Information Services	245	265	355	448	604	628	677	724	786	
Travel and Tourism	350	576	830	1,039	1,715	2,431	2,981	3,518	3,925	
Communication Services	80	83	85	109	114	120	128	134	140	
Construction Services	40	42	43	50	55	58	60	63	69	
Insurance Services	75	80	91	107	109	115	119	121	123	
Financial Services	-	-	-	-	-	256	254	252	263	
Other Business Services	219	245	266	387	275	43	42	42	44	
Government Expenditure n.i.e.	19	21	22	27	28	31	31	33	34	
<b>Total</b>	<b>1,892</b>	<b>2,474</b>	<b>3,084</b>	<b>3,800</b>	<b>4,685</b>	<b>5,605</b>	<b>6,397</b>	<b>7,137</b>	<b>7,760</b>	

Sources: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

## Workers' Remittances

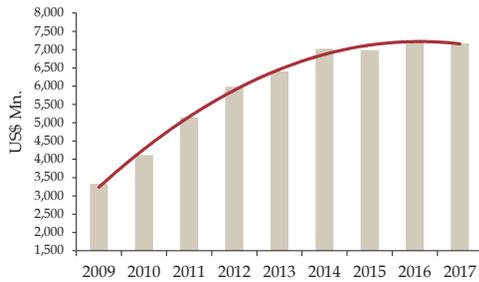
Workers' remittances continued to be the largest single of foreign exchange earner in Sri Lankan economy in 2017. Foreign exchange earnings

from migrant workers recorded as US dollar 7,164 million in 2017 compared to US dollars 7,242 million in previous year.

Inflows on account of workers remittances

declined slightly in 2017 reflecting the geopolitical uncertainty and the continuation of subdued economic performances in the major remittances generating destinations. Workers remittances are expected to grow modestly over the medium term benefitting from facilitation and incentives provided by the government to this sector, the budget provided Rs. 1728.7 million for this sector in 2018.

Chart 2.10 | Workers' Remittances



### Earnings from Tourism

Tourism is the third largest sector of foreign earnings in the economy after remittances and textiles and garment. The peaceful environment in the country together with ongoing investment in the tourism sector and promotional campaigns attracted significant number of tourists to Sri Lanka in 2017. Earnings from tourism continued to grow in 2017 to US dollars 3,925 million in comparison to US dollars 3,518 in 2016. The average spending per tourist rose up to US dollars 170.1 per day from us dollars 168.2 per day in the previous year. Tourist arrivals recorded a 3 percent growth compared to the previous year amounting to 2,116,407 arrivals during the year. Government allocated Rs. 935 million for tourism sector from the Budget 2017 to improve the facilities relating to tourists attraction.

Investment in the tourism sector continued to expand further in 2017. Tourism development projects at the provincial level also continued during the year. The new tourism strategic plan 2017-2020 was introduced to facilitate Tourism vision 2025 aiming at meeting the Sustainable Development Goals on tourism. Accordingly, it is expected to increase earnings from tourism up to US dollars 7 billion and employ 600,000 workers in support industries. Further, the One Stop Unit (OSU) for national investment in tourism serves

as a centralized promotion and facilitation center is expected to assist potential investors interested in investing in the tourism industry.

### Current Account

The current account deficit widened to US dollars 2,309 million, which is equivalent to 2.6 per cent of GDP in 2017 from 2.1 per cent of GDP in 2016.

### Capital and Financial Account

The capital account remained subdued with lower inflows in the form of capital transfers in 2017. Capital transfers to both the government and the private sector recorded a marginal decline during 2017 compared to previous year. Accordingly, the surplus in the capital account amounted to US dollars 11 million in 2017 in comparison to US dollars 25 million in 2016.

Financial Accounting recorded significant inflows in 2017 Foreign Direct Investment (FDI) inflows recorded the largest in history at US dollars 1,913 million during 2017 in comparison to US dollars 1,078 million in 2016, reflecting the improved investor confidence on the economy. Major inflows of FDI included receipts to Hambantota port project and the Colombo Port City project which are expected to attract a significant amount of FDI in 2018 and beyond.

Inflows to the financial account increased significantly from the second quarter of 2017, with a remarkable reversal of outflows in respect of foreign investments in government securities. This reflects improved investor confidence helped by enhanced overall macroeconomic stability and the continuation of the IMF-EFF programme, with two more tranches were approved during 2017.

### Balance of Payment

The balance of payment (BOP) recorded a surplus of US dollars 2,068 million in 2017 with the support of the significant improvement in the financial account reflecting a notable turnaround from a deficit of about US dollars 500 million recorded in 2016. Consequently gross official reserves improved to a healthy level of US

dollars 8.0 billion at the end of 2017 compared to US dollars 6.0 billion recorded at the end of 2016. The increase of gross official reserves was supported by direct market purchases of foreign exchange by CBSL, proceeds from the issuance of the ISB, foreign currency term financing facilities, two tranches of the IMF-EFF programme, while the first tranche of the investment proceeds of Hambantota Port project also helped augment the gross official reserve position during the year.

The Sri Lankan rupee depreciated by 2 percent against the US dollar in 2017. Furthermore reflecting cross currency movements, the rupee depreciated against other major currencies during 2017. Improvements are needed in the domestic foreign exchange market to avoid excess volatility in the exchange rate, while facilitating a market based exchange rate which is well aligned with macroeconomic fundamentals.

Table 2.19 | Balance of Payments: 2010 - 2017

	US\$ Mn.								
Item	2010	2011	2012	2013	2014	2015(b)	2016(b)	2017(a)	
Trade Balance	-4,825	-9,710	-9,417	-7,609	-8,287	-8,388	-8,873	-9,620	
Exports	9,626	10,559	9,774	10,394	11,130	10,546	10,310	11,360	
Imports	13,451	20,269	19,190	18,003	19,417	18,935	19,183	20,980	
Service (net)	707	1,099	1,262	1,180	1,880	2,325	2,879	3,339	
Receipts	2,474	3,084	3,800	4,685	5,605	6,397	7,138	7,760	
Payments	1,768	1,985	2,538	3,505	3,725	4,072	4,259	4,421	
Income (net)	-617	-647	-1,219	-1,751	-1,808	-2,013	-2,202	-2,355	
Receipts	323	467	142	132	155	127	127	160	
Payments	940	1,114	1,361	1,883	1,963	2,140	2,329	2,515	
Goods, Services and Income (net)	-4,735	-9,258	-9,374	-8,180	-8,215	-8,076	-8,196	-8,636	
Current Transfers (net)	3,660	4,643	5,392	5,639	6,227	6,193	6,454	6,327	
Private Transfers (net)	3,608	4,583	5,339	5,619	6,199	6,167	6,435	6,316	
Receipts (Workers' Remittances)	4,116	5,145	5,985	6,407	7,018	6,980	7,242	7,164	
Payments	508	562	646	788	819	814	807	848	
Official Transfers (net)	52	60	53	21	28	27	19	11	
Current Account	-1,075	-4,615	-3,982	-2,541	-1,988	-1,883	-1,742	-2,309	
Capital Account	164	164	130	71	58	46	25	11	
Current and Capital Account	-911	-4,451	-3,851	-2,470	-1,930	-1,837	-1,717	-2,298	
Financial Account(c)	2,713	4,098	4,263	3,064	-1,536	-2,312	-2,181	-2,183	
Long Term Capital (net)	2,380	3,308	2,587	2,314	-1,939	-2,562	-4,283	-1,369	
Direct Investment (net)	435	896	871	868	-827	-627	-660	-1,303	
Private Long Term (net)	149	175	724	605	-	-	-136	-170	
Govt. Long Term (net)	1,796	2,237	992	841	-	-	-1,287	-1,215	
Debt Securities (net)	-	-	-	-	-	-	-932	-1,332	
Commercial Bank Long Term (net)	-	-	-	-	-	-	-796	-120	
Reserve Assets (net) (c)	-	-	-	-	-	-	-472	2,771	
Other Long Term (net)	-	-	-	-	-	-	1,503	-506	
Short Term (net)	334	790	1,676	750	-	-	599	-308	
Allocation of SDRs	-	-	-	-	-6	-2	-	-	
Errors and Omissions	-881	-708	-412	-594	393	-476	-465	114	
Overall Balance (Balance of Payments)	921	-1,059	151	985	1,369	-1,489	-500	2,068	
<b>As a percentage of GDP</b>									
Trade Deficit	-8.5	-14.9	-13.8	-10.2	-10.4	6.0	-10.9	-11.0	
Current Account Deficit	-1.9	-7.1	-5.8	-3.4	-2.5	-2.3	-2.1	-2.6	

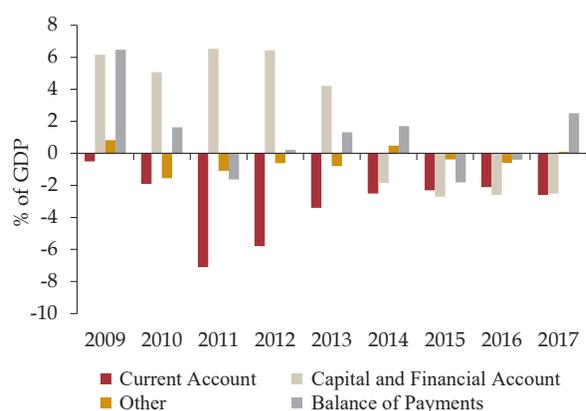
Source: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

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

Chart 2.11 | Balance of Payments



## Potential Areas to Reduce Import Expenditure

Sri Lanka imports a number of food and non-food consumer goods for which the country has

capacity to produce domestically. Such imports are estimated at over US dollars 7,165 million at present. This implies notable opportunities for the country to reduce the import cost while enhancing the domestic production.

The potential areas for such domestic production include the milk products, spices, fish, pharmaceutical products, personal care products and textiles sectors. Foreign Direct Investment and domestic private sector contribution is vital to explore such opportunities. Further expansion of production in the areas of imports competing crops would be an added advantage to reduce the import cost while boosting domestic production. In this context, trade policy reforms need to focus more on Global Value Chains (GVCs) and Regional Value Chains (RVCs).

Table 2.20 | Outstanding Loans and Advances Granted by Commercial Banks (a)(b)

Item	2015	2016	2017	Rs. Bn.	
				2017/2016 Change	%
Agriculture and Fishing	309.0	361.5	412.4		14.1
o/w					
Tea	72.7	82.4	91.0		10.5
Rubber	18.5	23.8	24.4		2.6
Coconut	12.2	16.3	20.4		25.4
Paddy	19.0	28.9	32.6		12.8
Vegetable, Fruits and Minor Food Crops	20.0	25.1	29.3		16.9
Fisheries	11.0	14.0	17.5		25.0
Industry	1,397.5	1,707.5	2,041.4		19.6
o/w					
Construction	639.2	811.2	993.5		22.5
Food and Beverages	85.4	95.3	105.1		10.3
Textiles and Apparel	129.9	159.4	174.7		9.6
Machinery and Transport Equipment	87.5	148.8	170.3		14.4
Services	950.9	1,287.6	1,393.9		8.3
o/w					
Wholesale and Retail Trade	273.0	387.3	435.8		12.5
Tourism	102.9	138.7	172.0		24.0
Financial and Business Services	217.6	308.1	306.5		-0.5
Personal Loans and Advances	771.1	888.6	1,053.2		18.5
o/w					
Consumer Durables	143.5	198.1	210.2		6.1
Pawning	133.4	132.4	148.4		12.1
<b>Total</b>	<b>3,428.5</b>	<b>4,245.1</b>	<b>4,900.9</b>		<b>15.4</b>

Source: Central Bank of Sri Lanka

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

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

## Promoting Exports

Export sector is poised to benefit from reinstatement of GSP+ preferential access to the European Union and the rapidly growing tourism sector, Nonetheless Sri Lanka faces a number of challenges compared to emerging economies

owing to heavy market concentration and lack of product diversification. The country's export basket needs a transition from low-tech products to high end products. In this context, the country needs to further strengthen the competitiveness by applying modern technology and employing skilled labour.

It is important that domestic producers invest in new production processes to improve quality and reliability while adopting new technologies to explore ways and means to compete in the global markets. Policy reforms are needed to inculcate an innovation driven approach in doing business while promoting research and development sector. Export oriented small and medium scale enterprises (SMEs) would reduce the barriers to entry and operate in the domestic business environment. Further, Business Process Outsourcing and Knowledge Process Outsourcing services (BPO and KPO) could be identified as potential areas which could provide the necessary boost to the export sector of the country.

### 2.1.6 Monetary Sector Developments

Tightening of the monetary policy stance adopted by Central Bank of Sri Lanka (CBSL) helped curtail demand driven inflationary pressures and inflation expectations during 2017. In response to changes in CBSL policy rates, market interest rates moved upward during the first nine months of 2017, although short term rates adjusted downwards with the high level of liquidity in the domestic money market since mid July 2017. The Average Weighted Deposit Rate (AWDR) increased by 90 basis points to 9.07 percent by end 2017, while the Average Weighted New Lending Rate (AWNLR) increased to 14.37 percent by end 2017 from 10.79 percent at end 2016.

Meanwhile, the growth of credit extended to the private sector decelerated gradually by 14.7 percent at end of the year, although broad money growth (M2b) slowed to 17.5 percent in 2017 from 18.9 percent in 2016.

Private sector credit in absolute terms was Rs. 4,822 billion during 2017 compared to Rs. 4,204 billion in 2016. The sector-wise classification of credit growth indicates that credit expansion was mainly in the credit granted to industry and service sectors.

Chart 2.12 | Reserve Money and Private Sector Credit Growth

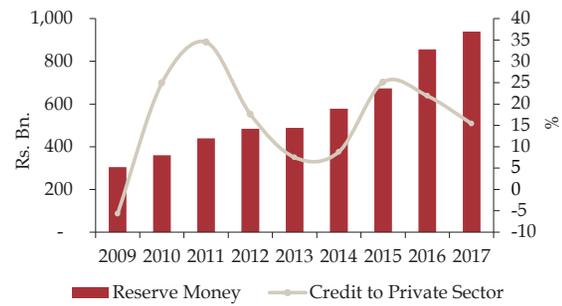
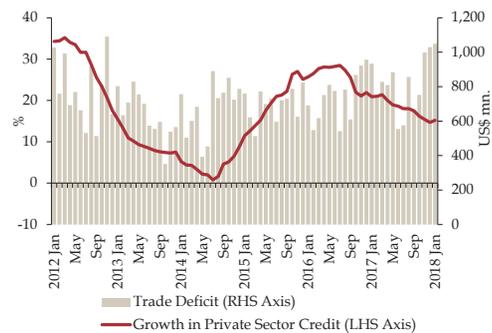


Chart 2.13 | Private Sector Credit Growth and Trade Deficit

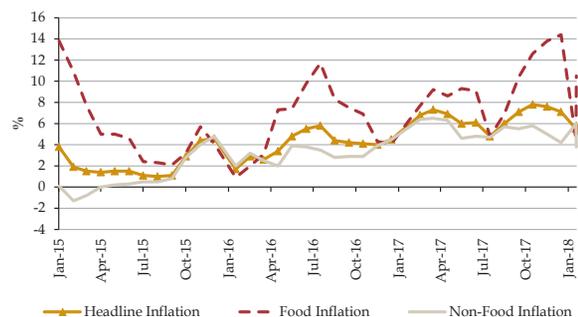


### 2.1.7 Inflation

Inflation as measured by the change in the Colombo Consumers' Price Index (CCPI) (2013=100) continued to remain at single digit level, during the year 2017 despite the upward pressure.

Headline inflation as measured by the change in the National Consumer Price Index (NCPI) on year on year basis remained at 7.3 percent by end 2017, while the same on CCPI moderated to 7.1 percent by end 2017

Chart 2.14 | Headline Inflation, Food Inflation & Non-Food Inflation



### 2.1.8. Unemployment

The unemployment rate in 2017 declined to 4.2 percent compared to 4.4 percent in 2016. Various initiatives of the Government helped create employment in 2017. As such 3.3 percent of employment was created in the year 2017 compared to 1.5 percent in 2016. Among the various measures initiated by the Government, most significant measures include the increase of budgetary allocation to SME sector by 125 percent in 2017, provision of capital allowance and tax holidays for various investments, the review of land lease policy etc. About 11 percent of employment opportunities were created in the industrial sector in 2017 compared to 2016. Further the government’s policy direction toward more female participation in the labour force resulted in a fall in female unemployment rate in 2017 to 6.5 percent from 7.0 percent in 2016. Unemployment rate among male remained unchanged despite 2.51 percent of employment opportunities was in the male category in 2017.

In addition, reduction of unemployment rate of youths in the age below 24 shows the impact of increased government investment in the skill development activities in the year 2017 through an interest free loan schemes, subsidy schemes for SME sector.

### 2.1.9 Equity Market Developments

The stock market performance has improved in year 2017, where both market indices recorded positive growth indicating a reversal of the declining trend recorded in 2016. The Benchmark All Share Price Index (ASPI) index increased by 2.3 percent to 6,369 points as at end 2017 compared to 6,228 points at end 2016. Similarly, the S&P SL 20 index, which features the CSE’s 20 largest and most liquid stocks have also improved by 5.0 percent to 3,672 points by end 2017 compared to 3,496 points at end 2016. Accordingly, the market capitalization rose by 5.6 percent to Rs. 2,899 billion as at the end 2017 compared to 2016.

Table 2.21 | Movements in the Capital Market

Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017
All Share Price Index (1985=100)	3,386	6,636	6,074	5,643	5,913	7,299	6,895	6,228	6,369
Milanka Price Index*	3,849	7,061	5,229	5,119	-	-	-	-	-
S&P SL 20 Index	-	-	-	3,085	3,264	4,089	3,626	3,496	3,672
Market Capitalization (Rs. Bn.)	1,092	2,210	2,214	2,168	2,460	3,105	2,938	2,745	2,899
No. of Listed Companies in Trading	232	242	272	287	289	294	294	295	296
Annual Average Turnover (Rs.Bn.)	142	570	546	214	200	341	253	176	220
Foreign Sales (Rs. Mn.)	43,899	118,761	68,854	33,972	60,873	83,554	89,793	74,275	94,630
Foreign Purchases (Rs. Mn)	43,253	92,426	49,875	72,653	83,657	104,771	84,421	74,625	112,285

Sources: Colombo Stock Exchange and Central Bank of Sri Lanka

\*Discontinued in the beginning of 2013

## 2.2 Global Economy and Outlook<sup>1</sup>

### 2.2.1 Overview

World economy escaped the downturn persisted for several years and recorded the fastest growth since 2011 led by the surge in trade and

investments in 2017. The acceleration is owing to rebound in investment and trade, favourable financing conditions, accommodative policies, improved confidence, and strong commodity prices. Global economic growth is broad-based and synchronized. The United States, emerging Asia, emerging Europe and the Eurozone are the major engines that drive the growth and is expected to be sustained in next couple of years.

<sup>1</sup>This section is mainly based on World Economic Outlook Update in January 2018 of the IMF, World Economic Outlook in April 2018 of the IMF, Fiscal Monitor in April 2018 of the IMF, World Economic Outlook in October 2017 of the IMF, Global Economic Prospects in January 2018 of the World Bank, World Economic Situation and Prospects 2018 of United Nations, Commodity Markets Outlook in April 2018 of the World Bank and World Employment Social Outlook Trends 2018 by International Labour Office, Geneva.

Table 2.21 | A Snapshot of the World - 2017

Country	GDP Growth (Annual percent change)	Inflation (Percent)	2017		
			Unemployment (Percent)	Fiscal Balance (Percent of GDP)	Gross Debt (Percent of GDP)
Argentina	2.9	25.7	8.4	-6.5	52.6
Australia	2.3	2	5.6	-2.2	41.6
Brazil	1	3.4	12.8	-7.8	84
Canada	3	1.6	6.3	-1	89.7
Chile	1.5	2.2	6.7	-2.7	23.6
China	6.9	1.6	3.9	-4	47.8
France	1.8	1.2	9.4	-2.6	97
Germany	2.5	1.7	3.8	1.1	64.1
Greece	1.4	1.1	21.5	0	181.9
India	6.7	3.6	....	-6.9	70.2
Indonesia	5.1	3.8	5.4	-2.5	28.9
Italy	1.5	1.3	11.3	-1.9	131.5
Japan	1.7	0.5	2.9	-4.2	236.4
Korea	3.1	1.9	3.7	1.9	39.8
Malaysia	5.9	3.8	3.4	-2.9	54.2
Mexico	2	6	3.4	-1.1	54.2
Russia	1.5	3.7	5.2	-1.5	17.4
Singapore	3.6	0.6	2.2	5.9	110.9
South Africa	1.3	5.3	27.5	-4.5	52.7
Spain	3.1	2	17.2	-3.1	98.4
Sri Lanka	3.1	7.1	4.2	-5.5	77.6
Thailand	3.9	0.7	0.7	-0.6	41.6
United Kingdom	1.8	2.7	4.4	-2.3	87
United States	2.3	2.1	4.4	-4.6	107.8
Vietnam	6.8	3.5	2.2	-4.7	58.2
Venezuela	-14	1087.5	27.1	-31.8	34.9

Source: "World Economic Outlook", IMF, April 2018  
 Fiscal Monitor, IMF, April 2018  
 Annual Report 2017, Central Bank of Sri Lanka

Oil market volatility persisted throughout the year, but finally stabilized after Organization of the Petroleum Exporting Countries (OPEC) agreed for a cut in production. Commodity prices picked-up and recovered. However, geopolitical tensions, trade protectionism and possible financial stress remain as downside risks. At the same time, ballooning levels of debt in both advanced and emerging economies are raising concerns over the fiscal situation.

The Federal Reserve Bank of the United States and European Central Bank have started tapering their accommodative monetary policies. Bank of England raised the interest rates after more than ten years of keeping rates low. The cryptocurrency, bitcoin came into main stream after been around since 2009 with trading increased US\$ 16,000 per coin at the end of the year from US\$ 908 per coin on January 1, 2017.

Global investment environment has generally improved with reduced financial market volatility,

low fragilities in the banking sector, recovery in commodity prices and most importantly strong macroeconomic outlook. Capital flows to emerging markets and developing countries are rebounding. World trade reported the fastest post-crisis growth rate. Labour market conditions are improving and inflation is normalizing.

## 2.2.2 World Output

The global economy grew at 3.8 percent in 2017, much stronger than the anticipated and this faster growth is buoyed by the recovery in trade and investment as well as due to firming commodity prices. This is a significant increase compared to the growth of 3.2 percent in 2016 and IMF expects the growth in 2018 to be 3.9 percent amidst the benign global financial conditions. Advanced economies recorded 2.3 percent growth, following 1.7 percent growth of 2016. The growth in emerging market and developing economies was strong at 4.8 percent compared to 4.4 percent growth in 2016.

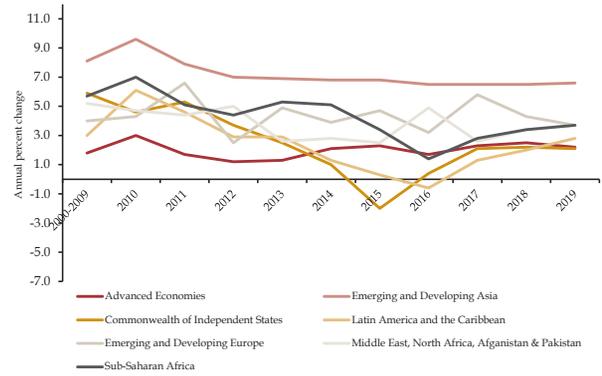
Table 2.22 | World and Regional Output

	Annual percent change			
	Actual		Forecast	
	2016	2017	2018	2019
World Output	3.2	3.8	3.9	3.9
Advanced Economies	1.7	2.3	2.5	2.2
United States	1.5	2.3	2.9	2.7
Euro Area	1.8	2.3	2.4	2.0
Germany	1.9	2.5	2.5	2.0
France	1.2	1.8	2.1	2.0
Italy	0.9	1.5	1.5	1.1
Spain	3.3	3.1	2.8	2.2
Japan	0.9	1.7	1.2	0.9
United Kingdom	1.9	1.8	1.6	1.5
Canada	1.4	3.0	2.1	2.0
Emerging Market and Developing Economies	4.4	4.8	4.9	5.1
Emerging and Developing Asia	6.5	6.5	6.5	6.6
China	6.7	6.9	6.6	6.4
India	7.1	6.7	7.4	7.8
Indonesia	5.0	5.1	5.3	5.5
Malaysia	4.2	5.9	5.3	5.0
Vietnam	6.2	6.8	6.6	6.5
Thailand	3.3	3.9	3.9	3.8
Commonwealth of Independent States**	0.4	2.1	2.2	2.1
Russia	-0.2	1.5	1.7	1.5
Latin America and the Caribbean	-0.6	1.3	2.0	2.8
Brazil	-3.5	1.0	2.3	2.5
Emerging & Developing Europe	3.2	5.8	4.3	3.7
Middle East, North Africa, Afganistan & Pakistan	4.9	2.6	3.4	3.7
Pakistan	4.5	5.3	5.6	4.7
Sub-Saharan Africa	1.4	2.8	3.4	3.7
South Africa	0.6	1.3	1.5	1.7
Sri Lanka	4.5	3.1	4.0	4.5

Source: World Economic Outlook, IMF, April 2018  
Annual Report 2017, Central Bank of Sri Lanka

The growth in emerging markets and developing economies is mainly due to the acceleration in private consumption. Emerging and developing Asia and Europe were the most dynamic regions of the globe in 2017 with robust growth rates of 6.5 percent and 5.8 percent respectively. The expected growth rates in 2018 for the two regions will be 6.5 percent and 4.3 percent, respectively.

Chart 2.15 | Regional Output : 2000-2019



### 2.2.3 Inflation

Owing to the moderation in oil prices, headline consumer price inflation eased in mid-2017 in most major advanced and emerging market and developing economies. Advanced economy inflation was 1.7 percent in 2017 with a significant increase from 0.8 percent in 2016. Inflation in emerging market and developing economies reduced to 4.0 percent from 4.3 percent in the previous year.

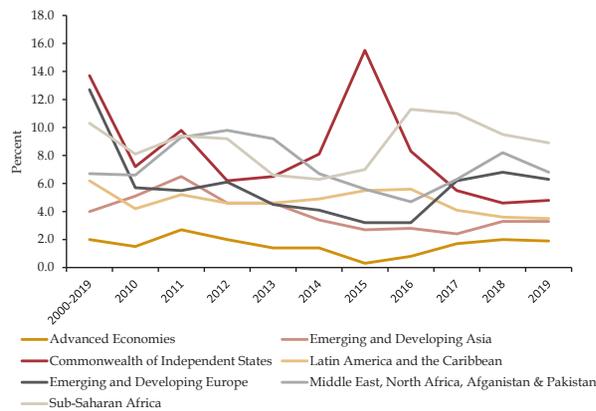
Table 2.23 | Inflation

	Annual percent change			
	Actual		Forecast	
	2016	2017	2018	2019
Advanced Economies	0.8	1.7	2.0	1.9
United States	1.3	2.1	2.5	2.4
Euro Area	0.2	1.5	1.5	1.6
Germany	0.4	1.7	1.6	1.7
France	0.3	1.2	1.5	1.6
Italy	-0.1	1.3	1.1	1.3
Spain	-0.2	2.0	1.7	1.6
Japan	-0.1	0.5	1.1	1.1
United Kingdom	0.7	2.7	2.7	2.2
Canada	1.4	1.6	2.2	2.2
Emerging Market and Developing Economies	4.3	4.0	4.6	4.3
Emerging and Developing Asia	2.8	2.4	3.3	3.3
China	2.0	1.6	2.5	2.6
India	4.5	3.6	5.0	5.0
Commonwealth of Independent States**	8.3	5.5	4.6	4.8
Russia	7.1	3.7	2.8	3.7
Latin America and the Caribbean	5.6	4.1	3.6	3.5
Brazil	8.7	3.4	3.5	4.2
Emerging & Developing Europe	3.2	6.2	6.8	6.3
Middle East, North Africa, Afganistan & Pakistan	4.7	6.3	8.2	6.8
Pakistan	2.9	4.1	5.0	5.2
Sub-Saharan Africa	11.3	11.0	9.5	8.9
South Africa	6.3	5.3	5.3	5.3
Sri Lanka	4.0	7.1	4.8	4.8

Source: World Economic Outlook, IMF, April 2018

At the same time, underlying inflation across the advanced economies to be subdued owing to low inflation expectations as a result of long persisting low inflation periods as well as due to low prices resulting from the improvements in technology and competitiveness. However, the projection for 2018 is 2 percent considering the impact of rising fuel prices.

Chart 2.16 | Regional Inflation: 2000-2019



## 2.2.4 Interest Rates

The global interest rates increased faster in 2017. Federal Reserve Bank of the United States raised its benchmark rate by 75 basis points in 2017 (three times each by 25 basis points) reflecting the improvements in the economy and labour market and it was recorded at 1.5 percent by the end of the year. The benchmark rate was further increased by 25 basis points on March 21, 2018. Long term interest rates were raised in the advanced European economies. In emerging Asia and Europe, the long term interest rates on local currency bonds were increased and further easing was observed in Latin America and Russia.

The London inter-bank offered rate (LIBOR) on six-month U.S. dollar deposits averaged at 1.4 percent in 2017 and this is an increase compared to the average of 1.04 percent in the previous year. The IMF has projected (LIBOR) on six-month U.S. dollar deposits to be averaged at around 2.4 percent in 2018 and 3.4 percent in 2019.

## 2.2.5 Unemployment

Unemployment in most advanced economies declined further and the United States recorded

the lowest rate since 1960s. This is mainly due to pick up in economic activities and related job creation. The unemployment in advanced Europe was decreased to 7.9 percent in 2017 from 8.7 percent in the previous year. This is the lowest level recorded since 2009.

As per the estimations by International Labour Organization, the global unemployment will be 5.5 per cent in 2018, which is an improvement from 5.6 per cent in 2017 and this is the first time the rate declined after continuous rising for three years.

## 2.2.6 Fiscal Situation

The gain in global growth in 2017 was greatly supported by the fiscal policy measures implement by both advanced and emerging market economies. According to the World Bank, economies representing more than 50 percent of advanced-economy GDP in 2016 and more than 25 percent in 2017 implemented expansionary fiscal policies. The share of advanced economies who implemented contractionary fiscal policies dropped significantly, from more than 70 percent in 2015 to 12 percent in 2017. Fiscal policy in most advanced economies is projected to be broadly neutral in 2018–2019 with limited fiscal space and some advanced economies like Australia, Canada, Japan and New Zealand have announced more expansionary measures.

As reported by the World Bank, commodity exporting emerging market and developing economies opted several measures other than fiscal consolidation i.e. reductions in energy subsidies (e.g., Argentina, Indonesia, Malaysia, Mexico, Saudi Arabia, the United Arab Emirates), cuts in expenditures (e.g., the Islamic Republic of Iran, Malaysia, Russia, Saudi Arabia), and the introduction of value added taxes (e.g., GCC countries). However, fiscal sustainability gaps in these economies are large. In contrast, fiscal sustainability gaps of commodity importing emerging and developing economies are relatively smaller. However, rapid expenditure growth in 2016-17 resulted in protracted deficits and continued increases in public debt.

## Fiscal Deficits

The overall global fiscal balance was slightly narrowed to 3.3 percent in 2017 from 3.5 percent in the previous year. Emerging markets and developing economies were able to narrow down the overall fiscal deficit to 4.4 percent from 4.8 percent in 2016. However, the overall fiscal balance of advanced economies was stable at 2.6 percent in both years.

The significant improvement in fiscal balance in Russia from 3.7 percent in 2016 to 1.5 percent in 2017 is due to the fiscal space created by stronger than anticipated growth and the higher oil price. According to budget plans fiscal expenditure should decline in nominal terms in 2018 and 2019.

Table 2.24 | Overall Fiscal balance

	Percent of GDP			
	Actual		Forecast	
	2016	2017	2018	2019
World	-3.5	-3.3	-3.2	-3.3
Advanced Economies	-2.6	-2.6	-2.7	-2.8
United States	-4.2	-4.6	-5.3	-5.9
Euro Area	-1.5	-0.9	-0.6	-0.5
Germany	0.8	1.1	1.5	1.7
France	-3.4	-2.6	-2.4	-3.1
Italy	-2.5	-1.9	-1.6	-0.9
Spain	-5.3	-4.5	-3.1	-2.5
Greece	0.5	0.0	-0.1	0.0
Ireland	-0.7	-0.4	-0.2	-0.1
Portugal	-2.0	-1.2	-1.0	-0.9
Japan	-3.7	-4.2	-3.4	-2.8
United Kingdom	-3.0	-2.3	-1.8	-1.5
Emerging Market and Middle Income Economies	-4.8	-4.4	-4.2	-4.1
Asia	-3.9	-4.2	-4.2	-4.3
China	-3.7	-4.0	-4.1	-4.3
India	-6.7	-6.9	-6.5	-6.5
Indonesia	-2.5	-2.5	-2.5	-2.5
Malaysia	-2.6	-2.9	-2.7	-2.5
Vietnam	-4.7	-4.7	-4.8	-4.7
Thailand	0.6	-0.6	-0.9	-0.9
Europe	-3.0	-2.0	-1.4	-1.4
Russia	-3.7	-1.5	0.0	0.1
Latin America	-6.6	-6.2	-5.8	-5.6
Brazil	-9.0	-7.8	-8.3	-8.3
Middle East and North Africa and Pakistan	-9.3	-5.8	-4.6	-3.5
South Africa	-4.1	-4.5	-4.2	-4.1
Low-Income Developing Countries	-4.2	-4.3	-4.2	-4.0
Oil Producers	-4.9	-3.2	-2.2	-1.9
Sri Lanka	-5.4	-5.5	-4.4	-3.5

Source: Fiscal Monitor, IMF, April 2018  
Annual Report 2017, Central Bank of Sri Lanka

The ease in fiscal balance experienced by Middle East and North Africa and Pakistan from 9.3 percent to 5.8 percent is due to firming commodity prices.

## Government Debt

General Government gross debt of the world as a percentage of GDP decreased to 82.4 percent in 2017 from 83.1 percent in 2016. The total debt stock of advanced economies decreased to 105.4 percent of GDP from 106.9 percent in the preceding year. However, government gross debt in emerging market and developing economies increased from 47 percent to 49 percent in 2017. Average debt in low income countries was rising rapidly and increased from 2016's average of 40.8 percent to 44.3 percent in 2017. Japan recorded the highest debt to GDP at 235.6 percent.

Economies with high debt to GDP ratio are susceptible to sudden financial shocks and building up of buffers is considered essential at this point. According to IMF's Fiscal Monitor, April 2018, economies will become vulnerable to rollover risk, due to high government debt because of large gross financing needs, particularly when maturities are short. At the same time, economies will be susceptible to significant unexpected shocks to public debt-to-GDP levels, which would aggravate the rollover risk. Further, it will be difficult to conduct countercyclical policies, especially in the event of a financial crisis when there is high debt to GDP ratio. Not only in financial crisis, but also in financially neutral or favourable situations, the high debt stock will escalate interest rate payments and at the times of interest rates are increasing, it will create cash management problems specially in developing economies.

According to IMF's debt sustainability analysis, more than one-third of advanced economies recorded debt above 85 percent of GDP in 2017 and this is three times more countries than in 2000. Comparatively, one-fifth of emerging market and middle-income economies recorded debt above 70 percent of GDP in 2017, similar to levels in the early 2000s in the aftermath of the Asian financial crisis.

Table 2.25 | General Government Gross Debt

	Percent of GDP			
	Actual		Forecast	
	2016	2017	2018	2019
World	83.1	82.4	82.1	81.9
Advanced Economies	106.9	105.4	103.9	103.1
United States	107.2	107.8	108.0	109.4
Euro Area	88.9	86.6	84.2	81.7
Germany	68.2	64.1	59.8	55.7
France	96.6	97.0	96.3	96.2
Italy	132.0	131.5	129.7	127.5
Spain	99.0	98.4	96.7	95.1
Greece	183.5	181.9	191.3	181.8
Ireland	72.9	68.5	67.1	64.9
Japan	235.6	236.4	236.0	234.2
United Kingdom	88.2	87.0	86.3	85.9
Canada	91.1	89.7	86.6	83.8
Emerging Market and Middle-Income Economies	47.0	49.0	51.2	52.9
Asia	47.2	50.1	52.3	54.5
China	44.3	47.8	51.2	54.4
India	68.9	70.2	68.9	67.3
Europe	32.1	31.8	32.1	32.5
Russia	15.7	17.4	18.7	19.5
Latin America	59.0	61.8	66.4	67.4
Brazil	78.4	84.0	87.3	90.2
Mexico	56.8	54.2	53.5	53.4
Middle East and North Africa (MENA)	41.1	40.3	42.5	43.3
South Africa	51.6	52.7	54.9	55.7
Low-income Developing Countries	40.8	44.3	45.5	44.9
Sri Lanka	78.8	77.6	77.4	74.8

Source: Fiscal Monitor, IMF, April 2018  
Annual Report 2017, Central Bank of Sri Lanka

## 2.2.7 Capital Flows and Financial Markets

The behavior of global financial markets was stabilized due to positive world growth and monetary policy normalization by advanced economies. The buoyancy of financial markets during the year was reflected by the increase in stock prices to historical highs, low volatility in both the equity and bond markets, and rebound in portfolio flows into emerging economies (The World Economic Situation and Prospects 2018 by United Nations). The Federal Reserve Bank of the United States raised the benchmark interest rates by 125 basis points since the start

of monetary policy tightening in December 2015 and the rate was increased three times in 2017 by 75 basis points. However, this gradual increase in Fed rates and slow withdrawal of stimulus has not encouraged the tightening of global financial conditions.

Aggregate foreign direct investment flows were stable in 2017, but varied among the regions. Supported by the positive growth outlook and favourable policy reforms, FDI flows to Asian economies like India, Indonesia and Vietnam were increased. FDI flows to Middle Eastern and North African economies like Algeria, Egypt and Tunisia were improved owing to privatization plans and improvements in business regulations even though inflows to Sub Saharan African economies were low.

Looking ahead, low interest rates and inflation, rising global debt, the weakening fundamental macroeconomic relationships between unemployment and inflation may cause disruptions to the serenity of the financial market conditions.

## 2.2.8 Currency Movements

According to IMF, the US dollar weakened by about 7 percent in real effective terms, during first three quarters of 2017. At the same period, the euro and the Canadian dollar appreciated by 6 percent owing to stronger growth prospects in Euro area and higher policy rates in Canada. The yen depreciated by about 3 percent and the Swiss franc and Korean won by 4 percent. After raising interest rates by the Bank of England in November and amidst the speculation of Brexit, British pound appreciated 5.5 percent. The Chinese renminbi appreciated 3.5 percent in real effective terms during August 2017 and end-March 2018.

Chart 2.17 | Monthly Movement of Six Months LIBOR

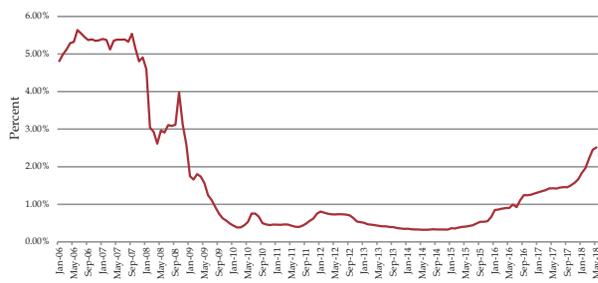


Chart 2.18 | Exchange Rates Against US\$: 2005 - Apr 2018

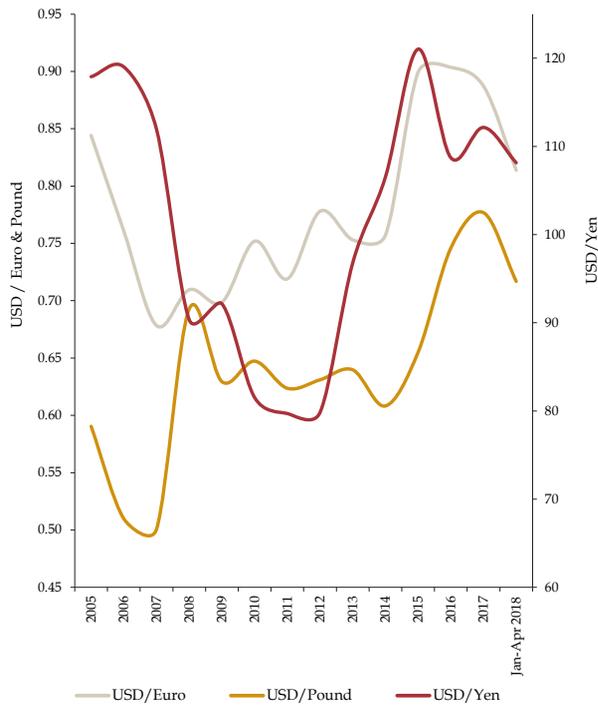


Table 2.26 | World Trade Volumes

	Annual percent change										
	Actual							Forecast			
	2000-2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>World Trade Volume (Goods and Services)</b>											
Volume	5	12.5	7.1	3.0	3.5	3.7	2.7	2.3	4.9	5.1	4.7
<b>Imports</b>											
Advanced Economies	3.6	11.5	5.1	1.7	2.3	3.9	4.6	2.7	4.0	5.1	4.5
Emerging Market and Developing Economies	9.0	14.3	11.5	5.3	5.2	4.2	-0.9	1.8	6.4	6.0	5.6
<b>Exports</b>											
Advanced Economies	3.9	12.1	6.0	2.8	3.1	3.9	3.8	2.0	4.2	4.5	3.9
Emerging Market and Developing Economies	7.9	13.8	8.7	3.5	4.8	3.2	1.5	2.6	6.4	5.1	5.3

Source: World Economic Outlook, IMF, April 2018

Looking ahead, world trade is projected to be expanded by 5.1 percent in 2018 and 4.7 percent in 2019. The moderation in 2019 is projected in

## 2.2.9 World Trade

Global trade rebounded in 2017 mainly owing to heightened import demand in East Asian economies, as accommodative policy measures caused pick up in domestic demand and increased demand for capital goods by advanced economies with the improvements in investments. Mainly due to acceleration in investment spending, world trade volume expanded significantly from 2.3 percent in 2016 to 4.9 percent in 2017 after two years of weakness. Imports by advanced economies increased by 2.7 percent to 4.0 percent in 2017. Imports of emerging market and developing economies increased significantly to 6.4 percent in 2017 from 1.8 percent in 2016. Exports by advanced economies increased to 4.2 percent from 2.0 percent in 2016 and exports by emerging market and developing economies increased considerably to 6.4 percent from the 2.6 percent in the previous year owing to an upturn in investment activities in both advanced economies and emerging economies and also trade in electrical and electronic products.

line with the expected deceleration of capital spending in advanced economies and China.

## 2.2.10 World Commodity Prices

Commodity prices exhibited a common trend in 2017 which is specific to the developments in the particular sector. Energy prices recovered from 2014-16 oil price plunge, as the oil prices averaged US\$ 53 per barrel (bbl) in 2017 with an increase of 24 percent from 2016. Metal prices also recovered with the strong demand from China. Even though, agricultural prices weakened slightly in 2017 due to larger than expected stocks they are expected to be stable in 2018 and 2019.

Table 2.27 | Price Indexes (2010=100)

	2013	2014	2015	2016	2017	2018
Energy	127	118	65	55	68	71
Non-Energy	102	97	82	80	84	85
Agriculture	106	103	89	89	89	90
Beverages	83	102	94	91	83	84
Food	116	107	91	92	92	93
Oils and Meals	116	109	85	90	89	91
Grains	128	104	89	82	82	83
Other Food	104	108	100	105	106	106
Raw Materials	95	92	83	80	82	83
Fertilizers	114	100	95	75	72	72
Metals and minerals	91	85	67	63	77	76
Precious Metals	115	101	91	97	97	97

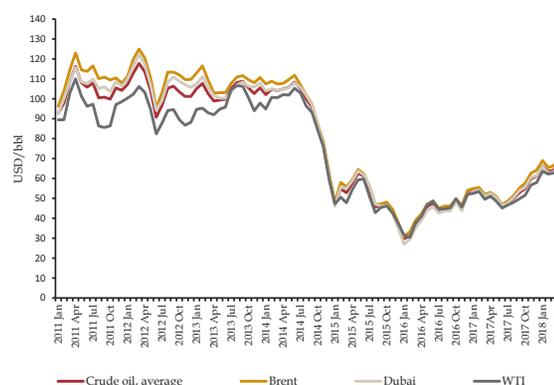
Source: Commodity Market Outlook, April 2017, World Bank

### Energy Prices

The oil prices averaged US\$ 53 per barrel in 2017 with a 23 percent increase over the previous year's average of US\$ 43 per barrel. The increase is mainly driven by strengthening demand, falling stocks, and an agreement by Organization of the Petroleum Exporting Countries (OPEC) in late November to extend the production cuts until the end of 2018. Crude oil prices reached more than US\$ 65 per barrel in January, 2018. Oil prices are projected to average at US\$ 65 per barrel in 2018 and 2019.

Escalating oil prices causes natural gas prices and liquefied natural gas (LNG) prices to increase. As the Chinese government has imposed restrictions for the use of coal to mitigate air pollution, the Chinese demand for LNG rose.

Chart 2.19 | Crude Oil Prices: 2011 - Apr 2018



### Agricultural Prices

The weakness in agricultural prices in 2017 is mainly owing to higher production and unexpectedly high stocks. The price of rice (Thailand, white milled, 5 percent broken) has dropped from US\$ 421 per ton 2016 to US\$ 410 per ton in 2017 and the rice prices are expected to decline further in 2018 due to ample stocks. A record high production was reported for wheat and maize in 2016-2017. The maize reached its lowest level in more than seven years at \$159 per ton in 2017 with a decline of 6.2 percent over 2016 and wheat prices fluctuated during the year. The World Bank Agriculture Price Index is expected to rise 2.2 percent in 2018 and 1.3 percent in 2019 due to reduced plantings (maize) and some weather-induced crop reductions in South America (soybeans).

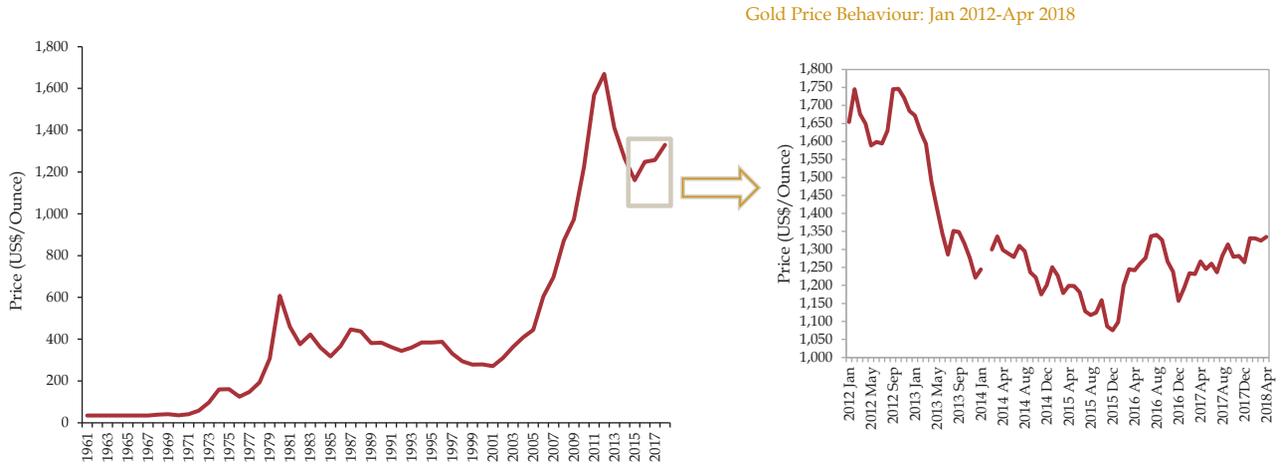
### Metal Prices

The pick-up in metal prices is partially due to strong demand from China and certain supply bottlenecks. The World Bank's Metals and Minerals Price Index rose by 24 percent in 2017. Nickel prices soared by 5 percent in 2017 owing to the strong growth in stainless steel production and some disruption to supply. The gain in zinc price was significantly high at 34 percent due to low supply (mine closures in Australia and Ireland and voluntary cutbacks in Australia and United States) and strong growth in demand to

galvanize steel. Aluminum prices increased by 19 percent and iron and copper prices went up by 19 and 22 percent respectively in 2017. This surge in prices is attributed to high Chinese demand.

Price of an ounce of gold increased slightly by 0.7 percent from US\$ 1,248.99 to US\$ 1,257.56 in 2017.

Chart 2.20 | Gold Price Behaviour: 1961 - 2018





## **PART II**

# **Final Budget Position**



**Government  
Revenue**

**03**

### 3.1 Overview

The fiscal consolidation process in 2017 was geared towards increasing revenue mobilization while rationalizing government expenditure in order to contain the budget deficit and debt accumulation. Consequently, government tax revenue as a percentage of GDP increased by 0.3 percentage point to 12.6 percent of GDP in 2017 from 12.3 percent of GDP in 2016 helped by the increase of VAT rate from 11 to 15 percent and other tax revisions. Tax reforms introduced with a view of facilitating revenue targets of the fiscal consolidation programme have been assisted to broaden the tax base, strengthen the tax administration and rationalize tax exemptions.

The VAT revenue increased in nominal terms by 56.5 percent in 2017 compared to 2016. With the streamlining of the tax base, revenue collection is expected to remain buoyant in 2018 particularly with the support of the implementation of the new Inland Revenue Act effective from April 01, 2018. Meanwhile, total revenue share to GDP declined by 0.4 percentage point to 13.8 percent in 2017 from 14.2 percent in 2016 reflecting the drop in non-tax revenue collection by 0.7 percentage point to 1.2 percent of GDP in 2017. The moderation in non-tax revenue and the increase in expenditure due to larger than expected interest payments and unexpected expenditure on disaster relief led to a marginally higher budget deficit of 5.5 percent of GDP in 2017 compared to 5.4 percent in 2016.

Table 3.1 | Summary of Government Revenue

	Rs. Mn.			
Item	2014	2015	2016	2017 (Provisional)
<b>Total Revenue and Grants</b>	<b>1,204,621</b>	<b>1,460,892</b>	<b>1,693,557</b>	<b>1,839,562</b>
<b>Total Revenue</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>1,686,061</b>	<b>1,831,531</b>
Tax Revenue	1,050,362	1,355,779	1,463,689	1,670,178
Income Tax	198,115	262,583	258,857	274,562
Taxes on Goods and Services	615,832	803,798	841,967	1,025,799
Taxes on External Trade	236,415	289,398	362,865	369,817
Non Tax Revenue	144,844	99,099	222,372	161,353
<b>Grants</b>	<b>9,415</b>	<b>6,014</b>	<b>7,496</b>	<b>8,031</b>
<b>As a % of GDP</b>				
<b>Revenue and Grants</b>	<b>11.6</b>	<b>13.3</b>	<b>14.2</b>	<b>13.8</b>
<b>Total Revenue</b>	<b>11.5</b>	<b>13.3</b>	<b>14.2</b>	<b>13.8</b>
Tax Revenue	10.1	12.4	12.3	12.6
Non Tax Revenue	1.4	0.9	1.9	1.2
<b>Grants</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>

Source: Department of Fiscal Policy

### 3.2 Revenue Policy Measures

In 2017, the government has taken several policy measures to augment revenue mobilization in line with its fiscal consolidation process. The government introduced the new Inland Revenue Act, No. 24 of 2017 (IRA) which was enacted in October 2017 and became effective from 01<sup>st</sup> April 2018. The new IRA is expected to increase revenue from direct taxes through broadening income tax base and strengthening the tax administration. In addition, Economic Service Charge (ESC) was imposed at the point of importation for vehicles and ESC threshold was reduced to Rs. 12.5 million per quarter from Rs. 50 million per quarter with effect from 01<sup>st</sup> April 2017. Several

exemptions granted under the Nation Building Tax (NBT) on construction contractors, services of travel agent and sale of residential apartments etc., were removed. Embarkation Levy was increased to USD 50 for both ship and air passengers. The tax base on liquor was revised on the basis of alcohol volume from the basis of proof litre and raw material such as molasses and rice was made liable for excise duty in order to prevent revenue leakages. Excise duty on motor vehicles was revised upwards and several measures were introduced to mitigate revenue loopholes. The automation process (RAMIS) at the Inland Revenue Department continued in 2017 to strengthen the tax administration.

The measures taken by the government are expected to support the achievements of targets set in the Vision 2025 and the Medium Term Fiscal Strategy of the Government. As such, government revenue is expected to reach above 17 percent of GDP by 2022. The envisaged

revenue led fiscal consolidation will facilitate attaining a fiscal deficit of 3.5 percent of GDP by 2020 through 2022, while central government debt will taper down to about 69 percent of GDP by 2022. This will also ensure that Government will be able to maintain public investment at 5.5 percent.

Table 3.2 | Estimated and Actual Revenue - 2017

Item	Rs. Mn.		
	Estimated	Actual	Deviation
<b>Total Revenue</b>	<b>2,010,300</b>	<b>1,831,531</b>	<b>-178,769</b>
<b>Tax Revenue</b>	<b>1,827,000</b>	<b>1,670,178</b>	<b>-156,822</b>
<b>Department of Inland Revenue</b>			
Tax on Income and Profit	334,550	274,562	-59,988
VAT - Domestic (Net)	232,000	275,346	43,346
Nation Building Tax (Domestic)	42,000	49,715	7,715
<b>Sub Total</b>	<b>608,550</b>	<b>599,623</b>	<b>-8,927</b>
<b>Department of Customs</b>			
Import Duty	165,000	136,501	-28,499
VAT - Imports (Net)	148,000	168,393	20,393
Nation Building Tax (Import)	24,000	19,320	-4,680
PAL	106,000	102,360	-3,640
Cess Levy	60,000	59,554	-446
Special Commodity Levy & Other	65,000	71,402	6,402
Excise Special Provisions	404,000	356,240	-47,760
Cigarettes	105,000	85,956	-19,044
Petroleum	55,000	73,983	18,983
Motor Vehicles & other	244,000	196,301	-47,699
<b>Sub Total</b>	<b>972,000</b>	<b>913,770</b>	<b>-58,230</b>
<b>Department of Excise</b>			
Liquor/Tobacco	175,035	113,260	-61,775
<b>Sub Total</b>	<b>175,035</b>	<b>113,260</b>	<b>-61,775</b>
<b>Other</b>			
Telecommunication Levy	43,000	33,399	-9,601
License Tax & Other	28,415	10,126	-18,289
<b>Sub Total</b>	<b>71,415</b>	<b>43,525</b>	<b>-229,541</b>
<b>Non - Tax Revenue</b>	<b>183,300</b>	<b>161,353</b>	<b>-21,947</b>

Source: Department of Fiscal Policy

In nominal terms, the total revenue increased by 8.6 percent to Rs. 1,832 billion in 2017 from Rs. 1,686 billion in 2016. The total tax revenue increased by 14.1 percent to Rs. 1,670.2 billion whereas total non-tax revenue declined by 27.4 percent to Rs. 161 billion in 2017.

Revenue collected from domestic consumption-based taxes such as VAT and NBT on domestic activities increased by 26.4 percent to Rs. 530.8 billion in 2017. However, revenue on several consumption-based taxes such as liquor and cigarettes dropped by 5.5 percent and 3.1 percent

respectively in 2017. Revenue from import-based taxes such as VAT on imports, Ports and Airports Development Levy (PAL) and Cess increased by 11.2 percent to Rs. 821 billion. However, revenue generated from import duties and Cess levy declined in 2017. The revenue generated from both domestic and import VAT significantly increased by 56.5 percent mainly due to the increase in VAT rate to 15 percent from 11 percent, the broadening of the tax base by removing VAT exemptions and increased VAT compliance through the RAMIS at IRD. However,

excise revenue collection on liquor and cigarettes declined. The revenue from excise duty on motor vehicles marginally increased by 1.7 percent to Rs. 189.7 billion in 2017 mainly due to the upward revision of excise duty rates. Revenue generated from PAL and Special Commodity Levy (SCL), NBT also showed improved performance in 2017. Revenue collection from income taxes on account Act ESC and Pay-As-You-Earn (PAYE). Revenue generated from ESC and PAYE increased by 118.6 percent and 16.9 percent, respectively in 2017 due to the increase in salaries of public and private sectors and broadening the tax base of ESC. The non-tax revenue declined mainly due to the decline in profits and dividends transfers by SOBEs stemming from strained financial performance amidst modest economic growth in 2017.

Further to policy measures undertaken in 2017, fiscal consolidation requires further reforms as earmarked in the Vision 2025 to sustain the upwards trajectory of government revenue mobilization. The revenue mobilization through improved tax compliance and administration, broadening the tax base and simplification tax

structures have been identified as key policy areas to expand the fiscal space in the medium-term.

### 3.3 Government Revenue Performance

Reflecting the fiscal consolidation measures adopted by the Government, tax revenue to GDP ratio increased to 12.6 percent in 2017 from 12.3 percent in 2016. However, total government revenue dropped to 13.8 percent of GDP in 2017 from 14.2 percent of GDP in 2016 due to the decline in non-tax revenue to 1.2 percent of GDP in 2017 from 1.9 percent recorded in 2016.

In nominal terms, the total revenue increased by 8.6 percent to Rs. 1,831.5 billion in 2017 from Rs. 1,686.1 billion in 2016 as against the estimated revenue of Rs. 2,010.3 billion. The tax revenue increased by 14.1 percent to Rs. 1,670.2 billion in 2017 from Rs. 1,463.7 billion in 2016 vis-à-vis the estimate of Rs. 1,827.0 billion. Non-tax revenue declined by 27.4 percent to Rs. 161.3 billion in 2017 from Rs. 222.4 billion in 2016 compared to the estimate of Rs. 183.3 billion.

Chart 3.1 | Government Revenue

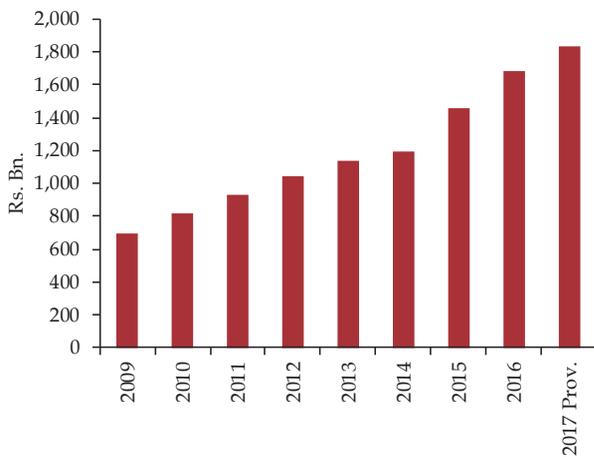


Chart 3.2 | Composition of Tax Revenue - 2017

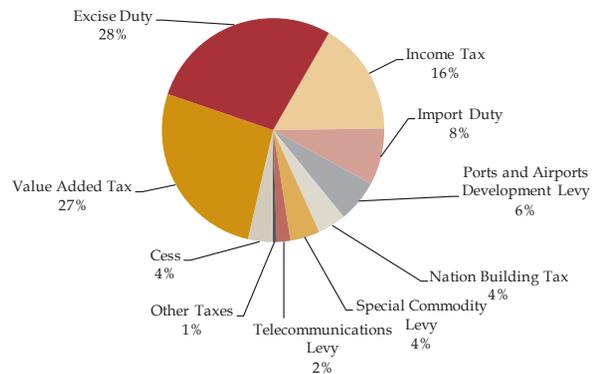


Table 3.3 | Government Revenue

Item	Rs. Mn.					
	2012	2013	2014	2015	2016	2017 (Provisional)
<b>Tax Revenue</b>	<b>908,915</b>	<b>1,005,895</b>	<b>1,050,362</b>	<b>1,355,779</b>	<b>1,463,689</b>	<b>1,670,178</b>
Income Tax	172,594	205,666	198,115	262,583	258,857	274,562
VAT	229,604	250,523	275,350	219,700	283,470	443,739
Nation Building Tax	38,736	40,937	44,583	45,004	57,424	69,035
Excise Duty	223,960	250,700	256,690	497,623	454,952	469,454
Import Duties	80,155	83,123	81,108	132,189	156,487	136,501
Ports & Airports Development Levy	70,111	61,987	68,646	58,644	88,823	102,360
Special Commodity Levy	33,666	46,705	47,953	52,276	55,825	71,402
Other	60,089	66,255	77,917	87,760	107,851	103,125
<b>Non Tax Revenue</b>	<b>142,547</b>	<b>131,552</b>	<b>144,844</b>	<b>99,099</b>	<b>222,372</b>	<b>161,353</b>
Interest/ Rent	11,686	11,995	13,647	7,321	15,806	11,845
Profit and Dividends	46,761	35,169	46,814	29,798	108,160	53,998
Sales and Charge	26,019	40,720	35,499	44,632	72,606	66,575
Social Security Contribution	11,738	15,145	14,919	15,213	18,046	22,940
Central Bank Profit Transfers	43,000	26,350	11,500	-	5,000	-
Other	3,343	2,173	22,466	2,135	2,754	5,995
<b>Total Revenue</b>	<b>1,051,462</b>	<b>1,137,447</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>1,686,061</b>	<b>1,831,531</b>
As a % of GDP						
<b>Tax Revenue</b>	<b>10.4</b>	<b>10.5</b>	<b>10.1</b>	<b>12.4</b>	<b>12.3</b>	<b>12.6</b>
Income Tax	2.0	2.1	1.9	2.4	2.2	2.1
VAT	2.6	2.6	2.7	2.0	2.4	3.3
Nation Building Tax	0.4	0.4	0.4	0.4	0.5	0.5
Excise Duty	2.6	2.6	2.5	4.5	3.8	3.5
Import Duties	0.9	0.9	0.8	1.2	1.3	1.0
Ports & Airports Development Levy	0.8	0.6	0.7	0.5	0.7	0.8
Special Commodity Levy	0.4	0.5	0.5	0.5	0.5	0.5
Other	0.7	0.7	0.8	0.8	0.9	0.8
<b>Non Tax Revenue</b>	<b>1.6</b>	<b>1.4</b>	<b>1.4</b>	<b>0.9</b>	<b>1.9</b>	<b>1.2</b>
Interest/ Rent	0.1	0.1	0.1	0.1	0.1	0.1
Profit and Dividends	0.5	0.4	0.5	0.3	0.9	0.4
Sales and Charge	0.3	0.4	0.3	0.4	0.6	0.5
Social Security Contribution	0.1	0.2	0.1	0.1	0.2	0.2
Central Bank Profit Transfers	0.5	0.3	0.1	-	...	-
<b>Total Revenue</b>	<b>12.0</b>	<b>11.9</b>	<b>11.5</b>	<b>13.3</b>	<b>14.2</b>	<b>13.8</b>

Source: Department of Fiscal Policy

... Negligible

- not available

Table 3.4 | Government Tax Revenue - By Source

Source	Rs. Mn.		
	2016	2017 (Provisional)	2017/2016 Change (%)
<b>Income Tax</b>	<b>258,857</b>	<b>274,562</b>	<b>6.1</b>
Corporate & Non Corporate	154,324	143,588	(7.0)
PAYE	28,169	32,920	16.9
ESC	20,458	44,720	118.6
Tax on interest	55,906	53,334	(4.6)
<b>Domestic Consumption Based Taxes</b>	<b>419,897</b>	<b>530,838</b>	<b>26.4</b>
VAT - Domestic	168,134	275,346	63.8
NBT - Domestic	39,029	49,715	27.4
Tax on Liquor	120,238	113,684	(5.5)
Tax on Cigarettes/Tobacco	88,792	86,002	(3.1)
Other (Excise)	3,704	6,091	64.4
<b>Import Based Taxes</b>	<b>738,814</b>	<b>821,253</b>	<b>11.2</b>
Import Duties	156,487	136,501	(12.8)
VAT - Import	115,336	168,393	46.0
NBT - Import	18,395	19,320	5.0
PAL	88,823	102,360	15.2
SCL	55,825	71,402	27.9
Cess Levy	61,730	59,554	(3.5)
Petroleum - Excise	55,719	73,983	32.8
Motor Vehicles - Excise	186,499	189,740	1.7
<b>Licence and Other</b>	<b>46,121</b>	<b>43,525</b>	<b>(5.6)</b>
Telecommunications Levy	35,976	33,399	(7.2)
Other	10,145	10,126	(0.2)
<b>Total Tax Revenue</b>	<b>1,463,689</b>	<b>1,670,178</b>	<b>14.1</b>

Source : Department of Fiscal Policy

### 3.3.1 Tax Revenue

#### Income Tax

The total revenue generated from income tax which comprises corporate and non-corporate tax, PAYE, ESC and Withholding tax on interest income increased by 6.1 percent to Rs. 274.6 billion in 2017 in comparison to Rs. 258.9 billion in 2016. The revenue from the corporate and non-corporate income tax declined by 7.0 percent to Rs. 143.6 billion in 2017 mainly due to the impact of the increase in revenue collected from ESC by 118.6 percent to Rs. 44.7 billion which can be deductible from income tax computations. The increase in revenue collected from ESC was mainly due to the imposition of ESC at the point of importation of motor vehicles coupled with the reduction of ESC threshold to Rs. 12.5 million per quarter from Rs. 50 million per quarter with effect from 1st April 2017.

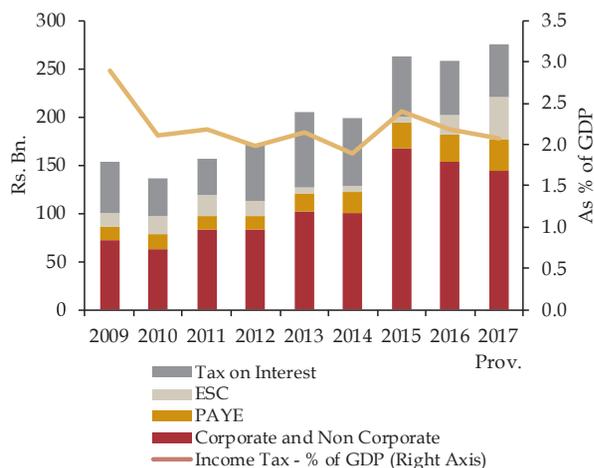
Table 3.5 | Performance of Income Tax

Item	2015	2016	2017 (Provisional)	Growth %
<b>Total Income Tax</b>	<b>262,583*</b>	<b>258,857</b>	<b>274,562</b>	<b>6.1</b>
Corporate & Non Corporate	167,325*	154,324	143,588	-7.0
PAYE	26,206	28,169	32,920	16.9
ESC	6,148	20,458	44,720	118.6
Tax on Interest	62,904	55,906	53,334	(4.6)

\* Including Super Gain Tax of Rs. 49.8 bn

Source: Department of Fiscal Policy

Chart 3.3 | Performance of Income Tax



The revenue from PAYE tax significantly increased by 16.9 percent to Rs. 32.9 billion in 2017 compared to Rs. 28.1 billion in 2016, reflecting the increase in salaries both in public and private sectors and the rise in employment in high earning categories such as tourism, information technology and professional services. However, the revenue from the tax on interest income declined by 4.6 percent to Rs. 53.3 billion in 2017 compared to Rs. 55.9 billion in 2016. This was mainly due to the relatively lower issuance of government securities. The estimated income tax revenue in 2017 was Rs. 335 billion of which Rs. 274.6 billion was achieved in 2017. The deviation was due to the delay in implementing the new Inland Revenue Act.

#### Value Added Tax (VAT)

The total revenue generated from VAT significantly increased by 56.5 percent to Rs. 443.7 billion in 2017 from Rs. 283.5 billion in 2016. The VAT revenue to GDP ratio expanded to 3.3 percent in 2017 from 2.4 percent in 2016 while the VAT revenue as a percentage of total tax revenue increased to 26.6 percent in 2017 from 19.4 percent recorded in 2016.

Table 3.6 | Value Added Tax Revenue

Item	2012	2013	2014	2015	2016	2017 (Provisional)
Domestic	112,214	124,658	140,413	131,662	168,817	276,065
Imports	120,539	126,538	136,221	89,174	115,339	168,395
Gross Revenue	232,753	251,196	276,634	220,836	284,156	444,459
Refunds	3,149	439	1,284	1,136	686	720
Net Revenue	229,604	250,757	275,350	219,700	283,470	443,739
Net Revenue as a % of GDP	2.6	2.6	2.7	2.0	2.4	3.3

Source: Department of Fiscal Policy

The increase in total VAT revenue was mainly due to the increase in VAT rate from 11 percent to 15 percent and the removal of exemptions granted to the health sector and telecommunication sector in mid-2016. With the expansion of the banking sector, VAT revenue from domestic activities expanded by 63.8 percent to Rs. 275.3 billion in 2017 from Rs. 168.1 billion in 2016. Meanwhile, VAT revenue on imports increased by 46.0

percent to Rs.168.4 billion in 2017 from Rs. 115.3 billion in 2016 reflecting the overall increase in imports. The estimated VAT revenue in 2017 was Rs. 380.0 billion of which Rs. 443.7 billion was realized helped by the expansion of financial services, the increase in monitoring of payments and receipts with the implementation of RAMIS and strengthening tax administration at IRD.

### Excise Duty

The revenue collected from excise duty increased by 3.2 percent to Rs. 469.5 billion in 2017 compared to Rs. 454.9 billion in 2016 supported by the rise in revenue collection from petroleum products and motor vehicles. However, revenue from liquor, cigarette and tobacco declined in 2017. Despite the modest performance, revenue generated from excise duty remained as the

largest single contributor accounting for 28.1 percent of the total tax revenue in 2017.

Excise duty revenue on liquor products decreased by 5.5 percent to Rs. 113.7 billion in 2017 from Rs. 120.2 billion in 2016 reflecting the revision of tax base of hard and malt liquor from proof litre to volume based tax. However, production of malt liquor increased by 36.3 percent to 71.1 proof litre million whereas hard liquor declined by 15.5 percent to 46.9 proof litre million due to the downward revision of Excise duty rates on malt liquor and hard liquor. The estimated Excise duty revenue on liquor and cigarette products was Rs. 280 billion in 2017 and realized Rs. 199.0 billion. This was due to the decline in cigarettes production by 17 percent attributing to the government’s policy on discouraging the consumption of tobacco and alcohol products.

Chart 3.4 | Cigarette Production and Excises Tax Revenue



Excise duty revenue on motor vehicle imports increased by 1.7 percent to Rs. 189.7 billion in 2017 compared to Rs. 186.5 billion in 2016. Despite the decline in the import of motor vehicles by 1.9

Chart 3.5 | Liquor Production and Excises Tax Revenue



percent to 460,261 vehicles in 2017 from 469,305 motor vehicles in 2016, the excise duty revenue generated from motor vehicles increased in 2017 due to the upward revision of Excise duty in line with the Budget 2017. The actual excise duty revenue from motor vehicles fell below the estimate of Rs. 230 billion mainly due to the decline in motor car imports by 14.4 percent in 2017.

Table 3.7 | Production and Excise Tax Collection from Liquor and Cigarettes

Year	Quantity Produced				Excise Tax Revenue					
	Hard Liquor (Litre Mn)	% Change	Malt Liquor (Litre Mn)	% Change	Cigarettes (Mn. Sticks)	% Change	Liquor (Rs.Bn)	% Change	Cigarettes (Rs. Bn)	% Change
2010	49.4	20.2	71.4	28.6	4,286	4.5	37.7	34.2	40.6	8.0
2011	53.8	8.9	87.5	22.5	4,469	4.3	55.8	48.0	49.6	22.2
2012	49.7	-7.6	99.3	13.5	4,320	-3.3	60.1	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	105.2	53.3	80.0	39.9
2016	55.6	7.3	52.2	(58.5)	3,789	-7.9	120.2	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

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

Import of motor cars dropped by 14.4 percent to 36,131 cars in 2017 compared to 42,208 in 2016 mainly due to the increase in duty rates. However, the ad-valorem duty rate applicable to electric cars was reduced further to promote environmental friendly motor vehicles. Import of transport vehicles declined by 19.3 percent in 2017 as a result of anomaly correction on Excise duty structure and duty rates applicable on lorries, vans, single cabs, double cabs, crew cabs, refrigerator trucks and garbage trucks. Import of three-wheelers also significantly declined by 60.4 percent mainly due to the upward revision of duty on three-wheelers. However, import of motor bicycles increased by 10.4 percent with the introduction of engine capacity based excise duty on motor bicycles, in addition to ad-valorem rate, as a measure of mitigating undervaluation.

The unit tax rate was introduced in line with the Budget 2018 to minimize revenue losses arising from the undervaluation of imported motor vehicles. Accordingly, the duty has been imposed on the basis of engine capacity

measured by cubic centimetre (cm<sup>3</sup>) for petrol and diesel vehicles while the basis for electric motor vehicles has been made to the motor power of the engine (kilowatt). The applicable excise duty on electric motor vehicles was reduced by supporting environmental friendly motor vehicles. Meanwhile, Excise duty on the sugar content in carbonated beverages was imposed effective from November 2017 as a means of discouraging unhealthy consumption habits while Excise duty on plastic resin was imposed to discourage the over usage of plastic and plastic products.

The revenue generated from cigarettes and tobacco declined by 3.2 percent to Rs. 86.0 billion in 2017 compared to Rs. 88.8 billion in 2016. This decline was mainly due to the upward revision of duty rates by 28 percent in October 2016. This has led to a decline of consumption of cigarettes by 16.9 percent to 3,149 Mn sticks in 2017 from 3,789 Mn sticks in 2016 coupled with the action taken by the National Authority on Tobacco and Alcohol (NATA).

Table 3.8 | Excise Duty Revenue

Item	2012	2013	2014	2015	2016	Rs. Mn
						2017 (Provisional)
Liquor	60,086	66,008	69,100	105,234	120,238	113,684
Cigarettes/Tobacco	53,563	58,567	57,240	80,015	88,792	86,002
Motor Vehicles	78,509	96,478	98,531	263,470	186,499	189,740
Petroleum Products	28,466	27,130	28,732	45,092	55,719	73,983
Other	3,336	2,516	3,087	3,812	3,704	6,091
<b>Total</b>	<b>223,960</b>	<b>250,700</b>	<b>256,690</b>	<b>497,623</b>	<b>454,952</b>	<b>469,500</b>

Source: Department of Fiscal Policy

The revenue generated from petroleum products significantly increased by 32.8 percent to Rs. 74.0 billion in 2017 compared to Rs. 55.7 billion in

2016 reflecting the increase in imports of petrol and diesel by 18.2 percent and 22.5 percent, respectively.

Table 3.9 | Motor Vehicle Imports

Item	2014	2015	2016	2017	2014	2015	2016	2017
Motor Bicycles	322,257	349,441	329,978	364,346	101.7	8.4	-5.6	10.4
Three-Wheelers	83,233	132,865	47,976	19,021	3.3	59.6	-63.9	-60.4
Tractors	5,511	14,233	13,185	10,295	-58.4	158.3	-7.4	-21.9
Transport Vehicles	25,664	44,218	32,161	25,964	0.0	72.3	-27.3	-19.3
Passenger Van and Buses	3,906	4,687	2,849	3,732	140.1	20.0	-39.2	31.0
Motor Cars	41,030	108,866	42,208	36,131	51.5	165.3	-61.2	-14.4
Other	402	510	948	772	-1.5	26.9	85.9	-18.6
<b>Total</b>	<b>482,003</b>	<b>654,820</b>	<b>469,305</b>	<b>460,261</b>	<b>56.3</b>	<b>35.9</b>	<b>-28.3</b>	<b>-1.9</b>

Source: Department of Customs

## Import Duty

Revenue collected from import duty declined by 12.8 percent to Rs. 136.5 billion in 2017 from Rs. 156.5 billion in 2016 mainly due to the adverse impact of the provision of general waivers on major import items such as petrol, diesel, milk powder and wheat grain. The importation of products which are granted duty free or normal status under the Free Trade Agreements (FTA) entered into with various countries such as India and Pakistan, the South Asian Free Trade Agreement (SAFTA) and the Asian Pacific Trade Agreement (APTA) to strengthen bilateral and regional trade co-operation also resulted in the decline of revenue collected from import duty. The estimated import duty revenue in 2017 was Rs. 165 billion of which Rs. 136.5 billion was realized. This deviation was due to the increase in tax waivers granted on certain import goods including milk powder, petrol and diesel.

## Special Commodity Levy

SCL was introduced in 2007 on a number of essential commodities under the Special Commodity Levy Act, No. 48 of 2007 to encourage local production and also to protect consumers due to the escalation of prices in the off-season. The revenue from SCL increased by 28 percent to Rs. 71.4 billion in 2017 compared to Rs. 55.8 billion recorded in 2016. SCL accounted for 4.3 percent of total tax revenue in 2017. Improved performance of SCL was mainly due to the revision of SCL rates and the extension of the validity periods of some items. The actual SCL revenue exceeded the estimate of Rs. 65 billion mainly assisted by the introduction of SCL on rice with effect from 07th January 2017 coupled with the increase in imports of consumer goods by 4.3 percent.

Table 3.10 | Special Commodity Levy Rates

Item	Duty Rate (Rs. Per Kg)	
	End 2016	End 2017
Sprats	11	1
Potatoes	10	1
Red Onions	25	25
B'Onions	40	1
Garlic	40	40
Green Gram	40	40
Lentils - Whole	5	1
Split	10	3

Table 3.10 | Special Commodity Levy Rates Contd.

Item	Duty Rate (Rs. Per Kg)	
	End 2016	End 2017
Chilies - Not Crushed	25	25
Crushed	125	125
Canned fish	50	50
Sugar - White	13	31
- Raw/Brown	15	33
Watana - Whole	15	15
Split	18	18
Chick Peas - Whole	7	7
Split	10	10
Black Gram	60	60
Cowpea	70	70
Maldive Fish	102	102
Dried Fish	102	52
Orange-Fresh	65	65
Grapes - Fresh	130	130
Apples - Fresh	45	45
Seeds of Corriander - Neither Crushed nor Ground	26	26
Seeds of Corriander - Crushed or Ground	52	52
Seeds of Cummin	162	162
Seeds of Fennel	162	162
Turmeric - Neither Crushed nor Ground	102	102
Turmeric - Other	360	360
Mathe - Seed	50	50
Kurakkan	70	70
Millet/other	70	70
Kurakkan Flour	150	150
Black Gram Flour	200	200
Ground Nut - Shelled	112	112
Mustard Seeds	62	62
Palm oil / Veg.oil - Crude	150	110
Palm olen	155	115
Refine	170	135
Other Veg.oil Refine (RBD Palm oil)	175	130
Palm kernel -Crude	170	130
Palm kernel -Refined	185	145
Fish	10% of the CIF value or Rs. 75 per kg., whichever is higher	10% of the CIF value or Rs. 100 per kg., whichever is higher
Mackerel	6	6
Yoghurt	625	625
Butter	880	880
Margarine(Fat 80% or more)	215	215
Margarine (Other)	315	315
Salt	40	40
Dates	60	60
Dried Grapes	230	230
Mangosteens	200	200
Dried Orange	200	200
Pears	175	175
Cherries	250	250
Plums and sloes	200	200
Kiwifruit	175	175
Pomegranate (other)	200	200
Maize	10	10
Rice	-	0.25
Coconut Kernel	-	1.00

Source: Department of Trade and Investment Policy

## Nation Building Tax

The total revenue from NBT amounted to Rs. 69.0 billion in 2017 compared to Rs. 57.4 billion in 2016. The revenue collected from NBT on domestic activities increased by 27.4 percent to Rs. 49.7 billion while revenue from NBT on imports moderately increased by 4.9 percent to Rs. 19.3 billion in 2017. The policy measures taken to remove the exemptions on construction

contractors, sales of residence apartments, services of inbound travel agents received in foreign currency through a bank contributed to increase revenue generated from NBT. In 2017, Rs. 34.4 Billions of NBT revenue was transferred to Provincial Councils (PCs) under the revenue sharing mechanism introduced in 2011 as a part of simplification of the tax revenue. The estimated NBT revenue in 2017 was Rs. 66 billion.

Table 3.11 | Transfer of NBT Revenue to Provincial Councils - 2017

Provincial Council	Revenue (Rs. Mn)	% of the Total
Western Province	16,524	48
Central Province	3,098	9
Southern Province	3,098	9
North Western Province	3,098	9
Sabaragamuwa Province	1,721	5
North Central Province	1,721	5
Uva Province	1,721	5
Eastern Province	1,721	5
Northern Province	1,721	5
<b>Total</b>	<b>34,426</b>	<b>100</b>

Source: Department of Fiscal Policy

## Ports and Airport Development Levy

Revenue collected from PAL increased by 15.2 percent to Rs. 102.4 billion in 2017 compared to Rs. 88.8 billion in 2016 and accounted for 6.1 percent of the total tax revenue in 2017. Increased imports such as intermediate goods by 15.9 percent followed by the increase in imports of fuel, steel and wheat grain in 2017 contributed to increased revenue on PAL. Although the standard rate of 7.5 percent was applied to general goods while certain items such as petroleum oils, machinery and raw material used for pharmaceuticals and machinery were granted a concessionary rate of 2.5 percent. The removal of PAL on 253 items also had an impact on the PAL revenue collection. The estimated PAL revenue in 2017 was Rs. 106 billion.

## Cess Levy

The total Cess revenue declined by 3.5 percent to Rs. 59.5 billion and accounted for 3.6 percent of total tax revenue in 2017 in comparison to Rs. 61.7

billion in 2016. The revenue from Cess on imports declined by 4.2 percent to Rs. 56.5 billion in 2017 reflecting the removal of applicable Cess rates on 100 identified items such as pre-fabricated buildings, lard, cane molasses, sunflower seeds and defatted coconut, etc. However, the Cess revenue from exports increased by 11.5 percent to Rs. 3.0 billion in 2017 due to the increase in demand for tea, rubber and mineral sectors. In line with Budget 2018, the applicable Cess rates on 253 identified items such as meat, dairy products, dates, grapes, pears, beer and wine, etc were removed. Furthermore, Cess Levy on fresh cheese, food grinders and mixers, wall clocks, safety helmets and onions (dried), to facilitate the availability of goods for value addition and consumption purposes was revised. The estimated Cess revenue in 2017 was Rs. 60 billion of which Rs. 59.5 billion was achieved.

Table 3.12 | Cess Revenue from International Trade and Government Subsidy for Agriculture Sector Development : 2014-2017

			Rs. Mn				
Description	2015	2016	2017(a)	Description	2015	2016	2017(a)
<b>Cess on Exports</b>	<b>2,713</b>	<b>2,672</b>	<b>2,980</b>	<b>Commercial Crop Development</b>			
Tea-under Tea (Tax and Control of Export) Act, Sri Lanka Tea Board Law	640	587	550	Tea	7,292	549	445
Rubber-under Rubber Replanting Subsidy Act	12	10	90	Rubber	2,871	713	703
Coconut-under Coconut Development Act	127	141	105	Coconut	471	709	598
EDB Cess- under Sri Lanka Export Development Act	1,934	1,832	2,235	Cashew	35	40	54
<b>Cess on Imports</b>				Minor Export Crops (Cinnamon, Cocoa, Coffee, Pepper)	360	380	336
Imports- under Sri Lanka Export Development Act	43,576	59,058	56,574	Fertilizer Subsidy for Total Agriculture Sector Development	49,571	27,771	30,361
<b>Total</b>	<b>46,289</b>	<b>61,730</b>	<b>59,554</b>	<b>Total</b>	<b>60,600</b>	<b>30,162</b>	<b>32,497</b>

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

### Telecommunications Levy

The revenue collected from Telecommunications Levy declined by 7.2 percent to Rs. 33.4 billion in 2017 compared to Rs. 35.9 billion in 2016. The estimated Telecommunications Levy revenue in 2017 was Rs. 43 billion and the underperformance was due to the removal of the taxes for internet services followed by the deferment of the implementation of Sim card activation levy. The Telecommunications Levy on internet services was proposed to increase to 25 percent from 10 percent as per the Budget 2017. However, considering the requests from various sectors in the society, Telecommunications Levy on internet services was removed.

### 3.3.2 Non-Tax Revenue

The non-tax revenue declined by 27.4 percent to Rs. 161.4 billion in 2017 compared to Rs. 222.4

billion recorded in 2016. Non-tax revenue to GDP ratio declined to 1.2 percent in 2017 from 1.9 percent of GDP in the previous year. This revenue decline was mainly due to the fall of profits and dividends from the SOBEs by 50.1 percent to Rs. 53.9 billion, rent income by 59.5 percent to Rs. 4.4 billion, sales and charges by 8.3 percent to Rs. 66.5 billion and non-recording of Central Bank's profit transfers for 2017 fiscal year. However, the non-tax revenue from interest income significantly increased by 53.2 percent to Rs. 7.4 billion in 2017 compared to the previous year. Moreover, the non-tax revenue from social security contributions also increased by 27.1 percent to Rs. 22.9 billion in 2017 compared to Rs. 18.0 billion in the previous year. The estimated non-tax revenue in 2017 was Rs. 183.3 billion and deviation of actual revenue was mainly due to contraction in profits and dividend transfers from SOBEs.

Table 3.13 | Non Tax Revenue

								Rs. Mn.
Item	2012	2013	2014	2015	2016	2017 (Provisional)	2016/2017 (% change)	2017 (% of Total Non Tax Revenue)
Interest/Rent	11,686	11,995	13,647	7,321	15,806	11,845	-25.1	7.3
Profits and Dividends	46,761	35,169	46,814	29,798	108,160	53,998	-50.1	33.5
Sales and Charges	26,019	40,721	35,499	44,632	72,606	66,575	-8.3	41.3
Social Security Contribution	11,738	15,145	14,919	15,213	18,046	22,940	27.1	14.2
Central Bank Profit Transfers	43,000	26,350	11,500	-	5,000	-	-100.0	0.0
Other	3,343	2,173	22,466	2,135	2,754	5,995	117.7	3.7
<b>Total</b>	<b>142,547</b>	<b>131,552</b>	<b>144,845</b>	<b>99,099</b>	<b>222,372</b>	<b>161,353</b>	<b>-27.4</b>	<b>100.0</b>

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

Table 3.14 | Variance Analysis of Government Revenue

Rs. Bn.

Item	2016	2017 Est.	2017	Reason
Income Tax	258.9	334.5	274.6	The reasons for deviation of actual revenue in 2017 from actual revenue in 2016 were threefold: (i) The revenue from the corporate and non-corporate income tax declined due to the increase in revenue from ESC by 118.6 percent which can be credited against income tax. The increase in revenue from ESC was due to reduction of ESC threshold and the imposition of ESC on importation of motor vehicles; (ii) the revenue from interest income declined due to the relatively lower issuance of government securities; and (iii) in contrast, the revenue from PAYE increased with the increase in salaries and the rise in employment in high earning categories. The deviation from the estimated income tax revenue against the actual revenue was mainly due to the delay in implementing the new Inland Revenue Act in 2017.
VAT	283.5	380	443.7	The increase in VAT rate from 11 percent to 15 percent, removal of exemptions granted to the health sector and telecommunication sector in mid-2016 and the expansion of the banking sector, the rise in imports bill were attributed to increasing the actual revenue. The actual VAT revenue surpassed the estimated revenue due to the following reasons: (i) expansion of financial services; (ii) the increase in monitoring of payments and receipts with the implementation of RAMIS and tax audits; and (iii) strengthening tax administrative process at IRD.
Excise Tax	455.0	579.0	469.5	The increase in revenue collected from excise duty was supported by the rise in revenue from petroleum products and motor vehicles. Excise duty from motor vehicles increased due to the upward revision of Excise duty. However, revenue from liquor, cigarette and tobacco declined due to the reduction in consumption by 15.5 percent and 16.9 percent, respectively. The estimated excise duty from motor vehicles was not achieved due to the decline in motor car imports by 14.4 percent. The drop in consumption of liquor, cigarette and tobacco was also contributed to this deviation.
Import Duty	156.5	165.5	136.5	The adverse impact of the provision of general waivers on major import items such as petrol, diesel, milk powder and wheat grain and the importation of products which are granted duty free or normal status under the Free Trade Agreements (FTA) contributed to the decline in revenue collected from import duty in 2017.
Port and Airport Development Levy (PAL)	88.8	106.0	102.4	PAL revenue increased due to the increase in imports of intermediate goods such as fuel, steel and wheat grain etc. However, the standard rate of 7.5 percent applied to general goods, such as petroleum oils, machinery and raw material used for pharmaceuticals and machinery were granted concessionary rate of 2.5 percent which has led to this deviation.
Nation Building Tax (NBT)	57.4	66.0	69.0	The revenue from NBT increased due to policy measures taken to remove the exemptions on construction contractors, sales of residence apartments, services of inbound travel agents received in foreign currency etc. The removal of exemptions and the implementation of RAMIS were attributed to surpass the revenue estimate for 2017.
Other Taxes	163.60	195.92	174.50	The revenue from Cess on imports declined by 4.2 percent due to the removal of applicable Cess rates on identified 100 items such as prefabricated buildings, lard, cane molasses, sunflower seeds and defatted coconut, etc. However, the Cess revenue from exports increased due to the increase in world demand for tea, rubber and mineral sectors. The revenue from Telecommunications Levy declined due to the removal of the taxes for internet services.
Non Tax Revenue	222.4	183.3	161.3	The decline in payment of profits and dividends by State Owned Business Enterprises and the drop in rental income and the non-recording of profit transfers from the Central Bank were mainly attributed to the decline in non-tax revenue. However, the collection of Social Security Contribution from public sector employees due to the basic salary hike, the increase in embarkation levy to USD 50 per ship and air passenger and increased passport and visa fees positively contributed to the non-tax revenue.
<b>Total</b>	<b>1,686.1</b>	<b>2,010.3</b>	<b>1,831.5</b>	

Compiled by the Department of Fiscal Policy

**Box 3.1 | Major Fiscal Measures: January 2017– April 2018**

Effective Date	Measures
<b>Excise (Special Provisions) Duty</b>	
10.06.2017	Excise duty concessions were revised to purchase locally manufactured or imported motor vehicles on concessionary permits for public officers.
19.06.2017	Excise duty concession was granted to import motor vehicles on a concessionary permit for members of the First Northern Provincial Council.
12.07.2017	Excise duty concession was revised to purchase locally manufactured or imported motor vehicles on concessionary permits for diplomatic officers who served in missions aboard.
18.08.2017	Excise duty on mini trucks and single cabs was reduced and the applicable ad-valorem rate of 90 percent on a motor cycle with engine capacity less than 150 cc was removed.
10.11.2017	Excise duty rates on excisable articles were revised in line with the Budget 2018.
15.11.2017	Excise duty rate for vehicles which LCs were opened before the Budget 2018 was applied the duty rate prevailed on 09 November 2017.
16.11.2017	The Excise duty concession given for environmental friendly brand-new electric motor vehicles was also extended for less than one year old electric motor vehicles.
16.11.2017	Vehicles for which LCs were opened before the Budget 2018 were allowed to be released without payment of reversed tax rate.
23.11.2017	The concessionary excise duty rate given for locally assembled motor vehicles was reduced from 40% to 30%.
16.02.2018	The maximum limit of exemption of Excise duty for beneficiaries of categories I, II and III as specified in Public Administration Circular No.22/99 of Rs.22.0 Mn, Rs.16.00 Mn and Rs.12.00 Mn, respectively was increased.
16.02.2018	The maximum limit of exemption of Excise duty of Rs.5.0 Mn for beneficiaries of vehicles imported under Trade and Investment Policy Circular No.1/2018 was increased.
<b>Excise (Ordinance) Duty</b>	
01.01.2017	The allowance for the loss of ethanol by evaporation and leakage in storage and transportation was reduced.
01.01.2017	Annual liquor license fees were revised.
01.01.2017	Excise duty on bottled toddy was increased to Rs. 50 per litre from Rs. 30 per litre.
01.01.2017	A license fee of Rs. 100,000 for the sale of locally produced and Rs. 50,000 for the sale of bottled toddy were introduced.
28.07.2017	The process of issuing licenses to import of foreign liquor was simplified.
01.08.2017	An excise duty of Rs.25.00 per bulk litre of non-portable spirits imported to Sri Lanka with effect from 01.08.2017 was imposed.
10.11.2017	An excise duty of Rs. 25.00 per bulk Kg of non-portable spirits imported into Sri Lanka was imposed.
10.11.2017	Liquor tax based on a proof litre was revised on the basis of alcohol volume.
10.11.2017	Raw material of molasses, maize, rice and fruits were made liable for excise duty.
10.11.2017	The excise duty on raw material was imposed.
19.12.2017	Excise duty on non-portable spirits was reduced to Rs. 15 per bulk kg.
01.01.2018	Annual liquor license fees were revised.
21.02.2018	Excise Duty on non-portable spirits imported into Sri Lanka was reduced to Rs. 6.00 per bulk kg.
01.04.2018	The license fee for bottling toddy was revised.
16.04.2018	The license fee for toddy tapping was introduced.
<b>Stamp Duty</b>	
21.02.2017	Motor vehicle categories for which stamp duty is payable on policy insurance, finance lease agreements and hire purchase agreements were specified.
<b>Ports and Airports Development Levy (PAL)</b>	
14.12.2017	PAL on the import of non-powered equipment of “open skies for aero sports” including 253 items was removed.

Box 3.1 | Major Fiscal Measures: January 2017- April 2018 contd...

Effective Date	Measures														
<b>PAL on the import of non-motorized water sports equipment was removed.</b>															
05.04.2018	Importing High Tech machinery and equipment was granted a concessionary PAL rate of 2.5%.														
<b>Cess Levy</b>															
22.03.2017	Cess on unbranded new tyre casing without any markings, bars and rods not further worked hot rolled, hot drawn or extruded and linear low density polyethylene was removed.														
02.08.2017	Cess levy on wheat flour was reduced to Rs.15 per Kg.														
27.11.2017	The applicable cess rates on identified 253 items were rescinded.														
<b>Economic Service Charge (ESC)</b>															
01.04.2017	ESC was imposed at the point of importation for vehicles and ESC threshold was reduced to Rs.12.5 Mn. per quarter from Rs.50 Mn. per quarter.														
<b>Nation Building Tax (NBT)</b>															
	The following exemptions were removed and made liable for NBT:														
	Goods required for the purpose of providing of services of international transportation, being goods consigned to Sri Lankan Airlines Ltd, Mihin Lanka (Pvt) Ltd or Air Lanka Catering Services Ltd.														
	Supply of any goods or services provided by any Cooperative Society or Lak Sathosa.														
	Construction services by a contractor other than by sub- contractor.														
01.08.2017	Services of a travel agent in respect of inbound tours other than such services provided for payments received in a foreign currency through a bank.														
	Sale of residential apartments.														
	The following items were exempted from paying NBT:														
	International telecommunication services provided to local operators by External Gateway Operators.														
	Printed books, magazines, journals or periodicals (Other than newspapers).														
	Solar panel modules and accessories.														
<b>Income Tax</b>															
<b>Corporate Income Tax</b>															
01.04.2018	Three Tiers Income tax Rate Structure was introduced: Standard Rate 28%- Financial services, insurance, trade, manufacturing, any other not falling under concessionary /higher tax category. Concessionary Rate 14%- SME, 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.														
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%
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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%														
<b>Employment Income</b>															
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%														

## Box 3.1 | Major Fiscal Measures: January 2017- April 2018 contd...

Effective Date	Measures												
<b>Withholding Tax</b>													
	<table border="1"> <thead> <tr> <th>Category</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>Interest Income from bank deposit - Senior Citizens</td> <td>5% (on excess of Rs.1.5 Mn/per annum)</td> </tr> <tr> <td>- Others</td> <td>5%</td> </tr> <tr> <td>Interest on corporate debt securities</td> <td>5%</td> </tr> <tr> <td>Interest on government securities</td> <td>Nil</td> </tr> </tbody> </table>	Category	Rate	Interest Income from bank deposit - Senior Citizens	5% (on excess of Rs.1.5 Mn/per annum)	- Others	5%	Interest on corporate debt securities	5%	Interest on government securities	Nil		
Category	Rate												
Interest Income from bank deposit - Senior Citizens	5% (on excess of Rs.1.5 Mn/per annum)												
- Others	5%												
Interest on corporate debt securities	5%												
Interest on government securities	Nil												
01.04.2018	<table border="1"> <tbody> <tr> <td>Rent</td> <td>10%</td> </tr> <tr> <td>Specified fee - in excess of Rs.50,000/-</td> <td>5%</td> </tr> <tr> <td>Partnership - on each Partner's share</td> <td>8%</td> </tr> <tr> <td>Sale of gems at auction by National Gem and Jewellery Authority</td> <td>2.5%</td> </tr> <tr> <td>All other cases (Dividends, Royalty, etc.)</td> <td>14%</td> </tr> </tbody> </table>	Rent	10%	Specified fee - in excess of Rs.50,000/-	5%	Partnership - on each Partner's share	8%	Sale of gems at auction by National Gem and Jewellery Authority	2.5%	All other cases (Dividends, Royalty, etc.)	14%		
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	<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>5%</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	5%	Intangible assets, excluding goodwill	Actual useful life or 5%
Description	New Rate												
Computers and data handling equipment	20%												
Vehicles	20%												
Plants and machinery	20%												
Buildings	5%												
Intangible assets, excluding goodwill	Actual useful life or 5%												
<b>Tax on Capital Gain</b>													
01.04.2018	10% applicable on the gains from realization of land and buildings and other investment assets excluding quoted shares												
<b>Investment Incentives Scheme</b>													
01.04.2018	New investment incentives scheme based on the enhanced depreciation allowance is provided for a person who spends on depreciable assets other than intangible assets during a year of assessment.												
<b>Customs Import Duty</b>													
07.01.2017	New HS National Sub Divisions were introduced for rice varieties.												
01.02.2017	Customs duty waivers of Rs. 3 per litre for diesel (from applicable Customs duty of Rs. 15 per litre) and Rs. 10 per litre for petrol (from applicable customs duty of Rs. 35 per litre) were granted.												
17.02.2017	Customs import duty on identified tariff lines was revised to facilitate local industries and trade flows.												
15.03.2017	A method for determination of Customs value on disposal of machinery and equipment imported under concessionary basis by enterprises in the business of manufacturing and exporting apparel was prescribed.												
08.07.2017	Customs duty waiver for milk powder (from applicable Customs duty 20% or Rs. 225 per Kg) was increased to Rs.223 per kg.												
02.08.2017	Customs duty waiver for wheat grain (from applicable Customs duty Rs.12 per Kg) was increased to Rs. 6 per kg.												
12.08.2017	Descriptions of selected HS codes were amended and new HS National sub divisions were created.												
14.08.2017	A method for determination of Customs value for disposal of motor vehicles imported under an approved scheme of exemption of duty on conditional basis was prescribed.												
07.01.2017	New HS Codes (National Sub Divisions) were created for rice varieties of Kekulu, Nadu and Samba to facilitate importation of Rice to meet estimated supply in the local market.												
17.02.2017	<p>Importation of ingredients for animal feed production, importation of alloy steel bars for manufacturing of leaf spring and importation of steel for manufacturing of pre-fabricated buildings were brought under the List of Exemptions to facilitate local industries and trade flows.</p> <p>Customs import duty was revised on the importation of polymers in primary forms, soya beans, tyres, steel, ball bearings, sparking plugs and batteries.</p> <p>HS Code National Sub Divisions were created for bamboo floor panels, end cap for metal cans and concrete pump trucks.</p>												

Box 3.1 | Major Fiscal Measures: January 2017- April 2018 contd...

Effective Date	Measures
12.08.2017	Description of selected HS Codes/ Creation of new HS Code National Sub Divisions in order to give effect to the industry requests and also to the policy decisions/ directives was amended.
	Following amendments were implemented under the Budget Proposals - 2018
10.11.2017	- Revision of Customs Import Duty including exemption and concessions.
	- Revision of HS National Divisions.
	- Revision and adoption of HS 2017 System as amended by the World Customs Organization with appropriate HS National Sub Divisions.
<b>Special Commodity Levy (SCL)</b>	
07.01.2017	SCL duty of Rs.15/- per kg rice varieties of kekulu, nadu and samba was introduced.
19.01.2017	Duty on vegetable oils of Rs 20/- was reduced with a view to managing domestic price level of coconuts and related products and the validity period of other items including Maldive fish, Sprats, Black gram, Chillies, Corriander, Turmeric, Black gram flour, Canned Fish and Vegetable oils was extended.
28.01.2017	Rs. 10/- per kg duty waiver was granted for rice varieties of kekulu, nadu and samba for a period of 30 days.
17.02.2017	The validity period of the SCL Duty on Potato, and B'Onions (Rs. 40/- Kg) were extended and duty on lentils was increased by Rs. 5/- kg .
24.02.2017	Duty on vegetable oils was reduced by Rs. 20/- .
27.02.2017	Granted Rs.10 /- per kg duty waiver for rice varieties of kekulu, nadu and samba were extended for a period of 30 days.
08.03.2017	The validity period 6 months on prevailing duty rates was extended mackerel fish, peas, chickpeas, cowpeas, Kurakkan and Brown/Raw Sugar with a view to facilitate the local sugar farmers and price stabilization.
28.03.2017	Duty waiver of Rs. 10 /- per kg for rice varieties of kekulu, nadu and samba were extended from 28 to 31 March 2017.
01.04.2017	Duty rate on rice of Rs. 5 per Kg was revised for the period of 60 days.
02.04.2017	The validity period of Dried fish, Yogurt, Butter, Garlic, Oranges, Grapes, Apples, , Mathe seed, Kurakkan flour Ground nut, Mustard seeds, Salt were extended for another 6 months .
08.05.2017	The validity period of Fish, Green gram, Mangosteen, dried Oranges, Pears, Cherries, Plums, Kiwifruit and Pomegranate were extended for 6 months with effect from 08 May, 2017, under the same duty rate aiming at maintaining fixed market price as a concession for consumers.
21.05.2017	Concessionary rate of SCL of Rs. 5/ per kg for importation of Brown Rice same as Kekulu, Nadu and Samba rice were introduced.
31.05.2017	The importation of selected varieties of rice under the concessionary rate of SCL duty of Rs. 5/ per kg was extended until August 31, 2017.
06.06.2017	The validity period of the existing SCL duty on the importation of Margarine was extended for another 6 months and SCL of Rs 10/- per kg on the importation of White Sugar and Brown Sugar was increased.
07.06.2017	Rs. 25 /- per kg duty waiver was extended for fish for a period of 30 days.
01.07.2017	SCL Duty for Broken Rice Rs.5/- per kg was introduced for the period of 3 months.
19.07.2017	The validity period of the existing SCL duty on 8 items including Maldive Fish, Sprats, Black gram, Chillies, Corriander, Turmeric, Black gram flour and Canned Fish were extended for another 6 months.
27.07.2017	SCL Duty to 25 cents per kg for Brown Rice, Raw/Kekulu Rice, Nadu and Samba Rice was reduced.
01.08.2017	SCL Duty on sail fish and marlin fish was reduced to Rs.25 per kg for the period of 03 months
	SCL Duty of Rs 10 per Kg for maize was re- introduced for the period of 06 months.
02.08.2017	SCL Duty on broken rice was reduced to 25 cents per kg.
16.08.2017	Duty rate on white sugar was increased to Rs. 31 per kg.
	Duty rate for brown sugar was increased Rs. 33 per kg for the period of 06 months.
17.08.2017	The validity period of the existing SCL duty on 3 items including Potato, B' Onions and lentils was extended for another 6 months.
24.08.2017	The validity period of the existing SCL duty on edible oil was extended for another 4 months.
08.09.2017	The validity period of the existing SCL duty on Mackerel fish, Peas, Chickpeas, Cowpeas and Kurakkan was extended for another 6 months.
02.10.2017	The validity period of the existing SCL duty on 12 items including Dried fish, Yogurt and Butter was extended for another 6 months.

**Box 3.1 | Major Fiscal Measures: January 2017- April 2018 contd...**

Effective Date	Measures
01.11.2017	SCL Duty on Sail Fish and Marlin Fish was imposed to 10% or Rs 75 /- per kg.
08.11.2017	The validity period of Fish, Green gram, Mangosteen, dried Oranges, Pears, Cherries, Plums, Kiwifruit and Pomegranate was extended for 6 months.
09.11.2017	The duty rate of Sprats, Dried Fish, Potato and B'Onions was reduced.
21.11.2017	The validity period of Red onions, Dates, Dried grapes, Cummin, Fennel and Margarine was extended for another 6 months.
14.12.2017	Duty on the importation of Sail Fish, Marlin Fish was reduced to Rs. 25 per kg. Duty on the importation of Thora Fish was reduced to Rs. 25 per kg..
15.12.2017	The duty of vegetable oil was increased to the pre budget rates.
01.01.2018	The validity period of rice was extended until March 31, 2018.
19.01.2018	SCL on grated or powdered cheese was made a concessionary rate. The validity period of the existing SCL duty on 7 items including Grated or Powdered Cheese, Maldive fish and Black gram was extended for a another 6 months.
01.02.2018	SCL Duty of Rs. 10/ per kg was introduced on the importation of Maize for the period of 6 months.
16.02.2018	The validity period for sugar was extended for the period of 6 months.
24.02.2018	On importation of Potatoes was increased to Rs. 30 per kg.
08.03.2018	The validity period for Mackerel Fish, Peas, Chickpeas, Cowpea, Kurakkan was extended for a period of 06 months.
20.03.2018	SCL on the importation of Black gram was removed to Rs. 100 per kg.
01.04.2018	The validity period for Potatoes, Rice, Yogurt, Butter, Garlic, Oranges, Grapes, Apples, Mathe seed, Kurakkan, Ground nut, Mustard seed, Salt was extended with the prevailing duty rates.
18.04.2018	Duty on importation of gold was increased from zero to 15%.
<b>Customs Valuation and Others</b>	
15.03.2017	The method for determination of Customs Value for disposal of machinery and equipment was prescribed on conditional basis by approval of manufacturers and apparel exporters. The Customs value for disposal of motor vehicles imported under an approved scheme of exemption of duty on a conditional basis was determined.
<b>Other Levies and Chargers</b>	
01.01.2017	Embarkation Levy rate was increased to USD 50 for both ship and air passengers.
01.09.2017	Telecommunication levy on internet services was removed.
08.11.2017	The tele drama, film and commercials levy was amended.
<b>Administrative Changes</b>	
09.01.2017	The retail price of Kerosene was reduced by Rs. 5 to Rs. 44 per litre.
27.01.2017	The maximum retail prices of selected consumer goods were imposed.
08.02.2017	The maximum retail prices on rice were imposed.
17.02.2017	The maximum retail prices on locally produced and imported rice were imposed.
26.09.2017	The domestic gas price of a 12.5 Kg cylinder was increased by Rs. 110 to Rs.1, 431.
28.04.2018	The domestic gas price of a 12.5 Kg cylinder was increased by Rs. 245.



**Government  
Expenditure**

**04**

## 4.1 Overview

Governments' expenditure rationalization efforts continued into 2017. Both current and public investment stood at 19.4 percent of GDP which is an improvement from 19.6 percent recorded in 2016 despite interest expenditure increasing from 5.1 percent to 5.5 percent and an unprecedented increase in expenditure due to government supporting those impacted by both the drought and floods that occurred in 2017 which amounted to almost 0.3 percent of the GDP.

Table 4.1 | Schedule of the Appropriation Act in 2017

<b>First Schedule</b>	- Expenditure of General Services of the Government by programme	- The Total estimated expenditure was Rs. 2,113 billion.
<b>Second Schedule</b>	- Expenditure of the Government, authorized by law and to be charged on the Consolidated Fund.	- Estimated expenditure under Special Law was Rs. 1,515 billion
<b>Third Schedule</b>	- Expenditure related to Advance Account Activities.	- Estimated contribution from the government budget was Rs.5 billion

Source : Department of State Accounts and National Budget

Accordingly, the entire government expenditure was estimated as Rs. 3,633 billion which includes Rs. 1,947 billion for Recurrent Expenditure, Rs. 881 billion for Capital Expenditure, Rs. 800 billion for Public debt amortization and Rs. 5 billion for Advance Account activities. Section 2 (1) (b) of the Appropriation Act stipulates a borrowing limit of Rs. 1,579 billion, while the corresponding borrowing limit for 2016 was Rs. 1,699 billion.

## 4.3 Supplementary Estimates

### 4.3.1 Supplementary Estimate of Ministry of Higher Education and Highways

Minister of Highways and Higher Education submitted a Supplementary Estimate of Rs.53 billion to Parliament to settle the Bills submitted by the contractors of foreign funded projects specially, for the payment of mobilization advances and for the payment of compensation for land acquisition on road development projects. For accounting this amount Special Warrant No. 01 was issued by the Minister of Finance and Mass Media enabling them to utilize the amount in the supplementary estimate.

Governments expenditure rationalization were driven by efforts undertaken to improve efficiency of social safety schemes or subsidy schemes by introducing cash transfers in lieu of in kind transfers and savings from other goods and services.

## 4.2 Appropriation Act For 2017

The Appropriation Act for the year 2017 was approved by Parliament on 10th of December 2016 and it was enacted as the Appropriation Act No 24 of 2016.

### 4.3.2 Special Law Warrants as Supplementary Allocations

Five (5) Special Law Warrants have been issued by the Minister of Finance during the year 2017 in order to fulfil additional fund requirements for several purposes of the government that has been raised through the Special Law Services, in schedule 2 of the Appropriation Act.

## 4.4 Budgetary Performance In 2017

The government total actual expenditure in year 2017 has increased by Rs. 364 billion to Rs. 3,470 billion compared to Rs 3,106 billion in 2016. This was against the estimated expenditure of Rs. 3,628 billion and the same was Rs.158 billion lower than the estimated expenditure. The total utilization ratio of budgetary provisions in 2017 was 96 percent and that was 12 percent higher than the performance in year 2016, of 84 percent.

Table 4.2 | Issued Special Law Warrants in 2017

Authority No	Head No.	Expenditure Institution	Purpose/Objective	Amount (Rs.)
1	7	Judicial Service Commission	To pay allowances for members of the Commission as per the Salary revision of the judges who are members of the Commission.	140,000
2	249	Department of Treasury Operations	To meet the shortfall of provisions allocated on debt servicing	146,460,000,000
3	249	Department of Treasury Operations	To meet the shortfall of provisions allocated on debt servicing	32,100,530,000
4	4	Judges of the Superior Courts	To pay Salary Increments of the Judges of the Superior Courts as per the Salary revision of the judges by Public Administration Circular No. 3/2016	2,700,000
5	249	Department of Treasury Operations	To meet the shortfall of provisions allocated on interest payments	644,215,000

Source: Department of National Budget

Out of the provisions authorized under clause 2 (1) of the Appropriation Act (Expenditure on supply services) only 87 percent was utilized during the year, an increase of from 69 percent in 2016. Concurrently utilization of Capital Expenditure of the Government shows a clear improvement at 75 percent or Rs. 658 billion against the initial estimate of Rs 881 billion, compared to 50 percent in year 2016. Utilization of recurrent allocations stood at 91 percent or Rs. 1,947 billion.

Following the trend in 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 123 billion against the initial estimate of

Rs. 1,515 billion. This was mainly due to the increase in debt servicing as a result of rupee depreciation, increasing LIBOR rates and overall increase in interest rates in the last 24 months both domestically and globally which led to an increase both in repayment and interest payment.

Total expenditure derived through the 1st schedule of the Appropriation Act shows 87 percent progress by spending Rs. 1,832 billion against the initial estimate of Rs. 2,113 billion. In the perspective of both programs, programme 1 - Operational activities and programme 2 - Development activities illustrate an upward trend in actual expenditure compared to the last year.

Table 4.3 | Utilization of Budgetary Provisions 2016-2017

Expenditure Category	2016		2017	
	Budget	Expenditure	Budget	Expenditure
<b>Appropriation Act (1st schedule)</b>	<b>2,507</b>	<b>1,719</b>	<b>2,113</b>	<b>1,832</b>
Programme - 1	1,021	988	965	1,011
Programme - 2	1,486	731	1,148	821
<b>Special Law Services (2nd schedule)</b>	<b>1,192</b>	<b>1,388</b>	<b>1,515</b>	<b>1,638</b>
<b>Advance Accounts (3rd Schedule)</b>	<b>5</b>	<b>0*</b>	<b>5</b>	<b>4</b>
<b>Total</b>	<b>3,704</b>	<b>3,107</b>	<b>3,633</b>	<b>3,474</b>

Source : Department of State Accounts

\* Advance account activities managed without utilizing the funds allocated through the budget 2017 as the recovered loan amount was higher than the budgeted amount,

## 4.5 Advance Account Activities

Actual expenditure of the Advance Account activities was Rs.25.56 billion against the estimate of maximum expenditure of Rs. 26.04 billion. The actual total receipt was Rs. 21.53 billion against the estimate of minimum receipt of Rs. 21.04 billion. Accordingly, the Advance Account activities were within the approved limit of Appropriation Act No.24 of 2016. Activities under the Advance Account included activities of commercial nature as well as advances to public servants excluding property and vehicle loans. The total advances given to public servants were Rs. 17.51 billion. Interest free special distress loans have been given to public servants who were affected due to sudden floods and landslides occurred in May 2017. In order to issue such loans actions have been taken to revise the estimated maximum expenditure limits of public officers advance accounts.

From the year 2005, property loans and vehicle loans for public officers have been made through State Banks. During the year, Rs.10.91 billion has been released 8,349 Government Servants as property loans and Government has subsidized the interest payments at a cost of Rs.2.62 billion as loan interests.

## 4.6 Public Expenditure Management

### 4.6.1 Transfer of Funds

Under the Virement procedure and as per Section 5 of the Appropriation Act, institutions are allowed to reallocate or transfer unutilized provisions within the total expenditure limit approved by Parliament, following the procedures specified in Financial Regulations and printed Estimates, during the year 2017 General Treasury has granted approval for 1,601 requests for reallocation of funds.

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

Every year, a budgetary provision is included to meet unforeseen or unexpected outlays under Expenditure Head 240 - National Budget Department, Programme 02, Project 02-“Supplementary Support Services and Contingent Liabilities” as per 6. (1) of the Appropriation Act. In addition provisions identified for the implementation of Budget proposal of each year are also included under the same project in order to minimize practical difficulties in the process of Budget Approval in Parliament.

The total provision of this project in 2017 was Rs 488 billion, including a total of Rs. 268 billion provision for implementation of budget proposals for 2017. During the year, Rs. 485 billion has been reallocated to spending agencies as supplementary allocations or provisions for the implementation of budget proposals. All the actual amounts spent against re-allocations have been recorded under the respective Expenditure Head.

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
<b>22-Jan Special Spending Units</b>				
1	His Excellency the President	"Wasa Wisa Nethi Ratak" National Programme, "Siri Sara Pivisuma" Programme, Development of Religious Places, Budget proposal on addressing the regional level issues, Special Fund for the Assistance to Artists, Journalists and Writers, Settle the outstanding bills relevant to year 2014, lease rentals of vehicles, purchase a Three Wheeler, National Agribusiness Development Programme, settle the PAL,NBT and VAT for Fire Truck donated by Japan, rehabilitation and improvement of Capital Assets and settle the outstanding bills of Nelum Pokuna Mahinda Rajapakse Theatre and other bills relevant to 2014, Allocation to the President Fund, Presidential Commissions and National Economic Council, creation of a memorial in honor of the Most Venerable Maduluwawe Sobitha Thero and programme of Smallholder Agribusiness Partnership	1,705,967,710	2,139,327,200
2	Office of the Prime Minister	Awareness Programme for General Public, Establishing Japan-Sri Lanka Joint Comprehensive Partnership (JCP) Secretariat, Purchase equipment, Acquisition of a vehicle and ambulances, Settle the outstanding bills relevant to the CEB-2016, settle the outstanding electricity bills of Temple Trees -2015, transport expenses, establishment and continuation of Millennium Challenge Corporation, office established to obtain general public views on drafting new construction and vehicle, plant & machinery maintenance	142,406,500	91,866,304
4	Judges of the Superior Courts	Capacity Building, personal emoluments and other services	8,100,000	25,000,000
6	Public Service Commission	Acquisition of Capital Assets	-	300,000
7	Judicial Service Commission	Personal emoluments, stationary & office requisites and other services, acquisition of Capital Assets	18,206,000	2,700,000
8	National Police Commission	Personal emoluments, stationary & office requisites & other services, acquisition of Capital Assets and implement the Catalytic Support Peace Building in Sri Lanka	15,800,000	2,400,000
9	Administrative Appeals Tribunal	Transport services and personal emoluments	1,046,200	-
10	Commission to Investigate Allegation of Bribery or Corruption	Strengthening the Commission as per the continuation of Budget Proposal 2016, Rehabilitation and Improvement of Capital Assets, foreign travelling, personal emoluments, maintenance and other services	31,600,000	27,000,000
11	Finance Commission	Personal emoluments, fuel, transport and postal services	6,074,000	-
13	Human Rights Commission of Sri Lanka	Provision for Retirement Benefits, rent and local taxes, transport and rehabilitation/ improvement & acquisition of Capital Assets relevant to relocation of the commission	11,200,000	5,350,000
16	Parliament	Refurbishment of Parliamentary Complex, Pay monthly allowances, Acquisition of a vehicle, Personal Emoluments, Infrastructure Development, Project on Strengthening the Parliamentary System, pay Rs.100,000 per month per M.Ps to maintain an office, compensation payment for an employee injured on the job, personal emoluments, supplies and other services, Conference of SAARC Speakers and Parliamentarians and for the future events of Inter - Parliamentary Association, protocol service's office and maintenance of plant & machinery	557,560,000	392,221,430
17	Office of the Leader of the House of Parliament	Foreign Travelling Expenses, Property Loan Interest to Public Servants, other allowances and vehicle maintenance	3,098,250	-
18	Office of the Chief Government Whip of Parliament	Foreign Travelling Expenses, personal emoluments, vehicle maintenance and other services	20,551,000	-
19	Office of the Leader of the Opposition of Parliament	Acquisition of a vehicle, Rehabilitation of Capital Assets, renovation of official residence	-	80,473,540

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
20	Election Commission	Conducting awareness training programs pertaining to the Student Parliament, Project on Election Complaints Tracking System and Disaster Recovery Centre	4,800,000	29,100,000
21	Auditor General	Lease rental for vehicles, foreign travelling expenses, rehabilitation/improvement & acquisition of Capital Assets, purchase Finger Print Machines and shortfall of provision for the losses and write off	92,774,390	14,800,000
22	Office of the Parliamentary Commissioner for Administration	Foreign travelling expenses, transport, rents & local taxes, personal emoluments, maintenance & other services, acquisition of Capital Assets and provision for the losses and write off	3,750,286	674,000
25	Delimitation Commission	Personal emoluments, travelling and other services	21,214,000	-
324	Department of Management Audit	Foreign travelling expenses	3,077,000	-
101	Ministry of Buddha Sasana	Celebrate Official Vesak Day of the United Nations, Develop Buddhist Temples & sacred area , Construction of Canopy, upliftment of religious activities, acquisition of Capital Assets and foreign travelling	280,049,441	59,696,800
201	Department of Buddhist Affairs	Printing of Dhamma School Text Books, Library Book Allowance ,Uniforms and Monthly Allowance for Dhamma School Teachers, Teacher's Training & Dhaham Sarasaviya Programme	824,075,000	5,000,000
102	Ministry of Finance and Mass Media	Travelling Expenses, Acquisition of Vehicle, Personal Emolument, foreign travelling, rental advance & partition expenses for the new office building of Tax Appeals Commission and acquisition of Capital Assets, Implement the Right to Information Act as per the Budget Proposal, "Establish the "Pandith Amaradeva Sangeetha Ashramaya", staff training, interest subsidy for the loan scheme for media personnel to purchase motor bikes, Ranminithenna Tele-Cinema Village, improvement of TV Programmes of SLBC, vehicle maintenance, expenses for public media awareness programmes, bills pertaining to the printing of 2018 Budget Speech , rents & local taxes	317,163,870	325,035,770
210	Department of Information	Expenditure on "Thirasara Yugayaka Thewasara Pivisuma & National Development Programme" and Utthamavi Wandana Viru Samaru Festival Programme, advertisement for Strengthening the National Integration Mechanism, personal emoluments, foreign travelling, maintenance of vehicles , postal & communication and other services	92,172,000	-
238	Department of Fiscal Policy	Foreign Travelling Expenses	6,500,000	-
240	Department of National Budget	Lump sum payment for July Strikers, foreign travelling and staff training	101,500,000	3,000,000
241	Department of Public Enterprises	Acquisition of shares of Commercial Bank PLC, capital infusion for People's Bank & Sri Lanka Saving Bank, lease rental of vehicle, infuse equity of the Bank of Ceylon and Regional Development Bank, settle the dormant claims and SWAP cost, debt service payment of foreign funded projects, increase share capital by transferring Rs.500 million from unclaimed deposit reserve in the NSB	3,866,085,000	13,475,553,450
242	Department of Management Services	Personal Emoluments, maintenance, Fuel, Transport & Postal Services, Rehabilitation and Improvement of Capital Assets, lease rental for vehicle, stationery & office requisites, capacity building and other services	15,667,300	400,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
243	Department of Development Finance	Agro Livestock Development Loan Scheme, Interest Subsidy for the Loan Scheme of Media Personnel, Artists, Tea Factory Owners and Fixed deposits of senior citizens through Licensed Finance Companies, Granting price subsidy to domestic milk powder manufactures, Provide interest subsidy loan scheme to implement the Budget Proposals, Advertising Expenses, foreign travelling, SME Credit Line Project, warehouse operations Management and interest subsidy to purchase Solar Panel Systems for households, advertising expenditure	5,246,066,050	3,981,604,000
244	Department of Trade and Investment Policy	Meeting of the SAARC Development Fund Board of Directors and the Brainstorming Workshop, foreign travelling	3,900,000	-
245	Department of Public Finance	Fourth South Asia Regional Public Procurement Conference and acquisition, rehabilitation and improvement of Capital Assets and transport services	3,684,600	45,000,000
246	Department of Inland Revenue	Implementation of New Inland Revenue Act & Revenue Administration Management Information System (RAMIS) project, Staff Training, implementation of New Inland Revenue Act, Acquisition of Capital Assets, foreign travelling and training/ workshop on tax administration	105,400,000	1,140,730,000
247	Sri Lanka Customs	Implementation of Budget Proposal for purchasing of boats for sea patrolling, Construction of new Customs building, payment of Local Taxes pertaining to 2016, acquisition of Capital Assets, rents and local taxes, transport, postal and communication services, building and structures	83,459,400	385,868,000
248	Department of Excise	Acquisition of Furniture & Office Equipment, Implement the Production Monitoring and Tax Automation System Project and construction of Department Head Office	17,000,000	57,120,000
249	Department of Treasury Operations	Foreign Travelling Expenses, Write off the sub loan amount of Badulla District Prajashakthi Sanvidanaya, European Investment Bank Credit Line project, loan flotation expenses	1,680,920,000	1,453,282,660
250	Department of State Accounts	Maintenance of plant and machinery, rehabilitation/ improvement and acquisition of Capital Assets, foreign travelling	1,500,000	380,000
103	Ministry of Defence	Implement the Budget Proposals of pension payments for differently abled soldiers and allowance for legal officers in the tri-forces, Procuring National Cyber Security System, Introduce New Domestic Airline on PPP basis, Procure Defence vehicles, "Senehasa" Education Resource Research & Information Centre, rehabilitation and improvements of building and Structures, Ranaviru Welfare Programmes, construction of "Suhurupaya" Building, procuring National Cyber Security System, acquisition of Capital Assets, Special Communication Project, maintenance of plant and machinery, settle the outstanding bills of 2016 and construct a building and monthly compensatory allowance to the non-academic staff, interest payment of Teaching Hospital, defence service command and staff college	4,683,137,000	697,148,870
222	Sri Lanka Army	UN Peace Keeping Operations, settle the outstanding bills of foreign travelling, maintenance, rehabilitation, improvement and acquisition of Capital Assets, Capacity Building and release of lands for resettlement at Keppapilavu in Mullaitive District	343,400,000	5,033,900,000
223	Sri Lanka Navy	Relocation of Vidura - Navy Recruits Training Center, Continuation of the construction work of Quay at Dockyard Trincomalee, Construction of Inshore Patrol Craft, Acquisition of furniture & office equipment, Settle the outstanding payment of 2016, Building and Structures, foreign travelling, rehabilitation and improvement of Capital Assets, Capacity Building, maintenance of vehicles, plant & machinery, lease rental of vehicle procured under operational leasing method, purchase 02 advanced offshore patrol vessels	246,600,000	1,636,096,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Head No.	Ministry / Department	Purpose	Rs.	
			Recurrent	Capital
224	Sri Lanka Air Force	Lease rental of vehicle procured under operational leasing method, personal emoluments, vehicle maintenance and other services	389,462,100	-
320	Department of Civil Security	Acquisition of Capital Assets, supplies and maintenance, construction of Head Quarters Building and foreign travelling	10,500,000	43,000,000
325	Department of Sri Lanka Coast Guard	Transport, postal, communication, electricity and water services	3,500,000	-
104	Ministry of National Policies and Economic Affairs	Implement the Budget Proposals on Vocational Training Programme, Interest Free Loan Scheme to finance Small Business Ventures and Establish a Special Fund to Empower the Local Leaders, Developing of Selected Religious Centers, set up a Central Programme Management Unit, Drug prevention and rehabilitation of drug addicts, Global Marketing Campaign, Taxes on importing a water bowser, Implement the Central Programme Management Unit, Granting of Loans for Small and Medium Enterprise Sector Development and Employment Generation, implement the Poverty Alleviation Micro Finance project, setting up a Central Programme Management Unit (CPMU), implement the redevelopment of the Bogambara Prison Precinct project, settle the outstanding bills of Rural Infrastructure Development Programme and Decentralized Budget in 2016, expanding the youth participation in rural development, Loan scheme for Resumption of Economic Activities affected by Disasters (READ), empowering the Youth Parliament, project on interest free loan scheme to finance the Small Business Ventures and administrative expenditure of the Colombo Cultural Hub Trust, Assistance for disaster affected people, National Human Resources Development Council, pay Golden Key Depositors, personal emoluments, rents, local taxes and rehabilitation/improvement of Capital Assets	139,347,277	39,070,201,200
239	Department of External Resources	foreign travelling, postal & communication, supplies & maintenance, subscriptions & contributions fees, personal emoluments, property loan interest to public servants and capacity building	160,663,000	1,063,300,000
252	Department of Census and Statistics	Implement the Research and Development Project on Statistical Capacity Building, Labour Demand Survey project, acquisition of Capital Assets and Census of Population and Housing Programme -2021, vehicle maintenance, capacity building, implement the Improving Price Collection of non-Household Expenditure Component & Upgrading of Purchasing Power project, implementing Information and Communication Technology Tools project and International Comparison Programme	4,000,000	69,930,222
280	Department of Project Management and Monitoring	Establishment of Ministry of Development Assignment, acquisition of a vehicle, consultancy cost for development of ETF Inspection System Application, payment of the office premises	47,400,000	96,300,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

				Rs.	
Head No.	Ministry / Department	Purpose	Recurrent	Capital	
106	Ministry of Disaster Management	Flood and Drought Relief, Purchase 25 flatbed boats and Fire Brigade Units, Establish Disaster Management Training Centre at Pelmadulla and increase the coverage of Natural Disaster and Emergency Relief Scheme, Purchasing water bowsers, Complete remaining activities of Programme for Flood and Landslide Disaster Response, Relief assistance granted to the victims of the boat accident in Kaluthara, Purchase 2,000 water tanks, transport & foreign travelling, Construct 24 houses in Badulla District, Construction of 98 houses for the Victims of Meethotamulla and provide furniture, transport and rent relief, Flood and Drought relief, relief activities of sudden disaster which is not covered by existing Insurance Policy, rent allowances for flood victims, compensation for the people due to landslides occurred at the Garbage Dump in the Meethotamulla, rehabilitation relief at Meethotamulla, allowances of Damage Evaluation, construction of 806 houses for the flood victims in Kaluthara District, accounting the financial grant given by the Government of China for construction of houses in Kegalle and construction of houses in Rantnapura & Hambanthota & Galle, 1.0 million for each District Secretaries to respond immediately at disaster situations	7,505,851,100	4,625,700,000	
304	Department of Meteorology	Implement the Development of Meteorological Observation, Weather Forecasting and Dissemination Project, transport services	500,000	17,500,000	
108	Ministry of Posts, Postal Service and Muslim Religious Affairs	Improve the Postal Network in Jaffna District, Rehabilitation and Improvement of Capital Assets, Acquisition of a vehicle and computer accessories, construction of Muslim Cultural Complex	-	161,903,180	
202	Department of Muslim Religious and Cultural Affairs	Uniform and Library Allowances for Dhamma School Teachers and Dhamma School Text Books Printing, Construction of Muslim Cultural Centers & improvements of Mosques, personal emoluments & other services and expenses of Meelad-Un - Nabi celebration	28,430,000	20,000,000	
308	Department of Posts	Rents and local taxes, rehabilitation of Post Offices, Sub Post Offices and other assets damaged by the recent adverse weather and personal emoluments, payment of compensation	798,094,000	36,000,000	
110	Ministry of Justice	Recruit Research Officers for Supreme Court and Appeal Court as per the Budget Proposal, Digitalization of the archives & subsidiary legislation and conducting Legal Reform Programmes as per the continuation of the Budget Proposal-2016 and personal emoluments, travelling, maintenance, rehabilitation & improvement of Capital Assets, Authority for Protection of Victims of Crimes and witnesses and foreign travelling expenses	48,125,000	15,000,000	
205	Department of Public Trustee	Transport Expenses	1,000,000	-	
228	Courts Administration	Construction of court complexes in Anuradhapura, Matale, Jaffna and residential facilities for judges and Court Automation, Establishment of 4 Commercial Courts as per the Budget Proposal, improvements of Court Administration and Automated Court Administration system, personal emoluments, foreign travelling, supplies, maintenance & other services and property loan interest to public servants	250,500,000	707,000,000	
229	Attorney General's Department	Lease Rental for Vehicles Procured Under Operational Leasing Method, expenditure on Corporation Branch, transport services, acquisition of vehicle	64,265,000	22,500,000	
230	Department of Legal Draftsman	Lease Rental for Vehicles Procured under Operational Leasing Methods, Staff Training and vehicle maintenance	1,942,000	15,000,000	
233	Department of Government Analyst	Establishment of Digital Multi Media Crime Investigation Center, personal emoluments, vehicle & plant & machinery maintenance and external analyst and other supplies	26,010,000	14,660,700	

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
234	Registrar of Supreme Court	Expenditure for copying fee and other allowances	1,037,957	-
111	Ministry of Health, Nutrition and Indigenous Medicine	Acquisition of vehicles, Upgrading of Primary School Healthcare and Nurses Training Schools, Establish Specialized Pediatric Care Complexes, Base Hospital in Nintavur, Oral Health Center in Karapitiya and Bone Marrow Transplant Unit at Kandy, Control of Kidney Disease Programme, Increasing the number of Nutritionists to 300 within 3 years as per the Budget Proposal, project on construction of the Epilepsy Unit at National Hospital-Colombo, personal emoluments, purchase Ambulances , increased overtime of the Nurses, Para-Medics and PSM, Global Fund to Fight Against Aids, Tuberculosis and Malaria , Improvement of Primary School Healthcare, project on Emergency Pre Hospital Care Ambulance Service, National Dengue Control Programme, operational expenditure of the Neville Fernando Teaching Hospital and personal emoluments	5,177,000,000	5,996,000,000
220	Department of Ayurveda	Payment of personal emolument to the newly appointed intern Ayurveda Medical Doctors & Ayurveda Sewa Sahayaka, construction of a Ward Complex at Borella Ayurveda Teaching Hospital and two storied building for Ayurveda Hospital Kaithady and capacity building	163,700,000	302,663,000
112	Ministry of Foreign Affairs	Purchase flag cars for Sri Lanka Missions in Addis Ababa Ethiopia, Beirut and Kuwait, Milan and London and Oslo, National Ocean Affairs Committee Secretariat, foreign travelling, purchase a security backup vehicle and vehicles for the use of Sri Lanka Missions abroad, acquisition of properties owned by the Central Bank of Sri Lanka in New York and Brasilia, implementation of the Economic Diplomacy Initiatives, grant received from Norwegian Embassy for Agreement on Technical assistance, renovation of Palestine Embassy and personal emoluments	433,527,640	889,207,865
114	Ministry of Transport & Civil Aviation	School & Higher Education Season Tickets and Grants to SLTB for Operating on Unremunerated Routes, Armed Forces - Bus Passes of SLCTB, Purchase 489 nos. of new Engine Kits for SLCTB, recover the damages caused to SLTB due to the strike launched by the private sector bus operators, pay compensation of SLTB employees retired under the VRS scheme, outstanding bills for spare parts purchased by SLCTB, bus fleet augmentation, institutional development and capacity building, pay staff salaries and statutory payments of SLTB employees	16,943,809,000	2,633,600,000
306	Department of Sri Lanka Railways	Extension of railway line from Kankesanthurai to Ponnalai Junction, Double tracking of the railway line in Polgahawela - Kurunegala section and the Aluthgama - Galle section as per the Budget Proposal, settle the retention money of the Project on Rolling Stock to Coastal Line	-	1,170,555,000
307	Department of Motor Traffic	Purchase of number plates of newly registered vehicles, printing of Driving Licenses	180,000,000	130,000,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
117	Ministry of Higher Education and Highways	Acquisition of a vehicle, Scholarship scheme to best performing undergraduates of state universities, Provide full interest subsidy for loans of Rs.1.5 million to at least 1,000 graduates, Interest subsidy for providing Loan scheme to 5,000 students, Construct 10 storey building at Ruhuna University Medical Faculty, Strengthen the Post Graduate Institute of Ayurveda Medicine, Establish an e-Learning Resource Center at the University of Kelaniya, Establish a Centre for Advanced Electronic Design at University of Moratuwa, Establish a Centre for Gender Equity and Equality and Prevention of Sexual and Gender Based Violence, Development of 1,000 Km of road length in rural areas, Scholarships for students to follow training programmes at government vocational training institutions, encourage university students' engagement in extracurricular activities as per the Budget Proposals, Establishment of Bridge Maintenance System (BMS) and Bridge Assessment Unit (BAU), Subway construction across the Chilaw town, Land acquisition, Rural Road construction project, Widening & Improvements of Road Projects, widening and improvement of roads in Matara-Kamburupitiya & Matara- Hakmana, compensations for land acquisition for Colombo District Road Development Project, compensation for land acquisition related to the Project on second new Kelani Bridge Construction, extension of Southern Expressway, rehabilitation & improvement of Priority Road Project 3-Phase I and Phase II , Land & Land Improvement Works and preparatory activities of the Kandy Tunnel Construction Project, Interest & Loan Repayment of the Government Guaranteed Local Bank Funded Road Rehabilitation Project and the personal emoluments, examination fee and visiting lectures fee of Sri Lanka Institute of Advanced Technological Education and foreign fund disbursement of the project of southern expressway extension	432,580,000	38,111,300,000
214	University Grants Commission	Payment 8% of additional monthly compensation allowance, Construction of the Computer and Technological Faculty, Mahapola & Bursary for university students, compensation on land acquired for the expansion of Faculty of Agriculture in Rajarata University, mobilization advance for the construction of the 17 storied building of Faculty of Medicine, land acquisition for Postgraduate Institute of Pali & Buddhist Studies, personal emoluments of Sabaragamuwa University, pay tax component of laboratory and field equipment, constructions of 08 storied Medical Faculty Buildings, personal emoluments and other services	2,239,100,000	1,040,059,364
118	Ministry of Agriculture	Development Programme of Restoration, Rehabilitation and de-silting of 1,500 small tanks, Fertilizer Subsidies, Financial assistance to farmers affected by drought, Partition and purchase furniture and office equipment, Big Onion Seed Production Programme, Establishing Four Rice Export Zones, Skill Sector Development Programme, Rehabilitation of Small Tanks and Canals, Production of High Quality Seeds through PPP modes, foreign travelling expenses, Skills Sector Development Programme, Research Allowances, repairing and procurement of equipment, Initiatives for Commercial Breadfruit Production project, rents and local taxes and acquisition of furniture & office equipment, capacity building for SLCARP, Water, Sanitation and Hygiene project, personal emoluments and research allowances, Agriculture and Agrarian Insurance Board, audit fees and lease rental of vehicle procured under operational leasing method, acquisition of vehicles, rents & local taxes and personal emoluments	34,699,903,660	4,766,471,686
281	Department of Agrarian Development	Rehabilitation/ improvement and acquisition of Capital Assets, Corp Diversification, Development of Minor Irrigation Systems and Abandoned Paddy Lands	-	582,686,180

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
285	Department of Agriculture	Post-harvest Management and Value Addition of Fruits Programme, Strengthening of Seed Certification Activities, Research on Infrastructure Development needs to Improve Rice Research and Development Institute (RRDI), Personal Emoluments, National Seed Production and Purchasing Programme, development subsidies, duties/ taxes to transfer the 2 vehicles belonging to the FAO to the Department of Agriculture, Research and Development, National Seed Production and Purchasing Programme	307,000,100	448,487,400
119	Ministry of Power and Renewable Energy	Additional cost incurred by CEB for the thermal power generation, Promoting Sustainable Biomass Energy Production and Modern Bio-energy Technologies, generation of electricity through thermal power by CEB, foreign travelling, vehicle maintenance, foreign loan disbursement, personal emoluments, Convert public sector buildings to green energy as per the Budget Proposal and project of Appropriate Mitigation Actions in the Energy Generation and End -use Sectors in Sri Lanka	14,150,000	8,143,229,334
120	Ministry of Women and Child Affairs	Nutritional Food Package for Expectant Mothers, Morning Meal for Pre-school Children and Lamadiriya Programme - Allowances for Pre-school Teachers, Acquisition of a vehicle , Ensuring Child Protection and Child Rights Project, Purchasing furniture and household equipment for the official residence, payment of outstanding bills for the renovation of the official residence, programme of Emergency Relief Package for Women and Children who are affected in Disaster-May 2017, travelling expenses and stationary & office requisites, accounting financial grant for the Gender Based Violence Programme, foreign travelling, salaries & wages and other allowances	5,834,080,000	69,191,000
217	Department of Probation and Child Care Services	Electricity & water and rents & local taxes	1,567,700	-
121	Ministry of Home Affairs	Establishing 1,000 "Sewa Piyasa" centres, Settle the outstanding bills of Development Projects at District Secretariat Matale and Settle the bills from 2011-2014 District Secretariats of Colombo, Gampaha, Kalutara, Galle, Matara, Hambantota, Ampara, Kurunegala, Puttalam, Anuradhapura, Polonnaruwa, Monaragala, Rathnapura and Kegalle, Special Development Projects in Rathnapura, Matale & Gampaha District, rents and local taxes, support for flood relief from Asian Development Bank project, rehabilitation of Pugoda Bus Stand and postal and communication service	25,935,000	5,124,097,000
254	Department of Registrar General	Provide sanitary facilities for the Maligawatta Central Record Room, supplies and other services	17,000,000	9,000,000
255	District Secretariat/ Kachcheri - Colombo	Settle the outstanding bills for ongoing construction works and personal emoluments	2,566,000	192,200,000
256	District Secretariat/ Kachcheri - Gampaha	Provision for personal emoluments	30,300,000	-
257	District Secretariat/ Kachcheri - Kalutara	Rehabilitation works due to disaster in May 2017 and domestic travelling and property loan interest to Public Servants	1,630,000	1,036,430,000
259	District Secretariat/ Kachcheri - Matale	Provision for personal emoluments	14,300,000	-
260	District Secretariat/ Kachcheri - Nuwara-Eliya	Rehabilitation works due to disaster in May 2017 and personal emoluments	16,000,000	7,650,000
261	District Secretariat/ Kachcheri - Galle	Rehabilitation works due to disaster in May 2017 and personal emoluments	14,500,000	1,995,200,000
262	District Secretariat/ Kachcheri - Matara	Rehabilitation of the access road and roads in Mulatiyana and works due to disaster in May 2017, "Nilwala" Urban Development Project	-	1,847,200,000
263	District Secretariat/ Kachcheri - Hambantota	Rehabilitation works due to disaster in May 2017	-	350,000,000
264	District Secretariat/ Kachcheri - Jaffna	Provision for personal emoluments	16,860,300	-

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
266	District Secretariat/ Kachcheri - Vavuniya	Provision for personal emoluments	9,380,000	-
267	District Secretariat/ Kachcheri - Mullaitivu	Transport Expenses.	1,200,000	-
269	District Secretariat / Kachcheri - Batticaloa	Provision for personal emoluments, cleaning and security services	18,840,000	-
271	District Secretariat / Kachcheri - Trincomalee	Provision for personal emoluments	23,320,000	-
272	District Secretariat / Kachcheri - Kurunegala	Provision for personal emoluments, cleaning and security services	54,950,000	-
274	District Secretariat / Kachcheri - Anuradhapura	Rehabilitation and improvement of Capital Assets, personal emoluments	34,526,000	2,000,000
275	District Secretariat/ Kachcheri - Polonnaruwa	Write off losses arising due to destroying paddy purchased by cooperative societies, personal emoluments	48,638,000	-
276	District Secretariat/ Kachcheri - Badulla	Provision for personal emoluments	10,200,000	-
278	District Secretariat/ Kachcheri - Ratnapura	Rehabilitation works due to disaster in May 2017	-	1,006,420,000
279	District Secretariat/ Kachcheri - Kegalle	Continuation of rehabilitation works of provincial roads damaged due to disaster in May 2016 and 2017	-	454,890,000
122	Ministry of Lands & Parliamentary Reforms	Acquisition of vehicle , Buildings and Structures, transport expenditure, Acquisition of Capital Assets and salaries and wages of Kantale Sugar Company Limited, personal emoluments, pay salaries of the employees and incurring other expenses	40,962,000	58,100,000
153	Ministry of Lands			
286	Department of Land Commissioner General	Lease rental of vehicles, personal emoluments, electricity, water and other services	11,400,000	-
288	Department of Surveyor General	Lease rental of vehicle, rents and local taxes	13,900,000	-
327	Department of Land Use Policy Planning	Acquisition of Capital Assets, lease rental of vehicles, travelling expenses & other capital expenditure, personal emoluments and other services	10,500,000	10,000,000
123	Ministry of Housing and Construction	Construction of 50,000 houses in the country, Construction of houses for low income families, Conduct Training on Construction Equipment & Mechanics, implement the virusumithuru" Housing Project, implement the Project on Housing Development in Bogaswewa village in Vauniya District, Subscription & Contributions Fees, Sustainable Model Village Programme for Poverty Eradication , lease rental of vehicle, outstanding payments of Lanka Kect (Pvt) Ltd, Infrastructure facilities for Model Villages and middle income housing project, Construction of houses in Batticaloa District, Personal emoluments and capacity building	252,372,131	4,520,500,000
309	Department of Buildings	Stationery, fuel, supplies & maintenance and personal emoluments	7,000,000	-
124	Ministry of Social Empowerment and Welfare	Support to Low Income Disabled Persons, Financial Support to Elderly Over 70 years of Age and Financial Support to Kidney Patients, Acquisition & Rehabilitation of Capital Assets, expenditure for Plant, Machinery and Equipment, lease rental of vehicles, construction of Thelabuyaya Vocational Training Centre, foreign travelling, stationery and office requisites, vehicle maintenance and other services, BIMSTEC Summit on Poverty-2017, expenditure of 12th Summit of Asian Forum of Parliamentarians on Population and Development, committees on Establishing Statutory Board/ Authority for Kandyan Heritage and Sri Lanka Social Security Board	11,318,324,000	67,600,000
216	Department of Social Services	Increase daily allowance to differently abled children, Lease rental for two vans procured under the operational leasing method	28,999,670	-

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Head No.	Ministry / Department	Purpose	Rs.	
			Recurrent	Capital
331	Department of Divineguma Development	Samurdhi Relief Assistance & Kerosene Oil, lease rental for vehicle, property loan interest to public servants	43,957,049,300	-
126	Ministry of Education	School Nutritional Food, Shoes for students in difficult and very difficult schools, School Uniforms, Printing of Text Books and Glass of Milk for School Children and Scholarships-(Year 5), Lease rental of 6 vehicles procured under the NBD, Acquisition of a vehicle, Provide maximum of 50 computers per school on rental basis, Extend Agrahara Insurance Benefit Scheme, Property Loan and Distress Loan facility to semi government schools, Free tabs to A/L teachers and students, Improvement of special education for differently abled children, Augment the infrastructure of Pirivena and the capacity development of Pirivena teachers, Basic facilities such as electricity, water and sanitation facilities to all schools, Upgrading 25 Plantation Schools and Facilitate activities of Censor Board, "Subhaga" scholarship scheme, Health Insurance scheme for students, Bursary for Bhikkus studying at pirivena and Upgrading the National Library Colombo, "13 Years of Mandatory Schooling Policy" as per the Budget Proposals, Staff Training (UNICEF), personal emoluments and salary arrears of teachers and principals	22,879,570,000	13,052,197,000
207	Department of Archaeology	Personal emoluments, fuel and vehicle maintenance	35,266,000	-
209	Department of National Archives	Personal emoluments	2,700,000	-
130	Ministry of Public Administration and Management	Productivity improvement projects, Capacity Building of Service Excellence Programme-2017/2018, Establish Film Archives and Restoration Unit (FARU) at National Film Corporation, Establish a National Film Academy to train artists and technicians to expand their capacities as per the Budget Proposals, expenditure of the Presidential Cinema Awarding Ceremony - 2015 and 2017, personal emoluments and counterpart funds to conduct training programme	54,000,000	191,805,000
211	Department of Government Printer	Rehabilitation and improvement of Capital Assets, personal emoluments and other Supplies	315,000,000	14,000,000
253	Department of Pensions	Pension Gratuities and compensation for Public Officers, rehabilitation & improvement of Capital Assets and Pension Date Commemoration by utilizing CSR Funds, National Pension Day and Technical work Shop	1,403,030,800	7,000,000
135	Ministry of Plantation Industries	Establish a National Finite Element Simulation Center, Produce genetically superior high yielding coconut planting materials, Develop an Automated Commodity Exchange System as per the Budget Proposals, Welfare Programme on providing Fertilizer Subsidy, Compensation and Gratuity to employees, acquisition of a vehicle, rehabilitation, improvement and acquisition of Capital Assets, building and Structures, rental of the vehicle, salaries and wages of Tea Research Institute, estimated interest lost by Sri Lanka Tea Board, relief to those who were subjected to political victimization of the Coconut Cultivation Board and relief for the damages caused to Tea and Rubber plantations in Kegalle District, Local/ foreign travelling expenses, payment of arrears of EPF to employees of the Tea Research Institute, expenditure for the damages caused to the Tea Small Holders due to Flooding and Landslides of May-2017, improvement of Monaragala Kumarawatta Estate, vehicle maintenance, electricity & water services, recovery damages incurred to small tea factories due to the flood and landslides	1,586,181,100	1,125,563,000
293	Department of Rubber Development	Rents and local taxes, lease rental of vehicle and foreign travelling, subscriptions and contribution fee, personal emoluments	26,435,000	-

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

				Rs.	
Head No.	Ministry / Department	Purpose	Recurrent	Capital	
136	Ministry of Sports	Infrastructure Development of Sports Schools, Capacity Development of Sports Trainers and Coaches, Construction of Kumar Anandan Swimming Pool and Human Performance Laboratory, Development of Cricket, Construction of Synthetic tracks, Sugathadasa National Sports Complex as per the Budget Proposals, Acquisition of a vehicle, foreign travelling & rehabilitation & improvements of Capital Assets , implementation of the Diyagama Mahinda Rajapakse National Sports Academy & High Altitude Sports Complex in Nuwara Eliya, renovate Soccer & Rugby Playground, reconstruction of the pavilion of Sugathadasa Outdoor Stadium, vehicle maintenance, personal emoluments and construct an artificial tracks for Bernard Aluvihare Sports Complex	13,316,000	1,795,241,000	
219	Department of Sports Development	Implementation of the Development Activities of Sports Talent Identification and Represent Sri Lanka in International Sports Competition programme, Construction of the Provincial and District Sports Complexes, outstanding bills pertaining to Talent Development Programme and Construction of Provincial & District Sports Complexes in 2016, Personal emoluments	152,868,000	509,000,000	
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	Construction of 50,000 houses in the country, Expenditure on Rents and Local Taxes.	600,000	1,000,000,000	
145	Ministry of Prison Reforms, Rehabilitation, Resettlement and Hindu Religious Affairs	Resettlement of Protracted IDPs in Northern Province, Engage in drug prevention, Eradication and rehabilitation of those addicted to drugs as per the Budget Proposal, Expenditure of duty and other taxes on materials imported for construction of Jaffna Cultural Centre, Compensation for persons who were victimized at the incident of Welikada Prisons, Housing development project, Compensation to the families of Beruwala and Aluthgama areas who were killed due to the incident	57,772,500	2,007,575,000	
204	Department of Hindu Religious and Cultural Affairs	Uniform, Library and Dehami Diriya Teachers Allowances for Dhamma School Teachers, rents and local taxes	31,500,000	-	
232	Department of Prison	Construction of Tangalle Prison	-	243,000,000	
326	Department of Community Based Correction	Travelling expenses, rents & local taxes and other services	4,510,000	-	
147	Ministry of Regional Development	Rehabilitation and Improvement of Capital Assets and renovation of official residence	-	36,825,000	

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Head No.	Ministry / Department	Purpose	Rs.	
			Recurrent	Capital
149	Ministry of Industry and Commerce	Establishment of the Centre of Excellence in Robotics Applications, Expand Lak Sathosa Retail Network, Expand Lak Sathosa and Osu Sala franchise shops, Rehabilitation of Tharapuram tanks, Trade Promotional Activities, Establishment of the National Business Registry and the office of the Trade Prosecutor, Provide necessary infrastructure and entrepreneur training in handloom industry, Establish a "Unique Craft Marketing Centre" and Establish a Mega Showroom by Sri Lanka State Trading Corporation as per the Budget Proposals, Acquisition of a vehicle, Salaries to employees of Hingurana Sugar Industries, Vocational Skills Training Project, Lab equipment and upgrade training facility of the Sri Lanka Institute of Textile and Apparel, Expenses of Industrial Production Village Promotion, Upgrading and Modernization of Mini Industrial Estates, Economic Empowerment of Women through Apparel Based Mini Factories and National Enterprise Development Authority, Implement a Mechanism for Promoting Local Canned Fish Production and Development of Industrial Zones, Subsidy payment on Price difference of Rs.7.50 per 1kg of maize, Expenses of lease rental for a vehicle, Foreign assisted training programmes, continue the project of Small and Micro Industries Leader and Entrepreneur Promotion III, reimbursement for loss incurred by Lanka Sathosa Ltd., release the financial constraints of Sri Lanka Handicraft Board-Laksala and personal emoluments and subsidy payment of Co-operative Wholesale Establishment	595,383,940	5,285,220,230
295	Department of Commerce	Personal emoluments	4,650,000	-
297	Department of Registrar of Companies	Personal emoluments	2,063,000	-
299	National Intellectual Property Office of Sri Lanka	Personal emoluments and other services	1,585,000	-
300	Department of Food Commissioner	Renovation of Veyangoda Paddy Stores	-	38,000,000
301	Department of Co-operative Development	Expenses of other services	700,000	-
303	Department of Textile Industries	Lease rental for vehicles, Compensation of workers who worked in Power Loom Industry, foreign travelling	47,240,000	-
150	Ministry of Petroleum Resources Development	Foreign travelling, rents and local taxes, retirements benefits, supplies, vehicle maintenance and rehabilitation/improvement of Capital Assets	17,960,000	925,000
151	Ministry of Fisheries and Aquatic Resources Development	Gandara Fishery Harbour Development Project, Establish Aquaculture Industry Zones in Hambantota, Mannar and Batticaloa, Improve Fishery Villages in 10 Coastal districts including Hambantota, Jaffna and Batticaloa, Establish integrated Inland Fishery Villages - "Wewak Sahitha Gamak Programme and Expand Operation of National Aquaculture Development Authority, Formulate the new Fisheries and Aquaculture Policy, Acquisition of vehicle, rehabilitation/improvement, acquisition of Capital Assets, Stationery and Office Requisites, vehicle maintenance & other services, expenditure of National Aquatic Resources Research and Development Agency, personal emoluments, domestic & foreign travelling and other services	35,170,000	2,290,320,000
290	Department of Fisheries and Aquatic Resources	Provision for personal emoluments	39,000,000	-

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
154	Ministry of Rural Economic Affairs	Provide high yielding and quality milk-producing cows to farmers and Establish Economic Centre – Eastern province as per the Budget Proposals, Partition of a New Building, Rehabilitation and Improvement of Capital Assets, Acquisition of a vehicle , Bill payment of Kithul Development Project and Rural infrastructure facilities and Livelihood development project, Paddy Marketing Board, Project of Importation of Dairy Animals, Modernization Processing Factories of Milco and Dairy Processing Plant at Badalgama	54,800,000	3,130,813,800
292	Department of Animal Production and Health	Provision for other allowances	20,000,000	-
155	Ministry of Provincial Councils and Local Government	Development Assistance for Waste Management, Community Infrastructure Development., Development of 1,000 Km of road length in rural areas, Vertical Building for mixed development, Recreational facilities and entertainment facilities to facilitate private businesses as per the Budget Proposals, Providing infrastructure facilities to Shangri La Hotel project, Acquisition of a vehicle, Bill Payments of Pellepola Town Development Programme, Construction of New Buildings, Development of Emergency Response Capacity Project and Mulatiyana Pradeshiya Sabha maintenance expenses, Local Government Enhancement Sector- "Pura Neguma" project, renovation of the official residence, construction of 1000 Rural Bridges, procure 100 compactors for Local Authorities in 2017 and development of pre-school education, programme create awareness among the general public and community based organizations on new electoral system and women's representation, settle the Outstanding contract commitments	-	9,061,973,000
312	Western Provincial Council	Settle the bills of 2016, Special allowance for principals and settle the outstanding contract commitments, increased allowances of overtime and holiday payment for nurses and para medics	224,127,436	2,454,100,000
313	Central Provincial Council	Renovation of the official residence of Hon. Governor and settle the bills of 2016, compensation for those who are to be evacuated from the proposed compost/energy project site around the Gohagoda waste, account the financial loan to the project of improvement of Basic Social Services Targeting Emerging Regions, agricultural development work, special allowance for principals and teachers salary arrears, increased allowances of overtime and holiday payment for nurses and para medics	830,294,090	2,934,894,000
314	Southern Provincial Council	Rehabilitate the Provincial irrigation tanks, canals and roads, Construction of Kamburupitiya Bus Stand, Settle bills of 2016, construct a water tank for Hakmana Kongala Kurundupiyasa water supply scheme, Development of Malimbada Weekly Fair, Salaries and Wages, Special allowance for principals, Increased allowances of overtime and holiday payment for nurses and para medics, Ridiyagama Detention Centre, Procurement of an ambulance and two mini trucks, Construction of safety fence for school buildings relocated under Deyandara City Development Project	1,828,933,096	2,580,631,586
315	Northern Provincial Council	Specific Development Grants for Contribution to Provincial Councils, Settle the bills of 2016, Acquisition of a vehicle, Refund stamp duty of immovable properties from 2011-2014, Expenditure of the new appointments made in 2016 & 2017, Special allowance for principals, Increased allowances of overtime and holiday payment for nurses and para medics, transfer the route permit revenue	600,789,094	2,544,598,400
316	North Western Provincial Council	Settle the bills of 2016, expenditure of the new appointments in Health Service made in 2016 & 2017 and special allowance for principals, increased allowances of overtime and holiday payment for nurses and para medics, Improvement of Basic Social Services Targeting Emerging Regions project	279,502,358	1,741,042,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
317	North Central Provincial Council	Settle the bills of 2016 and salary arrears, allowances and overtime payments, development work and special allowance for principals, increased allowances of overtime and holiday payment for nurses and para medics	302,529,530	1,879,000,000
318	Uva Provincial Council	Rehabilitate the agriculture roads and minor irrigation, Settle the bills of 2016, agricultural exhibition to commemorate 40 years of introducing open economy to Sri Lanka, rehabilitate roads through Provincial Road Development Authority and reconstruct 07 affected minor tanks through Provincial Department of Irrigation, special allowance for principals, increased allowances of overtime and holiday payment for nurses and para medics, expenditure for new appointments made in 2017	216,175,980	1,624,480,000
319	Sabaragamuwa Provincial Council	Settle the bills of 2016, special allowance for principals, increased allowances of overtime and holiday payment for nurses and para medics, Improvement of Basic Social Services Targeting Emerging Regions project	155,030,878	2,194,050,000
321	Eastern Provincial Council	Acquisition of a vehicle and Completion work of Sampoor hospital building and Purchasing of furniture and equipment, Settle the bills of 2016, personal emoluments of newly recruited teachers, expenditure of the new appointments made in 2016 & 2017, special allowance for principals, payment of salary arrears and increased allowances of special duties for dispensers, increased allowances of overtime and holiday payment for nurses and para medics, Improvement of Basic Social Services Targeting Emerging Regions project, salaries and allowances for newly recruited health staff	1,317,932,431	1,418,787,000
157	Ministry of National Co-Existence, Dialogue and Official Languages	Implementation of the Budget Proposal on "Promotion of National Co-existence, Dialogues and Official Languages", Acquisition of a vehicle, rent and local taxes and lease rental for Vehicles, domestic & foreign travelling, rehabilitation and improvement of Capital Assets, personal emoluments, vehicle maintenance and other services	50,715,475	344,591,600
236	Department of Official Languages	Personal emoluments and other services	5,600,000	-
158	Ministry of Public Enterprise Development	Acquisition of a vehicle, Personnel Emoluments of JEDB, State Plantation Corp and Elkaduwa Plantation, Create Housing Bank as per the Budget Proposal, Rehabilitation and improvements, statutory dues & festival advances of SLSPC, JEDB and Elkaduwa Plantation Ltd, staff salaries Elkaduwa Plantation Ltd and the SLSPC, renovate the official residence, foreign travelling, supplies, maintenance and other services, acquisition of a motor bicycle, rents and local taxes, capacity building	19,955,000	9,511,782,810
159	Ministry of Tourism Development and Christian Religious Affairs	Acquisition of a vehicle, Update printed and electronic brochures, Establish Training Center and an Integrated Information Center, Expand Tourist Police Units, Investment in jetties, Construct a MICE Convention Centre as per the Budget Proposals, implementation of interest subsidy loan scheme to tourist hotels	60,184,000	293,000,000
203	Department of Christian Religious Affairs	Rehabilitation of religious places as per the Budget Proposal, Uniform, Library & Dehami Diriya Teachers Allowances for Dhamma School Teachers, rent and local taxes, acquisition of Capital Assets and fulfill the necessary needs of Churches and Dhamma Schools of Trincomalee Diocese	125,101,000	25,400,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
160	Ministry of Mahaweli Development and Environment	Project on National Implementation plan, International Training Workshop, Mainstreaming Agro Biodiversity Conservation, Effective Management of Invasive Alien Species, Project on Preparation of Sri Lanka's Third National Communication, "Mainstreaming Biodiversity Conservation and Sustainable use for Improved Human Nutrition and Wellbeing" and " Mechanism for Reducing Emissions from Deforestation and Degradation", Personal Emoluments, Implementation of the Montreal Protocol, acquisition of a vehicle, Construction of Sanitary Land Fill for Waste Management for Gampaha District, "Pilisararu" Waste Management Programme, Mechanism for reducing Emissions from Deforestation and Degradation, rents and local taxes, salary arrears of the Managers of Central Environment Authority, personal emoluments, domestic & foreign travelling, vehicle maintenance and other services, rehabilitation and improvement of Capital Assets	83,947,000	218,510,825
283	Department of Forests	Establishment and Management of Industrial Plantation, Overtime and Holiday payment, Stationary and Office Requisites, Transport, Postal, Electricity and Water	16,600,000	40,000,000
291	Department of Coast Conservation and Coastal Resource Management	Acquisition of Capital Assets and other services, Participatory Coastal Zone Restoration and Sustainable Management project	2,000,000	89,100,000
161	Ministry of Sustainable Development and Wildlife	Acquisition of a vehicle, purchase ten tractor bowsers and 2 containers and personal emoluments	2,046,000	28,000,000
284	Department of Wildlife Conservation	Compensation for life & property damages from wild elephants, reimburse taxes pertaining to purchased vehicles of the project on Wilpattu National Park and Influence Zone Management, Losses and Write off	95,244,779	-
294	Department of National Zoological Gardens	Vehicle maintenance and property loan interest to Public Servants, personal emoluments, supplies, maintenance and other services	24,140,000	-
322	Department of National Botanical Gardens	Personal emoluments, travelling expenses, postal & communication services and property loan interest to public servants, vehicle maintenance	19,710,000	-
162	Ministry of Megapolis and Western Development	Greater Colombo Flood Protection and Environment Development, Relocation of Manning Market, Townships Development and Urban Solid Waste Management, Beira Lake Rehabilitation and Redevelopment Project, Urban Regeneration Programme, "Build iconic buildings by Urban Development Authority and Inland Revenue Department" as per the Budget Proposal, Metro Colombo Urban Development project, Compensation for the acquisition of lands, royalty fee for dredging sea sand, Development of Strategic Cities, Metro Colombo Flood Resilient Urban Environment Trust Fund, Settle the bills of 2016, Urubokka City Development Project, Pilgrim facilities in Anuradhapura area, foreign travelling , development of Strategic Cities- Kandy & Galle, Port City Development project, outstanding liabilities of construction works of the Magam Ruhunupura International Convention project, pay the balance compensation of the acquired land for the beach park development and Siribopura commercial development at Hambantota, Matara Riverside Development, -Bogambara Prison Precinct Redevelopment, Preparation of Master Plan for Trincomalee District, Improving Bus Service to promote Public Transport	553,800,000	23,873,095,814
311	Department of National Physical Planning	Personal emoluments, foreign travelling expenses and other services	1,800,000	-

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017

Rs.				
Head No.	Ministry / Department	Purpose	Recurrent	Capital
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	Establishing an Immigration Police, Contributory Pension Scheme for Artists, Infrastructure Development, Acquisition of furniture & office equipment, subscriptions and contributions fee, personal emoluments, postal and communication, vehicle maintenance and other services, electricity and water, lease rental of vehicle procured under operational leasing method and programme on National Literary Art Festival, settle the outstanding bills on infrastructure development and other Capital expenditure of 2016	69,910,300	912,670,000
206	Department of Cultural Affairs	Renovation project of John De Silva Theatre and National Art Gallery, assistance to Needy Artistes	39,000,000	61,000,000
208	Department of National Museums	Lease rental of the vehicles procured under operational leasing method and personal emoluments, purchase a crew cab, rehabilitation and improvement of Capital Assets and other services	12,097,000	17,374,000
226	Department of Immigration and Emigration	Expenditure for Staff Training, re-establishment of the Department in the Registration of Persons Secretariat Building	-	52,500,000
227	Department of Registration of Persons	Personal emoluments, stationery and office requisites and other services, lease rental of vehicle procured under operational leasing method, plant & machinery maintenance, electricity and water services	75,482,000	-
165	Ministry of National Integration and Reconciliation	Facilitate the undertaking of programmes aimed at improving peace and harmony, Project on key mechanisms process, Hand Book and Workshop on Religious and Cultural Festival Celebrations, Donation of 400 Bicycles to Conflict Affected Most Vulnerable Students in Jaffna, Reconciliation Focused Economic Empowerment, personal emoluments, maintenance and other services	7,650,000	1,695,396,450
166	Ministry of City Planning and Water Supply	Augmentation of Trincomalee water supply scheme, Establish desalination plants in Jaffna and Puttlam, Integrated Townships in Samanthurai and Kalmunai, Development of comprehensive plan to upgrade cities as per the Budget Proposal, Acquisition of a vehicle, Dry Zone Urban Water Supply Project, Water & Sanitation Development Programme, Water supply facilities for Resettlement Villages, Purchase three Gully Bowsers, Settle the bills of Emerging Small Townships Water Supply Schemes, rehabilitation programme on UNICEF Drought Mitigation and Emergency Activities, foreign travelling, purchase Water Bowsers for Local Authorities, settle the bills of 2016, rehabilitate 50 hand pumps in Kalutara District, personal emoluments, settle the dues with respect to the taxes of ongoing water supply & sewerage projects	6,200,000	11,389,487,500
332	Department of National Community Water Supply	Property loan interest to public servants	140,000	-
167	Ministry of Special Assignments	Acquisition of a vehicle, transport, electricity, water, rents & local taxes and foreign travelling	4,295,000	42,600,000
176	Ministry of Ports and Shipping	Settle the commitment of Colombo Ports Expansion Project and Transaction Advisory Service for the East Container Terminal, Port of Colombo	-	37,155,000
182	Ministry of Foreign Employment	Acquisition of vehicle, procurement of computers and printers, vehicle maintenance, foreign travelling, electricity and water, rehabilitation and improvement of Capital Assets, personal emoluments	10,861,393	48,000,000

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017

				Rs.	
Head No.	Ministry / Department	Purpose	Recurrent	Capital	
192	Ministry of Law and Order and Southern Development	Adjustments of salaries of the Sri Lanka Police Service as per the Budget Proposal of 2016, Southern Development, Drug prevention and rehabilitation of drug addicts, UN Peace Keeping Operations, Personal Emoluments, acquisition of Capital Assets, maintenance of plant and Machinery, acquisition of a vehicle, continue the Budget Proposal-2016 on "Increase the Salaries of Sri Lanka Police Service", expenditure on 8th meeting of SAARC Law & Order, initial expenses of Southern Development Board, transport, maintenance and other services, capacity building, domestic & foreign travelling, personal emoluments, acquisition of capital assets for capacity improvement of STF with modern communication center as per the Budget Proposal - 2017	534,600,000	2,405,530,000	
225	Department of Police	Adjustments of salaries of the Sri Lanka Police Service as per the Budget Proposal of 2016, Implement the Development Activities and engage in drug prevention, Eradication and rehabilitation of those addicted to drugs, Purchase 5 Ambulances, Diets and Uniforms, acquisition of Capital Assets, personal emoluments, travelling expenses, vehicle maintenance & other services, property loan interest to public servants, Diets, Uniforms and other supplies, foreign travelling, rents & local taxes, acquisition of capital assets for capacity improvement of Sri Lanka Police with modern communication center	4,453,000,000	960,500,000	
193	Ministry of Labour and Trade Union Relations	Subscriptions and Contributions Fee, Sabaragamuwa Development Project, personal emoluments, transport & other services, rehabilitation of circuit bungalow at Ampara, vehicle maintenance, plant & machinery maintenance, rehabilitation & improvement of Capital Assets	22,449,700	11,654,900	
328	Department of Manpower and Employment	Travelling expenditure, Property loan Interest to public servants, rents and local taxes and other allowances. administration and establishment services, establishment of Public Employment Service	34,834,689	7,400,000	
194	Ministry of Telecommunication and Digital Infrastructure	Settle the operational Lease rental and CIF and Local Charges, Acquisition of a vehicle, Custom charges and VAT on acquisition of a vehicle, As per the Budget Proposal Digitalizing the Economy, National Digital Identity, National Payment Platform, Establish National Data Center, Toll charging system, Introduce Cryptography and Provide Video conferencing facilities, Foreign Travelling Expenses, Renovation of the official residence, rents and local taxes, rehabilitation & improvement of Capital Assets and personal emoluments and other services	85,748,590	15,092,781,250	
195	Ministry of Development Strategies and International Trade	Infrastructure Development, Colombo Fair Exhibition, Foreign Travelling Expenses, Lease Rentals for vehicle and Acquisition of a vehicle, expenditure on membership in Commonwealth Enterprise & Investment Council and Countervailing Duty, rents and local taxes	42,125,700	1,036,000,000	
296	Department of Import and Export Control	Stationery and office requisites, fuel & other services, foreign travelling	2,900,000	-	

Table 4.4 | Ministry - wise Summary of Additional Allocations as at 31.12.2017 contd...

				Rs.	
Head No.	Ministry / Department	Purpose	Recurrent	Capital	
196	Ministry of Science, Technology & Research	Acquisition of vehicles , Research Assist in Diabetes, Dengue, CKDu and Cancer, Establishment of Innovation Accelerator Fund and Technology Innovation Park, Implemental of Nanotechnology Programme, Establishment of Center for Excellence, Quality Assurance of Imported Products, Product Design Engineering Services Fund and Establishment of Incubators in Collaboration with Nenasala as per the Budget Proposals, expenses of COSTI , overtime & holiday, domestic & foreign travelling, vehicle maintenance, transport, postal & others and rehabilitation & improvement of vehicles, postal & communication, expenses on Sri Lanka Inventors Commission, lease rental for vehicle procured under operational leasing method, electricity & water, staff training, coordinating Secretariat for Science Technology and Innovation, Vidatha Programme on research and development	61,050,000	1,436,473,140	
197	Ministry of Skills Development and Vocational Training	Expenditure on Official Residence, Scholarships for students, Stipend for youth to train in apparel, Health care, Hospitality and Construction, Upliftment of Matara German Training Technical School and Hotel Training School as per the Budget Proposals, Acquisition of vehicle , expenditure of University of Vocational Technology, procuring a new air conditioner, establishment of Colombo Vocational Training Center and Gampaha Technical College, lease rental for vehicle, conducting NVQ assessments, foreign travelling, new recruitments and E.P.F & E.T.F payments of VTA, training equipment for Ceylon German Technical Training Institute, personal emoluments	761,495,000	320,983,600	
215	Department of Technical Education and Training	Complete the balance construction of building at the HARDY Advanced Technological Institute- Ampara	-	70,000,000	
198	Ministry of Irrigation and Water Resources Management	Acquisition of the vehicles, Installment of sellers credit, Rehabilitation, Improvement & Acquisition of Capital Assets, personal emoluments, travelling expenses, vehicle maintenance & other services, staff training, Lower Malwathuoya Multisector Development Project, Productivity Enhancement and Irrigation System Efficiency Management Project, Support rehabilitation on Minipe Left Bank and Kithul and Rugam, Mundeni Aru, Implement pilot project to monitor ground water in Polonnaruwa, Mannar, Vavuniya, Monaragala, Ampara, Hambantota, Anuradhapura and Batticaloa as per the Budget Proposal, rehabilitation and reconstruction of properties damaged by the recent adverse weather and building and structures	46,046,154	1,466,475,132	
282	Department of Irrigation	Implementation of Yan Oya Project as per the Budget Proposal, rehabilitation, improvement and acquisition of Capital Assets, investments and gravity irrigation works, expenditure for the projects of Gurugal Oya, Gonagala Thenna Tank, Extension of Kaudulla Stage II Ella up to Damsopura Wewa and Augmentation of Mahagalgamuwa Tank, Menik Ganga Reservoir, Yan Oya, Lower Uva, Gal Oya Navodaya, Morana Reservoir, Kalugal Oya, Kubukkanoya Reservoir and rehabilitation of damaged irrigation structures due to recent floods	-	3,565,227,997	
199	Ministry of Primary Industries	Lease Rental of Vehicle procured under Operational Leasing Method, rents and local taxes and foreign travelling	25,411,900	-	
289	Department of Export Agriculture	Provision for personal emoluments	2,798,000	-	
<b>Total</b>			<b>192,978,757,845</b>	<b>292,267,492,189</b>	

Source: Department of National Budget

### 4.6.3 Circulars Issued for Managing Expenditure

In 2017, following circulars have been issued in the areas of budget preparation, executing, monitoring and disaster relief activities.

Table 4.5 | Circulars issued in relation to the Public Expenditure 2017

Date	Circular No.	Subject
27-12-2017	Mar-17	Authorization of Expenditure -2018 Budget
11/07/2017	Addendum (2/2017)	Implementation of Performance Based Budgetary System
31-07-2017	Addendum II (2/2017)	Addendum (II) to the Budget Call -2018 Guidelines for the Preparation of 2018 Budget Estimates
28-07-2017	Addendum I (2/2017)	Addendum one to the Budget call 2018 Submission of Draft Budget Estimates
26-07-2017	03/2016(II)	Provision of benefits under the National Natural Disaster Insurance Scheme
25-07-2017	Feb-17	Budget call 2018 - Guidelines and Directions for the Preparations of Annual Budget Estimates
30-05-2017	03/2016(I)	Guidelines for provision of Relief to the disaster victims in an Emergency Disaster situation and People evacuated from the residencies due to disaster risk and Restoration of Damaged Areas
13-01-2017	Jan-17	Monitoring the utilizing of Budgetary provisions

Source: Department of National Budget

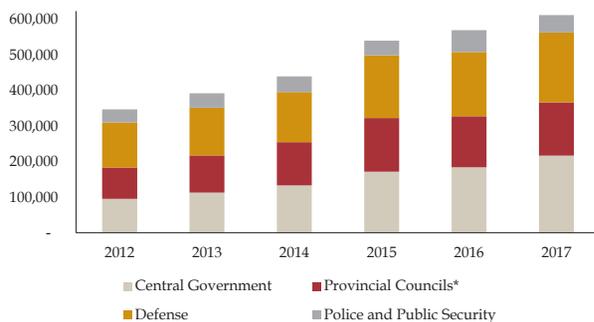
Table 6.6 | Salaries and Allowances of the Government

Sector	Rs. Mn					
	2012	2013	2014	2015	2016	2017
Central Government	95,965	113,223	133,584	172,491	184,856	217,734
Provincial Councils *	88,217	105,034	121,789	150,796	143,740	149,713
Defense	126,950	134,295	141,138	176,810	180,829	196,540
Police and Public Security	36,615	40,677	44,471	41,295	61,336	49,599
<b>Total</b>	<b>347,747</b>	<b>393,229</b>	<b>440,982</b>	<b>541,329</b>	<b>570,761</b>	<b>613,586</b>

Source: Department of National Budget

\* include only the expenditure of government transfer

Chart 4.1 | Government Sector Salaries



## 4.7 Composition Of Government Expenditure

### 4.7.1 Salaries and Wages

The expenditure<sup>1</sup> on salaries and allowances of the government sector employees including those in the Provincial Councils (PCs) and national security and Police, amounted to Rs. 614 billion in 2017, an increase of Rs. 43 billion when compared to Rs.571 billion in 2016.

The cost of salaries and wages at the end of 2017 has increased by 7 percent over 2016. This is mainly due to the Rs.10, 000 allowance provided since 2015 being absorbed into the basic salary from 2016 onwards coupled with the maintenance of the salary ratio of 1:4.2 in the government sector. Consequently, the increase in the basic salary structure also has an impact on allowances and overtime payments.

### 4.7.2 Devolved Administration

Most public services including health and education are currently being delivered through the provincial council system. In addition, local government authorities, which provide public services such as waste disposal, public health and community services, are functioning under provincial councils as well. Therefore, the central government has provided Rs. 166,348 million in

<sup>1</sup> Expenditures in this Chapter is based on the accounting format.

2017 to cover personal emoluments of employees of provincial councils and other recurrent expenditure in order to maintain a smooth public service at provincial level.

In addition, with the recommendation of the Finance Commission a capital grant of Rs. 31,069 million been provided to Provincial Councils in 2017.

Table 4.7 | Transfers to Provinces in year 2017

Provincial Council	Transfers	
	Rs. Mn Recurrent	Rs. Mn Capital
Western	15,091	1,574
Central	23,320	2,777
Southern	21,033	3,528
Northern	17,077	6,713
North Western	21,866	3,385
North Central	13,829	3,296
Uva	16,115	3,342
Sabaragamuwa	19,350	3,091
Eastern	18,667	3,363
<b>Total</b>	<b>166,348</b>	<b>31,069</b>

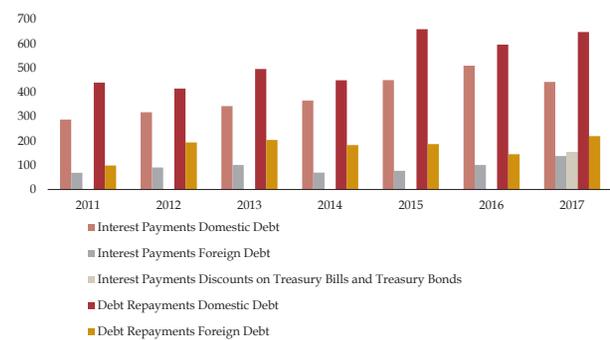
Source - Ministry of Provincial Councils and Local Government and Department of National Budget

### 4.7.3 Debt Servicing

Government expenditure on interest payments in domestic and foreign debt was Rs. 735.5 billion in 2017 which is a 20.3 percent increase compared to the previous year. Domestic interest payments increased by 17 percent to Rs. 597 billion and foreign interest payments increased by 37 percent to Rs. 138.2 billion compared to 2016. This significant increase of interest payments on foreign debt was mainly due to the depreciation of the rupee against foreign currencies and an increase in the global interest rates.

Government Expenditure on Debt repayment in 2017 was Rs. 868.2 billion, which shows a 17.1 percent increase over the year 2016. Foreign Debt repayment cost increased by 52 percent in 2017 reaching Rs 220.1 billion

Chart 4.2 | Debt Service Payments 2011-2017

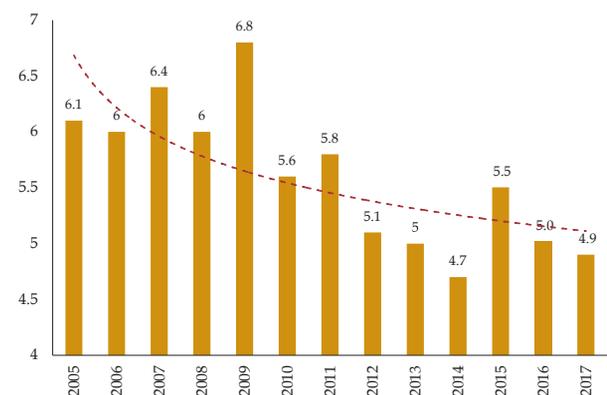


Source: Department of Treasury Operations

### 4.7.4 Public Investment

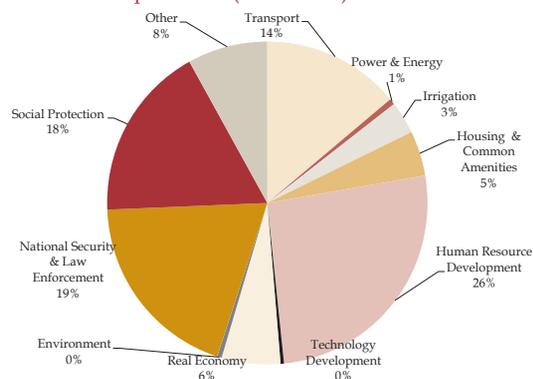
While the government has maintained public investment around 5 percent of the GDP, it dipped slightly to 4.9 percent or Rs 657.4 billion in nominal terms in 2017 from 5 percent in 2016. Although almost 75 percent of the budgetary allocations have been utilized, procurement delays and bad weather conditions have had a negative impact on the utilization of allocations.

Chart 4.3 | Public Investment as a percentage of GDP



## 4.8 Functional Classification Of Total Government Expenditure

Chart 4.4 | Sectoral classification of total government expenditure (Rs. Million)\*



Source: Department of National Budget  
 \* Excluding interest payments and loan repayments

### 4.8.1 Human Resource Development (HRD)

HRD which includes General Education, Higher Education, Skills development, Sports, Culture and Religion, Labour and Healthcare accounted for almost Rs. 485,132 million or 14 percent of the total expenditure in 2017 which was a decrease of 0.9 percent over 2016.

Chart 4.5 | Expenditure of HRD Sector in 2016 & 2017

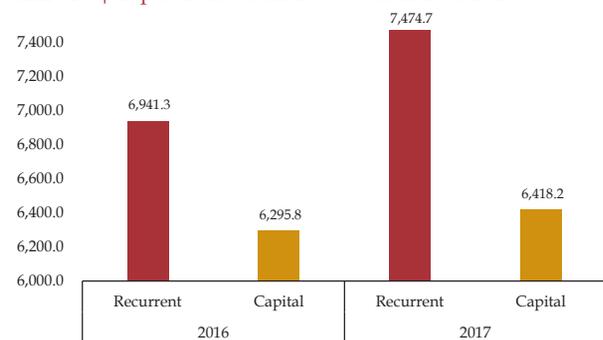
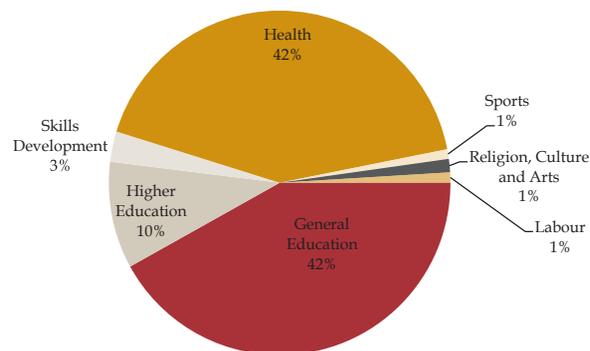


Chart 4.6 | Expenditure Composition of HRD in 2017



Source: Department of National Budget

### 4.8.1.1 Investment in Healthcare

Government increased its total investment on healthcare by 6 percent in 2017 to Rs. 204 billion in comparison to the year 2016. Capital investment increased by 21 percent due to the increase of equipment purchasing and building construction activities, while the recurrent expenditure increased by only 3 percent. The major share of the increased total investment was into national level healthcare development which grew by 7.5 percent in 2017 over the year 2016. The capital investment on provincial healthcare investment increased significantly by 26 percent due to the government initiations of improving provincial level health infrastructure, while recurrent expenses narrowed by 1.6 percent.

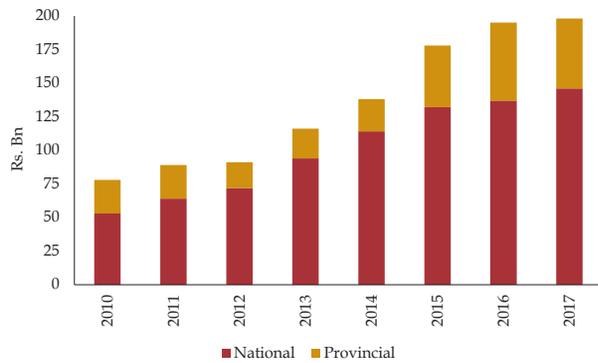
Almost 19 percent of the healthcare expenditure is on account of medical supplies which includes drugs, surgical and laboratory consumables. Salaries and wages also constitute almost 52 percent of the expenditure and during 2017 it has increased mostly due to an increase of overtime payment for nurses, para - medics and supplementary to medicine categories of health service. Moreover, recurrent expenditure of health sector accounted for 81 percent of the total expenditure of the sector, of which 64 percent was incurred on personal emoluments.

Although the public sector investment in healthcare sector was only around 1.57 percent of the GDP in 2017, which is one of the lowest compared to most peer countries, the country has yet managed to achieve an impressive health care performance criteria including low mortality rate, high life expectancy at birth etc. This is driven by the country's effective public delivery system, which provides both preventive and curative treatment at minimal cost.

The country's healthcare policy is now being reoriented to meet challenges such as that of an ageing population, changing weather patterns etc. It is more focused towards ensuring a better primary care system especially in the peripherals.

The national policy on health information was launched on 3rd January 2017 to streamline the information management and increase utilization of information for decision making.

Chart 4.7 | Central Government Expenditure on National and Provincial Level



Source: Department of National Budget

### Curative Healthcare

A considerable capital investment was been allocated for curative healthcare in 2017, considering the rapid increase of Non Communicable Diseases (NCDs) where NCDs

such as cardio vascular diseases, diabetes, cancers and strokes have become more frequent. Therefore, public investment for curative activities of NCDs was marked as Rs 1,525 million in 2017.

With the visible upward trend on kidney diseases, Rs. 1,241 million was incurred for constructing renal units at Jaffna, Badulla, Batticaloa, Hambantota and Trincomalee. Another Rs. 104 million was incurred for purchasing of equipment to arrest the dengue epidemic that prevailed throughout the island during 2017. In addition 50 nos of mini trucks were purchased and distributed among MOH areas for dengue controlling activities.

The fully equipped state-of-the-art hospital for epilepsy patients was vested with the public July 2017 in that center is equipped with modern equipment and consists of a clinic for neurological disorders, neurological pharmacy, mobile electric stimulation unit a health education unit and a public call center.

Table 4.8 | Major Capital Investment in Curative Healthcare Services

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

Source: Department of National Budget and Department of State Accounts

Note: Includes only the Central Government Expenditure for National Level

### Preventive Healthcare

Public investment on preventive healthcare was Rs. 3,924 million in 2017 and these allocations were distributed among projects for preventive activities both communicable and non-communicable diseases. A research was initiated in 2017 covering 5 Grama Niladhari divisions in Anuradhapura District to find out the unknown aetiology for the widely - spread chronic kidney disease (CKDu). As such, screening programmes were carried out covering 281,917 people

in high risk Divisional Secretariat divisions simultaneously.

To create a healthy nation, the national Triposha programme was continued with an investment of Rs. 1,692 million and the registered beneficiaries for this programme for 2017 were recorded as 1.3 million.

### Promotion of Indigenous Medicine

The total public investment on Indigenous Medicine was Rs. 539 mn in 2017. The construction

of 2 storied modern pharmaceutical building in Kaithady and a 359 bed, 8 storied hospital complex in Borella were completed in 2017 and the total investment for these two projects were Rs 63.3 million and Rs. 1,093 million respectively. Research activities were carried out by the Department of Ayurveda for advanced improvement of the sector.

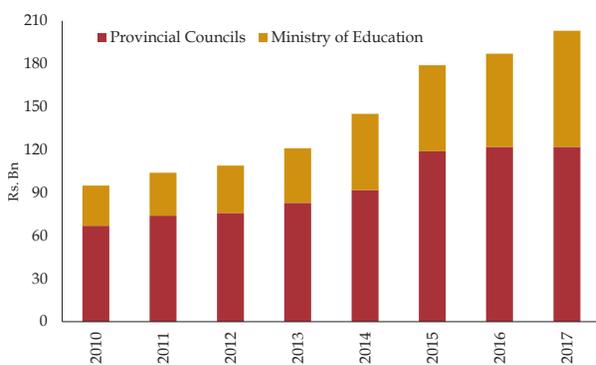
Table 4.9 | Expenditure on General Education by the Central Government in 2017

	2016			2017		
	Recurrent	Capital	Total	Recurrent	Capital	Total
Ministry of Education	48,277	15,366	63,643	51,941	27,575	79,516
Provincial Councils	117,881	4,519	122,401	116,006	5,638	121,644
<b>Total</b>	<b>166,158</b>	<b>19,885</b>	<b>186,044</b>	<b>167,947</b>	<b>33,213</b>	<b>201,160</b>

Source: Department of State Accounts, Finance Commission

With the aim of ensuring quality and inclusive education, investment in general education has increased as a priority of the government investment. Accordingly, the central government expenditure on school education increased by 8 percent to Rs. 201,160 million, compared to 2016. The recurrent expenditure of the Ministry of Education and the Provincial Councils were Rs. 51,941 million and Rs. 116,006 million respectively. Out of the total capital investment of Rs. 33,213 million, the Ministry of Education spent Rs. 27,575 million for infrastructure developments in schools.

Chart 4.8 | Central Government Expenditure on School Education



Source: Department of State Accounts, Finance Commission

The education reform process continued in 2017 as well. The key features of the reform process include creating an enabling environment for 13 years of continuous school education for students and the 1st phase was commenced in 2017 in 42 schools representing all the provinces. This

### 4.8.1.2 General Education

The total investment in general education increased by 8 percent in 2017 in comparison to the investment of Rs. 186 billion in 2016. The increased investment in general education was apparent at both the central and the provincial levels at 78 and 25 percent respectively.

initiative will give the opportunity to continue secondary education in vocational and technical subjects even for those who fail the G.C.E. (Ordinary Level) Examination. Such students will be able to obtain National Vocational Qualification (NVQ) Level 3 at the end of the two year period of education at the advanced level (A/L). Accordingly, 2,398 students entered to the vocational subjects stream.

Even though adverse weather conditions disrupted the school education in many ways, the government took speedy steps to operationalize the recovery process. Affected school children were provided with a package of three uniform sets, vouchers for shoes, text books, Grade 5 past papers and exercise books. Further, reconstruction activities of damaged schools commenced in the latter part of the year 2017 and who spent Rs. 80 million at the end of the year.

The “Nearest School is the Best School” (NSBS) program which commenced in 2016, continued in 2017 equipping the schools with necessary facilities such as water and sanitation, electricity, school buildings, primary learning resource centers, sports grounds etc. The Ministry of Education with the support of all the 9 provincial councils, has initiated 13,082 works in schools and at the end of 2017, around 7,690 works have been completed. From the start of the program in 2016 up to the end of 2017, Rs. 19,612 million was released to Provincial Councils in order to implement the construction/ rehabilitation

activities in provincial schools while Rs. 4,974 million was provided to all nine Provincial Directors of Education for implementing the same activities in national schools. During the year 2017, Rs 18,703 million was incurred for the NSBS program.

Table 4.10 | Major Projects implemented under the Nearest School is the best School Program

Project	Expenditure (Rs.mn)
Facilitate Teacher Training Programs	714
Providing Electricity Facilities through National Grid or Solar	691
Facilitate Dental Health Facilities in Schools	43
Providing Sanitary and Water Facilities for all Schools	3,420
Upgrading Facilities of 3,577 Primary Schools	2,252
Providing Facilities of Teacher Quarters, Rest Rooms etc. for Rural & Regional Schools	92
Upgrading facilities of 1,000 Secondary Schools	5,484
Improve facilities of 1,360 Schools which were not included in recent projects	6,007

Source: Department of State Accounts, Department of National Budget

The welfare expenditure on general education in 2017 was Rs 15,402 million, an increase of 21 percent compared to 2016. Two new programs namely “Health Insurance Scheme” and “Scholarship Program, to appreciate talented

students” were introduced in 2017 with the expectation of providing more benefits directly to students and also to increase school enrollment.

Provision of insurance namely “Suraksha Insurance Scheme” of Rs 200,000 for every student in Sri Lanka in the age group of 5-19 is a new initiative and a major step taken by the government to establish an environment for uninterrupted continuation of education of students. The benefits of the policy includes Rs 10,000 for treatments from the Out Patient Division (OPD), Rs 100,000 for hospitalization, Rs 100,000 for complete disability of a child, Rs 50,000 - Rs 100,000 for partial disability of a child etc. The Sri Lanka Insurance Company is the responsive bidder to carry out the insurance scheme. The scheme was launched on 7th September 2017 and at the end of 2017, 1,764 students applied for claims of which 484 claims were settled amounting to Rs. 3 million.

Private school teachers whose salaries are paid by the government were allowed to obtain facilities of property loans, distress loans and the Agrahara Insurance Scheme and the circular was issued on 29.12.2017. Accordingly, the government bears the interest of the loan facilities.

Table 4.11 | Expenditure on Welfare Programs

Program	2010	2011	2012	2013	2014	2015	2016	2017
School Nutrition Food Program	2,474	2,631	2,850	3,076	3,725	3,938	3,916	4,434
Text Books	1,941	2,294	2,400	2,329	2,700	3,896	5,415	4,281
Uniforms	949	1,364	1,600	1,739	3,574	2,261	2,157	2,479
Scholarships - Year 5 *	225	283	240	268	556	623	613	602
“Suraksha” Insurance Scheme								2,700
Season Tickets (a)	1,369	1,359	1,233	1,430	1,695	1,800	1,998	4,923

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

(a) Provided to the Ministry of Transport

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

Table 4.12 | Students Benefited by Welfare Programs

	2010	2011	2012	2013	2014	2015	2016	2017
School Nutritional Food Programme	778,435	834,306	839,643	1,048,892	890,404	937,178	973,245	1,105,605
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
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
Scholarships -Year 5*	85,000	85,000	85,000	97,308	122,309	129,614	72,480	72,480
Insurance								4,500,000
Season Tickets	300,000	300,000	300,000	310,000	327,099	329,000	338,221	352,132

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

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

### 4.8.1.3 Higher Education

In line with the government policy of ensuring a better quality in higher education, the government continued free education for university students while increasing the access to universities for students who passed the G.C.E. Advanced Level examination. Universities have also introduced new streams such as Data science, Actuarial, Mechatronics etc into its curricula in line with the needs of Sri Lanka in the future.

The total government investment in university system was Rs. 48.7 billion in 2017. Of the total investment Rs 25 billion or almost 50 percent was to meet salaries and wages of 20,093 Staff of 17 universities and 19 higher educational institutes. Capital investment of Rs. 16.3 billion was mainly utilized for the construction of lecture rooms, laboratories, hostel buildings, toilets, play grounds and library facilities of the universities. Among the buildings completed in 2017 include the Faculty of Social Sciences Stage II of The University of Kelaniya, Stage II and III of Phase I the Faculty of Applied Sciences of the University of Sri Jayewardenepura, Para Clinical Building of the Faculty of Medicine of the University of Peradeniya, Faculty of Agriculture of the University of Jaffna, Faculty of Applied Science and Faculty of Geometrics of the University of Sabaragamuwa.

30,668 students qualified to enter the 17 Universities in the academic year 2016/2017 and it was an increase of 11.1 percent compared to 27,603 students of the year 2015/2016. In

order to accommodate the additional number of students, 67 out of the planned total 84 hostels were completed up to 2017 and the expenditure incurred in 2017 was Rs 3,752 million.

Rs 600 million was incurred for the establishment of technological faculties in 11 universities that were continued from 2016. Hence, 2,076 students were admitted to 11 universities to read for degrees in the Technology Stream.

In a bid to expand opportunities for students who have met the minimum qualification to enter universities but are unable to do so given the limited placements available, the government has initiated a scheme which will provides an interest free loan of up to Rs 800,000 so that such students could follow degree courses at recognized non state sector higher education institutes component.

Rs. 164.4 Million was incurred to cover the interest of the loans obtained by university students to purchase Laptops and for the provision of WIFI facilities for the Bhikku University, Buddhist and Pali University, Institute of Indigenous Medicine, Postgraduate Institute of Pali and Buddhist Studies and the Higher Education Division of the Ministry.

### Mahapola and Bursary

Mahapola and Bursary schemes were continued, and the scope was expanded to increase the eligibility household income threshold from Rs.300,000 to Rs 500,000 per annum.

Table 4.13 | Expenditure on Mahapola & Bursaries

	2011	2012	2013	2014	2015	2016	2017
No. of Students admitted for University Education	22,106	28,908	24,198	25,200	25,676	27,603	30,668
Financial Assistance to University Students (Rs. Million)							
Mahapola	127	101	94	109	561	940	593
Bursary	357	283	386	414	481	650	441
No. of Cadre	20,990	21,441	22,172	23,173	20,929	20,265	20,093

Source: University Grants Commission

Table 4.14 | No of Mahapola Beneficiaries

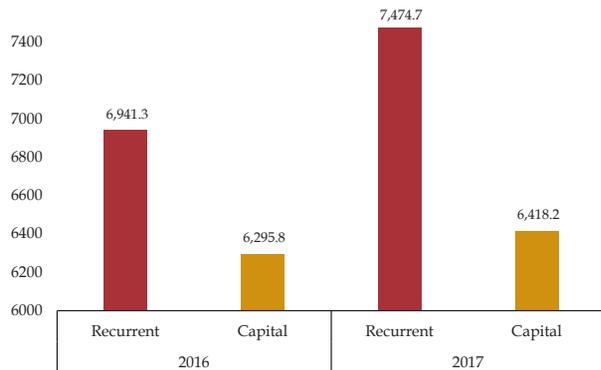
Academic Year	Quota (Number of Students)
2014/2015	12,000
2015/2016	13,500
2016/2017	15,000

Source: Mahapola Trust Fund

## Skills Development

The total investment on skills development and vocational training was Rs. 8,301 million in 2017 of which, Rs. 5,737 million was spent on recurrent expenditure and Rs. 2,564 million for capital investment. 6 institutions in the field of providing vocational training received a total financial grant of Rs. 3,689 Million from the government to train 120,740 students in 2017.

Chart 4.9 | Expenditure on Skills Development Sector, 2016 & 2017



Government introduced a Free Technological Education Policy in 2017 having realized the importance of investing in development of skills to increase the efficacy and quality of labour for improved productivity.

Table 4.15 | Major projects implemented in 2017 on Skills Development

Description	Rs. Mn Expenditure
Improvement of Vocational Training Activities	18.51
Self-Employment Promotion Initiative Programme	149.70
Establishment of Colombo Vocational Training Center and Gampaha Technical College (GOSL - EDCF)	285.16
Skills Sector Development Programme	1279.60
Upliftment of Matara German Training Technical School and Hotel Training School	-

Source: Department of National Budget

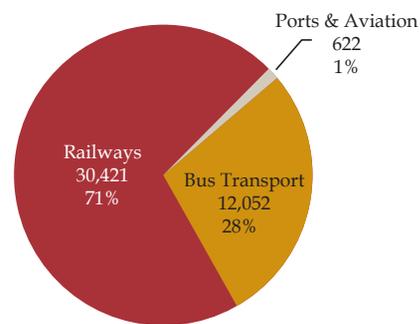
Construction of a Permanent building for HARDY Advance Technological Institute in Ampara was completed during the year.

## 4.8.2 Transport

### 4.8.2.1 Passenger Transport

Public expenditure in the transport sector consists of development of road network including national, provincial and rural roads and public transport on land including railways and buses, and transport by sea and air. During 2017, Rs 259,179 million was allocated to this sector which is an increase of 8 percent over 2016. Capital expenditure accounted for the sector was 7.5 percent of the Government budget which is 92.2 percent of the total investment in the sector. The balance expenditure was mainly to meet the salaries and other recurrent expenditure.

Chart 4.10 | Passenger Transport Expenditure in 2017 (Rs Million)



### Railways

The total Government investment in the railway sector was Rs. 30,421 million of which the Capital spending was Rs. 16,340 million which includes the continuation of the projects already commenced and the procurement of ancillary equipment in order to maximize the productivity of the rolling stocks. Improvements of the Kelani Valley Railway line including raising platforms of five Railway Stations, improvements of the signal system and completion of the survey works from Maradana to Homagama are the major projects implemented in 2017.

### Bus Transport

Government invested Rs. 12,051 Million on the bus transport sector of which Rs. 6,256 Million was towards capital expenses. Capital investment was mainly for the augmentation of the bus fleet,

institutional development of Sri Lanka Transport Board and purchase of engine kits. Rs. 1,075 million was also provided to implement the Voluntary Retirement Scheme (VRS) of the SLTB and the government has also undertaken to meet the unpaid statutory dues of Rs. 3,697 million of which Rs. 1,000 million was released in 2017.

Government also continued to channel funds to provide season tickets for students in schools and higher education institutes through the "Sisu Seriya" scheme, passes for security service personnel and compensation for Sri Lanka Transport Board for operating bus services on economically non-profitable routes.

### Improvements to Public Transport

In addition to the investments on projects to develop infrastructure, efforts were made to use the available resources effectively in order to make public transport more efficient and attract more passengers to public transport. So as to infuse efficiency into the public transport sector, several initiatives were undertaken such as the introduction of the bus priority lane mechanism,

in 2017 Feasibility study of the Light Rail Transit System from Colombo to Battaramulla was undertaken while work on the Makumbura Multimodal Centre – Transport Hub commenced.

### 4.8.2.2 Road Development

Government focused mainly on improving the national road network consisting of Expressways, Highways and the construction of bridges and flyovers. In 2017, Government invested Rs. 142,600 Million to develop the national road network through major projects, which is an increase of 42.6 percent in comparison to the year 2016. Development of Outer Circular Highway phase III from Kadawatha to Kerawalapitiya, extension of Southern Expressway to Hambantota and Central Express Way Phase I and II are the major projects continued in 2017 as well.

Further Rs 34,000 million was arranged by way of loans from domestic banks to finance the work of the stage II of the Central Expressway while Rs 4,100 million was disbursed for the rehabilitation of roads via local bank financing.

Table 4.16 | Major Projects Implemented in 2017

Project Name	Rs. Mn	
	2016 Actual	2017 Actual
<b>Expressways Development</b>		
Central Expressway	615.94	2,016.33
Extension of Southern Expressway	36,320.16	67,337.75
Outer Circular Expressway Phase III	8,578.87	11,126.36
Port Access Elevated Highway	3.31	24.43
<b>Sub Total</b>	<b>45,518.28</b>	<b>80,504.87</b>
<b>Highways Development</b>		
Integrated Road Investment (i - Road) Programme	17,616.85	18,544.40
Priority Road Project (PRP 3) Phase I	10,467.31	7,611.62
Priority Road Project (PRP 3) Phase II	2,542.47	5,991
Rehabilitation of Peradeniya - Badulla Road from Badulla to Chenkalady (GOSL - OFID)	344.2	1,944
Colombo District Road Development Project (OFID)	1,955.04	2,003.12
Southern Road Connectivity Project	3,126.53	1,789.45
<b>Sub Total</b>	<b>36,052.40</b>	<b>37,883.59</b>
Widening & Improvement of Roads	10,887.60	9,211.50
<b>Sub Total</b>	<b>10,887.60</b>	<b>9,211.50</b>
<b>Construction of Bridges &amp; Flyovers</b>		
Major Bridges Construction Project of National Road Network	2,270.24	2,861.64
Second New Kelani Bridge Project	1,078.80	8,015.37
Construction of Fly Overs at Rajagiriya, Polgahawela & Ganemulla	4,416.62	4,140.58
<b>Sub Total</b>	<b>7,765.66</b>	<b>15,017.59</b>
<b>Grand Total</b>	<b>100,223.94</b>	<b>142,617.55</b>

Source: Department of National Budget

### 4.8.3 Social Protection and Community Development

Government implemented a number of welfare and social security programmes targeting the vulnerable in the society. Total expenditure on social protection and community development sector in the year 2017 amounted to Rs. 431,761 million which is a 2.9 percent increase compared to the year 2016.

#### Community Development

Government spent Rs 42 Bn for community development activities in provision of basic needs and other infrastructure facilities such as housing, water, sanitation and livelihood development assistance to the vulnerable needy segment of the society.

Table 4.17 | Expenditure highlights on Community Development

Line Ministry	Rs. Mn	
	2016 Amount	2017 Amount
Prison Reforms, Rehabilitation, Resettlement and Hindu Religious Affairs	22,007	17,621
Hill country New Villages, Infrastructure and Community Development	557	630
Internal Affairs, Wayaba Development and Cultural Affairs	950	1,813
Regional Development	658	436
Special Assignment	72	111
Law & Order and Southern Development	546	87
Women and Child Affairs	1,908	2,349
National Policies and Economic Affairs	4,935	3,109
Social Empowerment, Welfare and Kandyan Heritage	15,391	15,915
<b>Total</b>	<b>47,024</b>	<b>42,071</b>

Source: Department of National Budget

### 4.8.4 Agriculture and Irrigation

Government investments in this sector was multi-fold ranging from the provision of a fertilizer subsidy, compensation of crop damages due to drought, to the provision of subsidized credit facilities providing access to finance, provision of extension facilities, etc. The National Food

Production Programme that was launched in 2016 continued successfully in 2017 as well, cutting across several sectors.

Government also invested in 2017 in the rehabilitation, restoration and de silting of small tanks at a cost of Rs 3000 million, agriculture sector modernization programme at a cost of Rs 720 million and special programme for food security at a cost of Rs 2000 million. The Agriculture Sector Modernization Programme in particular was successful in establishing agricultural mega zones and strengthening of the value chain development.

To facilitate the fisheries industry, government continued to channel funds through the construction of fishery harbours, anchorages and landing sites in Chilaw, Kirinda, Kalmunai, Dickowita, Galle, Kalametiya, Suduwella, Puranawella, Mirrissa, Karainagar, Kudawella fishery harbours, as well as 04 anchorages and landing sites at a cost of Rs.1,150 million .

Under the “Wewak Samaga Gamak”, the housing and livelihood development programme, 35 projects were executed in every district of the country with a view to upgrading the standard of living of the fishery community. Work has commenced to develop a fisheries and aquaculture policy with the assistance of the Norwegian government.

Table 4.18 | Major projects implemented in 2017

Project	Rs. Mn	
	Amount	
1 Restoration, rehabilitation and desilting of small tanks	3,000	
2 Special programmes for food security	2,000	
3 Agriculture sector modernization programme	720	
4 National seed production and purchasing	334	

Source: Department of National Budget

The Government took steps to import dairy animals to enhance local milk production by increasing the availability of high milk producing dairy cattle. Under this programme 5000 cattle were imported at a total cost of Rs 1,529 million from Australia. The Government also invested

Rs. 3208.5 million on the establishment of a diary processing plant at Badalgama to facilitate the relocation of the processing factory of Milco Private Limited. An investment of Rs. 65 million also been made in producing vaccines and expanding animal health surveillance to improve livestock health.

Table 4.19 | Major projects implemented in 2017

	Rs. Mn
1 Importation of Dairy Animals	1,529
2 Establishment of Diary Processing Plant	3,208.5
3 Facilitation and promotion of Liquid Milk Consumption	45
4 Development of Mini Diary Cooperative Societies	440

Source: Department of National Budget

The government support towards the plantation sector amounted to almost Rs 10,958 million. Through the Smallholder Tea and Rubber Revitalization project, assistance was given to 23,423 households for replanting tea and 5,253 households and rubber growers for replanting and improvement in productivity of tapping latex.

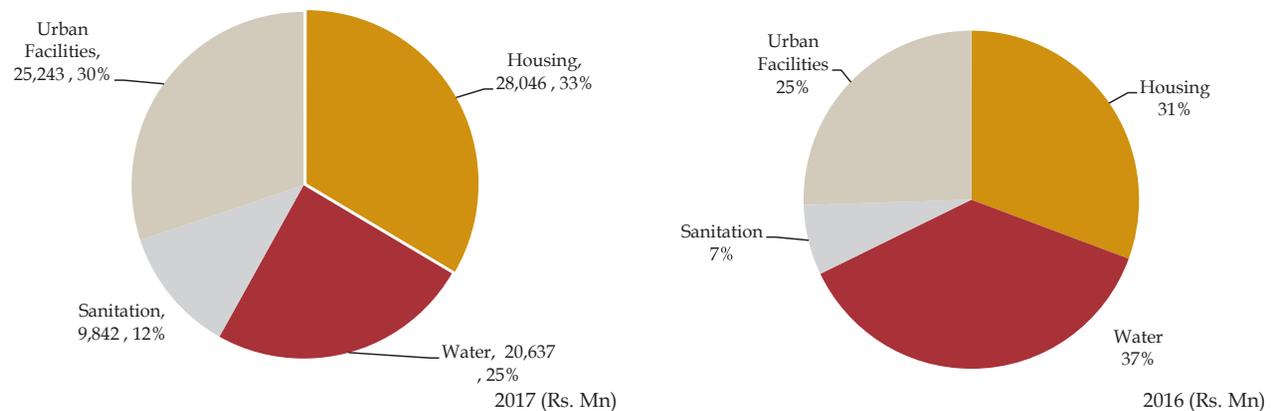
Government provided support to the sector to engage in the production of genetically superior high yielding coconut planting materials with the aim of increasing yields.

The irrigation sector provided a substantial contribution to the national economy by providing irrigating water for agriculture, supplying water for domestic and industrial sectors and maintaining ground water stock. During the year 2017, Rs. 74 Bn was invested in the irrigation sector including Mahaweli Development, focusing on areas such as development and construction of new reservoirs, enhancement of the water capacity of existing reservoirs and productivity and efficiency improvement in the consumption of water. A major portion of investment worth of Rs. 19,774 million was made on the Moragahakanda, Kalu Ganga Development Project, and Rs. 13,600 million was invested in the Uma Oya Project.

### 4.8.5 Housing and Common Amenities

Government invested Rs. 83,768 million in 2017 on housing and common amenities sector a 23 percent increase compared to Rs 68,269 million in 2016. A major portion of the funds was used for housing development in rural and urban areas.

Chart 4.11 | Expenditure of Housing and Common Amenities Sector, 2016 & 2017



#### 4.8.5.1 Housing Development

Housing development under the theme “Shelter for all” is undertaken by several ministries including the Ministry of Housing and construction, the Ministry of Megapolis and western Development. These housing

development programmes supplemented further through the subsidized loans and grants. The investment in the sector amounted to Rs. 28,046 million in 2017 an increase of 34 percent over 2016. Further a loan of Rs.14 billion was provided via the domestic banks to support the Urban Regeneration Project.

Table 4.20 | Expenditure on Housing Development in 2016 & 2017 by Ministries

Ministry	Rs. Mn	
	2016	2017
Ministry of Housing and Construction	6,644	6,946
Ministry of Hill Country New Villages, Infrastructure and Community Development	726	1,794
Ministry of Megapolis and Western Development		8,500
Ministry of Disaster Management	2,120	2,382
Ministry of Prison Reform, Rehabilitation, Resettlement and Hindu Religious Affairs	9,255	5,012
Ministry of Provincial Councils and Local Government	68	113
<b>Total</b>	<b>20,927</b>	<b>28,046</b>

Source: Department of National Budget

The concessionary loans and financial grants introduced by the Ministry of Housing and Construction continued in 2017 as well providing assistance for beneficiaries based on their income and the requirement. 73,930 numbers of beneficiaries benefited from this programme in 2017. From the total housing constructions initiated, 24,768 houses were completed. Renovation of 24 housing schemes was undertaken at a cost of Rs. 250 million in 2017. With a view to provide housing facilities for middle income families, construction of 5 housing schemes at Wadduwa, Jaltara, Ragama, Homagama and Kundasale commenced in 2017 on PPP basis. In 2017 Rs. 120.0 million has been spent for operational cost of this programme.

In addition, the Ministry of Hill Country New Villages, Infrastructure and Community Development supported housing development in the plantation community by investing Rs. 1,794 million. 1,040 houses in the plantation sector were completed under this programme.

With a view to provide housing facilities to the people in the Eastern and Northern Provinces, especially for the internally displaced people, Rs. 5,012 million was invested by the government in 2017 to provide assistance for construction of 6,232 houses.

Investment on development of housing facility in the areas damaged by the recent disasters such as floods and landslides in 2017, was Rs. 2,382 million and 2,221 families benefitted by this investment.

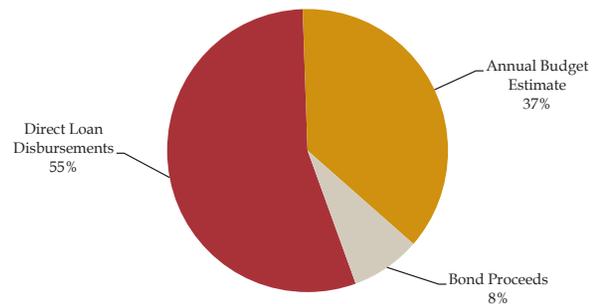
The Ministry of Megapolis and Western Development associates in housing development

in the urban areas specially focusing on the urban poor, invested Rs. 8,500 million in 2017 on urban housing development under the Urban Regeneration Project. Under this project 1,750 housing units in 5 locations in Colombo have been completed and 17 housing schemes with 9,540 housing units are in progress.

### 4.8.5.2 Drinking Water and Sanitation

With a view to provide access to safe drinking water and quality sanitation services, the government invested Rs 70,540 million on water supply and sanitation in total, including providing support to the National Water Supply and Drainage Board(NWSDB) to meet the cost financing of such loans from both domestic and foreign Banks. Of which, the total loans borrowed and disbursed by NWSDB was Rs. 38,799 million and Rs 26,094 million provided through the government annual budget. Treasury Bond proceeds utilized by NWSDB in 2017 for domestic counterpart funds of foreign funded water supply and sewerage projects was Rs. 5,647 million.

Chart 4.12 | Investment in Drinking Water & Sanitation Sector - 2017



Government policy decision on financing mechanism on borrowings of the water supply and sanitation projects applied on financing projects in 2017 as well. 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. Therefore, debt service (Capital & Interest) of all foreign and local banks funded projects are borne by the General Treasury 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% during 2016 to 2020

Development initiatives by the government in provision of access to safe drinking water have been successful in a nationwide basis by covering almost 85% of the population.

In addition, total investment of Rs. 3,142 Million on improving sanitation services by the Ministry of Provincial Councils and Local Government shows a major increase of 213 percent over the last year mainly due to the investments in Greater Colombo Waste Water Management Project supporting the changing landscape of Colombo city.

Table 4.21 | Major Projects implemented in 2017

Project	2017 Actual Expenditure (Rs. Million)		
	Foreign	Local	Total
Ongoing Water Supply and Sewerage Projects implemented by the NWS&DB	14,937	4,800	19,737
Water Supply and Sanitation Improvement (GOSL/WB)	3,183	75	3,258
Prevention of Water-borne Diseases in the Chronic Kidney Disease Affected Areas	-	602	602
Inter-provincial Projects	-	529	529
GPOBA funded project for Increasing Household Access to Sewerage Services (GOSL-WB)	130	49	179
Improvement of Rural Water Supply & Sanitation	-	150	150
Water Supply to Chilaw, Vavunia, Mannar & Puttalam-Dry Zone Urban Water Supply Project (GOSL-ADB V)	159	126	285
Improvement of Community Water Supply	-	100	100
Sewerage System - Colombo Municipal Council Project	-	479	479
Greater Colombo Wastewater Management Project (GOSL/ ADB)	2,097	556	2,653

Source: Department of National Budget

### 4.8.5.3 Urban Development

Integrated Government expenditure in 2017 for the development of urban facilities was Rs. 19,820 million of which Rs. 18,597 million was under the Ministry of Megapolis and Western Development and Rs. 1,223 million under the Ministry of City Planning and Water Supply.

Expenditure under the Ministry of Megapolis and Western Development mainly focused in transforming the entire Western Province into

a Megapolis area to be part of a comprehensive development programme. In addition to Western Region Megapolis, developing strategic cities such as Galle, Kandy, Jaffna, Anuradhapura and Trincomalee has been given priority in 2017 under the Medium Term Expenditure Framework, ensuring the benefits of urbanization will be evenly distributed across the country. Ministry of City Planning and Water Supply focused on upgrading towns and cities especially in the lagging regions of the country in 2017.

Table 4.22 | Expenditure on Major Development Projects in 2017

Project	Total Expenditure in 2017		
	Foreign	GOSL	Total
<b>Ministry of Megapolis and Western Development</b>			
Metro Colombo Urban Development Project-(GOSL-WB)	2,347	1,177	3,524
Development of Strategic Cities- Kandy and Galle (GOSL -WB)	1,851	499	2,350
Townships Development & Urban Solid Waste Management	-	5,855	5,855
Port City Development Project	-	2,709	2,709
Greater Colombo Urban Transport Development Project Phase I - (GOSL-Japan)	-	425	425
Relocation of Manning Market at Peliyagoda	-	841	841
Projects implemented by the Urban Development Authority	-	691	691
Greater Colombo Flood Protection and Environment Development Project	-	362	362
Town Development Projects in Nine Provinces	-	511	511
<b>Ministry of City Planning and Water Supply</b>			
Development of Comprehensive Plan to Upgrade Cities	-	1,220	1,220

Source: Department of National Budget

## 4.8.6 Environment

Government spent Rs. 8,434.2 Million in 2017 on development of the environment sector. The main area of investment was Coast and Forest Conservation which followed by Environmental Management, Wildlife Conservation and Waste Management.

### 4.8.6.1 Wildlife Conservation

Rs. 1,982 Million has been spent on wildlife conservation in 2017 which includes Rs. 690 Million capital expenditure mainly focused on mitigating the human - elephant conflict in prone areas. This includes the construction and maintenance of electric fences of which 404 km long electric fences were newly constructed and 3,308 km long electric fences were maintained. Capital investment on habitat enrichment amounted to Rs. 77.5 million. Under these projects 10 tanks were rehabilitated, 14 concrete water holes were constructed and 287 hectares of invasive plants were removed. In addition 150km roads and 17 causeways were built in the protected areas using Rs. 36.6 Million under the improvement of road network in national parks programme.

Table 4.23 | Major projects implemented in 2017

	Rs. Mn
1 Construction of Electric Fences	100
2 Mitigate Human Elephant Conflict in Sri Lanka (Maintenance of electric fences)	344
3 Habitat enrichment for wildlife	77.5
4 Improvement of Road Network in National Parks	36.6

Source: Department of National Budget

### 4.8.6.2 Coast & Forest Conservation

Rs. 3,373 Million was spent for Coast and Forest Conservation in 2017 with a major portion being incurred on forest conservation.

Table 4.24 | Major projects implemented in 2017

	Rs. Mn
1 Beach Nourishment Project	341.2
2 Coastal Protective Structures	337.9
3 Emergency Coast Protection	28.1
4 Implementation of Coastal Zone Management Programme	22.7
5 Coastal Engineering Investigation	16.7
6 Expanding Forest Cover	402.8
7 Establishment and Management of Industrial Forest Plantations	314.9

Source: Department of National Budget

### 4.8.6.3 Environment Management

Government investment on environment management in 2017 was Rs 2,274 Million. This was directed towards projects such as Ecosystem Conservation and Management

Project and Addressing Climate Change Impact on Marginalized Agricultural Communities at Mahaweli River Basin etc.

Table 4.25 | Major projects implemented in 2017

	Rs. Mn
1 Ecosystems Conservation and Management Project	203.4
2 Addressing Climate Change Impacts on Marginalized Agricultural Communities at Mahaweli River Basin	150.9
3 Enhancing Biodiversity and Sustenance of Ecosystem Service in Environmentally Sensitive Areas	60
4 Mainstreaming Biodiversity and Agrobiodiversity Conservation	54.5
5 Ecosystems Conservation and Management Project	203.4

Source: Department of National Budget

#### 4.8.6.4 Waste Management

Given the importance of waste management the government increased its investment by almost 66 percent in 2017 from 2016. Such investments were directed towards the “Pili saru” programme under the local government institutions, construction works of waste disposal facilities in Jaffna, Anuradhapura, Medirigiriya and Hikkaduwa, Metro Colombo Solid Waste Management Project, Kelaniya Waste Transfer Station. The Aruwakkalu waste management programme commenced work in 2017.

Table 4.26 | Major projects implemented in 2017

	Rs. Mn
1 Metro Colombo Solid Waste Management Project	108.3
2 Pilsaru Programme	223.6
3 Construction of Solid Waste Disposal Facility	125.7

Source: Department of National Budget

### 4.9 Technology Development

The government has identified Information Technology and Research & Development as two core areas that enhance digital ecosystems and sound economic development. Therefore, with a view to stimulate economic growth, the government provided heavy budgetary allocation on ICT development while providing considerable budgetary allocation on Research & Development and Communication.

Recurrent expenditure of the IT sector increased by 65 percent while capital expenditure increased by 80 percent in 2017 in line with government policy to enhance IT services in the country. However the IT sector showed a low utilization of its’ approved budgetary allocations in 2017 due to the delays in the areas such as project identification, procurement and implementation. The Information & Communication Technology Agency (ICTA) continued its efforts to enhance the accessibility of ICT services by implementing “Digitalization of Economy project” which is the main and the largest Project under ICT Development in 2017.

Table 4.27 | Major projects implemented in 2017 on Information Technology

	Rs.Mn
Description	Expenditure
Digitalization of Economy	1322
Construction of Computer Labs in Schools	125
Operating of IT park -Jaffna & Mannar	10

Source: Department of National Budget

Recurrent expenditure of R & D sector increased by 8 percent while the capital expenditure increased by 13 percent in 2017. Government invested Rs 415 Million on Nano Technology Programme in 2017. Government spent Rs. 100 Million to provide assistance on demand driven research activities on diabetics, dengue, CKDU and cancer considering the increasing trend of the disease in the country. 102 Sri Lankan Scientists, Technicians, Engineers, Doctors and Sociologists directly benefited from the project.

Table 4.28 | Major projects implemented in 2017 on Research & Development

	Rs. Mn
Description	Expenditure
Vidatha Programme	51
Scientific Development Programme	72
Nanotechnology Programme	415
Establishment of National Science Center	102
Assist Research in Diabetes, Dengue, CKDU and Cancer	100
Quality assurance of imported Products	150
Seed capital to Innovation Accelerator Fund	56
Establishment of Bio Technology Innovation Park on PPP basis	8
Establish Incubators	100

Source: Department of National Budget



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

**05**

## 5.1 Overview

Treasury cash flow operations in 2017 witnessed lower than estimated cash inflows owing to modest tax revenue collection which was somewhat offset by a decline in government expenditure compared to estimates on cash basis. The deficit in government fiscal operations accounted for Rs. 733.5 billion (or 5.5 percent of GDP), as per the economic classification of government fiscal operations. Such fiscal deficit was mainly financed through borrowings, while the divestiture proceeds also helped marginally in 2017. Deficit financing in 2017 mainly tapped into foreign sources which amounted to 59.9 percent of total financing. Meanwhile, outstanding central government debt fell to 77.6 percent by end of 2017 from 78.8 percent of GDP as at end 2016. However, in nominal terms, outstanding government debt increased by about

10 percent over the previous year, mainly due to the accumulation of foreign outstanding debt. The gross financing need for deficit financing and debt repayments increased in 2017.

## 5.2 Treasury Cash Flow Management

Treasury cash flow management performs a vital function in allocating funds for expenditure programs both in recurrent and capital nature. Hence, effective management of Treasury cash flows ensures the availability of adequate funds for operationalizing government fiscal policy and strategy during the fiscal year through the implementing agencies such as line ministries, departments and other institutions in an efficient manner.

Table 5.1 | Government Treasury Cash Flow Operations -2017

Item	(Rs. Billion)			
	2015 Actual	2016 Actual	2017 Estimate Actual	
Opening Cash balance as at 1st January	(180.7)	(196.8)	(160.3)	(160.3)
Total cash inflow from revenue and other receipts	1,334.7	1,616.2	1,911.4	1,765.3
Tax Revenue	1,270.1	1,446.4	1,810.0	1,645.3
Non Tax Revenue	63.1	168.3	99.9	117.4
Grant Receipts	1.5	1.5	1.5	2.6
Total cash outflow for recurrent payments	(1,621.1)	(1,704.3)	(1,900.3)	(1,853.6)
Personal Emoluments	(604.9)	(633.0)	(666.6)	(666.4)
Pension payments	(152.0)	(165.1)	(175.0)	(175.0)
Samurdhi payments	(40.5)	(40.8)	(44.0)	(39.7)
Fertilizer Subsidy	(49.6)	(26.3)	(35.0)	(30.4)
Other Recurrent	(243.2)	(236.6)	(252.3)	(221.7)
Interest	(530.9)	(602.5)	(727.4)	(720.4)
Total cash outflow for capital payments	(627.4)	(464.1)	(810.0)	(646.1)
Other Capital payments	(357.5)	(330.6)	(555.6)	(400.8)
Grant payments	(1.7)	(2.0)	(5.0)	(3.3)
Advance to Public Officers	(10.3)	(10.5)	(18.4)	(11.0)
Project payment	(257.9)	(121.0)	(231.0)	(231.0)
Net cash surplus / (deficit)	(913.9)	(552.2)	(798.9)	(734.4)
Gross borrowing	1,709.8	1,318.1	1,614.7	1,564.5
Debt repayment	(832.8)	(741.5)	(815.8)	(868.9)
Domestic	(645.9)	(595.7)	(637.8)	(648.0)
Foreign	(186.9)	(145.8)	(178.0)	(220.9)
Net borrowing	877.0	576.5	798.9	695.6
Adjustment account balance (Temporary Employed Balance, net deposits, etc.)	20.8	12.1		12.9
Closing Cash balance as at 31st December	(196.8)	(160.3)	(160.3)	(186.2)

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

Total cash inflow to the Treasury from revenue and other sources during 2017 was Rs. 1,765.3 billion, compared to the estimate of Rs. 1,911.4 billion. The delay in implementation of new Inland Revenue Act and modest economic performance in 2017 resulted in lower than expected cash inflows to the Treasury. Meanwhile, cash outflow in 2017 was Rs. 2,499.7 billion against the estimate of Rs. 2,710.3 billion, and the deviation mainly came from payments for non-project capital expenditure. Hence, the net cash deficit amounted to Rs. 734.4 billion. The net cash deficit was financed through net borrowings which accounted for Rs. 695.6 billion and net changes in deposit and overdraft balance. As a result, the closing cash balance as at 31st December 2017 increased to Rs. 186.2 billion compared to the opening balance of Rs. 160.3 billion. Such increase in deficit cash balance reflects the increase of the debt repayment over the estimate by Rs. 53.1 billion, possibly due to parity changes.

### 5.3 Government Borrowing Programme- 2017

The Parliament approved a borrowing limit of Rs.1,579 billion under the Appropriation Act, No. 24 of 2016 for financing the resource gap in the Budget 2017. Subsequently, the borrowing limit for the year 2017 was enhanced to Rs.1,629 billion by the Appropriation (Amendment) Act No. 32 of 2017.

Actual gross borrowing in 2017 was Rs. 1,620 billion.

### 5.4 Financing the Budget

Of overall budget deficit of Rs. 733.4 billion, 59.9 percent or Rs. 439.2 billion, was financed by net foreign borrowings and the remainder 40.1 percent or Rs. 294.3 billion was financed through domestic borrowings. Net foreign borrowings increased by 12 percent to Rs. 439.2 billion in 2017 from Rs. 391.9 billion in 2016, while net domestic financing increased by 18.5 percent to Rs. 294.3 billion in 2017 from Rs. 248.4 billion in 2016. Foreign financing as a percentage of GDP was 3.3 percent while the domestic financing stood at 2.2 percent of GDP in 2017.

In terms of gross borrowings, the government relied more on foreign financing in 2017. In 2017, gross foreign borrowings increased by 18.3 percent to Rs. 663.8 billion from Rs. 561.0 billion in 2016 mainly due to the issuance of International Sovereign Bonds (USD 1.5 billion) followed by the mobilization of the Foreign Currency Term Financing Facility (USD 1.0 billion). Repayments of the foreign borrowings also increased by 51.2 percent to Rs. 224.6 billion in 2017 from Rs. 169.1 billion in 2016.

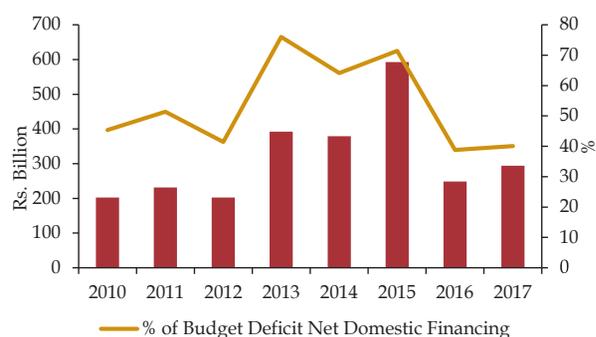
In domestic financing, the government mobilized funds largely through domestic banking sources. Financing from the net non-bank sources declined to Rs. 61.8 billion in 2017 from Rs. 108.5 billion in 2016. The net domestic bank financing increased by 34.0 percent to Rs. 187.7 billion in 2017 from Rs. 140 billion in 2016 due to the increase in net commercial bank financing stemming from the increase in Treasury Bills and Sri Lanka Development Bond Holdings.

#### 5.4.1 Domestic Financing

##### Net Domestic Financing (NDF)

Total net borrowings from domestic sources increased by 18 percent to Rs. 294.3 billion in 2017. The total net borrowing in 2017 through marketable debt instruments amounted to Rs. 81 billion and non-marketable debt instruments were Rs. 213.5 billion which includes divestiture proceeds of Rs 44.7 billion, overdraft of Rs. 45.1 billion and the Central Banks' provisional advances of Rs. 116.5 billion. The borrowings from Central Bank through Treasury bills reduced by Rs. 304.5 billion in 2017 thereby being the main factor in the decrease of NDF, through the marketable debt instruments by 75.3 percent to Rs. 81 billion compared to Rs. 328 billion in 2016.

Chart 5.1 | Trends in Net Domestic Financing



During the year, borrowings from Treasury bills reflected a net outflow of Rs. 82 billion due to the repayments exceeding the issuances stemming from the retirement of the Treasury bills by converting short-term bills into medium and long-term instruments.

Table 5.2 | Net Domestic Financing of the Government Budget: 2016 and 2017

Item	Amount (Rs.Billion)		As a % of Total	
	2016	2017	2016	2017
By Type	248.4	294.3	100.0	100.0
Borrowing from Instruments	327.8	80.8	132.0	27.4
Treasury Bonds*	349.8	109.1	140.8	37.1
Treasury Bills*	98.5	(81.7)	39.6	(27.8)
Rupee Loans	-	-	-	-
Sri Lanka Development Bonds	(120.5)	53.3	(48.5)	18.1
Non Instrument Borrowings	(79.4)	213.5	(32.0)	72.6
Provisional Advances from the Central Bank	(67.8)	116.5	(27.3)	39.6
Other (a)	(11.5)	97.0	(4.6)	33.0
By Maturity	248.4	294.3	100.0	100.0
Medium to Long Term	229.3	162.4	92.3	55.2
Treasury Bonds*	349.8	109.1	140.8	37.1
Rupee Loans	-	-	-	-
Sri Lanka Development Bonds	(120.5)	53.3	(48.5)	18.1
Short term	19.1	131.8	7.7	44.8
Treasury Bills*	98.5	(81.7)	39.6	(27.8)
Provisional Advances from the Central Bank	(67.8)	116.5	(27.3)	39.6
Other (a)	(11.5)	97.0	(4.6)	33.0
By Marketability	248.4	294.3	100.0	100.0
Marketable	327.8	80.8	132.0	27.4
Treasury Bills*	98.5	(81.7)	39.6	(27.8)
Treasury Bonds*	349.8	109.1	140.8	37.1
Sri Lanka Development Bonds	(120.5)	53.3	(48.5)	18.1
Non - Marketable (a)	(79.4)	213.5	(32.0)	72.6
By Ownership	248.4	294.3	100.0	100.0
Banks	139.9	187.7	56.3	63.8
Central Bank	183.0	(187.9)	73.7	(63.9)
Commercial Banks	(43.1)	375.7	(17.4)	127.7
Non Bank Sector (a)	108.5	106.5	43.7	36.2

Sources : Central Bank of Sri Lanka

\*Excluding investment by non residents

(a) Includes Rs. 44,676.98 million of Divestiture Proceeds

## 5.4.2 Foreign Financing

Since domestic savings are inadequate to fill the investment gap, foreign financing is required. Such foreign financing has been mobilized from foreign development partners and lending agencies. However, foreign financing 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.

Despite the risks stemming from global economic developments such as increased commodity and fuel prices, financial crisis in Euro zone, rising geo-political tensions in the world including in the Middle East countries resulting in long-term currency fluctuations, rate hikes in the US, the Government was able to mobilise USD 4,138.2

million during 2017 from both the ODA lenders and the capital markets.

It is also noted that with the country elevating to upper middle income status it is becoming ineligible to access the concessional financing from the ODA's. Given this and the challenges faced by emerging countries in accessing financing in the background of a rate hike in the US, the country has faced with the challenge of raising foreign resources at a low cost with longer tenures. However, US\$ 1,000 million was successfully raised in two tranches in 2017 through a Foreign Currency Term Financing Facility at 6 month LIBOR plus a margin of 2 percent. Furthermore, International Sovereign Bonds (ISBs) amounting to US\$ 1,500 million were issued in May, 2017. The ISBs were priced at 6.20 percent at par value with a tenure of 10 years achieving an oversubscription ratio of over 7 times.

### Foreign Financing Commitments - 2017

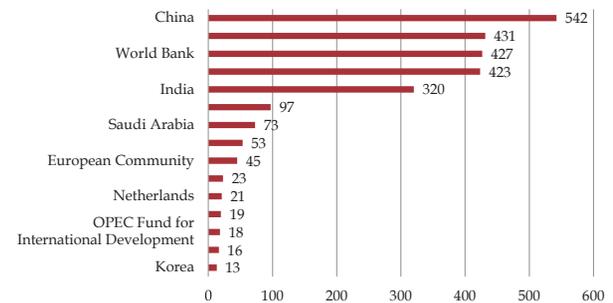
To finance the public investments detailed in the Public Investment Program (PIP) : 2017-2020 and Medium Term Fiscal Framework of the Government coupled with envisaged public debt management targets, the Government has entered into 52 foreign financing agreements in 2017 with foreign creditors and lending agencies amounting to US\$ 5,022.1 million.

Of the total value of commitments made in the form of the ODA in 2017, US\$ 2,281.4 million was raised from entering into 26 loan agreements and US\$ 240.7 million was received from 23 grant agreements. In addition to the foreign finances committed for development activities, the Government has acquired US\$ 2,500 million using facilities available in the international capital markets in 2017, of which US\$ 1,000 million was Foreign Currency Term Financing Facility Loan and International Sovereign Bond Issuance amounted to US\$ 1,500 million.

The highest amount of ODA made in 2017, was committed by China followed by Japan, the World Bank (WB), the Asian Development Bank (ADB) respectively. This financing will be utilized in the next 3-4 years mainly in the sectors

such as water supply and sanitation, ground transport, road and bridges and irrigation.

Chart 5.2 | Lender - wise ODA Commitments during 2017 (in US\$ million)

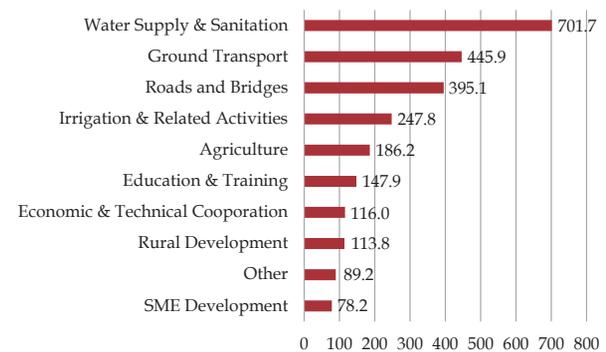


Source : Department of External Resources

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

Water supply and sanitation sector received the highest commitments in 2017, which amounted to US\$ 701.7 million or 29 percent of the total ODA commitments. They are to be utilized mainly in the following flagship projects: Japan funded Kalu Ganga Water Supply Expansion Project (I) (US\$ 279.5 million); China funded Kandy North Pathadumbara Integrated Water Supply Project (US\$ 248.8 million); and ADB funded Jaffna Kilinochchi Water Supply Project (US\$ 120.0 million). The second highest commitments were received to finance the projects implemented in Ground-Transport sector, which included Indian funded Dollar Credit Line of the Development of Railway Sector (US\$ 318.0 million), and the World Bank-funded Transport Connectivity and Asset Management Project (US\$ 127.9 million). In addition, the ADB has committed US\$ 300.0 million for Roads and Bridges sector in 2017.

Chart 5.3 | Sector- wise ODA Commitments - 2017 in US\$ million



Note : Other = Disaster Management, Humanitarian Assistance, Health and Social Welfare, Labor & Vocational Training, Ports & Shipping, Fisheries, Woman Affairs, Environment and Defense

Table 5.3 | List of ODA Grants committed in 2017

Development Partner	Agreement Date	Project/Program	Amount Committed (in Million)			
			Currency	Amount	Rupees	US\$
<b>Bilateral</b>						
India	02/02/2017	Construction of Multi-ethnic Trilingual Secondary School in Polonnaruwa	LKR	300.0	300.0	2.0
Japan	27/02/2017	Economic and Social Development Programme (Improvement of Public Security and Strengthening of Counter-Terrorism Activities)	JPY	250.0	337,300.0	2.2
	12/04/2017	Economic and Social Development Programme (Port and Nautical Activities)	JPY	1,000.0	1,384,700.0	9.1
	30/06/2017	Establishment of a Doppler Weather Radar Network in Sri Lanka	JPY	2,503.0	3,436,100.0	22.4
	30/06/2017	Human Resource Development Scholarship (Three-Year Cycle)	JPY	208.0	285.5	1.9
	30/06/2017	Human Resource Development Scholarship	JPY	362.0	359.7	2.3
Korea	22/02/2017	Project for Establishment of National College of Education (NCoE)	US\$	13.0	1,966.2	13
China	16/05/2017	Economic and Technical Cooperation	CNY	400.0	8,838.6	58.0
United States of America	17/05/2017	Strengthened Partnership for Social Integration	US\$	3.6	543.8	3.6
	26/07/2017	Development and facilitation of Implementation of a Millennium Challenge Compact	US\$	7.4	1,136.1	7.4
	11/08/2017	Strengthened Partnership for Domestic Reform & Social Integration	US\$	8.5	1,303.3	8.5
<b>Multilateral</b>						
Asian Development Bank	09/06/2017	Second Sri Lanka Flood and Landslide Disaster Response Project	US\$	2.0	305.0	2.0
European Community	06/04/2017	Strengthening Reconciliation Processes in Sri Lanka	EUR	12.0	1,942.7	12.8
	06/04/2017	Support to the Modernization of Agriculture Sector in Sri Lanka	EUR	30.0	4,856.8	32.0
Food & Agriculture Organization	15/02/2017	Development of site specific fertilizer management systems for sustainable crop production	US\$	0.3	40.8	0.3
	20/03/2017	Emergency Assistance to Restore Agricultural Livelihoods of Vulnerable Households Affected by Drought	US\$	0.5	75.7	0.5
	15/02/2017	Promote Scaling-up innovative rice-fish farming and climate resilient Tilapia pond culture practices for blue growth in Asia	US\$	0.5	73.9	0.5
United Nations Educational, Scientific & Cultural Organization	20/03/2017	A Tracer Study of the Graduates of the Universities in Sri Lanka	US\$	0.02	3.6	0.02
	20/03/2017	Enhancing the preparedness for the impacts of climate change on mangroves through research and training	US\$	0.02	3.8	0.02
	20/03/2017	Strengthening Gender Equality and Equity and zero tolerance for sexual and gender-based violence	US\$	0.03	3.9	0.03
UNICEF	05/12/2017	Country Programme Action Plan (CPAP) 2018-2022	US\$	57.2	8,792.0	57.2
World Food Programme	12/05/2017	Relief Assistance for Drought-Affected Communities -Emergency Operation SL	US\$	2.5	380.8	2.5
	28/06/2017	Relief Assistance for Drought-Affected Communities -Emergency Operation SL (enhancement)	US\$	2.4	362.9	2.4
<b>Total</b>						240.7

Source : Department of External Resources

Table 5.4 | List of ODA Loans and Market Borrowing Instruments Committed in 2017, along with Financial Terms

Development Partner/Lending Agency	Agreement Date	Project/Program/Instrument Name	Commitment in million			Financial Terms						
			Currency	Amount	In Rupee	In US\$	Interest		Other fees (based on annual rate)	Grace Period (years)	Maturity Period (from the date of signing) (years)	
							Type	Annual Rate (%)				Margin (100 basis points)
<b>Bilateral ODA</b>												
Japan	07/07/2017	Rural Infrastructure Development Project in Emerging Regions	JPY	12,957.00	17,498.40	113.8	Fixed	T1- 1.40, T2-0.01	N/A	Frontend fee Yen 25.9 million	7	25
	07/07/2017	Kalu Ganga Water Supply Expansion Project (I)	JPY	31,810	42,959.40	279.5	Fixed	T1- 1.40, T2-0.01	N/A	Frontend fee Yen 63.6 million	7	25
Kuwait	30/03/2017	Kalu Ganga Development Project (Supplementary)	KWD	5	2,476.30	16.3	Fixed	1.5	N/A	Service fee 0.05%	2	22
Saudi Arabia (Saudi Fund For Arab Economic Development)	24/10/2017	Left bank Development Project in Kalu Ganga	SAR	168.8	6,889.00	44.8	Interest-Free			Service fee 2%	5	25
	24/10/2017	Wayamba University Township Development Project	SAR	105	4,286.50	27.9	Fixed	2	N/A	-	5	25
Netherlands (Co-op Centrale Raiffeisen-Boerenleenbank)	30/11/2017	Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District.	EUR	17.5	3,200.10	20.8	Variable	EURIBOR 3 Months (During Disbursing Period) and EURIBOR 6Months (During Repaying Period)	1.45	-	3	13
India (Export Import Bank of India)	06/06/2017	Doller Credit Line 318M of the Development of Railway Sector	US\$	318	48,493.90	318	Fixed	1.75	N/A	Commitment fee 0.5 %	5	20
Austria (Raiffeisen Zentral Bank)	02/11/2017	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	EUR	9.5	1,702.40	11.1	Interest-Free	-	N/A	Handling fee EUR 1,440, Guarantee Fee EUR 59,375, Management Fee EUR 42,750	8	20
	28/11/2017	Obtaining 100 Ambulance Cars for Government Hospitals	EUR	9.9	1,801.10	11.7	Interest-Free	-	N/A	Handling fee EUR 1,440, Upfront Fee EUR 36,942.72, Management Fee EUR 44,331.27, Commitment fee 0.45%	8	23

Table 5.4 | List of ODA Loans and Market Borrowing Instruments Committed in 2017, along with Financial Terms

Development Partner/Lending Agency	Agreement Date	Project/Program/Instrument Name	Commitment in million			Financial Terms							
			Currency	Amount	In Rupee	In US\$	Interest		Margin (100 basis points)	Other fees (based on annual rate)	Grace Period (years)	Maturity Period (from the date of signing) (years)	
							Type	Annual Rate (%)					
	22/12/2017	Kandy North Pathadumbara Integrated Water Supply Project	CNY	1,636.60	38,058.20	248.8	2	Fixed	2	N/A	Commitment fee 0.25%	6	20
											Management Fee 0.25% of the total commitment		
China (The Export-Import Bank of China)	22/12/2017	Consultancy Services for Design Review and Construction Supervision of Civil works on Extension of Southern Expressway Project	CNY	577	13,418.20	87.7	2	Fixed	2	N/A	Commitment fee 0.25%	6	20
	22/12/2017	Thalpitigala Reservoir Project	US\$	147.9	22,621.70	147.9	2	Fixed	2	N/A	Management Fee 0.25% of the total commitment	6	15
<b>Market Borrowing</b>													
(Agent) Citicorp International Limited	09/05/2017	Foreign Currency Term Financing Facility - 2017	US\$	450	68,541.90	450	LIBOR 6 months for US\$	Variable	2	2	Agency fee USD 30,000 Upfront fee USD 6.75 million Legal fee USD 48,500 Charges & Expenses USD 53,085.28	1	3
Singapore	08/08/2017	Foreign Currency Term Financing Facility - 2017 (Enhancement)	US\$	550	84,346.80	550	LIBOR 6 months for US\$	Variable	2	2	Upfront fee USD 8.2 million		
International Bond Issues	11/05/2017	International Bond Issues 2017	US\$	1,500.00	228,473.10	1,500.00	6.2	Fixed	6.2	N/A	-	10	10
<b>Multilateral ODA</b>													
	17/03/2017	Project Design Advance for Northern Province Sustainable Fisheries Development Project	US\$	1.3	196.7	1.3	2	Fixed	2	N/A	-	2	6
	22/11/2017	Second Integrated Road Investment Programme - Tranche 01	US\$	60	9,229.00	60	2	Fixed	2	N/A	-	5	25
Asian Development Bank	22/11/2017	Second Integrated Road Investment Program - Tranche I	US\$	90	13,843.50	90	LIBOR 6 months for US\$	Variable	2	0.7	Commitment fee 0.15%	7	30
	15/12/2017	Jaffna Kilinochchi Water Supply Project - Additional Financing	US\$	25	3,833.60	25	2	Fixed	2	N/A	-	5	25
	15/12/2017	Jaffna Kilinochchi Water Supply Project - Additional Financing	US\$	95	14,567.70	95	LIBOR 6 months for US\$	Variable	2	0.7	Commitment fee 0.15%	7	30
	15/12/2017	Integrated Road Investment Program - Tranche 4	US\$	150	23,001.60	150	LIBOR 6 months for US\$	Variable	2	0.7	Commitment fee 0.15%	7	30
European Investment Bank	20/01/2017	Implementation of Greater Colombo Water and Wastewater Management Improvement Program-Project 3	EUR	50	8,014.60	53.4	LIBOR 6 months for US\$	Variable	2	0	-	1	11

Table 5.4 | List of ODA Loans and Market Borrowing Instruments Committed in 2017, along with Financial Terms

Development Partner/Lending Agency	Agreement Date	Project/Program/Instrument Name	Commitment in million			Financial Terms							
			Currency	Amount	In Rupee	In US\$	Interest		Other fees (based on annual rate)	Grace Period (years)	Maturity Period (from the date of signing) (years)		
							Type	Annual Rate (%)				Margin (100 basis points)	
World Bank (International Bank for Reconstruction and Development)	17/07/2017	Accelerating Higher Education Expansion & Development Operation (AHEAD) programme	US\$	67	10,299.90	67		Interest-Free	-	N/A	Frontend fee US\$ 167,500 & Commitment fee 0.25%	10	24
International Fund for Agricultural Development	26/06/2017	Implementation of Smallholder Agribusiness Partnership (SAP) Program Loan No 2000001843	US\$	33.7	5,167.70	33.7	2	Fixed	2	N/A	-	5	24
World Bank (International Development Association)	17/01/2017	Agriculture Sector Modernization Project	SDR	89.2	17,963.20	119.7	1.25	Fixed	1.25	N/A	Service fee 0.75%	5	24
	17/07/2017	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme	SDR	24.4	5,202.10	33.8	1.25	Fixed	1.25	N/A	Service fee 0.75% & Commitment fee 0.5%	5	24
	29/09/2017	Transport Connectivity and Asset Management Project	SDR	90.5	19,581.80	127.9	1.25	Fixed	1.25	N/A	Service fee 0.75% & Commitment fee 0.5%	4	15
OPFEC Fund for International Development	04/10/2017	Financial Sector Modernization Project	SDR	55.4	11,987.10	78.2	3.36	Fixed	3.36	N/A	Frontend Fee SDR 138,500	5	23
	13/10/2017	Kalu Ganga Development Project (Additional Loan)	US\$	18	2,765.30	18	2.5	Fixed	2.5	N/A	Service fee 1%	5	20
Total						4,781.40							

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

LIBOR = London Interbank Offer Rate

EURIBOR = European Interbank Offer Rate

N/A = Not Applicable

T = Loan Tranche

- denotes "no value"

## International Sovereign Bond Issuance (ISB), Foreign Currency Term Financing Facility Loans and Sovereign Guaranteed loans

In 2017, the Government has issued an ISB amounting to US\$ 1,500 million with a term of 10 year at an interest rate of 6.200 percent.

Table 5.5 | Sovereign Bond Issuances

Date of Issuance	Amount (US\$ million)	Annual Interest Rate (%)	Tenure (Years)	Maturity Date
10/04/2010	1,000	6.25	10	04/10/2020
27/07/2011	1,000	6.25	10	27/07/2021
25/07/2012	1,000	5.875	10	25/07/2022
06/01/2014	1,000	6	5	14/01/2019
07/04/2014	500	5.125	5	11/04/2019
03/06/2015	650	6.125	10	03/06/2025
03/11/2015	1,500	6.85	10	03/11/2025
18/07/2016	500	5.75	6	18/01/2022
18/07/2016	1,000	6.825	10	18/07/2026
11/05/2017	1,500	6.2	10	11/05/2027

Source : Central Bank of Sri Lanka

Furthermore, the Government has issued sovereign guarantees amounted to US\$ 600.0 million for the ADB funded wind power project acquired by Ceylon Electricity Board and China funded several water sector projects obtain by the Water Board of Sri Lanka.

Table 5.6 | Foreign Financing Disbursements of Official Development Assistance - 2017

Development Partner	Amount Disbursed (US\$ million)		
	Loan	Grant	Total
Bilateral	1,022.20	10.2	1,032.40
China	589.8	-	589.8
Japan	156	9.6	165.6
Netherlands	15.3	-	15.3
United Kingdom	40.7	-	40.7
India	62	-	62
Spain	31.8	-	31.8
Korea	4.6	-	4.6
United States of America	9.4	-	9.4
Saudi Arabia	19.0	-	19.0
Germany	5.9	0.6	6.4
Kuwait	9.8	-	9.8
Denmark	14.3	-	14.3
Hungary	5.3	-	5.3
Austria	6.7	-	6.7
Belgium	3.0	-	3.0
Australia	10.0	-	10.0
France	38.6	-	38.6
<b>Multilateral</b>	616.0	20.3	636.4
World Bank (IBRD & IDA)	218.8	9.5	228.4
ADB	360.9	-	360.9
UN Agencies	12.0	10.8	22.8
OPEC Fund	24.3	-	24.3
<b>Total</b>	<b>1,638.2</b>	<b>30.5</b>	<b>1,668.7</b>

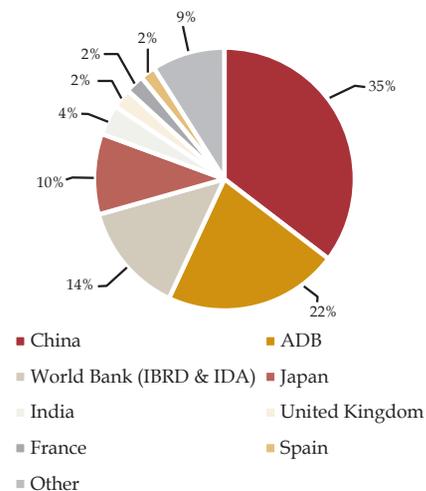
Source : Department of External Resources

- Note : 1. Financial value disbursed in different currencies have been converted in to USD as per year end exchange rate  
 2. Disbursements of State Owned Enterprises are not included  
 3. Denotes no disbursements were made

## Foreign Financing Disbursements and Utilization

Committed amounts used for development projects are to be utilized within 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 foreign development partners and lending agencies in 2017 amounted to US\$ 1,668.7 million, of which, US\$ 1,638.2 million was disbursed through loans and US\$ 30.5 million through grants.

Chart 5.4 | Development Partner-wise Disbursements - 2017 (US\$ million)



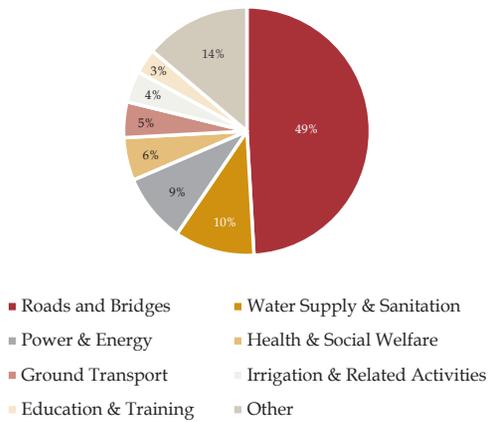
Similar to the last year, of the total disbursements made for development projects and programs in 2017, the highest amount of disbursements has been utilized for road and bridges sector followed by water supply and sanitation sector, power and energy and health and social welfare sectors respectively.

Table 5.7 | Sector - Wise Composition of ODA Disbursements in 2017

Economic Sector	Amount (US\$ million)
Roads and Bridges	819.2
Water Supply and Sanitation	174.9
Power and Energy	150.3
Health and Social Welfare	93.0
Ground Transport	77.5
Irrigation and Related Activities	68.5
Education and Training	53.9
SME Development	37.5
Labor and Vocational Training	35.5
Defense	33.4
Livestock Development	26.9
Disaster Management	22.8
Agriculture	20.8
Housing and Urban Develop.	19.1
Environment	15.5
Other	20.0
<b>Total</b>	<b>1,668.70</b>

Source : Department of External Resources

Chart 5.5 | Sector-wise Disbursements - 2017 (US\$ million)



### 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\$ 12.3 billion worth of 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.

China accounts for almost 22 percent of the committed foreign financing yet to be disbursed in next few years followed by Japan, the World Bank, and the ADB, which together accounts for almost 50 percent of the CUB in the next 3-5 years.

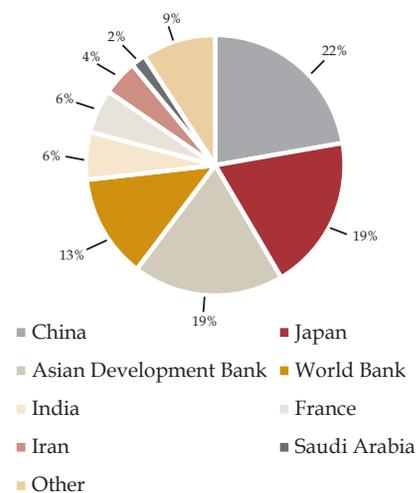
Table 5.8 | Cumulative Undisbursed Balance as at End 2017

Lender	Rupee million	US\$ million	%
Bilateral	907,306.5	5,935.7	65.6
China	308,119.1	2,015.8	22.3
Japan	265,994.6	1,740.2	19.2
India	81,904.0	535.8	5.9
France	75,139.9	491.6	5.4
Iran*	61,047.3	399.4	4.4
Saudi Arabia	24,863.9	162.7	1.8
Russia	20,593.5	134.7	1.5
Netherlands	19,718.8	129.0	1.4
Kuwait	14,195.4	92.9	1.0
Korea	13,297.0	87.0	1.0
Germany	6,059.1	39.6	0.4
Spain	4,635.5	30.3	0.3
Austria	4,041.2	26.4	0.3
Denmark	3,061.7	20.0	0.2
Pakistan	2,274.8	14.9	0.2
USA	1,576.5	10.3	0.1
United Kingdom	492.9	3.2	0
Australia	166.8	1.1	0
Belgium	65	0.4	0
Sweden	59.5	0.4	0
Multilateral	476,484.4	3,117.4	34.4
Asian Development Bank	261,024.9	1,707.7	18.9
World Bank (IDA)	149,669.0	979.2	10.8
World Bank (IBRD)	28,287.2	185.1	2.0
OPEC Fund	19,346.8	126.6	1.4
International Fund for Agricultural Development	9,124.3	59.7	0.7
European Investment Bank	9,032.2	59.1	0.7
<b>Total</b>	<b>1,383,790.9</b>	<b>9,053.1</b>	<b>100.0</b>

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 2017  
 2. \* CUB is affected by international sanctions imposed on Iran  
 3. CUB of State Owned Enterprises are not included

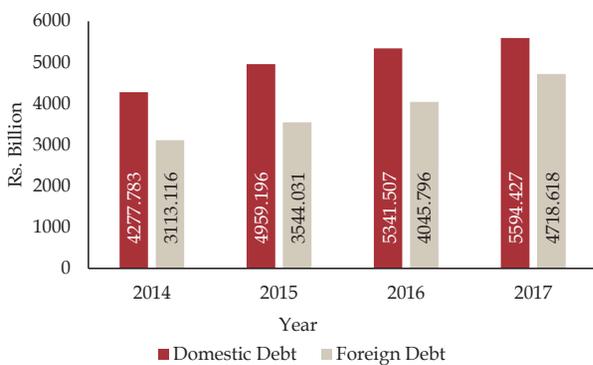
Chart 5.6 | Donor-Wise Composition of CUB as at end of 2017



## 5.5 Central Government Debt

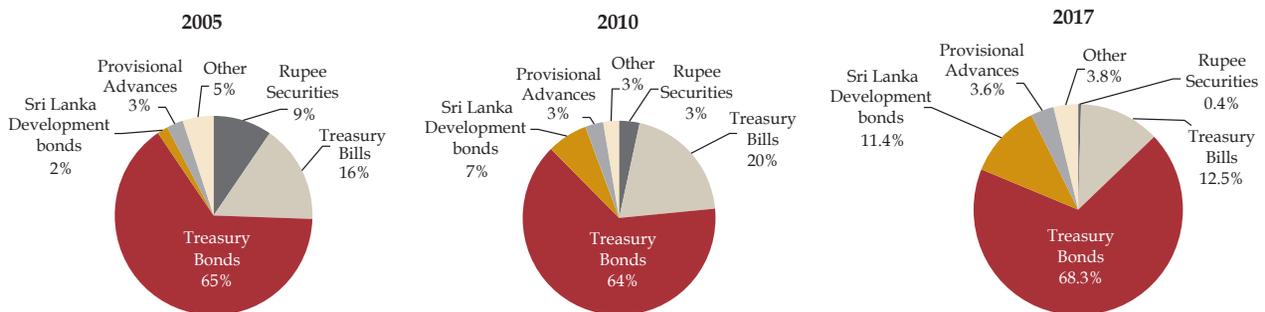
The debt to GDP ratio declined by 1.2 percentage points to 77.6 percent in 2017 from 78.8 percent in 2016. This was due to the higher growth in nominal GDP relative to the nominal growth in the debt stock. However, the total Government debt increased by 9.9 percent or Rs. 925.7 billion to Rs. 10,313 billion at end 2017 from Rs. 9,387.3 billion at end 2016. The total debt included domestic debt of Rs. 5,594.4 billion and foreign debt of Rs. 4,718.6 billion. The increase of the outstanding debt stock was mainly due to the rise in net borrowings and the depreciation of the rupee against foreign currencies. The domestic and foreign debt to GDP ratio was 42.1 percent and 35.5 percent, respectively in 2017 in comparison to 44.9 percent and 34 percent in the previous year.

Chart 5.7 | Central Government Debt



The share of domestic debt in the total government debt declined to 54.2 percent at end 2017 from 56.9 percent at end 2016 mainly due to the lower borrowing, particularly from Treasury bills. However, the share of foreign debt increased to 45.7 percent at end 2017 from 43.1 percent in at end 2016. In terms of donor based debt

Chart 5.8 | Composition of Domestic Debt



classification, the outstanding debt to Japan and China amounted to 51.1 percent and 14 percent, respectively in bilateral debt category. In the multilateral category, ADB and IDA accounted for 52.8 percent and 39.0 percent, respectively at end 2017.

### 5.5.1 Domestic Debt

Government domestic debt, excluding the rupee denominated Treasury bills and bonds issued to non-residents, stood at Rs. 5,594 billion as at end 2017, an increase of 4.7 percent, from Rs. 5,342 billion at end 2016.

#### 5.5.1.1 Composition of Domestic Debt

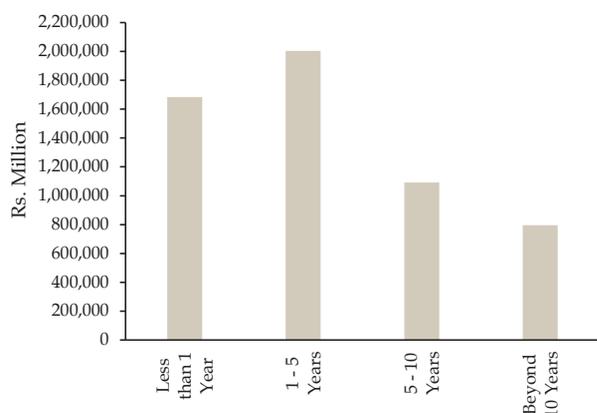
##### Composition by Type

Total outstanding domestic debt as at end 2017 including Treasury bonds, Treasury bills and SLDBs amounted to 68.3 percent, 12.5 percent and 11.4 percent, respectively. The balance 7.8 percent, represented the provisional advances from the Central Bank of Sri Lanka (3.6 percent), Rupee loans (0.4 percent) and other borrowings (3.8 percent). During 2017, the outstanding balance of the longer tenured instruments increased by 2.0 percent in 2017 while the debt stock at the shorter end of the curve saw a 12.5 percent decrease as at end 2017 from 14.6 percent as of end 2016. This was in line with the government strategy of smoothening the maturity structure by extending the longer end of the curve. Outstanding stock of SLDBs increased marginally by 0.7 percent in 2017 while extending the maturity profile as well. The share of provisional advances obtained from the Central Bank of Sri Lanka increased to 3.6 percent as at end 2017 from 1.6 percent as at end 2016.

## Maturity profile

The share of domestic debt maturing within a one year of total outstanding domestic debt represented 18.4 percent while balance 81.6 percent was to be matured beyond 2018.

Chart 5.9 | Domestic Debt Maturity Profile



The total medium to long-term debt portfolio included 84 percent of Treasury bonds and the remaining 16 percent consisted 14 percent SLDBs, 0.4 percent of Rupee Loans and 1.6 percent of other borrowings.

## Composition by Marketability of Domestic Debt

Reflecting the continuous utilisation of marketable debt instruments over the past few years the marketable debt stock increased by 1.8 percent to Rs. 5,158 billion as at end 2017. Marketable debt instruments constituted 92.2 percent of the total domestic debt stock. The total value of marketable debt instruments portfolio of Rs. 5,158 billion, constituted 74.1 percent of Treasury bonds, 13.5 percent of Treasury bills and 12.4 percent of Sri Lanka Development Bonds.

Table 5.9 | Central Government Domestic Debt(a)

Item	2010	2011	2012	2013	2014	2015	2016	(Rs. Million)
								2017 Provisional
Total Domestic Debt	2,565,662	2,804,085	3,232,813	3,832,825	4,277,783	4,959,196	5,341,507	5,594,427
By Type								
Rupee Loans	87,709	61,961	58,386	55,518	55,518	24,088	24,088	24,088
Treasury Bills	514,442	590,885	629,070	700,137	694,767	658,240	779,581	697,154
Treasury Bonds (b)	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620
Sri Lanka Development Bonds	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886
Provisional Advances	77,879	94,743	111,292	109,167	143,898	151,132	83,307	199,801
Other	67,869	53,400	116,017	146,428	148,463	152,031	167,545	212,879
By Maturity								
Short term	619,549	698,190	813,273	909,156	941,162	913,291	968,396	1,031,181
Treasury Bills	514,442	590,885	629,070	700,137	694,767	658,240	779,581	697,154
Provisional Advances	77,879	94,743	111,292	109,167	143,898	151,132	83,307	199,801
Other	27,228	12,562	72,911	99,852	102,498	103,920	105,508	134,227
Medium and Long - Term	1,946,113	2,105,895	2,419,541	2,923,670	3,336,620	4,045,905	4,373,111	4,563,246
Treasury Bonds (b)	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620
Rupee Loans	87,709	61,961	58,386	55,518	55,518	24,088	24,088	24,088
Sri Lanka Development Bonds	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886
Other	40,640	40,838	43,107	46,577	45,966	48,111	62,037	78,652
By Marketability								
Marketable	2,332,206	2,593,981	2,947,118	3,521,712	3,929,904	4,631,946	5,066,567	5,157,659
Treasury Bills	514,442	590,885	629,070	700,137	694,767	658,240	779,581	697,154
Treasury Bonds	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620
Sri Lanka Development Bonds	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886
Non - Marketable	233,456	210,104	285,695	311,113	347,879	327,251	274,940	436,767
By Ownership								
Banks	691,716	886,221	1,060,317	1,433,773	1,669,882	1,924,036	2,114,901	2,328,544
Central Bank	78,376	263,330	265,198	112,396	267,677	256,050	414,950	209,412
Treasury Bills	2,993	169,797	154,005	3,053	123,496	104,754	331,389	9,908
Provisional Advances	77,879	94,743	111,292	109,167	143,898	151,132	83,307	199,801
Other	-2,496	-1,210	-99	176	282	164	254	-297
Commercial Banks	613,341	622,893	795,119	1,321,377	1,402,205	1,667,986	1,699,951	2,119,133
Rupee Loans	17,615	16,234	15,870	15,870	15,870	15,870	15,870	15,870
Treasury Bills	220,358	185,756	219,748	443,951	278,296	340,664	244,139	463,198
Treasury Bonds (b)	162,215	206,547	244,770	386,398	595,067	517,613	731,942	803,455
Sri Lanka Development Bonds	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886
Other	39,276	30,511	91,737	105,943	121,890	125,382	135,802	198,723
By Institution	613,340	622,892	795,119	1,321,377	1,402,205	1,667,986	1,699,951	2,119,133
State Banks	138,708	193,698	283,426	435,111	527,641	507,164	506,647	744,055
Other	474,632	429,194	511,693	886,267	874,564	1,160,822	1,193,304	1,375,078
Non Bank Sector	1,873,945	1,917,864	2,172,496	2,399,053	2,607,901	3,035,160	3,226,606	3,265,883
By Type	1,873,945	1,917,864	2,172,496	2,399,053	2,607,901	3,035,160	3,226,606	3,265,883
Rupee Loans	70,094	45,727	42,516	39,648	39,648	8,118	8,218	8,218
Treasury Bills	291,091	235,333	255,317	253,133	292,975	212,822	204,052	224,048
Treasury Bonds	1,481,672	1,612,704	1,850,284	2,065,962	2,248,987	2,787,635	2,982,845	3,019,164
Other	31,089	24,100	24,379	40,310	26,291	26,585	31,490	14,453
By Institution	1,873,945	1,917,864	2,172,495	2,399,053	2,607,901	3,035,160	3,226,606	3,265,883
National Savings Bank	286,514	314,319	330,150	358,243	379,877	428,236	426,771	447,792

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

Item	2010	2011	2012	2013	2014	2015	2016	(Rs.Million)
								2017 Provisional
Savings Institutions & Individuals	482,305	436,221	408,827	350,562	441,106	592,220	556,750	449,103
Employees' Provident Fund	861,341	950,474	1,173,870	1,393,458	1,474,244	1,614,256	1,778,276	1,930,141
Insurance Institutions	31,089	34,356	33,768	30,849	30,536	50,597	76,944	72,305
Finance Companies	12,856	11,064	17,040	27,839	59,667	55,587	68,097	64,791
Other	198,090	171,431	208,841	238,102	222,470	294,265	1,021,559	301,752

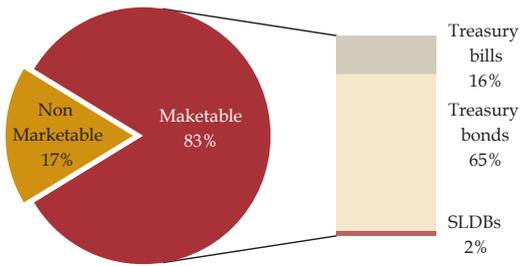
Sources : Department of Treasury Operations and Department of State Accounts of the General Treasury, and Central Bank of Sri Lanka

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

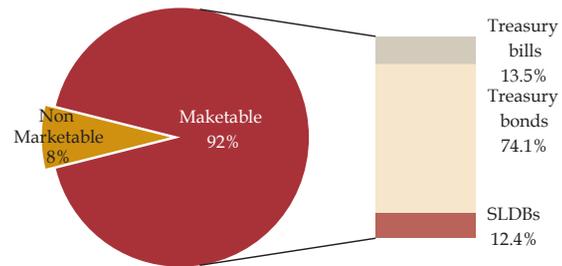
(b) Excludes (i) rupee denominated Treasury bonds held by foreign investors, (ii) Treasury bonds amounting to Rs. 78,447 million issued to settle dues to CPC in January 2012. Due to maturity of some of those bonds in January 2017, the outstanding amount from January 2017 was Rs. 56,662 million and (iii) Treasury bonds amounting to Rs. 13,125 million issued to capitalise SriLankan Airlines

Chart 5.10 | Marketability of Government Domestic Debt

Marketability of Government Debt: 2005



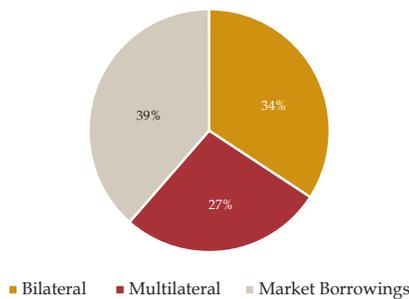
Marketability of Government Debt: 2017



### Ownership of Domestic Debt

The ownership of government domestic debt increased in both banking sector and non-banking sector by 10.1 percent and 1.2 percent, respectively, as at end 2017 over the previous year. However, of the total outstanding domestic debt as at end 2017, the share of non-banking sector declined to 58.4 percent from 60.4 percent as at end 2017, while the share of banking sector increased marginally to 41.6 percent as at end 2017. The domestic debt owned by the Central Bank decreased by 50 percent while the commercial banks' holdings increased by 25 percent as at end 2017 as against the previous year.

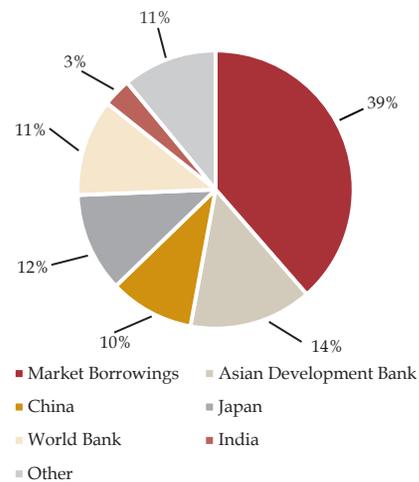
Chart 5.11 | Composition of Outstanding Debt Stock at the End of 2017 - By Creditor Category



### 5.5.2 Outstanding Foreign Debt

The accumulated external debt stock of the Government amounted to US\$ 28.7 billion<sup>1</sup> at the end of 2017, which is an increase of US\$ 3.4 billion (or about 13 percent) when compared to US\$ 25.3 billion at the end of 2016. Market based borrowings including international sovereign bonds and foreign currency term facility loans accounts for 39 percent of the outstanding external debt stock.

Chart 5.12 | Composition of Debt Stock by Lender



<sup>1</sup>Non-resident holdings of Treasury Bills/Bonds and debt stock of State Owned Enterprises are not included

### 5.5.2.1 Currency Composition of Foreign Debt

The total foreign debt at end 2017 comprised 95.5 percent in four major currencies: USD; SDR; Japanese Yen; and Euro. Among them 64 percent consisted of US\$ denominated debt stock which is equivalent 61 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.

Chart 5.13 | Currency Composition of Total Debt Stock

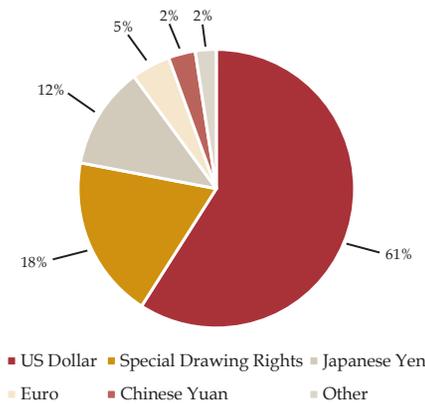
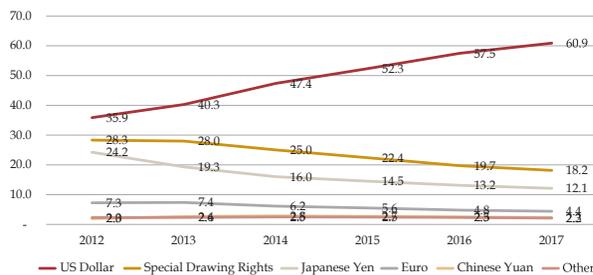


Chart 5.14 | Currency Composition of Outstanding Debt Stock and its Trend from 2012 (Percentage)



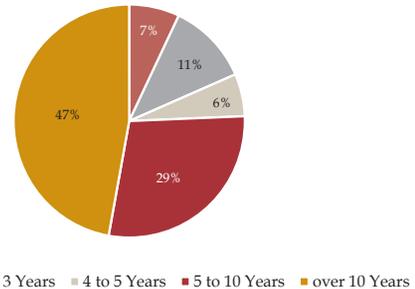
Note : Financial values committed in different currencies have been converted into US\$ as per the exchange rates applicable to end of December each year

### 5.5.2.2 Maturity Structure of External Debt as of end 2017

Almost 24 percent of the external debt is due to mature in the next 5 years while more than 53 percent will mature only in the next 10 years and 47 percent will have a maturity in excess of 10 years. Sovereign bonds amounting to almost USD 5,000 million are due to mature between 2019-2022, which could create pressure on the

cash flows. Hence, it is envisaged that the recently approved Active Liability Management Act will facilitate the government to manage the bunching issue smoothening the repayment structure.

Chart 5.15 | Maturity Structure of Existing Debt Stock as of End of 2017 (US\$ million)



Note : 1. Calculation was made as per remaining maturities.  
 2. The financial value in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December 2017  
 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, in nominal terms, increased by 18.5 percent to Rs. 1,603 billion in 2017 from 1,352.4 billion in 2016 due to the increase in amortization and interest payments. Domestic debt service payments increased by 14.8 percent to Rs. 1,213.5 billion in 2017 while foreign debt service payments increased by 31.7 percent to Rs. 389.5 billion.

The total debt service payments as a percentage of GDP increased to 12.1 percent in 2017 from 11.4 percent in 2016. Total interest payments as a percentage of GDP increased to 5.5 percent in 2017 from 5.1 percent in 2016. Amortization payments increased by 17.0 percent to Rs. 867.5 billion in 2017 as the higher amortization payments on Treasury bonds by 44.9 percent to Rs. 355.9 billion as well as the increased amortization payments on foreign loans by 32.8 percent to Rs. 224.5 billion. In 2017, the interest payment for domestic sources increased to 4.3 percent of GDP from 4.1 percent of GDP in 2016. While interest payment for foreign sources increased to 1.2 percent of GDP in 2017 from 1.1 percent of GDP in 2016. The debt service payments as a percentage of the government revenue increased to 87.5 percent in 2017 from 80.2 percent in 2016. The government

is keen on containing the pressure on revenue stemming from debt service payments in the medium term through revenue based fiscal

consolidation measures and improving debt management operations.

Table 5.10 | Government Debt and Debt Service Indicators (Percentage)

Indicator	2012	2013	2014	2015	2016 (a)	2017 (Provisional)
Total Debt/GDP	68.7	25.0	23.5	77.7	78.8	77.6
Domestic Debt/GDP	37.0	9.5	9.1	8.3	44.9	42.1
Foreign Debt/GDP	31.7	15.6	14.4	15.8	34.0	35.5
Debt Service/GDP	8.4	8.9	7.5	8.3	11.4	12.1
Debt Service/Revenue (b)	96.8	74.8	65.1	63.1	80.2	87.5
Foreign Debt Service/ Export Earnings and Remittances (c)	14.2	14.4	12.6	16.8	11.6	13.4
Domestic Interest/ Recurrent Expenditure	8.0	9.0	5.8	6.8	27.5	29.6
Total Interest/ Government Revenue	30.2	31.2	30.7	27.1	36.2	40.2

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

(a) Based on revised GDP estimates for 2016 made available by the Department of Census and Statistics on 20.03.2018

(b) Government revenue is in economic format

(c) Export of goods and services

Table 5.11 | Government Debt Service Payments

Item	Rs. Bn.					
	2012	2013	2014	2015	2016	2017
Interest(b)	408.5	444.0	436.4	509.7	610.9	735.5
Domestic	317.7	343.0	327.9	394.3	484.2	570.6
Foreign	90.8	101.0	108.5	115.4	126.7	164.9
Repayments	609.0	700.0	632.7	808.1	741.5	867.5
Domestic	415.4	496.0	449.6	523.8	572.4	642.9
Foreign	200.4	204.0	183.1	284.3	169.1	224.6
Total	1,024.3	1,144.0	1,069.1	1,317.8	1,352.4	1,603.0
Domestic	733.1	839.0	777.5	918.1	1,056.6	1,213.5
Foreign	291.2	305.0	291.6	399.7	295.8	389.5

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

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

### 5.6.1 Domestic Debt Service Payments

Total government domestic debt service payments which was 9.1 percent of GDP in 2017, increased by 14.8 percent to Rs. 1,213.5 billion from to Rs. 1,057 billion in 2016. Out of the total debt service payments, amortisation amounted to Rs. 643 billion (53 percent) while the balance Rs. 571 billion (47 percent) was the interest payments. Domestic interest payments as a percentage of GDP also increased to 4.3 percent from 4.1 percent in 2016. However, domestic amortization payments remained unchanged at 4.8 percent in 2017. Domestic debt service payments to the total

government revenue increased to 66.2 percent from 62.7 percent in 2016, due to the increase in debt service payments at 14.8 percent being greater than the revenue growth of 8.6 percent in 2017.

Table 5.12 | Domestic Debt Service Payments

Year	(Rs.Million)		
	Principal payments	Interest payments	Total
2007	252,165	161,370	413,535
2008	258,720	182,198	440,918
2009	401,296	273,977	675,273
2010	389,672	297,127	686,799
2011	439,894	288,134	728,028
2012	415,441	317,659	733,100
2013	496,042	354,706	850,748
2014	449,554	327,934	777,488
2015	523,824	394,289	918,113
2016	572,442	484,182	1,056,624
2017	642,875	570,623	1,213,498

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

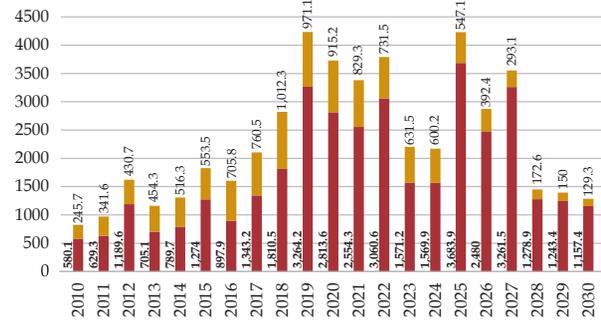
Chart 5.16 | Domestic Debt Service Payments as a % of GDP and Total Government Revenue :2007 - 2017



### 5.6.2 Foreign Debt Service Payments

Total foreign debt service payments<sup>2</sup> in 2017 amounted to US\$ 2,103.7 million, of which principal payment accounted for US\$ 1,343.2 million interest payment accounted for US\$ 760.5 million.

Chart 5.17 | Actual Debt Service Payments from 2010-2017 and Forecast up-to 2030 (US\$ million)



- Notes :
- Forecast was made based on existing portfolio only, i.e. debt stock to be accumulated each year due to new commitments are not included
  - Debt Service of SOEs are not included
  - Financial values in different currencies have been converted into US\$ as per the exchange rates applicable to 31 December of each year and forecast was made based on the exchange rates prevailed on 31st December 2017.

<sup>2</sup>Debt Service = Principal Repayment + Interest payment

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)	
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
Bilateral											
China Development Bank Corporation	Loan	Improvement and Rehabilitation of Priority Roads Phase 2	US\$	2.4	2.4	Variable	LIBOR -6 Month for US\$	2.90%	Management Fee 0.5% Risk Premium 5.0%	4	15
	Loan	Moragahakanda Development Project	US\$	25.6	25.6	Variable	LIBOR -6 Month for US\$	2.90%	Management Fee 0.5% Risk Premium 5.9%	4	15
	Loan	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	US\$	38.8	38.8	Variable	LIBOR -6 Month for US\$	2.95%	Management Fee 0.5% Risk Premium 5.0%	3	15
	Loan	Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	US\$	32.2	32.2	Variable	LIBOR -6 Month for US\$	2.95%	Management Fee 0.5% Risk Premium 5.9%	3	15
Agency Francaise De Development (France)	Loan	Construction of Four Grid Substations Maliboda, Nawalapitiya, Wewelwatta and Ragala	EUR	5	5.4	Variable	EURIBOR -6 Month	1.31%	Commitment Fee 0.5%, Appraisal Fee EUR 150,000	6	20
	Loan	Green Power Development & Energy Efficiency Improvement Investment Program	EUR	5	5.4	Variable	EURIBOR -6 Month	1.31%	Commitment Fee 0.5%, Appraisal Fee EUR 110,000	6	20
India	Loan	India Dollar Credit Line Agreement	US\$	8.7	8.7	Variable	LIBOR -6 Month for US\$	0.50%	Management Fee 0.5%	5	18
	Loan	Greater Dambulla Water Supply Project 1	US\$	0.7	0.7	Variable	LIBOR -6 Month for US\$	2.00%	Management Fee 0.5%, Insurance 6.5%, Commitment Fee 0.50%	3	14
	Loan	Restoration of Northern Railway Services	US\$	35.2	35.2	Variable	LIBOR -6 Month for US\$	0.50%	Management Fee 0.5%, Commitment Fee 0.50%	6	21
	Loan	Procurement of two Advanced Offshore Patrol Vessels	US\$	16.6	16.6	Variable	LIBOR -6 Month for US\$	3.50%	Management Fee 0.5%, Insurance Premium 5%, Guarantee Fee US\$ 19,086, Commitment Fee 0.50%	4	11
Loan	Upgrading of Railway Line Colombo Matara Phase II	US\$	0.8	0.8	Variable	LIBOR -6 Month for US\$	0.50%	Management Fee US\$ 337,000, Commitment Fee 0.50%	4	18	

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)	
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
Japan	Loan	Kandy City Wastewater Management Project	JPY	1,256.50	11.2	Fixed	Tranche 1-10.65% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Loan	Greater Colombo Urban Transport Development Project Phase 2	JPY	273	2.4	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Loan	Habarana-Veyangoda Transmission Line Project	JPY	946.8	8.4	Fixed	Tranche 1-0.3% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Loan	Improvement of Basic Social Services Targeting Emerging Regions	JPY	691.1	6.2	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Loan	Greater Colombo Transmission and Distribution Loss Reduction Project	JPY	5,888.20	52.3	Fixed	Tranche 1-0.3% Tranche 2-0.01%	N/A	-	10	30
	Loan	Major Bridges Contraction Project of the National Road Network	JPY	1,963.40	17.5	Fixed	Tranche 1-0.2% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	10	40
	Loan	Landside Disaster Protection Project of the National Road Network	JPY	886	7.9	Fixed	Tranche 1-1.4% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	8	25
	Loan	Anuradhapura North Water Supply Project (Phase 1)	JPY	166.9	1.5	Fixed	Tranche 1-1.4% Tranche 2-0.01%	N/A	Commitment Fee 0.10%	8	25
	Loan	New Bridge Construction Project over the Kelani River	JPY	5,410.00	48.2	Fixed	Tranche 1-0.1% Tranche 2-0.01%	N/A	-	10	40
	Loan	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPY	36.7	0.3	Fixed	0.30%	N/A	Front End Fee Yen 49.9 million	10	40
Kuwait	Grant	The Project for Human Resource Development Scholarship 2014	JPY	23.3	0.2				N/A		
	Grant	The Project for Human Resource Development Scholarship 2015	JPY	39.9	0.4				N/A		
	Grant	The Project for Human Resource Development Scholarship	JPY	56.9	0.5				N/A		
	Grant	The Project for the Maritime Safety Capability Improvement	JPY	897.6	8.1				N/A		
	Grant	The Project for the Improvement of TV Programmes of Sri Lanka Rupavahini Corporation	JPY	52.6	0.5				N/A		
Korea	Loan	Kalu Ganga Development Project	KWD	2.1	7	Fixed	1.50%	N/A	Service Fee 0.5%	8	27
	Loan	South Eastern University of Sri Lanka Development Project Phase 1 "B"	KWD	0.4	1.2	Fixed	1.00%	N/A	Service Fee 0.5%	5	25
Korea	Loan	Reconstruction of 25 Bridges Project	KWD	0.5	1.5	Fixed	0.50%	N/A	Service Fee 0.5%	5	25
	Loan	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project Sri Lanka	KRW	2.3	2.1	Fixed	0.15%	N/A	-	11	40
	Loan	Construction of Solid Waste Disposal Facilities Project	KRW	0.8	0.7	Fixed	0.15%	N/A	-	11	40
Loan	Deduru Oya Water Supply Project	KRW	2	1.8	Fixed	0.15%	N/A	-	11	40	

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)	
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
Germany	Loan	Construction of the Mahamadara Maternity Hospital, Galle	EUR	5.3	5.9	Fixed	2.20%	N/A	Commitment fee 0.25%	2	13
	Grant	Establishment of 8 Satellite Centres to the Vocational Training Centre in the Northern Province	EUR	0.5	0.6				N/A		
Saudi Fund For Arab Economic Development	Loan	Epilepsy Hospital & Health Centers Project	SAR	2.9	0.8	Fixed	2%	N/A	-	5	25
	Loan	Kalu Ganga Development Project	SAR	42.4	11.1	Fixed	2%	N/A	-	5	20
	Loan	Epilepsy Hospital and Health Centers Project (Additional Finance)	SAR	23.6	6.2	Fixed	2%	N/A	-	5	25
	Loan	Road Network Development Project	SAR	3.6	0.9	Fixed	2%	N/A	-	5	20
Spain	Loan	Supply of three Flyovers in Ganemulla, Polgahawela & Rajagiriya (Bilateral Portion)	EUR	15.3	17.1	Fixed	0.15%	N/A	Management Fee EUR 18,798.32, Commitment Fee 0.10%	5	40
	Loan	Implementation of Anamaduwua Integrated Water Supply Project	EUR	6.9	7.5	Fixed	0.15%	N/A	Management Fee EUR 14,750.94, Commitment Fee 0.10%	5	40
Export Finance & Insurance Corporation (Australia)	Loan	Supply and purchase of Clinical waste disposal Systems and related Equipment	US\$	10	10	Variable	LIBOR -6 Month for US\$	1.00%	Legal Fee US\$ 20,000 other fee	2	11
Banco Bilbao Vizcaya Argentaria S.A. (Spain)	Loan	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	EUR	6.4	7.1	Variable	EURIBOR -6 Month	1.95%	Management Fee EUR 80,564.24	3	13
Calyon Credit Agricole CIB (France)	Loan	Implementation of Greater Matale Water Supply Project (Syndicated loan with Natixis, BNP Paribas and Unicredit Bank Austria)	EUR	13.6	15.1	Variable	EURIBOR -6 Month	1.70%	Commitment Fee 0.75%, Management Fee EUR 618,640.17	3	15
	Loan	Implementation of Kelani Right Bank Water Supply Project- Phase II	EUR	10.7	12.7	Variable	EURIBOR -6 Month	1.33%	Commitment Fee 0.75%, Arrangement Fee EUR 478,972, Legal Fee EUR 33,360	3	15

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)	
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
Co-op Centrale Raiffeisen-Boerenleenbank (Netherlands)	Loan	Implementation of Importation of 20,000 Dairy Animals Project (Balance Part-62.86 US\$)	US\$	6.6	6.6	Variable	LIBOR -6 Month for US\$	2.00%	Commitment Fee 0.25%, Establishment fee US\$ 157,152.36	1	7
	Loan	Implementation of Importation of 20,000 Dairy Animals Project (Advance Payment- 11.09US\$)	US\$	2.8	2.8	Fixed	5%	N/A	-	3	4
Deutsche Bank AG (United Kingdom)	Loan	Development of General Hospital Kaluthara	EUR	1.3	1.5	Variable	EURIBOR -6 Month	1.50%	-	4	13
	Loan	Construction of 463 Rural Bridges	EUR	3.8	4.4	Variable	EURIBOR 6 Month	Tranche 1-1.45% Tranche 2-4%	Management Fee 0.5%, Commitment Fee, 0.25% Management Fee 0.5%, Commitment Fee, 0.25%	3	13
Deutsche Bank AG (United Kingdom)	Loan	Construction of 537 Steel Beam Bridges	US\$	35	35	Variable	LIBOR -6 Month for US\$	Tranche 1-4.15%	Management Fee US\$ 167,500, Commitment Fee 0.25%	3	13
	Loan	Badulla, Haliela and Ella Integrated Water Supply Project	US\$	9.4	9.4	Variable	LIBOR -6 Month for US\$	Tranche 2-1.5%	Management Fee US\$ 643,000, Commitment Fee 0.25%	5	16
HSBC Bank Plc(EKF Denmark)	Loan	Establishment of Dairy Processing Plant of Badalgama	EUR	12.8	14.3	Variable	LIBOR -6 Month for US\$	T1- 1.9%, T2-5%	Tranche 1 -Structuring Fee US\$ 99,759, Tranche 2- Structuring Fee US\$ 285,759, Upfront Fee US\$ 2,234,919, T2- Commitment Fee 0.5%	3	13
	Loan	Modernization of Processing Factories of MILCO (Pvt) Ltd	US\$	3.3	3.3	Variable	LIBOR -6 Month for US\$	2% (Buyer's credit Facility Tranche) & 6% (Commercial tranche)	Structuring Fee US\$ 65,362.8	1	9
RAIFFEISEN ZENTRAL BANK (Austria)	Loan	Regional Bridges project - Phase 11 - Buyer's credit facility	US\$	2.4	2.4	Variable	LIBOR -6 Month for US\$	2%	Structuring Fee US\$ 150,179.06, Commitment Fee 0.25%	4	15
	Loan	Implementation of the Kochchikade Bridge	EUR	3.5	4.1	Interest-free			Management Fee 0.45%	9	17
									- Guarantee Fee of EURO 11,962.50 (onetime payment)		
									- Guarantee margin 1%, Commitment Fee 0.45%		

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Grace Period (Years)	Maturity (Including Grace Period) (years)		
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)			Other Payments	
Export Import Bank of Hungary	Loan	Rehabilitation of Kalatuwawa Water Treatment Plant	EUR	2.3	2.5	Fixed	1.03%	N/A	-	8	20
		Rehabilitation of Labugama Water Treatment Plant project	EUR	2.6	2.8	Fixed	1.03%	N/A	-	8	20
KBC Bank of Belgium	Loan	Implementation of Monaragala - Buttala Water Supply Project	EUR	2.8	3	Interest-Free			Service Fee 1.2%, Commitment Fee 0.5%	3	10
		Mataru Beliatta Section of Mataru - Kataragama Railway Extension Project	US\$	15.9	15.9	Fixed	2.00%	N/A	Management Fee 0.5%, Commitment Fee 0.50%	6	20
The Export-Import Bank of China	Loan	Hambantota Hub Development Project	CNY	400.4	59	Fixed	2.00%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
		Construction of Extension of Southern Expressway, Section 2 from Beliatta to Wetiya Project	US\$	62.2	62.2	Fixed	2.00%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
UniCredit Bank Austria AG (Austria)	Loan	Mataru Beliatta Section of Mataru - Kataragama Railway Extension Project	CNY	22.7	3.3	Fixed	2.00%	N/A	Management Fee 0.5%, Commitment Fee 0.50%	6	20
		Greater Kurunagala Water Supply and Sewerage Project	CNY	116.4	17.6	Fixed	2.00%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
Multilateral	Loan	Construction of Outer Circular Highway Project Phase 3 from Kerawalapitiya to Kadawatha	US\$	78.9	78.9	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	724.4	107.4	Fixed	2%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
UniCredit Bank Austria AG (Austria)	Loan	Construction of Extension of Southern Expressway Section 1 from Mataru to Beliatta	US\$	146.5	146.5	Fixed	2%	N/A	Management Fee 0.25%, Commitment Fee 0.25%	5	20
		Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area	EUR	2.3	2.6	Amount Based Interest	-	-	Handling Fee EUR 1,440, Guarantee Fee 59,062.5, Management Fee EUR 47,250, Commitment Fee 0.4%	8	18
Multilateral											

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Grace Period (Years)	Maturity (Including Grace Period) (years)		
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)			Other Payments	
Asian Development Bank	Loan	Clean Energy and Access Improvement Project	US\$	4.2	4.2	Variable	LIBOR -6 Month for US\$	0.20%	Commitment Fee 0.15%	5	25
	Loan	Clean Energy and Access Improvement Project	SDR	1.1	1.5	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Dry Zone Urban Water and Sanitation Project	SDR	1.3	1.8	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
Asian Development Bank	Loan	Greater Colombo Wastewater Management Project (OCR)	US\$	8.6	8.6	Variable	LIBOR -6 Month for US\$	0.20%	Commitment Fee 0.15%	5	25
	Loan	Greater Colombo Wastewater Management Project (ADF)	SDR	1.5	2.0	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	ADB Funded Fiscal Management Efficiency Project	US\$	9.1	9.1	Variable	LIBOR -6 Month for US\$	0.20%	Commitment Fee 0.15%	5	25
	Loan	Northern Road Connectivity Project (OCR)	US\$	0.5	0.5	Variable	LIBOR -6 Month for US\$	0.20%	Commitment Fee 0.15%	5	25
	Loan	Northern Road Connectivity Project (ADF)	SDR	0.06	0.1	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Jaffna & Kilinochchi Water Supply & Sanitation Project (OCR)	US\$	0.2	0.2	Variable	LIBOR -6 Month for US\$	0.60%	Commitment Fee 0.15%	5	25
	Loan	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	SDR	10.6	14.7	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
Loan	Sustainable Power Sector Support Project (OCR)	US\$	1.2	1.2	Variable	LIBOR -6 Month for US\$	0.30%	Commitment Fee 0.15%	5	25	

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Interest Type	Annual Interest Rate		Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Currency	US\$		Rate	Margin (100 basis points)			
Asian Development Bank	Loan	Sustainable Power Sector Support Project (ADF)	SDR	0.1	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Local Government Enhancement Project	SDR	2.5	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	National Highways Sector Project Additional Finance OCR	US\$	1.1	Variable	LIBOR -6 Month for US\$	0.60%	Commitment Fee 0.15%	5	25
	Loan	Northern Road Connectivity Project - Additional Finance	US\$	1.6	Variable	LIBOR -6 Month for US\$	0.40%	Commitment Fee 0.15%	5	26
	Loan	Northern Road Connectivity Project - Additional Finance	SDR	3.5	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Clean Energy and Network Efficiency Improvement Project	US\$	28.0	Variable	LIBOR -6 Month for US\$	0.40%	Commitment Fee 0.15%	5	25
	Loan	Clean Energy and Network Efficiency Improvement Project	SDR	7.1	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Dry Zone Urban Water and Sanitation Project- Additional Finance	SDR	2.4	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Education Sector Development Program -OCR	US\$	15	Variable	LIBOR -6 Month for US\$	0.40%	Commitment Fee 0.15%	5	25
	Loan	Education Sector Development Program -ADF	SDR	10	Fixed	2%	N/A	-	5	26
	Loan	Greater Colombo Wastewater Management Investment Project 1	US\$	11.1	Variable	LIBOR -6 Month for US\$	0.60%	Commitment Fee 0.15%	5	25
	Loan	Greater Colombo Wastewater Management Investment Project 1	SDR	0.8	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Loan	Skills Sector Enhancement Program -Result based Lending	US\$	7.0	Variable	LIBOR -6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
	Loan	Skills Sector Enhancement Program - Result based Lending	SDR	4.6	Fixed	2%	N/A	-	5	25

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)	
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)				
Asian Development Bank	Loan	Southern Road Connectivity Project	US\$	9.6	9.6	Variable	LIBOR -6 Month for US\$	0.20%	Commitment Fee 0.15%	5	25
	Loan	Southern Road Connectivity Project	SDR	0.3	0.4	Fixed	2%	N/A	-	5	25
	Loan	Greater Colombo Water & Wastewater Management Project 2	US\$	9.3	9.3	Variable	LIBOR -6 Month for US\$	0.40%	Commitment Fee 0.15%	5	25
	Loan	Greater Colombo Water & Wastewater Management Project 2	SDR	0.7	0.9	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Loan	Integrated Road Investment Programme	SDR	6.9	9.3	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Programme - Tranche 2	SDR	0.3	0.4	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Programme - Tranche 2	US\$	20.3	20.3	Fixed	2%	N/A	-	5	25
	Loan	Green Power Development & Energy Efficiency Improvement Pro.	US\$	4.4	4.4	Variable	LIBOR -6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
	Loan	Green Power Development & Energy Efficiency Improvement Project	SDR	2.6	3.7	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Program - Tranche 3	SDR	0.8	1.1	Fixed	2%	N/A	-	5	25
	Loan	Integrated Road Investment Program - Tranche 3	US\$	90.5	90.5	Variable	LIBOR -6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
	Loan	Small and Medium-Sized Enterprises Line of Credit	US\$	37.5	37.5	Variable	LIBOR -6 Month for US\$	0.15%	Commitment Fee 0.15%	10	13
	Loan	Mahaweli Water Security Investment Program - Tranche 1	SDR	4.4	6.2	Fixed	2%	N/A	-	5	25
	Loan	Mahaweli Water Security Investment Program - Tranche 1	US\$	6.0	6.0	Fixed	0.10%	N/A	Commitment Fee 0.15%	5	26
	Loan	Greater Colombo Water and Wastewater Management improvement Investment programme - Project 3	SDR	0.1	0.2	Fixed	2%	N/A	-	5	24
Asian Development Bank	Loan	Greater Colombo Water and Wastewater Management improvement Investment programme - Project 3	US\$	4.0	4.0	Variable	LIBOR -6 Month for US\$	0.50%	Commitment Fee 0.15%	5	25
	Loan	Technical Assistance Loan Agreement - (Transport Project Preparatory Facility)	SDR	1.3	1.9	Fixed	2%	N/A	-	5	25
	Loan	Local Government Enhancement Sector Project - Additional Financing	US\$	4.2	4.2	Fixed	2%	N/A	-	5	25
Loan	Project Design Advance for Northern Province Sustainable Fisheries Development Project	US\$	0.1	0.1	Fixed	2%	N/A	-	2	7	

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Grace Period (Years)	Maturity (Including Grace Period) (years)
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)		
Food & Agriculture Organization	Grant	Promotion of Appropriate Feeding Techniques to - Dairying	US\$	0.1	0.1		N/A	N/A	
	Grant	Improving Seabass Aquaculture in Sri Lanka	US\$	0.1	0.1		N/A	N/A	
	Grant	Agro-Economic Development Project (ADP)	US\$	0.6	0.6		N/A	N/A	
	Grant	Rehabilitation of Degraded Agricultural Lands in Kandy, Badulla and Nuwara Eliya Districts of the Central Highlands	US\$	0.2	0.2		N/A	N/A	
	Grant	Implementation of the National biosafety framework in accordance with the Cartagena Protocol on Biosafety (GCP)	US\$	0.1	0.1		N/A	N/A	
	Grant	Development of site specific fertilizer management systems for sustainable crop production	US\$	0.1	0.1		N/A	N/A	
	Grant	Emergency Assistance to Restore Agricultural Livelihoods of Vulnerable Households Affected by Drought	US\$	0.5	0.5		N/A	N/A	
	Loan	Metro Colombo Urban Development Project (MCUDP)	US\$	11.5	11.5	Variable	LIBOR -6 Month for US\$	0.70%	Commitment Fee 0.50%
World Bank -International Bank for Reconstruction & Development	Loan	Accelerating Higher Education Expansion & Development Operation (AHEAD) programme	US\$	0.2	0.2	Interest-Free			Commitment Fee 0.25%, Frontend Fee US\$ 167,500
	Grant	PHRD Grant for Metro Colombo Towards a Flood Resilient Urban Environment	US\$	0.2	0.2			N/A	N/A
World Bank -International Bank for Reconstruction & Development	Grant	Trust Fund for Statistical Capacity Building Improving Poverty Estimation Project (IBRD/IDA Blended)	US\$	-0.01	0.01			N/A	N/A

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (years)
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)			
International Fund for Agricultural Development	Loan	Smallholder Plantations Entrepreneurship Development Programme	SDR	0.05	0.04	N/A		Service Fee 0.75%	10	40
	Grant	Post Tsunami Coastal Rehabilitation & Resources Management II	US\$	0.5	0.5	N/A				
	Loan	National Agribusiness Development Programme	SDR	2.7	3.8	Fixed	0.75%	-	10	30
	Loan	Iranamadu Irrigation Development Project	SDR	2.2	2.9	N/A		Service Fee 0.75%	11	25
	Loan	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STAR)	SDR	1.8	2.5	Fixed	2%	-	5	25
	Loan	Implementation of Smallholder Agribusiness Partnership(SAP) Program	US\$	2.8	2.8	Fixed	2%	-	5	24
	Loan	Additional Financing for Strategic Cities Development Project	SDR	0.5	0.7	Fixed	1.25%	Service Fee 0.75%	5	25
	Loan	Additional Financing for Climate Resilience Improvement Project	SDR	4.1	5.7	Fixed	1.25%	Service Fee 0.5%	5	25
	Loan	Ecosystem Conservation and Management Project	SDR	2.1	2.9	Fixed	1.25%	Service Fee 0.75%	5	25
	Loan	Social Safety Nets Project	SDR	2.2	3.1	Fixed	2.73%	Frontend Fee US\$ 134,250, Commitment Fee 0.25%	5	24
World Bank -International Development Association	Loan	Agriculture Sector Modernization Project	SDR	9.0	12.7	Fixed	1.25%	Service Fee 0.75%	5	24
	Loan	Transforming the School Education System as the Foundation of a Knowledge Hub Project	SDR	6.6	9.2	Fixed	1.25%	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Loan	Second Health Sector Development Project	SDR	45.0	62.3	Fixed	1.25%	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Loan	Climate Resilience Improvement Management -CRIP	SDR	14.2	19.5	Fixed	1.25%	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Loan	Strategic Cities Development Project	SDR	5.1	7.0	Fixed	1.25%	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Loan	Additional Financing for Dam Safety & Water Resources Planning Project	SDR	18.3	25.3	Fixed	1.25%	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Loan	Skills Development Project (Portion A)	SDR	14.0	19.4	Fixed	1.25%	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Grant	GPOBA Increasing Household Access to Domestic Sanitation in Greater Colombo Project	US\$	0.7	0.7					

Table 5.13 | ODA Disbursements with Financial Terms: January - December 2017

Development Partner/Lending Agency	Instrument Type	Project	Amount Disbursed (million)		Annual Interest Rate			Grace Period (Years)	Maturity (Including Grace Period) (years)
			Currency	US\$	Interest Type	Rate	Margin (100 basis points)		
World Bank -International Development Association	Grant	AusAid DFAT + IDA Grant Transforming the School Education System as the Foundation of Knowledge Hub Project	US\$	8.7	8.7	N/A			
	Loan	Water Supply and Sanitation Improvement Project	SDR	25.0	35.0	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%
	Loan	Early Childhood Development Project	SDR	3.3	4.5	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%
OPEC Fund for International Development	Loan	Kalu Ganga Development Project	US\$	4.1	4.1	Fixed	3.20%	N/A	Service Fee 1%
	Loan	Road Network Development Project	US\$	0.9	0.9	Fixed	3.10%	N/A	Service Fee 1%
	Loan	Colombo National Highways Project	US\$	7.4	7.4	Fixed	4.60%	N/A	-
	Loan	Western Province Road Development Project	US\$	0.5	0.5	Fixed	2.60%	N/A	-
UNESCO	Loan	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	US\$	11.4	11.4	Fixed	2.50%	N/A	-
	Grant	A Tracer Study of the Graduates of the Universities in Sri Lanka	US\$	0.02	0.02	N/A			N/A
UNFPA	Grant	Enhancing the preparedness for the impacts of climate change on mangroves through research and training	US\$	0.02	0.02	N/A			N/A
	Grant	Strengthening Gender Equality and Equity and Zero tolerance for sexual and gender-based violence	US\$	0.03	0.03	N/A			N/A
	Grant	UNFPA Country Programme 2013	US\$	0.05	0.05	N/A			N/A
World Food Program	Grant	UNICEF Country Programme 2013-2017	US\$	4.0	4.0	N/A			N/A
	Grant	Climate Change Impacts on Living in the Mahaweli River Basin	US\$	1.3	1.3	N/A			N/A
UNICEF	Grant	Country programme action plan 2016-2017(CPAP)	US\$	0.1	0.1	N/A			N/A
	Grant	Relief Assistance for Drought -Affected Communities -Emergency Operation SL	US\$	3.1	3.1	N/A			N/A
			<b>Total</b>	<b>1,668.7</b>					

Source : Department of External Resources

Note : Values disbursed in different currencies have been converted into US\$ as per the prevailing exchange rates of year end 2017. Disbursements of SOEs are not included.

N/A = Not Applicable, SDR = Special Drawing Rights, LIBOR = London Interbank Offer Rate, EURIBOR = European Interbank Offer Rate

## **PART III**

# **Functional Performance and Reforms**



**Vision 2025 and  
Progress of Public  
Investment Programme**

**06**

## 6.1 Overview

The Public Investment Programme (PIP) has a medium term development perspective and outlines the estimates of investible resources available to the government for different sectors, sub sectors and various government institutions. The resource allocation outlined in the PIP 2017-2020, published in 2016 was mainly guided by the development priorities and policies of the government and UN 2030 Agenda on Sustainable Development Goals (SDGs).

With the view of accelerating economic growth to make Sri Lanka an enriched country, the government published its new policy framework, the Vision 2025 in November 2017. The main thrust and direction of this framework is clearly being guided by social – market concept, under which the economic advantages of competition to promote efficiency in the use of resources are combined with actions to promote social equity. The PIP 2017-2020 is in the process of updating to accommodate the directions given by the Vision 2025 and the planned period will be extended by a further year keeping intact the medium term perspectives.

## 6.2 Vision 2025

Vision 2025 is a policy framework geared towards achieving the broad based objectives of the government to make Sri Lanka a rich country by 2025. It will position Sri Lanka into the hub of the India Ocean with the structure of a knowledge based highly competitive, social-market economic model. It is expected that the social market economic principles will foster and sustain successful institutions and policy, strong market structures, and a fairer society. The private sector will be encouraged to play a significant role in achieving high productivity and quality, innovation, as well as investing and creating new jobs. Within this long term vision, a three years economic programme is proposed to lay the foundation for realizing the long term vision. It will raise per capita income to USD 5,000 per year, create one million new jobs, and increase FDI to USD 5 billion per year, double

exports to USD 20 billion per year.

The new growth framework is supported by a clear transformative process of economic policy reforms. These reforms are to enhance productivity, efficiency and global competitiveness of the economy. The economy is facing constraints particularly in public finance management, along with structural limitations such as lack of product and market diversification, factor market constraints, weak property rights, inadequate infrastructure, inequitable access to finance, as well as institutional weaknesses and the existence of price distortions which determines the necessity of transformative process to the economy. In recent years, the growth of the country has primarily been through non-tradable activities driven by investments in government infrastructure using borrowings. Hence, the vision 2025 articulates policy reforms to be adopted with regard to the state of markets, role of the government and regulatory institutions in the following nine key strategic areas in order to elevate the country to an upper middle income status.

1. **Strengthening the Macro Economic Framework** – A better mix of fiscal consolidation on both revenue and expenditure aspects supported with appropriate monetary, and fiscal policy reforms will be implemented with the view of laying the basis for strengthening the macro-economic framework.
2. **Strengthening the Economic Growth Framework** – More FDI's will be attracted by improving the doing business environment in Sri Lanka while SMEs will be integrated into formal sector to boost domestic private investments. Adoption of the policy to implement PPP will reduce the reliance on loans to provide public assets and services. A more liberal, simple, transparent and predictable trade regime will be initiated by expanding and diversifying exports. The reforms in the tourism sector will pave the way to achieve its full potential in the country.

**3. Reforms in Land, labor & Capital Markets** - The factor markets will be overhauled by developing a dynamic land market with scientific land management practices, enhancing the productivity by removing labor market inefficiencies while considering the effects of demographic transition and encouraging FDI, portfolio investments to Sri Lanka.

**4. Economic and Social Infrastructure** - The education and skills development sectors will be developed to sustain growth through knowledge - based, competitive economic activities while health care will be developed to support better labor market and education outcomes. Adequate physical infrastructure services will be developed by assuring the economic efficiency of projects. The infrastructure will ensure both the internal and external connectivity of the country as an important part of the country's effort to be positioned as a trade and service hub in the region.

**5. Technology and Digitalization** - To become globally competitive and to drive the nation towards a digitally empowered economy the use of up-and-coming technologies including digitalization will be enhanced by shifting towards innovative, knowledge based business ventures that can cater to the global demand for technologically advanced high quality software products.

**6. Social Safety Nets** - In order to provide necessary support to vulnerable and poor segments of the society the government aims to ensure that its social protection programmes provide adequate coverage and are efficient. The government also aims to address the potential impacts to the economy from the increase in the ageing population in the country.

**7. Agriculture and Sustainable Development** - Ensuring food security and creating inclusive growth by supporting underserved districts are the key expectations in the agriculture sector. Considering the potential impact of disasters as a result of climate change, disaster management practices will be introduced and improved. Development will be undertaken with due regard to environmental protection, mitigating carbon emissions especially through the adoption of an energy policy which while ensuring energy security will focus on cleaner energy. The Vehicle Policy of the country has also been formulated to complement this effort.

**8. Governance and Accountability** - The governance and institutional mechanisms are to be strengthened to boost country's long-term growth potentials by enhancing public confidence.

**9. Strengthening Coordination and Monitoring Implementation** - In order to assure the realization of policies and projects, an IT based sound monitoring and coordination system will be established.

### 6.3 Public Investment Programme (PIP): 2017-2020

The PIP, is prepared by transforming the Government's development priorities and policies into implementable projects and programmes in the medium-term. The PIP covers the areas of issues/challenges, policy directives, strategies and priority projects and programmes for public investment during 2017-2020 according to key economic sectors. PIP is a "rolling plan" maintaining the flexibility to update annually based on the macroeconomic fundamentals, progress of ongoing projects and a new project portfolio.

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

- Improve export productivity and competitiveness of industries
- Increase government revenue and rationalize government expenditure
- Restructure government debt
- Upgrade quality of human resources
- Promote equity in economic and social spheres
- Minimize regional disparities

- Protect environment and conserve the natural resources

### 6.5 Sustainable Development Goals (SDGs) and PIP 2017-2020

Sri Lanka has pledged to achieve SDGs by 2030 in 2015 with special focus on SDG 1: No Poverty, 4: Quality Education, 7: Renewable Energy, 10: Reduced Inequalities & 11: Sustainable Cities & Communities. Hence, Sustainable Development Goals (SDGs) - UN's Agenda 2030 is one of the policy documents considered for PIP preparation. The table 6.1 indicates the integration of SDGs into the different sectors of the PIP 2017-2020.

Table 6.1 | Integration of SDGs in different Sectors of PIP 2017-2020

SDG	Sector	SDG	Sector
1. No Poverty	Macro, Social protection	10. Reduced Inequalities	Labor, Macro, Social Protection
2. No Hunger	Agriculture and Health	11. Sustainable Cities and Communities	Urban Development, Housing, Culture, Religion and National Integration, Transport, Road
3. Good Health	Health	12. Responsible Consumption	Agriculture, Environment and Disaster Management, Tourism
4. Quality Education	Education	13. Climate Action	Environment and Disaster Management
5. Gender Equality	Social Protection	14. Life below Water	Environment and Disaster Management Fisheries
6. Clean Water and Sanitation	Water and Sanitation, Irrigation	15. Life on Land	Environment and Disaster Management Irrigation
7. Renewable Energy	Power and Energy	16. Peace and Justice	Public Management/Governance ICT
8. Good Jobs and Economic Growth	Macro, Labour	17. Partnerships for the Goals	Macro
9. Innovation and Infrastructure	Industry, Labor, Macro, Technology and Research		

Source: National Planning Department

### 6.6 Mapping Sustainable Development Goals (SDGs) to PIP 2017-2020

The mapping of SDGs to PIP indicates the level of integration of SDGs in to National Development Plan and the readiness of the country to achieve the targets. The figure 6.1 which is based on the initial mapping explains the level of integration of SDGs in to PIP.

Figure 6.1 | Initial Mapping of SDGs



Source: Department of National Planning

## 6.7 Progress of the Implementation of Projects in PIP 2017-2020

The PIP details development projects under two types of implementation arrangements. The first arrangement is the implementation under the capital budget provisions in the Annual Budget Estimates. The total investment required for this category during 2017-2020 is estimated around Rs. 3,530 billion. The highest amount is allocated for the infrastructure development within which the Transport sector development has been given a high priority. The need for infrastructure development is still in the priority given its overall importance in creating investor-friendly environment and linking rural and urban commercial centers in the country. Further, there will be an increasing trend in the investment in sectors especially human resource development, industry, agriculture and regional development.

The other category consists of the projects that are directly implemented by the State Owned Enterprises (SOEs) under their own budget. SOEs in four sectors namely Port, Aviation, Water Supply and Sanitation and Power and Energy are included in PIP and these projects could be considered as potential projects to be implemented under PPP arrangements also. The funding requirement during 2017-2020 period for these projects is around Rs. 804 billion.

At the beginning of 2017, there were around 1,100 projects in PIP of which around 755 projects were either on-going projects or annual programmes and 355 projects were new projects.

The total Public Investment for 2018 is estimated to be Rs. 814 billion in the PIP and around Rs.824 billion has been allocated by the Budget estimates in 2018. The estimated investment requirement for 2019 and 2020 as per the PIP will be Rs. 944 billion and Rs. 1,064 billion respectively.

Table 6.2 | Progress of the Implementation of New Projects in PIP 2017-2020

No.	Sector	Total Number of New Projects in PIP	Available Allocation in 2018 Budget	
			Number of Projects	Allocation (Rs.mn) for 2018
1	Education	12	4	734
2	Higher Education	26	20	14,705
3	Skills Development	9	2	335
4	Science, Technology and Research	13	4	540
5	Health	53	12	1,988
6	Sports	3	3	550
7	Social Protection	8	6	1,700
8	Agriculture	4	3	3,201
9	Irrigation	4	3	7,650
10	Plantation	9	4	1,297
11	Livestock	6	1	1,200
12	Fisheries	9	9	1,599
13	Industry, Trade & Investment	8	3	1,470
14	Tourism	3	1	30
15	Power and Energy	9	-	-
16	Water Supply and Sewerage*	55	20	8,650
17	Roads	3	-	-
18	Transport	20	2	5,000
19	Ports	4	1	20
20	Aviation	1	-	-
21	Housing and Construction	8	5	3,728
22	Urban Development	2	2	5,527
23	Environmental Management	22	20	3,556
24	Disaster Management	10	3	880
25	Governance	47	27	18,239
26	Regional Development	7	5	7,910
<b>Total</b>		<b>355</b>	<b>160</b>	<b>90,510</b>

Source: Department of National Planning

\* Without local bank financing (15 ongoing projects and 18 new projects )

Provisions have been made for 160 projects of total number of new projects in the budget estimates 2018 (Table 6. 2). Another 77 projects have been

submitted to development partners and they are in the various stages of the approval process. The decision of funding is yet to be finalized.

**Box 6.1 | Landmark Projects by Some of the Key Strategic Areas**

Key Area in Vision 2025	Landmark Projects in PIP 2017-2020
Reforms in Land, labor and Capital Markets	<ul style="list-style-type: none"> <li>• Bimsaviya Programme –Rs. 38,784 mn</li> <li>• Development of Seethawaka Human Resource Center as a fully-fledged Training Institute –Rs. 1,150 mn</li> </ul>
Economic and social infrastructure	<ul style="list-style-type: none"> <li>• Kandy North (Pathadumbara) Water Supply Project – Rs. 14,250 mn</li> <li>• Colombo Sub-Urban Railway Efficiency Improvement Project – Rs. 525,000 mn</li> <li>• Strengthening NCDs treatment at Tertiary Care Hospitals – Rs. 9,760 mn</li> <li>• Light Rail Transit Project (LRT) Rs. 255,000 mn</li> </ul>
Technology and digitalization	<ul style="list-style-type: none"> <li>• Setting up of e-learning Platform with the view of introducing systematic e-learning system with a roadmap for the entire general education system of Sri Lanka – Rs. 4,296 mn</li> <li>• E-Grama Niladhari Project –Rs.1,468 mn</li> </ul>
Social safety nets	<ul style="list-style-type: none"> <li>• Early childhood care development –Rs. 6,950 mn</li> <li>• Social Safety Net Project –Rs 15,000 mn</li> </ul>
Agriculture and sustainable development	<ul style="list-style-type: none"> <li>• Northern Province Sustainable Fishery Development – Rs 9,100 mn</li> <li>• Improving forecasting capabilities of the Department of Meteorology to minimize the impacts of frequent weather hazards –Rs 2,275 mn</li> </ul>
Governance and Accountability	<ul style="list-style-type: none"> <li>• Police Information and Communication System (PICS) – Rs. 7,700 mn</li> </ul>
Strengthening coordination and monitoring implementation	<ul style="list-style-type: none"> <li>• Establishment of Grama Rajjaya , the village development programme</li> </ul>

Source: Department of National Planning

**6.8 Way Forward**

The Vision 2025 was published in the latter part of 2017 and therefore, the PIP will be updated as per the policies envisaged in the Vision 2025. It is also expected to introduce a project prioritization methodology coupled with a programme based approach for possible areas in the updated PIP 2018-2021.

**Trade and Trade  
Facilitation**

**07**

## 7.1 Trade Policy

A new National Trade Policy has been established in order to increase market competitiveness, expand market access and trade facilitation. The country has been working towards simplifying its business and trade regime with the objective of establishing a more outward looking business friendly environment thereby achieving greater integration with the global economy. In particular, Sri Lanka is seeking to attract foreign direct investment into the country to expand output and employment, and to enhance foreign market access for its products.

Concurrently, during the period 2016-2017 para tariffs on 1,200 items were removed with a view to facilitating the country to move towards a more outward looking pro-growth trade regime.

## 7.2 Trade Agreements

Sri Lanka is a signatory to many Bilateral, Plurilateral and Multilateral Trade Agreements. The country benefits from enhanced trade relationships and facilitation of trade and investment by reducing/eliminating tariffs, updating standards and revising customs and other procedures. By end of 2017, Sri Lanka was a party to the following Bilateral, Plurilateral, multilateral trade agreements.

### Ratified trade agreements

- India - Sri Lanka Free Trade Agreement (ISFTA)
- Pakistan - Sri Lanka Free Trade Agreement (PSFTA)
- Sri Lanka - Singapore Free Trade Agreement (SLSFTA)
- South Asian Free Trade Agreement (SAFTA)
- Asia-Pacific Trade Agreement (APTA)

### Trade Agreements at Negotiation level

- 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)
- SARRC Agreement on Trade in Services (SATIS)

### Trade Agreements at Proposed Level

- Sri Lanka - Thailand Free Trade Agreement
- Bangladesh - Sri Lanka Free Trade Agreement
- Malaysia - Sri Lanka Free Trade Agreement
- Vietnam - Sri Lanka Free Trade Agreement
- Iran - Sri Lanka Free Trade Agreement

### 7.2.1 India - Sri Lanka Free Trade Agreement (ISFTA)

The Indo - Sri Lanka Free Trade Agreement (ISFTA), which was signed on 28th December 1998 and entered into force with effect from 1st March 2000, aims at promoting economic linkages between India and Sri Lanka through enhancement of bilateral trade. The Agreement covers only trade in goods and requires the two countries to offer market access for each other's exports on duty free basis and concessionary tariffs. Thus, the entrepreneurs based in Sri Lanka can now export more than 4000 product lines to the Indian market on duty free basis.

### 7.2.2 Pakistan - Sri Lanka Free Trade Agreement (PSFTA)

Pakistan - Sri Lanka Free Trade Agreement came into force in 2005. A substantial improvement in trade has been recorded since the Agreement came into force. Both countries have completed its phasing out commitment and now have duty free market access for more than 4500 products in both countries.

### 7.2.3 Sri Lanka Singapore Free Trade Agreement (SLSFTA)

The Governments of Sri Lanka and Singapore signed a statement on the launch of negotiations on Bilateral Free-Trade Agreement in July 2016. Accordingly, negotiations commenced in August 2016 and were completed in January 2018. The Agreement was signed on January 22, 2018 and came into effect from May 01, 2018. In line with the Tariff Liberalization Programme (TLP) of SLSFTA, under the Trade in Goods, Sri Lanka agreed to eliminate on a phased - out manner, the customs duty on 80 percent of 7,438 tariff lines while keeping 20 percent in the negative list which will not be subjected to reduction or elimination in the phasing - out mechanism. This Agreement is the first comprehensive bilateral agreement of Sri Lanka.

### 7.2.4 South Asian Free Trade Agreement (SAFTA)

SAFTA is a regional co-operation agreement signed between the member countries of SAARC (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka and Afghanistan), recognizing the need to progress beyond a preferential trading arrangement and movetowards a higher level of trade and economic co-operation in the region by removing barriers to cross-border flow of goods.

The (SAFTA) was signed on 6th January, 2004 during the 12th SAARC Summit in Islamabad and entered into force on 1st January 2006. The agreement outlines a 10 year schedule for trade liberalization, which aims at reducing and eliminating customs duties on cross-border trade.

### 7.2.5 Asia-Pacific Trade Agreement (APTA)

The Asia-Pacific Trade Agreement was signed in 2005 and it came into force with effect from 1st September 2006. The APTA member countries (Bangladesh, China, India, Laos, South Korea, Mongolia and Sri Lanka) cover a total population of about 2.5 billion, which is a vast potential market to increase the level of intra-regional trade flows among the participating states. APTA is aimed at promoting economic development through the adoption of mutually beneficial trade liberalization measures that will contribute to intra-regional trade expansion and provide for economic integration through coverage of merchandise goods, services, investment and trade facilitation.

At the 51st session of the Standing Committee of APTA held in September 2017, all Member States agreed to implement the 4th round of duty concessions with effect from January 2018. Sri Lanka has agreed to grant duty concessions on a list of 143 tariff lines on the basis of HS 2017 version

Table 7.1 | Import and Export of Goods under the Trade Agreements in Year 2017

Agreement	No. of Tariff lines (Imports)	CIF Value (Rs.)	No. of Tariff lines (Exports)	FOB Value (Rs.)
ISFTA	801	43,273,460,701	571	72,108,154,358
PSFTA	28	2,325,479,261	184	9,320,117,069
SAFTA	56	1,295,587,788	59	8,879,541,135
APTA	97	3,720,309,700	357	24,431,014,200
SAPTA	23	30,538,029	19	714,511,950
<b>Total</b>		<b>50,645,375,479</b>	<b>Total</b>	<b>115,453,338,712</b>

Source: Compiled by Department of Trade and Investment Policy based on the data of Sri Lanka Customs

### 7.2.6 Bay of Bengal Initiatives for Multi - Sectoral Technical and Economic Cooperation Agreement (BIMSTEC)

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is sub - regional grouping comprising of seven countries along the coast of Bay of Bengal namely India, Bangladesh, Bhutan, Nepal, Sri Lanka, Myanmar and Thailand.

The aim of BIMSTEC is to strengthen ties between and among nations in various areas of co-operation. Its objectives are technological and economic co-operation among south Asian and south East Asian countries along the coast of Bay of Bengal. It also covers cooperation in commerce, technology, investment, agriculture, tourism, human resource development, fisheries, transport and communication, textiles etc.

### 7.2.7 Economic and Technical Co-operation Agreement - (ETCA)

The 7th round of negotiations for the proposed India-Sri Lanka Economic and Technology Co-operation Agreement was held in December 2017 at Colombo. A joint session of the working groups on general provisions and trade in goods, trade in services and investment was held to discuss the common issues of relevance.

### 7.2.8 Agreements on Co-operation and Mutual Administrative Assistance in Customs Matters

The agreements on cooperation and mutual administrative assistance in Customs matters between Sri Lanka and selected friendly countries is one of the initiatives to expand trade facilitation. Accordingly, Sri Lanka has finalized draft texts of such agreements with countries such as Turkey, Mexico, Vietnam, Russian Federation and United Arab Emirates, Iran and Qatar.

## 7.3 Trade Facilitation

### 7.3.1 Trade Facilitation Agreement (TFA)

The World Trade Organization (WTO), finalized the Trade Facilitation Agreement (TFA) in 2013 which came into effect on 22 February 2017 with 2/3 of the members ratifying the agreement including Sri Lanka. It contains 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 key areas covered by the Agreement include.**

- Norms for the publication of laws, regulations and procedures (Including internet publications) relating to Customs clearance procedures
- Provision for advance rulings
- Disciplines on fees and charges on penalties
- Pre-arrival processing of goods
- Use of electronic payments
- Guarantees to allow rapid release of goods
- Use of “authorized operators” schemes
- Procedures to expedite shipments
- Faster release of perishable goods
- Reduced documents and formalities with common customs standards
- Promotion of the use of a single window
- Uniformity of boarder procedures

- Temporary admission of goods
- Simplified transit procedures and
- Provisions for customs cooperation and co-ordination.

The Government has set priority to improve trade facilitation measures in line with the WTO Trade Facilitation Agreement to enhance trade and increase its share in international trade with a view to generate employment and to achieve the anticipated economic development. In this regard, the National Trade Facilitation Committee (NTFC) was established in 2016 in line with Sri Lanka's commitment under the WTO Trade Facilitation Agreement.

Secretariat has been established to support the NTFC ensuring effective co-ordination and implementation of the TFA and any other trade facilitation initiatives in Sri Lanka..

The Agreement requires all members of the WTO to undertake commitments to comply with the provisions into three categories namely Category A, B & C and notify them to the WTO within an agreed timeframe.

### 7.3.2 Investments under the Temporary Importation for Export Processing Scheme (TIEP)

TIEP scheme has been introduced as an export trade facilitation measure to promote exports in order to bring sufficient income (foreign exchange) to the country. It is expected to strengthen the small and medium entrepreneurs by allowing them to lower their upfront cost thereby making them more competitive in the international market.

This scheme facilitates registered investors under section 16 of the BOI Act, who are not entitled to import of inputs on duty free basis for export purpose.

### 7.3.3 Bonded Warehouse Facilities

In terms of the provisions in Section 69 of the Customs Ordinance, the Director General of Customs may designate a warehouse or place, after obtaining the approval of the Minister of Finance, for imported goods to be warehoused or kept as bonded cargo, for specific purposes under specific conditions.

Under the provisions of Section 84 of the Customs Ordinance, it shall be lawful for the Director General of Customs, in the interest of economic development of the country to permit the processing, manufacture or assembly of any goods in any warehouse approved under Section 69 of the Customs Ordinance. Presently, the following categories of bonds exist.

- Bonds for supply of goods including sugar and rice for home use and re-export
- Bonds for supply of goods to Export Oriented Enterprises
- Service Bonds, Feeder Bonds and Duty Free Shops at Seaport or Airport
- Bonds for supply of goods to Ships/ Air Crafts
- Bonds under Customs Manufacture- in-Bond Scheme
- Bonds for Multi Country Consolidation
- Bonds for clearance of Un-accompanied Passenger Baggage (UPB)
- Bonds for clearance of express cargo (Courier)

## 7.4 Projects under SAARC Development Fund

### 7.4.1 General Information:

The SAARC Development Fund (SDF) is a regional funding agency operational since 2010, which was established under the South Asia

Association for Regional Co-operation (SAARC) mandate to promote the welfare of the people of the SAARC region, to improve the quality of life, to accelerate the economic growth, social progress and poverty alleviation in the region. Further SDF serves as the umbrella financial institution for SAARC projects and programs and is aimed to contribute towards regional co-operation and integration through project collaboration. By end 2017, SDF Board of Directors has introduced policy guidelines for Economic and Infrastructure windows of SDF and SDF Credit Policy for Economic and Infrastructure windows with the view of extending their services.

#### 7.4.2 Summary of SDF funded projects in Sri Lanka

##### 1. Project on Strengthening the livelihood initiative for home based workers in SAARC Region (Phase I & II) :

This project is implemented by SABAH Association Sri Lanka which is a not-for-profit organization. The project mainly focuses on building a strong supply chain and to generate employment for women home - based workers.

##### 2. Project on Strengthening Maternal and Child Health Including Immunization;

This Project is implemented by the Family Health Bureau. The project mainly focuses on reduction in child and maternal mortality and provides access to integrated comprehensive primary maternal and child health care.

##### 3. Project on South Asia Initiative to End Violence Against Children (SAIEVAC)

This project is implemented by the Department of Probation and Child Care Services. The project mainly focuses on enhancing child protection from all forms of violence through advocacy, awareness raising, and institutional capacity building of the implementing

agency as well as other stakeholders.

##### 4. Project on Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries

This project is implemented by the Food Research Unit of the Department of Agriculture. The project mainly focuses on evaluating and disseminating post-harvest, processing and value addition technologies for fruits and identifying and sharing knowledge on post-harvest and fruit processing technologies.

##### 5. Toll Free Helplines for Women and Children in SAARC Member States

This project is implemented by Ministry of Women and Child Affairs. The project mainly focuses on providing emergency outreach services to women and children in need of care and protection, through 24 hours' emergency phone outreach service through the establishment of platform of networking amongst organizations and to provide linkages to support systems which facilitate the rehabilitation of women and children in need of care and protection.

##### 6. Project on Strengthening of Water, Sanitation and Hygiene (WASH)

This project is implemented by Department of Agrarian Development. The project mainly focuses on the establishment of equitable access to safe drinking / household / livelihood water and promotes hygiene and sanitation practices in schools and targeted communities.

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## 8.1 Overview

The Small and Medium Enterprises (SMEs) have been recognized as an important strategic sector for promoting growth and social development of the country. Successive governments having identified the potential of this sector implemented various loan schemes, refinancing schemes and other support mechanisms to address the key constraints faced by the sector finance including access to finance.

In this regard, the various loan schemes that were implemented often times independent of each other has since 2017 been packaged into 1 scheme under the “Enterprise Sri Lanka” theme. There are 16 tailor-made schemes including 11 interest subsidy loan schemes, 3 donor funded refinance loan schemes and 2 financial plus non-financial support programmes. At the same time, more than 60 loan schemes aimed at SMEs were also in operation in collaboration with the Banks and the Rural Development Department of the Central Bank of Sri Lanka’s.

During the year, the Government also extended extensive support to Agriculture where a significant number of SME’s are concentrated in, by way of fertilizer subsidy, supplemented the loss of income due to natural disasters through the National Crop Insurance Scheme which was introduced in 2017 together with the continuation of the farmer’s pension scheme. The paddy purchasing programme continued in 2017 supported by a guaranteed price. The Government took further action to facilitate the importation of rice for local consumption removing the Special Commodity Levy (SCL) imposed on imported rice, thereby controlling the price increase of rice in the local market. Furthermore, SCL, Maximum Retail Price (MRP), and import and export CESS were adjusted in order to protect the local producers as well as to maintain a reasonable price for the consumer.

The Trust Receipt Scheme which was introduced continued given its success whereby more construction work on 3 more warehouses in

Polonnaruwa, Embilipitiya and Kilinochchi commenced.

## 8.2 Enterprise Sri Lanka

“Enterprise Sri Lanka” a programme to revitalize the latent entrepreneurship capacities of Sri Lankans contains both financial support via credit schemes and non-financial support via technical assistance including the incorporation of companies, maintenance of financial books, promotion of market linkages, buy back arrangements, infusion technology etc.

The “Enterprise Sri Lanka” will facilitate not only the established private sector enterprises but also micro enterprises, self-employed, young entrepreneurs, women entrepreneurs and differently abled entrepreneurs. It also facilitates selected certain groups of the society such as van owners operating school services to move to 28 or more seats buses from vans in order to establish more secure school services, low income groups to upgrade and complete their houses, and media personnel to purchase necessary equipment.

## Box 8.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka”

Name of the Loan Scheme	Description	
<b>1. Interest Subsidy Loan Scheme</b>		
1.1 Ran Aswenna	<b>Category I</b>	
	Beneficiaries	- Small Scale Farmers and Farmer Organizations, Floriculture farmers, Entrepreneurs in ornamental fish related businesses
	Maximum Loan Amount (Rs.) -	5,000,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
	<b>Category II</b>	
	Beneficiaries	- Agro Processing Establishments
	Maximum Loan Amount (Rs.) -	300,000,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
1.2 Govi Navoda	<b>Category III</b>	
	Beneficiaries	- Commercial Scale Farming
	Maximum Loan Amount (Rs.) -	750,000,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
1.2 Govi Navoda	Beneficiaries	- Small scale farmers, Farmers’ organizations (for mechanizing cultivation activities)
	Maximum Loan Amount (Rs.) -	500,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	75%
	Onlending Rate -	3.38%
1.3 Riya Shakthi	Beneficiaries	- Owners of school service vans
	Maximum Loan Amount (Rs.) -	4,000,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	75%
	Onlending Rate -	3.38%
1.4 Rivi Bala Savi	Beneficiaries	- Households
	Maximum Loan Amount (Rs.) -	350,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
1.5 Diri Saviya	Beneficiaries	- Poultry producers, Self-employees
	Maximum Loan Amount (Rs.) -	50,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	100%
	Onlending Rate -	0%

Box 8.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” contd...

Name of the Loan Scheme	Description	
1.6 Jaya Isura	<b>Category I</b>	
	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, apparel, information technology, manufacturing industry and renewable energy sectors.
	Maximum Loan Amount (Rs.) -	100,000,000 (Export) 50,000,000 (Non-Export)
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
	<b>Category II</b>	
	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 the same sectors mentioned under the Category I
	Maximum Loan Amount (Rs.) -	400,000,000 (Export) 200,000,000 (Non-Export)
	Annual Effective Interest Rate -	13.5%
% of the Interest Subsidy -	25%	
On lending Rate -	10.12%	
1.7 Sonduru Piyasa	Beneficiaries	- Owners of houses with less than 1,000 sq.ft.
	Maximum Loan Amount (Rs.) -	200,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
1.8 Madya Aruna	<b>Category I</b>	(To purchase media equipment)
	Beneficiaries	- Registered journalists
	Maximum Loan Amount (Rs.) -	300,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	100%
	Onlending Rate -	0%
	<b>Category II</b>	(To upgrade media equipment)
	Beneficiaries	- Registered journalists
	Maximum Loan Amount (Rs.) -	150,000
	Annual Effective Interest Rate -	13.5%
% of the Interest Subsidy -	50%	
Onlending Rate -	6.75%	
1.9 “Arambama” Credit Scheme	Beneficiaries	- Young Graduates
	Maximum Loan Amount (Rs.) -	1,500,000
	Annual Effective Interest Rate -	12%
	% of the Interest Subsidy -	100%
	Onlending Rate -	0%
	Other facility -	Fully Government guarantee
1.10 “Green Loan”	Beneficiaries	- Bio degradable bags and packing material producers, small scale hoteliers, organic fertilizer producers and three wheeler owners.
	Maximum Loan Amount (Rs.) -	1,000,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	50%
	Onlending Rate -	6.75%
	<b>Category II</b>	(Homestay Programme)
	Beneficiaries	- Small scale tourist service providers
	Maximum Loan Amount (Rs.) -	5,000,000
	Annual Effective Interest Rate -	13.5%
	% of the Interest Subsidy -	more than 50%
Onlending Rate -	6%	

Box 8.1 | Financial and Non-Financial Schemes Available under “Enterprise Sri Lanka” contd...

Name of the Loan Scheme			Description
1.11 Middle Income Housing Loan Scheme	Beneficiaries	-	Middle income young people who want to buy a modern apartment
	Maximum Loan Amount (Rs.)	-	5,000,000
	Annual Effective Interest Rate	-	12%
	% of the Interest Subsidy	-	40%
	Onlending Rate	-	7% (Subsidy paid for first 5 years only)
<b>2. Donor Funded Refinance Loan Scheme</b>			
2.1 Rooftop Solar Power Generation Project (Funded by Asian Development Bank)	<b>Category I</b>		
	Beneficiaries	-	Households
	Maximum Loan Amount (Rs.)	-	7,500,000
	Onlending Rate	-	8%
	<b>Category II</b>		
	Beneficiaries	-	Entrepreneurs
	Maximum Loan Amount (Rs.)	-	Min. 7,500,000 (No maximum limit)
	Onlending Rate	-	8%
	Donor Agency	-	ADB (US\$ 50 million for 1st tranche and top-up to US\$ 200 million based on progress)
	2.2 Small and Medium-sized Enterprises Line of Credit Project (SMELoC)	Beneficiaries	-
Maximum Loan Amount (Rs.)		-	50,000,000
Onlending Rate		-	11 - 14 %
Donor Agency		-	ADB (US\$ 175 million)
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
	Onlending Rate	-	6.5%
	Donor Agency	-	JICA
<b>3. Financial and non-financial support programs</b>			
3.1 National Credit Guarantee Institution (NCGI)	Beneficiaries	-	SME Entrepreneurs
	Maximum Coverage	-	1/3 of the loan
	Annual Premium	-	1 - 2 %
	Donor Agency	-	ADB (US\$ 100 million)
3.2 Supporting 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 or Leasing facilities through state banks and minimum 75 percent of Loan instalment or lease cost paid by the Government.
	Onlending Rate	-	6.75 %

## 8.2.1 Interest Subsidized Loan Schemes

Government extended support to SME's by providing interest subsidies on special loan schemes implemented through public and private sector banks by utilizing their own funds. Out of such 11 interest subsidy loan schemes, 8 loan schemes were introduced in the Budget 2017 and launched with effect from 31<sup>st</sup> March 2017. Accordingly, Rs. 23,885 million was disbursed among 9,600 beneficiaries as at 31<sup>st</sup> March 2018.

Table 8.1 | Progress of Interest Subsidy Loan Schemes as at 31<sup>st</sup> March 2018

(Rs. Mn)			
No.	Loan Scheme	No. of Beneficiaries	Amount Registered
1	Sonduru Piyasa	5,862	1,165
2	Govi Navoda	498	202
3	Ran Aswenna	1,275	3,551
4	Riya Shakthi	537	1,555
5	Rivi Bala Savi	390	135
6	Jaya Isura	714	17,182
7	Diri Saviya	2	1
8	Madya Aruna	322	96
<b>Total</b>		<b>9,600</b>	<b>23,885</b>

Source: Department of Development Finance

Budget 2018 introduced 3 new loan schemes named "Green Loan" in order to encourage the production of biodegradable packaging material so as to substitute the banned polythene and plastic products, organic fertilizer production etc. "Arambuma" loan scheme focuses on supporting young graduates who are willing to start a business "one idea one graduate" with the government bearing the full interest cost of the loan. The "Green loan" scheme was further extended to encourage the "Homestay" programme where small scale hoteliers who provide services to tourists and home owners registered under the Sri Lanka Tourism Development Authority could upgrade their homes in accordance with the relevant standards utilizing the loan facilities under this scheme. The 3<sup>rd</sup> loan scheme called "Middle Income Housing loan Scheme" introduced to support youth who are willing to buy the modern apartments build by UDA, NHDA and Private Sector Developers in Suburs.

The Government has allocated Rs. 5,810 million for 2018 to subsidize the interest component of

the loans granted under these interest subsidy loan schemes. Accordingly, there is a potential to grant around Rs. 73,650 million worth of loans in 2018 if the participatory banks will utilize the total allocated amount.

Table 8.2 | Potential of Interest Subsidy Loan Schemes - 2018

No.	Loan Scheme	Subsidy Amounts Allocated in 2018 Budget (Rs. Mn)	Maximum Worth of Loans to be Granted in 2018 (Rs. Mn)
1	Sonduru Piyasa	1,000	14,000
2	Govi Navoda	50	350
3	Ran Aswenna	925	11,000
4	Riya Shakthi	150	1,000
5	Rivi Bala Savi	1,500	22,000
6	Jaya Isura	1,500	13,500
7	Diri Saviya	75	600
8	Madya Aruna	25	150
9	Green Loan	60	850
10	Arambuma	25	200
11	Middle Income Housing	500	10,000
<b>Total</b>		<b>5,810</b>	<b>73,650</b>

Source: Department of Development Finance

## 8.2.2 Donor Funded Refinance Loan Schemes

There are 3 donor funded loan schemes under the "Enterprise Sri Lanka" Programme i.e. Small and Medium Enterprise Line of Credit (SMELoC), Rooftop Solar Power Generation Line of Credit Project (RSPGLoC) and E-Friends RF (Pavithra Ganga).

The SMELoC was initiated in 2016 jointly by the Ministry of Finance and the Asian Development Bank (ADB) where the ADB provided US\$ 100 million as the first tranche, with the aim of channeling more funds to Sri Lankan SMEs via Participatory Financial Institutions (PFIs). In particular, this credit line provides incentives to increase lending to SMEs that have not previously borrowed from a bank, women-led SMEs and SMEs located outside the Colombo District.

By March 2018 Rs. 14,186.40 million has been disbursed among 1,611 beneficiaries.

Table 8.3 | Progress of the SMELoC as at 31<sup>st</sup> March 2018

Name of PFI	Amount Allocated (Rs. Mn)	Disbursement		% Disbursed
		No. of Loans	Amount (Rs. Mn)	
Bank of Ceylon	1,280.32	204	1,201.82	93.9
People's Bank	1,280.32	117	858.27	67
Regional Development Bank	1,280.32	472	1,164.42	90.9
DFCC Bank	1,905.31	152	1,905.31	100
Sampath Bank	1,265.69	70	1,183.47	93.5
Hatton National Bank	1,905.31	156	1,905.31	100
Commercial Bank	1,280.32	83	1,280.32	100
National Development Bank	3,102.15	261	3,007.84	97
Seylan Bank	639.62	40	639.62	100
Nations Trust Bank	1,280.32	56	1,040.02	81.2
<b>Total</b>	<b>15,219.68</b>	<b>1,611</b>	<b>14,186.40</b>	<b>93.21</b>

Source: Department of Development Finance

Considering the success of the first tranche, the Government negotiated with the ADB, and as a second phase of this project US\$ 75 million will be provided to be distributed through these same PFI's in 3 semi - annual allocations.

In line with the Government policy of promoting renewable energy, the "Soorya Bala Sangramaya (Battle for Solar Energy)" programme was launched, which aims at promoting the establishment of small solar power plants on the rooftop of households, religious places, hotels, commercial establishments and industries. The ADB has already agreed to implement the Rooftop Solar Power Generation Line of Credit Project (RSPGLoC) by providing US\$ 50 million at the 1<sup>st</sup> stage and to augment up to US\$ 200 million based on the performance during the 4 year period commencing from 2018. It is envisaged that in next 4 year period, almost 200 MW of solar power will be added to the national grid at a comparatively low cost, while being environment friendly

Most of factory owners and industrialists dispose their waste violating the environment protection rules and regulations directly into rivers and lagoons thus polluting the same. The "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 5 years.

### 8.2.3 Non-financial Support Programmes

Apart from the extensive financial support provided by the Government also initiated non-financial support programmes i.e. National Credit Guarantee Institution (NCGI) and Formation of SME Companies.

The lack of adequate collateral is one of the key impediments faced by SME's when accessing financing, specially from Banks which are focused on collateral based lending. In this regard, the Government has together with the ADB initiated the NCGI scheme as PPP, which will facilitate the SME's to access financing effectively and efficiently. This scheme will absorb/share the associated risk and reduce the dependency on collateral and the guarantee scheme will encourage Financial Institutions (FIs) to lend more to SMEs at more competitive rates.

The ADB will be providing US\$ 100 million as seed capital and the Government has earmarked Rs.500 million through the budget 2018 to further strengthen this fund. During 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 as companies or legally registered co-operative societies or farmer organizations. These Companies or other entities should have at least 5 equity shareholders. These entities will be supported with both financial and non-financial assistance ranging from access to the loan schemes under the "Enterprise Sri

Lanka” programme and technical assistance including the support to incorporate the entities etc. Consultancy companies will support each of these companies and the Government will bear the cost in full for 36 months. The German International Cooperation (GIZ) has been selected as the consultant for this assignment and they will provide the required technical assistance for the SME Companies which are going to be established under this programme. The Government has also planned to provide a comprehensive financial support package including grants and the credit

through the “Enterprise Sri Lanka programme” to these Companies.

## 8.2.5 Progress of SME Financing Schemes

Including the “Enterprise Sri Lanka” and the donor funded programme coupled with the SME sector lending by commercial and specialized banks, the total lending to the SME sector amounted to Rs. 546 billion in 2017.

Table 8.4 | Funds Disbursed by Commercial and Development Banks to SMEs - 2017

Bank	Agricultural		Services		Industries		Other		Total	
	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)	No. of Loans	Total Loan Amount (Rs. Mn.)
Bank of Ceylon	131	544	745	3,832	1,663	6,724	1,563	1,210	4,102	12,310
People’s Bank	979	2,754	297	1,001	984	2,459	2,517	5,982	4,777	12,195
Regional Development Bank	3,552	4,271	174	288	7,560	10,081	11,818	11,697	23,104	26,337
Lankaputhra Development Bank	13	76	29	95	53	231	5	21	100	423
Sanasa Development Bank	116	89	6	4	1,622	1,319	9,131	7,398	10,875	8,810
National Development Bank	305	109	124	46	185	65	392	140	1,006	360
DFCC Bank	309	3,321	1,561	10,929	1,178	8,762	172	654	3,220	23,666
Commercial Bank of Ceylon	6,780	6,955	2,098	9,196	5,782	25,503	38,988	90,227	53,648	131,881
Sampath Bank	312	14,084	218	14,943	551	31,151	1,419	75,618	2,500	135,797
Seylan Bank	595	6,364	670	6,449	1,275	10,112	2,699	12,856	5,239	35,781
Hatton National Bank	3,668	13,590	5,345	28,100	6,741	32,600	12,665	62,100	28,419	136,390
Nations Trust Bank	113	1,213	23	338	348	2,242	952	7,449	1,436	11,242
Standard Chartered Bank	1	46	42	503	46	395	1	2	90	946
Pan Asia Bank	197	594	96	384	1,773	7,934	902	974	2,968	9,886
Total	17,071	54,010	11,428	76,108	29,761	139,578	83,224	276,328	141,484	546,024

Source: Respective Banks

In 2017, out of the total SME sector loans granted by both state and private sector commercial and development banks, 12 percent was for agriculture sector, 21 percent for industry sector, 8 percent for the services sector while 59 percent was for the other sector SME loans.

## 8.2.4 GIZ - SME Development Programme

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 31<sup>st</sup> December 2018 as the second phase which is called “SME-GIZ Development Programme II” with an additional budget of Euro 3 million (grant) and Rs. 20 million has been allocated from the Budget 2018 for the expenses to be borne by the GOSL. During 2017, Rs. 288 million has been spent by the GIZ and the GOSL on SME sector development activities.

### 8.3 Micro-financing

Micro financing plays an important role in facilitating the development of the entrepreneurial spirit given its ease of reach. Over the last decades, microfinance has been developed in the form of saving associations, rotating savings clubs, credit associations, funeral or death benefit societies and credit groups or clubs at rural and urban community level. Although microfinance has been in operation for some time, the passage of the Microfinance Act No. 6 of 2016 saw the advent of a regulatory framework to cover microfinance institutions which were not regulated before.

The Act empowered Central Bank of Sri Lanka (CBSL) to issue licenses for applicant companies carrying on microfinance business, issue rules and directions for Licensed Microfinance Companies (LMFCs) and issue guidelines to the Registrar of Voluntary Social Services Organizations (RVSSOs) for regulation and

supervision of Microfinance Non-Governmental Organizations (MNGOs). The Monetary Board of the CBSL has issued a set of principles, standards and guidelines to the registrar of RVSSOs to issue rules governing the MNGOs during 2017. During the year 2017, 11 applications have been received by the CBSL requesting microfinance licenses.

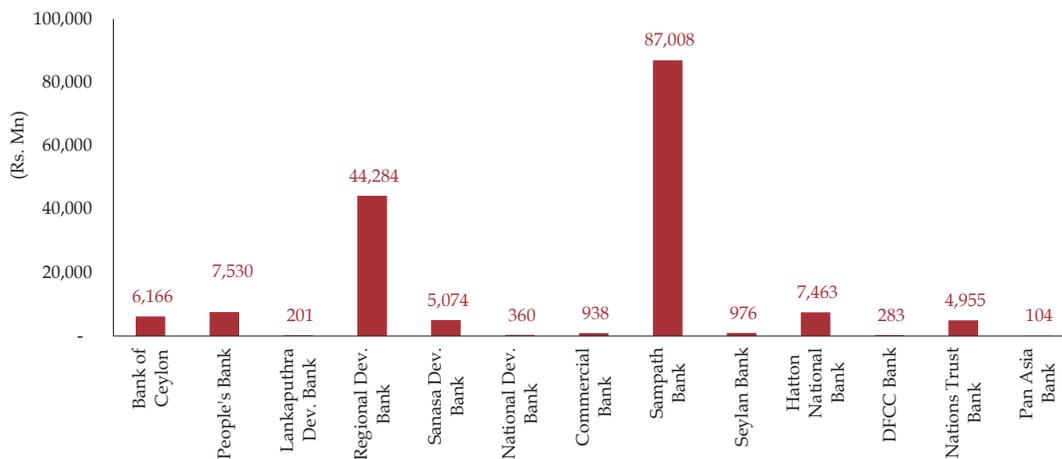
The various government-led microfinance programmes targeting low income families have been implemented during 2017. Microfinance institutions provided financial services through loans and deposit facilities. The outstanding loan portfolio of major Government microfinance institutions by end 2017 stood at Rs. 263 billion out of which 49 percent (Rs. 128 billion) is held by Regional Development Bank, 28 percent (Rs. 75 billion) is held by the Co-operative Rural Bank and 20 percent (Rs. 54 billion) is held by the Divineguma Community based Bank. The savings of the indigent reached Rs. 338 billion by the end of 2017, out of which Rs. 233 billion was placed on long and short term investment by these institutions.

Table 8.5 | Progress of Major Micro-finance Institutions - 2017

Microfinance Institute	No. of Branches	No. of Depositors	No. of Borrowers	Total Deposits (Rs. Mn)	Total Investment (Rs. Mn)	Total Loan Portfolio (Rs. Mn)
Divineguma Community based Bank	1,074	14,060,141	1,314,357	87,407	78,068	54,547
Co-operative Rural Bank	2,258	9,868,445	1,347,237	113,387	111,287	75,281
Agrarian Bank	551	697,977	630,806	680	2,319	1,452
Regional Development Bank	268	6,263,479	576,293	136,582	36,430	128,343
Lankaputhra Development Bank	8	64,530	8,899	375	5,361	3,965
<b>Total</b>	<b>4,159</b>	<b>30,954,572</b>	<b>3,877,592</b>	<b>338,431</b>	<b>233,465</b>	<b>263,588</b>

Source: Department of Development Finance

Chart 8.2 | Loan Disbursements to Micro-finance Sector by Formal Banks - 2017



In 2017, the banking sector disbursed Rs. 165 billion in loans to the microfinance sector. Of this Rs. 87 billion was disbursed by the Sampath Bank providing small loans under SMELoC, Jaya Isura, NCRCS and “Saubhagya” Loan Schemes. Regional Development Bank and People’s Bank disbursed Rs. 44 billion and Rs. 7 billion respectively in 2017. Compared to state banks, Hatton National Bank, Sanasa Development Bank and Nations Trust Bank were the private banks with significant microfinance portfolios providing access to finance through various microfinance programmes.

## 8.4 Agriculture

The Fertilizer Cash Subsidy Programme which was introduced from 2016 Yala season, covers all small scale paddy farmers, smallholders in the plantation sector and small scale farmers who are engaged in cultivation of maize, soybean, potatoes, big onion and chilies continued in 2017.

### 8.4.1 Fertilizer Cash Subsidy for Paddy

Under the Cash Subsidy Programme for paddy, a cash subsidy of Rs. 25,000 per hectare per annum up to a maximum of 2 hectares, was directly credited to the farmers bank accounts in order to provide them the maximum benefit. Within the new system, farmers have freedom to apply chemical fertilizer, organic fertilizer or mixed fertilizer and purchase the required quantity of fertilizer from the open market. On the other hand, the new system also leads to mitigate the negative environmental impact of over usage of chemical fertilizer since the farmers are encouraged to move toward utilization of organic or mixed fertilizer instead of full chemical fertilizer.

To support this policy further, a maximum retail price of Rs. 2,500 for a 50 kg bag of fertilizer was announced for the three major fertilizer types used for paddy, namely, Urea, Triple Super Phosphate (TSP) and Muriate of Potash (MOP). During 2016/17 Maha season and 2017 Yala season, an amount of Rs. 10.3 billion has been granted to paddy farmers under the fertilizer cash subsidy scheme.

Table 8.6 | Progress of the Fertilizer Cash Subsidy Programme for Paddy

District	2016/17 Maha Season			2017 Yala Season			Total		
	No of farmers who received fertilizer	Cultivated extent (Ha)	Cash subsidy paid (Rs.)	No. of farmers who received fertilizer	Cultivated extent (Ha)	Cash subsidy paid (Rs.)	No. of farmers who received fertilizer	Cultivated extent (Ha)	Cash subsidy paid (Rs.)
Colombo	4,660	1,753	22,413,750	5,469	816	10,473,750	10,129	2,569	32,887,500
Gampaha	14,025	5,331	70,710,000	7,267	3,118	40,860,000	21,292	8,449	111,570,000
Kalutara	14,096	5,226	65,743,500	14,822	5,920	75,200,500	28,918	11,146	140,944,000
Kandy	26,256	10,968	140,218,750	29,788	9,805	125,035,000	56,044	20,773	265,253,750
Matale	29,965	14,593	185,515,000	22,236	9,543	121,728,750	52,201	24,136	307,243,750
Nuwara Eliya	14,145	5,569	62,492,470	11,587	4,620	58,047,500	25,732	10,189	120,539,970
Galle	11,077	4,324	54,750,750	12,323	5,239	66,603,750	23,400	9,563	121,354,500
Matara	15,934	6,572	85,536,350	29,157	11,248	146,481,250	45,091	17,819	232,017,600
Hambantota	43,057	34,039	301,867,500	33,625	25,541	320,178,750	76,682	59,580	622,046,250
Jaffna	16,295	9,092	121,509,900	6,759	2,744	37,672,500	23,054	11,836	159,182,400
Mannar	14,788	17,286	216,070,000	258	149	1,517,500	15,046	17,435	217,587,500
Vavuniya	17,551	18,273	226,838,250	813	511	6,381,250	18,364	18,784	233,219,500
Mullaitivu	12,851	15,587	194,841,250	1,124	899	11,241,250	13,975	16,487	206,082,500
Kilinochchi	15,337	21,150	264,373,750	2,519	1,620	20,243,750	17,856	22,769	284,617,500
Batticaloa	36,498	44,261	553,256,250	18,582	23,415	292,687,250	55,080	67,675	845,943,500
Ampara	74,630	75,438	942,976,250	46,798	41,148	514,353,750	121,428	116,586	1,457,330,000
Trincomalee	40,729	37,288	466,095,000	21,472	9,864	123,305,000	62,201	47,152	589,400,000
Kurunegala	115,598	40,092	510,102,450	108,201	17,845	228,932,500	223,799	57,937	739,034,950
Puttalam	19,605	15,204	190,403,230	3,259	2,236	28,435,625	22,864	17,440	218,838,855
Anuradhapura	116,561	50,973	637,257,500	35,432	25,057	312,967,500	151,993	76,031	950,225,000
Polonnaruwa	66,717	63,674	709,380,125	57,439	39,160	489,307,750	124,156	102,834	1,198,687,875
Badulla	48,324	25,044	315,187,250	50,574	13,881	177,181,250	98,898	38,924	492,368,500
Monaragala	47,313	30,117	351,599,500	16,533	10,059	125,883,750	63,846	40,176	477,483,250
Ratnapura	19,376	9,382	118,693,750	15,824	7,324	92,730,000	35,200	16,705	211,423,750
Kegalle	11,149	3,142	43,445,000	7,070	1,832	25,616,250	18,219	4,974	69,061,250
Total	846,537	564,377	6,851,277,525	558,931	273,594	3,453,066,125	1,405,468	837,971	10,304,343,650

Source : Ministry of Agriculture

### 8.4.2 Fertilizer Cash Subsidy for Crops Other than Paddy

As an incentive for small scale farmers to reduce their cost of production and to increase the productivity of crops other than paddy, the Government has launched the fertilizer cash subsidy for plantation smallholders and small scale farmers who are engaged in cultivating maize, soybean, potatoes, big onions and chillies. These five crops were selected in line with the Government policy initiative of "Food Production National Programme".

Table 8.7 | Fertilizer Cash Subsidy Rates Applicable for Crops Other than Paddy

Crop	Maximum Land Area Entitled to Receive the Cash Subsidy (Ha)	Cash Subsidy Payment per Annum (Rs.)
Tea	1	15,000
Rubber	2	5,000
Coconut	2	9,000
Maize, Soybean, Potatoes, Big onions and Chillies	1	10,000

Source: Ministry of Agriculture and Ministry of Plantation Industries

Around 351,885 plantation sector smallholders have received the cash subsidy during 2017.

Table 8.8 | Progress of the Fertilizer Cash Subsidy Programme for Plantation Crops-2017

Plantation Crop	Beneficiaries	Cultivated Extent (Ha)	Cash Subsidy Paid (Rs. Mn)
Tea	139,211	59,304	886
Rubber	41,819	19,110	95
Coconut	170,855	53,571	480
<b>Total</b>	<b>351,885</b>	<b>131,986</b>	<b>1,461</b>

Source: Ministry of Plantation Industries

Around 89,603 small farmers have received the cash subsidy during 2017 for maize, soybean, potatoes, big onions and chillies.

Table 8.9 | Progress of the Fertilizer Cash Subsidy Programme for Other Crops-2017

Province	No. of Farmers who Received Fertilizer	Cultivated Extent (Ha)	Cash Subsidy Paid (Rs.)
Western	-	-	-
Central	2,852	941.63	9,482,000
Southern	452	158.45	1,586,000
North Western	1,613	915.45	9,155,000
North Central	26,022	19,075.00	190,754,000
Uva	37,531	28,040.00	280,600,000
Sabaragamuwa	179	63	627,000

Table 8.9 | Progress of the Fertilizer Cash Subsidy Programme for Other Crops-2017

Province	No. of Farmers who Received Fertilizer	Cultivated Extent (Ha)	Cash Subsidy Paid (Rs.)
Eastern	7,200	5,756.00	56,808,074
Northern	13,754	4,485.00	48,349,000
<b>Total</b>	<b>89,603</b>	<b>59,434.53</b>	<b>597,361,074</b>

Source: Ministry of Agriculture

### 8.4.3 New Comprehensive Rural Credit Scheme (NCRCS)

In order to enhance agriculture production and uplift cultivation, the New Comprehensive Rural Credit Scheme (NCRCS - Sarusara) continued in 2017 in collaboration with the CBSL by providing an interest subsidy for farmers to cultivate paddy and other subsidiary crops. Under this loan scheme, short term loans were provided by the PFIs out of their own funds, for farmers to cultivate 32 crops including paddy, chillies, onion, pulses, oil seeds, root and tuber, ginger and vegetables. The credit facility for cultivation is being implemented at a concessionary rate of 7 percent by the PFIs with the General Treasury providing 5 percent of interest subsidy to PFIs. NCRCS has provided loans amounting to Rs. 7,846 million for 71,397 beneficiaries during 2017 which was a decrease of almost Rs. 163 million over 2016 due to the adverse weather conditions that prevailed.

Table 8.10 | Overall Progress of Cultivation Loans under NCRCS, 2013 - 2017

Details	2013	2014	2015	2016	2017
Loans released (Rs. Mn)	8,189	6,750	7,138	8,009	7,846
Extent of land cultivated (Acres)	279,521	240,921	265,719	274,997	236,139
Number of beneficiaries	96,381	86,143	90,533	87,060	71,397

Source: Regional Development Department, Central Bank of Sri Lanka

In terms of loan distribution, small loans below the maximum loan limit of Rs. 32,000 per acre have been provided mostly to the paddy sector, accounting for 65 percent of the number of loan disbursements in 2017. The extent of land totaling to 236,139 acres have been utilized for crop cultivation of which 76 percent was for paddy in 2017. Consequently, the paddy sector further dominates disbursements, accounting 65 percent of total disbursements in 2017 followed by maize and vegetables.

Table 8.11 | Loan Disbursements under NCRCS - 2017

Crop	Maximum Loan Limit per Acre (Rs.)	Maximum Land Units (Acres)	(Rs. Mn)		
			No. of Loans Granted	Amount Released (Rs.) Mn.	Extend of Land (Acres)
Paddy - Irrigated	30,000	10	46,135	4,743	178,770
Rain fed	32,000	10			
Maize	34,000	10	10,395	1,062	36,497
Potato	252,000	2	3,358	724	3,529
Onion	140,000	2	3,541	556	5,281
Chillies	88,000	2	2,055	155	2,236
Vegetables	31,000-119,000	2	4,788	531	7,617
Other - Ginger	70,000	2	1,125	75	2,210
<b>Total</b>			<b>71,397</b>	<b>7,846</b>	<b>236,139</b>

Source: Regional Development Department, Central Bank of Sri Lanka

Chart 8.3 | Loans Granted under NCRCS in 2017 - District Wise

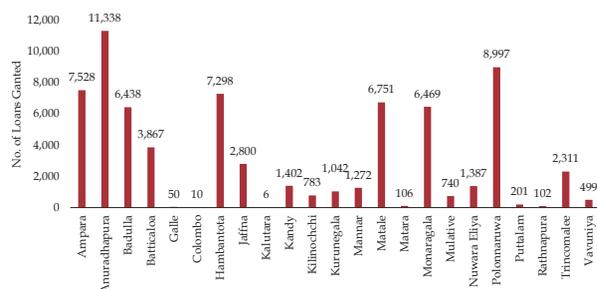
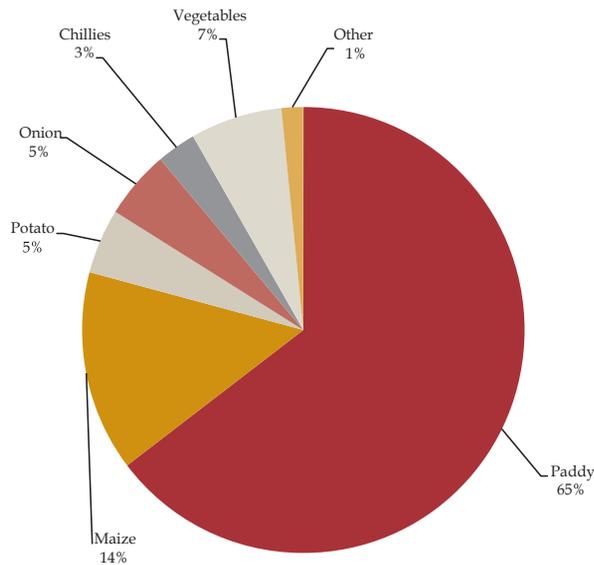


Chart 8.4 | Loans granted by Crop wise - 2017



### 8.4.3.1 Dairy Development Loan Scheme

Commercial Scale Dairy Development Loan Scheme (CSDDL) commenced in 2013 with the objective of establishing at least 1,000 farms with a minimum of 7<sup>1</sup> cows per farm encouraging

<sup>1</sup> In 2013 the minimum number of cows considered for this scheme was 25 but was reduced to 7 by 2014 in response to a request by the small scale entrepreneurs.

medium scale entrepreneurs to engage in commercial scale dairy farming activities in the value chain. The scheme facilitated the medium to large scale dairy developers to obtain credit facilities maximum of Rs.25 million with a 5 year repayment with a 6 month grace period, for commercial dairy activities at a rate of 6 percent per annum, with 6 percent being borne by the Government as an interest subsidy to the selected 13 PFIs. Compared with 2014, the amount of loan disbursements has been increased from Rs. 1,389.57 million in 2014 to Rs. 1,648.46 million in 2017. The Government paid Rs. 91 million to the selected PFI's as interest subsidy for the year 2017.

Table 8.12 | Progress of Commercial Scale Dairy Development Loan Scheme

	No. of Beneficiaries	Loan Amount (Rs. Mn)	Subsidy Paid (Rs. Mn)
2013	112	719.62	1.80
2014	846	1,389.57	41.90
2015	1,950	1,616.61	80.10
2016	3,112	2,073.16	134.03
2017	1,671	1,648.46	91.02
<b>Total</b>	<b>7,691</b>	<b>7,447.42</b>	<b>348.85</b>

Source: Regional Development Department, Central Bank of Sri Lanka

In terms of loan disbursements, the highest amount of Rs. 560 million has been provided by the Bank of Ceylon during 2017 and the People's Bank and HDFC Bank disbursed Rs. 208 million and Rs. 147 million respectively. Compared with other banks, Hatton National Bank, Regional Development Bank and Lankaputhra Development Bank also made significant amount of loans to the dairy sector during this time period.

#### 8.4.4 Storage Facilities

The Government established warehouses, with state-of-the-art technology to address the issue of post-harvest losses, which is about 30-40 percent. These warehouses provide good quality storage facilities for farmers during glut periods to store their produce such as paddy, maize, soybean, sesame, black gram, pepper and peanut during harvesting period. The main objective of this warehouse is to facilitate farmers to use of such produce as collateral to access financial services by developing an electronic and negotiable warehouse receipt finance mechanism. Construction of 3 warehouses was initiated in the Districts of Anuradhapura, Monaragala and Mannar and these warehouses were completed with a total storage capacity of 24,000 Mt.

It was reported that 252 farmers stored their commodities at the Upuldeniya (Anuradhapura) warehouse during 2017 and of that, 36 farmers have obtained Rs. 4.6 million short term credit facilities as pledge loans from the Regional Development Bank using the warehouse receipts. In the Buttala (Monaragala) warehouse, 129 farmers stored their produces during the same period and out of that 81 farmers have obtained Rs. 12.3 million short term credit facilities. In the Mannar warehouse, 85 farmers stored their produces during the same period and out of that 58 farmers have obtained Rs. 1.51 million short term credit facilities using the warehouse receipt system.

As a 31<sup>st</sup> December 2017, six types of grains have been stored in the Upuldeniya warehouse namely paddy, maize, sesame, soybean, cowpea and black gram of which majority paddy (285.5 Mt), followed by soybean (251.6 Mt), maize (179.11 Mt), and sesame (25.5 Mt). The Mannar warehouse has stored different of paddy (683.5 Mt). The farmers in the area, use the storage facility offered to them store the produce during the harvesting period and sell once the prices are increased and stabilized.

The total value of the stock at the time of storage was valued at Rs. 33.5 million and the value at the time of selling was Rs. 43.6 million and therefore farmers directly benefitted by Rs. 10.1 million. The store charges and cleaning charges for the

total stored quantity of grain were Rs. 1.1 million and Rs. 0.41 million respectively, being revenue for Upuldeniya warehouse.

Considering the success of the above warehouse receipt system, the Government proposed to construct three new warehouses in the Districts of Polonnaruwa, Kilinochchi and Ratnapura. The Ratnapura warehouse has been completed and planned to be handed over is public utilization in the near future. Similarly, construction of 2 warehouses are also about to be completed in Kilinochchi and Polonnaruwa.

#### 8.4.5 “Kethata Aruna Pohora Diriya” Crop Insurance

The “Kethata Aruna Pohora Diriya” Crop Insurance Scheme, which was established to provide relief to farmers for the damage caused to their cultivations due to droughts, floods and wild elephants was continued during the year 2017 through the Agricultural and Agrarian Insurance Board (AAIB). In 2017, approximately Rs. 31 million was paid among 5,825 farmers to compensate their crop damages.

Due to the heavy drought that prevailed during the period from April through August in 2017, almost half of the crop cultivation was destroyed. Since the “Kethata Aruna Pohora Diriya” Crop Insurance Scheme did not cover the actual loss of the crop damage and the loss of livelihood activities, the Dry Ration Relief Programme was implemented by the Government at a cost of more than Rs. 5.2 billion to compensate the crop damages and reactivate the livelihood activities of the farmer community.

Given that the “Kethata Aruna Pohora Diriya” Crop Insurance Scheme covers only the crop damages of paddy and the actual cost of crop damages was also not being an index based crop insurance scheme was introduced in order to minimize the financial risk of the Government compensate farmers.

Table 8.13 | Progress of the “Kethata Aruna Pohora Diriya” Crop Insurance Scheme and the Dry Ration Relief Programme - 2017

Month	“Kethata Aruna Pohora Diriya” Programme		Dry Ration Relief Programme	
	No. of Beneficiaries	Expenditure (Rs. Mn)	No. of Beneficiaries	Expenditure Rs. Mn)
January	11	0.19	-	-
February	1,177	11.63	-	-
March	233	1.11	-	-
April	-	-	230,050	2,300.50
May	-	-	132,714	1,327.14
June	4,189	16.69	47,246	472.46
July	170	0.67	17,213	172.46
August	45	0.42	86,201	862.01
September	-	-	-	-
October	-	-	9,912	99.12
November	-	-	-	-
December	-	-	-	-
<b>Total</b>	<b>5,825</b>	<b>30.71</b>	<b>523,336</b>	<b>5,233.36</b>

Source : Agricultural and Agrarian Insurance Board

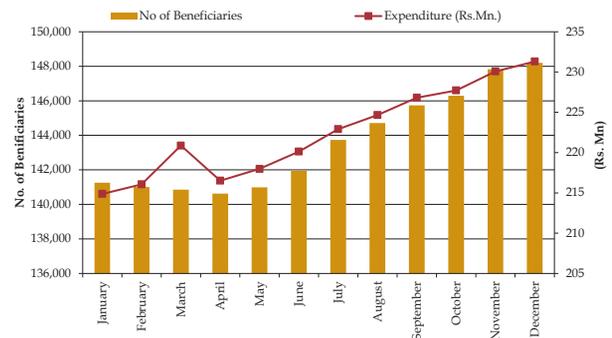
Considering these facts, the National Crop Insurance Scheme (NCIS) was announced by the Budget 2018 with an initial insurance cover of Rs. 40,000 per acre for six (06) crops including paddy and other five (05) emerging crops such as maize, soybean, big onion, potato and chilies. This is almost 4 times higher than the insurance cover of the previous scheme and the insurance policy can be utilized as collateral. Farmers, who are willing to join with this scheme should pay Rs. 1,800 per acre as an insurance premium. Although it was to be a contributory insurance scheme the Government decided to bear the full amount of premium on behalf of the farmers considering the losses incurred by the farmers during the last few seasons on account of the weather, for which Rs.2,250 million has been allocated from the budget and further around Rs.800 million from crop levy to cover the premium of this insurance scheme.

### 8.4.6 Social Security for Farmers

The main purpose of the Farmers’ Pension Scheme is to ensure the wellbeing of farmers over the age of 60 years, which is implemented through the AAIB. 148,201 farmers benefited under this scheme and a total of Rs. 2,670 million was distributed among them during the year 2017. Since the Farmers’ Pension Fund is not self-sufficient, the Treasury provided Rs. 205 million

per month for AAIB to provide the pension on time. Currently, the entitled farmers receive their monthly pension within the first week of each month through the post office.

Chart 8.5 | Performance of Farmers’ Pension Scheme - 2017



## 8.5 Assistance Small Holder Plantation Sector

The tea, rubber and coconut small holder plantation sector accounts for almost 76, 85 and 80 percent of the total tea, rubber and coconut production respectively in the country. In terms of extent the small holder community accounts for almost 70 percent of the total extent of the plantation sector.

Table 8.14 | Performance of Small Holder Plantation Sector, 2011 – 2017

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	135,632	83	440,000	2,449

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

### 8.5.1 Re-Planting and New Planting Subsidy Provided to Smallholder Plantation Sector

In order to encourage the smallholder plantations, the Government continued to provide incentives for re-planting and new planting of tea and rubber. Accordingly, a subsidy of Rs. 500,000 per hectare was given for the re-planting and

new planting of tea. Further, a subsidy of Rs. 175,000 and Rs. 150,000 per hectare was given respectively for the re-planting and new planting of rubber.

The Government has provided around Rs. 1,045 million as subsidy for re-planting and new planting of tea and rubber benefitting 25,509 in 2017.

Table 8.15 | 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 (Rs. Mn)	No. of Beneficiaries	Subsidy Amount (Rs. Mn)	No. of Beneficiaries	Subsidy Amount (Rs. Mn)	No. of Beneficiaries	Subsidy Amount (Rs. Mn)
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

Source: Ministry of Plantation Industries

### 8.5.3 Working Capital Loan Scheme for Registered Tea Factory owners

This loan scheme which was launched in year 2015 to support the tea factory owners to meet their working capital requirement was continued into 2017 as well. It is implemented by the Sri Lanka Tea Board through the state and private commercial banks on a short term basis under the supervision of the Department of Development Finance.

The applicable interest rate for this loan is 8 percent per annum and the Treasury provides an interest subsidy of 2 percent to PFIs. The Government has allocated Rs. 516 million to settle the interest subsidies for a period of two years (2016 – 2017).

As at 4<sup>th</sup> Quarter 2017, total number of 222 working capital loans were granted to the tea factory owners amounting to around Rs. 7,025 million. The Government incurred Rs. 88.1 million being the interest subsidy during the year 2017.

 Table 8.16 | Quarter-wise progress of the Working Capital Loan Scheme as at 31<sup>st</sup> December 2017

Description	No. of Tea Factories benefitted	Interest Subsidy Paid (Rs. Mn)
Quarter 1	220	26.21
Quarter 2	221	24.15
Quarter 3	220	21.86
Quarter 4	222	15.87

Source : CBSL and Department of Development Finance

## 8.6 Food Security

### 8.6.1 Paddy Purchasing Programme

Paddy production is a key factor of concern in ensuring the food security in Sri Lanka as rice is the staple food of the country. However, paddy cultivation was affected by the drought that prevailed for 3 consecutive cultivation seasons 2016/17 Maha, 2017 Yala and 2017/18 Maha. Annual paddy production which was 4.42 million Mt for the year 2016 dropped to 2.38 million Mt in 2017.

Chart 8.6 | Total Paddy Production 2000 - 2017



Due to the supply shortages, the demand from the private sector paddy millers for paddy were high, whereby the Paddy Marketing Board was

not required to play its normal role of stabilizing the producer prices (Table 8.17).

Table 8.17 | Quantity of Paddy Purchased under Government Paddy Purchase Programme

Season	Nadu (Mt)	Samba (Mt)	Total (Mt)	Value (Rs. Mn)
2009/10 Maha	63,850	6,919	70,769	1,995
2010 Yala	83,819	27,910	111,729	3,184
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	3,971	592	4,563	148
2014 Yala	0	0	0	0
Total	3,971	592	4,563	148
2014/15 Maha	126,203	34,366	160,569	7,510
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	0	0	0	0
2017 Yala	0	0	0	0
Total	0	0	0	0
<b>Grand Total</b>	<b>911,622</b>	<b>206,369</b>	<b>1,117,991</b>	<b>40,358</b>

Source : Paddy Marketing Board

Though the Government had no direct involvement for paddy purchase, both State and private banks have been the main source of funding for paddy purchasing through the private sector during the

year 2017. Accordingly, an amount of over Rs. 43 Billion of bank funds have been provided in total (Table 8.18)

Table 8.18 | Comparative View of Loans Granted to Private Sector for Paddy Purchasing - 2017 Against 2016

Bank	2016/17 Maha		2017 Yala		Total (2017)		Total (2016)	
	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)
People's Bank	145	5,976	67	1,124	212	7,100	236	3,096
Bank of Ceylon	182	9,627	278	10,370	460	19,997	777	27,077
Regional Development Bank	68	302	72	282	140	584	48	171
Total for State Banks	395	15,905	417	11,776	812	27,681	1061	30,344
Commercial Bank	117	398	325	1,224	442	1,622	133	1,699
Sampath Bank	60	1,249	29	385	89	1,634	365	5,607

Table 8.18 | Comparative View of Loans Granted to Private Sector for Paddy Purchasing – 2017 Against 2016

Bank	2016/17 Maha		2017 Yala		Total (2017)		Total (2016)	
	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)
DFCC Bank	18	1,245	18	1,251	36	2,496	37	1,273
Seylan Bank	82	463	65	416	147	879	216	816
National Development Bank	16	464	9	480	25	944	199	1,458
Hatton National Bank	227	2,160	204	2,160	431	4,320	254	2,447
Total of Private Bank	520	5,979	650	5,916	1,170	11,895	1,204	13,300
<b>Grand Total</b>	<b>915</b>	<b>21,884</b>	<b>1067</b>	<b>17,692</b>	<b>1982</b>	<b>39,876</b>	<b>2,265</b>	<b>43,644</b>

Source : Respective Banks

### 8.6.3 Cost of Living

The continued drought and the incidence of floods resulted in supply shortages in food crops which led to an increase in the consumer prices. This was further aggravated by the price hikes in the South and East Asian countries which resulted in an increase in the cost of imports as well. In this background, the Government took action to keep the domestic consumer prices at a reasonable level through changes in the taxes pertaining to the imports as recommended by the Cabinet Sub-Committee on cost of living.

Special Commodity Levy (SCL) applicable on imported potatoes and big onions were reduced from Rs.40/kg to Rs.1/kg while SCL on rice was reduced to Rs. 0.25/kg.

A food basket was provided to the consumer through Super markets and Lanka Sathosa Ltd as a remedial measure to reduce cost of living. This basket included, rice, lentils, sugar, sprats, big onions, potatoes and mackerel. Accordingly, the above food items were distributed to the consumers at the landed cost through the private sector super market chains and Lanka Sathosa outlets all over the country.

Distribution network was further strengthened by using lorries for distributing rice and coconut in weekly fairs and through franchised shops by the Cooperative Wholesale Establishment (CWE) and Lanka Sathosa Ltd. This program continued till April 2018. Further to curtail the increasing prices and improve supply, the Government imposed Maximum Retail Prices (MRPs) on certain essential food commodities and initiated a programme to mill all the paddy stocks owned by the Government in the possession of the Paddy Marketing Board (PMB) through the CWE and sell them at a concessionary rate through the Lanka Sathosa outlet network.

Coconut production dropped drastically creating a scarcity in the market. Coconut price hike was considerable during the year 2017. Retail price per nut went beyond Rs. 100. The unprecedented increase in coconut prices prompted the Government to allow the importation of coconut kernels for value added products thereby making available coconut for the consumption of general consumers. A MRP of Rs. 75 per nut was imposed and through the “Kapruka” programme action was taken to distribute coconut to the general public at reasonable prices.

## 8.7 Livestock Sector Development

### 8.7.1 Poultry Sector

With the country moving into a middle income state, the per capita consumption of chicken and eggs have increased to 8.5 kg chicken and 108.4 eggs per year respectively. With the increased demand, the poultry industry has also increased their capacities which has also allowed them to penetrate the export market.

Table 8.19 | Chicken and Egg Local Production Information

Year	Chicken Production		No. of Egg Production	
	Estimated (000' Mt)	Actual (000' Mt)	Estimated (Mn)	Actual (Mn)
2010	N/A	104.16	N/A	1,384.80
2011	N/A	116.76	N/A	1,711.22
2012	N/A	137.39	N/A	2,278.72
2013	N/A	144.54	N/A	2,074.94
2014	162.50	150.32	2,086.31	2,232.02
2015	152.00	164.45	2,203.00	2,294.08
2016	168.41	182.69	2,187.00	2,304.06
2017	189.21	196.60	2,739.12	2,856.09

Source: Dept. of Animal Health and Production

The major ingredient of animal feed is maize where the present total requirement of maize is around 500,000 Mt. Due to the adverse weather

conditions the local production dropped to 171,382 Mt in 2016/2017 Maha season and 26,535 Mt in 2017 Yala season. Accordingly, the Government granted import permits for feed millers to import maize under a concessionary rate of SCL of Rs. 10/- per Kg. to cater to the poultry industry. 182,190 Mt of maize has been imported by the feed millers in 2017 under the concessionary rate.

Table 8.20 | Maize Cultivation

Season	Maize	
	Extent (Ha)	Production (Mt)
2014/15 Maha	60,954	230,871
2015 Yala	9,017	30,244
2015/16 Maha	57,094	207,075
2016 Yala	10,650	36,555
2016/17 Maha	69,206	171,382
2017 Yala	8,504	26,535

Source: Department of Agriculture

## 8.7.2 Dairy Sector

Total milk production from dairy cows in 2017 was 328 million litres while buffalo milk production amounted to 68 million litres which together is a 3 percent increase from 2016. This is due to the increase in total milking cows population from 284,400 in 2016 to 296,250 in 2107. However, total milk production meets only about 40 percent of the domestic requirements of milk, while the rest is imported. The increase in demand for dairy products has created a significant potential to invest in this industry. In this background the Government has set a target

to achieve self-sufficiency in dairy production by 2020, and it has put forward plans through the “National Food Production Programme”.

Further to boost the industry, the Government provided tax concessions on the import of dairy related machineries and equipment and has also increased the farm gate milk price. Also to encourage domestic milk powder producers, the price of local milk powder was reduced and a subsidy was offered to local producers to meet the price difference. The cost of which to the Government amounted to Rs.561 million.

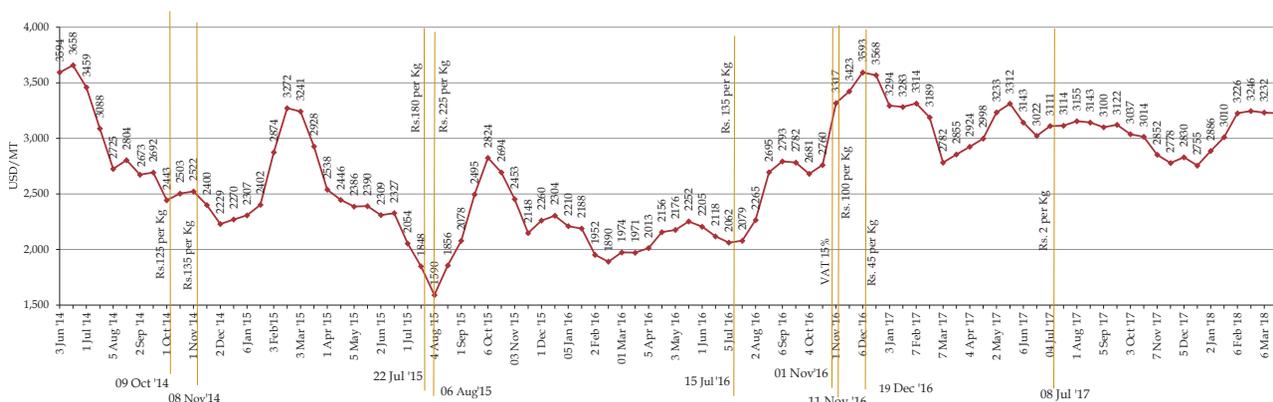
Table 8.21 | Grant of Re-imbursements to the Local Milk Powder Producers in 2017

Company	Unit	Market Price	Sale Price Based on Budget	Price Subsidy (Rs.)
Milco (Pvt) Ltd	400 g	Rs. 320	Rs. 295	218,562,500
	1 KG	Rs. 790	Rs. 735	37,007,025
Pelwatte Dairy Industries Company Ltd	400g	Rs. 325	Rs. 295	192,582,930
	1 KG	Rs. 810	Rs. 735	113,159,550
<b>Total</b>				<b>561,312,005</b>

Source: Department of Development Finance

Given that domestic milk production can meet only 40% of the total demand in 2017, 84,430 Mt of full cream milk powder has been imported to fulfill the local demand. Consequently with the increase in the world market prices the Government granted duty waivers to the local milk powder importers, thereby enabling the maintenance of milk prices at a reasonable level.

Chart 8.7 | International Market Price of Milk Powder (from June 2014 - March 2018)



## 8.8 Special Incentives for Targeted Groups

### 8.8.1 Special Interest Rate for Senior Citizens

Government continued the 15 percent special interest rate for Senior Citizens in 2017 as well. Accordingly, Sri Lankan senior citizens who opened a one-year fixed deposit of a total of rupees one million or less at a Licensed Commercial Bank (LCB) or Licensed Specialized Bank (LSB) on an individual basis were eligible to receive this special interest rate of 15 per cent per annum. The government undertook to reimburse the additional interest cost incurred by banks by implementing this scheme.

In this regard, the Government received reimbursement claims around Rs. 13,462 million from participatory LCBs and LSBs.

Table 8.22 | Quarter-wise Progress of the Special Interest Scheme for Senior Citizens - 2017

Description	Beneficiaries	Reimbursement Requests (Rs.)
Quarter 1	452,012	4,491,407,234
Quarter 2	499,759	4,052,463,324
Quarter 3	489,810	2,780,088,775
Quarter 4	485,196	2,138,194,231
<b>Total</b>		<b>13,462,153,564</b>

Source: Department of Development Finance

### 8.8.2 Self-Employment Loan Scheme for Socially Re-Integrated Trainees

Self-Employment Loan Scheme for Socially Re-Integrated Trainees is a programme which was introduced in July 2012 and has continued for the benefit of the rehabilitated LTTE combatants in uplifting their livelihood activities. This scheme consists of non-financial support such as Entrepreneurship Development Training Programme and post-supervision programmes to develop their social and economic activities and financial support by way of a loan scheme with loans upto a maximum of Rs. 250,000 at a subsidized interest rate of 4 percent (Government bears 8 percent on behalf of the borrower) with a maximum repayment period of 10 years

inclusive of maximum 1 year grace period. These funds could be used for to the purchase of equipment for the development of agriculture and dairy farming activities, extension services for agricultural activities, animal husbandry, purchase of productive enterprise equipment, domestic industries, fisheries activities, and small business activities.

Phase II which commenced in 2016 and continued in 2017 through the Bank of Ceylon, People’s Bank and Regional Development Bank with Rs.180 million being dispersed amongst 843 targeted beneficiaries.

Table 8.23 | Progress of Self-Employment Loan Scheme for Socially Re-Integrated Trainees in 2017

District	No. of Loans Granted	Amount Disbursed (Rs. Mn)
Jaffna	326	71.1
Kilinochchi	162	30.4
Mulathivu	113	24.3
Vavuniya	39	8.6
Mannar	43	9.1
Ampara	16	3.3
Trincomalee	76	18.5
Batticaloa	68	15.1
<b>Total</b>	<b>843</b>	<b>180.4</b>

Source : Respective Banks



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

**09**

## 9.1 Overview

State Owned Enterprises<sup>1</sup> (SOEs) continue to play a significant role in the country's economy with its presence in key sectors such as Ports, Energy, Banking, Insurance, Water etc.

At present, Out of 400 State Owned Enterprises (SOEs), 264 SOEs<sup>2</sup> are monitored by the Department of Public Enterprises while 136 SOEs fall under the supervision of the Department of National Budget. Of the SOEs under the purview of the Department of Public Enterprises, 55 SOEs, have been identified as strategically important State Owned Business Enterprises<sup>3</sup> (SOBEs) representing crucial sectors of the economy. SOBEs include Ceylon Electricity Board(CEB), Ceylon Petroleum Corporation(CPC), Sri Lanka Ports Authority(SLPA) etc.

During 2017, 55 SOBEs alone have recorded a total turnover of Rs. 1755.55 billion which is almost 13.22 percent of the GDP. Out of the 55 SOBEs 39 recorded a net profit amounted to Rs. 136 billion while 16 made net losses amounted to Rs. 87 billion during 2017. The total asset base of SOBEs grew by 13.6 percent in 2017 over 2016 and it accounted for almost 56.8 percent of the GDP.

Although, SOE's occupy a significant space in the economy, it is by no means a reflection of its potential or capacity. In fact the Return on Assets (ROA) amounting to only 0.64 percent of the 55 SOBE's is a rough indication that the SOBE's have not been performing to its full potential. The reasons for such performance ranges from lack of good governance practices including lack of a clear accountability mechanism, policy and legal framework to a weak supervisory role being played by institutions etc.

Given the importance of the SOE's, specially the SOBEs to the economy, the government's strategy is to encourage and facilitate the SOBEs to be self-sufficient through improved corporate practices, management reforms, innovative financing, strong and prudent financial management, exposure to competitiveness and international best-practices and effective human resource management while enhancing

public accountability. It is in this context that the Department of Public Enterprises (PED) has adopted a new approach with the introduction of the Statements of Corporate Intents (SCIs). The SCI is a statement that contains key performance indicators targeting the key activities of the entity which will be reflected in improved financial and non-financial performance of the entity.

This agreement is signed between the SOE, the line Ministry and the Ministry of Finance. The key performance indicators (KPIs) in the SCI are agreed after significant negotiation between the Treasury and the SOE. In essence, the SCIs while improving accountability, and better governance also provides more autonomy to the entity. The implementation of the SCIs are monitored by the PED and is reported to the Cabinet of Ministers periodically.

During 2017, five key SOBEs, namely CPC, CEB, SLPA, AASL and NWS&DB were party to the SCI having signed a tripartite agreement with the management of the respective SOBEs, Ministry of Finance and the relevant line ministries. Currently, the PED is in the process of monitoring the progress of meeting objectives of SCIs.

Subsequently, followed by the approval of the Cabinet of Ministers, it is planned to sign SCIs with another 10 selected entities, Sri Lanka State Plantation Corporation, Urban Development Authority, Lanka Sathosa (Pvt) Ltd, Central Engineering Consultancy Bureau, State Timber Corporation, Sri Lanka Transport Board, State Pharmaceuticals Corporation, Milco (Pvt) Ltd, National Livestock Development Board and Geological Survey & Mines Bureau by end July 2018.

It needs to be noted that the role of the Treasury in overseeing the performance of these SOEs is mostly linked to the incorporation of the entity itself. As such, when monitoring the SOEs that are incorporated under the Companies Act, the Treasury's supervisory role is governed primarily by the responsibilities of that of a shareholder towards an entity as governed by the Companies Act and the Articles of Association of each entity. With regard to those entities incorporated or established under an

Act of Parliament, the Treasury will enact the provisions of the Finance Act no 38 of 1971. In both instances the applicability of the guidelines issued is dependent upon mainly the complexity of the operations, the market conditions and the competencies required to ensure smooth operations of the entity.

Therefore, when taking decisions the Boards of Management or Directors and the Management of these entities must ensure that while being governed by the guidelines and the circulars issued by the Treasury and other applicable entities, the decisions taken must fundamentally be within a proper legal and regulatory framework, while ensuring that the objectives of the entity will be achieved effectively and efficiently having utilized the resources available. It is important that the Boards and the senior management exhibit due diligence and care given that the resources under their custody is ultimately the resources of the public of the country.

It is noted that the boards of SOEs are vested with a responsibility to ensure that the entities operate

as commercially viable entities having exercised good business practices. It is acknowledged that this demands the appointment of personnel who are also properly qualified and have the capacity to guide these SOEs specially the SOBEs to achieve their objectives. In this context the Treasury envisages conducting awareness programmes for the members of Boards and the senior management on the best practices that must be adopted in guiding the operations of these entities.

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. Includes subsidiaries and sub-sub diaries
3. State Owned Business Enterprises are those State Owned Enterprises engaged in business activities and generate revenue by way of sale of goods or services.

Table 9.1 | Asset Bases of SOBEs on Sector Wise

(Rs. Billion)				
Sector	Number of SOBEs	Total Assets as at 31.12.2016	Total Assets as at 31.12.2017	Growth (%)
Energy	2	1,004.29	1,043.96	4.00
Water	1	383.2	441.24	15.15
Ports	1	350	529	51.14
Commuter Transportation	1	26.88	**	-
Aviation	3	121.55	139.92	15.11
Construction	3	35.95	41.96	16.72
Banking and Finance	9	4,357.76	4,970.48	14.06
Insurance	4	202.1	216.18	7.00
Lotteries	2	4.96	5.34	7.66
Livestock	2	24.47	25.61	4.66
Plantations	6	13.19	7.34	(44.35)
Non-Renewable Resources	3	3.81	4.71	23.62
Health	4	15.91	20.68	30.00
Media	3	8.87	8.8	(0.79)
Marketing and Distribution	11	95.4	97.57**	2.27
<b>Total</b>	<b>55</b>	<b>6,648.34</b>	<b>7,552.79</b>	<b>13.60</b>

Sources: SOBEs and the Department of Public Enterprises

\*Statements of Financial Position as at 2017.12.31 of Sri Lanka Transport Board have not been prepared

\*\* Statement of Financial Position as at 2017.12.31 of Lanka Sathosa (Pot) Ltd have not been Prepared.

Table 9.2 | Sectoral Contribution to GDP - 2017

Sector	Number of SOBEs	PBT/LBT *	Total Revenue	(Rs. Billion)
				Contribution to GDP** (%)
Energy	2	(45.74)	752.74	5.67
Water	1	1.82	26	0.2
Ports	1	13.22	37	0.28
Commuter Transportation	1	2.6	41	0.31
Aviation	3	(18.17)	159	1.20
Construction	3	(0.80)	15	0.11
Banking and Finance	9	93	512.14	3.85
Insurance	4	(0.7)	58	0.44
Lotteries	2	2.4	30	0.22
Livestock	2	(0.73)	13.24	0.1
Plantations	6	0.04	4	0.03
Non-Renewable Resources	3	0.14	2.03	0.02
Health	4	2	40.2	0.3
Media	3	(0.41)	5	0.04
Marketing and Distribution	11	(0.47)	60.2	0.45
<b>Total</b>	<b>55</b>	<b>48.2</b>	<b>1755.55</b>	<b>13.22</b>

Sources: SOBEs and the Department of Public Enterprises

\*Profit before Tax / Loss before Tax

\*\*Gross Domestic Product at Market price

## Investment and Return on Investment of SOEs

During 2017, only 32 SOEs out of 264 SOEs contributed to the non-tax revenue by way of dividend and levies, amounting to Rs 54 billion. This is a decline of 50 percent over 2016.

The government channeled Rs. 41 billion as transfers from the budget to support restructuring and expansion of the business activities of SOEs during 2017.

Table 9.3 | Levy/ Dividend Income from SOEs

	(Rs. Million)					
	2012	2013	2014	2015	2016	2017
<b>Levy</b>	<b>31,514</b>	<b>30,400</b>	<b>42,137</b>	<b>26,118</b>	<b>92,338</b>	<b>50,447</b>
National Savings Bank	8,200	5,000	4,000	2,800	12,026	3,865
Bank of Ceylon	5,000	5,000	6,500	5,000	18,000	12,000
People's Bank	4,500	4,500	6,000	3,000	8,000	5,000
Telecommunication Regulatory Commission	7,200	10,100	10,000	10,000	28,000	22,800
Ceylon Petroleum Corporation			10,000		10,000	-
State Mortgage & Investments Bank	25	40	10	10	10	-
Regional Development Bank	500	500	-	87	88	-
State Timber Corporation	50	50	25	50	175	100
State Pharmaceuticals Manufacturing Corporation	20	20	25	30	65	45
National Insurance Trust Fund	4,200	3,200	4,000	3,000	2,500	2,100
Geological Survey and Mines Bureau	750	700	650	850	900	1,500
National Gem and Jewellery Authority	-	100	-	75	175	100
Sri Lanka Convention Bureau	12	-	-	-	-	-
Sri Lanka Rupavahini Corporation	5	-	2	-	-	-
Ceylon Electricity Board	-	-	-	-	8,000	-
Board of Investment	200	-	100	141	115	220
National Lotteries Board	502	500	-	50	550	-
Securities and Exchange Commission	-	94	-	-	-	-
Insurance Board of Sri Lanka	-	300	-	-	-	-
Sri Lanka Standard Institution	-	20	-	-	-	-
Sri Lanka Export Credit Insurance Corporation	-	25	-	-	25	-
National Livestock and Development Board,	-	1	-	-	-	-
Central Engineering Consultancy Bureau	-	-	-	25	25	25

Table 9.3 | Levy/ Dividend Income from SOEs

	(Rs. Million)					
	2012	2013	2014	2015	2016	2017
Sri Lank Tourism promotion Bureau	-	-	500	500	1,500	1,000
Civil Aviation Authority	350	200	250	400	768	800
State Pharmaceutical Corporation	-	50	75	100	216	222
National Transport Medical Institute	-	-	-	-	200	160
Sri Lanka Bureau of Foreign Employment	-	-	-	-	1,000	185
National Transport Commission						300
<b>Dividends</b>	<b>4,548</b>	<b>-</b>	<b>4,664</b>	<b>3,678</b>	<b>15,821</b>	<b>3,550</b>
National Savings Bank	60	-	60	60	60	60
Bank of Ceylon	346	-	346	346	346	346
People's Bank	158	-	316	316	316	316
Lankaputhra Development Bank	18	-	36	36	36	41
National Development Bank	4	-	6	5	2	2
Sri Lanka Insurance Corporation Ltd	1,001	-	2,001	1,003	11,857	503
Airport and Aviation Services Ltd	-	-	500	497	1,500	850
Lanka Mineral Sands Ltd	1,700	-	43	14	-	-
Lanka Phosphate Ltd	40	-	35	30	-	8
Independence Television Network Ltd	88	-	125	84	-	10
Lanka Leyland Ltd	5	-	11	54	34	35
Rakna Arakshaka Lanka Ltd	10	-	68	93	-	-
Manthai Salt Ltd	-	-	1	-	-	-
Ceylon Fertilizer Ltd	4	-	38	54	116	90
Colombo Commercial Fertilizer Ltd	8	-	12	10	25	12
Paranthan Chemicals Company Ltd	3	-	10	5	-	8
Kahatagaha Graphite Lanka Ltd	-	-	1	-	-	-
STC General Trading Company	-	-	-	-	5	-
Sri Lanka Telecom PLC	759	-	759	795	795	795
De La Rue Lanka Ltd	42	-	49	61	62	79
Lanka Electricity Company Ltd	75	-	25	87	152	218
Lanka Industrial Estates Ltd	47	-	55	55	47	55
Skills Development Fund	-	-	-	2	-	-
Ceylon Agro Industries	-	-	7	6	12	12
Lanka Sugar Company Ltd	-	-	80	-	-	-
Asian Reinsurance Corporation	-	-	-	-	-	-
Lanka Logistics Limited	-	-	2	2	5	-
Ceylon Petroleum Storage Terminals Ltd	-	-	-	-	438	-
Plantation Companies*	179	-	80	62	10	103
Others**	1	-	-	1	3	7
<b>Total</b>	<b>36,062</b>	<b>30,400</b>	<b>46,801</b>	<b>29,796</b>	<b>108,159</b>	<b>53,997</b>

Sources: Department of Treasury Operations and Department of Public enterprises

\* includes Kurunegala, Kalubowitiyana, Chilaw, Pussellawa, Kotagala, Namunukula, Elpitiya

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

## 9.2 Energy

During 2017 the global oil prices surged upward which resulted in both the CPC and CEB's performance being severely affected specially in the absence of a cost reflective pricing structure. The dry weather conditions that prevailed in the catchment areas also resulted in the CEB's cost of production increasing given that the cost of electricity generation has increased by almost 18 percent in 2017. The lack of cost reflective tariff

structures coupled with inadequate investments to augment capacities both at CEB and CPC has created significant challenges in meeting the government policy of ensuring energy security at the least cost while also creating pressures in the Banking sector.

The non-addition of at least one Megawatt to the national grid as per the approved Least

Cost Long Term Generation Expansion Plan (LCLTGE) has resulted in the CEB purchasing electricity generated from high cost fuel based thermal power plants as an alternative, to the reduced generation from hydro power plants so as to ensure an uninterrupted power supply throughout the year. CPC also was severely impacted with lack of investments to augment the storage facilities which in turn hindered their ability to make use of the low oil price regime that prevailed.

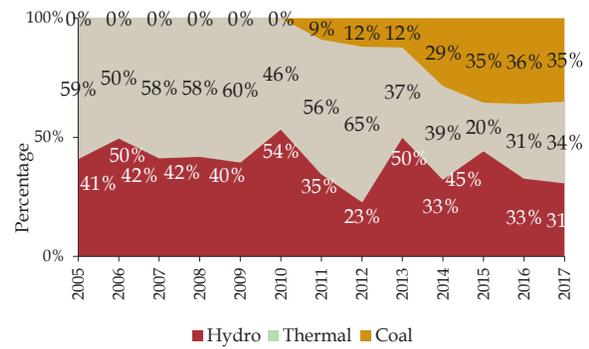
### Ceylon Electricity Board (CEB)

During the year 2017, the CEB sold 13,249 GWh which is an increase over 2016 at 464 GWh. However, its revenue increased by only around 3 percent in comparison to 2016 to Rs. 223,731 million while its operational costs increased to Rs. 272,962 million from Rs. 231,147 million in 2016. This significant increase in the operational costs resulted in the CEB incurring losses amounting to Rs. 49,231 million which is a 240 percent increase from Rs. 14,499 million in 2016.

The worse than expected dry weather conditions that prevailed specially in the catchment areas, resulted in the change of power generation composition from Hydro: Other Renewable Energy: Thermal (Oil): Coal 25:8:31:36 in 2016 to 20:11:34:35 in 2017. While, hydro and coal power plants were expected to generate 8,399 GWh, by end 2017 Hydro and Coal together has generated only 8,198 GWh, with the balance requirement of 201 GWh being met by the relatively high cost Oil fired power plants and renewable energy sources. This resulted in the increase in the cost per unit to Rs. 19.84 in 2017 from Rs. 18.06 in 2016.

In fact, CEB has recorded a direct generation cost of Rs. 184.60 billion in 2017 compared to the Rs. 152.00 billion in 2016 reflecting a 21 percent additional cost to CEB.

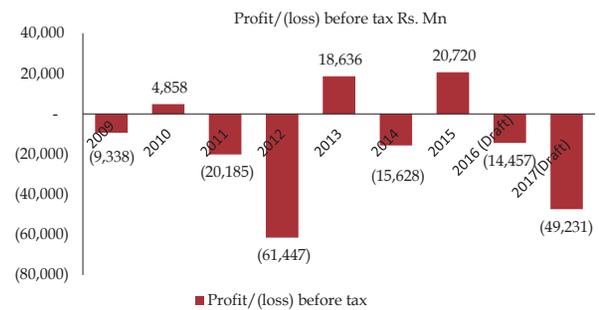
Chart 9.1 | Generation Mix 2005-2017



Sources : Ceylon Electricity Board and Department of Public Enterprises

In the absence of implementing a cost reflective pricing mechanism, CEB had to manage its liquidity requirements through borrowing from state banks and as such its borrowings had increased to Rs. 8,691 million at the end of 2017 from Rs. 6,108 Million in 2016. During the year, government also supplemented the CEB losses by transferring Rs. 6 billion to cover their non-commercial obligations.

Chart 9.2 | Profitability of CEB 2009-2017



Sources : Ceylon Electricity Board and Department of Public Enterprises

CEB has been able to achieve its household electrification network exceeding 99 percent in the country with an installed generation capacity of 14,533 MW and transmission and distribution lines totaling approximately 177,000 kilometers. Over 6.1 million users consume more than 36 million units of electricity per day on average.

Table 9.4 | Installed Capacity and Power Generation of CEB - 2015-2017

	(Rs. Million)								
	2015			2016			2017 Provisional		
	Installed capacity MW	Generation		Installed capacity MW	Generation		Installed capacity MW	Generation	
percentage on Total Generation		GWh	percentage on Total Generation		GWh	percentage on Total Generation		GWh	
Hydro	1,377	38%	4,925	1,382	25%	3,504	3,054	21%	3,077
Thermal - CEB Oil	604	8%	1,085	1504	17%	2,362	2550	18%	2,604
Thermal - IPP Oil	511	9%	1,226	611	15%	2,164	2373	16%	2,279
Thermal - Coal	900	34%	4,457	900	35%	5,066	5345	35%	5,121
NCRE & Wind	455	34%	1,466	519	8%	1,195	1317	10%	1,452
<b>Total</b>	<b>3,847</b>	<b>100%</b>	<b>13,159</b>	<b>4,916</b>	<b>100%</b>	<b>14,291</b>	<b>14,639</b>	<b>100%</b>	<b>14,533</b>

Sources : Ceylon Electricity Board and Department of Public Enterprises

During the last 5 years, the year on year demand for electricity has increased on average by around 5.0 percent with more industries entering the economy together with the advent of electric cars and increase of the usage of more electric appliances. As such, the government strategy is driven by the twin objectives of ensuring environmentally sustainable low cost energy generation. Hence, LCLTGE, prepared by CEB has to be approved by the Public Utilities Commission of Sri Lanka (PUCSL) focusing on augmenting the generation capacity by at least 400MW every year from 2018 to 2,037, which requires an investment of at least Rs. 85 billion or USD 550 million every year.

Following projects are to be implemented during 2018.

- i. Establishment of 400 MW of LNG power plant in Hambantota on Government to Government (G to G) basis in between the Government of China and the Government of Sri Lanka
- ii. Implementing 500MW of LNG Power Plant as a Joint Venture Project between the Government of Japan and Government of Sri Lanka on Government to Government (G to G) basis in Kerawalapitiya
- iii. Implementing 500MW of LNG Power Plant as a Joint Venture Project between the Government of India and Government of Sri Lanka on Government to Government (G to G) basis in Kerawalapitiya.
- iv. Cabinet approval has been granted to implement the 2<sup>nd</sup> stage of the 1Mw \* 90 nos. of small scale solar projects.
- v. Cabinet approval has been granted to develop wind energy as a source of renewable energy and to establish Wind Energy Park to minimize the cost of the provision of necessary infrastructure.
- vi. Cabinet approval has been granted to get financial assistance from the Asian Development Bank for the implementation of 100MW wind power project in Mannar.
- vii. To mitigate any power crisis in 2017 the CEB commissioned the following power plants which following were undertaken to purchase energy from the following power plants that were decommissioned
  1. 25MW HFO power plant at Matara on contract basis
  2. 100MW HFO power plant at Puttalam
  3. 24MW HFO power plant at Embilipitiya
  4. 50 percent tax concession is granted to renewable energy for 04 years through Budget 2018
  5. Diversifying the energy sources to implement LNG and Green Energy sources.
  6. To ensure that adequate investment are made for transmission and distribution, and to encourage the private sector to participate in providing transmission facilities within each Province.

- viii. Action is been taken by CEB to implement the Bulk Supply Transaction account as per the requirement which specified by PUCSL.
- ix. Automatic pricing formula for electricity would also be implement with developing the available "Tariff methodology".

Table 9.5 | Financial Outturn of Ceylon Electricity Board

	(Rs. Million)				
	2013	2014	2015	2016	Provisional 2017
<b>Operational Statement</b>					
Revenue	200,931	205,638	198,363	216,647	223,731
Sale of Electricity	194,147	202,645	188,684	206,811	218,450
Other Income	6,784	2,993	9,679	9,836	6,618
<b>Expenditure</b>	<b>188,082</b>	<b>222,924</b>	<b>177,408</b>	<b>231,147</b>	<b>272,962</b>
Direct Generation Cost	-	164,762	107,836	152,030	184,601
IPP (With NCRE)	80,308	101,149	63,731	81,752	89,254
CEB - Fuel Cost (Oil & Coal)	40,102	63,613	44,105	70,278	95,347
Generation, Transmission & Distribution O&M Cost	26,196	25,236	33,297	40,975	45,651
Corporate Expenses	8,172	4,536	3,882	4,487	4,325
Interest on Borrowings and Delayed Payments	12,813	7,027	5,133	4,276	8,415
Depreciation	20,491	21,362	27,260	29,379	29,970
<b>Operating profit/(loss)</b>	<b>12,849</b>	<b>(17,286)</b>	<b>20,955</b>	<b>(14,499)</b>	<b>(49,231)</b>
<b>Liquidity Position</b>					
Borrowings from Banks	58,760	27,000	318	6,108	8,691
Payments to Banks	37,143	16,612	13,495	14,387	26,096
Outstanding Debt to Banks	44,404	54,791	41,614	33,468	24,341
Purchases from CPC and IPP	157,998	132,939	62,427	110,096	242,217
Payments to CPC and IPP	134,048	140,750	72,177	85,014	176,708
Outstanding to CPC and IPP	23,950	16,140	6,390	31,603	72,030
<b>Operational Statistics</b>					
Units Sold	10,628	11,063	11,786	12,785	13,249
Unit Generated	11,959	12,423	13,159	14,291	14,533
Cost Per Unit	16.75	20.15	15.05	18.06	19.84
Sales Per Unit	18.91	18.32	16.01	16.08	16.49
<b>Generation Composition</b>					
Thermal (Fuel) CEB	1,326	1,744	1,085	2,362	2,604
Thermal (Fuel) IPP	1,975	2,610	1,226	2,164	2,279
Hydro	6,011	3,652	4,925	3,504	3,077
Mini Hydro, Wind & NCRE	1,176	1,215	1,466	1,195	1,452
Coal	1,469	3,202	4,457	5,066	5,121
<b>Total</b>	<b>11,959</b>	<b>12,423</b>	<b>13,159</b>	<b>14,291</b>	<b>14,533</b>

Sources: Ceylon Electricity Board and the Department of Public Enterprises

### Ceylon Petroleum Corporation (CPC)

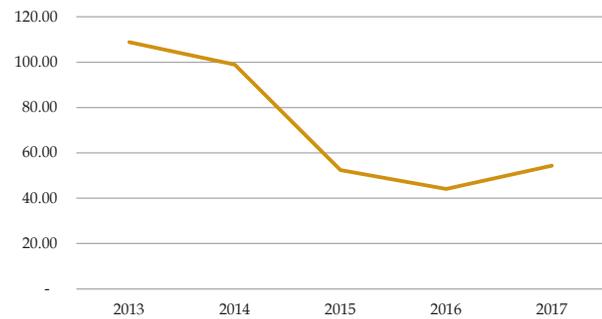
With the country being fully dependent on imports for its oil requirements, petroleum and petroleum related products are being imported throughout the year. In the year 2017, the total cost of importation of petroleum products (Crude Oil and Refined products) amounted to USD 3,167 million which is around 11.9 percent of the total imports in the year 2017.

The international oil prices that have been declining from the beginning of year 2013 started an upward movement with the commencement of the year 2017. The UK Brent crude oil which was around USD 113/bbl at the end of year 2013 had reduced to USD 54/bbl by the end of year 2016 and closed 2017 at around USD 64/bbl. While the increase in the international prices have been only around 17 percent in 2017 in compared to 2016, CPC saw a significant increase

in its cost of imports by almost 85 percent to USD 3,167 million in 2017 from USD 1,708 million in 2016 also due to the increase in demand from the electricity sector for the generation of electricity from fuel fired thermal plants due to the dry weather conditions during the year.

It is envisaged that the government needs to take required policy measures to mitigate the possible external risk of increasing trend of oil prices in future, resulted by the market forces, which may create more adverse macroeconomic impact to the country.

Chart 9.3 | Crude Oil Price in 2013-2017 (USD)



Source: Ceylon Petroleum Corporation

Table 9.6 | Financial Outturn of Ceylon Petroleum Corporation

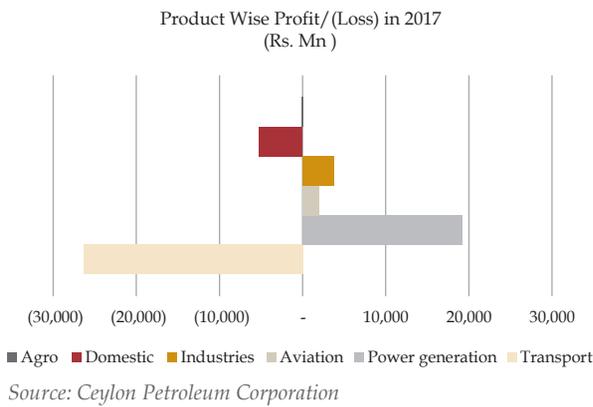
	Actual			Provisional		(Rs. Million)
	2013	2014	2015	2016	2017	
<b>Total Revenue</b>	<b>494,010</b>	<b>533,124</b>	<b>385,980</b>	<b>435,091</b>	<b>528,512</b>	
Octane 92	102,733	106,302	86,747	96,836	136,752	
Octane 95	7,739	9,954	10,470	13,932	22,091	
Diesel	211,233	237,497	168,156	190,387	210,814	
Super Diesel	4,037	4,944	5,774	7,418	9,439	
HF 800cc	5,882	5,109	21,860	43,539	39,888	
HF 1500cc	45,095	39,159	16,801	3,165	5,134	
HF 3500cc	12,708	16,196	1,110	-	-	
LSHF	8,668	13,628	4,983	6,950	20,257	
Naptha	13,026	13,478	12,003	15,442	14,947	
Kerosene	16,746	15,230	9,824	7,998	9,054	
JET- A-1	52,609	54,622	34,641	31,559	43,034	
Other Products	9,905	9,061	4,367	5,909	5,362	
Other Income	3,629	7,944	9,246	11,957	11,741	
<b>Total Expenditure</b>	<b>501,780</b>	<b>531,490</b>	<b>405,866</b>	<b>365,471</b>	<b>525,009</b>	
Cost of Sales	467,638	500,734	337,119	326,441	489,230	
Imports-Refine oil	285,034	201,590	223,648	233,056	360,856	
Refinery- crude oil	182,604	299,144	113,471	93,385	128,374	
Sales and Distribution	11,480	10,937	13,401	14,413	15,010	
Administration	3,600	5,244	2,838	3,741	4,276	
Finance Cost	18,540	13,962	15,049	11,405	10,531	
Depreciation	485	378	754	643	643	
Other Cost	37	232	36,705	8,829	5,317	
Exchange Rate Variation	-	-	-	-	5,318	
<b>Profit/(Loss) Before Tax</b>	<b>(7,770)</b>	<b>1,633</b>	<b>(19,886)</b>	<b>69,620</b>	<b>3,504</b>	
Outstanding debts to Banks	419,000	373,000	388,855	308,667	338,241	

Sources : Ceylon Petroleum Corporation and the Department of Public Enterprises

However, the absence of a cost reflective tariff structure, during 2017, resulted in the erosion of the positive operational margin by almost 95 percent in comparison to 2016. Thus CPC's operational profit which was reported at Rs. 69,620 million in the year 2016 reduced drastically to Rs. 3,504 million in year 2017. Given the absence of a full cost reflective pricing formula to support the operations of both the importers of refined petroleum products the government reduced its import duties on petrol and diesel by Rs. 23.00 and Rs. 9.00 respectively in the month of December 2017.

CPC's total revenue for 2017 has increased by 21 percent compared to 2016, which is almost 4 percent of country's GDP. The increase in the revenue was due to the increase in demand for Petrol by 40 percent, diesel by 10 percent and the low Sulphur fuel used for power generation by about 3 fold. While CPC's profits had reduced to Rs. 3,504 million, this too was mainly due to the positive margins generated from the sale of diesel and heavy fuel for electricity generation.

Chart 9.4 | Composition of Losses by Different Sectors



A sectoral analysis of the petroleum sales indicates that the transport sector has incurred losses of Rs. 26,337 million due to the sale of Diesel and Petrol below the full cost. The domestic sector also reported a loss in 2017 reflecting the subsidy on Kerosene which is almost Rs. 27.53/l. However, the losses created from the transport and the domestic sector was set off from the profit

generated from the power sector. The positive contribution to the profits from the power sector stood at a high level of 34 percent of total profits and it is an decrease of 31.43 percent compared to previous year.

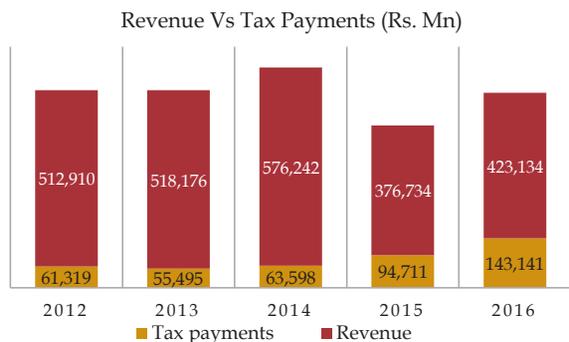
The higher import bill and the depreciation of Rupee against the USD drove the bank borrowings of CPC to further deepen during 2017 with total borrowings from Bank of Ceylon and People’s Bank increasing by Rs. 30 billion to close at Rs. 338 billion. This is a complete turnaround from the 2016 where the CPC was able to reduce its exposures to the Banks. It is noted that the CPC’s bottom lines have been impacted severely by its exposures to Bank borrowings. As such, although CPC was able to record a gross profit of Rs. 39.3 billion the interest costs of Rs. 10.5 billion was the main reason for the CPC’s net profit to diminish to Rs. 3.5 billion. Clearly, CPC should investigate the possibilities of deriving alternative financing arrangements that help to reduce the cost burden on to the operation.

Table 9.7 - CPC Bank Exposure As At 31.12.2016 and 31.12.2017 and the Change

Commitment	As at 31.12.2016 LKR - Mn			As at 31.12.2017 LKR - Mn			Difference
	Loan (Within the period)	Over Due	Total Value	Loan (within the period)	Over Due	Total Value	
<b>BOC</b>							
- Foreign Currency Loans (Imports)	74,235	-	74,235	105,148	5,583	110,730	36,495
- Import Bills	67,266	-	67,266	89,484	-	89,484	22,218
Total - BOC	141,501	0	141,501	194,362	5,583	200,215	58,713
<b>PB</b>							
- Foreign Currency Loans (Imports)	42,723	76,356	119,080	59,398	9,460	68,858	(50,222)
- Import Bills	48,086	-	48,086	69,168	-	69,168	21,082
Total - PB	90,809	76,356	167,166	128,566	9,460	138,026	(29,140)
Total	232,310	76,356	308,667	322,928	15,043	338,241	29,573

Sources : Ceylon Petroleum Corporation and Department of Public Enterprises

Chart 9.5 - Tax Collection from CPC



Sources : Ceylon Petroleum Corporation

CPC, being one of the major tax contributors to the government, has paid total taxes amounted to Rs. 147,388 million in the year 2017, accounts for nearly 10 percent of the total tax revenue of the country.

The total tax contribution from CPC has grown continuously, whereas the tax component which represented about 10 percent from the revenue of CPC in year 2013 has increased to about 28 percent in the year 2017.

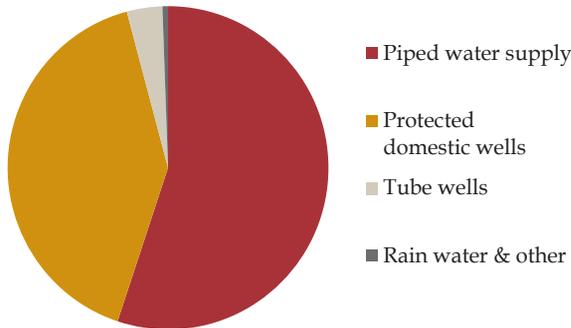
### 9.3 Water

#### National Water Supply & Drainage Board (NWS&DB)

The National Water Supply and Drainage Board (NWS&DB) is the major player in providing safe drinking water and sewerage facilities in Sri Lanka. Safe drinking water coverage of the country is 89.3 percent of which pipe borne water

accounts for 49.2 percent while the balance 40.1 percent is covered by the domestic sources at the end of 2017.

Chart 9.6 | Access to Safe Drinking Water



Source: National Water Supply & Drainage Board

NWS&DB sewerage systems provide 21,130 connections while 80,000 connections are being maintained by the Colombo Municipal whereby the pipe borne sewerage coverage in country accounts for only 2.07 percent at the end of 2017. In line with the government’s objectives, the NWS&DB is tipped to achieve 100 percent coverage of safe drinking water by 2025.

In line with this target, 126,701 new water supply connections were added by NWS&DB during 2017, whereby the total number of water connections have increased to 2,219,172 at the end of 2017. By the end of 2017, NWS&DB has 23 projects work in progress with an investment over Rs. 190 billion. These projects are;

- a) Financed fully by the NWS&DB itself and NWS&DB has entered into financing contracts directly with the lender often times with a guarantee or a letter of comfort issued by the Treasury.
- b) Financed fully by the government where the financing agreement is between the government and the lender.
- c) Partially financed by the government i.e from 2016 onwards, if the project is in an urban area, the government will provide the required gap financing to meet 50 percent of the cost of servicing the loans while the balance 50 percent will be borne by the NWS&DB, and if it is in a rural area the government will bear 75 percent of the cost of servicing the debt while the NWS&DB will bear 25 percent of the cost of servicing the loan.

In the case of both (a) and (c), the government will support the NWS&DB by allocating funds from the national budget as gap financing. The government has issued and given the circumstances, will also issue Treasury bonds in favor of the NWS&DB to support the liquidity crunch the Board experiences and thereby strengthen the balance sheet as well. At the same time, the government has also issued Letters of Guarantees and Letters of Comfort.

NWS&DB produced 679 million cubic meters (m<sup>3</sup>) of drinking water in 2017, which is a 4.6 percent increase over 2016, at a cost of Rs. 14,196 million. The cost of a 1m<sup>3</sup> to the consumer increased to Rs. 46.95 in 2017 from Rs. 45.18 in 2016. NWS&DB distributed 508 million m<sup>3</sup> of water, an increase of 5 percent compared to 2016, through 2,219,172 water connections and bowsers.

During 2017, NWS&DB earned a revenue of Rs. 23,860 million a slight increase of 1 percent compared to the previous year. Although, revenue has increased by only 1 percent, the cost of production increased by 5.3 percent lead by a 8.7 percent increase in administrative costs and 4.9 percent increase in other operating expenditures. As such, driven by the increase in costs and almost a 17 percent decrease in non-operating income the Board saw net profit being recorded at Rs. 1,817 million in 2017 a significant decrease of 38 percent compared to 2016 . With the Board undertaking projects to accelerate its coverage, at the end of 2017, total assets of NWS&DB stood at Rs. 441,237 million compared to Rs. 383,197 million in the year 2016.

As a result of the continuous leakages in the distribution channels, in 2017, 25.24 percent of the total water production equaling to almost 171 million m<sup>3</sup> of water was lost or has become Non - Revenue water (NRW). NRW has remained a major issue for the Board but has seen a gradual decrease from as high as 30.24 percent in 2013 to 25.24 percent in 2017. Further, the NRW of Colombo city area was decreased to 43.14 in 2017, from 45.72 in 2016.

In pursuing the objective of providing to the entire population, the Board is faced with many challenges amongst which the lack of

credible water sources due to the impact of weather patterns is a key issue. Ground water contamination due to unsafe environmental practices is also a concern. In this context the Board has undertaken a project in the Jaffna peninsula to construct/install a desalination plant. At the same time, the water board has not had a tariff revision since October 2012 and hence has resulted in the government infusing almost Rs. 12 billion in 2017 alone together with other support

mechanisms including the provision of treasury guarantees and letters of comfort. In order to bridge the investment gap, Board explores the possibility of public private partnerships (PPP) as an alternative to being dependent entirely on the government financing and also the possibility of alternative technologies to support the objective of providing uninterrupted supply of clean water to the consumers.

Table 9.8 | Financial Outturn of National Water Supply and Drainage Board

	(Rs. Million)				
	Actual			Provisional	
	2013	2014	2015	2016	2017
<b>Revenue</b>	<b>17,216</b>	<b>14,710</b>	<b>19,584</b>	<b>23,585</b>	<b>25,860</b>
Water	16,161	17,447	18,374	21,318	21,692
Water Related Income	1,056	1,263	1,210	2,267	2,167
Cost of Sales	(10,157)	(11,326)	(12,315)	(13,486)	(14,196)
Gross Profit	7,059	7,384	7,269	10,099	9,663
Other Income	1,195	1,390	1,666	1,478	1,724
Administrative Expenses	(5,832)	(5,985)	(8,571)	(9,136)	(9,935)
Other Operating Expenses	(559)	(334)	(464)	(704)	(714)
Operating Profit/ (Loss)	1,863	2,455	(100)	1,737	738
Finance Income	(814)	(1,030)	1,186	1,245	1,157
Other Expenses + Taxes	(47)	53	(56)	(67)	(66)
Net Profit/ (Loss)	1,002	1,372	1,030	2,978	1,817
<b>Key Performance Indicators</b>					
Connections (Nos. million)	1.7	1.8	1.9	2.1	2.2
Water Production (m <sup>3</sup> Million)	547	585	612	649	679
Water Sales (m <sup>3</sup> Million)	381	416	442	484	508
Non-Revenue Water (Percentage)	30.2	29	28	25.4	25.2
Water Supply Projects (Nos.)	325	329	331	337	343
Community Based Water Supply Projects (Nos.)	4,500	4,500	4,500	4,500	N/A
Safe Drinking Water Supply Coverage (Percentage)	84	84	86	89	89.3
Sewerage Connection for Institutions (Nos.)	831	997	726	1,349	1,471
Sewerage Connection for Households (Nos.)	13,946	12,192	9,643	14,523	15,958

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

## 9.4 Ports

Ports and shipping industry of Sri Lanka plays a vital role in sustaining the growth in the arena of country's trade and commerce, with 7 major ports and 20 fishery harbours. In 2015, Port of Colombo was ranked 33 out of top 50 container operating ports in the world. Handling 87 percent of the total ship arrivals, 95 percent of the total tonnage and 100 percent of the containers, the Port of Colombo acts as the principal port in Sri Lanka.

Total ship arrivals in the Port of Colombo during the year 2017 was 5,126 which is a marginal increase of 0.8 percent compared to the ships arrivals of 5,085 in 2016. Further, the overall

tonnage handled by the Port of Colombo has also improved to 204.5 million in 2017.

The government envisions the ports sector development through the facilitation of large inflows of foreign investments on port and harbour construction and maintenance projects. Phase II of the Hambantota port development project, Quay and Yard of the East Container Terminal (ECT) and Construction of Galle Breakwater and facilities has been successfully completed during 2016. Further, projects such as Cargo distribution and Value Added Service Centres, Construction of Business Centre (Preparation of Conceptual Model) have already been initiated.

In line with government policy of encouraging PPP, a Concession Agreement (CA) to operate the Port of Hambantota between Sri Lanka Ports Authority, Government of the Democratic Socialist Republic of Sri Lanka, China Merchants Port Holdings Company Limited, Hambantota International Port Group (Private) Limited and Hambantota International Port Services (Private) Limited was executed on 29.07.2017 and the same was effective from 09.12.2017. For a total consideration of USD 1.4 billion in line with CA, a sum of USD 292,097,400 (Trench 1) has been transferred to the government coffers.

### Sri Lanka Ports Authority (SLPA)

With a marginal increase in the total number of ship arrivals to 5,798 in 2017 from 5,782 in 2016, correspondingly SLPA's revenue (excluding other income) increased by less than 1 percent to Rs 36.91 billion from Rs. 36.79 billion in 2016, while the SLPA's gross profit remained around Rs. 16.89 billion with operational costs around 28 billion in comparison to 2016.

However, the increase in the net profit before tax sharply by 1,177 percent from Rs. 1,035 million in 2016 to Rs. 13,322 million in 2017 is due to the SLPA reduction of the finance cost by Rs. 2.2 billion and the exchange losses associated with the finance cost and debt to Rs. 69 billion in 2017 from Rs 237 billion in 2016.

Table 9.9 | Financial Outturn of Sri Lanka Ports Authority

	(Rs. Million)				
	Actual			Provisional	
	2013	2014	2015	2016	2017
Total Revenue	35,240	36,676	40,805	44,080	43,958
Navigation	4,967	5,303	6,789	7,963	8,502
Stevedoring	19,751	19,078	18,431	18,520	17,487
Wharf Handling	3,633	3,920	4,553	5,066	5,419
Port Facilities	2,851	3,278	4,165	4,020	4,235
Other	965	797	1,190	1,230	1,270
<b>Other Income</b>	<b>3,073</b>	<b>4,400</b>	<b>5,677</b>	<b>7,281</b>	<b>7,045</b>
Total Expenditure	33,615	27,779	34,870	33,007	28,531
Operational Expenses	16,191	15,841	17,847	15,290	15,043
Repair and Maintenance Expenses	4,209	3,956	4,829	4,873	4,977
Administrative Expenses	10,272	5,123	8,309	8,458	8,030
Net Finance Cost	2,943	2,949	3,795	4386	481
Profit/(Loss) Before Tax and Foreign Exchange Loss	1,625	8,897	6,025	11,073	15,427
Foreign Exchange Loss	-	-	20,193	10,038	2,205
Profit / (Loss) for the year	1,625	8,897	(14,168)	1,035	13,222
Outstanding debts to Banks	7,151	11,968	14,889	12,495	8,960
Outstanding debts to Government/Foreign Loan	188,625	206,271	218,260	224,840	60,122
Interest on Foreign Loans	3,921	3,639	3,762	4,302	2,082
<b>Key Performance Indicators</b>					
TEU's Handling (Nos Million)	2.50	4.90	5.19	5.78	6.2
Ship Arrivals (Nos)	3,862	5,072	5,450	5,782	5,798
Colombo	3,582	4,407	4,772	5,085	5,126
Galle	31	157	162	162	150
Trincomalee	11	160	209	248	271
MRMRP	136	348	307	287	251

Sources: Sri Lanka Ports Authority and Department of Public Enterprises

As per the government decision to hand over the operational facilities of the Port of Hambantota, the total consideration of the transactions has been transferred to the government. The Cabinet

of Ministers has approved the transfer of the total lease consideration of the Hambantota, Port, to the government coffers and in turn the government will provide adequate budgetary

allocations on gap financing basis to the SLPA during the life of the loan.

## 9.5 Commuter Transportation

### Sri Lanka Transport Board

Sri Lanka Transport Board (SLTB) is a key player in the area of public transportation, covering

about 448 million kilometres per annum. This includes 95 million kilometres of uneconomical routes which comprises of the 'Gami Seriya', providing transport facilities to rural areas and 'Nisi Seriya' providing the service to night time passengers. In addition, SLTB covers the transportation services also for school children and university students at subsidized prices.

Table 9.10 | Financial Outturn of Sri Lanka Transport Board

	(Rs. Million)				
	Actual			Provisional	
	2013	2014	2015	2016	2017
<b>Revenue</b>	<b>22,182</b>	<b>31,418</b>	<b>33,755</b>	<b>35,738</b>	<b>40,704</b>
Operational Income	21,497	30,280	32,917	34,889	39,261
Other income	685	1,138	838	849	1,443
<b>Expenditure</b>	<b>30,844</b>	<b>32,677</b>	<b>37,884</b>	<b>39,355</b>	<b>38,106</b>
Salary	14,034	15,209	20,949	21,454	19,697
Fuel	12,545	13,387	12,639	12,894	12,912
Other Running Cost	3,477	3,222	3,283	3,569	4,138
Overhead	788	859	1,013	1,438	1,359
<b>Cash Profit/(Loss) Before Gov. financial Assistance</b>	<b>(8,662)</b>	<b>(1,259)</b>	<b>(4,129)</b>	<b>(3,617)</b>	<b>2,598</b>
Gov. financial Assistance	1,552	1,377	1,378	9,253	3,924
<b>Cash Profit (Loss)</b>	<b>(7,110)</b>	<b>118</b>	<b>(2,751)</b>	<b>5,636</b>	<b>6,522</b>
Depreciation	1,978	1,978	1,978	1,978	1,978
<b>Accounting Profit (Loss)</b>	<b>(9,088)</b>	<b>(1,860)</b>	<b>(4,729)</b>	<b>3,658</b>	<b>4,544</b>
<b>Other Financial Information</b>					
<b>Treasury Subsidy</b>	<b>7,471</b>	<b>8,562</b>	<b>8,842</b>	<b>12,033</b>	<b>11,260</b>
Recurrent	6,565	6,965	7,275	10,718	9,210
Capital	906	1,597	1,567	1,315	1,074
Outstanding Statutory Dues	4,022	7,369	11,932	6,618	4,054
<b>Key Performance Indicators</b>					
Fuel Cost per km	36.5	35	27.91	27.87	28.18
No. of Employees per bus	8	8	7	6	6
<b>Avg. buses operated per day</b>	<b>4,720</b>	<b>4,596</b>	<b>5,284</b>	<b>5,314</b>	<b>5,266</b>
Break - down buses	2,337	1,781	2,721	2,337	1,173
Operated km Mn	344	371	440	452	448
<b>Bus Fleet Age Analysis</b>					
Less than 5 yrs	884	2,189	742	884	2,852
Less than 10 Yrs	2,014	2,133	1,819	2,014	1,050
10 > 15	2,486	1,611	2,978	2,486	1,432
Over 15 Yrs	1,759	1,736	2,101	1,759	1,973
<b>Total</b>	<b>7,143</b>	<b>7,669</b>	<b>7,640</b>	<b>7,143</b>	<b>7,307</b>

Sources: Sri Lanka Transport Board and Department of Public Enterprises

However, SLTB has been able to record a profit of Rs.2 billion (excluding Treasury financial support) for the first time in its operational history. SLTB's performance turnaround is due to

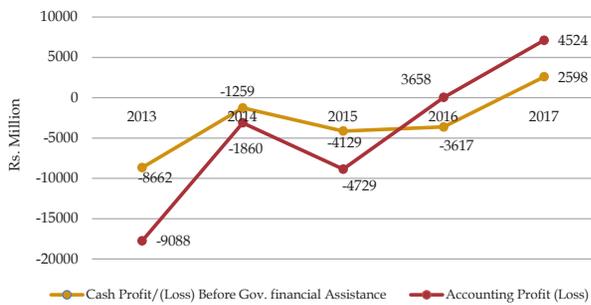
- i. The purchase of 2,200 new buses to SLTB on lease basis in 2014, to augment the bus fleet allowed the SLTB to increase its total operated kilometres while reducing the maintenance cost. The total value of the lease was about Rs. 2

billion per annum of which 50 percent was provided by the General Treasury.

- ii. Introduction of a Voluntary Retirement Scheme (VRS) during the year 2016 at a cost of Rs. 6,500 million borne by the Treasury, facilitated the entity to solve the issue of overstaffing. Accordingly 3,822 employees retired, saving approximately a salary cost of Rs. 146 million per month or almost Rs. 1,752 million per annum.

iii. Due to the increase in the Bus fare hike during the year 2017, the waybill revenue has increased by over Rs. 1,000 million in the year 2017, compared to the previous year.

Chart 9.7 | Financial Performance of SLTB



Source: Sri Lanka Transport Board

iv. Treasury supported the SLTB to meet its unpaid statutory dues by agreeing to provide Rs. 5,000 million of which Rs. 1,000 million was provided in year 2017 and the balance in 2018. In return the SLTB released unutilised land for government development projects.

In strategizing the way forward for the SLTB, the Ministry of Transport and Civil Aviation, Strategic Enterprise Management Agency (SEMA), SLTB and the General Treasury are involved in formulating a business plan. The plan is centred around the profit centre concept and the concept of family ownership of busses that promotes to trim down the operational inefficiencies by integrating a self-developed ERP system. Accordingly, it is expected to extend the SLTB’s profitability to 2018 and beyond.

During 2017, SLTB recorded a total revenue of Rs. 40,704 million an increase of 14 percent over 2016 and the revenue consisted of operational revenue amounting to Rs. 39,261 million and other income of Rs. 1,443 million. Even though, the operated kilometers of the SLTB has reduced to 448 kilometers in 2017 from 451 million in 2016, the load factor indicating the average passengers per bus, has increased in 2017, which is the main contributory factor for the increased operational revenue.

In 2017, the total expenditure of SLTB decreased

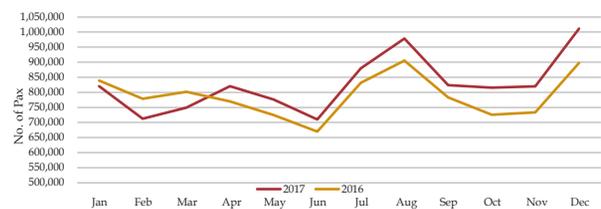
by Rs. 1,921 million, in comparison to the year 2016, mainly due to the reduction of the staff cost by over Rs. 1,750 million resulting from the VRS. Consequently, the SLTB recorded a profit of Rs. 2,598 million, excluding the Treasury financial assistance by the end of the year 2017.

## 9.6 Aviation

With the growth in the Tourist industry, the Bandaranaike International Airport (BIA) which has the capacity to handle 6 million passengers per year has already exceeded its optimal level by handling at least 10 million passengers in 2017. This has led to a low level of satisfaction amongst the passengers, with the unusually long wait times for airport services during the peak time delays etc. This has highlighted the urgent necessity to proceed with the second phase of the expansion project of the BIA. The project is currently being delayed due to matters related to the procurement process. Considering the urgency of capacity expansion of airport infrastructure, Airport and Aviation Services Ltd(AASL) elaborate is now in the process of installing an interim terminal as a short-term measure to maintain international standards on airport operations.

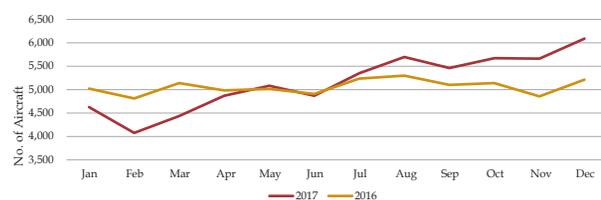
The Sri Lankan Airline, the country’s national carrier has undertaken restructuring its operations together with the line Ministry and the Treasury.

Chart 9.8 | Passenger Movements



Sources: Airport and Aviation (Sri Lanka) Limited and Department of Public Enterprises

Chart 9.9 | Aircraft Movements



Sources: Airport and Aviation (Sri Lanka) Limited and Department of Public Enterprises

## Airport and Aviation Services (Sri Lanka) Limited - (AASL)

The main mandate of the AASL is to provide Air navigational services ensuring safety of aircrafts and passengers on the air within the Sri Lanka Flight Information Region (FIR) as well as on the ground. The AASL operates 3 international Airports i.e. BIA, Matthala Rajapakse International Airport (MRIA) and Rathmalana Airport in compliance to the international standards as a fully government owned company.

Having completed the project undertaken by

AASL to upgrade aerodrome system along with the runway surfacing during 2017, the BIA currently can accommodate aircrafts as large as A380's. However, oversaturation of BIA capacity has hindered the efficiency of service delivery by the entity.

Further, the Cabinet of Ministers has already granted the approval for the expansion of the airport of Rathmalana (Colombo) to meet the increasing demand on international jet operations and domestic air operations with total financing from the internally generated funds of AASL and the Civil Aviation Authority.

Table 9.11 | Financial Outturn of AASL

Description	(Rs. Million)				
	2013	2014	Actual 2015	2016	Draft 2017
<b>Revenue</b>	<b>14,537</b>	<b>15,750</b>	<b>16,745</b>	<b>20,224</b>	<b>23,536</b>
Aeronautical	3,045	3,367	3,737	4,379	4,618
Non Aeronautical	9,174	10,245	11,481	13,635	15,874
Other Income	(110)	262	480	316	261
Non-operating Income	2,428	1,876	1,047	1,894	2,783
<b>Expenditure</b>	<b>9,792</b>	<b>10,254</b>	<b>14,367</b>	<b>13,315</b>	<b>12,774</b>
Personal Expenses	4,338	4,599	5,658	6,013	6,425
Administration expenses	1,623	505	566	530	421
Establishment Expenses	1,066	1,220	992	1,137	1,149
Depreciation	1,751	2,664	2,660	2,665	2,230
Repairs and Maintenance Expenses	440	434	249	297	356
Exchange Loss on Loan Conversion	-	132	3,525	1,968	1,529
Finance Expenses	574	700	717	705	664
<b>Net Profit before tax</b>	<b>4,745</b>	<b>5,496</b>	<b>2,378</b>	<b>6,909</b>	<b>10,762</b>
Total Borrowings	37,317	35,920	37,730	37,679	42,780
Borrowings during the year	1,321	531	161	764	6,333
<b>Key Performance Indicators</b>					
Passengers Movements (Nos) (Million.)	7.3	7.8	8.5	9.5	10
Transits passengers (Nos) (Million.)	1.4	1.3	1.2	1.3	1.5
Passenger Processing Time - Arrival (in Min.)	22	23	23	24	26
Passenger Processing Time - Departure (in Min.)	23	23	21	24	25
Aircraft Movements (Nos) (BIA & MRIA)	51,972	54,960	56,156	61,637	62,862

Sources: Airport and Aviation (Sri Lanka) Limited and Department of Public Enterprises

The total revenue of the AASL has increased by 16 percent to Rs. 23,536 million in 2017, compared to Rs. 20,224 million in 2016. Given the minimal fluctuations in the exchange rate resulted to mitigate exchange losses during 2017 which assisted the AASL to reduce its total operational costs as initially budgeted. However, AASL's performance during 2017 was effected by the runway closure during the 1<sup>st</sup> quarter of 2017. AASL's total borrowings has increased to Rs 42,780 million at the end of 2017 from Rs. 37,679 reported in 2016 due to adding more project loans.

The AASL is one of the 5 SOBEs that has entered into a Statement of Corporate Intent (SCI) with KPIs to be met in the medium term. As such, in terms of the SCI, the AASL emphasized on following concerns, during 2017.

- Exceed the target profit level of Rs. 9,304 million
- Not been able to meet the Capital investment of Rs. 18,300 million during 2017 in the backdrop of the BIA stage two expansion project which has not yet been commenced.

## Sri Lankan Airlines (SLA)

SLA's performance has remained a cause for concern over the years and it continuous to be so in 2017 as well with increases in both accumulated losses to Rs 169,755 million and negative net worth to Rs.115,767 million by at 31st March 2017. In spite of an increase in the tourist arrivals into the country SLA's revenue has increased by only 4.6 percent and the total expenditure has increased by 15.2 percent driven by increases in expenditure of aircraft lease cancellation.

The accumulated losses is due to a combination of factors including the under capitalization of the airline,(Capital infusion amounting to Rs. 5,146 million has been taken place up to 2010 whereas Rs. 46,471 million also contributed during 2010-2014), which led to slow re-fleeting

efforts, high oil prices during 2010-2014 period and management inefficiencies. Government support to SLA in its capacity as a shareholder has been significant with the infusion of capital, issuance of guarantees and letters of comfort in the face of serious loss of capital. Without such support the SLA's going concern is a matter of concern given the provisions in the Companies Act.

SLA is now in the process of restructuring its operations and it is envisage that a new business model with a strategic partner will be finalized shortly. However, in the interim given that the airline is faced with a serious loss of capital situation as per Section 220 of the Companies Act no 7 of 2007, the Cabinet of Ministers has reconfirmed the government support for SLA until the restructuring process is concluded.

Table 9.12 | Financial Outturn of Sri Lankan Airlines

Description	(Rs. Million)				
	Actual			Provisional	
	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Total Revenue</b>	<b>119,571</b>	<b>121,586</b>	<b>131,922</b>	<b>129,480</b>	<b>135,464</b>
Passenger	98,582	99,670	106,601	103,945	105,001
Cargo	12,896	12,425	13,595	12,074	11,987
Excess Baggage	509	715	958	842	927
Other Income	7,585	8,776	10,767	12,620	17,549
<b>Total Expenditure</b>	<b>148,204</b>	<b>155,617</b>	<b>150,881</b>	<b>145,724</b>	<b>167,959</b>
Aircraft fuel cost	63,865	59,947	53,451	33,199	33,130
Employee cost *	13,142	13,904	15,057	16,748	18,797
Airport, aeronaut and passenger expenses	22,556	21,960	22,419	22,642	23,788
Aircraft Maintenance and overhaul costs	14,330	17,356	11,988	14,515	17,644
Rentals on Leased Aircraft	14,514	14,555	16,316	20,130	22,789
Selling, Marketing and advertising expenses	9,653	10,250	11,773	11,431	12,657
Crew Expenses **	2,937	3,441	4,801	5,484	5,436
Other Operating Expenses	6,127	6,719	7,196	6,758	6,783
Realized/Unrealized Exchange (Gain)/Loss ***	(1,611)	654	707	3,719	3,668
Depreciation and Amortization	1,187	1,603	2,276	2,684	2,042
Net Financial Cost	1,503	5,228	4,897	5,851	6,863
Lease Cancellation	-	-	-	-	-
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
<b>Profit / (Loss) Before Tax</b>	<b>(26,089)</b>	<b>(32,358)</b>	<b>(16,433)</b>	<b>(12,622)</b>	<b>(28,930)</b>
Accumulated losses	(78,883)	(110,743)	(128,232)	(141,080)	(169,755)
Serious loss of Capital	Yes	Yes	Yes	Yes	Yes
<b>Key performance Indicators</b>					
Passenger carried (RPK Million)	12,968.74	12,810.95	12,963.71	12,727.66	12,455.05
Aircraft Fleet (Nos)	22	21	21	21	24
Passenger Capacity (ASK Million)	15,944.31	15,780.54	16,180.27	15,790.28	15,608.10
% of Fuel Cost on Total Revenue	53%	49%	41%	26%	24%
Passenger Load Factor	81.34	81.18	80.12	80.6	79.8

\* Since crew (tech and cabin) salaries under employee cost was 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 un-realized exchange gain or loss previously included under Other Operating Expenses, is now mentioned as a separate line item. Since all of the above are only presentation changes, there is no change to the loss of each year, which is as per audited accounts.

Sources :Sri Lankan Airlines Ltd and Department of Public Enterprises

## 9.7 Construction

The Sri Lankan construction industry's contribution to the GDP in 2017 was 7.1 due to the countrywide expansion of infrastructure development activities as well as government incentives for new housing projects. However, the total turnover of State Engineering Corporation (SEC), Central Engineering Consultancy Bureau (CECB) and State Development and Construction Corporation (SD&CC) has recorded almost a 3 percent decrease in revenue over 2016. Being the three major SOBEs engaged in the construction industry SEC, CECB and SD&CC undertake most of the government contracts. However,

liquidity constraints has prevented these three entities from investing in modern technology which has hampered their capacity to make use of the skilled workforce that is their asset.

### State Engineering Corporation - (SEC)

State Engineering Corporation (SEC) of Sri Lanka has undertaken the projects worth of Rs. 13,000 million in 2017 and completed government projects such as construction of court complex in Wattala, proposed public market at Bandaragama, building of Ceylon Electricity Board in Gampaha, building for chemical and process engineering in University of Peradeniya, worth of Rs. 934 million during 2017.

Table 9.13 | Financial Outturn - State Engineering Corporation

Description	(Rs. Million)				
	Actual				Provisional
	2013	2014	2015	2016*	2017
<b>Revenue</b>	<b>8,104</b>	<b>7,715</b>	<b>3,608</b>	<b>2,335</b>	<b>2,960</b>
Construction	4,724	4,747	2,134	1,211	1,911
Consultancy	270	307	172	263	301
Other Income	3,110	2,661	1,302	861	748
<b>Expenditure</b>	<b>7,955</b>	<b>7,668</b>	<b>4,317</b>	<b>3,293</b>	<b>3,900</b>
Operating Expenditure	5,866	5,591	2,475	1,462	1,937
Staff Cost	1,757	1,668	1,678	1,635	1,677
Financial Cost	87	73	77	112	196
Other Expenditure	245	336	87	84	90
<b>Profit/ (loss)</b>	<b>149</b>	<b>47</b>	<b>(709)</b>	<b>(958)</b>	<b>(940)</b>
<b>Outstanding Debts to Banks</b>	<b>621</b>	<b>582</b>	<b>563</b>	<b>1,261</b>	<b>2,050</b>
<b>Receivables</b>	<b>2,306</b>	<b>2,338</b>	<b>1,726</b>	<b>1,894</b>	<b>2,182</b>

Sources : State Engineering Corporation and Department of Public Enterprises  
\*Without accounts of National Equipment and Machinery Organization

Revenue has increased by 27 percent to Rs. 2,960 million in 2017 from Rs. 2,335 million in 2016 and expenditure has also increased by 18 percent. SEC recorded a loss of Rs. 940 million in 2017 which is a decrease of 2 percent compared to 2016. During 2017, SEC's receivables has increased by 15 percent to Rs. 2,182 million thus creating significant liquidity issues for the entity.

Cabinet of Ministers has granted the approval to extend the duration of the Treasury Guarantee amounted to Rs. 150 million, up to 27.08.2018 for the loan obtained from Bank of Ceylon to meet working capital requirements of SEC.

### Central Engineering Consultancy Bureau - (CECB)

Central Engineering Consultancy Bureau (CECB) has been engaged in consultancy services since 2016 focusing on the objectives that has been set out at the initiation of the entity, while Central Engineering Services (Pvt) Limited (CESL), being a fully owned subsidiary of CECB engaged in construction activities.

CECB has undertaken new projects worth of Rs. 8,961 million and has completed projects worth of Rs. 12,979 million during 2017 including the construction of the National Environment

Secretariat Building at Battaramulla, Building Complex of the Pre-Clinical Department, reconstruction of Northern Railway Lines - signaling and telecommunication project, construction of proposed Prison Complex at Angunakolapelessa, design and construction of proposed multi storied Car Park at Maharagama Town Development - Stage 1.

Table 9.14 | Financial Outturn -Central Engineering Consultancy Bureau

Description	(Rs. Million)				
	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Revenue</b>	<b>15,490</b>	<b>13,575</b>	<b>11,034</b>	<b>10,817</b>	<b>9,954</b>
Construction	13,042	11,127	8,734	8,209	7,142
Consultancy	2,089	2,132	1,976	2,124	2,356
Other Income	359	315	323	484	457
<b>Expenditure</b>	<b>14,905</b>	<b>13,022</b>	<b>10,452</b>	<b>10,001</b>	<b>9,321</b>
Operating Expenditure	12,486	10,694	8,378	8,188	7,459
Staff Cost	1,031	1,069	1,190	1,102	1,174
Financial Cost	18	18	9	6	4
<b>Other Expenditure</b>	<b>1,370</b>	<b>1,241</b>	<b>875</b>	<b>705</b>	<b>684</b>
<b>Profit/ (loss)</b>	<b>585</b>	<b>552</b>	<b>582</b>	<b>816</b>	<b>633</b>
<b>Receivables</b>	<b>8,432</b>	<b>7,675</b>	<b>7,477</b>	<b>8,051</b>	<b>8,048</b>

Sources : Central Engineering Consultancy Bureau and Department of Public Enterprises

Revenue has decreased by 8 percent to Rs. 9,954 million in 2017 from Rs. 10,817 million in 2016 while profits have decreased by 22 percent to Rs. 633 million in 2017 compared to 2016. Total receivables of CECB stood at Rs. 8,048 million at the end of the year 2017.

### State Development & Construction Corporation - (SD&CC)

State Development & Construction Corporation (SD&CC) was established to undertake heavy civil engineering works. During 2017, SD&CC has undertaken government projects worth of Rs. 4,037 million and completed projects worth of Rs. 191 million such as the construction of bridge across Nikawathura oya at Guruwela to Maduana new road, Road of Zoological Garden, Dehiwala, trough structure for Kandepitawala branch canal across the Thorapitiya spillway canal and improvements to old Kottawa - Pannipitiya Road and Installation of Traffic Signals at Moraketiya.

Table 9.15 | Financial Outturn - State Development & Construction Corporation

Description	(Rs. Million)				
	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Revenue</b>	<b>3,765</b>	<b>3,642</b>	<b>2,608</b>	<b>2,256</b>	<b>2,026</b>
Construction	3,566	3,466	2,429	2,102	1,844
Others	199	176	179	154	182
<b>Total Expenditure</b>	<b>3,668</b>	<b>3,530</b>	<b>2,558</b>	<b>2,233</b>	<b>2,517</b>
Operating Expenditure	2,998	2,740	1,711	1,264	1,499
Staff Cost	526	595	602	697	815
Financial Cost	68	93	87	96	117
Others	76	102	158	176	86
<b>Profit/ (loss)</b>	<b>97</b>	<b>112</b>	<b>50</b>	<b>23</b>	<b>-491</b>
<b>Outstanding Debts to Banks</b>	<b>519</b>	<b>620</b>	<b>664</b>	<b>752</b>	<b>907</b>
<b>Receivables</b>	<b>305</b>	<b>479</b>	<b>376</b>	<b>451</b>	<b>285</b>

Sources : State Development & Construction Corporation and Department of Public Enterprises

Total revenue of SD&CC amounted to Rs. 2,256 million recorded in 2016, has decreased by 10 percent to Rs. 2,026 million while total expenditure in 2016 has increased from Rs. 2,233 million to Rs. 2,517 million by 13 percent resulting a loss amounting to Rs. 491 million over the profit of Rs. 23 million recorded in 2016. SD&CC's outstanding debts to Banks has increased to Rs. 907 million in 2017 from Rs. 752 million in 2016 resulting in serious liquidity issues at SD&CC.

## 9.8 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 40 percent of the total assets in the banking sector in 2017. The Bank of Ceylon (BOC), People's Bank (PB) and National Savings Bank (NSB) alone possesses assets over Rs. 1 trillion each. Out of the total branch network in the banking sector, the state banks accounted for 32 percent of branches in the country facilitating the government policy of ensuring better financial accessibility and inclusiveness.

State Banks accounted for 44 percent of the lending portfolio of the banking sector at Rs. 2.8 trillion as at end 2017, which is an increase of 16 percent compared to 2016. The deposit base of the state banks increased by 17 percent to Rs. 3.8 trillion as at end 2017 and is almost 52 percent of

the total deposit base of the banking sector.

With a view of strengthening the capital base to meet the Basel III provisions, government infused capital of Rs. 5 billion each to BOC and PB, Rs. 2.5 Billion to RDB and Rs. 362 million to SLSB during 2017.

Table 9.16 | Sector Wise Credit Concentration

Description	2016		2017	
	Rs. Million	%	Rs. Million	%
Agriculture & Fishing	208,137	8.55	223,776	7.92
Manufacturing	92,182	3.78	102,593	3.63
Tourism	48,513	1.99	61,917	2.19
Transport	66,480	2.73	104,052	3.68
Housing	491,089	20.16	545,161	19.28
Trading	259,383	10.65	317,387	11.23
Financial & Business Services	135,229	5.55	139,907	4.95
Infrastructure	268,496	11.02	245,622	8.69
Construction	128,483	5.28	164,362	5.81
Credit Card	5,226	0.21	6,098	0.22
Pawning	110,132	4.52	122,111	4.32
Others	622,291	25.55	793,948	28.09
<b>Total</b>	<b>2,435,642</b>	<b>100</b>	<b>2,826,933</b>	<b>100</b>

Sources: State Owned Banks and Department of Public Enterprises

## Bank of Ceylon - (BOC)

BOC continued its lead position in the Sri Lankan banking industry with an asset base of Rs. 1.9 trillion, lending portfolio of Rs. 1.2 trillion and a deposit base of Rs. 1.5 trillion. BOC's asset base grew by 17 percent, mainly due to the increase in loans and advances. BOC's deposit base as recorded a growth of 23 percent in 2017 mainly due to an increase in time deposits by Rs. 250 million, which in return decreased the bank's CASA<sup>1</sup> ratio from 44 percent to 38 percent. Bank operates with a branch network of 580 local branches, 15 SME centers and 3 overseas branches in Chennai, Male and Seychelles.

Table 9.17 | Financial Outturn of Bank of Ceylon

Description	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Income</b>	<b>124,592</b>	<b>127,130</b>	<b>132,915</b>	<b>154,121</b>	<b>188,224</b>
Interest Income	110,883	106,384	114,158	134,685	170,379
Interest Expense	78,434	69,345	66,419	80,728	112,988
<b>Net Interest Income</b>	<b>32,449</b>	<b>37,039</b>	<b>47,739</b>	<b>53,957</b>	<b>57,392</b>
Other Income	13,709	20,746	17,685	19,436	17,844

<sup>1</sup>CASA is the Current and Savings Account to Total Deposits

Table 9.17 | Financial Outturn of Bank of Ceylon

Description	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Operating Expenses</b>	<b>30,899</b>	<b>36,929</b>	<b>40,146</b>	<b>31,543</b>	<b>29,430</b>
Personnel Expenses	13,470	12,595	16,744	16,844	17,136
Other Expenses	17,429	24,334	23,402	14,699	12,294
<b>Profit Before Tax</b>	<b>15,258</b>	<b>20,856</b>	<b>23,279</b>	<b>31,189</b>	<b>30,363</b>
<b>Key Performance Indicators</b>					
Investments	346,648	446,171	510,099	473,872	581,090
Deposits	819,891	916,421	1,082,337	1,256,589	1,546,832
Loans and advances	735,037	760,871	870,730	1,047,190	1,221,727
Non Performing Advances	31,754	28,762	36,978	29,786	34,246
ROA (%)	1.4	1.65	1.7	1.93	1.68
ROE (%)	22.1	22.64	22.2	28.4	20.9
NPL Ratio (%)	4.3	3.78	4.3	2.88	2.85

Sources : Bank of Ceylon and Department of Public Enterprises

Despite the marginal increase in net interest income, bank's profit before tax decreased by 3 percent to Rs. 30.4 billion in 2017 due to decrease in other income. BOC has paid Rs. 12,000 million as levy and Rs. 346 million as dividends to the Consolidated Fund in 2017.

The non-performing loan ratio of the bank stood at 2.85 percent in 2017 which is a marginal improvement over 2016, was above the industry average of 2.5 percent. BOC accounted for 19 percent of the country's banking sector lending portfolio in 2017.

During the year 2017, Government made a capital infusion of Rs. 5 billion to BOC to meet the Basel III provisions. Fitch Rating (Lanka) re-affirmed AA+ (lka) national long term rating for BOC with a stable outlook for the year 2017.

## People's Bank - (PB)

People's Bank (PB) is the second largest bank in the country with an asset base of Rs. 1.4 trillion. PB serves 18.6 million customer accounts through the largest branch network with 737 branches and 572 ATM machines covering almost all parts of the island.

Table 9.18 | Financial Outturn of People's Bank

Description	(Rs. Million)				
	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Income</b>	120,456	96,378	103,649	121,905	159,084
Interest Income	110,441	84,480	92,404	109,970	146,150
Interest Expense	73,791	54,362	48,732	66,846	98,223
<b>Net Interest Income</b>	36,649	30,118	43,672	43,124	47,927
Other Income	9,880	11,776	11,071	11,935	12,934
<b>Total Operating Expenses</b>	22,509	26,093	31,483	34,245	37,297
Personnel Expenses	11,958	13,083	17,056	17,475	16,630
Other Expenses	10,551	13,010	14,427	16,770	20,667
<b>Profit Before Tax</b>	10,304	17,231	19,520	20,814	23,564
<b>Key Performance Indicators</b>					
Investments	227,138	290,486	307,719	178,727	183,928
Deposits	762,249	793,342	899,238	1,184,736	1,324,679
Loans and advances	681,467	685,310	829,234	950,824	1,072,911
Non Performing Advances	33,435	20,942	19,144	16,337	19,573
ROA (%)	1.1	1.8	1.8	1.9	1.7
ROE (%)	22.8	35.5	27.1	23	26
NPL Ratio (%)	5.3	3.2	2.4	1.7	1.9

Sources : People's Bank and Department of Public Enterprises

PB has recorded an 11 percent increase in net interest income to Rs. 47.9 billion in 2017. Despite the increase in total operating expenses by 8.9 percent in 2017, net profit before tax has increased by 13.5 percent to Rs. 23.6 billion, in comparison to Rs. 20.8 billion in 2016, due to the increase in net interest income and other income. The bank has paid Rs. 5,000 million as levy and Rs. 316 million as dividends to the Consolidated Fund in 2017.

Bank's loan portfolio stood at Rs. 1.07 trillion recording an increase of 12.2 percent over Rs. 0.95 trillion in 2016, which is below the industry average loan growth of 16.1 percent. Non-performing loan ratio of the bank has remained at 1.9 percent in 2017, which is well below the industry average of 2.5 percent.

Supported by the extensive branch network, bank's deposit base has recorded a growth of 11.8 percent to Rs. 1.3 trillion during the year 2017.

However, the bank's CASA ratio has slightly deteriorated from 44.8 percent in 2016 to 42.1 percent in 2017.

During the year 2017, government infused Rs. 5 billion to strength the capital base of the PB. Bank has introduced many new initiations such as country's first fully digitized branch, first 24 hour call center in 2017. Fitch Rating (Lanka) affirmed AA+ (Ika) national long term rating for PB with a stable outlook for the year 2017.

### National Savings Bank (NSB)

NSB is the largest savings bank in the country and the only bank whose deposits are fully guaranteed by the government of Sri Lanka. The Bank expanded its network by 3 branches to 253 in 2017. NSB's network is further strengthened by the network of 4,063 post offices/sub post offices distributed throughout the country. The Bank's asset base has increased by 11 percent to Rs. 1.01 trillion by the end of 2017, becoming the third state bank to have an asset base in excess of Rs. 1 trillion.

Despite the increase in interest income by 20 percent to Rs. 103.4 billion in 2017, net interest income declined by 2 percent to Rs. 24.9 billion due to high interest rates paid for the time deposits which constitutes 74 percent of the total deposits of the Bank. However, Bank has recorded a profit before tax of Rs. 14 billion due to an increase in other income by Rs. 3.4 billion (394 percent) to Rs. 4.3 billion in 2017. NSB has paid Rs. 3,865 million as levy and Rs. 60 million as dividends to the Consolidated Fund in 2017.

NSB holds Rs. 737.2 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 20 percent to Rs. 388 billion by the end of 2017, of which loans granted for infrastructure and housing categories represent 22 percent and 17 percent respectively. Assets quality of the Bank has improved during the year 2017 as witnessed by decrease in NPL ratio to 1.34 percent from 1.55 percent in 2016.

With the view to maintain regulatory capital adequacy ratios and leverage ratio under Basel

III provisions, NSB increased its share capital by Rs. 500 million in 2017 by utilizing the Unclaimed Deposit Reserve. NSB retained the AAA (Ika) credit rating by Fitch Ratings (Lanka) for the fifteenth consecutive year in 2017.

Table 9.19 | Financial Outturn of National Savings Bank

Description	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Income</b>	<b>65,573</b>	<b>77,890</b>	<b>79,282</b>	<b>87,399</b>	<b>107,817</b>
Interest Income	64,248	74,023	78,128	86,390	103,400
Interest Expense	54,141	52,642	51,146	60,923	78,445
<b>Net Interest Income</b>	<b>10,107</b>	<b>21,380</b>	<b>26,983</b>	<b>25,467</b>	<b>24,955</b>
Other Income	1,292	3,798	1,043	872	4,308
Total Operating Expenses	9,120	14,706	14,992	13,036	15,234
Personnel Expenses	4,209	4,797	5,911	6,235	6,887
Other Expenses	4,911	9,908	4,802	6,800	8,348
<b>Profit Before Tax</b>	<b>2,279</b>	<b>10,472</b>	<b>13,034</b>	<b>13,303</b>	<b>14,029</b>
<b>Key Performance Indicators</b>					
Investments	465,766	534,485	549,743	554,235	582,138
Deposits	501,890	554,060	595,776	657,280	737,213
Loans and advances	166,420	222,696	271,751	323,811	388,024
Non Performing Advances	10,003	16,275	9,077	4,792	4,996
ROA (%)	0.4	1.5	1.6	1.51	1.46
ROE (%)	5.1	30.2	31.1	29.37	26.52
NPL Ratio (%)	7	7.6	3.5	1.55	1.34

Source: National Savings Bank and Department of Public Enterprises

### Housing Development and Finance Corporation Bank (HDFC)

HDFC Bank is a licensed specialized bank and 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. With the opening of a new Branch in Dambulla in January 2017, the total number of branches of the bank increased to 39 by the end of 2017.

Table 9.20 | Financial Outturn of Housing Development and Finance Corporation Bank

Description	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Income</b>	<b>3,803</b>	<b>4,566</b>	<b>4,909</b>	<b>5,928</b>	<b>6,966</b>
Interest Income	3,528	4,378	4,660	5,473	6,602
Interest Expense	2,469	2,535	2,539	3,509	4,737
<b>Net Interest Income</b>	<b>1,059</b>	<b>1,843</b>	<b>2,121</b>	<b>1,964</b>	<b>1,865</b>
Other Income	275	188	249	455	364
<b>Total Operating Expenses</b>	<b>1,024</b>	<b>1,254</b>	<b>1,377</b>	<b>1,409</b>	<b>1,482</b>
Personnel Expenses	660	671	829	895	944
Other Expenses	365	583	548	514	538
<b>Profit Before Tax</b>	<b>309</b>	<b>777</b>	<b>993</b>	<b>848</b>	<b>502</b>
<b>Key Performance Indicators</b>					
Investments	6,333	9,559	13,687	13,622	12,829
Deposits	18,909	244,479	28,593	32,123	36,655
Loans and advances	19,701	23,899	26,685	30,260	34,715
Non Performing Advances	3,843	5,198	5,486	4,509	5,438
ROA (%)	1.28	1.21	2.5	1.94	1.05
ROE (%)	6.36	13.72	15.8	11.01	7.47
NPL Ratio (%)	19.85	22.57	20.8	14.95	15.72

Source: Housing Development and Finance Corporation Bank and Department of Public Enterprises

Despite the increase in interest income by 21 percent to Rs. 6.6 billion during the year 2017, net interest income has declined to Rs. 1.9 billion from Rs. 2.0 billion in 2016 reflecting high cost of deposit mobilization. Bank's profit before tax has decreased by 41 percent over Rs. 848 million in 2016 mainly due to decrease in net interest margin from 4.49 percent in 2016 to 3.91 percent in 2017 coupled with decrease in other income by Rs. 91 million to Rs. 364 million in 2017.

Lending portfolio of HDFC Bank has increased by 15 percent to Rs. 34.7 billion of which 82 percent has been granted for the construction of small and medium housing units. Bank's lending for financial and business services has increased from 7.8 percent to 10.7 percent by the end of 2017. HDFC's deposit base has increased by 14 percent to Rs. 36.6 billion by the end of 2017. NPL ratio of the bank has slightly deteriorated from 14.9 percent in 2016 to 15.7 percent in 2017.

### State Mortgage and Investment Bank (SMIB)

SMIB a licensed specialized bank has been in the mortgage loan business for housing and housing

related purposes since 1931. The total asset base of the Bank has increased by 19 percent to Rs. 42.1 billion by the end of 2017 mainly due an increase in loans and advances by 18 percent to 33.6 billion. Out of the total loan portfolio of SMIB, 87 percent accounts for the housing sector while 13 percent is for the agriculture sector.

Bank's profit before tax has declined by 58 percent to Rs. 446 million in 2017, due to decline in net interest income. Time deposits account for 70 percent of the total deposit base of Rs. 33.6 billion, which results to a high cost of deposit mobilization. Asset quality of the Bank has improved in 2017, which reflected by decline in NPL ratio from 25.17 percent in 2016 to 22.93 percent in 2017.

Table 9.21 | Financial Outturn of State Mortgage and Investment Bank

Description	(Rs. Million)				
	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Income</b>	<b>3,737</b>	<b>3,746</b>	<b>3,999</b>	<b>4,372</b>	<b>4,917</b>
Interest Income	3,635	3,633	3,879	4,241	4,746
Interest Expense	2,459	2,214	2,057	2,425	3,102
<b>Net Interest Income</b>	<b>1,176</b>	<b>1,419</b>	<b>1,822</b>	<b>1,815</b>	<b>1,644</b>
Other Income	102	113	120	131	171
<b>Total Operating Expenses</b>	<b>835</b>	<b>996</b>	<b>1,099</b>	<b>1,947</b>	<b>1,815</b>
Personnel Expenses	469	575	699	698	725
Other Expenses	366	421	400	322	454
<b>Profit Before Tax</b>	<b>343</b>	<b>413</b>	<b>681</b>	<b>706</b>	<b>446</b>
<b>Key Performance Indicators</b>					
Investments	5,124	5,574	7,071	6,391	8,132
Deposits	21,201	24,146	27,836	28,845	33,621
Loans and advances	21,186	24,263	26,523	28,530	33,577
Non Performing Advances	8,241	8,830	8,538	7,815	8,379
ROA (%)	1.39	1.44	2.11	1.15	2.11
ROE (%)	6	6.87	9.9	4.52	9.9
NPL Ratio including EPF (%)	35.33	33.42	29.4	25.17	22.93

Sources: State Mortgage and Investment Bank and Department of Public Enterprises

## Regional Development Bank (RDB)

The Regional Development Bank (RDB) was established to improve the living standards of the rural masses by providing them with accessible and affordable credit facilities which in turn will result in strengthening the rural economy. RDB was established in 2010 by merging 6 Regional Development Banks. The Bank has a customer base of over 6 million and a branch network of

270 branches.

Net profit before tax for the year 2017 has increased by 54 percent to Rs. 3.3 billion due to an increase in net interest income. Deposit base has increased by 30 percent by the end of 2017. Loan portfolio of the Bank has increased by 20 percent by the end of 2017. However, NPL ratio has increased from 2.86 percent in 2016 to 3.27 percent in 2017. Out of the total loan portfolio, RDB has granted 25 percent of its loans to the housing sector.

During the year 2017, government infused Rs. 2.5 billion which allowed RDB to meet the minimum capital requirement in terms of Basel III provisions.

Table 9.22 | Financial Outturn of Regional Development Bank

Description	(Rs. Million)				
	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Income</b>	<b>10,995</b>	<b>11,186</b>	<b>12,510</b>	<b>15,744</b>	<b>21,725</b>
Interest Income	10,388	10,593	11,759	14,813	20,617
Interest Expense	5,939	5,311	5,169	7,197	11,247
<b>Net Interest Income</b>	<b>4,449</b>	<b>5,282</b>	<b>6,590</b>	<b>7,616</b>	<b>9,370</b>
Other Income	607	593	751	931	1,107
<b>Total Operating Expenses</b>	<b>4,369</b>	<b>4,476</b>	<b>5,779</b>	<b>6,416</b>	<b>7,189</b>
Personnel Expenses	2,527	3,004	4,082	4,609	4,743
Other Expenses	1,840	1,472	1,697	1,807	2,446
<b>Profit Before Tax</b>	<b>689</b>	<b>1,400</b>	<b>1,562</b>	<b>2,131</b>	<b>3,289</b>
<b>Key Performance Indicators</b>					
Investments	14,754	27,505	16,385	20,879	36,431
Deposits	62,606	72,525	86,324	104,689	136,582
Loans and advances	60,093	62,006	88,396	106,806	128,344
Non Performing Advances	1,235	4,734	3,538	3,050	4,191
ROA (%)	0.54	1.05	1.57	1.79	2.18
ROE (%)	5.08	9.11	11.18	11.04	12.67
NPL Ratio (%)	7.3	7.64	4	2.86	3.27

Sources: Regional Development Bank and Department of Public Enterprises

## Employee's Trust Fund Board (ETF)

Employee's Trust Fund Board (ETF) 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. During the year 2017, the number of Employers increased to 81,515 from 77,842 in year 2016. Similarly, the total contribution received from the employers with respect of their employees increased to Rs. 22.7 billion during 2017 in comparison to Rs. 20.3 billion in 2016.

There are 08 types of welfare benefit schemes which available to ETF members including schemes providing assistance to the health care of members, housing requirement and financial assistance to the children of the members for education.

3,302 benefit claims were processed during 2017, and Rs. 280 Million was paid, where Rs.118 million was paid for the children of members as a means 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, 179,176 refund claims were processed in 2017 and the total amount paid was Rs. 16.8 billion. During the year 2017 the investment portfolio grew to Rs. 262 billion, which is an increase of 11.5 percent over 2016. Over 78 percent of the ETF Investments are placed in government Securities yielding a guaranteed return in the prevailing market conditions.

Correspondingly, in the year 2017, ETFB earned Rs. 19.7 billion net interest income from financial investments held while profit and dividends earned on shares accounts for Rs. 908 million. In 2017, the Fund earned a Net Profit of Rs. 17.1 billion and has proposed to declare a total Dividend + Interest rate of 9 percent to all members which accounted for Rs. 22.6 billion.

Table 9.23 | Financial Outturn of Employees Trust Fund Board

Description	(Rs. Million)				
	Actual			Provisional	
	2013	2014	2015	2016	2017
<b>Total Income</b>	<b>16,447</b>	<b>18,833</b>	<b>19,833</b>	<b>17,819</b>	<b>21,454</b>
Investment Income(net)	16,161	18,516	19,513	17,287	20,602
Other Income	286	317	320	532	852
<b>Total Expenditure</b>	<b>1,310</b>	<b>1,559</b>	<b>1,724</b>	<b>1,776</b>	<b>1,920</b>
Operating Expenses	996	1,129	1,343	1,322	1,459
Member Expenses	314	430	381	454	461
<b>Profit Before Tax</b>	<b>15,137</b>	<b>17,274</b>	<b>18,109</b>	<b>16,043</b>	<b>19,534</b>
Profit for Distribution	5,875	17,680	18,052	17,691	20,626
<b>Key Performance Indicators</b>					
Interest on Member Fund 3%	4,752	5,287	6,014	6,760	7,546
Dividend	11,089	12,337	12,028	13,520	15,091
<b>Total Rate of Interest &amp; Dividend (%)</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

Sources: Employees Trust Fund Board and Department of Public Enterprises

## 9.9 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 (IRCSL) (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 (SLECIC).

Overall Gross Written Premium (GWP) of the insurance industry grew by 11 percent in 2017, recording a GWP of Rs. 160,438 million compared to Rs. 144,480 recorded in the year 2016. The value of total assets of the insurance companies has increased to Rs. 559,243 million in 2017, compared to Rs. 524,788 million recorded in 2016, reflecting a growth of 6.5 percent .The

insurance penetration in the country increased to 1.24 during 2017 from 1.22 while the insurance density<sup>2</sup> increased to Rs. 7,677 million in 2017 from Rs. 6,814 million in 2016.

Table 9.24 | Performance of Insurance Industry

Description	(Rs.Million)	
	2016	2017
<b>Gross Written Premium</b>	<b>144,480</b>	<b>160,438</b>
Life	63,495	71,497
General	80,985	88,941
<b>Total Assets</b>	<b>524,788</b>	<b>559,243</b>
Life	347,502	394,167
General	177,286	165,076
<b>Insurance Penetration<sup>1</sup></b>	<b>1.22</b>	<b>1.24</b>
<b>Insurance Density<sup>2</sup> (Rs)</b>	<b>6,814</b>	<b>7,677</b>

Sources: Insurance Board of Sri Lanka and Department of Public Enterprises

1. Insurance Penetration is the percentage of insurance premium to GDP
2. Insurance Density is the ratio of premium to total population

Table 9.25 | Financial Outturn of Sri Lanka Insurance Corporation

Description	(Rs.Million)				
	2013	2014	2015	2016	2017
<b>Revenue</b>	<b>27,625</b>	<b>29,301</b>	<b>31,156</b>	<b>42,107</b>	<b>39,401</b>
Gross written premium	21,254	20,665	24,520	27,615	31,437
Net earned premium	17,823	17,804	20,393	24,013	25,939
Benefit, Losses & Expenses	(17,080)	(18,928)	(21,359)	21,870	27,919
Investment income	9,221	11,216	9,506	17,274	12,127
Operating & Administrative Expenses	(5,533)	(6,000)	(4,975)	(6,446)	7,484
<b>Profit from operations</b>	<b>5,012</b>	<b>4,373</b>	<b>4,820</b>	<b>13,791</b>	<b>3,997</b>
<b>Net Profit for the year</b>	<b>3,401</b>	<b>3,257</b>	<b>3,439</b>	<b>12,741</b>	<b>2,675</b>
<b>Key Performance Indicators</b>					
Claims ratio - General (%)	47	63	64	69.8	67.70%
Capital Adequacy ratio- Life (%)	-	-	402	427	434%

SLIC recorded a revenue of Rs. 39,401 million for the year 2017, which is a 6.4 percent decline compared to Rs. 42,107 million recorded in last year. Gross Written Premium (GWP) has increased by 13.84 percent to Rs. 31,437 million in 2017 from Rs. 27,615 million total GWP in 2016. The GWP from life insurance business increased by 5 percent to Rs. 12,517 million from Rs. 11,894 million compared to the last year. SLIC reported a GWP of Rs. 18,920 million for non-life insurance which was 20.3 percent increase compared to Rs. 15,721 million in 2016.

SLIC settled over Rs. 350 million claims in the aftermath of the 2017 floods and settled over Rs.600 million in claims during the floods in 2016. The Company has recently introduced the "Bee Express" service to expedite motor claim settlements. SLIC has also secured to partner the government in the "Suraksha Free Medical and Personal Accident Cover" introduced by the

## 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 a stated capital of Rs. 6.0 billion.

In 2017, SLIC regained the position of the market leader in country's general insurance industry having a market share of 21.3 percent while holding market shares of 22.69 percent and 20.5 percent under the categories of non- motor sector and motor leading sector respectively.

Ministry of Education for all Sri Lankan school children in October 2017 during the year. SLIC has contributed Rs. 502.7 million to the Consolidated Fund during the year 2017 by way 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. In April 2016, National Natural Disaster Insurance Scheme (NNDIS) was introduced by NITF to provide island wide coverage when effected by the frequent occurrence of the natural disasters in the country.

Table 9.26 | Financial Outturn of National Insurance Trust Fund

Description	Actual				Provisional
	2013	2014	2015	2016	2017
<b>Total Revenue (Rs.Mn)</b>	<b>6,149</b>	<b>8,016</b>	<b>8,788</b>	<b>9,839</b>	<b>12,773</b>
Gross Written Premium	5,265	5,842	5,063	6,814	9,014
Contribution received for Agrahara	1,407	1,495	1,637	2,004	2,743
Crop insurance levy collected	441	1,185	1,259	1,511	1,878
Net earned premium income	5,265	8,016	7,931	8,851	11,645
Other income	670	640	856	989	1,128
Reinsurance ceded	-	-	-	(761)	(1,187)
Insurance Claims & Benefits	(1,385)	(3,205)	(3,226)	(5,543)	(10,073)
Underwriting & acquisition cost	382	(695)	(947)	1,068	(1,338)
<b>Total Expenditure</b>	<b>176</b>	<b>173</b>	<b>226</b>	<b>388</b>	<b>420</b>
Staff Related Costs	66	85	84	164	192
Administration & Other Expenses	109	88	142	224	228
<b>Income over Expenditure</b>	<b>4,374</b>	<b>4,583</b>	<b>4,390</b>	<b>2,840</b>	<b>942</b>
Agrahara Claims received(Nos)	123,105	118,232	132,126	140,216	173,677
Agrahara Claims paid(Nos)	105,829	103,176	116,780	124,964	152,897
Agrahara premium collected	1,407	1,494	1,637	2,004	2,743
Agrahara Claims paid	1,079	1,229	1,581	1,967	2,919

Sources: National Insurance Trust Fund and Department of Public Enterprises

NITF's revenue has increased to Rs. 12,773 million in year 2017 compared to the Rs. 9,839 million recorded in year 2016 reflecting a growth of 30 percent. During the year 2017, GWP increased by 32 percent up to Rs. 9,014 million compared to Rs. 6,814 million recorded in 2016. Total claims increased by 82 percent in 2017 over 2016 due to the increase of claims made under the National Natural Disaster Insurance Scheme. Agrahara medical scheme and National Natural Disaster Insurance Scheme have incurred losses amounted to Rs. 551 million and Rs. 2,669 million respectively. However, the SRCC&T fund has remained profitable recording a profit of Rs. 3,716 million during 2017.

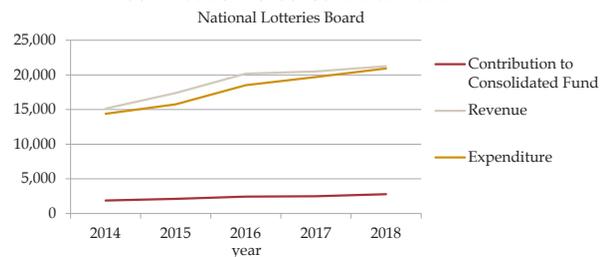
During the year 2017 NITF's profit has declined by 67 percent to Rs. 942 million from Rs. 2,840 million recorded in 2016. NITF's investment in government securities has also declined from Rs. 11,134 million to Rs. 8,161 million over 2016 recording a drop of 26.7 percent. Government Securities denote majority of the total investments of NITF in 2017.

## 9.10 Lotteries

National Lotteries Board (NLB) and Development Lotteries Board (DLB), together dominate Sri Lankan lotteries market offering passive and instant lotteries. NLB's product portfolio consists of 10 brands of lotteries while DLB's product portfolio consists of 13. The profit from the sale of lotteries of the DLB is channelled to the Presidents Fund and the Mahapola Trust Fund to benefit the

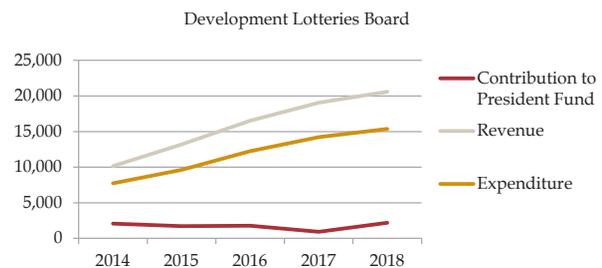
health and education sectors, while the profit of the NLB is channelled to the Consolidated Fund. During 2017, the lottery sales income of the both NLB and DLB declined by 11.6 percent from Rs. 35,484 million recorded in 2016 to Rs. 31,375 million in 2017.

Chart 9.10 | Comparison of NLB's Revenue, Expenditure and Contribution to Consolidated Fund



Sources: National Lotteries Board and Department of Public Enterprises

Chart 9.11 | Comparison of DLB's Revenue, Expenditure and Contribution to President Fund



Source: Development Lotteries Board and Department of Public Enterprises

### National Lotteries Board - (NLB)

NLB's turnover has decreased by 18 percent from Rs. 19,427 million recorded in 2016 to Rs.

16,015 million in 2017, mainly due to the decrease in lottery sales during first few months of 2017, result by the increase of lottery price from Rs. 20 to Rs. 30 as a consequence of imposition of excise duty. During the first quarter of 2017, NLB has achieved only a 65 percent of the budgeted sales whereas the difference between budgeted and the estimated sales was almost Rs. 1,827 million.

NLB has an island wide agency network of around 3,000 agents and dealers. Prizes declared by NLB has reduced by 18 percent to Rs. 7,995 million in 2017 from Rs. 9,723 recorded in 2016. NLB has contributed Rs 2,017 million to the Consolidated Fund in 2017 which is a decrease of 18 percent compared to 2016.

Table 9.27 | Financial Outturn of National Lotteries Board

Description	Actual					(Rs. Million)
	2013	2014	2015	2016	2017	Provisional
<b>Revenue</b>	<b>14,047</b>	<b>14,490</b>	<b>16,660</b>	<b>19,427</b>	<b>16,015</b>	
Lottery Sale Income	14,537	15,153	17,394	20,170	16,747	
Less Direct Taxes - Excise Duty	-	-	-	-	131	
Less Indirect Taxes - VAT	507	540	573	707	742	
- NBT	203	211	253	286	236	
Other Income	220	88	92	250	377	
<b>Expenditure</b>	<b>12,935</b>	<b>14,379</b>	<b>15,749</b>	<b>18,530</b>	<b>15,414</b>	
Agency Commission	2,071	2,818	3,245	3,772	3,103	
Prizes Declared	7,083	7,311	8,368	9,723	7,995	
Tickets Printing Cost	459	475	494	610	453	
Distribution, Sales & Marketing	1,144	1,284	872	1,246	1,105	
Admin Expenses	388	573	602	693	704	
Finance Cost	37	30	37	40	37	
Contribution to Consolidated Fund	1,753	1,888	2,131	2,446	2,017	
<b>Net Profit Before Tax</b>	<b>476</b>	<b>109</b>	<b>911</b>	<b>897</b>	<b>602</b>	
<b>Income Tax</b>	<b>610</b>	<b>118</b>	<b>670</b>	<b>482</b>	<b>400</b>	
<b>Net Profit After Tax</b>	<b>(134)</b>	<b>(8.66)</b>	<b>241</b>	<b>415</b>	<b>202</b>	
Key performance indicators						
Agency network	2,600	2,500	2,500	3,000	3,000	
Contribution to consolidated fund as a % of revenue	12	12.46	12.25	12.12	12.04	

Sources: National Lotteries Board and Department of Public Enterprises

## Development Lotteries Board - (DLB)

DLB recorded a turnover of Rs. 13,771 million during 2017 which is a marginal decrease of 7.7 percent compared to 2016. DLB has contributed

Rs. 502 million to the President Fund during 2017 which is a decline of 72 percent compared to the contribution made in 2016. DLB has paid Excise duty amounted to Rs. 111 million during 2017.

Table 9.28 | Financial Outturn of Development Lotteries Board

Description	Actual				(Rs. Million)
	2013	2014	2015	2016	2017
<b>Revenue</b>	<b>10,320</b>	<b>10,157</b>	<b>11,994</b>	<b>14,921</b>	<b>13,771</b>
Lottery sale income	10,612	10,388	12,280	15,314	14,628
Less Indirect Taxes - VAT	448	461	405	554	647
- NBT	203	199	194	241	229
- Excise	-	-	-	-	111
Other Income	143	151	58	119	130
Prize Write back	216	278	255	283	297
<b>Expenditure</b>	<b>8,103</b>	<b>7,734</b>	<b>9,601</b>	<b>12,031</b>	<b>11,569</b>
Agency Commission	156	154	2,310	2,676	2,529
Prizes Declared	6,481	6,211	6,150	7,755	7,263
Draw Cost	255	273	261	322	466
Tickets Printing Cost	410	378	325	444	387
Distribution, Sales & Marketing	471	371	223	457	494
Admin Expenses	330	347	332	377	430
<b>Net Profit Before Tax</b>	<b>2,195</b>	<b>2,422</b>	<b>2,389</b>	<b>2,700</b>	<b>2,320</b>
Income Tax	68	354	662	914	1,818
<b>Net Profit After Tax</b>	<b>2,127</b>	<b>2,068</b>	<b>1,727</b>	<b>1,786</b>	<b>502</b>
<b>Contribution to President Fund</b>	<b>2,127</b>	<b>2,068</b>	<b>1,727</b>	<b>1,786</b>	<b>502</b>
Dealers	2,337	2,196	2,242	2,854	2,854
Contribution to President fund as a % of revenue	19	19.91	14.06	11.57	3.43

Sources: Development Lotteries Board and Department of Public Enterprises

## 9.11 Livestock and the Dairy

Government policy has been to emphasize more on dairy sector improvements during the year 2017. Milco (Pvt) Ltd and National Livestock Development Board (NLDB), the two State Owned Enterprises which are engaged in marketing dairy products, plays a vital role in achieving the government policy objectives of achieving self-sufficiency in dairy products. The domestic milk production of the country increased by 3.2 percent, from 384 million liters in 2016 to 396 million liters in 2017 while NLDB has produced a total of 15 million liters which accounts for approximately 3.7 percent of the total domestic milk production.

Development programs such as expansion of 250 small scale dairy Farms, strengthening of milk collection network at field level, encouraging production of quality milk and improvement of milk hygienic condition at 480 dairy farms plus collecting points, establishment of 200 Breeder Farms, improvement of sheep industry by importation of hybrid sheep, conservation of 50 pasture and fodder units, establishment of small and medium scale 1330 poultry farms, establishment and improvement of 23 meat processing units, establishment of nucleus herd and strengthening of breeding facilities, establishment of 70 eco-friendly swine farms has been implemented during the year 2017.

### 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 distribution of milk in the country. Milco has a portfolio of products 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, butter and sterilized milk while competing with many others in the market leveraging on its brand name "Highland".

Table 9.29 | Financial Outturn of Milco (Pvt) Ltd

Description	(Rs. Million)			
	Actual		Provisional	
	2014	2015	2016	2017
<b>Revenue</b>	<b>7,653</b>	<b>8,010</b>	<b>9,006</b>	<b>10,442</b>
Sale of Milk Production	7,382	7,584	8,679	10,359
Other Income	271	426	327	83
<b>Expenditure</b>	<b>7,365</b>	<b>8,006</b>	<b>8,666</b>	<b>10,556</b>
Direct Expenses	6,359	7,012	7,844	9,391
Selling & Distribution	242	202	233	263
Administration	621	617	533	659
Finance cost	134	108	52	84
Other Expenditure	9	67	4	159
<b>Profit/(Loss) Before Tax</b>	<b>288</b>	<b>4</b>	<b>340</b>	<b>-114</b>
<b>Outstanding Debt to Banks</b>	<b>727</b>	<b>879</b>	<b>552</b>	<b>1,418</b>
<b>Key Performance Indicators</b>				
Milk Collection (lt,Million)	64.5	62	70	96
Earnings per share Rs.	8.67	0.52	10.02	3.56

Sources: Milco (Pvt) Ltd and Department of Public Enterprises

Fresh milk collection, which is one of the key functions of Milco, is performed by 50,000 Farmer Managed Societies (FMSs) and the present milk collection meets the demands of the company. Raw milk collection of Milco has increased from 70 million liters to 96 million liters, which is a 37 percent growth over the previous year. Milco has paid an average price of Rs. 68.52 per liter in 2017 compared to Rs. 67.46 per liter paid in 2016.

Milco has been able to increase their milk production sales by 16 percent, supported by the reorganization of product distribution method and increasing of milk production at restructured Digana and Polonnaruwa milk processing factories. Ambewela milk powder factory has undergone a re-production in year 2017 after the restructuring process and as a result, milk powder production of the factory was increased by 57 percent compared to the previous year.

### 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 our people". 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, school children, officials involved in agriculture and livestock small holders, establishing and maintaining sales outlets to supply quality farm products at reasonable prices, produce value added products using new materials produced in farms to get a high profit margin and sale of fresh cow milk to the public to popularize consumption of fresh milk.

NLDB presently manages 8 dairy farms (neat cattle), 2 buffalo farm, 1 goat and sheep farms, 4 poultry and poultry breeder farms, 1 swine farms, 10 coconut and dairy buffalo farms, 3 coconut with swine farms, 1 draught cattle farm, 1 training center and 39 milk stalls in order to achieve its objectives.

Table 9.30 | Financial Outturn of National Livestock Development Board

Description	Actual			
	2014	2015	2016	2017
Revenue	1,677	1,799	2,977	2,798
Expenditure	1,617	1,761	2,968	3,638
Profit/(Loss) Before Tax	60	38	9.49	(840)
Outstanding Debt to Banks	1,738	82.5	208.69	249
Key Performance Indicators				
Neat Cattle Milk (lt,'000)	10,000	10,238	17,240	14,368
Buffaloes Milk (lt,'000)	771	803	696	635
Goat Milk (lt,'000)	7.7	11	9	12.8
Curd Production (lt,'000)	429	442	500	482
Yoghurt (80ml Cups) (Nos,'000)	509	516	421	370

Sources : National Livestock Development Board and Department of Public Enterprises

When compared to the Rs. 9.49 million profit before tax earned in year 2016, NLDB has recorded a loss of Rs. 840 million in year 2017. Although the NLDB has recorded an increase of expenditure by 23 percent in 2017 compared to the previous year, the revenue generated within the period had decreased by 6 percent, over 2016.

NLDB has implemented projects such as introduction of new milk toffee processing machine, introduction of pasture development

programs, installation of 3 new swine farms, establishment of new meat processing plant at Martin farm to introduce processed meat products to the local market through NLDB sales centers and importation of conventional type bovine semen from Denmark for the artificial insemination purposes of imported cattle in year 2017.

## 9.12 Marketing and Distribution

### Lanka Sathosa Ltd (LSL)

Lanka Sathosa Limited (LSL) is a government owned retail store network operating with 370 outlets, providing essential items to consumers at affordable prices. Although, LSL accounts for almost 25 percent of the market share, rapid expansion of the private sector super market networks has been an enormous challenge for the growth of LSL's market share.

Table 9.31 | Financial Outturn of Lanka Sathosa Limited

Description	Actual					Provisional
	2013	2014	2015	2016	2017	
Revenue	25,308	31,678	28,479	29,390	31,609	
Sales	25,098	31,320	28,412	28,926	30,865	
Indirect Income	210	358	67	464	744	
Expenditure	24,155	30,449	27,220	33,864	33,589	
Cost of Sales	21,710	26,864	23,321	28,729	28,136	
Other Expenditure	2,445	3,585	3,899	5,135	5,453	
Profit/ (Loss) Before Tax	1,153	1,229	1,259	(4,474)	(1,980)	
Key Performance Indicators						
No. of Outlets	287	303	303	320	370	

Sources : Lanka Sathosa Limited and Department of public Enterprises

The first financial downturn occurred in the year 2016 incurring a loss of nearly 4.5 billion, continued to affect the LSL in the year under review, even though the company managed to reduce the loss from Rs. 4,474 million to Rs. 1,980 million by the end of year 2017. This recovery was due to the increase in sales by 6.7 percent in 2017, compared to the previous year. As a result, the gross profit ratio of the LSL has doubled to

16 percent in 2017 from 8 percent in the previous year. However, the stock shortages amounting to Rs. 2,331 in 2016 and Rs. 1,845 in 2017 has caused the profit of the company to deteriorate.

In order to overcome the above issues, LSL is faced with the pressing need of introducing a new sophisticated Enterprise Resource Planning (ERP) system to cover the entire outlets, warehouses and the Head Office. Further, it is required to introduce proper internal control procedures including segregation of duties among employees providing them relevant authority and responsibility of the operations. Strengthening the internal audit department by increasing the skilled audit staff and providing necessary resources is also a crucial requirement to improve the corporate governance of LSL. Conducting efficiency programmes based on the Key Performance Indicators is an essential requirement to enhance LSL's performance.

### 9.13 Plantation

Subsequent to the privatization of the plantation companies in 2004, 6 State Owned Plantation Companies 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 operate in the country's plantation sector while the government also owns a golden share in each of the 18 Regional Plantation Companies.

The JEDB, SLSPC and EPL own 11,695 ha, 11,757 ha and 4,083 ha acreages of land respectively. JEDB, SLSPC, EPL and KTFL engage in both tea and rubber plantation. CPL and KPL along with the Coconut Development Authority and the Coconut Research Institute manage a total of 9,303 ha of coconut plantations and other minor crops.

During 2017, tea production of JEDB, SLSPC and KTFL totaled to 4.5 kg million and Land held by these companies accounts for almost 4 percent of the total land used for tea production in the country. In 2017 the average yield from

plantations of JEDB and SLSPC was 517 kg/ha which is almost 56 percent below the average yield of 1,166 kg/ha in compared to the country average. In 2017, JEDB, SLSPC and KPL together produced 50.32 MT of rubber and in year 2017 the average yield of 661 kg/ha at the JEDB, SLSPC and KPL is almost 20 percent lower than the average yield of 825 kg/ha in the country.

CPL and KPL which manages 10,701 ha of land, produced 22.3 million coconuts (Nuts) which is a 32.77 percent decrease over 2017 due to the unfavorable environmental conditions in coconut cultivated areas.

The restructuring process which was initiated in 2016 for the loss making plantation sector SOEs has been continued in 2017, however considering the level of performance, three loss-making Plantations, namely, JEDB, SLSPC, and EPL have been given the priority for restructuring. JEDB, SLSPC, and EPL faced cash flow problems due to drought situation and management issues, and were not able to manage payment of salaries, EPF and ETF of their estate workers. Hence, these plantations have been supported by providing financial grant through General Treasury, amounting to Rs.749.10 million for the payments of salaries and other employee related statutory payments. Further, Rs. 511 million was provided to settle outstanding dues of Employees Provident Fund (EPF), Employees Trust Fund (ETF) and other statutory dues.

Table 9.32 | Financial Outturn of State owned Plantation Enterprises

	Actual				Provisional	
	2013	2014	2015	2016	2017	
Kurunegala Plantations Ltd	<b>Operational Performance</b>					
	Coconut Production (Nuts Mn)	13	17	14	17	10
	Rubber Production (Kgs)	157,434	157,434	140,678	144,682	119
	Yield per Ha. - Coconut(Nuts )	3,893	5,117	4,414	5,356	3,426
	- Rubber(Kgs)	981	818	767	811	689
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	476	577	492	472	553
	Coconut Sales (Rs. Mn)	402	514	442	414	459
	Rubber Sales (Rs. Mn)	62	40	31	30	34
	Total Cost of Sales (Rs. Mn)	269	326	317	323	304
	Net Profit/ (Loss) Before Tax (Rs. Mn)	208	217	166	156	240
Dividends (Rs. Mn)	40	50	35	35	-	
Chilaw Plantations Ltd	<b>Operational Performance</b>					
	Coconut Production(Nuts Mn)	9.6	12	12	16	11.6
	Yield per Ha (Nuts)	2,715	2,935	2,833	4,318	4,098
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	287	412	477	444	516
	Coconut Sales (Rs. Mn)	76	375	399	383	456
	Cost of Sales (Rs. Mn)	174	222	250	287	311
	Net Profit/ (Loss) Before Tax (Rs. Mn)	82	-61	85	78	126
	Dividends (Rs. Mn)	20	20	30	20	-
	Sri Lanka Cashew Corporation	<b>Operational Performance</b>				
Yield per Ha		147	216	185.88	174.8	152
Average Price Rs/Kg		1,918	2,297	250	250	350
<b>Financial Performance</b>						
Total Revenue (Rs. Mn)		134	115	75.3	94.9	101
Net cashew sale		79	64	67.7	86.2	90
Net Profit/ (Loss) Before Tax (Rs. Mn)		1	22	17	31.6	16.3
Treasury Grants - Revenue	52.5	50	66.1	48	-	
- Capital	48.67	39.5	35	40	-	
Janatha Estate Development Board	<b>Operational Performance</b>					
	Tea Production (MT)	2,234	1,914	1,833	1,314	1,444
	Rubber Production (MT)	224	241	0.267	0.352	0.379
	Yield per Ha. - Tea	586	517	483	358	492
	- Rubber	611	567	617	758	706
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	862	632.6	584.77	504.36	1200
	Cost of Production (Rs.Mn)	1,110	915.15	1,011.86	891.58	-
	Net Profit/ (Loss) Before Tax (Rs. Mn)	-248	-282	-413	-443	-295
	Treasury Grants - Revenue	176	254	617	486	-
- Capital	-	-	-	-	-	
Sri Lanka State Plantation Corporation	<b>Operational Performance</b>					
	Tea Production (MT)	1,928	1,552	1,625	1,453	1,407
	Rubber Production (MT)	45	40	36	37	38
	Yield per Ha. -Tea	575	494	525	513	542
	-Rubber	690	618	547	563	590
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	654	488	487.4	482.77	736
	Cost of Production (Rs.Mn)	731	646	689.78	617.03	632.5
	Net Profit/ (Loss) Before Tax (Rs. Mn)	-228	-157	-202.38	-134.26	-79
	Treasury Grants - Revenue	118	484	204	100	264
-Capital	-	-	-	-	-	
Kalubowitiyana Tea Factory Ltd (KTFL)	<b>Operational Performance</b>					
	Made Tea Production (MT)	1,534	1,423	1,792	2,384	1,704
	Sales Quantity (MT)	1,554	1,261	1,582	2,384	1,633
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	769	779	775	1,137	935.59
Cost of Production (Rs. Mn)	730	747	769	1,062	920.82	
Net Profit/ (Loss) Before Tax (Rs. Mn)	28	27	-10.1	43	31.22	
Lanka Sugar Company Ltd	<b>Operational Performance</b>					
	Sugar Production (MT)	42,528	32,364	42,984	51,422	
	Sprit Production (000 Liters)	10,708	10,326	7,317	11,917	
	<b>Financial Performance</b>					
Total Revenue (Rs. Mn)	5,747	5,539	4,882	7,757		

Sources: SOBEs and Department of public Enterprises

Table 9.33 | Performance of Other State Owned Enterprises contd...

Description	Core Activities	Performance	Concerns
<b>Banking &amp; Finance</b>			
<b>Lankaputhra Development Bank</b>	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.	Total income has increased by 16 percent to Rs.855 million in 2017. Profit before tax of Rs.285 million is an increase of 10 percent over the previous year. Loans and advances have recorded a decline of 29 percent to Rs. 2,037 million as at the end of 2017. Deposit base of the bank has declined to Rs. 375 million, as against Rs.421 million as at the end of 2016.	Asset quality of the bank is significantly lower than the industry average. Lack of proper credit recovery system. Greater percentage of interest income comes from investments in government securities. As per the 2016 Budget proposal, LDB is to be merged with the PSB. Accordingly, Ministry of Public Enterprise Development is initiating the process of merger.
<b>Sri Lanka Savings Bank</b>	Provide relief to the depositors of Pramuka Savings and Development Bank (PSDB). Involves mainly in granting micro finance loans, leasing and hire purchase facilities for small sectors in the economy.	Profit has increased marginally to Rs. 604 million for the year 2017. Loans and advances have recorded an increase of 7 percent to Rs.2.9 billion as at end 2017. Deposit base of the bank has increased by 17 percent to Rs. 1.1 billion as at end 2017.	As per the 2016 Budget proposal, SLSB is to be merged with the NSB. Accordingly, Ministry of Public enterprise Development is initiating the process of merger. Need to expedite the recovery of PSDB advance portfolio and disposal of PSDB assets.
<b>Insurance</b>			
<b>Sri Lanka Export Credit Insurance Corporation</b>	Provides support services to the export sector through the provision of export credit insurance and credit guarantee services to the exporters.	The total operational income, which consists of premium and operational income, has reached Rs. 267.30 million compared to Rs. 207.41 million in 2016, reflecting the substantial increase in premium income and the overall operational income has recorded a remarkable growth of 28.88 percent over 2016.  In 2017, the Corporation has issued 30 new Insurance Policies to the value of Rs. 1,004 million as compared to the number of policies issued of 28 with a value of Rs. 842 million in 2016.	Positive impact on economic development of the country strongly supported a healthy Export growth of 10.6 percent through expansion and diversification of export portfolio of the country. This had positively impacted on income of the Corporation experienced a considerable improvement in its premium income.
<b>Agricultural &amp; Agrarian Insurance Board</b>	Operates Agricultural Insurance Scheme, Farmers Pension Scheme and Fishermen Pension Scheme	AAIB recorded total income of Rs. 6,000 million is a vast increase compared to Rs. 1,064 million in 2016. This is due to grant received from NITF Crop levy and General Treasury for indemnities paid for farmers due to drought condition in the country during the year.	Introduce new insurance schemes to encourage farmers by mitigating risks in farming.
<b>NRR</b>			
<b>Lanka Mineral Sands Ltd</b>	Mine, process and market heavy mineral sands. Manufacture and sell any by product which may be produced as a result of refining and processing mineral sands.	Revenue has increased by 27 percent to Rs. 1,560 million in 2017 from Rs. 1,228 million in 2016. With the increase of expenditure by 38 per cent over previous year, profit has decreased to Rs. 100 million in 2017 from Rs. 170 million in 2016	Need to concentrate on value addition on products and need to explore the possibilities of direct selling to end users.
<b>Lanka Phosphate Ltd (LPL)</b>	Excavate, process and sell rock phosphate which is used as a fertilizer for perennial agricultural crops such as Tea, Rubber and Coconut.	LPL has recorded a profit of Rs. 16 million in 2017/18 over the loss of Rs.32 million in 2016/17 due to the increase of revenue to Rs.481 million in 2017/18 from Rs.366 million. The production of 34,502 MT in 2016/17 has increased to 44,363MT in 2017/18.	LPL need to gain the technical know-how and need to concentrate on expansion and diversification strategies.
<b>Kahatagaha Graphite Ltd</b>	Excavate, process and sell Graphite as industrial raw material	Revenue during 10 months of 2017/18 has increased to 122 million from Rs. 115 million in 2016/17 by 6 per cent. With the increase in revenue coupled with a decrease in expenditure by 16 per cent, KGLL has been able to record a profit of Rs. 24 million for 10 months in 2017/18 over the loss of Rs. 2 million in 2016/17.	KGLL should explore the possibility of rationalizing its cost structure and entering into forward integration contracts with credible entities.
<b>Health</b>			
<b>State Pharmaceuticals Manufacturing Corporation</b>	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.	SPMC was able to increase its revenue by 30.4 percent to Rs. 3,174.61 million in 2017 over Rs. 2,434.5 million in 2016. Although SPMC continued to be a profitable entity recording a profit of Rs. 222.9 million in 2017, it is almost a decrease of 25 percent decrease over 2016.	SPMC has Introduced new formulas for the drug industry to control the high dependency on importation of drugs.

Table 9.33 | Performance of Other State Owned Enterprises contd...

Description	Core Activities	Performance	Concerns
<b>Sri Lanka Ayurvedic Drugs Corporation</b>	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.	Total revenue increased by 2.3 percent to Rs. 579 million in 2017. Expenditure has increased by 2.1 percent to Rs. 193 million. During 2017, SLADC recorded profit before tax of Rs. 55.5 million.	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
<b>State Pharmaceuticals Corporation</b>	Major supplier and importer of essential medicines and surgical devices for all government hospitals and other state institutions.	SPC's income has increased only by around 1 percent to Rs. 32,564 million in 2017 compared to Rs.32, 255 million in 2016. Administrative expenses has increased by about 17 percent while other operating expenses has increased by around 27 percent in year 2017, compared 2016.	Streamline the procurement process with a sound database based on the demand patterns. Expediting the ERP (Enterprise Resource Planning) system for the optimum utilization of resource. Adopt procedures with regard to the expired drugs and expansion of the storage facilities.
<b>Sri Jayawardenapura Genral Hospital</b>	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. 121 million loss after tax for the year 2017. Budgetary Support has been given to SJGH since its inception as the hospital's pricing structure is not fully cost reflective in year 2017.	SJGH has expanded its laboratory services by enhancing variety of tests available, has introduced fully refurbished physiotherapy unit, has strengthened the internal controlling system by improving the accuracy of billing system and has implemented a project of modernizing the ward wash room facilities within year 2017.
<b>Media</b>			
<b>Independent Television Network</b>	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,ITN FM, Vasantham TV, Vasantham FM and Lakhanda Radio	ITN incurred a net loss of Rs. 296 million, which is almost a 100percent increase over the loss of Rs. 107 million recorded in 2016. Revenue also decreased by 20 percent in year 2017 compared to the year 2016.	ITN should implement strategies to improve the quality of their programs to attract more viewers while expanding coverage in order to gain a competitive advantage.
<b>Sri Lanka Rupavahini Corporation</b>	Produces and broadcast informative, educational and entertaining programmes through channels namely Rupavahini, channel Eye and Nethra TV.	SLRC closed the year 2017 with a loss before tax of Rs. 196.2Million, which is a 15 percent improvement over the loss incurred in 2016 of Rs. 231.2 million. Production income increased by 20 percent while interest income also increased by 24 percent compared with the year 2016.	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.
<b>Sri Lanka Broadcasting Corporation</b>	As the oldest radio station in Sri Lanka it is engaged in broadcasting activities through 07 National channels, 06 Reginal channels and 02 community radio channels with a view to providing its service as the pioneer radio broadcasting network in Sri Lanka.	SLBC's revenue has increased by 7 percent due to the improvement in sale of air time compared to previous year. Budgetary support of Rs. 570 million was granted to SLBC for capital and recurrent expenditure during the year 2017.	In order to improve its viability, SLBC should implement strategies to expand and diversify its customer base to increase market share and introduce new technologies to rationalize its operations.
<b>Marketing &amp; Distribution</b>			
<b>Sri Lanka Handicraft Board (SLHB)</b>	Marketing of gift and souvenir items both locally and in export markets to improve the traditional Handicraft industry and broadening the network of the production of handicraft items.	SLHB recorded a profit before tax of Rs. 33 million in 2017 over the profit recorded amounted to Rs. 6.9 million in 2016. Supplementary budget allocation amounted to Rs. 25 million has been made to SLHB during 2017 to settle the outstanding payments to suppliers.	Expand the product categories and promote the brand "Laksala" Implement strategies to set up outlets in areas popular for tourists to obtain maximum benefit from the expanding tourism industry. Formulate proper strategic plan aligned to the institute being sustainable and increasing its market share.

Table 9.33 | Performance of Other State Owned Enterprises contd...

Description	Core Activities	Performance	Concerns
<b>State Timber Corporation (STC)</b>	<p>Extracting and Purchasing of timber and converting them into Value added products.</p> <p>Sale of logs, sawn timber and finished products.</p> <p>Reforestation.</p>	<p>STC was able to increase its revenue marginally by almost 1 percent to Rs. 4,253 million in 2017 over Rs. 4,213 million recorded in 2016. Timber logs represents approximately 64 percent of the revenue.</p> <p>STC continued to be a profitable entity recording a profit of Rs. 565 million in 2017, which is an increase of 84 percent compared to year 2016.</p> <p>Total expenditure of STC decreased by 14 percent to Rs. 1,485 million in 2017 from Rs. 1,691 million in 2016.</p> <p>STC's cost of sales accounted for 52 percent of the total turnover resulting Rs. 2,075 million gross profit on operation in 2017.</p> <p>STC's contribution to the consolidated fund was through the Levy amounting to Rs. 100 million in 2017</p>	<p>Build strategic partnerships for furniture manufacturing</p> <p>Undergo a cadre revision and introduce proper recruitment policies and enhance the profitability of the organization through a competent workforce.</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>
<b>STC General Trading</b>	<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 16 percent in comparison with the previous year. In the contrary, the total expenditure also increased by 16 percent during the same period of comparison. Ultimately, the company recorded a profit before tax of Rs. 84 million, which is a 37 percent improvement in comparison with the previous year.</p>	<p>Adopt new strategies for general products to penetrate the private sector enabling them to reduce the business risk over the public sector market while identifying products which can be offered to niche markets.</p> <p>Develop strategies to promote its brand name in these markets.</p> <p>Take necessary actions to get the maximum output from huge investments like the proposed Mega Showroom in Narahenpita in order to enhance the diversification of the STC's product portfolio.</p>
<b>State Printing Corporation</b>	<p>SPC's income accounts for 59 percent of school text book printing, 18 percent of exercise book printing and 23 percent of lottery ticket printing indicating a considerable market share.</p>	<p>SPC's revenue has reduced by 14 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. 229 million in 2017 from the loss of Rs. 75 million in 2016. Increase in finance cost and operating expenses were the other major reasons for the expansion of loss. However, SPC has been able to record a comprehensive income of Rs.436 million in 2017 due to the revaluation of assets. Further, in 2017, stocks holding period (the time for which inventories are held before utilized for the production) of SPC has increased to 88 days from 73 days in the previous year, whereas, the Debtors Collection Period has reduced to 154 days in 2017 from 171 days in 2016.</p>	<p>The corporation needs further improvement in working capital management to reduce its finance cost and improve its profitability. Further, SPC should maximize the utilization of its capacity and improve its market share by adopting strategies to be more cost efficient, to improve its profitability in the medium term.</p>
<b>Hotel Developers Lanka Ltd</b>	<p>Engages in the business of hospitality trade, owning Hilton Colombo Hotel.</p>	<p>HDL's revenue increased to Rs. 3,015 million in 2016/17 from Rs. 2,540 million in 2015/16 by 18.7 percent.</p> <p>HDL recorded a profit before tax amounting to Rs. 219 million during 2016/17 financial year compared to profit recorded in 2015/16 amounted to Rs 172 million.</p>	<p>Formulate flexible pricing packages in order to attract both local and foreign tourists of each spending year</p>
<b>Fisheries</b>			
<b>Ceylon Fisheries Corporation (CFC)</b>	<p>Engages in procurement of fish from fishermen and supplying to the market in order to maintain a stable fish price in the market.</p>	<p>CFC recorded a profit before tax of Rs. 37 million in 2017 as against the loss of Rs. 161 million incurred in 2016. Budgetary support to the CFC amounted to .Rs 97.5 million was given for the fish processing plant and constructions of new outlets in 2017.</p>	<p>Absence of a proper business plan to improve sales and margins.</p>
<b>Ceylon Fishery Harbours Corporation (CFHC)</b>	<p>Provide fishery harbour related services and supporting infrastructure facilities to the fishing communities through its harbours situated around the country.</p>	<p>During the year 2017, CFHC's operational revenue increased to Rs. 94 million by 23 million compared to 2016. However, with the increase in the expenditure, CFHC's losses increased to Rs. 64.6 million.</p> <p>Budgetary support to CFHC amounted to Rs. 471 million.</p>	<p>Absence of a proper strategic plan to at least reach breakeven in the short to medium term.</p>

Table 9.33 | Performance of Other State Owned Enterprises contd...

Description	Core Activities	Performance	Concerns
<b>Fertilizer</b>			
<b>Colombo Commercial Fertilizer Co. Ltd (CCFL)</b>	Engages in importing, mixing, packing and distribution of fertilizer and CCFL is the second largest state owned fertilizer importer of the country.	CCFL's revenue has decreased to Rs. 825 million from 1,840 million in 2016 by 55 percent in 2017. The cost of sale decreased by 91 percent from Rs. 10,135 million in 2016 to Rs. 905 million in 2017. Administrative cost of Rs. 116 million declined to Rs.111 million and selling expenses of Rs. 41 million declined to Rs.32 million respectively in 2017. The profit of CCFL decreased to Rs.57 million from Rs.181 million.	Reengineer the marketing division appropriately to compete with the private sector.
<b>Ceylon Fertilizer Co. Ltd. (CFC)</b>	Engages in importing, blending and distributing 65 percent of fertilizer to paddy farmers under the fertilizer subsidy scheme.	Total revenue decreased to Rs. 2,351 million from Rs. 4,242 million as well the cost of sale and the total expenditure decreased to Rs. 2,120 million and Rs. 3,145 million, which shows decrease of 33 percent and 66 percent respectively.	Reengineer the marketing division appropriately to compete with the private sector.

Sources: SOBEs and Department of Public Enterprises

## Annex I | Profitability of 55 State Owned Business Enterprises

Enterprise	Profit/(Loss)				Business Turnover 2017	Budgetary Support 2017	
	2006	2015	2016	2017		Recurrent	Capital
1 Bank of Ceylon	4,137	23,279	31,189	30,363	188,224	-	5,000
2 People's Bank	4,079	19,520	20,814	23,564	159,084	-	5,000
3 National Savings Bank	3,501	13,034	13,303	14,029	107,817	2,865	500
4 State Mortgage & Investment Bank	318	681	706	446	4,917	-	-
5 Housing Development & Finance Corporation Bank	309	993	848	502	6,966	-	-
6 Lankaputhra Development Bank Ltd	52	204	259	285	855	-	-
7 Regional Development Bank	633	1,562	2,131	3,289	21,725	-	-
8 Sri Lanka Savings Bank Ltd	-	348	600	605	1,094	362	-
9 Employee's Trust Fund Board	43,202	18,109	16,043	19,534	21,454	-	-
10 Sri Lanka Insurance Corporation	1,111	3,439	12,741	2,675	39,401	-	-
11 National Insurance Trust Fund	73	4,449	2,840	758	12,774	5	-
12 Sri Lanka Export Credit Insurance Corporation	108	224	181	-183	449	-	-
13 Agriculture and Agrarian Insurance Board	137	(256)	(3,261)	(3,895)	6,003	2,760	4
14 Ceylon Electricity Board	(1,417)	20,955	(14,499)	(49,231)	223,731	-	6,000
15 Ceylon Petroleum Corporation	(1,721)	(19,886)	69,620	3,504	528,512	-	-
16 Sri Lanka Ports Authority	155	(9,575)	1,036	13,222	36,914	-	-
17 National Water Supply and Drainage Board	(214)	1,030	2,978	1,817	25,860	-	0
18 Airport and Aviation Services (SL) Ltd	2,120	2,378	6,909	10,762	23,536	-	-
19 Sri Lankan Airlines Ltd	684	(16,433)	(12,622)	(28,930)	135,464	-	-
20 Mihin Lanka (Pvt) Ltd*	-	(1,196)	(1,579)	-	-	-	-
21 Sri Lanka Transport Board	(984)	(4,129)	(3,617)	2,598	40,704	9,210	2,050
22 State Engineering Corporation	97	(709)	(958)	(940)	2,960	-	-
23 Central Engineering Consultancy Bureau	23	582	816	633	9,954	-	-
24 State Development and Construction Corporation	22	50	23	(491)	2,026	-	-
25 Milco (Pvt) Ltd	21	4	340	114	10,442	-	-
26 National Livestock Development Board	(23)	38	9.49	(840)	2,798	-	-
27 Sri Lanka State Plantations Corporation	(83)	(202)	(134)	(79)	736	1,098	162
28 Janatha Estates Development Board	1,113	(413)	(443)	(295)	1,200	-	679
29 Kurunegala Plantations Ltd	20	155	156	240	553	-	-
30 Chilaw Plantations Ltd	37	85	78	126	516	-	-
31 Kalubovitiyana Tea Factory Ltd	19	10	43	31	936	834	93
32 Sri Lanka Cashew Corporation	(17)	17	32	16	101	54	54
33 Lanka Mineral Sands Ltd	127	503	170	100	1,560	-	-
34 Lanka Phosphate Ltd	11	61	(32)	15	481	-	-
35 Kahatagaha Graphite Lanka Ltd	-	1	(2)	24	122	-	-
36 Development Lotteries Board	120	2,389	2,700	2,320	13,771	-	-
37 National Lotteries Board	224	911	897	602	16,015	-	-
38 State Pharmaceuticals and Manufacturing Corporation	8	414	441	322	3,196	-	-
39 SL Ayurvedic Drugs Corporation	1	49	48	56	584	-	16
40 State Pharmaceuticals Corporation	179	1,230	1,868	1,560	32,617	-	-
41 Sri Jayawardenapura General hospital	(79)	(250)	(171)	(143)	3,796	1,300	1,000
42 Independent Television Network Ltd	64	327	(70)	(287)	1,429	-	-
43 SL Rupavahini Corporation	206	(375)	(231)	(196)	2,139	20	180
44 Sri Lanka Broadcasting Corporation	(87)	(288)	49	75	1,371	351	220
45 Sri Lanka Handicraft Board	(25)	(40)	7	33	754	25	-
46 State Timber Corporation	138	425	86	565	4,253	-	-
47 STC General Trading Company	(58)	19	61	71	4,334	-	-
48 Lanka Sathosa Ltd	(18)	1,259	(4,474)	(1,980)	31,609	-	-
49 State Printing Corporation	38	3	(75)	(229)	1,271	-	-
50 Ceylon Fisheries Corporation	(28)	(190)	(161)	37	2,825	-	-
51 Ceylon Fishery Harbour Corporation	(35)	(91)	(31)	(64)	368	471	185
52 Ceylon Fertilizer Company Ltd	21	411	937	128	3,835	395	110
53 Colombo Commercial Fertilizer Company Ltd	108	436	253	70	825	183	22
54 Hotel Developers Lanka PLC	(752)	433	172	219	3,015	-	-
55 Lanka Sugar Company Ltd	-	(981)	1,006	677	7616	-	-
<b>Total</b>	<b>57,675</b>	<b>58,353</b>	<b>76,952</b>	<b>48,204</b>	<b>1,755,492</b>	<b>19,933</b>	<b>21,275</b>

Sources : SOBEs and Department of Public Enterprises

## Annex II | Submission of Annual Reports - State Owned Business Enterprises

	2012	2013	2014	2015	2016
1 Bank of Ceylon	√	√	√	√	√
2 People's Bank	√	√	√	√	√
3 National Savings Bank	√	√	√	√	X
4 State Mortgage & Investment Bank	√	√	√	√	X
5 Housing Development & Finance Corporation Bank	√	√	√	√	√
6 Lankaputhra Development Bank Ltd	√	√	√	X	√
7 Regional Development Bank	√	√	√	√	√
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	√	√	√	X	X
15 National Water Supply and Drainage Board	√	√	√	X	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	X	X
20 State Engineering Corporation of Sri Lanka	√	√	X	X	X
21 Central Engineering Consultancy Bureau	X	√	X	X	X
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	X	X
26 Ceylon Fishery Harbour Corporation	√	X	X	X	X
27 State Pharmaceuticals and Manufacturing Corporation	√	√	√	X	X
28 SL Ayurvedic Drugs Corporation	√	√	X	X	X
29 State Pharmaceuticals Corporation	√	√	X	X	X
30 Sri Jayawardenapura General hospital	√	√	X	X	X
31 Independent Television Network Ltd	√	√	√	√	X
32 SL Rupavahini Corporation	√	√	√	X	X
33 Sri Lanka Broadcasting Corporation	√	√	X	X	X
34 Ceylon Fertilizer Company Ltd	√	√	√	√	X
35 Colombo Commercial Fertilizer Company Ltd	√	√	√	√	X
36 State Timber Corporation	√	√	√	X	X
37 STC General Trading Company	√	√	√	√	X
38 Hotel Developers Lanka PLC	√	√	√	√	√
39 Lanka Sugar Company Ltd	-	√	X	X	X
40 Lanka Sathosa Ltd	X	X	X	X	X
41 Development Lotteries Board	√	√	√	√	X
42 National Lotteries Board	√	√	√	√	X
43 Lanka Mineral Sands Ltd	√	√	√	√	X
44 Lanka Phosphate Ltd	√	√	√	√	X
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	√	√	√	√	X
50 Janatha Estates Development Board	X	X	X	X	X
51 Chilaw Plantations Ltd	√	√	√	X	X
52 Kalubovitiyana Tea Factory Ltd	√	√	X	X	X
53 Sri Lanka Cashew Corporation	√	√	X	X	X
54 Sri Lanka Handicraft Board	√	√	√	X	X
55 Kahatagaha Graphite Lanka Ltd	√	√	X	X	X

Sources : SOBEs and Department of Public Enterprises



**Public Finance  
Management** | **10**

## 10.1 Overview

Effective and efficient Public Finance Management is centric in the country's pursuance of a fiscal consolidation strategy. In that the increased demands to constantly improve efficiency and effectiveness of public sector service delivery, infusing technology and the adoption of new systems parallel to increased accountability has become challenging in the existing framework of Public Financial Management.

Thus it is essential that clear, simple, effective and efficient guidelines, rules and regulations are in place that allow the public sector machinery to operate smoothly, within a logical framework however with high level of accountability.

Public Finance Management has been undergoing significant changes in the last few years with the passage of the 19<sup>th</sup> Amendments, the Right to information Act, the Audit Act, Inland Revenue Act in 2017 to name a few. Further, change in the systems, the rules and regulations are warranted with the increased infusions of technology in to the public sector service delivery which includes the Integrated Treasury Management and Information System (ITMIS) and Revenue Administration Management Information System (RAMIS) and the proposed e-procurement system. Moreover, new Public Financial Management Act will provide the necessary regulatory framework for the management of scarce Public resources.

## 10.2 Public Financial Management Reforms

### Public Finance Management Bill

Public Financial Management Regulation (PFM Acts) Provide the border legal framework within which public service delivery is taking place. PFM reforms are vital to help include functionality of the processes and its quality and outcomes. Currently Public Financial Management Bill together with the related regulation are been prepared with the assistant

of number of stakeholder organizations under the guidance of the World Bank. The new Public Financial Management law will replaced the current version of Financial Regulations of 1992. Specific provisions in new PFM Act will applied to different levels of government organization due to their different roles, functions and operations requirements while the general provisions in this regulations will apply across all the origination irrespective of their organization type and nature. New PFM Bill will be presented to the Cabinet of Ministers and the Parliament mid 2018.

### Introduction of Electronic Government Procurement (e-GP)

e-GP refers to the application of Information and Communication Technology to the public procurement process including publication of bids, bid submissions, pre-bid conference, bid evaluation, and e-payments while providing single window for procurement related data and information. The Cabinet of Ministers approved the introduction of Electronic Government Procurement System (e-GP) in Sri Lanka.

At present, work has been commenced to introduce an e-GP system into the public sector procurement system. With the introduction of an e-GP system, policy makers will be able to use the data and information on public procurement for decision making and policy formulation which is lacking at the moment.

As such, a Working Group was formed and their Recommendations were approved by the Cabinet of Ministers. This working group will also be function as the Steering Committee for the e-GP Secretariat to be set up under the Ministry of Finance and Mass media. E-GP system will be introduced as a pilot project for goods initially and gradually be extended to work and consultancy services as well.

### Box 10.1 | The Fifth South Asia Region Public Procurement Conference

The Fifth South Asia Region Public Procurement Conference under the theme of “Public Procurement and Service Delivery” was hosted by the Ministry of Finance of India and co-sponsored by the World Bank, Asian Development Bank, and Islamic Development Bank from February 5 – 8, 2018 in New Delhi. 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 Regional Public Procurement Network (SARPPN) with the Asian Development Bank, the World Bank and Procurement iNET have launched the South Asia Procurement Innovation Awards 2017-18 with the objective of enhancing learning and knowledge sharing from innovative approaches and systems adopted by Procurement entities across the region.

Promoted by all member countries of SARPPN, an overwhelming response of 87 case studies were received from government and public sector organizations, universities, research institutions, NGOs/CBOs etc. The submissions were assessed on the basis of the level of innovation, replicability, and sustainability. Those entries were on five focal themes, namely, Market interactions and contributions leading to Innovative Procurement Solutions, Use of ICT for Procurement Management and useful Management information, Performance-focused Procurement reforms and Capacity Development, Innovative Procurement and Contract Management solutions for challenging and fragile environments and Citizen engagement in Procurement Management and oversight. Out of 87 case stories eight winning entries from Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan, Maldives and Sri Lanka were felicitated during the technical sessions of the South Asia Procurement Conference held in New Delhi from 5 – 8, 2018. This is the second consecutive year that the Country Case Story submitted by Sri Lanka (Department of Public Finance of the Ministry of Finance and Mass Media) has been awarded with the South Asia Procurement Innovation Award.

**BOX 10.2 | Innovative Case Story submitted under the focal theme of “Public Procurement and Service Delivery”**

Government of Sri Lanka has implemented a large number of infrastructure development projects during the past decades. Some of these projects have experienced cost and time over runs due to scope changes, procurement delays, poor project and contract management including lack of capacity to engage in effective dispute resolution etc.

The Treasury having identified the aforementioned issues to be a hindrance in implementing the government policies introduced the “Guide to Project Management and Contract Management” (GPMCM) with the technical assistance of Asian Development Bank (ADB) and has been in effect from February 2017. GPMCM is currently available in the website of the Ministry of Finance and Mass Media where all the templates and forms therein are e-fillable and can also be downloaded.

In finalizing the GPMCM, key stakeholders of various professional organizations and groups representing the construction industry and related government agencies including the Construction Industry Development Authority (CIDA) were consulted and were engaged in discussions. Their observations and suggestions for improvements have been incorporated into the preparation of the Guide.

### Box 10.3 | Reviewing of Public Funds

In order to have better oversight of all Statutory and Non-Statutory Funds maintained by various government institutions, a Committee was appointed as per the Public Finance Circular No.07/2016 dated 29.07.2016 with a mandate to review the Statutory and Non-Statutory Funds and to make recommendations, including the changes that are needed on the scope, mandate and objectives of such funds to reflect the present day requirements. The review of the Committee has been limited only to “Public Funds” where such funds can be classified to be as Statutory Funds, Non-Statutory Funds and funds through Deed of Trusts.

The Committee was given 105 funds for review which by the closure of the review by end of December 2016 amounted to approximately Rs.163.72 billion. As per the Committee recommendations, out of these 105 Public Funds, 10 Funds including the President Fund, Mahapola Trust Fund, National Defence Fund and several other funds were set aside.

#### Committee recommendations were as follows:

- 12 funds to be brought under the National budget having effected the required amendments to the relevant legislature. Such action will increase government revenue by almost Rs. 8 billion.
- 13 No. of Funds amounting to Rs. 2, 629 million to be wound-up with the approval of the Cabinet of Ministers
- 14 No. of Funds worth Rs. 13,591 million were wound up after the respective Acts were amended
- The balance 61 funds were recommended to be continued.

### Box 10.4 | Non- Financial Asset Management of the Government

The Comptroller General's Office was established under the Ministry of Finance on 07<sup>th</sup> March 2017 as stipulated in Budget Proposal No. 368 of 2017 to focus on the management of Non-Financial Assets of the government. The Comptroller General's Office is mainly entrusted with overseeing the asset, material and cost management of the Government. Hence, it is required to maintain a central registry for Non-Financial Assets and to formulate and implement non - financial assets management policies while identifying idle resources and ensuring effective use of these assets to strengthen the national development framework of the government.

Non-Financial Asset management of the government has become a priority activity, as the quality and productive use of such assets have been deteriorated due to lack of a focused agency to oversee the efficient utilization of assets, secure assets adequately and adhere to an effective system for maintenance and improvement of assets. While, government agencies are required to maintain records of the assets under their custody, such action was not followed properly and no formal procedure was in place to have centralized records. The absence of a focal agency has led to the Non- Financial assets has not being valued periodically and hence its real value not being reflected properly.

As the first step in asset management, Assets Management Circular No. 01/2017 has issued on 28<sup>th</sup> June 2017 to provide instructions to collect basic information of all Non- Financial Assets categorized by asset codes following the Government Finance Statistics Manual -2014 of the International Monetary Fund. Ensuring representations from the central government, public enterprises and provincial councils including local authorities, 79 awareness meetings have been conducted to facilitate the submission of such information and also providing a platform to discuss ownership and valuation issues of these assets.

Accordingly, motor vehicle fleet of the government stood at 73,907 which includes 9,315 motor vehicles not in running condition, as mentioned in the Table. All government agencies have already been instructed by Assets Management Circular No. 02/2017 issued on 21<sup>st</sup> December 2017 to resolve registered ownership issues of motor vehicles and by Assets Management Circular No. 01/2018 issued on 19<sup>th</sup> March 2018 to dispose motor vehicles not in running condition.

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.

**Table : Motor Vehicle Fleet of the Government**

Motor vehicles in running condition	
Central Government <sup>a</sup>	26,732
Public Enterprises <sup>a</sup>	23,506
Provincial Councils <sup>b</sup>	14,354
Motor vehicles not in running condition	
Central Government <sup>a</sup>	5,922
Public Enterprises <sup>a</sup>	1,801
Provincial Councils <sup>b</sup>	1,592

Source: Comptroller General's Office

a - as reported to the Cabinet of Ministers on 15<sup>th</sup> December 2017

b - as reported to the Cabinet of Ministers on 06<sup>th</sup> April 2018

## Public Private Partnerships as the key to bridging the financing gap in large scale infrastructure development projects

The government has recognized Public-Private Partnerships (PPPs) as the practical tool for government to procure and implement public infrastructure and/or services given fiscal constraints in the National Budget using the resources and expertise of the private sector. It is envisaged that PPP provides better opportunities in meeting the infrastructure gap, mobilizing the private sector resources and technologies.

The National Agency for Private Public Partnership (NAPPP) unit has been formed

under the Ministry of Finance with the prime objective of fulfilling the national economic objectives of securing investments with private sector engagement..

The NAPPP is making preliminary arrangements to secure investments with private sector engagement for planning, implementation, financing and maintenance of certain economic infrastructure assets to be owned by the state agencies and advise the relevant ministries on selection, implementation and management of PPP projects.

Following are the main areas that the government seeks investments through PPP arrangements.

Clean Technology

Issues related to climate change and carbon trading, PPPs for green technology, renewable energy and energy efficiency projects.

Energy and Power

Power Purchase Agreements (PPAs), implementation agreements, concession agreements and more.

Solid Waste Management

Waste collection, street cleaning, waste disposal, treatment and recycling etc.

Transport

Including airports, ports, roads and tolls, light rail, urban passenger rail, metro, trams, railways and other transportation infrastructure projects.

**Key PPP projects currently under consideration for implementation:**

Line Ministry	Name of the Project	Remarks
Power and Renewable Energy	100 Mw Solar Park- Monaragala	RFP is being prepared
	4x24MW HFO fired reciprocating engines as an IPP near the Grid Substation at Kappalthurei, Monaragala, Horana and Pallekelle	RFP is being prepared (final stage)
	300MW Kerawalapitiya HFO/LNG Project	Appeals have been called for tender awarding
Ministry of Higher Education and Highways	Elevated Highway from New Kelani Bridge to Athurugiriya	RFP is being prepared
	Section 1- New Kelani Bridge to Rajagiriya on BOT basis	Feasibility Study to be commenced
	Section 2- Rajagiriya to Athurugiriya on BOT basis	
	Investment in the Public Infrastructure through PPP model using existing Expressway Network	Most appropriate model and guidelines are to be decided

## Key PPP projects currently under consideration for implementation: contd...

Line Ministry	Name of the Project	Remarks
Ministry of City Planning and Water Supply	Models for Water Supply Project - Weliwita Water Supply Project	RFPs to be issued to the shortlisted bidders after finalizing the RFP
Ministry of Industry and Commerce	Value Addition of Lanka Mineral Sands Ltd	RFP document has been prepared by the Project Committee and forwarded to NAPPP of MOF&MM for further improvements.  Observations for draft agreements were obtained from the AG and steps have been taken to amend agreements accordingly.
	Value Addition of Kahatagaha Graphite Lanka Ltd	Preliminary discussions were held with the Project Committee and GSMB regarding the obtaining of "Assessment of Reserves" in Kahatagaha Graphite.
	Establishment of Caustic Soda / Chlorine (Paranthan Chemicals Company Ltd)	RFP document has been prepared by the Project Committee and forwarded to NAPPP of MOF&MM for further improvements.
Ministry of Agriculture	Gohagoda waste to compost / cooling complex and energy project	Relevant agreement in final stage

### 10.3 Procurement Management

Being the single largest buyer in the market, around 25 % of its total spending is disbursed through public procurement annually for public service delivery. Therefore, public procurement policies play a greater role in the economy stimulating the market through incentives to local firms. Procurement policies therefore may be used to shape more inclusive national economic growth by providing long term support to SMEs, disadvantaged sectors, women owned enterprises environmental concerns etc. Procurement guidelines must be put in place that are consistent with principles of transparency, fairness, openness and value for money.

The National Procurement Commission established under the 19th Amendment to the Constitution is the principle authority to formulate fair, equitable, transparent, competitive and cost effective procedures and guidelines for the procurement of Goods and Services, Works, Consultancy Services and information systems by government institutions. As such, in the absence of a new set of procedures and guidelines issued by the NPC, the following Guidelines are still being used along with the amendments made from time to time through circulars and Supplements issued by the Department of Public Finance.

- a. Procurement Guidelines and Manual -2006 (Goods and Works)
- b. Guidelines on Government Tender Procedure – Part 11 of 1998 to be followed with regard to the PPP projects

As per the Supplement 33 dated 15.03.2017 issued in relation to the guideline reference 2.14.1 of the Procurement Manual - 2006, for procurements value above Rs. 250 Mn. for GOSL funded projects and for procurements value above Rs. 600 Mn funded tough external financing should be handled by the Cabinet Appointed Procurement Committees where recommendations of such Committees should be approved by the Cabinet of Ministers considering the observations of the Minister of Finance and Mass Media.

Key challenges identified in the procurement

processes as well as proposed solutions to address these challenges are stated below.

Challenge	Solution
1. Officials involved in procurement decision making lack experience and knowledge in public procurement.	Conduct a series of training and awareness sessions with the assistance of the development partners such as the World Bank, USAID, on public procurement related disciplines.
2. Delays in procurement decision making as members of technical evaluation and procurement committees are involved in procurement actions in addition to the regular work responsibilities of their substantial positions.	Appoint retired senior public officers for procurement committees in view to expediting procurement decision making
3. Cost of goods, works and services has considerably increased in recent years.	The rates used for BOQs and TCEs will be scrutinized and revised to reflect current market rates for labor and materials taking into account CPI. Rates committees set up at districts and at the Ministry of Housing Constructions will be reconstituted. Especially, provisions allocated under contingencies will be reviewed and adjusted.
4. Lack of “National Procurement Performance Standards” and performance assessment system for officials involved in procurement decision making, implementing and administration of contracts.	“National Procurement Performance Standards” and performance assessment system for officials involved in procurement decision making are proposed to be included in new Procurement Regulations.
5. Use of ICT in public procurement in the country is very minimal.	Introduction of e-GP system that would help address time delays, quality issues and Value for money concerns in public procurement process.
6. Absence of a comprehensive mechanism for projects to be launched based on Public Private Partnership (PPP) as a tool for development providing mutual benefits to both private and public sectors.	Establish a comprehensive PPP mechanism and both USAID and the WB have indicated their cooperation towards establishing a new PPP mechanism.

## 10.4 Measures taken to improve Procurement Processes

### 10.4.1 Re-appointment of the Procurement Appeal Board

The Procurement Appeal Board (PAB) has been set up at the Presidential Secretariat under Section 8.3 of the Government Procurement Guidelines-2006 (Goods and Works) to provide any unsuccessful bidder with an opportunity to make an appeal against the determination on the contract award made by the Cabinet Appointed Procurement Committees. The PAB is expected to investigate representations made by unsuccessful bidders and submit its report to the Cabinet of Ministers with recommendation, with a copy to the Secretary of the line Ministry.

Previously the PAB had investigated such complaints based on the reports of the relevant line Ministries together with relevant documents such as Bidding documents, Technical Evaluation Committee reports. Aggrieved bidders were invited to give evidence mainly to obtain further clarifications if required, to make a firm and independent recommendation. Lately, the PAB has inquired the appeals by following the procedure, which is similar to court procedure allowing lawyers to appear on behalf of appellants to cross examine officers involved in the procurement related decisions. This process has taken considerably a long period of time to finalize PAB’s recommendations leading to delays in awarding tenders. As such, some of the Appeals have been held up with the PAB for a long time ranging from 3 to 6 months.

Although the Cabinet of Ministers has approved various measures to accelerate the procurement process such as reducing time frame to complete respective procurement, revising financial thresholds of Procurement Committees, increasing fees for Procurement/Technical Evaluation Committees, these measures will not be able to bring about the desired results unless the appeal process is speedily expedited.

During the year, action has been taken to Re-appoint the PAB comprised of three retired

Secretaries whose specialized fields were administration, finance and engineering while

all 3 members are conversant with the subject of procurement.

#### Details in respect of the Appeals received by the PAB during the period under consideration

Number of representations received during the year year 2017	91
Number of appeals which concurred the CAPC recommendation dismissing the representations made by the unsuccessful bidders	40
Number of appeals which accept the representations made by the unsuccessful bidders rejecting the CAPC recommendation	17
Other recommendations given by the (PAB)	30
Appeals withdrawn by the Appellants	04

Source : Procurement Appeal Board

#### 10.4.2 Public Finance Circular letter No. 4 dated 09.10.2017 emphasizing the giving preference for locally manufactured goods

Given that the government is the single largest consumer in the market place, with a view to supporting the domestic industries, Public Finance Circular No. 4 was issued. Although, 7.9.6 of the Government Procurement Guidelines - 2006 and subsequent circulars have emphasized requirement for procuring entities to grant necessary preference for the domestically manufactured goods when they procure the goods using domestic funds, it has been brought to the notice of the General Treasury that most of the Procuring Entities are not familiar with this policy and the related circular instructions which lead to prevent domestic bidders from obtaining the benefit provided via the guidelines and circulars.

Accordingly, all government organizations were informed to make use the domestic preference

provisions appropriately by issuing Public Finance Circular letter No. 4 dated 09.10.2017.

#### 10.4.3. Facilitating pre-procurement activities.

As per procurement guidelines, procurement action should not be initiated without the allocation of funds. As such procurement gets delayed due to the time taken to prepare which begins only after funds have been allocated. This has therefore become an issue in expediting the procurement process.

Therefore in order to overcome this issue, action has been taken to create a procurement preparedness allocation under several Heads of Expenditure (Object code No. 2505) in order to complete preliminary works even up to bid calling stage, after deciding requirements, without waiting for budgetary allocation for the respective project / programme.

Details of the procurement preparedness allocation made available in the 2017 Budget are as follows;

Name of the Ministry	Amount of Allocation (Rs. Mn.)
Defence	21,500
Hill Country, New villages infrastructure and Community Development	1,000
Mahaweli Development and Environment	50,000
Internal Affairs, Wayamba Development and Cultural Affairs	200
Law and Order and Southern Development	10,000
Telecommunication and Digital Infrastructure	200
Irrigation and Water Resources Development	5,900
<b>Total</b>	<b>88,800</b>

Source : Department of National Budget

### 10.4.4 Issues in appointing Cabinet Appointed Procurement Committees/ Standing Cabinet Appointed Procurement Committees and Technical Evaluation Committees

Given the increasing number of Cabinet Appointed Procurement Committee level procurements of various Ministries and the number of retirements of Secretaries of the Ministries occurred recently, the General Treasury has faced a serious problem in making replacements for the vacant positions with experienced Senior Secretaries. To overcome the problem, action has been taken to create a Pool of retired secretaries and other officers of similar capacity to choose from to serve in the Cabinet Appointed Procurement Committees and Technical Evaluation Committees.

In addition, in respect of the on going procurements where retired/ retiring official functions as the Chairperson or a member in a Cabinet Appointed Procurement Committee, circular instruction has been issued (Public Finance Circular No.01/2017(i) ) allowing them to continue the service of such retired public officials in the committees until the respective procurements are finalized.

### 10.4.5. Mitigating the impact of unrealistic Cost Estimates and Cost Overruns

When analyzing the contracts awarded in the recent past, it is noted that an increasing number of contracts have been awarded for costs over and above engineers’ estimates and the instances of upward revision of costs occurred during the implementation stage have become a common characteristic in most of the infrastructure development projects. This trend has a significant impact on the outcome of the projects while it leads to creating additional fiscal constraints.

Accordingly, action is being taken to establish a “Cost Estimate Review Committee” to review total Cost Estimates prepared for projects by government organizations to ensure these Total Cost Estimates are realistic from all

aspects-financial, technical or otherwise, before commencing the project. As such, no procurement should commence without obtaining recommendations of this Committee

This Committee is also empowered to review the cost escalation reported at the projects/ constructions to ensure the cost variations are justifiable given the circumstances during the implementation. No change orders in excess of the 10% contingency provisions should be issued prior to obtaining the recommendations of this Committee. Once Cabinet approval is obtained for the proposed mechanism, action will be taken to issue detailed guidelines for the procuring entities.

## 10.5 Procurement Monitoring in 2017

Undue delays in finalizing procurement actions have 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 and Mass Media. The main objective of this unit is to carry out continuous monitoring over the Cabinet Appointed Procurement Committee level procurements in order to improve efficiency of the procurement process, while facilitating the Line Ministries where necessary.

Table 10.1 | CAPC Procurements Awarded during 2016 and 2017

	As at 31.12.2016	As at 31.12.2017
Procurements in Progress*	200	187
Total Procurements Awarded	145	165

\*Procurements in progress from the publication of bid notice to award of contract

Source : Procurement Monitoring Unit - Ministry of Finance and Mass Media

Majority of the total procurements was carried out by 7 line ministries during the year. Out of those line ministries, the performance of Ministry of Higher Education and Highways and Ministry of Health, Nutrition and Indigenous Medicine have outweighed other ministries/agencies with respect to the number of procurement awards and values in 2017.

Table 10.2 | Key Ministries contributed for the CAPC level procurements in 2017

Ministry Name	No of Procurements in Progress as at 31.12.2017	No of Procurements awards during 2017	Value Rs. Mn
Higher Education and Highways	23	38	11,789
Health, Nutrition & Indigenous Medicine	16	34	25,979
Power and Renewable Energy	26	18	24,467
City Planning and Water Supply	31	15	69,479
Transport & Civil Aviation	10	12	43,149
Defence	21	7	3,571
Megapolis & Western Development	12	5	24,113
<b>Total of 7 Ministries</b>	<b>139</b>	<b>129</b>	<b>302,547</b>

Source : Procurement Monitoring Unit - Ministry of Finance and Mass Media

Table 10.3 | CAPC level Procurements Commenced during the year compared with year 2016 (Pre -Procurement stage + Document Preparation stage + Bidding process in progress stage)

	As at 31.12.2016	As at 31.12.2017
Procurements at Pre-Procurement and Document Preparation stage	275	192
Procurements in Progress (from publication of bid notice to award of contract)	200	187
<b>Total Procurements commenced</b>	<b>475</b>	<b>379</b>

Source : Procurement Monitoring Unit - Ministry of Finance and Mass Media

During the year, 111 new procurements were added in to the procurement process while 42 procurements were discontinued by ways of cancellation, recalling bids under new TECs, holding on etc. due to various reasons.

Duration of the delays at CAPC level

procurements reduced marginally towards the end of the year. The magnitude of delayed procurements has shifted from procurements with delays over 6 months to procurements with delay below 6 months. The procurement which delayed over 6 months was 59% by the end of April 2017 reduced to 41% by the end of the year.

Table 10.4 | Efficiency of the Procurement Process (% of Total delayed - Procurements in progress)

Duration of the Delay*	As at 30.04.2017 (%)	As at 31.12.2017(%)
Less than 1 month	6	6
Between 1 -3 months	17	15
Between 3 -6 months	18	38
Between 6 -12 months	36	27
Between 12 -18 months	11	7
Between 18 -24 months	3	1
Over 24 months	9	6

\*Delay of particular procurement in months compared against the relevant Procurement Time schedule

Source : Procurement Monitoring Unit - Ministry of Finance and Mass Media

## 10.6 Procurement Review

The total government expenditure including the interest payments and debt repayment for the year 2017 is Rs. 3, 470 Bn. Out of the total expenditure Rs. 602 Bn has been disbursed through government procurement carried out by Ministries, Department and several State Owned Enterprises for which the required funds have been allocated through the National Budget 2017 under different source of financing such as

Consolidated Fund, bilateral and multilateral funds and various other financing sources such as local bank financing and export credit facilities etc. (eg. Exim Bank)

Similar to the pattern in the recent past, the Ministry of Higher Education and Highways has recorded the highest spending with regard to procurements incurring Rs. 207.69 Bn on construction of roads, highways, bridges, buildings for university systems and various other recurring nature expenditures. Second

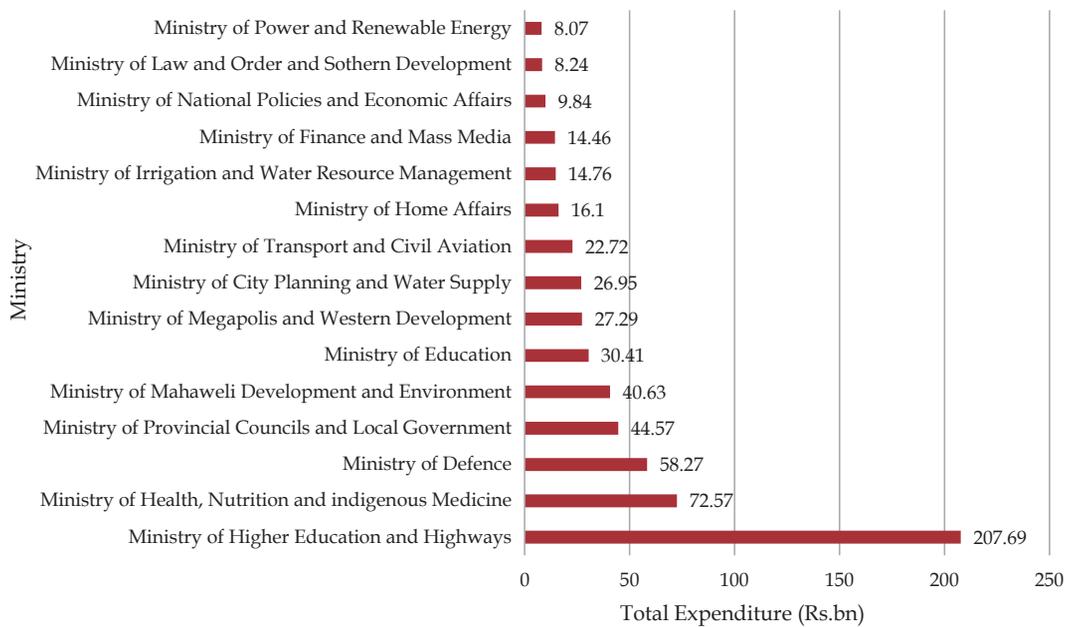
largest procurement expenditure amounting to Rs. 72.57 Bn has been incurred by the Ministry of Health, Nutrition and Indigenous Medicine reflecting the investments on constructions, medical equipment and related infrastructure and various other recurring expenses mainly purchasing of pharmaceuticals.

Since the government has taken policy decisions to use voucher system to providing uniform materials to students and cash grants for farmers instead of providing chemical fertilizer subsidies, when compared with the previous years, the public procurement expenditure has

been decreased around Rs. 42 Bn per annum due to fact that above schemes do not involve the procurement action.

The country’s largest procurement is the procurement of Petroleum and related products by the Ceylon Petroleum Cooperation (CPC) where the total procurement value for the year 2017 is reported to US \$ 2,008 Mn (Approximately Rs. 322 Bn). Since the expenditure incurred was on account of CPC, such expenditures were not reflected in the public procurement expenditure of Rs.602 Bn due to the said expenditure was not on the account of National Budget.

### Procurement related Expenditure Analysis - 2017



Source : Department of State Accounts



**Human Resources  
Management in the  
Public Sector**

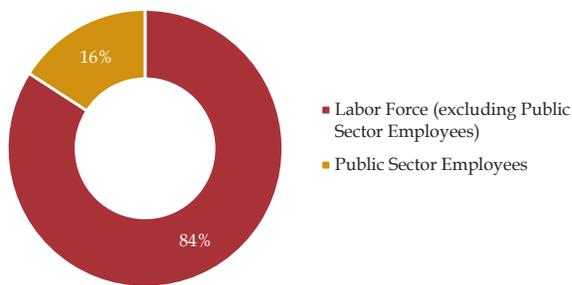
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## 11.1 Overview

Public Sector is comprised of the Public Service, Statutory Boards, Corporations, Institutes and Authorities (State Owned Enterprises), which are under the direct purview of the National Government, Provincial Councils and Local Authorities.

The number employed in the public sector by the end of 2017 has increased by 1.6 percent to 1,375,499 compared to 1,353,318 in 2016. Public sector alone constituted almost 16 percent of the total labor force<sup>1</sup> of the country in 2017.

Chart 11.1 | Composition of Labor Force



In adapting to the growing needs of the public sector, the approved cadre has been increased by around 26 percent during the period 2008-2017. However, the total utilization of cadre positions

has remained at around 88-92 percent during this period with the highest cadre utilization in 2011 at 96 percent, while the cadre utilization remained constant during the period 2014-2016 at 88 percent. This decline in cadre utilization is mainly due to a deceleration in new recruitments in spite of an increase of retirements during this period.

The unutilized cadre levels is due not only to the non-recruitment of personnel but also due to the delays at the management level, to fill vacancies as and when they arise, the non-integrated approach taken in filling vacancies and lack of candidates with the relevant qualifications. The inability for the public sector to attract and retain qualified professionals is also a key feature that contributes to this issue. It is also noted that these issues have been prevalent in the public service for almost a decade or so and given the lack of a thorough appraisal to understand the real requirement in the public sector especially in the background of technology infusion which will make certain professions redundant, this issue will continue to prevail. In fact, public sector service delivery has been constrained due to the lack of properly qualified personnel with the required skill or at the same time the availability of personnel without the required skill set.

Table 11.1 | Public Sector Cadre Composition 2008-2017

Administrative level		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
National	App	635,711	680,442	698,335	705,331	710,909	796,266	844,948	858,680	874,046	880,971
	Act	557,590	607,717	643,748	443,399	661,837	683,719	703,600	722,950	754,548	756,339
Provincial Councils and Local Authorities	App	362,755	364,396	367,207	367,730	385,562	391,647	392,698	394,812	412,560	428,433
	Act	290,162	296,714	332,107	363,248	378,933	375,752	377,445	374,330	372,033	385,311
Total Public Service	App	998,466	1,044,838	1,065,542	1,073,061	1,096,471	1,187,913	1,227,646	1,253,492	1,286,606	1,309,404
	Act	847,752	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
Public Enterprises and State Banks	App	226,197	227,224	227,792	228,326	245,100	245,687	245,339	244,800	234,220	242,194
	Act	229,445	234,547	236,121	236,543	239,079	239,058	221,213	219,583	226,695	233,849
Total Public Sector	App	1,224,663	1,272,072	1,293,334	1,301,387	1,341,571	1,433,600	1,682,985	1,498,292	1,520,826	1,551,598
	Act	1,077,197	1,138,978	1,211,976	1,243,190	1,279,849	1,298,529	1,302,258	1,316,863	1,353,276	1,375,499
Disbursement of Approved Cadre (%)		88	90	94	96	95	91	88	88	88	88
Retired Number		445,120	456,113	473,762	493,549	510,343	521,699	246,379	564,472	579,414	599,522

Source: Department of Management Service, Department of Pensions

App - Approved Cadre

Act - Actual Number of Employees

<sup>1</sup> labor force comprises all persons of working age who were either "employed" or "unemployed" during the reference period

Table 11.2 | Growth of public sector cadre during the last decade (2008-2017)

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Sector Existing Cadre	1,077,197	1,138,978	1,211,976	1,243,190	1,279,849	1,298,529	1,302,258	1,316,863	1,353,318	1,375,499
Growth (%)	6.21	5.74	6.41	2.58	2.99	1.46	0.29	1.12	2.77	1.64

Source: Department of Management Services

## 11.2. Cadre Review 2017

As such, during 2017 the Management Services Circular No.01/2017 dated 11.01.2017 was issued with the purpose of enhancing the quality of service delivery by public sector institutions. The main focus of this review was to:

- Estimate future manpower requirements on a scientific basis for a period of 5 years at a time,
- Ascertain any deviations in the functions of the organization from the functions as gazetted and any possible overlapping and duplication of functions,
- Facilitate the planning of recruitments so as to facilitate a smooth operation of the entity despite any retirements or transfers while ensuring a clear promotional path for each officer,
- To enhance the effectiveness and efficiency of service delivery

In essence, this circular was drafted to facilitate the public service to ensure a cadre structure that satisfies the functional, structural and other important factors in human resource management.

## 11.3. Quarterly Information on Public Sector Cadre

Pursuant to the Cabinet Decision taken at the Cabinet Meeting held on 15th August 2017, the responsibility of maintaining and updating the database of Public Sector Cadre Information indicating the changes that had taken place pertaining to Recruitments, Resignations, Vacation of Posts, Dismissals, Retirements and Deaths of Public Officers and forwarding the updated cadre information on a quarterly basis to the Cabinet of Ministers has been assigned to the Department of Management Services.

Table 11.3 | Public Sector Cadre Position<sup>2</sup> - Quarter 3 and 4 of 2018

	3rd Quarter	4th Quarter
Recruitments	12,076	11,954
Promotions	3,492	11,273
Employment on Secondment Basis	1,560	5,978
Retirements	3,915	5,393
Resignations	2,304	1,980
Vacation of Post	3,127	1,693
Deaths	265	435
Dismissals	1,028	246

Source: Department of Management Services

## 11.4. All Island Services of Sri Lanka

Table 11.4 | Approved Cadres of All Island Services of Sri Lanka

Service	Total Approved
Sri Lanka Administrative Service	3,137
Sri Lanka Planning Service	1,043
Sri Lanka Ayurvedic Medical Service	2,769
Sri Lanka Educational Administrative Service	2,678
Sri Lanka Accountants' Service	1,904
Sri Lanka Engineering Service	1,496
Sri Lanka Scientific Service	635
Sri Lanka Surveyors' Service	1,049
Sri Lanka Animal Production and Health Service	1,047
Sri Lanka Agricultural Service	1,163
Sri Lanka Architects' Service	66
Sri Lanka Medical Service	24,705
Total	41,692

Source: Department of Management Services

## 11.5. HRM Planning in the Public Sector

There are 1,811 different types of positions (Designations) in the Sri Lankan public service under 38 salary codes. These designations consist of all Island Services, Combined Services, Departmental Services and some Special Super Scale Positions (eg: Attorney General). These 38 salary codes (excluding the positions of SOEs) have been categorized according to service levels;

<sup>2</sup> A database is maintained as per the decision taken by the Cabinet of Ministers on where quarterly information will be submitted to the Cabinet of Ministers and published.

### Box 11.1 | Cadre Review of Provincial Councils

The 13th Amendment to the Constitution of the Socialist Republic of Sri Lanka resulted in the establishment of Provincial Councils. Provincial Councils are the legislative bodies of nine provinces in the country. The provincial councils have legislative power over Health, Education, Rural Development, Livestock Development, Social Welfare, Agriculture and such fields. Accordingly, the Provincial Councils had been allocated with an approved cadre of 428,433 at the end of 2017, while the total number of posts utilized at the was 385,311. Accordingly, 27 percent of the total public sector approved cadre has been given to the provincial councils.

A significant portion of health services of the country is carried out by the Provincial Councils. Accordingly, the number of posts approved for the Sri Lanka Medical Service in provincial councils is 9,056, while the number of posts approved for Sri Lanka Nursing Service in provincial councils is 13,952. Moreover, the Education Sector in provincial councils has been strengthened with an approved cadre of 203,098 and 13,718 for Sri Lanka Teacher Service and Sri Lanka Principals Service.

Pursuant to Education Circular No. 01/2016 the school based teacher and principal cadre has been approved for four out of nine provinces, while a considerable portion of non-academic cadre is also being approved.

In addition, it could be identified that establishing the Legal Unit, IT Unit and Translator Unit under the purview of Chief Secretary could lead to higher levels of efficiency than allocating Legal Officers, ICT Officers and Translators for each and every Department/Institution separately.

Furthermore, the Cadre Review 2017 conducted in Provincial Councils contributed to precautions to avoid deficiencies, which existed during the time of constitution of provincial councils.

*Sources: Department of Census and Statistics, Department of Management Services*

Senior, Tertiary, Secondary and Primary. The duties and responsibilities relevant to the said positions have been decided upon qualifications required for recruitments.

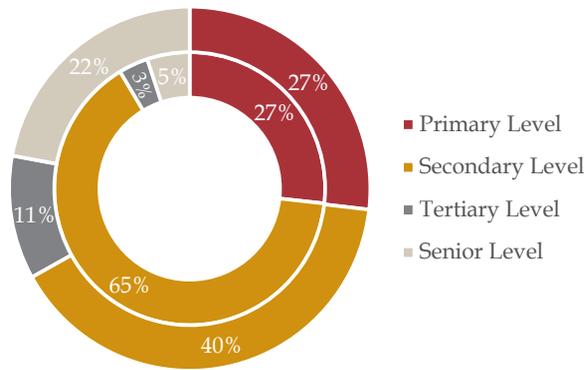
Table 11.5 | Number of Designations in the Public Service based on the Service Level

Serial No	Service Level	Approved Cadre*	No of Designations
1	Primary Level	271,560	486
2	Secondary Level	657,175	726
3	Tertiary Level	35,722	199
4	Senior Level	51,586	400
<b>Total</b>		<b>1,016,043</b>	<b>1,811</b>

\*excluding Tri-forces

Source: Department of Management Services

Chart 11.2 | Composition of designations in the public service



## 11.6 Changes to the wage structures

In line with the government policy in 2015, the entire public sector was given an allowance of Rs.10,000. This was an interim allowance introduced to the public sector employees and would be absorbed into the basic salary in five phases during the period 2016-2020 as per the Public Administration Circular No. 03/2016 (Applicable to Public Service) and Management Services Circular No. 02/2016 (Applicable to SOEs).

Table 11.6 | Initial basic salary for Permanent Secretaries and Unskilled Labor

Public Service	Salary code	Basic Salary (Rs.)	SOEs	Salary code	Basic Salary (Rs.)
Unskilled labor	PL 1-2016	24,250	Unskilled laborer	PL 1	24,750
Secretaries	SL 4-2016	98,650	Senior Manager	HM 1-3	98,215

Source: Public administration Circular No. 03/2016, MSD Circular No.02/2016

## 11.7 Sectorial Distribution of the Sri Lankan Public Service

The analysis of the sectorial distribution indicates that in line with the country’s policy of ensuring free education and free health care services, almost 37 percent of the total public service is engaged in the education and health services. In the last few years with the advent of technology new cadre positions have been created and it is expected that a significant change will take place with the demands placed on the public sector increasing over time.

Table 11.7 | Ratio of population to Approved Cadre of selected job categories

Total Population	Institution/Job Category	Approved Cadre	Total Population : Cadre ratio
	Sri Lanka Police	83,646	251:01:00
	Executive officers	51,530	407:01:00
	Sri Lanka Medical Service	27,471	764:01:00
	Sri Lanka Engineering Service	1,496	14,037 : 1

Source: Department of Management Services

Furthermore, the ratio of Students to Teachers compared to 4,143,330 students in 10,162 National and Provincial Schools is 17:1.



# **PART IV**

## **Financial Statements**



# Financial Statements



## Financial Statements 2017

Financial Statements of the Democratic Socialist Republic of Sri Lanka for the year ended 31st December 2017 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flow, Statement of Changes in Net Assets / Equity, Accounting Policies and Notes to the Accounts are forwarded herewith.

By these Financial Statements, the utilization process of financial resources allocated by Appropriation Act No. 24 of 10th December 2016 for 2017 and amendments there to, for recurrent and capital expenditure of twenty two (22) Special Spending Units, fifty one (51) Government Ministries, ninety five (95) Government Departments and twenty five (25) District Secretariats have been described. In addition, the actual position regarding the process of collection of revenue approved by the above Act has also been illustrated. Further, the Financial Statements reveal the information relating to capital contribution or shareholdings in the, fifty one (51) Commercial Public Corporations, ninety two (92) Government Owned Companies / Plantation Companies / US Dollar Denominated Companies, three (03) Development Banks and also information relating to allocation of financial resources to nine (09) Provincial Councils by the Central Government.

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, 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 revealed 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, actions have been taken to include a part of the non-financial assets which have been reported in the financial statements in addition to the financial assets and the Department of State Accounts has introduced an action plan to regularly include the assets to be further accounted in Financial Statements by verifying the ownership, existence and value of such assets. Accordingly, it is expected to account all the non-financial assets that have not been accounted by the year 2020.

Accordingly, the Computerized Integrated Government Accounting System (CIGAS), which uses to record accounting transactions has been further improved enabling to facilitate recording of non financial assets in the Financial Statements starting from the year 2015.

Similarly, according to the Handbook on Government Finance Statistics (GFS) 2014, actions have been initiated to compile financial data in the GFS data format with a view to improve comparison of government data with those of other countries.

## Statement of Financial Performance

for the Period ended 31st December 2017

Budget Estimate 2017 Rs.	Note	Actual 2017 Rs.	Restated Actual 2016 Rs.
<b>REVENUE</b>			
<b>1,749,750,000,000</b>	<b>Tax Revenue</b>	<b>1,670,178,219,488</b>	<b>1,463,688,860,659</b>
308,000,000,000	Income Tax	274,561,564,596	258,856,786,003
1,052,360,000,000	Taxes on Domestic Goods & Services	1,024,280,534,460	840,563,919,917
389,390,000,000	Taxes on International Trade	371,336,120,432	364,268,154,738
<b>163,900,000,000</b>	<b>Non Tax Revenue &amp; Others</b>	<b>174,839,117,299</b>	<b>235,066,299,613</b>
<b>1,913,650,000,000</b>	<b>TOTAL REVENUE (a)</b>	<b>1,845,017,336,787</b>	<b>1,698,755,160,272</b>
<b>LESS : EXPENDITURE</b>			
472,299,718,955	Salaries, Wages and Other Employment Benefits	463,872,499,215	452,700,758,165
188,833,081,883	Other Goods & Services	164,446,014,046	148,955,501,716
602,248,695,793	Subsidies, Grants and Transfers	580,556,036,540	557,162,914,046
761,152,057,000	Interest Payments	735,565,676,711	610,894,570,875
2,149,420,157	Other Recurrent Expenditure	1,134,813,412	1,168,007,855
<b>2,026,682,973,788</b>	<b>Total Recurrent Expenditure (b)</b>	<b>1,945,575,039,924</b>	<b>1,770,881,752,657</b>
<b>113,032,973,788</b>	<b>REVENUE DEFICIT (a) - (b)</b>	<b>100,557,703,137</b>	<b>72,126,592,385</b>
935,529,397,212	Public Investments	657,530,018,379	594,012,706,930
<b>1,048,562,371,000</b>	<b>BUDGET DEFICIT</b>	<b>758,087,721,515</b>	<b>666,139,299,315</b>
<b>FINANCING THE BUDGET DEFICIT</b>			
270,324,988,334	Foreign Borrowings	601,305,620,998	574,248,733,877
(220,052,160,000)	Foreign Debt Repayments	(219,349,640,270)	(145,119,354,547)
<b>50,272,828,334</b>	<b>NET FOREIGN BORROWINGS</b>	<b>381,955,980,728</b>	<b>429,129,379,330</b>
8,000,000,000	Foreign Grants	8,031,087,509	7,495,973,314
<b>58,272,828,334</b>	<b>TOTAL FOREIGN FINANCING</b>	<b>389,987,068,236</b>	<b>436,625,352,644</b>
1,829,861,482,660	Domestic Borrowings	856,671,070,650	1,041,541,256,617
(678,053,490,000)	Domestic Debt Repayments	(648,133,870,392)	(596,429,280,381)
<b>1,151,807,992,660</b>	<b>NET DOMESTIC BORROWINGS</b>	<b>208,537,200,258</b>	<b>445,111,976,236</b>
16,250,000,000	Recoveries from On-lending	16,418,064,232	18,619,493,425
100,000,000	Sale of Capital Assets	144,077,201	407,249,378
-	Divestiture Proceeds	44,676,984,794	-
	Net Change in Deposit Accounts and Liabilities	113,469,982,423	(202,654,857,997)
	(Increase)/ Decrease in Cash & Cash Equivalents	(15,145,655,629)	(31,969,914,371)
<b>1,226,430,820,994</b>	<b>TOTAL FINANCING</b>	<b>758,087,721,515</b>	<b>666,139,299,315</b>

## Statement of Financial Position

as at 31st December 2017

	Note	Actual 2017 Rs.	Restated Actual 2016 Rs.
<b>Non Financial Assets</b>	<b>16</b>	814,335,751,160	346,654,695,824
<b>Financial Assets</b>			
Advances to Public Officers	17	27,427,831,864	23,032,301,539
Advances to Government Departments	18	15,088,063,621	16,092,914,751
Membership Fees	19	3,517,179,875	3,517,179,875
On Lending	20	181,367,517,946	169,547,195,852
Capital Contributions to State Owned Enterprises	21	578,480,701,820	526,907,427,450
Stamps Stock Account		1,305,358,819	1,274,815,192
Rent & Work Advance		750,310,073	228,769,715
<b>Total Financial Assets</b>		<b>807,936,964,018</b>	<b>740,600,604,375</b>
<b>Total Assets</b>		<b>1,622,272,715,178</b>	<b>1,087,255,300,199</b>
<b>Statutory &amp; Other Funds</b>			
Consolidated Fund	22	(285,571,378,373)	(187,247,051,579)
Contingency Fund		500,000,000	500,000,000
Foreign Loan Revolving Funds	23	31,264,171,850	23,820,177,655
Miscellaneous Funds	24	991,807,821	1,525,387,106
Net Assets Adjustment Account	25	(8,013,166,621,848)	(7,750,621,240,653)
<b>Total Funds</b>		<b>(8,265,982,020,550)</b>	<b>(7,912,022,727,471)</b>
<b>Liabilities</b>			
Bank Balance	26	150,539,460,624	165,685,116,253
Advance from the Central Bank	27	199,800,871,400	83,306,771,400
Government Borrowings	28	9,588,100,902,848	8,793,959,329,494
Deposits & Other Liabilities	29	75,121,285,516	64,342,790,904
Accounts Operating with Government Departments	30	(125,940,730,340)	(108,635,044,897)
Sundry Accounts	31	632,945,680	619,064,516
<b>Total Liabilities</b>		<b>9,888,254,735,728</b>	<b>8,999,278,027,670</b>
<b>Total Funds and Liabilities</b>		<b>1,622,272,715,178</b>	<b>1,087,255,300,199</b>
Contingent Liabilities & Commitments	32	652,213,797,000	563,337,457,000

The accompanying "Statement of Accounting Policies" and "Notes to the Financial Statements" form an integral part of these Financial Statements. The Department of State Accounts is responsible for the preparation and presentation of these Financial Statements.



S.G. Senarathna  
Director General  
Department of State Accounts



R.H.S. Samarathunga  
Secretary, Ministry of Finance and Mass Media  
Secretary to the Treasury

General Treasury  
Colombo-01  
28 March, 2018

## Statement of Cash Flows

for the Year ended 31<sup>st</sup> December 2017

	Actual 2017 Rs.	Restated Actual 2016 Rs.
<b>Cash Flow from Operating Activities</b>		
Tax Receipts	1,670,178,219,488	1,463,688,860,659
Fees, Fines, Penalties and Licenses	31,830,927,652	32,565,881,521
Profits	50,447,214,138	97,338,234,835
Other Receipts	81,614,925,867	84,513,925,906
<b>Total Cash flow from Operating Activities (a)</b>	<b>1,834,071,287,145</b>	<b>1,678,106,902,922</b>
<b>Less - Cash disbursed for:</b>		
Personal Emoluments & Operating Payments	628,318,513,261	601,656,259,882
Subsidies & Transfer Payments	580,556,036,540	557,162,914,046
Finance Costs	736,700,490,123	612,062,578,729
<b>Total Cash disbursed for Operating Activities (b)</b>	<b>1,945,575,039,924</b>	<b>1,770,881,752,657</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES (c)=(a)-( b)</b>	<b>(111,503,752,778)</b>	<b>(92,774,849,735)</b>
<b>Cash Flows from Investing Activities</b>		
Interest	7,395,379,567	4,826,406,488
Dividends	3,550,670,075	15,821,850,862
Divestiture Proceeds & Sale of Physical Assets	44,821,061,994	407,249,378
Recoveries from On Lending	16,418,064,232	18,619,493,425
<b>Total Cash flow from Investing Activities (d)</b>	<b>72,185,175,868</b>	<b>39,675,000,153</b>
<b>Less - Cash disbursed for:</b>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	657,530,018,379	594,012,706,930
<b>Total Cash disbursed for Investing Activities (e)</b>	<b>657,530,018,379</b>	<b>594,012,706,930</b>
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (f)=(d) - (e)</b>	<b>(585,344,842,511)</b>	<b>(554,337,706,777)</b>
<b>NET CASH FLOW FROM OPERATING &amp; INVESTMENT ACTIVITIES (g)=(c) + (f)</b>	<b>(696,848,595,289)</b>	<b>(647,112,556,512)</b>
<b>Cash Flow from Financing Activities</b>		
Local Borrowings	856,671,070,650	1,041,541,256,617
Foreign Borrowings	601,305,620,998	574,248,733,877
Grants Received	8,031,087,509	7,495,973,314
<b>Total Cash flow from Financing Activities (h)</b>	<b>1,466,007,779,157</b>	<b>1,623,285,963,808</b>
<b>Less - Cash disbursed for:</b>		
Repayment of Local Borrowings	648,133,870,392	596,429,280,381
Repayment of Foreign Borrowings	219,349,640,270	145,119,354,547
Net Change in Deposit Accounts and Other Liabilities	(113,469,982,423)	202,654,857,997
<b>Total Cash disbursed for Financing Activities (i)</b>	<b>754,013,528,239</b>	<b>944,203,492,925</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (j)=(h) - (i)</b>	<b>711,994,250,918</b>	<b>679,082,470,883</b>
<b>Net movement in Cash (k)=(g) + (j)</b>	<b>15,145,655,629</b>	<b>31,969,914,371</b>
<b>Opening Cash Balance as at 01st January</b>	<b>(165,685,116,253)</b>	<b>(197,655,030,624)</b>
<b>Closing Cash Balance as at 31st December</b>	<b>(150,539,460,624)</b>	<b>(165,685,116,253)</b>

## Statement of Changes in Net Assets / Equity

for the Year ended 31<sup>st</sup> December 2017

Rs.

Description	Attributable to Government Entities				Total Net Assets / Equity
	Consolidated Fund	Contingency Fund	Foreign Loan Revolving Fund	Miscellaneous Funds	
<b>Balance at 31st December 2015 (Restated)</b>	(403,025,504,824)	100,000,000	33,193,113,976	1,397,008,734	(368,335,382,114)
<b>Changes in Net Assets/Equity for 2016</b>					
Add : Prior Year Adjustments	(18,846,319,120)				(18,846,319,120)
Net Change in Consolidated Fund	234,624,772,365				234,624,772,365
Net Change in Contingency Fund		400,000,000			400,000,000
Net Change in Foreign Loan Revolving Fund			(9,372,936,321)		(9,372,936,321)
Net Change in Miscellaneous Funds				128,378,372	128,378,372
<b>Balance at 31st December 2016 (Restated)</b>	<b>(187,247,051,580)</b>	<b>500,000,000</b>	<b>23,820,177,655</b>	<b>1,525,387,106</b>	<b>(161,401,486,819)</b>
<b>Changes in Net Assets/Equity for 2017</b>					
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)
<b>Balance at 31st December 2017</b>	<b>(285,571,378,373)</b>	<b>500,000,000</b>	<b>31,264,171,850</b>	<b>991,807,821</b>	<b>(252,815,398,703)</b>

## Comparison of Budgets and Actuals

for the Year ended 31<sup>st</sup> December 2017

Rs. '000

Description	Original Budget	Adjustments	Revised Budget	Actual	Difference in Performance
<b>Tax &amp; Non Tax Revenue</b>					
Income Tax	334,550,000	(26,550,000)	308,000,000	274,561,565	(33,438,435)
Taxes on Domestic Goods and Services	1,094,570,000	(42,210,000)	1,052,360,000	1,024,280,534	(28,079,466)
Taxes on International Trade	397,880,000	(8,490,000)	389,390,000	371,336,120	(18,053,880)
Non Tax Revenue and Others	197,700,000	(33,800,000)	163,900,000	174,839,117	10,939,117
<b>Total Tax &amp; Non Tax Revenue</b>	<b>2,024,700,000</b>	<b>(111,050,000)</b>	<b>1,913,650,000</b>	<b>1,845,017,337</b>	<b>(68,632,663)</b>
<b>Other Revenue</b>					
Foreign Grants	10,000,000	(2,000,000)	8,000,000	8,031,088	31,088
Recoveries from On-lending	14,000,000	2,250,000	16,250,000	16,418,064	168,064
Sale of Capital Assets	300,000	(200,000)	100,000	144,077	44,077
Divestiture Proceeds	-	-	-	44,676,985	44,676,985
<b>Total Other Revenue</b>	<b>24,300,000</b>	<b>50,000</b>	<b>24,350,000</b>	<b>69,270,214</b>	<b>44,920,214</b>
<b>Total Revenue</b>	<b>2,049,000,000</b>	<b>(111,000,000)</b>	<b>1,938,000,000</b>	<b>1,914,287,551</b>	<b>(23,712,449)</b>
<b>Expenditure</b>					
Salaries, Wages & Other Employment Benefits	457,985,058	14,314,661	472,299,719	463,872,499	(8,427,220)
Other Goods & Services	170,534,303	18,298,779	188,833,082	164,446,014	(24,387,068)
Subsidies, Grants and Transfers	576,478,511	25,770,185	602,248,696	580,556,037	(21,692,659)
Interest Payments	680,087,400	81,064,657	761,152,057	735,565,677	(25,586,380)
Other Recurrent Expenditure	61,941,631	(59,792,211)	2,149,420	1,134,813	(1,014,607)
<b>Total Recurrent Expenditure</b>	<b>1,947,026,903</b>	<b>79,656,071</b>	<b>2,026,682,974</b>	<b>1,945,575,040</b>	<b>(81,107,934)</b>
<b>Capital Expenditure</b>	<b>880,896,333</b>	<b>54,633,064</b>	<b>935,529,397</b>	<b>657,530,018</b>	<b>(277,999,379)</b>
<b>Total Recurrent &amp; Capital Expenditure</b>	<b>2,827,923,236</b>	<b>134,289,135</b>	<b>2,962,212,371</b>	<b>2,603,105,058</b>	<b>(359,107,313)</b>
<b>Public Debt Repayment</b>					
Domestic	622,227,300	55,826,190	678,053,490	648,133,870	(29,919,620)
Foreign	177,959,900	42,092,260	220,052,160	219,349,640	(702,520)
<b>Total Debt Repayment</b>	<b>800,187,200</b>	<b>97,918,450</b>	<b>898,105,650</b>	<b>867,483,511</b>	<b>(30,622,139)</b>
<b>Total Expenditure</b>	<b>3,628,110,436</b>	<b>232,207,585</b>	<b>3,860,318,021</b>	<b>3,470,588,569</b>	<b>(389,729,452)</b>

## Significant Accounting Policies

### Reporting Entity

These Financial Statements of the Government of the Democratic Socialist Republic of Sri Lanka encompass the Reporting Entity of the Central Government comprising of Government Ministries, Departments, Special Spending Units and District Secretariats. However Commercial Public Corporations, State Owned Enterprises and Government Owned Companies or other Companies and Statutory Boards, are not covered in these Financial Statements. Cash outflows from Central Government to those entities taken place during the reporting period and the Government's total interest in the Commercial Public Corporations, State Owned Enterprises and Government owned Companies or other Companies held in the form of equity and loans are taken into consideration. The Revenue and Expenditure of Provincial Councils are not considered as a part of these financial statements, since there is no significant control by the Central Government over the financial and operating activities of Provincial Councils.

### Basis of Preparation

These Financial Statements have been prepared on the historical cost convention in conformity with Generally Accepted Accounting Principles. Historical cost basis has been adopted for measurement while adopting modified cash based accounting for reporting.

### Reporting Period

The reporting period of these Financial Statements is from 1st of January 2017 to 31st December 2017.

### 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 - 28(I) and 28(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 be 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 Balance comprises of all favorable and unfavorable cash book balances for the bank accounts operated in the name of the Deputy Secretary to the Treasury, sum of unsettled imprest balances of Ministries and Departments which are treated as cash in transit and Rupee equivalent amount of all foreign currency bank accounts balances as at end of the reporting period.

## **Compilation of Government Finance Statistics**

The Budget Outturn presented in Economic Classification of Government Finance Statistics (GFS) varies from the information presented in these Financial Statements due to the different classification methods adopted for economic analysis.

## Notes to the Financial Statements

Budget Estimate 2017 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2017 Rs.	2016 Rs.
	<b>NOTE - 1</b>	<b>INCOME TAX</b>		
122,000,000,000	1004.01.01	Income Tax	107,613,439,202	121,836,210,216
18,000,000,000	1004.01.02	Dividend Tax	17,073,746,500	15,901,812,381
7,000,000,000	1004.01.03	Remittance Tax	8,184,378,232	6,395,736,301
<b>147,000,000,000</b>	<b>1004.01.00</b>	<b>Total Corporate Tax (a)</b>	<b>132,871,563,935</b>	<b>144,133,758,898</b>
<b>35,000,000,000</b>	<b>1004.02.01</b>	<b>PAYE</b>	<b>32,920,265,606</b>	<b>28,169,489,461</b>
<b>15,000,000,000</b>	<b>1004.02.99</b>	<b>Other</b>	<b>10,716,164,315</b>	<b>10,189,520,258</b>
<b>63,000,000,000</b>	<b>1004.03.00</b>	<b>Withholding Tax</b>	<b>53,333,812,781</b>	<b>55,905,842,024</b>
60,000,000,000	1004.03.01	On Interest	51,350,859,423	47,839,315,743
3,000,000,000	1004.03.99	On Fees & Other	1,982,953,358	8,066,526,281
<b>48,000,000,000</b>	<b>1004.04.00</b>	<b>Economic Service Charge</b>	<b>44,719,757,959</b>	<b>20,458,175,363</b>
47,000,000,000	1004.04.01	Domestic	42,560,067,688	-
1,000,000,000	1004.04.02	Imports	2,159,690,272	-
<b>161,000,000,000</b>	<b>1004.02.00</b>	<b>Total Non -Corporate Tax (b)</b>	<b>141,690,000,661</b>	<b>114,723,027,105</b>
<b>308,000,000,000</b>		<b>Total Income Tax (a+b)</b>	<b>274,561,564,596</b>	<b>258,856,786,003</b>
	<b>NOTE - 2</b>	<b>TAXES ON DOMESTIC GOODS &amp; SERVICES</b>		
<b>450,000,000,000</b>	<b>1002.01.00</b>	<b>Value Added Tax</b>	<b>443,739,474,789</b>	<b>283,451,513,779</b>
55,000,000,000	1002.01.01	Financial Services	50,052,945,733	36,096,746,925
155,000,000,000	1002.01.02	Other Services	149,447,261,706	96,605,622,977
75,000,000,000	1002.01.03	Manufacturing	75,846,312,316	35,412,908,090
165,000,000,000	1002.01.04	Imports	168,392,955,034	115,336,235,788
-	1002.01.05	Wholesale and Retail Trade	-	-
-	<b>1002.02.00</b>	<b>Goods and Services Tax</b>	<b>115,977</b>	<b>1,585,883</b>
-	1002.02.01	Services	38,910	1,201,492
-	1002.02.02	Manufacturing	77,067	384,391
-	1002.02.03	Imports	-	-
-	<b>1002.03.00</b>	<b>National Security Levy</b>	<b>15,947,317</b>	<b>8,091,202</b>
-	1002.03.01	Services	15,947,317	8,091,202
-	1002.03.02	Manufacturing	-	-
-	1002.03.03	Imports	-	-
<b>115,000,000,000</b>	<b>1002.04.00</b>	<b>Excise (Ordinance) Duty</b>	<b>113,214,008,524</b>	<b>120,238,067,703</b>
115,000,000,000	1002.04.01	Liquor	113,214,008,524	120,238,067,703
<b>367,930,000,000</b>	<b>1002.05.00</b>	<b>Excise (Special Provisions) Duty</b>	<b>356,239,838,354</b>	<b>334,673,620,794</b>
86,000,000,000	1002.05.01	Cigarettes	85,956,030,985	88,751,726,056
430,000,000	1002.05.02	Liquor	469,563,640	-
75,000,000,000	1002.05.03	Petroleum Products	73,983,161,904	55,719,125,920
200,000,000,000	1002.05.04	Motor Vehicles	189,739,774,494	186,499,204,654
-	1002.05.05	Lottery	-	-
6,500,000,000	1002.05.99	Other	6,091,307,331	3,703,564,164
<b>40,000,000</b>	<b>1002.06.00</b>	<b>Tobacco Tax</b>	<b>45,749,663</b>	<b>39,819,451</b>
-	<b>1002.07.00</b>	<b>Stamp Duty</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements contd...

Budget Estimate 2017 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2017 Rs.	2016 Rs.
-	1002.08.00	Debits Tax	-	-
-	1002.09.00	Turnover Tax	20,753,568	16,639,038
-	1002.10.00	Social Responsibility Levy	1,905,608	8,999,016
36,000,000,000	1002.11.00	Telecommunication Levy	33,398,732,357	35,975,781,752
75,000,000,000	1002.12.00	Nation Building Tax	69,035,198,554	57,424,138,359
40,000,000,000	1002.12.01	Services	38,821,335,524	29,120,398,350
15,000,000,000	1002.12.02	Manufacturing	10,894,310,333	9,908,497,868
20,000,000,000	1002.12.03	Imports	19,319,552,697	18,395,242,141
500,000,000	1002.13.00	Teledramas, Films and Commercial Programme Tax	584,708,736	-
4,545,000,000	1003	Licence Taxes and other	4,602,650,998	4,281,373,639
1,200,000,000	1003.01.00	Luxury Motor Vehicle Tax	1,286,942,488	1,400,413,589
-	1003.02.00	Transfer Tax	-	-
1,800,000,000	1003.03.00	Betting & Gaming Levy	1,929,034,608	1,884,498,652
1,500,000,000	1003.04.00	Share Transaction Levy	1,333,904,584	737,659,559
45,000,000	1003.05.00	Construction Industry Guarantee Fund Levy	52,769,318	258,801,839
-	1003.06.00	Environment Conservation Levy	-	-
3,315,000,000	1003.07.00	Other Licences	3,354,571,182	4,394,617,293
100,000,000	1003.07.01	Pharmaceuticals, Equipment, Perfumes and Pharmacies Registration Fee	-	-
1,300,000,000	1003.07.02	Registration fees relevant to the Department of Registrar General	1,282,402,048	1,240,387,535
100,000,000	1003.07.03	Private Timber Transport	102,476,530	111,567,175
65,000,000	1003.07.04	Tax on sale of Motor Vehicles	69,411,958	64,541,739
25,000,000	1003.07.05	Licence Taxes relevant to the Ministry of Defence	28,720,271	13,728,189
20,000,000	1003.07.06	Licence fees relevant to the Dept. of Fisheries & Aquatic Resources	24,841,220	22,804,170
-	1003.07.07	Levy on Rooms of Five Star Hotels	-	-
5,000,000	1003.07.08	Company Registration Levy	890,000	1,162,760,000
-	1003.07.09	Carbon Tax	-	-
1,500,000,000	1003.07.10	Vehicle Entitlement Levy	1,650,961,000	1,579,133,507
-	1003.07.11	Financial Transaction Levy	-	-
-	1003.07.12	Capital Gain Tax	-	-
200,000,000	1003.07.99	Other	194,868,154	199,694,977
20,000,000	1003.08.00	Fees under the Certificate to be granted yearly to Notary Registrar of the High Court	15,399,561	15,951,778
-	1003.09.00	Taxes on Lands Leased out to Foreigners	7,382,158	22,665,681
10,000,000	1003.10.00	Emigration Tax	4,097,115	11,054,550
1,052,360,000,000		<b>Total Taxes on Domestic Goods &amp; Services</b>	<b>1,024,280,534,460</b>	<b>840,563,919,917</b>
	NOTE - 3	<b>TAXES ON INTERNATIONAL TRADE</b>		
158,000,000,000	1001.01.00	Import Duties	136,501,263,081	156,487,111,914
30,000,000	1001.02.00	Export Duties	30,211,422	31,254,165
1,360,000,000	1001.03.00	Import & Export Licences Fees	1,487,761,561	1,370,454,992
100,000,000,000	1001.04.00	Ports & Airports Development Levy	102,360,158,539	88,822,937,477
60,000,000,000	1001.05.00	Cess Levy	59,554,404,461	61,730,397,202

**Notes to the Financial Statements contd...**

Budget Estimate 2017 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2017 Rs.	2016 Rs.
57,000,000,000	1001.05.01	Import Cess Levy	56,574,262,816	59,058,386,074
3,000,000,000	1001.05.02	Export Cess Levy	2,980,141,645	2,672,011,128
-	<b>1001.06.00</b>	<b>Motor Vehicle Concessionary Levy</b>	-	-
-	<b>1001.07.00</b>	<b>Regional Infrastructure Development Levy</b>	-	876,456
70,000,000,000	<b>1001.08.00</b>	<b>Special Commodity Levy</b>	71,402,321,367	55,825,122,532
-	<b>1001.99.00</b>	<b>Other</b>	-	-
<b>389,390,000,000</b>		<b>Total Revenue from Taxes on International Trade</b>	<b>371,336,120,432</b>	<b>364,268,154,738</b>
	<b>NOTE - 4</b>	<b>NON-TAX REVENUE AND OTHERS</b>		
6,500,000,000	2001.01.00	Railways	6,489,631,756	6,521,806,512
4,800,000,000	2001.02.00	Postal	6,996,940,832	6,578,133,637
100,000,000	2001.03.00	Stores Advance Accounts (Explosive Items )	200,000,000	65,000,000
70,000,000	2001.04.00	Prisons Industrial and Agricultural Advance Account	63,262,936	51,029,428
<b>11,470,000,000</b>		<b>Revenue From Other Sources (a)</b>	<b>13,749,835,524</b>	<b>13,215,969,576</b>
<b>3,838,000,000</b>	<b>2002.01.00</b>	<b>Rent</b>	<b>4,449,839,574</b>	<b>10,980,204,123</b>
900,000,000	2002.01.01	Rent on Government Building & Housing	912,604,145	789,821,218
1,400,000,000	2002.01.02	Rent on Crown Forests	1,850,664,220	2,170,576,942
60,000,000	2002.01.03	Rent from Land and Other	70,132,249	64,197,522
1,200,000,000	2002.01.04	Lease Rental from Regional Plantation Companies	1,257,691,348	767,329,817
-	2002.01.05	National Rent Income from Land & Building	-	275,000
278,000,000	2002.01.99	Other Rental	358,747,612	7,188,003,624
<b>5,950,000,000</b>	<b>2002.02.00</b>	<b>Interest</b>	<b>7,395,379,567</b>	<b>4,826,406,488</b>
4,300,000,000	2002.02.01	On-lending	4,648,586,161	3,954,098,923
1,650,000,000	2002.02.99	Other	2,746,793,406	872,307,565
<b>44,000,000,000</b>	<b>2002.03.00</b>	<b>Profits</b>	<b>50,447,214,138</b>	<b>92,338,234,835</b>
<b>5,100,000,000</b>	<b>2002.04.00</b>	<b>Dividends</b>	<b>3,550,670,075</b>	<b>15,821,850,862</b>
-	<b>2002.05.00</b>	<b>Transferring Surplus Fund from Public Enterprises</b>	-	-
<b>110,000,000</b>	<b>2003.01.00</b>	<b>Departmental Sales</b>	<b>120,682,249</b>	<b>139,078,653</b>
<b>46,681,000,000</b>	<b>2003.02.00</b>	<b>Administrative Fees &amp; Charges</b>	<b>50,032,912,325</b>	<b>51,521,586,875</b>
125,000,000	2003.02.01	Audit Fees	144,596,294	169,006,330
-	2003.02.02	Air Navigation Fees	-	1,250
240,000,000	2003.02.03	Fees under Registration of Persons	289,794,898	235,396,330
350,000,000	2003.02.04	Fees of Department of Survey	437,066,486	465,022,955
600,000,000	2003.02.05	Service Charges of Government Press	611,677,519	519,472,692
24,000,000	2003.02.06	Fees under the Fauna & Flora Protection Ordinance	22,971,347	25,397,683
15,000,000,000	2003.02.07	Fees of Passports, Visas & Dual Citizenship	15,298,923,374	15,604,069,714
14,400,000,000	2003.02.08	Embarkation Levy	15,445,503,620	6,809,667,239
160,000,000	2003.02.09	Fees of Department of Valuation	164,100,234	132,085,895
100,000,000	2003.02.10	Fees of Registrar of Companies	100,740,143	83,315,613
40,000,000	2003.02.11	Legal fees from Corporations & Statutory Bodies	63,070,041	38,520,245
27,000,000	2003.02.12	Fees recovered under the Public Contract Act	31,174,500	29,950,500
420,000,000	2003.02.13	Examinations & Other Fees	413,039,697	392,156,108

## Notes to the Financial Statements contd...

Budget Estimate 2017 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2017 Rs.	2016 Rs.
8,500,000,000	2003.02.14	Fees under the Motor Traffic Act & Other Receipts	9,171,936,647	8,847,544,781
125,000,000	2003.02.15	Registration Fees on Motor Vehicle Transfers under the Issuing Motor Vehicle Permits on Concessionary Terms	132,558,907	692,537,158
150,000,000	2003.02.16	Air craft rentals	147,179,656	193,757,480
140,000,000	2003.02.17	Fee on Local Sale of Garments	218,284,477	167,138,313
280,000,000	2003.02.18	Fees relevant to the Department of Agriculture	290,700,068	265,933,519
900,000,000	2003.02.19	Botanical and Gardens Revenue	786,096,421	744,698,456
-	2003.02.20	Accounting & Auditing Standards Cess Levy	-	-
100,000,000	2003.02.21	Fees relevant to the Ministry of Petroleum Industries	120,102,515	32,271,859
5,000,000,000	2003.02.99	Sundries	6,143,395,481	16,073,642,755
<b>4,300,000,000</b>	<b>2003.03.00</b>	<b>Fines and Forfeits</b>	<b>3,471,042,913</b>	<b>4,101,978,707</b>
1,700,000,000	2003.03.01	Fines and Forfeits - Customs	1,964,059,793	2,134,252,773
2,600,000,000	2003.03.02	Fines and Forfeits - Other	1,506,983,121	1,967,725,933
-	<b>2003.04.00</b>	<b>Public Officer's Motor Cycle Premium</b>	<b>55,805,309</b>	<b>19,383,414</b>
1,000,000	<b>2003.05.00</b>	<b>Treasury Bonds Premium</b>	<b>7,245,862</b>	-
2,700,000,000	<b>2003.06.00</b>	<b>Revenue from the United Nations' Peacekeeping Operations</b>	<b>3,644,515,992</b>	-
11,000,000,000	<b>2003.99.00</b>	<b>Other Receipts</b>	<b>12,894,828,541</b>	<b>16,824,399,928</b>
<b>22,000,000,000</b>	<b>2004.01.00</b>	<b>Social Security Contributions</b>	<b>22,940,413,517</b>	<b>18,046,217,274</b>
14,000,000,000	2004.01.00	Central Government	15,531,146,912	11,956,575,722
8,000,000,000	2004.02.00	Provincial Councils	7,409,266,605	6,089,641,553
<b>6,750,000,000</b>	<b>2005</b>	<b>Current Transfers</b>	<b>2,078,731,712</b>	<b>7,230,988,878</b>
5,000,000,000	2005.01.00	Central Bank Profits	-	5,000,000,000
-	2005.01.99	Other Transfers	-	-
1,750,000,000	2005.99.00	National Lotteries Board and Other Transfers	2,078,731,712	2,230,988,878
-	2006.03.00	Domestic Capital Transfer	-	-
-	2006.20.00	Other	-	-
<b>152,430,000,000</b>		<b>Revenue From Other Sources (b)</b>	<b>161,089,281,775</b>	<b>221,850,330,037</b>
<b>163,900,000,000</b>		<b>Total Non - Tax Revenue &amp; Other Revenue (a) + (b)</b>	<b>174,839,117,299</b>	<b>235,066,299,613</b>
<b>1,913,650,000,000</b>		<b>Total Revenue (Note 1 - 4)</b>	<b>1,845,017,336,787</b>	<b>1,698,755,160,272</b>

## Notes to the Financial Statements contd...

Budget Estimate 2017 Rs.	Object Code	Object Title	Actual	
			2017 Rs.	2016 Rs.
	NOTE - 5	<b>OBJECT CODE WISE CLASSIFICATION OF SALARIES, WAGES &amp; OTHER EMPLOYMENT BENEFITS</b>		
		<b>Personal Emoluments</b>		
228,024,112,736	1001	Salaries and Wages	223,786,953,663	180,814,221,278
20,637,586,244	1002	Overtime and Holiday Payments	20,465,993,264	17,047,807,455
223,638,019,975	1003	Other Allowances	219,619,552,288	254,838,729,432
<b>472,299,718,955</b>		<b>Total</b>	<b>463,872,499,215</b>	<b>452,700,758,165</b>
	NOTE - 6	<b>OBJECT CODE WISE CLASSIFICATION OF OTHER GOODS AND SERVICES</b>		
		<b>Travelling Expenditure</b>		
12,486,981,031	1101	Domestic	12,326,314,086	12,070,947,509
2,514,311,674	1102	Foreign	2,415,592,874	1,982,246,286
<b>15,001,292,704</b>		<b>Total (a)</b>	<b>14,741,906,960</b>	<b>14,053,193,795</b>
		<b>Supplies</b>		
2,851,495,508	1201	Stationery and Office Requisites	2,779,286,394	2,786,731,835
15,126,276,841	1202	Fuel	14,948,928,239	14,270,106,113
27,335,806,310	1203	Diets and Uniforms	25,228,353,911	24,846,002,577
46,895,991,970	1204	Medical Supplies	41,061,895,529	40,474,448,434
5,990,675,801	1205	Other	5,591,103,384	4,917,737,372
<b>98,200,246,430</b>		<b>Total (b)</b>	<b>89,609,567,457</b>	<b>87,295,026,331</b>
		<b>Maintenance Expenditure</b>		
3,568,737,786	1301	Vehicles	3,460,367,861	3,271,543,195
2,335,365,788	1302	Plant and Machinery	2,173,832,323	1,864,969,718
1,057,574,079	1303	Buildings and Structures	990,064,853	890,969,991
<b>6,961,677,653</b>		<b>Total (c)</b>	<b>6,624,265,037</b>	<b>6,027,482,904</b>
		<b>Services</b>		
4,705,729,532	1401	Transport	4,563,922,877	3,966,765,216
3,764,212,852	1402	Postal and Communication	3,675,850,676	3,060,668,447
10,629,125,292	1403	Electricity and Water	10,318,997,225	10,357,062,517
6,620,050,755	1404	Rents and Local Taxes	6,406,739,313	6,045,376,634
	1405	Other	-	15,923,736,913
1,712,075,000	1406	Interest Payment for Leased Vehicles	1,445,846,872	2,223,313,649
527,799,294	1408	Lease Rental for Vehicles Procured under Operational Leasing	371,714,719	2,875,310.00
40,710,872,371	1409	Other	26,687,202,911	-
<b>68,669,865,095</b>		<b>Total (d)</b>	<b>53,470,274,592</b>	<b>41,579,798,686</b>
<b>188,833,081,883</b>		<b>TOTAL EXPENDITURE ON OTHER GOODS AND SERVICES (a+b+c+d)</b>	<b>164,446,014,046</b>	<b>148,955,501,716</b>
	NOTE - 7	<b>OBJECT CODE WISE CLASSIFICATION OF TRANSFERS, GRANTS &amp; SUBSIDIES</b>		
		<b>Transfers</b>		
126,681,113,995	1501	Welfare Programmes	115,438,845,716	102,340,737,947
183,804,504,533	1502	Retirement Benefits	182,983,877,075	173,151,753,659
77,876,106,371	1503	Public Institutions	71,923,571,088	70,903,607,144
38,089,554,565	1504	Development Subsidies	36,788,439,524	34,807,816,927

## Notes to the Financial Statements contd...

Budget Estimate 2017 Rs.	Object Code	Object Title	Actual	
			2017 Rs.	2016 Rs.
1,598,619,165	1505	Subscriptions and Contributions Fees	1,563,032,310	1,302,632,032
2,707,292,872	1506	Property Loan Interest to Public Servants	2,619,217,524	2,466,312,883
166,360,098,893	1507	Contribution to Provincial Councils	166,348,491,893	169,106,043,526
5,131,405,400	1508	Other	2,890,561,410	2,724,009,926
-	1509	Contribution to Contingencies Fund	-	360,000,000
<b>602,248,695,793</b>		<b>Total</b>	<b>580,556,036,540</b>	<b>557,162,914,046</b>
	<b>NOTE - 8</b>	<b>OBJECT CODE WISE CLASSIFICATION OF INTEREST PAYMENTS</b>		
468,315,212,000	1601	Domestic Debt	442,728,838,568	509,818,769,732
138,545,955,000	1602	Foreign Debt	138,545,954,873	101,075,801,143
154,290,890,000	1603	Discounts on Treasury Bills and Treasury Bonds	154,290,883,270	-
<b>761,152,057,000</b>		<b>Total</b>	<b>735,565,676,711</b>	<b>610,894,570,875</b>
	<b>NOTE - 9</b>	<b>OBJECT CODE WISE CLASSIFICATION OF OTHER RECURRENT EXPENDITURE</b>		
1,480,163,028	1701	Losses and Write off	1,087,255,001	1,129,314,209
616,426,155	1702	Contingency Services	2,625,499	38,693,646
52,830,974	1703	Implementation of the Official Languages Policy	44,932,912	-
<b>2,149,420,157</b>		<b>Total</b>	<b>1,134,813,412</b>	<b>1,168,007,855</b>
<b>2,026,682,973,788</b>		<b>Grand Total (Notes 5 to 9) Total Recurrent Expenditure</b>	<b>1,945,575,039,924</b>	<b>1,770,881,752,657</b>
	<b>NOTE - 10</b>	<b>OBJECT CODE - WISE CLASSIFICATION OF PUBLIC INVESTMENT</b>		
		<b>Rehabilitation and Improvements of Capital Assets</b>		
19,923,610,455	2001	Buildings and Structures	14,121,918,326	14,718,979,580
7,959,281,211	2002	Plant, Machinery and Equipment	5,986,409,226	5,191,009,022
5,080,202,413	2003	Vehicles	4,757,425,058	4,547,825,013
<b>32,963,094,079</b>		<b>Total (a)</b>	<b>24,865,752,610</b>	<b>24,457,813,615</b>
		<b>Acquisition of Capital Assets</b>		
17,848,799,308	2101	Vehicles	11,055,702,862	1,306,655,003
18,786,337,735	2102	Furniture and Office Equipment	5,687,460,535	5,500,947,806
20,786,964,172	2103	Plant, Machinery and Equipment	12,700,467,327	11,423,305,803
94,955,326,273	2104	Buildings and Structures	58,109,062,649	146,251,172,163
33,557,374,216	2105	Lands and Land Improvements	24,389,498,369	44,021,255,513
22,348,852,000	2106	Software Development	4,357,010,543	-
5,343,523,000	2108	Capital Payment for Leased Vehicles	4,707,582,166	5,792,703,689
<b>213,627,176,704</b>		<b>Total (b)</b>	<b>121,006,784,451</b>	<b>214,296,039,977</b>
		<b>Capital Transfers</b>		
66,401,446,886	2201	Public Institutions	56,232,654,422	76,959,699,835
66,539,116,449	2202	Development Assistance	44,241,031,817	7,933,892,745
34,503,123,986	2203	Contribution to Provincial Councils	23,486,380,000	15,212,123,000
1,615,000,000	2204	Transfers Abroad	1,614,000,000	2,191,375,495
1,063,296,800	2205	Capital Grants to Non-Public Institution	630,697,751	-
<b>170,121,984,121</b>		<b>Total (c)</b>	<b>126,204,763,990</b>	<b>102,297,091,076</b>

## Notes to the Financial Statements contd...

Budget Estimate 2017 Rs.	Object Code	Object Title	Actual	
			2017 Rs.	2016 Rs.
		<b>Acquisition of Financial Assets</b>		
23,725,553,450	2301	Equity Contribution	13,575,553,430	19,426,635,936
24,292,579,994	2302	On-lending	19,043,179,725	16,976,835,296
<b>48,018,133,444</b>		<b>Total (d)</b>	<b>32,618,733,155</b>	<b>36,403,471,232</b>
		<b>Human Resource Development</b>		
7,755,857,218	2401	Staff Training	6,661,500,162	5,144,133,807
<b>7,755,857,218</b>		<b>Total (e)</b>	<b>6,661,500,162</b>	<b>5,144,133,807</b>
		<b>Other Capital Expenditure</b>		
7,104,022,230	2501	Restructuring	3,857,606,006	8,442,078,321
177,400,000	2502	Investments	177,186,769	188,296,810,487
2,224,007,811	2503	Contingency Services	3,452,884	-
17,212,481,712	2504	Investments in Provincial Councils	11,024,801,992	14,675,268,415
68,100,000	2505	Procurement Preparedness	33,080,591	-
360,002,604,001	2506	Infrastructure Development	293,556,903,490	-
5,551,572,676	2507	Research and Development	2,453,929,789	-
70,702,963,216	2509	Other	35,065,522,490	-
<b>463,043,151,646</b>		<b>Total (f)</b>	<b>346,172,484,010</b>	<b>211,414,157,223</b>
935,529,397,212		<b>TOTAL EXPENDITURE ON PUBLIC INVESTMENTS (a+b+c+d+e+f)</b>	<b>657,530,018,379</b>	<b>594,012,706,930</b>
<b>2,962,212,371,000</b>		<b>Total Expenditure (Notes 5 to 10)</b>	<b>2,603,105,058,302</b>	<b>2,364,894,459,587</b>

## Notes to the Financial Statements contd...

**NOTE - 11 - FOREIGN BORROWINGS - 2017**

Funding Agency	Project	Loan Key	Loan Currency	Actual			
				2017		2016	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
	<b>AB SVENSK EXPORT CREDIT</b>						<b>501,504,340</b>
1	Ratmalana & Ja-Ela Wastewater Treatment Facilities Project	2007029	USD	-	-	3,472,697	501,504,340
	<b>ASIAN DEVELOPMENT BANK (ADB)</b>				<b>44,368,617,100</b>		<b>51,225,174,832</b>
2	TA Loan - Road Project Preparatory Facility	2004006	XDR		-		-
3	Dry Zone Urban Water and Sanitation Project	2009008	XDR	1,298,231	266,681,587	6,816,758	1,372,263,865
4	Clean Energy and Access Improvement Project	2009006	USD	3,667,371	524,600,630	7,883,500	1,138,032,377
5	Clean Energy and Access Improvement Project	2009007	XDR	798,003	142,814,094	1,675,656	336,593,212
6	Greater Colombo Wastewater Management Project (OCR)	2009028	USD	8,647,145	1,316,968,732	4,274,465	623,509,743
7	Greater Colombo Wastewater Management Project (ADF)	2009029	XDR	1,481,807	310,228,285	2,814,519	568,582,739
8	ADB Funded Fiscal Management Efficiency Project	2010019	USD	9,170,771	1,396,155,010	4,030,402	589,129,539
9	Northern Road Connectivity Project (OCR)	2010025	USD	542,936	81,557,935	2,624,392	379,745,490
10	Northern Road Connectivity Project (ADF)	2010026	XDR	207,421	42,740,193	1,629,463	330,191,367
11	Jaffna & Kilinochchi Water Supply & Sanitation Project (OCR)	2011001	USD	166,735	25,438,563	358,086	51,873,907
12	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR	7,653,828	1,616,117,129	9,328,728	1,866,651,901
13	Sustainable Power Sector Support Project	2011012	USD	2,372,114	333,610,938	15,937,065	2,301,074,501
14	Sustainable Power Sector Support Project	2011013	XDR			1,786,733	331,615,865
15	Local Government Enhancement Project	2011028	XDR	2,510,302	527,617,270	12,449,329	2,514,206,405
16	National Highways Sector Project (ADF) (OCR)	2011035	USD	1,164,108	175,001,573	8,868,191	1,279,615,468
17	Northern Road Connectivity Project (ADF)	2012029	XDR	2,455,453	522,891,733	6,503,529	1,293,406,732
18	Northern Road Connectivity Project (ADF)	2012030	USD	1,630,346	246,826,728	2,320,846	333,706,272
19	Clean Energy and Network Efficiency Improvement Project	2013015	USD	3,137,332	452,946,196	29,721,207	4,344,441,446
20	Clean Energy and Network Efficiency Improvement Project	2013017	XDR	36,553	7,302,330	2,495,203	504,434,267
21	Dry Zone Urban Water and Sanitation Project (ADF)	2013021	XDR	1,089,036	229,866,545	1,016,398	205,353,311
22	Education Sector Development Programme (OCR)	2013034	USD	9,981,181	4,445,860,204	12,500,000	3,530,101,595
23	Education Sector Development Programme (ADF)	2013035	XDR			8,321,751	
24	Greater Colombo Water Wastewater Management Improvement Project	2013042	USD	6,333,287	956,915,892	9,135,713	1,347,486,946
25	Greater Colombo Water Wastewater Management Improvement Project	2013043	XDR	790,709	164,317,304	640,703	128,768,277
26	Southern Road Connectivity Project	2014017	USD	7,408,490	1,120,571,793	8,412,433	1,224,975,946
27	Southern Road Connectivity Project	2014018	XDR	255,488	54,788,519	1,257,509	254,609,347
28	Skills Sector Enhancement Programme	2014005	USD	13,427,957	2,061,046,297	9,000,000	2,523,635,656
29	Skills Sector Enhancement Programme	2014006	XDR			5,868,000	
30	Integrated Road Investment Programme	2014041	XDR	6,900,444	1,415,373,334	22,321,280	4,483,066,356
31	Greater Colombo Water and Wastewater Management Programme-2	2014029	USD	6,949,188	1,049,765,645	6,326,245	937,190,717
32	Greater Colombo Water and Wastewater Management Programme-3	2014030	XDR	486,109	102,955,884	698,941	141,364,596
33	Integrated Road Investment Programme	2015009	XDR	326,854	66,657,348	69,145	13,940,183
34	Integrated Road Investment Programme	2015010	USD	20,469,518	3,070,744,668	64,226,120	9,312,532,800
35	Mahaweli Water Security Investment Programme	2015025	USD	1,920,025	291,375,186		-
36	Mahaweli Water Security Investment Programme	2015024	XDR	2,063,399	444,212,196	6,562,419	1,311,150,206
37	Green Power Development and Energy Efficiency Improvement Programme	2014036	XDR	446,366	90,194,294	691,263	138,066,506
38	Green Power Development and Energy Efficiency Improvement Programme	2014037	USD	-	-	1,907,096	274,056,003
39	Integrated Road Investment Programme - Tranch 3	2015036	USD	90,792,019	13,774,226,655	113,750	16,522,188
40	Integrated Road Investment Programme - Tranch 3	2015037	XDR	459,493	92,973,636	16,862,882	3,401,404,102
41	Small and Medium Sized Enterprises Line of Credit	2016014	USD	37,500,000	5,756,625,005	12,500,000	1,821,875,000
42	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016033	XDR	123,775	26,926,465		-
43	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016034	USD	3,968,603	603,835,190		-

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2017

Funding Agency	Project	Loan Key	Loan Currency	Actual			
				2017		2016	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
44	Transport Project Preparatory Facility	2016035	XDR	1,225,424	263,891,650	-	-
45	Local Government Enhancement Sector Project - Additional Financing	2016036	USD	1,885,596	289,823,127	-	-
46	Project Design Advance for Northern Province Sustainable Fisheries Development Project	2017010	USD	40,829	6,171,339	-	-
<b>EXPORT IMPORT BANK OF UNITED STATES</b>					<b>2,334,489,730</b>		<b>2,743,497,534</b>
47	Badulla Haliela & Ella Water Supply Project	2013025	USD	15,588,340	2,334,489,730	18,941,452	2,743,497,534
<b>BOERENLEEN BANK</b>					<b>231,931,049</b>		<b>-</b>
48	Development of General Hospital Kaluthara	2016012	EUR	1,280,451	231,931,049	-	-
<b>EUROPEAN INVESTMENT BANK</b>					<b>-</b>		<b>7,357,487,094</b>
49	Sri Lanka SME & Green Energy Global Loan	2013047	USD	-	-	46,874,649	7,357,487,094
<b>HSBC BANK PLC (UK)</b>					<b>1,031,862,679</b>		<b>1,460,915,522</b>
50	Construction of 210 Permanent Rural Steel Bridges	2012023	USD	-	-	3,099,675	447,941,713
51	Modernization of Processing Factories of MILCO (Pvt) Ltd	2013012	USD	5,083,856	671,958,864	-	-
52	Regional Bridge Project - Phase ii	2013027	USD	2,380,735	359,903,815	7,011,642	1,012,973,809
<b>HSBC (With Guarantee of EKF Denmark)</b>					<b>3,479,419,736</b>		<b>4,434,421,566</b>
53	Establishment of Dairy Processing Plant at Badalgama	2015019	EUR	21,193,894	3,479,419,736	27,719,365	4,434,421,566
<b>INTERNATIONAL DEVELOPMENT ASSOCIATION</b>					<b>29,081,452,689</b>		<b>35,673,925,764</b>
54	Higher Education for the Twenty First Century Project	2010024	XDR	-	-	1,069,015	216,117,650
55	North East Local Services Improvement Project	2010043	XDR	-	-	454,002	92,700,160
56	Transforming the School Education System as the Foundation of a Knowledge Hub Project	2012012	XDR	6,600,000	1,408,297,961	16,730,904	3,343,177,281
57	Second Health Sector Development Project	2013030	XDR	45,021,532	9,492,141,471	15,167,119	3,080,081,940
58	Climate Resilience Improvement Management Programme	2014010	XDR	9,514,383	1,958,339,823	12,604,825	2,537,070,030
59	Strategic Cities Development Project	2014019	XDR	5,092,839	1,065,700,000	7,128,193	1,457,501,711
60	Skills Development Project	2014022	XDR	14,040,000	2,968,920,933	10,900,758	2,224,541,233
61	Additional Financing for Dam Safety & Water Resources Planning Project	2014020	XDR	18,271,191	3,858,470,955	17,038,811	3,432,144,666
62	Water Supply and Sanitation Improvement Project	2015028	XDR	25,030,731	5,361,715,380	6,922,062	1,380,245,301
63	Early Childhood Development Project	2015030	XDR	3,305,616	676,910,451	1,039,775	206,584,497
64	Additional Financing for North East Local Services Improvement Project (NELSIP)	2015031	XDR	-	-	14,300,000	2,908,951,294
65	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	2016030	USD	-	-	100,000,000	14,794,810,000
66	Additional Financing for Strategic Cities Development Project	2016027		480,009	97,984,640	-	-
67	Additional Financing for Climate Resilience Improvement Project	2016028	XDR	4,087,780	870,834,217	-	-
68	Ecosystem Conservation and Management Project	2016029	XDR	2,099,510	437,248,638	-	-
69	Social Safety Nets Project	2016043	XDR	2,161,815	468,017,161	-	-
70	Agriculture Sector Modernization Project	2017001	USD	1,963,819	416,871,059	-	-
<b>INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT</b>					<b>1,727,268,626</b>		<b>16,471,525,600</b>
71	Metro Colombo Urban Development Project	2012011	USD	11,457,835	1,727,268,626	11,762,000	1,692,551,800
72	Disaster Risk Management Development Policy Loan	2014013	USD	-	-	101,490,000	14,778,973,800
<b>INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT</b>					<b>1,817,067,947</b>		<b>3,304,239,908</b>
73	Dry Zone Livelihood Support & Partnership Programme	2004022	XDR	-	-	-	-
74	Smallholder Plantations Entrepreneurship Development Programme	2007011	XDR	307,916	61,679,158	1,513,114	306,519,536
75	National Agri Business Development Programme	2010009	XDR	2,356,027	503,162,543	9,089,474	1,840,724,183
76	Iranamadu Irrigation Development Project	2012008	XDR	2,150,662	444,167,905	5,701,789	1,156,996,188
77	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STAR)	2016016	USD	1,804,095	377,568,421	-	-
78	Implementation of Smallholder Agribusiness Partnership (SAP) Programme	2017014	USD	2,800,000	430,489,920	-	-

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2017

Funding Agency	Project	Loan Key	Loan Currency	Actual			
				2017		2016	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
<b>ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)</b>					<b>3,408,523,476</b>		<b>1,808,068,645</b>
79	Kalu Ganga Development Project	2010038	USD	3,184,962	484,571,750	4,223,183	616,390,454
80	Road Network Development Project	2012024	USD	695,796	105,925,778	5,904,396	860,456,837
81	Colombo National Highways Project	2013023	USD	7,483,897	1,132,254,979	2,287,197	331,221,354
82	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	2015015	EUR	11,098,394	1,685,770,969	-	-
<b>RAIFFISEN ZENTRAL BANK</b>					<b>627,725,742</b>		<b>379,682,666</b>
83	Implementation of the Kochchikade Bridge	2016001	USD	3,514,609	627,725,742	2,391,643	379,682,666
<b>AUSTRALIAN &amp; NEW ZELAND INVESTMENT BANK</b>					-		<b>695,547,861</b>
84	Integrated Water Supply Scheme for the Unserved Areas of Ampara District - Phase III	2010023	USD	-	-	5,188,798	695,547,861
<b>UNICREDIT BANK AUSTRIA AG</b>					<b>317,432,193</b>		<b>815,774,036</b>
85	Augmentation of Mahiyangana Water Supply Project	2013004	EUR	-	-	2,020,543	322,905,261
86	Sewerage Infrastructure at Kataragama Sacred City Area	2013045	EUR	1,881,077	317,432,193	3,092,081	492,868,775
<b>BNP PARIBAS</b>					-		<b>24,570,837</b>
87	Reconstruction of (7) Railway Steel Bridges	2013032	EUR	-	-	162,408	24,570,837
<b>CALYON CREDIT AGRICOLE CIB</b>					<b>3,075,841,200</b>		<b>39,394,862</b>
88	Rehabilitation of Wimalasurendra and New Laxapana Power Stations	2008042	USD	-	-	300,688	39,394,862
89	Implementation of Greater Matale Water Supply Project	2016019	EUR	10,667,527	1,775,573,570	-	-
90	Implementation of Kelani Right Water Supply Project - Phase II	2016020	EUR	8,327,960	1,300,267,630	-	-
<b>CO-OP CENTRALE RAIFFEISEN-BOERENLEEN BANK</b>					<b>4,052,467,756</b>		<b>7,572,563,068</b>
91	Sri Lanka Dairy Development Project Phase-II	2014032	USD	1,037,135	152,355,156	4,804,011	654,764,898
92	Construction of 463 Rural Bridges	2014035	USD	14,928,739	2,480,792,350	43,136,495	6,917,798,171
93	Implementation of Importation of 20,000 Dairy Animals Project (USD 62.86)	2016040	USD	6,559,020	1,000,210,141	-	-
94	Implementation of Importation of 20,000 Dairy Animals Project (USD 11.09)	2016041	USD	2,773,277	419,110,109	-	-
<b>CHINA DEVELOPMENT BANK CORPORATION</b>					<b>16,176,032,777</b>		<b>18,532,844,112</b>
95	Improvement and Rehabilitation of Priority Roads	2011007	USD	2,435,207	369,013,920	7,375,956	1,062,413,068
96	Moragahakanda Development Project	2012017	USD	29,973,757	4,540,507,372	45,331,717	6,601,139,560
97	Improvement and Rehabilitation of Priority Roads Project 3 (Phase i)	2014001	USD	41,660,717	6,349,420,802	59,334,818	8,675,319,232
98	Improvement and Rehabilitation of Priority Roads Project 3 (Phase ii)	2014034	USD	32,189,979	4,917,090,683	14,855,169	2,193,972,251
<b>GOVERNMENT OF FRANCE</b>					-		<b>719,870,391</b>
99	Greater Trincomalee Water Supply Project	2005052	EUR	-	-	941,294	150,865,113
100	Widening and Reconstruction of 46 Bridges on National Road Network	2012028	EUR	-	-	1,435,168	229,887,591
101	Green Power Development & Energy Efficiency Improvement Investment Programme	2015023	EUR	-	-	2,062,184	339,117,688
<b>GOVERNMENT OF GERMANY</b>					<b>1,110,496,939</b>		<b>1,596,556,041</b>
102	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	2005051	EUR	342,253	53,025,016	-	-
103	Reconstruction of Water Supply Galle District - Phase ii	2010036	EUR	-	-	99,872	17,661,983
104	Construction of the Mahamodara Maternity Hospital Galle	2012022	EUR	6,306,525	1,057,471,923	9,902,810	1,578,894,058
<b>GOVERNMENT OF INDIA</b>					<b>9,886,261,757</b>		<b>6,553,283,881</b>
105	Upgrading of Railway Line Colombo Matara Phase II	2010010	USD	777,769	119,485,385	-	-
106	India Dollar Credit Line Agreement	2008006	USD	8,731,205	1,329,417,855	2,370,207	344,152,537
107	Greater Dambulla Water Supply Project i	2012002	USD	742,020	112,919,628	2,234,002	323,570,772
108	Restoration of Northern Railway Services	2012003	USD	37,902,700	5,793,324,771	654,855	95,445,140
109	Procurement of Two Advanced Offshore Petrol Vessels	2013046	USD	16,637,500	2,531,114,119	39,930,000	5,790,115,432
<b>GOVERNMENT OF KUWAIT</b>					<b>1,387,982,652</b>		<b>1,322,404,228</b>
110	Bridges Reconstruction & Rehabilitation Project	1995013	KWD	-	-	6,484	3,105,987

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2017

Funding Agency	Project	Loan Key	Loan Currency	Actual			
				2017		2016	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
111	Kalu Ganga Development Project	2009002	KWD	2,012,326	1,008,204,971	1,367,458	657,086,129
112	South Eastern University of Sri Lanka Development Project Phase I "B"	2011030	KWD	311,446	154,898,832	928,071	443,449,430
113	Reconstruction of 25 Bridges Project	2014002	KWD	454,663	224,878,848	457,301	218,762,681
<b>GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA</b>							<b>1,539,306,000</b>
114	Economic and Technical Cooperation-National Performance Art Theater (Nelum Pokuna)	2000073	CNY	-	-	20,000,000	308,234,000
115	Economic and Technical Cooperation-National Performance Art Theater (Nelum Pokuna)	2002076	CNY	-	-	30,000,000	483,027,000
116	Economic and Technical Cooperation-National performance Art Theater (Nelum Pokuna)	2003077	CNY	-	-	50,000,000	748,045,000
<b>SAUDI FUND FOR ARAB ECONOMIC DEVELOPMENT</b>					<b>3,747,096,809</b>		<b>2,828,708,611</b>
117	Batticaloa - Trincomalee Road Project	2004043	SAR	573,762	21,890,781	1,493,523	56,838,274
118	Epilepsy Hospital & Health Centers Project	2008001	SAR	5,279,559	203,554,639	16,253,419	618,901,524
119	Kalu Ganga Development Project	2010028	SAR	55,651,767	2,189,791,233	14,423,908	547,262,329
120	Road Network Development Project	2012025	SAR	10,469,403	403,358,173	39,796,620	1,524,384,856
121	Epilepsy Hospital & Health Centers Project (ADF)	2015027	SAR	23,152,178	928,501,983	2,092,569	81,321,628
<b>GOVERNMENT OF JAPAN</b>					<b>13,945,078,402</b>		<b>22,845,591,557</b>
122	Eastern Province Water Supply Development Project	2010015	JPK	-	-	1,017,148	1,386,124,220
123	Kandy City Wastewater Management Project	2010016	JPK	1,199,554	1,620,623,424	747,615	1,017,608,550
124	Greater Colombo Urban Transport Development Project - Phase II	2011003	JPK	255,308	346,492,396	1,061,127	1,382,077,360
125	Vavuniya Kilinochchi Transmission Line Project - Phase II	2011004	JPK	-	-	412,228	517,884,286
126	Habarana Veyangoda Transmission Line	2012006	JPK	-	-	22,839	31,782,711
127	Improvement of Basic Social Services Targeting Emerging Region	2012007	JPK	304,894	409,218,916	627,128	782,977,831
128	Greater Colombo Transmission and Distribution Loss Reduction Project	2013016	JPK	-	-	1,490,903	1,902,697,844
129	Major Bridges Construction Project	2013018	JPK	1,973,779	2,694,077,542	1,619,303	2,150,000,000
130	Landslide Disaster Protection Project	2013019	JPK	886,013	1,212,798,217	64,462	85,588,886
131	Anuradhapura North Water Supply Project	2013020	JPK	166,858	226,716,874	80,137	103,746,535
132	New Bridges Construction Project Over the Kelani River	2014003	JPK	5,410,110	7,390,471,636	551,632	728,300,021
133	National Transmission and Distribution Network Development and Efficiency Improvement Project	2015018	JPK	32,856	44,679,397	24,743	34,803,313
134	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	2016032	JPK	-	-	10,000,000	12,722,000,000
<b>BANCO BILBAO VIZCAYA ARGETARIA ( SPAIN)</b>					<b>1,612,760,363</b>		<b>1,074,960,992</b>
135	Implementation of the Greater Rathnapura Water Supply Project	2013003	EUR	-	-	-	-
136	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	2015033	EUR	8,010,491	1,329,911,364	6,572,164	1,074,960,992
<b>GOVERNMENT OF THE REPUBLIC OF KOREA</b>							<b>2,734,374,988</b>
137	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project in Sri Lanka	2013033	KRK	1,614,850	219,649,991	5,905,696	748,251,690
138	Construction of Solid Waste Disposal Facilities	2013031	KRK	460,970	63,199,008	460,971	59,833,983
139	Hatton - Nuwara Eliya Road Improvement Project (Supplementary Loan)	2015011	KRK	-	-	2,843,335	355,915,739
140	Deduru Oya Water Supply Project	2014038	KRK	-	-	12,633,738	1,570,373,576
<b>EXPORT FINANCE &amp; INSURANCE CORPORATION</b>					<b>1,495,873,297</b>		<b>405,306,147</b>
141	Supply and Purchase of Clinical Waste Disposal System & Related Equipment	2015034	USD	9,812,765	1,495,873,297	2,773,837	405,306,147
<b>THE EXPORT - IMPORT BANK OF CHINA</b>					<b>68,982,466,034</b>		<b>48,788,007,232</b>
142	Highway Section Pinnaduwa to Kodagoda Project	2011005	USD	-	-	13,057,899	1,895,442,780
143	Highway Section Kodagoda to Godagama Project	2011006	USD	-	-	1,004,818	145,176,427
144	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013005	USD	15,919,126	2,430,694,710	20,861,427	3,035,582,769
145	Kurunegala Water Supply & Sewerage Project	2013041	CNY	-	-	87,986,449	1,957,132,605

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2017

Funding Agency	Project	Loan Key	Loan Currency	Actual			
				2017		2016	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
146	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013022	CNY	22,708,783	498,172,376	136,998,063	3,012,579,912
147	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	2014024	USD	68,373,418	10,451,323,135	47,825,410	6,957,363,694
148	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatta	2014025	CNY	724,430,382	16,386,265,862	161,616,271	3,495,132,671
149	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatta	2014040	USD	136,330,765	20,783,338,424	96,874,812	14,163,945,461
150	Hambantota Hub Development Project	2014026	CNY	400,369,285	8,971,830,009	316,061,411	6,951,480,758
151	Construction Extension of Southern Expressway Section 2 from Beliatta to Wetiya Project	2016015	CNY	62,216,789	9,460,841,517	48,835,435	7,174,170,155
<b>EXPORT IMPORT BANK OF HUNGARY</b>					<b>425,748,047</b>		<b>2,171,443,287</b>
152	Rehabilitation of Kalatuwewa Water Treatment Plant Project	2013008	EUR	1,336,971	218,605,722	7,488,473	1,182,198,486
153	Rehabilitation of Labugama Water Treatment Plant Project	2013009	EUR	1,266,862	207,142,325	6,204,262	989,244,801
<b>DEUTSCHE BANK AG</b>					<b>3,339,021,411</b>		<b>5,223,591,358</b>
154	Construction of 537 Steel Beam Bridges	2014028	GBP	17,189,548	3,339,021,411	26,587,841	5,223,591,358
<b>KBC BANK OF BELGIUM</b>					<b>454,075,218</b>		<b>1,151,415,796</b>
155	Implementation of Monaragala -Buttala Water Supply Project	2014007	USD	2,769,366	454,075,218	7,231,077	1,151,415,796
<b>KINGDOM OF SPAIN</b>					<b>3,525,715,614</b>		<b>3,207,796,413</b>
156	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya	2015032	EUR	15,607,813	2,659,668,365	20,166,151	3,207,796,413
157	Implementation of Anamadua Integrated Water Supply Project	2016023	EUR	5,358,928	866,047,249	-	-
<b>CITICROP INTERNATIONAL LIMITED SINGAPORE</b>					-		<b>101,814,320,000</b>
158	Foreign Currency Term Financing Facility	2016025	USD			700,000,000	101,814,320,000
<b>OTHER INTERNATIONAL BOND ISSUES</b>					-		<b>217,875,000,000</b>
159	Sovereign Bond Issue 2016 - USD 1000 mn	2016024	USD			1,000,000,000	145,250,000,000
160	Sovereign Bond Issue 2016 - USD 500 mn	2016026	USD			500,000,000	72,625,000,000
<b>REFUNDS</b>							<b>(644,341,289)</b>
161	Second Community Development Livelihood Improvement Project	2009020	XDR	-	-	122,379	(24,402,198)
162	Conflict Affected Region Emergency Project	2010021	USD			83,277	(12,088,754)
163	Eastern and North Central Province Road Project	2009018	XDR			43,227	(8,891,718)
164	Secondary Towns & Rural Community/Based Water Supply Additional Financing	2011016	XDR			184,308	(36,737,379)
165	Small & Medium Enterprise Development Facility Project	2010044	XDR			1,050,816	(209,775,447)
166	Second Additional Financing for Road Sector Assistance Project	2011010	XDR			1,771,333	(352,445,794)
<b>REFUNDS</b>							
167	Northern Road Connectivity Project (ADF)	2010026	XDR		(32,943,389)		-
168	Small & Micro Industries Leader & Entrepreneur Promotion Project	2004045	JPK		(245,103,684)		-
169	Environmentally Friendly Solution Fund Project	2004046	JPK		(1,232,605,674)		-
170	Sustainable Power Sector Support Project	2011012	USD		(2,612,883)		-
171	National Highways Sector Project (ADF)(OCR)	2011035	USD		(807,616)		-
<b>Total</b>					<b>220,128,635,998</b>		<b>574,248,733,878</b>
<b>Note:</b>							
Project Loans (8343)					220,128,635,998		
Foreign Currency Term Financing Facility (9190)					152,726,985,000		
International Sovereign Bond (9194)					228,450,000,000		
					<b>601,305,620,998</b>		

## Notes to the Financial Statements contd...

### NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2017 Rs.	2016 Rs.
<b>Grants received in the form of Cash for Projects</b>		
Asian Development Bank (ADB)	236,190,374	1,508,637
The Government of Japan (JICA)	85,236,260	21,128,639
International Labour Organization (ILO)	14,556,070	24,297,685
United States Agency for International Development (USAID)	2,392,146	247,628
Save the Children	-	649,799
International Development Research Centre (IDRC)	15,598	2,764,693
University of Surrey	-	2,022,359
Swedish International Development Agency (SIDA)	-	14,449,514
United Nations Industrial Development Organization (UNIDO)	20,650,051	2,245,761
International Development Association (IDA)	-	336,504
United Nations Education, Science & Cultural Organization (UNESCO)	13,408,859	1,931,670
United Nations Fund for Population (UNFPA)	8,126,914	13,132,796
United Nations Children's Fund (UNICEF)	125,893,082	101,448,257
World Health Organization (WHO)	38,481,852	43,405,965
World Food Programme (WFP)	894,341,607	384,628,818
World Bank (WB)	935,852,033	555,000,619
United Nations Environment Programme (UNEP)	46,095,777	46,064,926
Global Alliance Vaccination Immunization (GAVI)	34,175,298	-
South Asian Association for Regional Corporation (SAARC)	119,682,160	77,432,067
Food and Agricultural Organization (FAO)	4,189,468	21,951
Government of Korea	1,515,190	13,992,418
Government of Italy	26,636,797	16,224,351
Government of Norway (NORAD)	21,734,342	7,992,259
Government of Germany	475,573	8,078,574
Government of Canada	-	836,074
Government of Bahrain	3,950,000	32,375,000
Government of China	19,439,757	4,516,624
Government of Pakistan	3,650,000	32,300,000
Government of Nepal	130,912	-
African Asian Rural Development Organization (AARDO)	297,455	-
Government of Netherland	55,686,072	-
<b>Total (a)</b>	<b>3,041,603,872</b>	<b>1,722,458,110</b>
<b>Grants received through Special Foreign Currency Accounts</b>		
International Development Association (IDA)	1,508,537,973	2,301,740,807
Asian Development Bank (ADB)	319,846,966	479,985,591
United Nations Development Programme (UNDP)	-	2,992,351
International Fund for Agricultural Development (IFAD)	112,611,977	222,707,253
World Bank (WB)	128,087,023	182,205,110
<b>Total (b)</b>	<b>2,069,083,939</b>	<b>3,189,631,112</b>

## Notes to the Financial Statements contd...

### NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2017 Rs.	2016 Rs.
<b>Grants received and reported in the form of Materials &amp; Equipments</b>		
World Food Programme (WFP)	452,444,211	338,127,342
Korea International Cooperation Agency (KOICA)	12,338,204	257,784,105
Japan International Cooperation Agency (JICA)	38,911,151	73,509,846
Germany (GIZ)	-	9,347,876
<b>Total (c)</b>	<b>503,693,566</b>	<b>678,769,169</b>
<b>Direct Payments</b>		
Government of Japan (JICA)	1,145,906,048	142,993,804
Government of India	695,531,378	189,092,686
Government of Germany (GIZ)	290,734,449	1,358,212,843
United States Agency for International Development (USAID)	-	128,485,778
Global Fund to Fight Aids, Tuberculosis & Malaria (GFATM)	-	86,329,813
United Nations Development Programme (UNDP)	175,754,698	-
Government of China	30,405,925	-
Government of Austria	1,555,611	-
<b>Total (d)</b>	<b>2,339,888,110</b>	<b>1,905,114,924</b>
<b>Budgetary Support Grant</b>		
Qatar Development Fund	76,818,022	-
<b>Total (e)</b>	<b>76,818,022</b>	<b>-</b>
<b>Grand Total = (a)+(b)+( c)+(d)+(e)</b>	<b>8,031,087,509</b>	<b>7,495,973,314</b>

## Notes to the Financial Statements contd...

	Actual	
	2017 Rs.	2016 Rs.
<b>NOTE - 13 - DOMESTIC NON BANK BORROWINGS</b>		
Net Borrowings through Treasury Bills - 8085	(67,690,854,309)	159,111,758,933
Treasury Bonds - 9093	548,815,000,000	668,013,220,000
Foreign Currency Banking Unit (Non Project) - 9107	33,282,000,000	17,437,368,276
Sri Lanka Development Bonds - 9105	338,524,166,772	196,978,909,408
Foreign Currency Banking Unit (Project) 9196 - Note 13(I)	3,740,758,187	-
	<b>856,671,070,650</b>	<b>1,041,541,256,617</b>
<b>Net Borrowings through Treasury Bills - 8085</b>		
Borrowings through Treasury Bills	1,624,266,320,000	1,635,348,810,000
Less: Total Repayments	1,691,957,174,309	1,476,237,051,067
Net of Borrowings/Repayment	<b>(67,690,854,309)</b>	<b>159,111,758,933</b>

### NOTE - 13(I) - FOREIGN CURRENCY BANKING UNIT (PROJECT) (9196) - RECEIPTS

Project Name	Loan Key	Loan Currency	2017	
			Amount (Loan Currency)	Amount (Rs.)
Moneragala - Buttala Integrated Water Supply Scheme	2014014	LKR	184,344,951	184,344,951
Anamaduwa Integrated Water Supply Project	2016002	LKR	372,770,463	372,770,463
Southern Expressway Sec 02 Beliatta to Wetiya	2016042	LKR	2,878,790,053	2,878,790,053
Kolonna - Balangoda Water Supply Project	2011034	EUR	298,392	48,670,236
Greater Dambulla Water supply Project I	2012005	USD	1,705,748	256,182,485
<b>Total</b>				<b>3,740,758,187</b>

	Actual	
	2017 Rs.	2016 Rs.
<b>NOTE - 14 - DOMESTIC DEBT REPAYMENTS</b>		
Treasury Bonds - 9093	360,958,697,741	269,438,012,627
Sri Lanka Development Bonds - 9105	285,235,070,697	317,494,790,900
Foreign Currency Banking Unit (Non Project) - 9107	-	8,735,403,412
Deferred Loan Re-Payment	157,767,080	761,073,442
Foreign Currency Banking Unit (Project) 9196	1,782,334,874	-
	<b>648,133,870,392</b>	<b>596,429,280,381</b>

**Note :** - Net Borrowings through Treasury Bills reflects the difference between borrowings through Treasury Bills and their settlements on maturity taken place during the year.

	Actual	
	2017 Rs.	2016 Rs.
<b>NOTE - 15- RECOVERIES FROM ON-LENDING</b>		
<b>Foreign Funded Lending</b>		
National Development Bank	433,670,608	436,945,222
Sri Lanka Ports Authority	4,839,922,812	5,301,446,502
Development Finance Corporation of Ceylon	2,549,476,926	2,197,915,255
Hatton National Bank	637,087,158	648,603,564
Sampath Bank	564,440,768	553,617,499
Commercial Bank	460,328,763	464,267,401
Seylan Bank	41,900,520	50,344,965
Ceylon Petroleum Corporation	37,979,695	399,643,712
Lanka Orix Leasing Company	160,546,668	160,546,668
Local Loan Development Fund	173,451,998	94,166,669
Min. of Petroleum & Pet.Resos. Dev.	26,880,364	-
Revolving Funds of Central Bank with Regional Development Banks	4,619,354,548	4,191,902,485
Lankaputhra Development Bank	8,878,643	8,878,643
Bank of Ceylon	213,355,082	222,530,746
Colombo Municipal Council	140,517,294	46,839,098
Airport & Aviation Service (Ltd)	804,199,260	805,714,688
Other Institutions	402,785,460	501,385,134
<b>Total (a)</b>	<b>16,114,776,568</b>	<b>16,084,748,250</b>
<b>Treasury Funded Lending</b>		
AHF Loan Scheme	215,730,336	217,745,834
Other Loans	87,557,328	2,316,999,342
<b>Total (b)</b>	<b>303,287,664</b>	<b>2,534,745,176</b>
<b>Grand Total (a+b)</b>	<b>16,418,064,232</b>	<b>18,619,493,425</b>

## Notes to the Financial Statements contd...

**NOTE - 16 - STATEMENT OF NON CURRENT ASSETS - 2017**

Head No.	Institute	9151 Building & Structure	9152 Machinery & Equipment	9153 Land	9160 Work in Progress of Building & Structure	9180 Lease Assets	Total
1	His Excellency The President	42,048,602	293,860,477		25,568,647		361,477,726
2	Office of The Prime Minister	7,205,151,149	276,733,138		289,790,879		7,771,675,165
4	Judges of The Superior Courts		3,904,110				3,904,110
5	Office of The Cabinet Ministers		72,823,472				72,823,472
6	Public Service Commission	13,662,643	8,350,461	13,662,643	144,270,876		179,946,623
7	Judicial Service Commission	2,612,225	41,854,518				44,466,743
8	National Police Commission		4,296,377				4,296,377
10	Commission to Investigate Allegations of Bribery or Corruption	157,531,792	244,946,865	1,075,750,000			1,478,228,657
11	Office of the Finance Commission	5,217,350	13,645,468	258,000,000	139,168,095		416,030,913
12	National Education Commission		42,946,871				42,946,871
13	Human Rights Commission of Sri Lanka	28,060	71,773,640				71,801,700
16	Parliament	10,417,068	1,120,636,934				1,131,054,002
17	Office of the Leader of the House of Parliament		21,005,563				21,005,563
18	Office of the Chief Govt. Whip of Parliament		57,695,567				57,695,567
19	Office of the Leader of the Opposition of Parliament	31,010,400	119,330,272	206,340,000			356,680,672
20	Department of Elections	234,403,903	213,725,550	1,065,973,000			1,514,102,453
21	Auditor General		169,582,710				169,582,710
24	National Procurement Commission		6,042,801				6,042,801
101	Ministry of Buddha Sasana	378,500,000	225,977,536	352,000,000			956,477,536
102	Ministry of Finance and Mass Media	225,301,298	326,645,571	8,389,900,000	2,871,369,923		11,813,216,792
103	Ministry of Defence	1,367,747,896	268,174,892		1,270,449,512		2,906,372,300
104	Ministry of National Policies and Economic Affairs		834,752,904				834,752,904
106	Ministry of Disaster Management		712,524,736				712,524,736
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	31,548,995	348,862,118				380,411,114
110	Ministry of Justice		67,123,415				67,123,415
111	Ministry of Health, Nutrition and Indigenous Medicine	31,564,900,223	12,763,385,630	22,658,800,139	3,370,234,571		70,357,320,563
112	Ministry of Foreign Affairs		101,747,150	4,972,095			106,719,245
114	Ministry of Transport & Civil Aviation	29,479,070,339	385,267,984	182,764,151	531,244,340		30,578,346,814
117	Ministry of Higher Education and Highways	76,922,000	532,101,794	794,700,000	4,436,261,407		5,839,985,201
118	Ministry of Agriculture	737,800,000	94,614,522	286,700,000			1,119,114,522
119	Ministry of Power & Renewable Energy		8,000,264				8,000,264
120	Ministry of Women and Child Affairs	72,000,000	335,695,427	26,000,000			433,695,427
121	Ministry of Home Affairs		192,579,139				192,579,139
122	Ministry of Parliamentary Reforms and Mass Media		99,368,105	31,500,000			130,868,105
123	Ministry of Housing and Construction		10,379,416				10,379,416
124	Ministry of Social Empowerment and Welfare	27,606,562	449,533,619		168,482,424		645,622,606
126	Ministry of Education	149,912,761,648	3,794,575,648		226,412,741		153,933,750,037
130	Ministry of Public Administration and Management	1,594,664,826	459,781,189	3,389,180,000	56,675,907		5,500,301,922
135	Ministry of Plantation Industries		48,929,744				48,929,744
136	Ministry of Sports	153,459,433	85,073,831		237,054,857		475,588,122
140	Ministry of Hill Country New Villages, Infrastructure and Community		113,390,578				113,390,578
145	Ministry of Rehabilitation, Resettlement and Hindu Religious Affairs		331,469,103				331,469,103
147	Ministry of Regional Development		29,558,321				29,558,321
149	Ministry of Industry and Commerce	1,051,500,000	279,244,389				1,330,744,389
150	Ministry of Petroleum Resources Development		156,700,242				156,700,242
151	Ministry of Fisheries and Aquatic Resources Development	22,979,712	48,376,404				71,356,116
153	Ministry of Lands		347,347,854	6,805,259			354,153,113
154	Ministry of Rural Economic Affairs	963,250,753	46,367,795				1,009,618,548
155	Ministry of Provincial Councils and Local Government		555,405,196	7,000,000	10,000,000		572,405,196
157	Ministry of National Dialogue		150,466,027				150,466,027
158	Ministry of Public Enterprise Development		195,895,678				195,895,678
159	Ministry of Tourism Development and Christian Religious Affairs		54,450,776				54,450,776
160	Ministry of Mahaweli Development and Environment		324,366,572	19,281,414,642	996,783,428		20,602,564,642
161	Ministry of Sustainable Development and Wildlife		319,682,558				319,682,558
162	Ministry of Megapolice and Western Development		157,181,467	198,500,750			355,682,217
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	2,008,005,096	227,651,684	168,075,768			2,403,732,548
165	Ministry of National Integration and Reconciliation		20,326,012				20,326,012
166	Ministry of City Planning and Water Supply		373,680,620	4,586,133			378,266,754

## Notes to the Financial Statements contd...

## NOTE - 16 - STATEMENT OF NON CURRENT ASSETS - 2017

Head No.	Institute	9151 Building & Structure	9152 Machinery & Equipment	9153 Land	9160 Work in Progress of Building & Structure	9180 Lease Assets	Total
167	Ministry of Special Assignments		198,299,471				198,299,471
176	Ministry of Ports and Shipping		266,604,039				266,604,039
182	Ministry of Foreign Employment	58,502,030	124,036,391				182,538,421
192	Ministry of Law and Order and Prisons Reforms	327,815,536	401,644,803		19,926,856		749,387,195
193	Ministry of Labour and Trade Union Relations		29,703,174				29,703,174
194	Ministry of Telecommunication and Digital Infrastructure		34,680,016				34,680,016
195	Ministry of Development Strategies and International Trade		92,207,075				92,207,075
196	Ministry of Science, Technology and Research	182,988	415,359,123		1,768,005		417,310,116
197	Ministry of Skills Development and Vocational Training	733,833,307	174,146,447	527,553,287	16,010,643		1,451,543,684
198	Ministry of Irrigation and Water Resources Management	45,193,182	35,482,952	92,402,753	22,425,466		195,504,353
199	Ministry of Primary Industries		5,562,042				5,562,042
201	Department of Buddhist Affairs		64,325,314				64,325,314
202	Department of Muslim Religious and Cultural Affairs		30,969,427				30,969,427
203	Department of Christian Religious Affairs		93,251,720				93,251,720
204	Department of Hindu Religious and Cultural Affairs		6,086,907				6,086,907
205	Department of Public Trustee		16,138,084				16,138,084
206	Department of Cultural Affairs	23,028,619	30,041,429		112,256,959		165,327,007
207	Department of Archaeology		12,468,026		487,533		12,955,559
208	Department of National Museums		30,618,155	3,368,013			33,986,168
209	Department of National Archives		128,571,284				128,571,284
210	Department of Information	300,848,000	30,392,127	1,227,750,000			1,558,990,127
211	Department of the Government Printer		81,270,522				81,270,522
212	Department of Examinations	1,517,987,432	179,963,351	630,000,000	179,481,421		2,507,432,204
213	Department of Educational Publications	90,047,610	45,491,313	77,000,000	25,450,212		237,989,136
215	Department of Technical Education & Training	167,612,108	92,896,388	570,230,000	1,044,939,037		1,875,677,533
216	Department of Social Services	77,310	44,621,752				44,699,062
217	Department of Probation and Child Care Services	32,345,000	22,854,051	2,655,000			57,854,051
219	Department of Sports Development	37,224,506	2,997,274		1,272,115,674		1,312,337,455
220	Department of Ayurveda	1,650,310,514	23,112,573	1,858,520,000	427,214,972		3,959,158,058
221	Department of Labour	1,581,030,374	1,291,121,675	2,255,720,000	1,705,732,106		6,833,604,154
222	Sri Lanka Army	620,149,948	875,492,978	43,110,930	1,151,787,052		2,690,540,908
223	Sri Lanka Navy	679,094,103	864,789,969		206,927,600		1,750,811,672
224	Sri Lanka Air Force	1,524,160,958	48,604,849,579	26,809,188,500	452,600,373		77,390,799,410
225	Department of Police	5,523,921,497	268,330,965	3,342,336,150	117,745,156		9,252,333,767
226	Department of Immigration and Emigration	89,019,676	335,914,750	66,945,000	19,079,739		510,959,165
227	Department of Registration of Persons		83,501,812				83,501,812
228	Courts Administration	749,445,217	170,940,553		409,885,253		1,330,271,022
229	Department of Attorney General	265,118,244	680,514,505	357,600,000	42,818,742		1,346,051,491
230	Department of Legal Draftsman		97,417,827				97,417,827
232	Department of Prisons	1,030,850,381	111,931,878	450,460,750	278,298,085		1,871,541,093
233	Department of Government Analyst	1,100,000,000	739,914,032	83,000,000			1,922,914,032
234	Registrar of Supreme Court		8,879,222				8,879,222
236	Department of Official Languages	147,000,000	50,455,685	160,000,000			357,455,685
237	Department of National Planning		99,086,521				99,086,521
238	Department of Fiscal Policy		41,160,938				41,160,938
239	Department of External Resources		116,119,783				116,119,783
240	Department of National Budget		85,735,898			24,545,387,209	24,631,123,108
241	Department of Public Enterprises		16,223,722				16,223,722
242	Department of Management Services		46,573,053				46,573,053
243	Department of Development Finance		23,290,413		315,837,932		339,128,345
244	Department of Trade and Investment Policy		43,124,897				43,124,897
245	Department of Public Finance	3,956,900	23,329,658				27,286,558
246	Department of Inland Revenue	2,657,250,000	437,268,860	2,048,300,000			5,142,818,860
247	Sri Lanka Customs	126,095,542	66,241,385				192,336,927
248	Department of Excise	94,484,623	28,223,590		157,564,220		280,272,433
249	Department of Treasury Operations		40,635,019				40,635,019
250	Department of State Accounts		31,120,227				31,120,227
251	Department of Valuation		158,445,159	4,300,000			162,745,159
252	Department of Census & Statistics	123,540,090	563,360,614		38,748,370		725,649,074
253	Department of Pensions	581,259,000	47,666,500	1,198,405,000			1,827,330,500
254	Department of Registrar General		33,144,982				33,144,982
255	District Secretariat - Colombo	497,311,087	186,554,392	679,762,000	1,082,153,824		2,445,781,302

## Notes to the Financial Statements contd...

**NOTE - 16 - STATEMENT OF NON CURRENT ASSETS - 2017**

Head No.	Institute	9151 Building & Structure	9152 Machinery & Equipment	9153 Land	9160 Work in Progress of Building & Structure	9180 Lease Assets	Total
256	District Secretariat - Gampaha	640,942,806	319,768,549	946,800,126	190,967,539		2,098,479,019
257	District Secretariat - Kalutara	935,004,921	33,758,217	95,536,500	183,230,245		1,247,529,884
258	District Secretariat - Kandy	1,152,764,773	286,204,945	1,677,885,000	46,348,583		3,163,203,301
259	District Secretariat - Matale	359,206,200	90,040,991	521,190,500	286,930,687		1,257,368,378
260	District Secretariat - Nuwara Eliya	746,248,276	102,208,021		21,780,639		870,236,936
261	District Secretariat - Galle	657,746,569	219,836,735	495,786,000	127,607,437		1,500,976,741
262	District Secretariat - Matara	840,300,131	430,268,591	503,713,027	70,189,501		1,844,471,250
263	District Secretariat - Hambanthota	4,198,019,367	339,119,255	216,130,000	2,046,317		4,755,314,938
264	District Secretariat - Jaffna	1,034,906,683	406,355,828	272,710,000	109,016,957		1,822,989,469
265	District Secretariat - Mannar	29,478,967	143,980,746	31,462,481	297,373,731		502,295,924
266	District Secretariat/ Kachcheri - Vavuniya	344,912,147	85,632,689	718,533,500			1,149,078,336
267	District Secretariat - Mullaitivu	637,609,782	177,235,256	89,900,000			904,745,038
268	District Secretariat - Killinochchi	959,087,323	440,431,954	1,008,263,459	259,837,506		2,667,620,242
269	District Secretariat - Batticaloa	554,111,148	355,817,643	347,201,400	344,447,077		1,601,577,267
270	District Secretariat - Ampara	97,989,130	277,539,664	45,300,000	73,030,365		493,859,158
271	District Secretariat - Trincomalee	922,018,843	337,460,481		9,654,208		1,269,133,533
272	District Secretariat - Kurunegala	1,451,437,102	275,627,496	636,451,965	210,996,529		2,574,513,091
273	District Secretariat - Puttalam	811,432,478	225,246,295	1,147,975,940	104,842,516		2,289,497,229
274	District Secretariat - Anuradhapura	968,644,026	304,440,196	2,352,265,000	39,750,600		3,665,099,822
275	District Secretariat - Polonnaruwa	1,051,559,482	138,048,323	206,865,860	19,013,631		1,415,487,296
276	District Secretariat - Badulla	960,528,520	204,575,539	1,015,408,000	45,708,222		2,226,220,281
277	District Secretariat - Monaragala	951,661,395	254,924,702	680,870,000	52,982,855		1,940,438,952
278	District Secretariat - Rathnapura	588,166,189	98,605,932	260,753,965	134,484,150		1,082,010,236
279	District Secretariat - Kegalle	597,816,385	247,450,592	299,158,850	18,180,397		1,162,606,225
280	Department of Project Management and Monitoring		111,987,823				111,987,823
281	Department of Agrarian Development	44,084,807	185,845,193		19,525,278		249,455,279
282	Department of Irrigation	668,542,551	455,425,283	23,061,839,012	7,453,546		24,193,260,392
283	Department of Forests	264,750	97,366,175	10,743,934			108,374,859
284	Department of Wildlife Conservation	10,427,159	1,519,107,113	308,690,669	1,862,607		1,840,087,548
285	Department of Agriculture	1,013,925,332	538,041,672	7,251,184,681	74,090,478		8,877,242,163
286	Department of Land Commissioner General	859,852,800	24,701,236	375,611,392			1,260,165,428
287	Department of Land Title Settlement		4,976,917		8,400,000		13,376,917
288	Department of Surveyor	1,011,814,537	1,120,518,241	5,684,138,350	39,675,013		7,856,146,141
289	Department of Export Agriculture	5,672,000	24,500,236	7,187,886			37,360,122
290	Department of Fisheries and Aquatic Resources	25,426,638	40,551,353		16,196,803		82,174,794
291	Department of Coast Conservation	3,999,730	211,270,775				215,270,505
292	Department of Animal Production & Health	838,189,758	12,924,636	1,293,037,440	5,539,631		2,149,691,465
293	Department of Rubber Development	202,599,681	38,896,863	366,637,966			608,134,510
294	Department of National Zoological Gardens	335,550,484	35,039,366		253,553,435		624,143,286
295	Department of Commerce		64,044,869				64,044,869
296	Department of Import & Export Control		4,861,886				4,861,886
298	Department of Measurement Units, Standards and Services		21,626,718				21,626,718
299	National Intellectual Property Office of Sri Lanka		3,067,687				3,067,687
300	Department of Food Commissioner	886,004,500	27,893,169	1,136,415,500			2,050,313,169
301	Department of Cooperative Development		21,521,804				21,521,804
303	Department of Textile Industries	3,000	36,060,797				36,063,797
304	Department of Meteorology	278,325,000	58,399,097	3,274,914,075			3,611,638,172
306	Department of Sri Lanka Railways	139,198,559,013	72,907,773,601	2,141,418,668			214,247,751,282
307	Department of Motor Traffic	197,392,720	11,589,339	1,657,075,000	258,790,466		2,124,847,525
308	Department of Posts	189,322,095	488,076,439	338,919,900			1,016,318,434
309	Department of Building	99,701,342	190,617,032	448,535,000			738,853,374
310	Government Factory	779,133,044	76,937,891	480,000,000	5,961,515		1,342,032,450
311	Department of National Physical Planning	59,450,000	71,856,600	150,615,000			281,921,600
320	Department of Civil Security	229,407,198	1,359,218,869	283,569,000			1,872,195,067
322	Department of National Botanical Gardens	391,545,037	49,711,567	6,863,337,799			7,304,594,403
323	Department of Legal Affairs		6,323,861				6,323,861
324	Department of Management Audit		21,991,866				21,991,866
325	Department of Sri Lanka Coast Guard	47,977,859	27,325,548		9,066,496		84,369,903
326	Department of Community Based Corrections		29,770,854				29,770,854
327	Department of Land Use Policy Planning		145,626,266	80,000,000			280,626,266
328	Department of Manpower and Employment		57,478,225				57,478,225
329	Department of Information Technology Management		55,887,646				55,887,646
331	Department of Divinaguma Development		556,452,989				556,452,989
332	Department of National Community Water Supply		64,166,799				64,166,799
	<b>Grand total</b>	<b>418,672,561,432</b>	<b>174,218,979,912</b>	<b>169,675,264,809</b>	<b>27,223,557,798</b>	<b>24,545,387,209</b>	<b>814,335,751,160</b>

## Notes to the Financial Statements contd...

	2017 Rs.	Actual 2016 Rs.
<b>NOTE - 17 ADVANCES TO PUBLIC OFFICERS</b>		
Advances to Public Officers Transferred to Provincial Councils (7004)	194,275,195	194,275,195
Advances to Public Officers of the Central Government (8493)	27,233,556,669	22,838,026,344
	<b>27,427,831,864</b>	<b>23,032,301,539</b>
<b>NOTE - 18 ADVANCES TO GOVERNMENT DEPARTMENTS</b>		
Treasury Authorized Advance Account (7000 )	15,088,063,621	16,092,914,751
	<b>15,088,063,621</b>	<b>16,092,914,751</b>
<b>NOTE - 19 MEMBERSHIP FEES PAID</b>		
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
	<b>3,517,179,875</b>	<b>3,517,179,875</b>

## Notes to the Financial Statements contd...

## NOTE - 20 - ON LENDING

S.No.	Name of the Institution	Balance as at 01.01.2017 Rs.	New Loan During 2017 Rs.	Amount Settled During 2017 Rs.	Balance as at 31.12.2017 Rs.
1	Sri Lanka Ports Authority	59,171,852,349	-	4,839,922,812	57,727,503,898
	Add / (Less) : Parity Variance	3,395,574,362			2,098,060,795
	<b>Balance</b>	<b>62,567,426,711</b>	<b>-</b>	<b>4,839,922,812</b>	<b>59,825,564,693</b>
2	Development Finance Corporation of Ceylon	23,392,767,971	3,216,622,020	2,549,476,926	24,086,177,916
	Add / (Less) : Parity Variance/ Adjustment	90,042,221			76,153,893
	Less: Revolving Recoveries/ Disbursement	(63,777,370)			(157,572,583)
	<b>Balance</b>	<b>23,419,032,822</b>	<b>3,216,622,020</b>	<b>2,549,476,926</b>	<b>24,004,759,226</b>
3	Lankaputhra Development Bank	2,665,642,637	0	8,878,643	2,749,870,405
	Add / (Less) : Parity Variance	93,106,410			59,295,870
	<b>Balance</b>	<b>2,758,749,047</b>	<b>0</b>	<b>8,878,643</b>	<b>2,809,166,275</b>
4	People's Bank	1,049,397,971	872,180,743	195,969,788	1,687,203,029
	Less: Revolving Recoveries/ Disbursement	(38,405,897)			(35,024,573)
	<b>Balance</b>	<b>1,010,992,074</b>	<b>872,180,743</b>	<b>195,969,788</b>	<b>1,652,178,456</b>
5	National Development Bank	4,579,641,076	2,981,362,623	433,670,608	6,958,782,717
	Add / (Less) : Parity Variance/ Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(168,550,373)			(15,565,000)
	<b>Balance</b>	<b>4,411,090,703</b>	<b>2,981,362,623</b>	<b>433,670,608</b>	<b>6,943,217,717</b>
6	NLDB (National Livestock Development Board)	4,924,769,678	-	-	5,108,614,853
	Add / (Less) : Parity Variance/ Adjustment	183,845,175			117,559,448
	<b>Balance</b>	<b>5,108,614,853</b>	<b>-</b>	<b>-</b>	<b>5,226,174,301</b>
7	Colombo Municipal Council	797,021,453	749,387,774	140,517,294	1,405,891,933
	Add / (Less) : Parity Variance/ Adjustment	-			-
	<b>Balance</b>	<b>797,021,453</b>	<b>749,387,774</b>	<b>140,517,294</b>	<b>1,405,891,933</b>
8	MILCO (Pvt) Ltd	5,735,026,751	501,367,168	-	6,451,388,765
	Add / (Less) : Parity Variance/ Adjustment	214,994,846			148,204,501
	<b>Balance</b>	<b>5,950,021,597</b>	<b>501,367,168</b>	<b>-</b>	<b>6,599,593,266</b>
9	Sampath Bank Ltd.	3,405,054,785	1,320,287,684	564,440,768	4,039,193,178
	Add / (Less) : Parity Variance/ Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(121,708,523)			(216,165,119)
	<b>Balance</b>	<b>3,283,346,262</b>	<b>1,320,287,684</b>	<b>564,440,768</b>	<b>3,823,028,059</b>
10	Hatton National Bank PLC	3,048,162,355	1,468,067,817	637,087,158	3,741,807,931
	Add / (Less) : Parity Variance/ Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(137,335,083)			(172,365,852)
	<b>Balance</b>	<b>2,910,827,272</b>	<b>1,468,067,817</b>	<b>637,087,158</b>	<b>3,569,442,079</b>
11	Commercial Bank of Ceylon PLC	5,184,040,179	1,851,369,058	460,328,763	6,411,421,772
	Add / (Less) : Parity Variance/ Adjustment	-			5,245,849
	Less: Revolving Recoveries/ Disbursement	(163,658,701)			(184,898,982)
	<b>Balance</b>	<b>5,020,381,477</b>	<b>1,851,369,058</b>	<b>460,328,763</b>	<b>6,231,768,639</b>

## Notes to the Financial Statements contd...

## NOTE - 20 - ON LENDING

S.No.	Name of the Institution	Balance as at 01.01.2017 Rs.	New Loan During 2017 Rs.	Amount Settled During 2017 Rs.	Balance as at 31.12.2017 Rs.
12	Nations Trust Bank	-	639,625,001	-	639,625,001
	Less: Revolving Recoveries/ Disbursement	-			-
	<b>Balance</b>	-	<b>639,625,001</b>	-	<b>639,625,001</b>
13	Seylan Bank PLC	564,534,301	1,224,563,001	41,900,520	1,705,764,277
	Less: Revolving Recoveries/ Disbursement	(41,432,504)			(142,262,144)
	<b>Balance</b>	<b>523,101,797</b>	<b>1,224,563,001</b>	<b>41,900,520</b>	<b>1,563,502,133</b>
14	Ceylon Petroleum Corporation	303,837,558	-	37,979,695	265,857,864
15	Sri Lanka Savings Bank	1,349,347,562	(0)	9,607,640	1,339,739,922
16	Sarvodaya Economic & Enterprises Dev. Service	633,395,760	-	-	633,395,760
17	Local Loan Development Fund	5,339,075,943	-	173,451,998	5,165,623,945
18	Lanka Orix Leasing Co. Ltd.	522,416,791	-	160,546,668	361,870,124
	Add / (Less) : Parity Variance/ Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	-			-
	<b>Balance</b>	<b>522,416,791</b>	-	<b>160,546,668</b>	<b>361,870,124</b>
19	Bank of Ceylon	899,697,626	829,894,537	213,355,082	1,430,235,642
	Add / (Less) : Parity Variance/ Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(86,001,439)			(49,431,627)
	<b>Balance</b>	<b>813,696,187</b>	<b>829,894,537</b>	<b>213,355,082</b>	<b>1,380,804,015</b>
20	Urban Development Authority	276,749,960	-	-	276,749,960
21	Ceylinco Leasing Company Ltd.	29,299,336	18	14,649,677	14,649,677
22	People's Leasing Company Ltd	92,610,183	-	-	78,499,201
	Add / (Less) : Parity Variance/ Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(14,110,982)			(42,332,946)
	<b>Balance</b>	<b>78,499,201</b>	-	-	<b>36,166,256</b>
23	Regional Development Bank (Kandurata)	26,651,851	-	-	23,228,021
	Add / (Less) : Parity Variance/ Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(3,423,830)			(10,836,476)
	<b>Balance</b>	<b>23,228,021</b>	-	-	<b>12,391,545</b>
24	Distance Learning Centre Ltd	8,015,401	-	3,206,160	4,809,240
25	Central Bank of Sri Lanka	30,835,542	-	13,693,042	17,142,500
26	Prajashakthi District Organization-Badulla	5,820,000	-	5,820,000	-
27	Sanasa Development Bank (IFAD 283)	12,056,479	-	-	12,056,479
	<b>Balance</b>	<b>56,727,422</b>	-	<b>22,719,202</b>	<b>34,008,219</b>
28	Sanasa Development Bank	316,557,472	237,540,000	3,854,492	534,031,280
	Less: Revolving Recoveries/ Disbursement	(16,211,700)			(41,139,800)
	<b>Balance</b>	<b>300,345,772</b>	<b>237,540,000</b>	<b>3,854,492</b>	<b>492,891,480</b>
29	Regional Development Bank	685,030,333	875,703,551	109,368,220	1,451,365,663

## Notes to the Financial Statements contd...

**NOTE - 20 - ON LENDING**

S.No.	Name of the Institution	Balance as at 01.01.2017 Rs.	New Loan During 2017 Rs.	Amount Settled During 2017 Rs.	Balance as at 31.12.2017 Rs.
30	Ministry of Agricultural Development Agrarian Services	3,246,446,148	-	4,825,730	3,241,620,419
31	Alliance Finance Company Ltd.	108,416,313	(0)	15,509,909	92,906,404
32	Revolving Funds with Central Bank of Sri Lanka	22,756,944,424	7,627,476,709	4,619,354,548	26,662,106,342
	<b>Add: Parity Variance/ Adjustment</b>	-	-	-	-
	<b>Add: Revolving Recoveries/ Disbursement</b>	897,039,757			1,208,231,319
	<b>Balance</b>	<b>23,653,984,181</b>	<b>7,627,476,709</b>	<b>4,619,354,548</b>	<b>27,870,337,661</b>
33	Regional Development Bank	531,639,677	606,602,200	-	1,095,818,524
	<b>Less: Revolving Recoveries/ Disbursement</b>	(42,423,353)			(140,636,218)
	<b>Balance</b>	<b>489,216,324</b>	<b>606,602,200</b>	<b>-</b>	<b>955,182,306</b>
34	HDFC / NHDA	214,843,245	-	26,280,801	188,562,444
35	Airport & Aviation Services (Sri Lanka) Ltd	9,544,950,149	-	804,199,260	9,557,081,820
	<b>Add/ (Less) : Parity Variance/ Adjustment</b>	816,330,929	-	-	582,126,497
	<b>Balance</b>	<b>10,361,281,078</b>	<b>-</b>	<b>804,199,260</b>	<b>10,139,208,317</b>
	<b>On Lending Based on Foreign Aids</b>	<b>166,246,443,206</b>	<b>25,002,049,901</b>	<b>16,087,896,204</b>	<b>178,247,243,758</b>
36	Local Loans & Development Fund	215,192,375	(0)	43,619,439	171,572,936
37	Sri Lanka Rubber Manufacture & Development Corporation	773,340,000	-	-	773,340,000
38	Sri Lanka Handicraft Development Board	3,291,500	-	1,248,500	2,043,000
39	Other Local Loan (NLDB & Lady Lochre)	50,750,000	-	750,000	50,000,000
40	AHF Loan Scheme 2004/2005	735,074,846	(8)	215,730,336	519,344,501
41	Ministry of Petroleum & Pet.Resos. Dev.	313,155,138	-	26,880,364	286,274,774
42	Department of Treasury Operations - (PLGF)	916,231,000	-	-	916,231,000
43	Ceylon Ceramics Corporation	8,676,923	-	-	8,676,923
44	Ceylon Fisheries Corporation	50,000,000	-	-	50,000,000
45	Ceylon Fisheries Corporation	11,600,000	-	-	11,600,000
46	Ceylon Fisheries Corporation	50,000,000	-	-	50,000,000
47	National Paper Company Ltd	50,000,000	-	-	50,000,000
48	Central Bank - (SPIRDP)	131,000	-	131,000	-
49	Selacine Rupavahini	2,325,000	-	2,325,000	-
50	Central Bank - SEPI Loan Scheme	120,984,864	149,689,579	39,483,389	231,191,054
	<b>On Lending Based on Domestic Funds</b>	<b>3,300,752,646</b>	<b>149,689,571</b>	<b>330,168,028</b>	<b>3,120,274,188</b>
	<b>Total (Before Parity Variance/Adjustment)</b>	<b>164,753,301,909</b>	<b>25,151,739,472</b>	<b>16,418,064,232</b>	<b>178,280,871,093</b>
	<b>Total Parity Variance</b>	<b>4,793,893,943</b>	<b>-</b>	<b>-</b>	<b>3,086,646,853</b>
	<b>Total (After Parity Variance/Adjustment)</b>	<b>169,547,195,852</b>	<b>25,151,739,472</b>	<b>16,418,064,232</b>	<b>181,367,517,946</b>

## Notes to the Financial Statements contd...

### NOTE - 21 - CAPITAL CONTRIBUTION / SHAREHOLDING IN THE COMMERCIAL PUBLIC CORPORATIONS/STATE OWNED COMPANIES / PLANTATIONS COMPANIES / DEVELOPMENT BANKS (8468 / 8548)

Institution	Balance as at 01.01.2017	Additions/ Adjustments in 2017	Reductions/ Adjustments in 2017	Balance as at 31.12.2017
	Rs.	Rs.	Rs.	Rs.
Note - 21.1 (a) Capital Contribution in Commercial Public Corporations	403,065,623,821	52,001,669,163	348,690,000	454,718,602,984
Note - 21.1 (b) Contribution of Central Bank of Sri Lanka	15,000,000	-	-	15,000,000
Note - 21.2 Shareholdings in Government Owned or Other Companies	116,345,300,242	1,588,835,120	4,230,827,480	113,703,307,882
Note - 21.3 Shareholdings in Plantation Companies	1,677,234,650	-	-	1,677,234,650
Note - 21.4 Shareholdings in Companies in Dollar Denomination	1,254,850,415	62,287,567	-	1,317,137,982
Note - 21.5 Shareholdings in Development Banks	4,549,418,322	2,500,000,000	-	7,049,418,322
<b>Total</b>	<b>526,907,427,450</b>	<b>56,152,791,850</b>	<b>4,579,517,480</b>	<b>578,480,701,820</b>

### NOTE - 21.1 (a) - CAPITAL CONTRIBUTION IN COMMERCIAL PUBLIC CORPORATION

Name	Balance as at 01.01.2017	Additions/ Adjustments in 2017	Reductions/ Adjustments in 2017	Balance as at 31.12.2017
	Rs.	Rs.	Rs.	Rs.
1 Agriculture and Agrarian Insurance Board	-	50,000,000		50,000,000
2 Bank of Ceylon	15,000,000,000	5,000,000,000		20,000,000,000
3 Central Engineering Consultancy Bureau	500,000			500,000
4 Ceylon Ceramics Corporation	2,640,000			2,640,000
5 Ceylon Electricity Board	269,324,368,069	33,370,428,613		302,694,796,682
6 Ceylon Fisheries Corporation	326,609,805			326,609,805
7 Ceylon Fishery Harbors 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	4,397,000,000	1,056,590		4,398,056,590
12 Development Lotteries Board	2,200,000		2,200,000	-
13 Export Development Board	-	10,014,284		10,014,284
14 Geological Survey and Mines Bureau	-	98,316,264		98,316,264
15 Housing Development Finance Corporation Bank	346,490,000		346,490,000	-
16 Janata Estates Development Board	-	3,670,000,000		3,670,000,000
17 National Gem & Jewellery Authority	-	30,000,000		30,000,000
18 National Transport Medical Institute	-	62,099,697		62,099,697
19 National Film Corporation of Sri Lanka	10,000,000			10,000,000
20 National Institute of Business Management	57,175,766			57,175,766
21 National Livestock Development Board	576,587,649			576,587,649
22 National Lotteries Board	21,263,100			21,263,100
23 National Savings Bank	6,200,000,000	500,000,000		6,700,000,000
24 National Water Supply & Drainage Board	53,889,834,373	113,194,000		54,003,028,373
25 National Housing Development Authority	-	40,000,000		40,000,000
26 People's Bank	7,198,133,000	5,000,000,000		12,198,133,000
27 Paddy Marketing Board	-	631,484,518		631,484,518
28 Sri Jaywardenepura General Hospital	-	1,016,825,162		1,016,825,162
29 Sri Lanka Bureau of Foreign Employment	-	632,659,759		632,659,759
30 Sri Lanka Institute of Hotel Management	-	454,850,952		454,850,952
31 Sri Lanka Ayurvedic Drugs Corporation	5,000,000			5,000,000
32 Sri Lanka Broadcasting Corporation	307,386,085			307,386,085
33 Sri Lanka Cashew Corporation	427,287,074			427,287,074
34 Sri Lanka Cement Corporation	966,971,844			966,971,844
35 Sri Lanka Transport Board	3,944,890,550			3,944,890,550
36 Sri Lanka Export Credit Insurance Corporation	40,000,000			40,000,000
37 Sri Lanka Handicraft Board	69,629,000			69,629,000
38 Sri Lanka Land Reclamation & Development Corporation	1,000,000			1,000,000
39 Sri Lanka Ports Authority	7,535,916,027			7,535,916,027
40 Sri Lanka Rupavahini Corporation	537,743,000			537,743,000
41 Sri Lanka Tourism Promotion Bureau	-	33,069,157		33,069,157
42 Sri Lanka Tea Board	-	672,012,202		672,012,202
43 State Development & Construction Corporation	16,671,650			16,671,650
44 State Engineering Corporation of Sri Lanka	70,000,000			70,000,000
45 State Mortgage & Investment Bank	889,813,000			889,813,000
46 State Pharmaceuticals Corporation of Sri Lanka	59,055,258			59,055,258
47 State Pharmaceuticals Manufacturing Corporation	690,079,000			690,079,000
48 State Printing Corporation	15,000,000			15,000,000
49 State Timber Corporation	41,503,668			41,503,668
50 Telecommunication Regulatory Commission	-	526,214,744		526,214,744
51 Urban Development Authority	1,257,651,060			1,257,651,060
<b>Total (21.1)</b>	<b>403,065,623,821</b>	<b>52,001,669,163</b>	<b>348,690,000</b>	<b>454,718,602,984</b>

## Notes to the Financial Statements contd...

### NOTE - 21.1 (b) - CENTRAL BANK OF SRI LANKA

	Name	Balance as at 01.01.2017	Additions/ Adjustment in 2017	Reductions/ Adjustment in 2017	Balance as at 31.12.2017
		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 01.01.2017 (Rs)	Value of the Investment as at 31.12.2017 (Rs)	Percentage of Share holdings by the Treasury	
		As at 01.01.2017	Additions/ Adjustments	Reductions/ Adjustments					As at 31.12.2017
1	Airport & Aviation Services (Sri Lanka) Limited	200,000			200,000	100.00	20,000,000	20,000,000	98.00
2	BCC Lanka Limited	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00
3	Bogala Graphite Lanka Ltd	254,500			254,500	10.00	2,545,000	2,663,331	0.91
		254,500			254,500	0.46495	118,331		
4	Building Materials Corporation	1,000,000			1,000,000	10.00	10,000,000	10,000,000	100.00
5	Ceylon Agro Industrial Ltd	11,903,402			11,903,402	5.00	59,517,010	59,517,010	8.50
6	Ceylon Fertilizer Co. Ltd	50,245,608			50,245,608	10.00	502,456,080	502,456,080	100.00
7	Ceylon 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	Ceynor Foundation Ltd	4,000,000			4,000,000	10.00	40,000,000	40,000,000	100.00
11	Colombo Commercial Fertilizer Ltd	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00
12	Commercial Bank of Ceylon Limited	30,501			30,501	5.00	152,505	152,505.00	0.00418
			3,164		3,164	113.60		359,430	
13	Cultural Publication Company Ltd	600			600	100.00	60,000	60,000	-
14	CWG Hambanthota 2018	10,000,000			10,000,000	10.00	100,000,000	100,000,000	79.00
15	Distance Learning Center Ltd	14,206,509			14,206,509	10.00	142,065,090	142,065,090	99.99
16	Galadari Hotels Lanka Ltd	292,200			292,200	10.00	2,922,000	2,922,000	0.06
17	Hotel Developers (Lanka) Ltd	2,046,645,686			2,046,645,686	10.00	20,466,456,860	20,466,456,860	100.00
18	Human Resources Services Agency (Guarantee) Ltd.				-		5,000,000	5,000,000	100.00
19	Kingsbury PLC (Hotel Services Ltd)	2,263			2,263	10.00	22,630	22,630	0.0128
20	Hunas Falls Limited	1			1	10.00	10	10	-
21	Independent Television Network Ltd	9,500,000			9,500,000	10.00	95,000,000	95,000,000	100.00
22	Information & Communication Tech. Agency of Sri Lanka Ltd		2		2	10.00		20	100.00
23	Kahatagaha Graphite Lanka Limited	1,300,000			1,300,000	10.00	13,000,000	13,000,000	100.00
24	Kalubowitiyana Tea Factory Ltd	4,637,500			4,637,500	10.00	46,375,000	46,375,000	99.90
25	Kantale Sugar Industries Ltd	2,689,993			2,689,993	100.00	268,999,300	268,999,300	100.00
26	Lafarge Mahaweli Cement (Pvt) Ltd	480,000			480,000	10.00	4,800,000	4,800,000	10.00
27	Laxapana Batteries Ltd -(Elephant Lite Corporation Ltd) (Preference) -	1,000			1,000	10.00	10,000	10,000	5.00
28	Lanka Canneries Limited	40,002			40,002	100.00	4,000,200	4,000,200	9.09
29	Lanka Cement Limited	22,246,000			22,246,000	10.00	222,460,000	222,460,000	13.00
30	Lanka Coal Company (Pvt) Ltd	400,000			400,000	10.00	4,000,000	4,000,000	-
31	Lanka Electricity Company (Pvt) Ltd	49,880,000			49,880,000	10.00	498,800,000	498,800,000	43.56
32	Lakdiwa Engineering Company (Pvt) Ltd		2		2	10.00		20	100.00
33	Lanka Fabrics Limited	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 Ltd	1,289,900			1,289,900	6.94	8,951,906	8,951,906	100.00
37	Lanka Leyland Ltd	860,000			860,000	0.01	8,600	8,600	
38	Lanka Logistics and Technologies Ltd	800,205			800,205	10.00	80,002,050	80,002,050	100.00

## Notes to the Financial Statements contd...

## 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 01.01.2017 (Rs)	Value of the Investment as at 31.12.2017 (Rs)	Percentage of Share holdings by the Treasury	
	As at 01.01.2017	Additions/ Adjustments	Reductions/ Adjustments					As at 31.12.2017
39 Lanka Mineral Sands Ltd	80,000,000			80,000,000	10.00	800,000,000	800,000,000	100.00
40 Lanka Phosphate Limited	7,251,000			7,251,000	10.00	72,510,000	72,510,000	100.00
41 Lanka STC General Trading Co. Ltd	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00
42 Lanka Textile Mills Emporium Ltd	700,000			700,000	10.00	7,000,000	7,000,000	-
43 Lanka Sathosa Ltd	-	87,095,381		87,095,381	10.00		870,953,810	98.00
44 Mantai Salt Ltd	300,000			300,000	100.00	30,000,000	30,000,000	100.00
45 Mihin Lanka (Private) Ltd	51,406,108			51,406,108	100.00	14,476,251,900	14,476,251,900	100.00
46 MILCO (Pvt) Ltd - Kiriya Milk Industries	31,945,403			31,945,403	10.00	319,454,030	319,454,030	99.99
47 National Paper Company Ltd	32,300,000			32,300,000	10.00	323,000,000	323,000,000	100.00
48 National Development Bank PLC		552,186		552,186	10.00		5,521,860	0.32
49 World Duty Free Group Lanka Ltd. (Autogrill Lanka Ltd.)	1,048			1,048	10.00	10,480	10,480	0.035
50 Paranthan Chemicals Company Ltd	4,000,000			4,000,000	10.00	40,000,000	40,000,000	100.00
51 Rakna Arakshaka Lanka Ltd	500,205			500,205	10.00	5,002,050	5,002,050	100.00
52 Rajarata Food Grain Ltd	386,249			386,249	10.00	3,862,490	3,862,490	-
53 Skills Development Fund Ltd	10,000,001			10,000,001	10.00	100,000,010	100,000,010	98.00
54 Sri Lanka Insurance Corporation Ltd	599,568,144			599,568,144	10.00	5,995,681,440	5,995,681,440	99.93
55 Sri Lanka Rubber Manufacturing & Export Corporation Ltd	7,798,000			7,798,000	10.00	77,980,000	77,980,000	100.00
56 Sri Lanka Savings Bank Ltd	4,584,460	3,620,000		8,204,460	100.00	458,446,000	820,446,000	100.00
57 Sri Lanka Telecom Limited	893,405,709			893,405,709	10.00	8,934,057,090	8,934,057,090	49.50
58 Sri Lankan Airlines Ltd	490,986,328			511,574,169	100.00	55,388,244,380	51,157,416,900	99.11
59 State Resource Management Corporation Ltd	4,100,000.00			4,100,000	10.00	41,000,000	41,000,000	100.00
60 Sri Lanka Thripasha Ltd		35,000,000		35,000,000	10.00		350,000,000	100.00
61 The Selinsing Company Limited	615			615	10.00	6,150	6,150	1.00
62 Thomas De La Rue Lanka Currency & Security Print (Pvt) Ltd	2,800,000			2,800,000	10.00	28,000,000	28,000,000	40.00
63 Wakers & Greig Limited	2,850			2,850	2.00	5,700	5,700	-
64 Wakers & Greig Limited	100			100	10.00	1,000	1,000	-
65 West Coast Power (Pvt) Ltd (Ordinary)	55,000,000			55,000,000	112.95	6,212,500,000	6,212,500,000	50.00
<b>Total</b>	<b>4,554,613,085</b>	<b>126,270,733</b>	<b>-</b>	<b>4,701,471,659</b>		<b>116,345,300,242</b>	<b>113,703,307,882</b>	

## Notes to the Financial Statements contd...

### NOTE - 21.3 - SHAREHOLDING IN PLANTATION COMPANIES

Company	Number of Shares			As at 31.12.2017	Nominal Value Per Share (Rs.)	Value of the Investment at cost as at 01.01.2017 (Rs)	Value of the Investment at cost as at 31.12.2017 (Rs)	Percentage of Share holdings by the Treasury
	As at 01.01.2017	Additions/ Adjustment	Reductions/ Adjustment					
1 Agarapatana Plantation Ltd	23,284,644			23,284,644	10.00	232,846,440	232,846,440	30.39
2 Agalawatta Plantation Ltd	741			741	10.00	7,410	7,410	0.003
3 Bagawantalawa Plantation Ltd	21,664			21,664	6.67	144,430	144,430	0.03
4 Balangoda Plantation Ltd	4,761			4,761	10.00	47,610	47,610	0.02
5 Chilaw Plantation Ltd	20,000,001			20,000,001	10.00	200,000,010	200,000,010	100.00
6 Elkaduwa Plantation Ltd	18,000,001			18,000,001	10.00	180,000,010	180,000,010	100.00
7 Elpitiya Plantation Ltd	15,613,092			15,613,092	5.00	78,065,460	78,065,460	21.43
8 Gal Oya Plantation Ltd	51,600,000			51,600,000	10.00	516,000,000	516,000,000	51.00
9 Hapugastenne Plantation Ltd	1			1	10.00	10	10	-
10 Horana Plantation Ltd	5,889			5,889	10.00	58,890	58,890	0.023
11 Kahawatte Plantation Limited	1			1	10.00	10	10	-
12 Kegalle Plantation Ltd	4,387			4,387	10.00	43,870	43,870	0.02
13 Kelani Valley Plantation Ltd	1			1	10.00	10	10	-
14 Kotagala Plantation Ltd	3,800,557			3,800,557	10.00	38,005,570	38,005,570	11.88
15 Kurunegala Plantation Ltd	20,000,001			20,000,001	10.00	200,000,010	200,000,010	100.00
16 Madulsima Plantation Ltd	3,805,653			3,805,653	10.00	38,056,530	38,056,530	13.12
17 Malwatta Valley Plantation Ltd.	1			1	10.00	10	10	-
18 Maskeliya Plantation Ltd.	9,008			9,008	10.00	90,080	90,080	0.30
19 Maturata Plantation Ltd.	7,806,020			7,806,020	10.00	78,060,200	78,060,200	22.30
20 Namunukula Plantation Ltd.	3,763,301			3,763,301	10.00	37,633,010	37,633,010	15.85
21 Pussellawa Plantation Ltd.	7,816,790			7,816,790	10.00	78,171,230	78,171,230	32.70
22 Talawakelle Plantations Limited	368			368	10.00	3,680	3,680	0.0015
23 Udapussellawa Plantation Ltd	1			1	10.00	10	10	-
24 Watawala Plantation Ltd.	151			151	10.00	160	160	-
<b>Total</b>	<b>175,537,034</b>	<b>-</b>	<b>-</b>	<b>175,537,034</b>		<b>1,677,234,650</b>	<b>1,677,234,650</b>	

## Notes to the Financial Statements contd...

### NOTE - 21.4 - SHAREHOLDING IN COMPANIES IN US DOLLAR DENOMINATION

Company	Number of Shares			Nominal Value Per Share	Value of the Investment at cost as at 01.01.2017	Value of the Investment at cost as at 31.12.2017	Percentage of Share holdings by the Treasury
	As at 01.01.2017	Additions/ Adjustment	Reductions/ Adjustment				
1 Asian Reinsurance Corporation	980			980	US\$1000	144,883,200	152,047,000
2 Ceylon Shipping Agency	24,500			24,500	1(Singapore Dollar)	2,497,775	2,862,332
3 International Finance Corporation	7,491			7,491	US\$1000	1,107,469,440	1,162,228,650
<b>Total</b>	<b>32,971</b>	<b>-</b>		<b>32,971</b>		<b>1,254,850,415</b>	<b>1,317,137,982</b>

### Exchange Rate (Buying Rate) as at 01.01.2017/ 31.12.2017

Currency	01.01.2017	31.12.2017
	Rate	Rate
US Dollar	148.71	155.15
Singapore Dollar	104.17	116.83

### NOTE - 21.5 - SHAREHOLDING IN DEVELOPMENT BANKS

Company	Number of Shares			Nominal Value Per Share (Rs.)	Value of the Investment at cost as at 01.01.2017 (Rs)	Value of the Investment at cost as at 31.12.2017 (Rs)	Percentage of Share holdings by the Treasury
	As at 01.01.2017	Additions/ Deduction	Reductions/ Adjustment				
1 Pradeshiya Sanvardhana Bank	87,744,671	250,000,000		337,744,671	10.00	877,446,710	3,377,446,710
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
<b>Total</b>	<b>123,815,693</b>	<b>250,000,000</b>		<b>373,815,693</b>		<b>4,549,418,322</b>	<b>7,049,418,322</b>

### NOTES - 21.2, 21.3, 21.4, 21.5 - SUMMARY

Currency	Number of Shares	Nominal Value of Shares as at 31.12.2017 (Rs.)
1 General	4,701,471,659	113,703,307,882
2 Plantation	175,537,034	1,677,234,650
3 Shares in Dollar Value	32,971	1,317,137,982
4 Development Banks	123,815,693	7,049,418,322
<b>Total</b>	<b>5,000,857,357</b>	<b>123,747,098,836</b>

## Notes to the Financial Statements contd...

	2017 Rs	Restated 2016 Rs
<b>NOTE - 22 - CONSOLIDATED FUND</b>		
Opening Balance of the Consolidated Fund as at 1st January	(187,247,051,579)	(403,025,504,824)
Add: Prior Year Adjustments	-	(18,846,319,120)
<b>Add Receipts to the Consolidated Fund</b>		
Total Cash flow from Operating Activities	1,834,071,287,145	1,678,106,902,922
Total Cash flow from Investing Activities	72,185,175,868	39,675,000,153
Total Cash flow from Financing Activities	1,466,007,779,157	1,623,285,963,808
<b>Total Cash Receipts (a)</b>	<b>3,372,264,242,170</b>	<b>3,341,067,866,884</b>
<b>Less Total Payments of the Consolidated Fund</b>		
Total Cash Disbursement for Operating Activities	1,945,575,039,924	1,770,881,752,657
Total Cash Disbursement for Investing Activities	657,530,018,379	594,012,706,930
Total Cash Disbursement for Repayment of Debt	867,483,510,662	741,548,634,932
<b>Total Cash Payments (b)</b>	<b>3,470,588,568,964</b>	<b>3,106,443,094,519</b>
<b>Net Cash Flow (a) - (b)</b>	<b>(98,324,326,794)</b>	<b>234,624,772,365</b>
<b>Closing Balance of the Consolidated Fund as at 31st December</b>	<b>(285,571,378,373)</b>	<b>(187,247,051,579)</b>
<b>NOTE - 23 - FOREIGN LOAN REVOLVING FUNDS</b>		
Reimbursable Foreign Aid Revolving Fund ( 8760 )	2,913,412,847	2,754,566,691
IDA Revolving Fund (8814)	13,277,379,778	10,769,850,148
ADB Special Dollar Revolving Fund (8919)	5,980,062,515	2,667,530,472
CBSL Special Dollar Account (International Fund for Agr. Dev. Revolving Fund) (8974)	982,665,306	1,020,635,599
IBRD Revolving Fund (8982)	1,570,884,206	1,570,884,206
CBSL Revolving Fund ( Yen ) - (9095)	2,334,943,591	857,234,233
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)	2,570,275,165	2,528,085,651
Special Rupee Revolving Fund (9122)	498,950,000	498,950,000
Special Foreign Currency Revolving Fund (9126)	909,140,788	925,983,001
	<b>31,264,171,850</b>	<b>23,820,177,655</b>
<b>NOTE - 24 - MISCELLANEOUS FUNDS</b>		
Public Service Provident Fund Account (8098)	223,648,581	828,908,299
Teachers' Widows & Orphans Pension Fund (8186)	768,159,240	696,478,807
	<b>991,807,821</b>	<b>1,525,387,106</b>
<b>NOTE - 25 - NET ASSETS ADJUSTMENT ACCOUNT</b>		
<b>Impact on Borrowings</b>		
Capital Expenditure Investment- Appropriation Loan Account (8341)	(24,088,000,000)	(24,088,000,000)
Capital Investment Inland & Foreign Consolidated Loan Account (8342)	(2,664,230,793,414)	(3,675,812,055,800)
Treasury Bond Repayment Account (9103)	(3,754,370,053,464)	(3,566,513,751,206)
SL Development Bond Investment Account (9106)	(637,886,008,620)	(572,198,550,000)
Foreign Currency Banking Unit Investment Account (9108)	(64,199,016,000)	(41,594,973,831)
Treasury Bills Utilization Account (9109)	(724,705,505,691)	(792,396,360,000)
Lease Asset Investment Account (9183)	(12,261,954,236)	(16,495,638,658)
Foreign Currency Term Financing Facility (9191)	(217,053,816,000)	(104,860,000,000)
International sovereign Bond Investment Account (9195)	(1,475,048,820,000)	-
Foreign Currency Banking Unit (Project) Investment Account (9197)	(14,256,935,423)	-
	<b>(9,588,100,902,847)</b>	<b>(8,793,959,329,494)</b>

## Notes to the Financial Statements contd...

	2017 Rs	Restated 2016 Rs
<b>Impact on Acquisition of Financial &amp; Non Financial Assets</b>		
Government Corporations Capital Fund (8467)	454,733,602,985	403,080,623,821
Government Shares Account (8547)	123,747,098,836	123,826,803,629
On-lent Loan Investment Account (9117)	181,367,517,946	169,547,195,852
Property Plant & Equipment Reserve Fund Account (9165)	762,566,559,615	309,177,036,991
Work in Progress Reserve Fund Account (9166)	27,223,804,335	7,077,190,884
Lease Asset Reserve Fund Account (9182)	24,545,387,209	30,400,467,949
Rental & Work Advance Reserve (9189)	750,310,073	228,769,715
	<b>1,574,934,281,000</b>	<b>1,043,338,088,841</b>
<b>Balance as at 31st December</b>	<b>(8,013,166,621,848)</b>	<b>(7,750,621,240,653)</b>
<p><b>Note:</b> On the Provisions of the Article No. 149 &amp; 150 of the Constitution of the Republic, acquisition expenditure of financial &amp; non-financial assets and receipt to from domestic &amp; foreign borrowings are recorded into the Consolidated Fund. Therefore, impact of this on the Consolidated Fund has been adjusted through the Net Assets Adjustment Account.</p>		
<b>NOTE - 26 - BANK BALANCE</b>		
Treasury Authorized Imprest Account (7002)	2,847,181,635	7,431,589,929
Treasury Authorized Imprest Account- (RFA) (7003)	71,289,902	48,362,068
DST Cash Account (8020) - <b>Note 26(i)</b>	(140,300,840,780)	(158,890,226,219)
Crown Agent Current Account (8030)	38,132,124	10,402,435
Temporary Employed Balances of CBSL (8192)	(27,511,761,858)	(27,388,999,302)
Central Bank of Sri Lanka - IDA Special Dollar Accounts (8813)	9,846,590,923	5,890,186,227
ADB Loan SLCB Special Dollar Account (8918)	3,513,665,639	3,857,344,761
International Fund for Agriculture Development Special Dollar Account (8973)	652,277,919	842,083,261
Special Foreign Currency Account Italy (9119)	109,807,882	2,195,120,403
Special Foreign Currency French Development Agency Account (9125)	194,195,990	319,020,184
	<b>(150,539,460,624)</b>	<b>(165,685,116,253)</b>
<b>NOTE - 26(i)</b>		
<b>Sub Accounts of DST Accounts - (8020)</b>		
Bank of Ceylon - 0002026450	(113,630,664,237)	(128,351,716,794)
Peoples Bank - 014100130110432	(76,130,776,033)	(37,176,856,301)
Central Bank of Sri Lanka - 50516	305,099	476,262
Central Bank of Sri Lanka - 45026	44,648,476,096	-
Central Bank of Sri Lanka - 50548	138,259,752	-
Bank of Ceylon - 0007040004	224,552,863	224,552,863
Bank of Ceylon - 0007040501	1,473,969,582	1,473,969,582
Bank of Ceylon - 0007041570	1,936,216,724	2,978,028,795
Bank of Ceylon - 0007041571	1,038,819,374	1,961,319,374
	<b>(140,300,840,780)</b>	<b>(158,890,226,219)</b>
<b>NOTE - 27 - ADVANCES FROM CENTRAL BANK OF SRI LANKA</b>		
Advance from CBSL - Monetary Law Act (8176)	199,800,871,400	83,306,771,400
	<b>199,800,871,400</b>	<b>83,306,771,400</b>
<b>NOTE - 28 - GOVERNMENT BORROWINGS</b>		
<b>Domestic</b>		
Treasury Bills (8085)	724,705,505,691	792,396,360,000
Treasury Bonds (9093)	3,754,370,053,464	3,566,513,751,205
<b>Total (a)</b>	<b>4,479,075,559,155</b>	<b>4,358,910,111,205</b>

## Notes to the Financial Statements contd...

	2017 Rs	Restated 2016 Rs
Rupee Loans (8249)	24,088,000,000	24,088,000,000
Sri Lanka Development Bonds (9105)	637,886,008,620	572,198,550,000
Local Loans in Foreign Currency (9107)	64,199,016,000	41,594,973,831
Foreign Currency Banking Units (Projects) (9196) <b>Note 28(I)</b>	14,256,935,423	-
<b>Total (b)</b>	<b>740,429,960,043</b>	<b>637,881,523,831</b>
<b>Total Borrowings - Domestic = (a)+(b)</b>	<b>5,219,505,519,198</b>	<b>4,996,791,635,036</b>
Lease Creditors (9181)	12,261,954,236	16,495,638,658
<b>Foreign</b>		
Foreign (Projects) (8343) <b>Note 28(II)</b>	2,664,230,793,414	3,675,812,055,800
Foreign Currency Term Financing Facility (9190) <b>Note 28(III)</b>	217,053,816,000	104,860,000,000
International Sovereign Bond (9194) <b>Note 28(IV)</b>	1,475,048,820,000	-
<b>Total Foreign Borrowings</b>	<b>4,356,333,429,414</b>	<b>3,780,672,055,800</b>
<b>Total Borrowings</b>	<b>9,588,100,902,848</b>	<b>8,793,959,329,494</b>
<b>NOTE - 29 - DEPOSITS &amp; OTHER LIABILITIES</b>		
Treasury General Deposit Account (6000)	75,130,917,052	64,347,225,770
Treasury Deposit Account for District Secretaries (6003)	(10,674,838)	(12,861,285)
Public Service Mutual Guarantee Association (8013)	1,043,301	8,426,419
	<b>75,121,285,516</b>	<b>64,342,790,904</b>
<b>NOTE - 30 - OPERATING ACCOUNTS WITH GOVERNMENT DEPARTMENTS [(Dr.)/ Cr.]</b>		
General Manager - Railway Department (8003)	(1,000,515,781)	(977,606,985)
Director General of Customs (8005)	(119,950,344)	(18,720,172)
Treasury Operations Department ( 8233) and (8583)	(396,979,984)	(400,071,183)
Cheque Returns from Banks (8657)	(3,963,994)	(3,995,094)
Treasury Operations Department (9092)	235,548,416	219,379,544
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)	346,240,339	3,247,560,146
Value Added Control Account (9185)	(103,349,223)	(26,505,220)
Treasury Bond Premium Account (9186)	457,407,226	-
Treasury Bond Discount Account (9187)	(98,072,083,123)	(80,667,872,022)
Accrued Interest on Treasury Bond (9192)	403,918,000	650,774,056
Discount on Treasury Bill Issuance (9193)	(27,628,275,846)	(30,599,261,942)
	<b>(125,940,730,340)</b>	<b>(108,635,044,897)</b>
<b>NOTE - 31 - SUNDRY ACCOUNTS [(Dr.)/ Cr.]</b>		
Parity Variance Account on Crown Agent Account (8029)	98,064,923	84,183,758
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	616,811,554
	<b>632,945,680</b>	<b>619,064,516</b>

## Notes to the Financial Statements contd...

Note - 28(i) FOREIGN CURRENCY BANKING UNIT LOAN (PROJECT) BALANCES (9196)

Loan Key	Project Name	Loan Currency	Balance as at 01.01.2017		Accounted during the year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2013013	Greater Rathnapura Water Supply Project Phase 1	USD	3,077,552	488,136,183			724,136	110,568,887	(17,836,364)	2,353,416	359,730,932
2009001	Rehabilitation of New Laxapana & Wimalasurendra Hydro Power Plant Project - 1	USD	1,757,103	263,213,955			878,620	134,448,323	5,514,634	878,483	134,280,266
2009003	Rehabilitation of New Laxapana & Wimalasurendra Hydro Power Plant Project -11	USD	215,856	32,335,295			107,930	16,515,682	677,460	107,926	16,497,073
2010012	Rehabilitation of Old Laxapana Hydro Power Plant Project	EUR	3	406					63	3	469
2010039	Rehabilitation of the Eastern Railway Network	EUR	-	(3)					-	-	(3)
2013011	Construction of 210 Steel Bridges Project	USD	8,076,869	1,209,914,915			1,242,596	190,188,762	24,925,217	6,834,273	1,044,651,370
2013028	Upgrading of Peripheral Blood Bank -National Transfusion Service	USD	3,880,626	581,317,700			776,125	118,031,477	11,251,563	3,104,501	474,537,786
2013044	Implementation of Badulla, Haliela & Ella Integrated Water Supply Project	USD	8,418,181	1,261,043,514			1,683,638	257,693,592	26,057,301	6,734,543	1,029,407,223
2014014	Moneragala - Buttala Integrated Water Supply Scheme	LKR	1,034,063,570	1,034,063,570	184,344,951	184,344,951	104,590,367	104,590,367	-	1,113,818,155	1,113,818,155
2015035	Establishment of Clinical Waste Management Systems in the Needy Hospitals Project	LKR		352,212,520							352,212,520
2016002	Anamaduruwa 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	681,612,741					106,258,730	4,317,442	787,871,471
2016042	Southern Expressway Sec 02 Beliatta to Wettiya	LKR			2,878,790,053	2,878,790,053				2,878,790,053	2,878,790,053
2011034	Kolonna - Balangoda Water Supply Project	EUR	8,588,337	1,355,876,798	298,392	48,670,236	924,464	159,193,175	207,645,555	7,962,265	1,452,999,414
2012005	Greater Dambulla Water supply Project I	USD	7,978,104	1,195,119,985	1,705,748	256,182,485	1,425,833	217,432,669	28,408,014	8,258,019	1,262,277,815
2012013	Development of Hambantota General Hospital	EUR	5,855,270	924,396,067			585,527	96,702,243	133,958,916	5,269,743	961,652,740
2015020	Kolonna - Balangoda Water Supply Project - Additional Financing	LKR	331,873,327	331,873,327						331,873,327	331,873,327
2012014	Development of Nuwara Eliya District General Hospital	EUR	4,956,130	782,445,059			517,161	85,411,371	113,014,611	4,438,969	810,048,299
2010027	Ampara Water Supply Scheme - Phase 111	USD	7,619,571	1,141,411,799			1,904,893	291,558,328	23,662,579	5,714,678	873,516,050
	<b>Total</b>			<b>11,634,973,831</b>		<b>3,740,758,188</b>		<b>1,782,334,874</b>	<b>663,538,279</b>		<b>14,256,935,423</b>

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
<b>Canada</b>										
1967001	Import of Asbestos Fiber	CAD	6,247	694,526		6,248	708,020	13,456	(1)	(38)
1968004	Import of Newsprint	CAD	31,250	3,474,025		31,250	3,706,164	232,139	-	0
1969004	Import of Newsprint	CAD	62,500	6,948,050		25,000	2,964,931	577,170	37,500	4,560,289
1969005	Import of Asbestos Fiber	CAD	37,500	4,168,829		25,000	2,964,931	316,197	12,500	1,520,095
1969007	Import of Commodities	CAD	125,000	13,896,100		50,000	5,929,863	1,154,340	75,000	9,120,578
1970006	Import of Commodities	CAD	230,000	25,568,824		57,500	6,819,342	2,227,846	172,500	20,977,328
1971004	Import of Commodities	CAD	281,250	31,266,225		62,500	7,412,328	2,747,788	218,750	26,601,685
1972003	Import of Newsprint & Radio Telecom Equipment	CAD	150,000	16,675,320		25,000	2,964,931	1,490,574	125,000	15,200,963
1973004	Import of Asbestos, Nylon & Tyre Cord	CAD	282,625	31,419,082		40,375	4,788,364	2,828,747	242,250	29,459,465
1974005	Import of Commodities	CAD	412,500	45,857,130		55,000	6,522,849	4,140,472	357,500	43,474,753
1975004	Import of Commodities	CAD	420,000	46,690,896		52,500	6,226,356	4,226,289	367,500	44,690,829
1975005	Import of Commodities	CAD	2,850,000	316,831,080		300,000	35,579,175	28,847,730	2,550,000	310,099,635
1977009	Import of Fertilizer & Commodities	CAD	2,625,000	291,818,100		250,000	29,649,313	26,649,500	2,375,000	288,818,288
1978005	Import of Fertilizer, Alum. Rods & Asbestos	CAD	5,750,000	639,220,600		500,000	59,298,625	58,518,450	5,250,000	638,440,425
<b>France</b>										
2002048	Import of Commodities	EURO	(1)	(185)				(29)	(1)	(214)
<b>Germany</b>										
2001049	Purchase of 16 Locomotives (11 a)	EURO	3,988,076	629,614,300		332,340	59,015,525	96,520,810	3,655,737	667,119,585
2001054	General Commodity Aid 1995 for Potash	EURO	3,617,492	571,108,650		185,088	32,867,108	88,123,160	3,432,405	626,364,702
2001058	Import of Commodities	EURO	1,877,464	296,403,197		113,507	20,156,072	45,649,921	1,763,957	321,897,046
2001060	Commodity Aid for Electro.Equip.for CBSL	EURO	347,679	54,889,500		17,384	3,086,965	8,471,543	330,295	60,274,078
2001064	Import of Commodities	EURO	2,730,298	431,043,606		151,342	26,874,763	66,453,667	2,578,955	470,622,510
2001067	Import of Commodity loan XIII	EURO	1,533,874	242,159,125		102,258	18,158,624	37,248,871	1,431,615	261,249,372
2001068	Import of Commodities XVI	EURO	2,364,723	373,328,699		127,823	22,698,281	57,571,787	2,236,900	408,202,205
2001106	Import of Commodities XVII	EURO	2,723,142	429,913,830		125,778	22,335,106	66,403,060	2,597,364	473,981,784
2001108	Import of Commodities XVIII	EURO	2,812,106	443,959,054		127,823	22,698,281	68,582,572	2,684,283	489,843,345
2001111	Import of Commodities (12)	EURO	824,202	130,120,166		63,400	11,258,348	19,973,555	760,802	138,835,373
2001112	Import of Commodities XIX	EURO	2,264,000	357,427,293		167,704	29,780,143	54,897,060	2,096,297	382,544,211
2001113	Import of Commodities x	EURO	1,458,205	230,212,963		126,800	22,516,692	35,266,050	1,331,404	242,962,322
2001116	Import of Commodities (11 b)	EURO	773,074	122,048,452		64,423	11,439,933	18,710,210	708,651	129,318,729
2001123	Import of Commodities IX	EURO	910,100	143,625,805		82,318	14,619,553	14,587,767	786,878	143,594,020
<b>Germany</b>										
2001117	Small Entrepreneur Promotion Programme by DFCC	EURO	2,326,890	367,355,927		125,778	22,335,106	56,650,714	2,201,112	401,671,535
<b>USA</b>										
1976007	Supply of Wheat PL 480-Title 1 -1976	USD	-	8		-	-	-	-	8
1976008	Supply of Wheat PL 480-Title 1 -1977	USD	1,147,707	171,926,480		1,147,707	175,094,968	3,168,474	0	(14)

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1978019	Supply of Wheat PL 480-Title 1-1978	USD	2,210,337	331,108,411			1,105,168	169,453,905	7,275,765	1,105,168	168,930,271
1979012	Supply of Wheat PL 480-Title 1-1979	USD	1,568,426	234,950,242			522,809	79,863,321	4,740,725	1,045,618	159,827,646
1980030	Supply of Wheat PL 480-Title 1-1980	USD	3,007,670	450,548,890			751,917	115,190,664	9,444,308	2,255,752	344,802,534
1981026	Supply of Wheat PL 480-Title 1-1981	USD	2,731,963	409,248,122			546,393	83,654,029	8,480,889	2,185,571	334,074,982
1982018	Supply of Wheat PL 480-Title 1-1982	USD	4,772,634	714,940,585			681,805	104,798,311	15,160,613	4,090,829	625,302,887
1982019	Supply of Wheat PL 480-Title 1-1982	USD	3,224,382	483,012,454			537,397	82,327,020	10,033,149	2,686,985	410,718,583
1983016	Supply of Wheat PL 480-Title 1-1984	USD	5,855,855	877,207,148			731,982	111,480,856	17,482,364	5,123,873	783,208,657
1984016	Supply of Wheat PL 480-Title 1-1985	USD	7,241,892	1,084,835,464			829,696	125,599,332	20,898,875	6,412,196	980,135,007
1985009	Supply of Wheat PL 480-Title 1-1986	USD	10,215,317	1,530,254,446			645,708	98,919,786	31,426,000	9,569,609	1,462,760,660
1986004	Supply of Wheat PL 480-Title 1-1987	USD	7,871,649	1,179,172,909			727,614	111,406,009	24,232,958	7,144,034	1,091,999,858
1987026	Supply of Wheat PL 480-Title 1-1988	USD	9,569,555	1,433,519,399			797,463	122,031,368	29,368,407	8,772,092	1,340,856,438
1988046	Supply of Wheat PL 480-Title 1-1989	USD	14,080,554	2,109,267,091			1,106,112	169,160,785	43,099,610	12,974,443	1,983,205,915
1989054	Supply of Wheat PL 480-Title 1-1990	USD	16,211,597	2,428,497,222			1,157,971	178,073,506	50,595,236	15,053,626	2,301,018,952
1991042	Supply of Wheat PL 480-Title 1-1991	USD	1,023,953	153,388,185			204,791	31,292,356	3,117,098	819,163	125,212,926
1992024	Supply of Wheat PL 480-Title 1-1992	USD	3,242,452	485,719,390			540,409	82,861,630	10,162,603	2,702,044	413,020,363
1993006	Supply of Wheat PL 480-Title 1-1993	USD	2,888,377	432,678,827			412,625	63,342,101	9,093,765	2,475,752	378,430,491
1994002	Supply of Wheat PL 480-Title 1-1994	USD	5,975,882	895,187,052			746,985	114,730,576	18,805,427	5,228,897	799,261,903
1994040	Supply of Wheat PL 480-Title 1-1995	USD	7,296,521	1,093,018,894			810,725	124,548,215	22,914,482	6,485,797	991,385,161
1995055	Supply of Wheat PL 480-Title 1-1996	USD	3,981,798	596,473,300			398,180	60,483,507	11,783,414	3,583,618	547,773,207
1997013	PL 480 Title 1 for FY 1997	USD	4,202,955	629,602,722			382,087	58,729,500	13,164,879	3,820,868	584,038,101
1998007	PL 480 Title 1 for FY 1998	USD	4,583,774	686,649,371			381,981	58,187,004	13,801,859	4,201,793	642,264,226
2000031	Import of Wheat- PL 480-Title 1, 2000	USD	2,676,148	400,886,891			191,153	29,301,618	8,257,999	2,484,994	379,843,272
2001047	Import of Wheat- PL 480 Title 1, FY 2001	USD	4,477,086	670,667,394			298,472	45,805,061	13,858,728	4,178,613	638,721,062
<b>India</b>											
2001041	Line of Credit	USD	17,265,873	2,586,427,775			2,420,000	367,822,697	50,657,870	14,845,873	2,269,262,948
2002056	Import 300,000 Tones of Indian Wheat	USD	7,342,790	1,100,390,943			2,940,000	449,885,121	22,481,763	4,402,790	672,987,585
2003049	Indian Line of Credit	USD	15,289,857	2,290,658,161			1,584,194	242,416,772	46,734,940	13,705,663	2,094,976,329
2004040	Indian Line of Credit	USD	11,286,103	1,690,658,196			1,494,000	227,215,588	33,327,303	9,792,103	1,496,769,911
2008006	Indian Dollar Credit Line Agreement	USD	51,969,009	7,784,957,530	8,731,205	1,329,417,855	7,107,846	1,082,499,025	160,064,119	53,592,368	8,191,940,478
<b>China</b>											
2000037	Economic & Technical Cooperation	CNY	15,000,000	323,523,000			5,000,000	113,931,377	24,956,377	10,000,000	234,547,999
<b>India</b>											
2002057	Economic Stabilization Programme	USD	(20)	(2,996)					(61)	(20)	(3,057)
<b>Japan</b>											
2003041	Power Sector Restructuring Programme	JPY	2,994,123	3,852,538,064			181,462	244,429,314	205,578,300	2,812,661	3,813,687,050
2016032	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPY	10,000,000	12,867,000,000					692,000,000	10,000,000	13,559,000,000
<b>Agency Francaise De Development</b>											
2005049	Trincomalee Integrated Infrastructure Project (TIIP)	EURO	56,333,232	8,893,563,915			6,259,248	1,066,574,927	1,310,797,003	50,073,984	9,137,785,991

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	
2007040	Construction Sector Support Project (for Post Tsunami Reconstruction)	EURO	1,578,742,000			1,000,000	177,575,900	241,205,200	1,642,371,300	
2008030	Trincomalee Integrated Infrastructure Project	EURO	2,297,094,265					358,101,169	2,655,195,434	
2011036	Implementation of Jaffna, Kilinochchi Water Supply and Sanitation Project (France)	EUR	(0)	0				-	(0)	
2014027	Implementation of Ambatale Water Supply System Improvement & Energy Saving Project	USD	5,000,000	749,000,000				15,274,000	764,274,000	
2015021	Construction of Four Grid Substations Maliboda, Nawalapitiya, Wewalwatta and Ragala	EURO						91,459,000	91,459,000	
2015023	Green Power Development & Energy Efficiency Improvement Investment Programme	EURO	2,062,184	325,565,697				154,026,949	479,592,646	
2016021	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase 1	EURO								
<b>China Development Bank</b>										
2010051	Rehabilitation and Improvement of Priority Road Project Ph I	USD	105,465,455	15,798,725,120				325,373,046	14,324,857,091	
2011007	Improvement and Rehabilitation of Priority Roads Ph. II	USD	382,184,793	57,251,281,979	2,435,207	369,013,920	5,855,090,787	1,147,012,442	52,912,217,554	
2012017	Moragahakanda Development Project	USD	150,775,512	22,586,171,660	29,973,757	4,540,507,372	20,000,000	487,771,255	24,571,297,287	
2014001	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	USD	208,694,348	31,262,413,242	41,660,717	6,349,420,802	23,100,000	644,884,916	34,737,027,401	
2014034	Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	USD	14,855,169	2,225,304,342	32,189,979	4,917,090,683	3,850,000	50,730,344	6,602,585,804	
<b>China</b>										
2000073	Economic and Technical Cooperation-National Performance Art Theater (Nelum Pokuna)	CNY	20,000,000	431,364,000				37,732,000	469,096,000	
2002076	Economic and Technical Cooperation-National Performance Art Theater (Nelum Pokuna)	CNY	30,000,000	647,046,000				56,598,000	703,644,000	
2003077	Economic and Technical Cooperation-National Performance Art Theater (Nelum Pokuna)	CNY	50,000,000	1,078,410,000				94,330,000	1,172,740,000	
<b>Canada</b>										
1968003	Maskeliya Oya Hydro Electric Development Project	CAD	6,913	768,548			6,914	14,889	(63)	
1971003	Mechanical Logging Project	CAD	375,630	41,758,319			83,473	3,669,870	35,528,478	
1973003	Purchase of 14 Locomotives	CAD	980,144	108,961,417			152,000	9,774,035	100,708,670	
1976002	Agricultural Sector Support Credit	CAD	1,753,198	194,900,891			182,109	17,753,226	191,056,504	
1977004	Water Supply Project	CAD	1,575,000	175,090,858			150,000	15,733,425	173,290,971	

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.
1980014	Maduruoya Reservoir Complex	CAD	24,960,000	2,774,773,237	1,920,000	227,706,720	254,774,879	23,040,000	2,801,841,396
1983008	Maduruoya Right Bank - Mahaweli System B.	CAD	4,537,500	504,428,381	275,000	32,614,244	46,538,630	4,262,500	518,352,768
<b>France</b>									
1997077	Expansion of Telephone Exchanges in Colombo	EURO	745,719	117,729,914	49,710	8,773,985	18,055,983	696,010	127,011,912
1997078	TA/Maintain. Water Treatment Plant Colombo	EURO	184,733	29,164,693	11,556	2,036,113	4,473,948	173,178	31,602,528
1997080	Cardio Thoracic Equipment for Kandy Hospital	EURO	857,194	135,328,817	51,608	8,945,833	20,624,941	805,586	147,007,925
1997081	Elihouse & F/S on Colombo North Water Supply	EURO	442,297	69,827,285	27,002	4,722,778	10,680,892	415,295	75,785,399
1997082	Modernization - Colombo Water Distribution Network	EURO	172,874	27,292,363	10,930	1,926,240	4,186,363	161,944	29,552,485
1997084	Improvement of Government Film Unit	EURO	238,069	37,584,953	13,250	2,337,223	5,778,522	224,819	41,026,252
1998021	Water Treatment Plant in Anuradhapura	EURO	2,777,833	438,548,205	406,130	70,901,064	65,154,790	2,371,703	432,801,932
1998083	Modern. Rathmalana Air Traffic Control System	EURO	815,732	128,783,037	105,442	18,576,978	19,411,709	710,290	129,617,769
1998084	Expansion of E 10B Telecom Exchange - 1996	EURO	671,481	106,009,526	95,276	16,806,493	15,946,140	576,205	105,149,173
1998090	Improvement of Government Film Unit	EURO	287,304	45,357,889	31,756	5,612,246	6,888,212	255,548	46,633,855
1999100	Extension of Colombo Telecommunication Units	EURO	742,897	117,284,150	49,526	8,742,691	17,988,619	693,370	126,530,078
1999102	Ambathale Water Treatment Plant Project	EURO	3,220,788	508,479,416	624,277	109,491,806	74,838,632	2,596,511	473,826,243
1999103	Samanalawewa Transmission Project	EURO	1,302,908	205,695,501	379,551	67,013,353	29,817,220	923,357	168,499,369
1999104	Mixed Credit for Telecomm. & CEB.	EURO	1,146,775	181,046,258	191,022	33,474,956	26,840,045	955,753	174,411,347
1999105	Mixed Credit for Irr. Telecom. CEB.	EURO	663,271	104,713,361	299,699	52,537,771	14,171,048	363,572	66,346,638
2000100	Rehabilitation of Ambatale Water Plant	EURO	1,319,949	208,385,788	97,566	16,925,002	31,606,474	1,222,383	223,067,260
2000101	Water Supply Network of Colombo	EURO	1,333,373	210,505,266	150,924	26,403,063	31,677,981	1,182,450	215,780,185
2002052	Colombo Airport Telecommunication Project	EURO	164,974	26,045,168	107,104	18,922,477	3,437,826	57,870	10,560,517
2002053	Mixed Credit for Airport, Telecom, Irriga., NWSDB	EURO	218,188	34,446,297	110,984	19,669,294	4,786,225	107,204	19,563,228
2002054	Nilwala Ganga Project	EURO	109,479	17,284,029	89,389	15,630,496	2,012,811	20,091	3,666,344
2002055	Mixed Credit for Airport, Telecom, Irriga. NWSDB	EURO	396,430	62,586,061	189,769	33,584,493	8,711,013	206,660	37,712,581
2005052	Greater Trincomalee Water Supply Project	EURO	12,084,768	1,907,873,094	-	6,175,444	297,144,829	12,049,596	2,198,842,479
2007042	Spatial Information Infrastructure for Reconstruction Monitoring Project	EURO	6,250,738	986,830,324	-	-	153,840,048	6,250,738	1,140,670,372

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.
2010008	Provision of Oxygen Concentrators, Operating Theaters & Medical Equipment to Tsunami Affected & Remote Hospitals Project	EURO	9,201,502	1,452,679,671	606,403	105,806,000	221,608,943	8,595,099	1,568,482,614
2012028	Widening and Reconstruction of 46 Bridges on National Road Network	EURO	21,821,156	3,444,997,575	-	-	537,051,385	21,821,156	3,982,048,960
<b>Government of the Federal Republic of Germany</b>									
1997065	Private Sector Infrastructure Development Project	EURO	1,702,415	268,767,499	80,952	14,375,064	41,501,545	1,621,464	295,893,980
1998037	Grib Substation Kelaniya & Kathmalana	EURO	5,144,747	812,411,623	234,172	41,583,247	126,033,317	4,910,576	896,861,693
1998057	Nawalapitiya Water Supply Project	EURO	2,853,492	450,492,760	129,704	23,032,340	69,591,896	2,723,788	497,052,316
1998058	Ampara Water Supply Project	EURO	1,704,854	269,152,402	77,493	13,760,953	41,578,528	1,627,360	296,969,977
1999026	Koggala Water Supply Project	EURO	3,454,422	545,364,159	153,530	27,263,207	84,264,714	3,300,892	602,365,667
1999054	NDB IV Project	EURO	5,879,857	928,277,663	255,646	45,396,558	143,456,921	5,624,211	1,026,338,026
2000010	DFCC Bank (DFCC iii)	EURO	5,911,556	933,282,295	251,556	44,670,212	144,257,192	5,660,001	1,032,869,275
2001042	Colombo Grib Substation Project	EURO	7,362,402	1,162,333,272	343,588	61,012,973	179,512,799	7,018,814	1,280,833,098
2001061	Kirindiya Irrigation & Settlement Project	EURO	2,624,871	414,399,399	158,500	28,145,865	63,823,805	2,466,370	450,077,339
2001063	Railway Wagons for Fertilizer Distribute.	EURO	2,427,615	383,257,780	151,342	26,874,763	59,004,186	2,276,272	415,387,203
2001065	Expand of Two 132/11KV Substa. in Colombo	EURO	4,090,336	645,758,521	102,258	18,530,957	100,539,569	3,988,078	727,767,133
2001100	Randenigala Dam Project	EURO	76,693,782	12,107,969,449	5,112,919	907,931,161	1,862,445,602	71,580,863	13,062,483,890
2001101	2nd Ext. of Sapugaskanda Deisal Power PI	EURO	21,818,870	3,444,636,609	631,957	112,220,290	533,892,332	21,186,913	3,866,308,650
2001102	Rantembe Dam Project	EURO	33,098,988	5,225,476,299	1,697,489	301,433,144	806,281,419	31,401,499	5,730,324,574
2001103	Railway Bridges Project	EURO	887,604	140,129,700	63,400	11,258,348	21,533,972	824,204	150,405,324
2001104	Small Entrepreneur Promote. Programme (DFCC II)	EURO	670,304	105,823,721	31,700	5,629,174	16,341,548	638,604	116,536,095
2001105	Kirindiya Irrigation & Settlement Project	EURO	4,267,244	673,687,639	328,249	58,289,179	103,411,622	3,938,994	718,810,082
2001110	Supply of a Railway Crane	EURO	744,952	117,608,667	31,700	5,629,174	18,178,740	713,252	130,158,233
2001115	Railway Bridges II	EURO	5,279,602	833,512,917	223,946	39,767,384	128,839,391	5,055,656	922,584,924
2001118	Ambilipitiya Paper Mills Project	EURO	690,245	108,971,837	51,129	9,079,310	16,736,925	639,116	116,629,451
2001122	NDB Small Loan Programme iii	EURO	742,396	110,803,071	33,745	5,992,345	24,507,956	708,651	129,318,682
2003047	NDB VI -Small and Micro Enterprises	EURO	1,816,757	286,819,121	68,000	12,075,161	44,379,258	1,748,757	319,123,218
2005043	DFCC IV Private Sector Development Programme	EURO	4,863,919	767,887,293	166,000	29,477,599	118,893,311	4,697,919	857,303,004
2005044	NDB V - Private Sector Promotion Programme	EURO	4,863,919	767,887,291	166,000	29,477,599	118,893,311	4,697,919	857,303,002
2005051	Rehabilitation Electricity Supply Jaffna Region ( Transmission Line)	EURO	5,708,349	902,208,749	342,253	53,025,016	146,881,705	5,636,601	1,028,599,048
2006040	DFCC V Credit Line for SME in the North and East	EURO	4,834,000	763,163,883	166,000	29,477,599	118,156,964	4,668,000	851,843,247

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2010036	Reconstruction of Water Supply Galle District - Phase ii	EURO	1,258,204	198,637,969	-	-	-	-	30,966,291	1,258,204	229,604,260
2012022	Construction of Mahamodara Maternity Hospital, Galle	EURO	5,681,811	897,011,256	6,306,525	1,057,471,923	2,814,000	499,698,583	219,400,352	9,174,335	1,674,184,948
<b>Government of Denmark</b>											
1986001	Construction of 2 Coast Protection Scheme	DKK	10,110,074	220,575,520	-	-	2,800,000	64,654,462	23,258,349	7,310,074	179,179,408
2004077	Colombo Sewerage Rehabilitation Project	EURO	2,015,289	318,162,251	-	-	2,015,290	347,709,925	29,547,674	(0)	(0)
2006079	Nuwara Eliya District Group Water Supply Project	EURO	5,010,500	791,028,679	-	-	2,004,200	345,302,816	102,880,897	3,006,300	548,606,760
2008028	Kelani Right Bank Water Treatment Plant (Denmark)	EURO	21,029,653	3,320,039,647	-	-	5,257,413	905,797,628	463,966,194	15,772,239	2,878,208,213
2008029	Oluvil Port Development Project (Denmark)	EURO	18,403,708	2,905,470,649	-	-	4,600,927	792,691,862	406,031,344	13,802,781	2,518,810,131
<b>Government of India</b>											
2008011	Upgrading of Railway Line Colombo Matara	USD	56,960,984	8,532,755,357	-	-	13,182,403	2,007,306,961	166,317,754	43,778,581	6,691,766,150
2010010	Upgrading of Railway Line Colombo Matara Phase II	USD	48,743,842	7,301,827,575	777,769	119,485,385	8,465,025	1,288,983,735	143,367,073	41,056,586	6,275,696,297
2010052	Railway Line Omanthai -Pallai, Madhura-Tallaimannar & Medawachchiya	USD	399,267,718	59,810,304,210	-	-	10,436,766	1,590,477,251	1,214,850,435	388,830,952	59,434,677,394
2012002	Greater Dambulla Water Supply Project i	USD	41,610,557	6,233,261,461	742,020	112,919,628	5,277,391	802,381,434	123,320,388	37,075,185	5,667,120,043
2012003	Restoration of Northern Railway Services	USD	224,577,824	33,641,758,040	37,902,700	5,793,324,771	2,055,766	314,415,790	686,507,278	260,424,758	39,807,174,299
2013046	Procurement of Two Advanced Offshore Patrol Vessels	USD	73,205,000	10,966,109,000	16,637,500	2,531,114,119	8,268,667	1,268,072,797	239,801,658	81,573,833	12,468,951,980
<b>Japan</b>											
1987022	Samanalawewa Hydroelectric Power Project II	JPK	679,022	873,697,607	-	-	679,022	938,544,208	64,846,601	-	-
1987024	Port of Colombo Expansion Project	JPK	95,216	122,514,427	-	-	95,216	131,607,555	9,093,128	-	-
1988009	Mahaweli Development (System c) Project II	JPK	212,736	273,727,420	-	-	141,824	192,469,350	14,891,520	70,912	96,149,590
1988011	Minipe & Nagadeepa Irrigation Reha. Project	JPK	166,728	214,528,918	-	-	83,364	112,420,522	10,924,852	83,364	113,033,248
1988012	Road Maintenance & Rehabilitation Project	JPK	558,088	718,091,830	-	-	279,044	376,304,786	36,568,716	279,044	378,355,760
1988066	Transmission System Augmentation Development Project	JPK	373,772	480,932,432	-	-	186,886	253,622,991	26,089,286	186,886	253,398,727
1988067	Commuter Train. Improvement Project	JPK	657,520	846,030,984	-	-	328,760	446,160,196	45,894,896	328,760	445,765,684
1990010	Towns East of Colombo Water Supply Project	JPK	335,755	432,015,960	-	-	95,930	129,217,710	22,380,469	239,825	325,178,719
1990011	Greater Colombo Drainage Rehabilitation Project	JPK	50,932	65,534,204	-	-	14,552	19,601,544	3,394,982	36,380	49,327,642

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
1990012	Transmission & Grid Substation Development Project	JKP	399,784	514,402,073	114,224	153,859,728	26,648,459	285,560	387,190,804
1990014	Port of Colombo Extension Project (i)	JKP	973,742	1,252,913,831	278,212	374,751,564	64,906,860	695,530	943,069,127
1990015	Colombo -Katunayake Expressway Const. Project	JKP	87,276	112,298,029	24,936	33,588,792	5,817,569	62,340	84,526,806
1990049	Railway Rehabilitation Project	JKP	1,778,256	2,288,081,995	444,564	602,161,938	122,432,926	1,333,692	1,808,352,983
1991005	Greater Colombo Telecom. Network (II) Project	JKP	2,233,566	2,873,929,372	496,348	668,580,756	150,145,270	1,737,218	2,355,493,886
1991006	Port of Colombo Extension Project (II)	JKP	2,290,014	2,946,561,014	508,892	685,477,524	153,939,830	1,781,122	2,415,023,320
1991007	Samanalawewa Hydroelectric Power (III) Project	JKP	716,481	921,896,103	159,218	214,466,646	48,163,445	557,263	755,592,902
1992008	Port of Colombo Extension Project III	JKP	5,355,724	6,891,210,071	973,768	1,311,665,496	361,949,566	4,381,956	5,941,494,141
1992009	Greater Colombo Flood Control & Env. Imp.(I)	JKP	2,801,238	3,604,352,935	509,316	686,048,652	189,312,757	2,291,922	3,107,617,040
1992010	Upper Kotmale Hydroelectric Power (Eng. S)	JKP	275,814	354,889,874	50,148	67,549,356	18,640,012	225,666	305,980,530
1993023	Baseline Road Project	JKP	1,682,114	2,164,376,084	240,302	325,489,059	116,065,866	1,441,812	1,954,952,891
1993024	Port of Colombo Extension Project IV	JKP	2,331,574	3,000,036,266	333,082	451,159,569	160,878,606	1,998,492	2,709,755,303
1993025	Transmission System Augmentation & Development Project	JKP	224,658	289,067,449	32,094	43,471,323	15,501,402	192,564	261,097,528
1993026	Sri Lanka-Japan Friendship Bridge Widening Project	JKP	738,808	950,624,254	105,544	142,959,348	50,977,752	633,264	858,642,658
1993027	The Regional Telecommunications Development Project	JKP	3,254,314	4,187,325,824	464,902	629,709,759	224,547,666	2,789,412	3,782,163,731
1993028	Greater Colombo Water Supply System Extension Project	JKP	1,144,808	1,473,024,454	163,544	221,520,348	78,991,752	981,264	1,330,495,858
1994015	Greater Colombo Flood Control & Environment Project (II)	JKP	1,384,512	1,781,451,590	173,064	233,385,457	94,536,210	1,211,448	1,642,602,343
1994016	Industrial Estates Development Project	JKP	1,476,096	1,899,292,723	184,512	248,823,658	100,789,680	1,291,584	1,751,258,745
1994017	Kukule Ganga Hydroelectric Power Project	JKP	7,520,768	9,676,972,186	940,096	1,267,766,461	513,527,440	6,580,672	8,922,733,165
1994018	Port of Colombo North Pier Development Project	JKP	1,903,664	2,449,444,469	237,958	320,898,261	129,984,558	1,665,706	2,258,530,766
1994019	Walawe L.B. Irrigat. Upgrading & Exp. Project	JKP	147,888	190,287,490	18,486	24,929,295	10,097,978	129,402	175,456,173
1994020	Coal Fired Thermal Development Project	JKP	262,624	337,918,301	32,828	44,270,199	17,932,295	229,796	311,580,397
1995028	Samanalawewa Hydro Electric Power Project	JKP	1,375,812	1,770,257,325	152,868	207,059,706	94,992,177	1,222,944	1,658,189,796
1995029	Walawe Left Bank Irriga. Upgrade & Extend . Project	JKP	1,095,480	1,409,554,116	121,720	164,869,740	75,636,808	973,760	1,320,321,184
1996053	Kelanitissa Combined Cycle Power Plant	JKP	6,539,720	8,414,657,724	653,972	903,920,098	469,748,088	5,885,748	7,980,485,714
1996054	Walawe Left Bank Irriga. & Extend Project (II)	JKP	4,202,900	5,407,871,421	420,290	580,924,838	301,894,307	3,782,610	5,128,840,890

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.
1996055	Towns North of Colombo Water Supply Project	JPK	2,496,020	3,211,628,934	249,602	344,999,884	179,289,117	2,246,418	3,045,918,167
1996056	G.C. Flood Control & Enviro. Imp. Project (III)	JPK	2,865,560	3,687,116,058	286,556	396,077,703	205,833,175	2,579,004	3,496,871,530
1996057	Plantation Reform Project	JPK	1,988,280	2,558,319,876	198,828	274,820,062	142,818,152	1,789,452	2,426,317,966
1997032	Transmission & Substation Development Project	JPK	1,327,062	1,707,530,675	120,642	163,409,589	91,663,792	1,206,420	1,635,784,878
1997051	Baseline Road Project (II)	JPK	1,229,272	1,581,704,282	111,752	151,368,084	84,909,170	1,117,520	1,515,245,368
1997052	Telecom. Network Expand Project in Colombo	JPK	4,478,628	5,762,650,648	407,148	551,481,966	309,351,050	4,071,480	5,520,519,732
1997053	Kalu Ganga Water Supply Project for Greater Colombo	JPK	5,952,452	7,659,019,994	541,132	732,963,294	411,152,094	5,411,320	7,337,208,794
1997054	Mahaeweli System C. Upgrading Project	JPK	1,651,826	2,125,404,514	150,166	203,399,847	114,096,127	1,501,660	2,036,100,794
1997055	Small & Micro Ind. Leader & Entrepr. Project	JPK	2,902,966	3,735,246,352	263,906	357,460,677	200,515,779	2,639,060	3,578,301,454
1998053	Transmission & Substation Development Project II	JPK	1,648,908	2,121,649,924	131,944	177,728,568	112,930,132	1,516,964	2,056,851,488
1998054	Medium Voltage Distribution Network	JPK	2,014,504	2,592,062,297	164,682	221,826,654	137,938,007	1,849,822	2,508,173,650
1998055	Telecom. Network Expansion - Colombo Metro	JPK	170,016	218,759,587	14,168	19,084,296	11,639,012	155,848	211,314,303
1998056	Environmentally Friendly Solution Fund	JPK	1,709,004	2,198,975,447	77,682	104,637,654	117,571,707	1,631,322	2,211,909,500
1999029	Bandaraya International AirPort Development Project	JPK	7,788,362	10,021,285,385	570,514	772,761,213	538,155,931	7,217,848	9,786,680,103
1999030	Road Network Improvement Project	JPK	1,991,962	2,563,057,514	144,494	195,717,123	137,641,478	1,847,468	2,504,981,869
1999031	Poverty Alleviation Micro Finance Project	JPK	867,412	1,116,099,020	66,724	90,377,658	59,931,497	800,688	1,085,652,859
1999032	Engineering Service for the Southern Highway	JPK	286,074	368,091,416	12,438	16,847,271	19,778,908	273,636	371,023,053
1999033	Reduction of Non Revenue Water Project	JPK	184,514	237,414,164	9,178	12,431,601	12,755,520	175,336	237,738,083
1999034	Urgent Upgrading of Colombo Port Project	JPK	1,022,880	1,316,139,690	73,200	99,149,400	70,680,816	949,680	1,287,671,106
2000015	Port of Colombo North Pier. Development Project II (Modification Agreement)	JPK	1,741,257	2,240,475,382	128,982	173,738,754	119,347,045	1,612,275	2,186,083,673
2001043	Small & Micro Ind. Leader & Entrepr. Project II	JPK	3,029,978	3,898,672,693	208,964	281,798,402	208,138,592	2,821,014	3,825,012,883
2001044	Impro.Nati. Blood Transfusion Services	JPK	952,478	1,225,553,813	63,222	85,258,028	65,446,538	889,256	1,205,742,323
2001045	Southern Highway Construction Project	JPK	13,371,384	17,204,959,794	899,472	1,211,588,784	917,294,472	12,471,912	16,910,665,482
2001046	Greater Kandy Water Supply Project	JPK	3,730,419	4,799,930,121	152,262	205,096,914	256,789,863	3,578,157	4,851,623,070
2001051	Colombo City Electricity Distribution Development Project	JPK	4,434,130	5,705,395,206	276,290	377,412,140	309,632,335	4,157,840	5,637,615,401

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2001052	Lunawa Environment Improvement & Community Development Project	JPK	4,699,940	6,047,412,802		296,564	405,106,424	328,231,145	4,403,376	5,970,537,523
2002040	Upper Kotmale Hydro Power Project	JPK	27,295,149	35,120,667,892		1,070,398	1,441,826,106	1,879,297,751	26,224,751	35,558,139,537
2003042	Plantation Reform Project II	JPK	1,365,936	1,757,549,838		82,784	111,510,048	93,785,993	1,283,152	1,739,825,783
2003043	Provincial Road Improvement Project	JPK	4,657,851	5,993,256,884		282,294	380,250,018	319,810,873	4,375,557	5,932,817,739
2003044	Pro-poor Economic Advt. & Commu. Enhnt.(PEACE)	JPK	4,811,499	6,190,955,758		291,606	392,793,282	330,360,437	4,519,893	6,128,522,913
2003045	Power Sector Restructuring Project (Kerawalapitiya)	JPK	2,312,409	2,975,376,663		140,146	188,776,662	158,771,404	2,172,263	2,945,371,405
2003046	Small Scale Infrastructure Rehabilitation & Upgrading	JPK	7,722,429	9,936,449,594		468,026	630,431,022	530,226,655	7,254,403	9,836,245,027
2004044	Small Scale Infrastructure Rehabilitation & Upgrading (SIRUP II)	JPK	10,803,912	13,901,393,570		385,854	527,076,564	751,527,836	10,418,058	14,125,844,842
2004045	Small and Micro Industries Leader and Entrepreneur Promotion (SMILE iii)	JPK	8,824,704	11,354,746,642	(175,162)	308,918	421,982,516	621,391,645	8,340,624	11,309,052,087
2004046	Environmentally Friendly Solution Fund (I)	JPK	4,762,959	6,236,003,151	(854,551)	139,586	190,674,476	297,422,754	3,768,822	5,110,145,755
2005040	Vavuniya Kilinochchi Transmission Line Project	JPK	1,172,433	1,508,569,541		41,138	56,194,508	81,547,857	1,131,295	1,533,922,890
2005041	Sri Lanka Tsunami Affected Area Recovery & Take off (STAART) Project	JPK	9,349,767	12,030,345,199		328,062	448,132,692	650,317,303	9,021,705	12,232,529,810
2006041	The Galle Port Development Project(I)	JPK	102,648	132,077,182		102,648	141,741,622	9,664,441	0	1
2006042	Pro-Poor Eastern Infrastructure Development Project	JPK	4,313,667	5,550,395,256		146,226	196,966,422	297,204,341	4,167,441	5,650,633,175
2006043	Tourism Resources Improvement Project	JPK	1,636,755	2,106,012,644		172,290	232,074,630	111,730,064	1,464,465	1,985,668,078
2007004	Greater Colombo Transport Development Project	JPK	21,913,371	28,195,934,482	-	1,069,002	1,439,943,979	1,506,889,428	20,844,369	28,262,879,931
2007005	Pro-Poor Rural Development Project	JPK	4,053,524	5,215,668,794		197,750	266,368,182	278,743,358	3,855,774	5,228,043,970
2007006	Water Sector Development Project	JPK	13,231,000	17,024,327,697	-	645,427	869,389,795	909,840,525	12,585,573	17,064,778,427
2008012	Greater Colombo Urban Transport Development Project - Phase 2(i)	JPK	5,713,683	7,351,796,059				395,386,871	5,713,683	7,747,182,930
2008013	Southern Highway Construction Project (II)	JPK	17,412,408	22,404,545,662				1,204,938,649	17,412,408	23,609,484,311
2008014	Water Sector Development Project (II)	JPK	8,269,185	10,639,960,260	-			572,227,598	8,269,185	11,212,187,858
2008015	Poverty Alleviation Micro Finance Project -II	JPK	2,561,731	3,296,179,127	-			177,271,777	2,561,731	3,473,450,904
2008016	Energy Diversification Enhancement Project (Engineering Services)	JPK	486,664	626,191,085				33,677,177	486,664	659,868,262
2010013	Provincial / Rural Road Development Project (Central Province and Sabaragamuwa Province)	JPK	9,143,653	11,765,138,867	-			632,740,817	9,143,653	12,397,879,684
2010014	Provincial / Rural Road Development Project (Eastern Province)	JPK	3,956,899	5,091,342,495				273,817,440	3,956,899	5,365,159,935

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2010015	Eastern Province Water Supply Development Project	JPK	4,847,213	6,236,907,045	-	-	-	335,427,036	4,847,213	6,572,334,081
2010016	Kandy City Wastewater Management Project	JPK	2,115,524	2,722,045,022	1,199,554	1,620,623,424	-	151,949,936	3,315,078	4,494,618,382
2010017	Upper Kotmale Hydro Power Project II	JPK	4,548,933	5,853,112,016	-	-	-	314,786,160	4,548,933	6,167,898,176
2011003	Greater Colombo Urban Transport Development Project - Phase II	JPK	29,490,529	37,945,464,324	255,308	346,492,396	-	2,040,245,285	29,745,837	40,332,202,005
2011004	Vavuniya Kilinochchi Transmission Line Project - Phase II	JPK	1,364,401	1,755,574,147	-	-	-	94,416,516	1,364,401	1,849,990,663
2011027	Emergency Natural Disaster Rehabilitation Project	JPK	6,987,376	8,990,656,637	-	-	-	483,526,416	6,987,376	9,474,183,053
2012006	Habarana Veyangoda Transmission Line	JPK	173,678	223,471,899	-	-	-	22,866,083	173,678	246,337,982
2012007	Improvement of Basic Social Services Targeting Emerging Region	JPK	2,295,905	2,951,136,602	304,894	409,218,916	-	155,774,183	2,600,798	3,516,129,701
2013016	Greater Colombo Transmission and Distribution Loss Reduction Project	JPK	1,970,604	2,537,881,310	-	-	-	115,152,546	1,970,604	2,653,033,856
2013018	Major Bridges Construction Project of the National Road Network	JPK	3,661,090	4,710,990,447	1,973,779	2,694,077,542	-	235,251,950	5,634,869	7,640,319,939
2013019	Landslide Disaster Protection Project of the National Road Network	JPK	518,915	667,687,883	886,013	1,212,798,217	-	24,455,609	1,404,928	1,904,941,709
2013020	Anuradhapura North Water Supply Project (i)	JPK	369,460	475,384,051	166,858	226,716,874	-	25,092,312	536,318	727,193,237
2014003	New Bridge Construction Project over the Kelani River	JPK	1,451,188	1,867,243,313	5,410,110	7,390,471,636	-	45,518,126	6,861,297	9,303,233,074
2015018	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPK	24,743	31,836,643	32,856	44,679,397	-	1,519,080	57,599	78,035,120
2016037	Anuradhapura North Water Supply Project (Phase 2)	JPK	-	-	-	-	-	-	-	-
2017015	Rural Infrastructure Development Project in Emergency Region	JPK	-	-	-	-	-	-	-	-
2017016	Kalu Ganga Water Supply Expansion Project (I)	JPK	-	-	-	-	-	-	-	-
<b>Government of the Republic of Korea</b>										
1996038	Horana Area Telecom. Facility Improvement	KRK	2,264,382	281,462,683	-	-	-	40,614,308	1,761,186	252,201,836
1996039	Expansion of Telecom Centre Gampaha	KRK	2,493,351	309,923,529	-	-	-	44,721,131	1,939,273	277,703,893
1996042	Ratnapura-Balangoda Road Rehabilitation	KRK	12,255,980	1,523,418,314	-	-	-	220,986,984	11,030,382	1,579,550,702
1996043	Housing Project for Public Servants	KRK	4,082,700	507,479,610	-	-	-	73,614,967	3,674,430	526,178,376
2001048	Greater Galle Water Supply Project	KRK	26,441,790	3,286,714,497	-	-	-	488,975,482	24,679,004	3,534,033,373
2001050	Medical Equipment Project	KRK	1,056,810	131,361,483	-	-	-	18,136,871	845,448	121,068,153
2003048	Balangoda -Bandarawela Road Rehabilitation Project	KRK	16,152,533	2,007,759,913	-	-	-	297,025,621	15,202,383	2,176,981,316

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2005042	Greater Galle Water Supply Project Phase II	KRK	14,336,094	1,781,976,484			774,924	107,868,739	267,851,799	13,561,170	1,941,959,544
2005046	Re-engineering Government Component of e-Sri Lanka Project	KRK	13,711,008	1,704,278,294			721,632	98,147,857	253,948,205	12,989,376	1,860,078,642
2006044	Administrative Complex in Hambantota Project	KRK	18,515,016	2,301,416,489			949,488	132,167,895	346,135,016	17,565,528	2,515,383,610
2007013	Greater Galle Water Supply Project Phase II (Supplementary)	KRK	6,743,445	838,210,207			168,591	24,080,818	127,389,703	6,574,854	941,519,092
2007016	Upgrading of Niyagama National Vocational Training Centre Project	KRK	7,142,338	887,792,613			460,796	64,142,398	133,146,599	6,681,542	956,796,814
2008040	Lanka Government Network Stage II Project	KRK	8,328,330	1,035,211,414					157,405,436	8,328,330	1,192,616,850
2008041	Improvement of Padeniya-Anuradhapura Road Project	KRK	75,883,150	9,432,275,595					1,434,191,543	75,883,150	10,866,467,138
2009004	Ruhunupura Water Supply Development Project	KRK	87,048,316	10,820,105,659					1,645,213,169	87,048,316	12,465,318,828
2010041	Hatton - Nuwara Eliya Road Improvement Project	KRK	42,917,197	5,334,607,617					811,135,028	42,917,197	6,145,742,645
2012027	Improvement of Padeniya-Anuradhapura Road Project (Supplementary Loan)	KRK	12,923,423	1,606,381,464					244,252,692	12,923,423	1,850,634,156
2013031	Construction of Solid Waste Disposal Facilities	KRK	1,075,598	133,696,838	460,970	63,199,008			23,570,960	1,536,568	220,466,805
2013033	Establishment of Colombo Central Vocational Training Center & Gampaha College of Technology Project in Sri Lanka	KRK	6,822,394	848,023,618	1,614,850	219,649,991			141,520,399	8,437,244	1,209,194,008
2014038	Deduru Oya Water Supply Project	KRK	12,633,738	1,570,373,576					241,516,494	12,633,738	1,811,890,070
2014039	Ruwanwella Water Supply Project	KRK							-	-	-
2015011	Hatton-Nuwara Eliya Improvement Project (Supplementary Loan)	KRK	18,826,696	2,340,158,344					355,824,559	18,826,696	2,695,982,903
<b>Government of Kuwait</b>											
1995013	Bridges Reconstruction & Rehabilitation Project	KWD	1,047,436	512,512,838			267,800	134,802,025	16,725,342	779,636	394,436,155
1999017	Rehabilitation of Irrigation Schemes - Hambantota	KWD	768,000	375,784,400			96,000	48,092,587	12,289,051	672,000	339,980,865
2000023	Rural Electrification Project V	KWD	1,034,550	506,208,007			114,950	58,184,627	17,224,241	919,600	465,247,621
2005048	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	KWD	4,418,374	2,161,921,742			300,000	151,010,484	72,672,428	4,118,374	2,083,583,687
2007041	South Eastern University of Sri Lanka Development Project Phase I "A"	KWD	1,600,000	782,884,160			100,000	50,336,828	26,338,518	1,500,000	758,885,851
2009002	Kalu Ganga Development Project	KWD	4,369,334	2,137,926,277	2,012,326	1,008,204,971	500,000	250,482,221	80,624,886	5,881,660	2,976,273,913
2011030	South Eastern University of Sri Lanka Development Project Phase I "B"	KWD	2,065,985	1,010,892,123	311,446	154,898,832	150,000	75,505,242	36,764,543	2,227,431	1,127,050,257

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2014002	Reconstruction of 25 Bridges Project	KWD	584,349	285,923,411	454,663	224,878,848	3,644,708	65,815,596	14,858,461	1,039,012	525,660,721
2016017	Building Complex for the Faculty of Healthcare Sciences, Eastern University	KWD	-	-	-	-	-	-	-	-	-
<b>Sweden</b>											
2004072	Education Reforms in Plantation Schools	SEK	27,209,034	448,701,461	-	-	3,644,708	65,815,596	53,794,083	23,564,325	436,679,948
<b>USA</b>											
1977015	Co-ordination Rice Research Project	USD	159,673	23,918,990	-	-	159,673	24,439,797	520,821	(0)	14
1977016	Mahaweli Development Project Stage 2	USD	324,406	48,596,143	-	-	214,657	32,638,043	817,643	109,749	16,775,743
1978016	Malaria Control Project	USD	1,645,390	246,479,475	-	-	558,057	85,094,028	4,818,625	1,087,333	166,204,072
1978017	Agricultural Base Mapping Project	USD	325,737	48,795,329	-	-	160,444	24,521,799	992,283	165,293	25,265,813
1978018	Paddy Storage & Processing Project	USD	456,984	68,456,258	-	-	225,090	34,209,271	1,199,105	231,894	35,446,092
1978020	Agricultural Inputs Project	USD	1,155,587	173,106,876	-	-	569,191	87,035,434	3,561,882	586,395	89,633,324
1979017	Water Management Project	USD	860,728	128,937,021	-	-	236,838	35,967,738	2,395,198	623,890	95,364,481
1979018	Agricultural Inputs Project	USD	1,953,358	292,897,310	-	-	632,444	96,429,161	5,439,999	1,320,914	201,908,147
1979068	Malaria Control Project	USD	1,011,748	151,559,861	-	-	171,848	26,162,669	2,985,642	839,901	128,382,834
1980026	Mahaweli Basin Development Phase I	USD	1,994,911	298,837,631	-	-	420,505	63,864,430	5,682,301	1,574,406	240,655,502
1980027	Reforestation & Watershed Management Project	USD	663,053	99,325,387	-	-	139,764	21,290,925	1,952,799	523,289	79,987,261
1980028	Jaffna Market Town Water Supply	USD	750,323	112,398,351	-	-	127,444	19,487,211	2,298,888	622,879	95,210,028
1980029	Agricultural Inputs Project	USD	909,726	136,276,988	-	-	219,239	33,294,997	2,562,279	690,487	105,544,270
1980034	Water Management Project	USD	524,607	78,586,149	-	-	55,053	8,372,453	1,559,984	469,554	71,773,679
1980115	Reforestation & Watershed Management Project	USD	803,353	120,342,311	-	-	74,266	11,345,320	2,447,481	729,087	111,444,472
1981024	Mahaweli Basin Development Phase 2 Maduruoya	USD	6,328,700	948,039,279	-	-	1,074,943	164,640,239	19,662,955	5,253,757	803,061,995
1981084	Mahaweli Sector Support	USD	4,759,183	712,925,539	-	-	808,357	123,250,806	14,227,888	3,950,826	603,902,621
1982093	Mahaweli Basin Development Phase 2	USD	8,384,900	1,256,058,095	-	-	1,012,794	153,709,837	24,513,555	7,372,106	1,126,861,813
1982094	Mahaweli Sector Support (Rupee Expenditure)	USD	4,729,363	708,458,683	-	-	616,792	94,001,276	14,168,958	4,112,571	628,626,365
1982100	Mahaweli Development Phase 2 & Maduruoya Project	USD	749,439	112,265,891	-	-	78,646	11,944,481	2,212,375	670,792	102,533,785
1983013	Private Enterprise Promotion Project	USD	374,326	56,074,173	-	-	39,282	5,976,192	1,115,237	335,044	51,213,218
1983082	Mahaweli Sector Support	USD	6,038,831	904,616,822	-	-	633,718	96,315,011	17,895,598	5,405,113	826,197,410
1983083	Mahaweli Development Phase 2-Maduruoya System B Project	USD	5,995,508	898,127,073	-	-	629,172	95,555,833	17,699,002	5,366,336	820,270,242
1983084	Malaria Control Project	USD	1,704,916	255,396,379	-	-	191,576	29,283,690	5,208,612	1,513,340	231,321,301
1983089	Water Management Project	USD	407,595	61,057,767	-	-	37,680	5,743,459	1,228,980	369,915	56,543,288
1984006	Mahaweli Development Phase 2-Maduruoya System B Project	USD	9,600,037	1,438,085,472	-	-	944,103	143,502,031	28,517,587	8,655,934	1,323,101,028
1984007	Malaria Control Project	USD	1,311,028	196,391,912	-	-	114,243	17,459,274	4,001,586	1,196,784	182,934,224
1984008	Mahaweli Basin Development Ph-2 (Mad.Oya Sys.B)	USD	3,348,645	501,626,986	-	-	291,801	44,336,848	9,963,037	3,056,843	467,253,175

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
1984013	Water Supply & Sanitation Project	USD	582,685	87,286,118		57,303	8,703,833	1,724,732	525,382	80,307,017
1984014	Diversified Agriculture Research Project	USD	743,427	111,365,308		45,412	6,908,897	2,238,410	698,014	106,694,821
1984068	Water Supply & Sanitation Project	USD	1,484,515	222,380,463		115,773	17,590,802	4,429,202	1,368,742	209,218,863
1984072	Malaria Control Project	USD	701,678	105,111,279		54,722	8,367,414	2,146,405	646,956	98,890,270
1984074	Diversified Agriculture Research Project	USD	731,632	109,598,396		71,951	11,020,193	2,257,079	659,680	100,835,282
1984084	Mahaweli Development Phase 2-Maduroya System B Project	USD	83,193	12,462,251		6,850	1,040,430	247,447	76,342	11,669,268
1986002	Water Supply & Sanitation Project	USD	498,799	74,720,121		29,148	4,454,968	1,523,227	469,650	71,788,379
1986010	Irrigation System Management Project	USD	3,840,539	575,312,775		274,101	41,834,938	11,669,430	3,566,439	545,147,267
1986011	Agricultural Planning & Analysis Project	USD	569,987	85,384,058		42,186	6,415,675	1,708,515	527,800	80,676,898
1987009	Mahaweli Agriculture & Rural Development	USD	1,660,537	248,748,408		110,398	16,796,261	4,994,041	1,550,139	236,946,187
1987010	Mahaweli Downstream Support Project	USD	1,812,445	271,504,312		110,714	16,950,102	5,563,641	1,701,732	260,117,850
1987027	Irrigation System Management Project	USD	1,908,217	285,850,899		122,011	18,628,814	5,808,039	1,786,206	273,030,125
1988087	Mahaweli Agriculture & Rural Development	USD	317,173	47,512,460		21,259	3,250,831	970,224	295,914	45,231,853
1989019	Water Supply & Sanitation Project	USD	861	129,018		46	7,053	2,616	815	124,581
<b>Spain</b>										
2006086	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,103,028	963,510,654		1,220,606	214,123,513	141,585,122	4,882,423	890,972,263
2006087	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,980,000	1,101,961,916				171,788,270	6,980,000	1,273,750,186
2007001	Design Supply & Setting up of Two Water Treatment Plants at Galle & Negambo	EUR	12,937,325	2,042,469,831				318,406,974	12,937,325	2,360,876,805
2015032	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Bilateral Portion)	EUR	20,166,151	3,183,714,890	2,659,668,365	15,607,813	2,659,668,365	684,853,460	35,773,963	6,528,236,716
2016023	Implementation of Anamaduwa Integrated Water Supply Project	EUR			866,047,249	5,358,928	866,047,249	115,029,976	5,358,928	981,077,225
<b>Saudi</b>										
2002058	Development Health Facilities - Colombo Hospital	SAR	15,514,143	619,548,007		3,000,000	121,816,836	12,327,793	12,514,143	510,058,964
2004043	Batticaloa - Trincomalee Road Project	SAR	19,232,562	768,040,845	573,762	21,890,781	108,254,562	16,938,557	17,140,324	698,615,622
2008001	Epilepsy Hospital & Health Centers Project	SAR	48,746,045	1,946,644,070	5,279,559	3,750,000	152,271,045	52,469,421	50,275,604	2,050,397,085
2008002	Development of Health Facilities in Colombo Project (Additional Loan)	SAR	8,861,315	353,871,311		550,000	22,333,087	7,219,353	8,311,315	338,757,578
2010028	Kalu Ganga Development Project	SAR	56,502,571	2,256,396,287	55,651,767	2,189,791,233	466,964,538	122,408,401	100,654,338	4,101,631,383
2012025	Road Network Development Project	SAR	180,970,700	7,226,956,315	10,469,403	403,358,173		172,516,095	191,440,103	7,802,830,583

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2015026	Improvement of Peradeniya - Badulla - Chenkaladi Road Project	SAR	-	-	-	-	-	-	-	-
2015027	Epilepsy Hospital & Health Centers Project (Additional Finance)	SAR	2,092,569	83,565,490	23,152,178	928,501,983	17,226,874	25,244,747	1,029,294,347	
<b>Germany</b>										
2005403	Debt Moratorium from Germany	EUR	14	2,160	-	-	337	14	2,497	
<b>Commercial Loans</b>										
2010040	International Bond Issue 2010 USD 1000 Mn	USD	1,000,000,000	149,800,000,000	-	-	-	-	-	
2011017	International Bond Issue 2011 USD 1000 Mn	USD	1,000,000,000	149,800,000,000	-	-	-	-	-	
2012018	International Bond Issue 2012 USD 1000 Mn	USD	1,000,000,000	149,800,000,000	-	-	-	-	-	
2014008	Sovereign Bond Issues 2014- USD 1000 Million	USD	1,000,000,000	149,800,000,000	-	-	-	-	-	
2014009	Sovereign Bond Issues 2014- USD 500 Million	USD	500,000,000	74,900,000,000	-	-	-	-	-	
2015008	International Sovereign Bond Issue-650 Mn	USD	650,000,000	97,370,000,000	-	-	-	-	-	
2015029	International Sovereign Bond Issue 2015-USD 1500 Mn	USD	1,500,000,000	224,700,000,000	-	-	-	-	-	
2016024	Sovereign Bond Issues 2016- USD 1000 Million	USD	1,000,000,000	149,800,000,000	-	-	-	-	-	
2016026	Sovereign Bond Issues 2016- USD 500 Million	USD	500,000,000	74,900,000,000	-	-	-	-	-	
2017012	International Sovereign Bond Issue 2017-USD 1500 Mn	USD	-	-	-	-	-	-	-	
<b>Bear Stearns &amp; Co</b>										
1988015	Low Income Shelter Programme Phase -3	USD	1,000,000	115,509,375	-	-	500,000	76,511,075	250,000	38,213,700
<b>Banker's Trust &amp; Co. U.S.A.</b>										
1986024	Low Income Shelter Programme Phase -2	USD	-	-	-	-	-	-	-	-
1987006	Low Income Shelter Programme Phase -3	USD	1,463,415	107,373,012	-	-	365,854	56,073,272	(51,299,743)	(3)
1994046	Sri Lanka -USAID Housing Guarantee Loan	USD	4,000,000	599,200,000	-	-	500,000	76,421,125	3,500,000	534,991,800
1997067	Sri Lanka -USAID Housing Guarantee Loan	USD	8,250,000	1,235,850,000	-	-	750,000	113,933,925	7,500,000	1,146,411,000
1998049	US Housing Guarantee Loan for Pvt. Sector	USD	2,976,293	445,848,699	-	-	169,407	25,764,637	2,806,887	429,046,074
<b>ADB</b>										
1991061	Special Operation -Merchant Bank	XDR	359,857	72,468,455	-	-	26,800	5,645,424	333,057	72,501,946
1989068	Agriculture Programme	XDR	35,154,324	7,079,412,841	-	-	2,704,200	573,760,607	32,450,124	7,063,937,606
1990051	Financial Sector Programme	XDR	34,183,725	6,883,952,775	-	-	2,441,800	518,086,182	31,741,925	6,909,772,740
1991055	Second Agriculture Programme	XDR	11,516,368	2,319,177,801	-	-	767,800	159,617,206	10,748,568	2,339,812,879

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2001001	Private Sector Development Sub Programme 1	XDR	33,180,925	6,682,007,853			4,147,616	880,015,781	518,152,826	29,033,309	6,320,144,898
2002002	Small & Medium Enterprise Sector Development Programme	XDR	8,642,418	1,740,418,723			960,268	203,743,787	135,621,508	7,682,150	1,672,296,444
2002005	Power Sector Development Programme	USD	4,118,760	616,990,248			4,118,760	626,036,078	9,045,830	-	(0)
2004001	Rural Finance Sector Development Programme	USD	9,052,200	1,356,019,560			4,307,550	654,307,476	23,530,443	4,744,650	725,242,527
2004009	Fiscal Management Programme	USD	16,673,455	2,497,683,593			5,028,790	769,762,839	52,022,178	11,644,665	1,779,942,932
2004014	Financial Markets for Private Sector Development	USD	24,716,767	3,702,571,709			7,454,690	1,132,348,367	68,368,016	17,262,077	2,638,591,358
2016038	Capital Market Development Programme										
<b>IDA</b>											
1990009	Economic Restructuring Credit	XDR	43,116,774	8,682,899,109			3,193,678	664,649,033	672,449,047	39,923,096	8,690,699,124
1990047	Public Manufacturing Ent.Adj. Credit	XDR	52,784,455	10,629,786,344			3,770,316	779,896,578	819,802,109	49,014,139	10,669,691,875
2003021	Poverty Reduction Support Credit	XDR	84,351,000	16,986,688,731			1,814,000	377,613,500	1,358,074,151	82,537,000	17,967,149,382
2016030	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	USD	100,000,000	14,980,000,000					305,480,000	100,000,000	15,285,480,000
2017017	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme	XDR									
<b>IFAD</b>											
2005022	Post Tsunami Coastal Rehabilitation & Resource Management Programme	XDR	8,928,725	1,798,075,479			313,300	66,338,069	143,719,899	8,615,425	1,875,457,309
2005023	Post Tsunami Livelihood Support & Partnership Programme	XDR	1,482,000	298,446,642			52,000	11,010,468	23,854,806	1,430,000	311,290,980
2017014	Implementation of Smallholder Agribusiness Partnership (SAP) Programme	USD			2,800,000	430,489,920			(2,496,480)	2,800,000	427,993,440
<b>ADB</b>											
1983006	Special Assistance to selected Projects	XDR	4,236,457	853,141,884			651,600	137,259,628	64,490,856	3,584,857	780,373,112
1983071	Aquaculture Development Project	XDR	4,132,152	832,136,888			635,800	133,931,356	62,901,334	3,496,352	761,106,867
1984018	Walawe Irrigation Improvement Project	XDR	3,522,182	710,051,140			469,600	99,636,855	54,089,998	3,052,582	664,504,283
1985001	Plantation Sector Project	XDR	13,332,222	2,684,856,288			1,666,400	353,566,553	208,196,490	11,665,822	2,539,486,225
1985002	Secondary Towns Power Distribution Project	XDR	4,272,488	860,397,748			533,600	113,215,983	65,799,584	3,734,652	812,981,349
1985003	Trunk Roads Improvement Project	XDR	7,252,885	1,460,593,303			805,800	167,705,623	110,552,539	6,447,085	1,403,440,219
1985004	Development Financing Project	XDR	6,658,465	1,340,888,314			740,000	156,239,109	103,717,739	5,918,465	1,288,366,944
1986020	Kirindoya Irrigation & Settlement Project	XDR	4,987,078	1,004,302,781			498,800	105,313,606	78,046,138	4,488,278	977,035,313
1987001	Agricultural Inputs Programme	XDR	10,345,142	2,083,315,043			1,034,600	218,439,166	161,898,771	9,310,542	2,026,774,648
1987002	Water Supply Sector Project	XDR	9,907,377	1,995,157,488			990,800	206,208,404	152,064,898	8,916,577	1,941,013,981

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1987003	Land Use Planning Project	XDR	2,402,463	483,810,391			240,200	49,991,178	36,875,159	2,162,263	470,694,372
1988002	1st Small & Medium Industries Project	XDR	4,734,799	953,498,584			430,400	90,872,044	74,380,889	4,304,399	937,007,429
1988003	Emergency Road Restoration Project	XDR	2,658,329	535,336,920			253,400	53,594,489	41,981,342	2,405,868	523,723,773
1988004	Secondary Towns Power Distribution Project ii	XDR	12,101,218	2,436,955,326			1,100,000	233,391,268	191,247,023	11,001,218	2,394,811,081
1988005	Second Road Improvement Project	XDR	11,750,557	2,366,338,844			1,119,000	236,670,218	184,672,410	10,631,557	2,314,341,037
1988008	2nd Technical Education Project	XDR	7,829,386	1,576,689,576			711,600	150,982,954	123,735,714	7,117,786	1,549,442,356
1988013	Emergency Schools Restoration Project	XDR	4,927,514	992,307,644			428,600	89,079,429	76,122,321	4,498,914	979,350,536
1988062	Perennial Crops Development Project	XDR	5,025,096	1,011,958,949			437,000	90,949,812	77,755,228	4,588,096	998,764,365
1988063	2nd Development Financing Project	XDR	14,179,247	2,855,430,972			1,134,400	235,771,594	220,021,220	13,044,847	2,839,680,599
1989011	Smallholder Tea Development Project	XDR	5,866,066	1,181,314,171			489,000	101,772,215	90,969,962	5,377,066	1,170,511,918
1989067	Agriculture Rehabilitation Project	XDR	7,588,633	1,528,206,597			607,200	126,199,323	117,753,052	6,981,433	1,519,760,326
1990025	Power System Expansion (Sector Loan) Project	XDR	28,532,103	5,745,823,336			2,113,600	439,195,883	444,310,685	26,418,503	5,750,938,137
1990046	Second Telecommunication Project	XDR	11,252,049	2,265,948,884			833,600	176,868,147	178,869,757	10,418,449	2,267,950,494
1991017	2nd Small & Medium Industries Project	XDR	11,356,222	2,286,927,262			783,200	165,360,094	180,031,612	10,573,022	2,301,598,779
1991029	3rd Development Financing Project	XDR	19,402,285	3,907,251,457			1,293,400	268,606,465	303,405,641	18,108,885	3,942,050,633
1991034	Low-Income Housing Development Project	XDR	8,017,851	1,614,642,860			553,000	114,962,641	125,313,344	7,464,851	1,624,993,563
1991056	Southern Province Rural Development Project	XDR	17,248,320	3,473,483,759			1,189,800	251,644,526	274,835,449	16,062,929	3,496,674,682
1992029	North West Province Water Resources Development Project	XDR	7,758,355	1,562,385,276			484,800	100,784,607	121,750,411	7,273,555	1,583,351,080
1992039	Participatory Forestry Project	XDR	3,740,870	753,340,041			220,000	45,688,435	58,792,393	3,520,870	766,443,999
1992040	Second Health & Population Project	XDR	9,625,821	1,938,457,437			621,000	131,342,454	153,108,457	9,004,821	1,960,223,440
1993002	Fisheries Sector Project	XDR	11,391,034	2,293,937,747			712,000	147,700,494	178,438,865	10,679,034	2,324,676,118
1993003	Urban Development Sector Project	XDR	11,988,729	2,414,302,207			749,200	159,209,647	191,595,520	11,239,529	2,446,688,080
1993029	Second Water Supply & Sanitation Project	XDR	18,682,590	3,762,318,663			1,132,400	234,910,166	293,022,170	17,550,190	3,820,430,667
1993030	Secondary Education Development Project	XDR	15,095,611	3,039,969,203			888,000	184,522,117	237,350,883	14,207,611	3,092,797,970
1993041	Financial Management Training Project	XDR	5,528,163	1,113,266,894			325,200	67,574,992	86,920,194	5,202,963	1,132,612,097
1994026	Fourth Development Financing Project	XDR	36,220,079	7,294,035,783			2,069,800	430,288,738	570,290,648	34,150,279	7,434,037,693
1995006	Third Road Improvement Project	XDR	25,867,329	5,209,188,521			1,437,200	298,778,130	407,686,606	24,430,129	5,318,096,997
1996001	Plantation Reform Project	XDR	28,530,486	5,745,497,715			1,542,200	326,177,666	455,651,884	26,988,286	5,874,971,933
1996002	Second Power System Expansion Project	XDR	40,352,693	8,126,265,697			2,123,800	449,186,960	644,816,094	38,228,893	8,321,894,831
1996028	Emergency Rehabilitation Petroleum Facilities	XDR	13,343,729	2,687,173,574			702,400	148,558,679	213,225,540	12,641,329	2,751,840,436
1996059	NCP Rural Development Project	XDR	9,387,246	1,890,412,924			481,400	101,816,839	150,081,839	8,905,846	1,938,677,925
1998004	Upper Watershed Management Project	XDR	6,444,155	1,297,730,382			238,700	49,894,138	103,004,437	6,205,455	1,350,840,681
1998005	3rd Water Supply & Sanitation Sector	XDR	45,645,659	9,192,168,547			1,113,200	230,927,232	732,851,654	44,532,459	9,694,092,969

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
1998006	Southern Provincial Road Improvement Project	XDR	17,275,877	3,479,033,443	421,400	87,417,118	277,367,376	16,854,477	3,668,983,700	
1998018	Second Perennial Crops Development Project	XDR	10,534,758	2,121,500,133	257,000	53,427,484	169,251,414	10,277,758	2,237,324,063	
1998019	Science & Technology Personnel Development Project	XDR	11,197,277	2,254,918,855	414,700	88,708,286	181,005,504	10,782,577	2,347,216,073	
1998059	Urban Development & Low-Income Housing Sector	XDR	38,694,562	7,792,349,649	932,400	198,140,783	626,085,195	37,762,162	8,220,294,061	
1999002	Coastal Resource Management Project	XDR	16,600,031	3,342,930,821	1,106,670	229,827,367	259,584,305	15,493,361	3,372,687,759	
1999004	Road Network Improvement Project	XDR	53,505,411	10,774,973,190	1,274,000	264,577,576	859,651,340	52,231,411	11,370,046,955	
1999005	Tea Development Project	XDR	19,918,267	4,011,160,561	480,000	101,112,065	321,390,131	19,438,267	4,231,438,627	
1999045	Skills Development Project	XDR	8,127,082	1,636,639,854	541,804	112,518,987	127,087,909	7,585,278	1,651,208,776	
1999057	Southern Transport Development Project	XDR	40,256,868	8,106,968,266	2,683,790	558,558,792	630,723,509	37,573,078	8,179,132,983	
2000032	Forest Resources Management Sector Project	XDR	10,861,324	2,187,264,307	700,732	148,205,894	172,760,237	10,160,592	2,211,818,650	
2000044	Secondary Education Modernization Project	XDR	24,427,347	4,919,203,588	1,575,958	334,900,849	390,124,751	22,851,389	4,974,427,489	
2000045	Water Resources Management Project	XDR	828,985	166,941,844	53,484	11,311,948	13,185,832	775,501	168,815,728	
2000055	Protected Area Mgt. & Wildlife Conserv. Project	XDR	5,342,356	1,075,849,020	344,668	73,244,088	85,321,806	4,997,688	1,087,926,739	
2001004	North East Community Restoration & Development Project	XDR	12,440,402	2,505,260,641	731,788	152,302,014	195,842,770	11,708,614	2,548,801,396	
2002001	Southern Province Rural Economic Adva. Project	XDR	13,235,503	2,665,378,799	778,558	162,035,931	208,359,652	12,456,945	2,711,702,520	
2002003	SME- Business Service Facility Project	XDR	796,618	160,423,723	46,860	9,942,467	12,730,557	749,758	163,211,813	
2002004	SME SDP Credit Assistance Project	USD	8	1,107			23	8	1,130	
2002006	Power Sector Development Project	XDR	40,204,981	8,096,519,275	2,233,610	464,229,364	633,545,952	37,971,371	8,265,835,863	
2002007	Aquatic Resource & Quality Improvement	XDR	7,199,905	1,449,924,057	411,422	87,219,158	115,052,798	6,788,483	1,477,757,697	
2002008	Plantation Development Project	XDR	4,289,755	863,875,224	245,128	51,844,949	68,428,477	4,044,627	880,458,751	
2002009	Plantation Development Project	JPK	625,894	805,338,127	90,224	123,358,057	44,334,935	535,670	726,315,006	
2003001	Road Sector Development	XDR	30,245,486	6,090,866,180	1,680,302	349,710,137	477,084,562	28,565,184	6,218,240,604	
2003003	Aquatic Resource Development & Quality Improvement	JPK	459,688	591,480,081	26,396	35,855,785	31,875,565	433,292	587,499,861	
2003004	Secondary Towns & Rural Community Water/Sanitation	XDR	34,216,506	6,890,554,120	1,212,484	403,324,722	697,284,059	33,004,022	7,184,513,457	
2003005	Distance Education Modernization Project	XDR	18,398,159	3,705,039,658	994,496	206,302,737	289,796,864	17,403,663	3,788,533,785	
2004002	Rural Finance Sector Development Programme	USD	6,733,721	1,008,711,400	310,684	47,192,062	20,272,686	6,423,037	981,792,024	
2004003	Rural Finance Sector Development Programme	XDR	2,851,203	574,178,053	150,064	31,196,661	45,018,689	2,701,139	588,000,081	

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2004004	Conflict Affected Areas Rehabilitation Project	XDR	31,827,861	6,409,526,557			677,200	140,782,461	512,318,782	31,150,661	6,781,062,878
2004005	North East Coastal Community Div. Project	XDR	10,117,354	2,037,442,870			532,492	110,699,251	159,746,655	9,584,862	2,086,490,274
2004007	North East Community Restoration & Development Project	XDR	5,479,077	1,103,382,013			115,400	23,990,397	88,205,783	5,363,677	1,167,597,400
2004008	Secondary Education Modernization II	XDR	18,826,211	3,791,241,138			965,446	205,163,263	301,960,551	17,860,765	3,888,038,426
2004010	Strengthening of the Fiscal Management Institutions Project	XDR	3,877,443	780,843,250			193,872	41,199,003	62,217,398	3,683,571	801,861,645
2004011	Modernization of Revenue Administration	USD	9,824,418	1,471,697,725			394,056	60,318,444	30,096,776	9,430,362	1,441,476,057
2004012	Conflict Affected Areas Rehabilitation Project	USD	24,149,518	3,617,597,796			460,780	69,989,671	73,329,219	23,688,738	3,620,937,344
2005001	Tsunami-Affected Areas Rebuilding Project	XDR	4,163,165	838,382,417			85,800	17,818,489	67,021,443	4,077,365	887,585,370
2005002	North East Community Restoration & Development Project II	XDR	15,885,783	3,199,094,802			327,600	68,034,234	255,737,987	15,558,183	3,386,798,555
2006001	Local Government Infrastructure Improvement Project	XDR	22,482,618	4,527,572,134			1,070,602	227,153,780	360,677,802	21,412,016	4,661,096,157
2006002	Technical Education Development	XDR	11,324,105	2,280,459,649			539,242	114,413,066	181,667,169	10,784,863	2,347,713,752
2006003	National Highways Sector Project AF	USD	131,557,876	19,707,369,856			4,621,648	707,064,986	402,506,832	126,936,227	19,402,811,702
2006004	Secondary Towns & Rural Community Water /Sanitation Supp.1	XDR	28,857,584	5,811,369,124			1,311,708	278,310,174	463,292,613	27,545,876	5,996,351,563
2007007	Colombo Port Expansion Project	USD	273,105,726	40,911,237,834			7,904,347	1,201,458,585	827,524,504	265,201,379	40,537,303,752
2007012	Secondary Towns & Rural Community Water /Sanitation (OCR)	USD	10,865,281	1,627,619,098			335,940	51,395,844	33,237,120	10,529,342	1,609,460,374
2007030	SME Regional Development Project	XDR	24,932,069	5,020,845,080			1,084,004	229,997,334	400,542,231	23,848,065	5,191,389,978
2007031	Education for Knowledge Society Project	XDR	39,610,801	7,976,899,752			1,722,200	365,405,855	636,280,478	37,888,401	8,247,774,375
2008003	Southern Transport Development Project - Supplementary	USD	83,039,330	12,439,291,565			2,260,733	345,871,212	253,975,844	80,778,597	12,347,396,197
2009006	Clean Energy and Access Improvement Project	USD	102,855,952	15,432,593,119			3,667,371	524,600,630	336,133,828	103,860,997	15,886,012,578
2009007	Clean Energy and Access Improvement Project	XDR	14,699,159	2,978,019,880			798,003	142,814,094	261,072,945	14,795,370	3,233,004,988
2009008	Dry Zone Urban Water and Sanitation Project	XDR	29,335,454	5,907,603,092			1,298,231	310,307,687	484,867,128	29,165,147	6,348,844,121
2009018	Eastern & North Central Provincial Road Project	XDR	42,047,964	8,467,661,134					685,592,061	42,047,964	9,153,253,195
2009028	Greater Colombo Wastewater Management Project (OCR)	USD	31,832,430	4,768,296,576			730,302	111,048,292	379,684,930	41,568,220	6,353,901,947
2009029	Greater Colombo Wastewater Management Project (ADF)	XDR	8,826,119	1,777,412,711			1,481,807	310,228,285	156,250,193	10,307,926	2,243,891,190
2010019	ADB Funded Fiscal Management Efficiency Project	USD	11,406,470	1,708,689,154			275,872	41,996,634	40,314,118	20,301,369	3,103,161,648

Notes to the Financial Statements contd...

NOTE - 28 (III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2010020	N-E Community Restoration & Development Project II Supplementary Project	XDR	1,533,222,718					7,613,542	1,657,361,522
2010021	Conflict Affected Region Emergency Project	USD	20,995,212,612					138,172,360	21,120,308,435
2010025	Northern Road Connectivity Project (OCR)	USD	18,570,108,548	542,936	81,557,935	2,506,256	383,437,623	122,002,691	18,648,696,933
2010026	Northern Road Connectivity Project (ADF)	XDR	3,065,689,360	55,116	9,796,804			15,278,446	3,325,903,757
2011001	Jaffna & Kilimochchi Water Supply & Sanitation Project OCR	USD	587,924,497	166,735	25,438,563	75,104	11,490,472	4,016,360	613,919,944
2011002	Jaffna & Kilimochchi Water Supply & Sanitation Project ADF	XDR	3,125,963,839	7,653,828	1,616,117,129			23,176,463	5,050,225,905
2011012	Sustainable Power Sector Support Project OCR	USD	12,119,989,476	2,355,105	330,998,056	1,604,996	245,551,493	81,493,816	12,463,157,141
2011013	Sustainable Power Sector Support Project ADF	XDR	1,122,347,050					5,573,251	1,213,960,314
2011015	Secondary Towns & Rural Com./Based Water Supply Add.	USD	567,642,281			68,085	10,416,340	3,721,250	568,810,854
2011016	Secondary Towns & Rural Com./Based Water Supply Add (XDR)	XDR	1,322,291,784					6,566,120	1,429,352,368
2011028	Local Government Enhancement Sector Project	XDR	6,794,055,728	2,510,302	527,617,270			36,247,624	7,890,600,406
2011035	National Highways Sector Project AF OCR	USD	11,642,324,979	1,158,834	174,193,957	1,329,114	202,033,550	77,548,845	11,853,713,135
2012029	Northern Road Connectivity Project (ADF)	XDR	7,109,275,889	2,455,453	522,891,733			37,798,124	8,231,471,036
2012030	Northern Road Connectivity Project (ADF)	USD	3,200,592,765	1,630,346	246,826,728			22,996,119	3,515,067,181
2013015	Clean Energy and Network Efficiency Improvement Project	USD	6,066,548,339	3,137,332	452,946,196			43,515,174	6,678,960,162
2013017	Clean Energy and Network Efficiency Improvement Project	XDR	949,663,442	36,553	7,302,330			4,752,017	1,085,307,758
2013021	Dry Zone Urban Water and Sanitation Project (ADF)	XDR	2,860,971,050	1,089,036	229,866,545			15,295,793	3,333,211,566
2013034	Education Sector Development Programme (OCR)	USD	10,261,300,000	15,000,000	2,297,138,300			83,500,000	12,763,375,800
2013035	Education Sector Development Programme (ADF)	XDR	9,186,548,187	9,981,181	2,148,721,904			55,598,931	12,103,108,952
2013042	Greater Colombo Water Wastewater Management Improvement Project 1	USD	3,723,461,873	6,333,287	956,915,892			31,189,508	4,769,449,331
2013043	Greater Colombo Water Wastewater Management Improvement Project 1	XDR	402,945,067	790,709	164,317,304			2,791,618	607,696,239
2014005	Skills Sector Enhancement Programme - Results Based Lending	USD	5,692,400,000	7,000,000	1,074,426,400			45,000,000	6,878,466,000

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.
2014006	Skills Sector Enhancement Programme - Results Based Lending	XDR	4,989,415,656	4,564,000	986,619,897	410,871,687	29,340,000	6,386,907,240	
2014017	Southern Road Connectivity Project	USD	1,847,320,289	7,408,490	1,120,571,793	52,040,437	19,740,402	3,019,932,519	
2014018	Southern Road Connectivity Project	XDR	506,091,266	255,488	54,788,519	41,803,711	2,768,591	602,683,496	
2014029	Greater Colombo Water Wastewater Management Pro-2	USD	971,830,748	6,949,188	1,049,765,645	33,246,522	13,436,710	2,054,842,915	
2014030	Greater Colombo Water Wastewater Management Programme -2	XDR	925,675	486,109	102,955,884	18,202,133	1,411,783	307,571,389	
2014036	Green Power Development & Energy Efficiency Improvement Programme	XDR	691,263	446,366	90,194,294	31,072,470	1,137,629	259,836,143	
2014037	Green Power Development & Energy Efficiency Improvement Programme	USD	1,907,096	285,682,984		4,339,983	1,907,096	290,022,967	
2014041	Integrated Road Investment Programme	XDR	44,648,797	6,900,444	1,415,373,334	814,755,406	51,549,241	11,221,548,111	
2015009	Integrated Road Investment Programme-Tranch 2 (ADF)	XDR	5,816,145	326,854	66,657,348	99,326,536	6,143,000	1,337,245,007	
2015010	Integrated Road Investment Programme-Tranch 2 (OCR)	USD	73,308,518	20,469,518	3,070,744,668	282,062,338	93,778,036	14,334,422,986	
2015024	Mahaweli Water Security Investment Programme-Tranch 1	XDR	1,339,670,823	2,063,399	444,212,196	114,377,084	8,715,818	1,898,260,103	
2015025	Mahaweli Water Security Investment Programme-Tranch 1	USD	6,704,242	1,920,025	291,375,186	20,523,136	8,624,267	1,316,193,768	
2015036	Integrated Road Investment Programme-Tranch 3	USD	113,750	90,792,019	13,774,226,655	99,445,617	90,905,769	13,890,712,022	
2015037	Integrated Road Investment Programme-Tranch 3	XDR	16,862,882	459,493	92,973,636	287,187,399	17,322,375	3,776,024,996	
2016014	Small and Medium-Sized Enterprises Line of Credit	USD	1,872,500,000	37,500,000	5,756,625,005	13,614,995	50,000,000	7,642,740,000	
2016033	Greater Colombo Water and Wastewater Management Imp. Inv. Programme-3	XDR		123,775	26,926,465	17,574	123,775	26,944,039	
2016034	Greater Colombo Water and Wastewater Management Imp. Inv. Programme-3 (OCR)	USD		3,968,603	603,835,190	2,784,816	3,968,603	606,620,006	
2016036	Local Government Enhancement Sector Project (ADF)	USD		1,885,596	289,823,127	(2,501,268)	1,885,596	287,321,858	
2017010	Northern Province Sustainable Fisheries Development Project	USD		40,829	6,171,339	53,984	40,829	6,225,323	
<b>European Int. Bank</b>									
2002075	DFCC Global Loan	EUR	10,609,318	1,674,937,618	686,246,023	230,629,487	6,681,735	1,219,321,082	
2006073	Post Tsunami Line of Credit - Contract A	EUR	32,194,677	5,082,709,013	7,358,077	1,262,670,140	24,836,601	4,532,324,573	
2006074	Post Tsunami Line of Credit - Contract B	EUR	-	-	-	-	-	-	
2006093	DFCC Global Loan ii	EUR	41,500,000	6,551,779,300	3,055,857	522,523,533	38,458,278	7,018,085,793	

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2013047	Sri Lanka SME & GREEN Energy Global Loan	EUR	90,000,000	14,208,678,000	-	-	-	-	2,215,035,000	90,000,000	16,423,713,000
<b>IBRD</b>											
2012011	Metro Colombo Urban Development Disaster Risk Management	USD	83,315,396	12,480,646,321	11,457,855	1,727,268,626	4,738,662	724,895,097	279,196,251	90,034,569	13,762,216,102
2014013	Development Policy Loan with a Catastrophe Differed Draw down Option CAT-D/DCC	USD	102,000,000	15,279,600,000	-	-	5,997,600	917,480,761	312,308,412	96,002,400	14,674,427,651
2017019	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme	USD	-	-	-	-	-	-	(58,089)	-	(58,089)
<b>IDA</b>											
1968001	Lift Irrigation Project	USD	96,129	14,400,158	-	-	66,414	9,963,883	105,846	29,715	4,542,121
1968002	Highway Development Project	USD	45,199	6,770,924	-	-	22,600	3,588,401	272,008	22,599	3,454,531
1969001	Drainage & Land Reclamation Project	USD	197,088	33,425,222	-	-	78,517	12,449,966	(2,972,605)	117,776	18,002,651
1970016	Mahaweli Ganga Development Project	USD	1,536,640	212,300,576	-	-	463,739	73,396,265	2,865,056	927,477	141,769,368
1973001	Fifth Power Project	USD	1,170,000	175,266,000	-	-	180,000	27,376,839	3,437,091	990,000	151,326,252
1974001	Dairy Development Project	USD	931,514	139,540,794	-	-	124,000	18,979,142	2,870,736	807,514	123,432,388
1974002	Programme Credit Project	USD	3,375,000	505,575,000	-	-	450,000	68,729,130	10,254,420	2,925,000	447,100,290
1975001	Private Sector Industrial Project	USD	1,059,006	158,639,126	-	-	124,589	19,031,808	3,222,842	934,417	142,830,161
1975002	Agricultural Development Project	USD	5,578,665	835,684,064	-	-	619,852	94,213,026	16,507,426	4,958,814	757,978,464
1977001	Tank Irrigation Modernization Project	USD	1,203,896	180,343,610	-	-	126,724	19,273,903	3,581,193	1,077,172	164,650,900
1977002	Mahaweli Ganga Development Project (Phase 2)	USD	3,393,454	508,339,400	-	-	339,340	51,827,873	10,324,449	3,054,114	466,835,976
1977003	Water Supply Project	USD	2,898,000	434,120,400	-	-	276,000	41,911,249	8,576,134	2,622,000	400,785,285
1977005	4th Development Finance Corporation Project	USD	2,376,152	355,947,561	-	-	226,300	34,488,392	7,156,019	2,149,852	328,615,188
1978001	Tree Crop Rehabilitation (Tea) Project	USD	5,577,267	835,474,537	-	-	484,976	73,712,884	16,619,409	5,092,291	778,381,062
1979001	Kurunegala Rural Development Project	USD	6,424,268	962,355,384	-	-	513,938	78,162,466	19,229,431	5,910,330	903,422,349
1979002	Road Maintenance Project	USD	5,607,933	840,068,414	-	-	448,630	68,177,067	16,732,933	5,159,303	788,624,280
1979003	Agricultural Extension & Research Project	USD	2,984,847	447,130,052	-	-	238,786	36,317,810	8,936,334	2,746,061	419,748,576
1979004	Small & Medium Industries Project	USD	5,654,435	847,034,402	-	-	452,350	68,753,966	16,883,266	5,202,085	795,163,702
1979074	Water Supply Project	DKK	415,530	9,089,142	-	-	30,780	745,412	332,535	353,970	8,676,265
1979077	Water Supply Project	GBP	409,093	76,009,765	-	-	30,303	6,136,585	1,753,411	348,487	71,626,591
1980003	Road Passenger Transport Project	USD	20,912,011	3,132,619,237	-	-	1,549,036	234,766,475	61,870,898	19,362,975	2,959,723,661
1980004	Small Holder Rubber Rehabilitation Project	USD	4,511,750	675,860,211	-	-	334,198	50,649,879	13,348,606	4,177,552	638,558,938
1980005	Telecommunications Project	USD	12,150,000	1,820,070,000	-	-	900,000	136,400,850	35,947,350	11,250,000	1,719,616,500
1980006	Second Water Supply & Sewerage Project	USD	12,150,000	1,820,070,000	-	-	900,000	136,400,850	35,947,350	11,250,000	1,719,616,500
1980007	Sixth Power Project	USD	7,673,000	1,149,415,357	-	-	568,366	86,139,562	22,701,570	7,104,634	1,085,977,365
1980110	Mahaweli Ganga T.A. Project	DKK	118,440	2,590,473	-	-	8,460	204,879	102,793	101,520	2,488,387

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1980120	Mahaweli Ganga T.A. Project	GBP	116,550	21,647,686			8,325	1,685,876	571,154	99,900	20,532,964
1981001	2nd Rural Development Project	XDR	9,594,512	1,932,152,419			685,318	142,660,050	149,914,433	8,909,194	1,939,406,803
1981002	Construction Industry Project	XDR	4,399,351	885,945,655			303,400	63,122,731	68,808,213	4,095,951	891,631,137
1981003	Village Irrigation Rehabilitation Project	XDR	7,647,241	1,540,009,134			527,384	111,887,246	121,771,404	7,119,857	1,549,893,292
1981004	Third Mahaweli Ganga Development Project	XDR	25,661,953	5,167,829,765			1,769,788	375,469,682	408,629,756	23,892,165	5,200,989,840
1982001	Second Small & Medium Industries Project	XDR	11,931,242	2,402,725,514			795,414	165,536,772	186,925,187	11,135,828	2,424,113,928
1982002	Seventh Power Project	XDR	13,520,844	2,722,841,011			901,388	191,105,066	215,342,873	12,619,456	2,747,078,818
1982003	Tea Rehabilitation & Diversification Project	XDR	5,770,886	1,162,146,890			372,314	77,460,370	90,507,129	5,398,572	1,175,193,648
1983001	Forest Resources Development Project	XDR	2,193,156	441,659,934			137,068	29,035,390	34,957,012	2,056,088	447,581,556
1983002	Third Rural Development Project	XDR	1,191,095	239,863,975			72,186	15,181,684	18,888,613	1,118,909	243,570,904
1983003	Industrial Development Project	XDR	11,434,500	2,302,691,045			693,000	146,799,583	182,382,708	10,741,500	2,338,274,170
1985005	Major Irrigation Rehabilitation Project	XDR	5,986,750	1,205,617,605			332,596	70,514,340	95,726,798	5,654,154	1,230,830,063
1985006	Fourth Tree Crops Project	XDR	31,357,500	6,314,804,708			1,695,500	352,646,771	494,953,038	29,662,500	6,457,110,975
1986007	Second Industrial Development Project	XDR	9,992,202	2,012,239,605			512,420	108,245,235	159,621,426	9,479,782	2,063,615,796
1986008	Municipal Management Project	XDR	5,142,582	1,035,618,213			263,720	55,949,563	82,391,204	4,878,862	1,062,059,854
1986012	Water Supply & Sanitation Rehab. Project	XDR	18,778,500	3,781,633,109			963,000	203,427,190	299,979,014	17,815,500	3,878,184,933
1986013	2nd Vocational Training Project	XDR	5,850,041	1,178,087,107			299,998	62,414,942	92,494,496	5,550,043	1,208,166,660
1986014	9th Power Project	XDR	20,286,915	4,085,399,222			1,014,344	214,500,245	324,469,905	19,272,571	4,195,368,883
1987005	Agricultural Research Project	XDR	7,341,180	1,478,374,214			367,056	77,820,274	117,615,266	6,974,124	1,518,169,206
1988001	Third Small & Medium Industries Project	XDR	6,621,477	1,333,439,690			601,950	126,598,169	103,525,266	6,019,527	1,310,366,787
1988007	Emergency Reconstruction & Rehabilitation Project	XDR	14,631,843	2,946,575,103			1,330,158	280,986,819	230,002,239	13,301,685	2,895,590,523
1988014	Health & Family Planning Project	XDR	3,697,289	744,563,750			321,496	67,913,839	58,212,957	3,375,793	734,862,868
1988045	Distribution & Transmission Project	XDR	6,305,193	1,269,746,007			548,276	115,819,569	99,273,726	5,756,917	1,253,200,164
1988085	2nd Smallholder Rubber Rehabilitation Project	XDR	4,274,723	860,847,913			371,710	78,521,207	67,304,496	3,903,013	849,631,202
1988086	3rd Industrial Development Project	XDR	13,752,007	2,769,392,944			1,195,824	249,345,502	213,257,834	12,556,183	2,733,305,277
1989069	Forest Sector Development Project	XDR	3,970,582	799,599,783			317,640	66,803,957	62,398,517	3,652,942	795,194,342
1990003	General Education Project	XDR	20,020,000	4,031,647,620			1,540,000	326,498,470	317,688,130	18,480,000	4,022,837,280
1990048	Third Roads Project	XDR	15,168,453	3,054,638,207			1,083,458	227,865,769	239,333,755	14,084,995	3,066,106,193
1991009	Poverty Alleviation Project	XDR	15,262,319	3,073,540,992			1,052,568	219,474,685	239,197,473	14,209,751	3,093,263,780
1991022	Second Telecommunications Project	XDR	20,019,031	4,031,452,413			1,380,620	287,877,971	313,746,621	18,638,411	4,057,321,063
1991023	Fourth Small & Medium Industries Project	XDR	18,997,037	3,825,642,280			1,310,140	273,181,936	297,729,486	17,686,897	3,850,189,830
1991030	2nd Power Distribution & Transmission Project	XDR	18,468,791	3,719,263,649			1,273,708	270,041,373	293,906,614	17,195,083	3,743,128,890
1991043	National Irrigation Rehabilitation Project	XDR	10,175,923	2,049,237,606			701,780	146,330,635	159,481,383	9,474,143	2,062,388,354

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1992023	Second Agriculture Extension Project	XDR	3,503,966	705,632,183			226,058	47,753,213	55,675,717	3,277,908	713,554,687
1992041	Community Water Supply & Sanitation Project	XDR	10,657,120	2,146,141,517			666,068	138,576,241	167,346,907	9,991,052	2,174,912,183
1993013	Private Finance Development Project	XDR	26,007,643	5,237,445,089			1,576,218	326,043,499	406,977,521	24,431,425	5,318,379,111
1993017	Colombo Urban Transport Project	XDR	6,620,159	1,333,174,221			401,220	85,120,897	105,722,611	6,218,939	1,353,775,935
1995023	Colombo Environmental Improvement Project	XDR	13,093,721	2,636,826,596			707,764	149,927,074	209,349,878	12,385,957	2,696,249,401
1996011	Telecomm.Regula. & Pub. Enterprise Ref.	XDR	5,893,271	1,186,792,729			302,218	62,895,791	93,196,941	5,591,053	1,217,093,879
1996033	Teacher Education & Teacher Deployment Project	XDR	33,898,503	6,826,514,346			1,738,384	368,807,158	543,100,383	32,160,119	7,000,807,571
1996035	Private Sector Infrastructure Development Project	XDR	30,807,306	6,204,006,019			1,579,858	335,175,047	493,575,197	29,227,448	6,362,406,170
1997002	Health Services Project	XDR	8,002,182	1,611,487,429			400,106	84,519,671	127,897,775	7,602,076	1,654,865,533
1997022	Environmental Action 1 Project	XDR	8,438,034	1,699,259,701			312,519	65,581,330	135,132,462	8,125,515	1,768,810,832
1997023	Energy Services Delivery Project	XDR	13,680,410	2,754,974,594			506,680	106,325,532	219,087,470	13,173,730	2,867,736,532
1997064	Second General Education Project	XDR	40,842,411	8,224,885,644			996,154	210,430,747	659,517,485	39,846,257	8,673,972,382
1998017	Mahaweli Restructuring & Rehabilitation Project	XDR	34,567,082	6,961,153,623			832,940	173,294,160	555,591,062	33,734,142	7,343,450,524
1999001	Year 2000 Emergency Assistance Project	XDR	9,272,175	1,867,239,894			218,166	45,287,258	148,978,389	9,054,009	1,970,931,026
1999058	North-East Irrigated Agriculture Project	XDR	16,041,739	3,230,501,351			373,062	79,093,618	259,443,791	15,668,677	3,410,851,524
2000036	Legal & Judicial Reforms Project	XDR	10,271,949	2,068,575,368			236,137	50,063,825	166,144,287	10,035,812	2,184,655,830
2001020	Distance Learning Project	XDR	934,072	188,104,319			21,228	4,496,770	15,105,772	912,844	198,713,322
2001021	Land Titling & Related Services Project	XDR	2,828,562	569,618,692			64,284	13,617,410	45,743,390	2,764,278	601,744,672
2001022	Sri Lanka Central Bank Strengthening Project	XDR	21,036,816	4,236,415,039			472,736	98,571,859	338,669,134	20,564,080	4,476,512,314
2001024	Mahaweli Ganga T.A	EUR	286,373	42,891,789			20,357	3,665,837	5,800,831	246,741	45,026,783
2001025	Water Supply	EUR	1,325,129	208,782,671			108,498	19,537,608	40,366,401	1,258,244	229,611,464
2002022	Renewable Energy For Rural Economic Development Project	XDR	53,955,870	10,865,686,988			1,185,843	251,199,572	872,808,542	52,770,027	11,487,295,958
2003020	Economic Reform Technical Assistance Project	XDR	9,982,805	2,010,347,135			217,017	45,892,028	161,419,986	9,765,788	2,125,875,094
2003022	Improving Relevance & Quality of Undergraduate Education	XDR	26,698,850	5,376,641,188			574,169	119,522,546	429,858,788	26,124,681	5,686,977,430
2004020	Second North East Irrigated Agriculture Project (Yali Pubudamu SI)	XDR	39,718,614	7,998,574,216			836,181	176,824,726	642,411,757	38,882,433	8,464,161,248
2004021	E - Sri Lanka Development Project	XDR	28,609,655	5,761,440,964			596,034	124,074,237	460,806,302	28,013,621	6,098,173,029
2005020	North East Housing Reconstruction Project	XDR	49,056,000	9,878,946,335			1,022,000	212,148,432	789,531,420	48,034,000	10,456,329,323
2005021	Tsunami Emergency Recovery Project II	XDR	29,115,164	5,863,240,894			600,311	124,613,547	468,656,991	28,514,853	6,207,284,338

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2006020	Road Sector Assistance Project	XDR	67,351,213	13,563,254,696			1,374,515	286,604,902	1,085,553,859	14,362,203,653
2007021	Puttalam Housing Project	XDR	15,707,530	3,163,198,103			1,570,753	327,523,278	241,703,618	3,077,378,443
2008020	Renewable Energy for Rural Economic Development Project	XDR	26,299,953	5,296,310,932			2,629,995	557,117,209	413,424,785	5,152,618,508
2008031	Dam Safety & Water Resources Planning	XDR	41,100,000	8,276,759,100					670,135,500	8,946,894,600
2008033	Public Sector Capacity Building Project	XDR	9,046,808	1,821,855,308					147,508,210	1,969,363,518
2008034	Additional Financing for North East Housing Reconstructions Project	XDR	26,194,875	5,275,150,036					427,107,430	5,702,257,466
2008035	Additional Financing for Education Sector Development Project	XDR	5,829,875	1,174,026,138					95,056,118	1,269,082,256
2008036	Additional Financing for Road Sector Assistance Project	XDR	59,589,686	12,000,230,653					971,609,838	12,971,840,491
2009014	Additional Financing for Health Sector Development Project	XDR	15,417,553	3,104,802,223					251,383,200	3,356,185,423
2009020	Second Community Development Livelihood Improvement Project	XDR	48,213,880	9,709,359,330					786,127,310	10,495,486,640
2010001	Provincial Roads Project	XDR	62,947,162	12,676,362,425					1,026,353,476	13,702,715,901
2010002	Emergency Additional Financing for Community Livelihoods in Conflict Affected Areas	XDR	7,597,416	1,529,975,219					123,875,867	1,653,851,086
2010003	Emergency Northern Recovery Project	XDR	40,895,407	8,235,557,907					666,799,607	8,902,357,514
2010024	Higher Education for the Twenty First Century Project	XDR	25,330,360	5,105,471,833					276,847,995	5,382,319,828
2010042	Sustainable Tourism Development Project	XDR	108,457	21,841,268					1,768,399	23,609,667
2010043	North East Local Services Improvement Project Pura Neguma	XDR	32,952,036	6,635,913,964					537,282,947	7,173,196,911
2010044	Small & Medium Enterprise Development Facility Project	XDR	33,857,174	6,818,191,581					552,041,224	7,370,232,805
2011037	2nd & 3rd Additional Financing for Community Livelihood in Conflict Affected Areas	XDR	30,296,196	6,101,078,291					493,979,479	6,595,057,770
2012004	Additional Financing for E-Sri Lanka Development Project	XDR	7,096,206	1,429,041,056			234,175	49,681,394	114,408,457	1,493,768,119
2012012	Transforming the School Education System as the Foundation of a Knowledge Hub Project	XDR	52,994,904	10,672,166,783	6,600,000	1,408,297,961	2,115,300	448,771,839	880,812,191	12,512,505,096
2013030	Second Health Sector Development Project	XDR	67,752,579	13,644,082,222	45,021,532	9,492,141,471			1,413,121,619	24,549,345,312
2014010	Climate Resilience Improvement Management- CRIP	XDR	25,268,015	5,088,498,137	9,514,383	1,958,339,823			527,958,931	7,574,796,891
2014019	Strategic Cities Development Project	XDR	13,916,363	2,802,491,099	5,092,859	1,065,700,000			269,846,143	4,138,037,242
2014020	Additional Financing for Dam Safety & Water Resources Planning Project	XDR	28,552,577	5,749,946,400	18,271,191	3,858,470,955			584,461,364	10,192,878,719

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2014021	Skills Development Project (Portion B)	XDR	-	-	-	-	-	-	-	-
2014022	Skills Development Project (Portion A)	XDR	15,580,758	3,137,668,671	14,040,000	2,968,920,933	341,434,767	29,620,758	6,448,024,372	6,448,024,372
2015028	Water Supply and Sanitation Improvement Project	XDR	6,922,062	1,393,971,749	25,030,731	5,361,715,380	199,988,468	31,952,793	6,955,675,597	6,955,675,597
2015030	Early Childhood Development Project	XDR	1,039,775	209,390,849	3,305,616	676,910,451	59,629,487	4,345,391	945,930,787	945,930,787
2015031	Additional Financing for North East Local Services Improvement Project (NELSIP)	XDR	14,300,000	2,879,748,300	-	-	233,161,500	14,300,000	3,112,909,800	3,112,909,800
2016027	Additional Financing for Strategic Cities Development Project	XDR	-	-	480,009	97,984,640	6,506,697	480,009	104,491,337	104,491,337
2016028	Additional Financing for Climate Resilience Improvement Project	XDR	-	-	4,087,780	870,834,217	19,018,195	4,087,780	889,852,412	889,852,412
2016029	Ecosystem Conservation and Management Project	XDR	-	-	2,099,510	437,248,638	19,785,329	2,099,510	457,033,967	457,033,967
2017001	Agriculture Sector Modernization Project	XDR	-	-	1,963,819	416,871,059	-	1,963,819	416,871,059	416,871,059
<b>IFAD</b>										
1978004	Kirindioya Irrigation & Settlement Project	USD	3,300,000	494,340,000	-	-	10,126,035	3,000,000	458,564,400	458,564,400
1981006	Anuradhapura Dry Zone Agricultural Project	XDR	1,314,302	264,675,373	-	-	20,885,518	1,220,426	265,669,570	265,669,570
1982004	Coconut Development Project	XDR	1,150,939	231,777,279	-	-	18,321,307	1,074,213	233,841,165	233,841,165
1982009	Kirindioya Irrigation & Settlement Project	XDR	1,407,429	283,429,408	-	-	22,039,181	1,319,465	287,229,003	287,229,003
1983004	Badulla, Rural Development Project	XDR	4,172,457	840,253,571	-	-	65,337,235	3,911,677	851,517,328	851,517,328
1986026	Kegalle Rural Development Project	XDR	2,937,981	591,653,513	-	-	46,305,963	2,783,351	605,896,504	605,896,504
1988088	Small Farmers & Landless Credit Project	XDR	2,242,254	451,547,290	-	-	35,482,281	2,137,962	465,404,328	465,404,328
1991033	2nd Badulla Integrated Rural Development	XDR	5,462,639	1,100,071,644	-	-	87,376,973	5,239,675	1,140,603,827	1,140,603,827
1992051	N-W Province Dry Zone Participatory Development Project	XDR	2,957,908	595,666,481	-	-	47,365,704	2,844,144	619,130,342	619,130,342
1995040	North Central Province Participatory Rural Development Project	XDR	3,419,392	688,600,580	-	-	54,387,992	3,239,424	705,177,253	705,177,253
1999007	Matale Regional Economic Advancement Project	XDR	5,718,065	1,151,509,656	-	-	91,261,421	5,458,153	1,188,163,503	1,188,163,503
2004022	Dry Zone Livelihood Support & Partnership Programme	XDR	13,982,866	2,815,883,618	-	-	224,708,749	13,483,476	2,935,164,043	2,935,164,043
2007011	Smallholder Plantations Entrepreneurship Development Programme	XDR	13,601,474	2,739,078,478	307,916	61,679,158	223,781,125	13,401,056	2,917,222,231	2,917,222,231
2008025	Post Tsunami Coastal Rehabilitation & Resource Management Programme II	XDR	10,538,517	2,122,257,086	-	-	169,706,287	10,181,277	2,216,321,459	2,216,321,459
2008026	Post Tsunami Livelihood Support & Partnership Programme II	XDR	1,575,338	317,243,186	-	-	25,368,349	1,521,936	331,304,209	331,304,209

## Notes to the Financial Statements contd...

NOTE - 28 (III) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2010009	National Agribusiness Development Programme	XDR	11,590,009	2,334,007,798	2,356,027	503,162,543	198,982,629	13,946,036	3,036,152,970	
2012008	Iranamadu Irrigation Development Project	XDR	11,926,039	2,401,677,670	2,150,662	444,167,905	218,455,173	14,076,701	3,064,300,749	
2016016	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STAR)	XDR	-	-	1,804,095	377,568,421	15,157,727	1,804,095	392,726,148	
<b>Nordic Development Fund</b>										
1996008	2nd Power Dist & Transm. Project (Anuradhapura)	EUR	4,133,731	652,609,449	217,565	36,396,553	98,431,409	3,916,166	714,644,304	
1999055	The Skills Development Project	XDR	5,276,196	1,062,525,675	157,554	26,369,126	107,596,059	6,267,629	1,143,752,608	
1999056	Southern Transport Development Project	XDR	3,072,154	618,673,332	91,734	15,353,169	62,618,666	3,649,266	665,938,829	
2000052	Secondary Education Modernization Project	XDR	3,896,902	784,762,074	112,354	18,804,176	79,507,381	4,633,049	845,465,279	
<b>OPEC Fund</b>										
2000012	Skills Development Project	USD	0	0	-	-	-	-	-	
2002070	Southern Province Rural Economic Advancement Project	USD	1,508,770	226,013,761	301,720	45,889,666	4,379,307	1,207,050	184,503,402	
2002071	North East Community Restoration & Development Project	USD	1,281,009	191,895,193	256,160	39,185,986	3,943,928	1,024,849	156,653,135	
2003076	Road Sector Development Project	USD	3,269,907	489,832,102	503,040	76,509,139	9,605,973	2,766,867	422,928,936	
2010037	National Highway Sector Project	USD	7,200,020	1,078,562,996	533,320	81,328,713	21,802,813	6,666,700	1,019,037,096	
2010038	Kalu Ganga Development Project	USD	8,478,492	1,270,078,166	328,418	50,082,170	29,679,358	11,335,036	1,734,247,104	
2012024	Road Network Development Project	USD	31,976,663	4,790,104,140	695,796	204,519,889	98,738,815	31,339,129	4,790,248,844	
2013023	Colombo National Highways Project	USD	8,430,095	1,262,828,191	7,483,897	1,132,254,979	37,446,912	15,913,992	2,432,530,082	
2015014	Western Province Road Development Project	USD	-	-	-	-	192,920	-	192,920	
2015015	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	USD	-	-	11,098,394	1,685,770,969	10,765,543	11,098,394	1,696,536,512	
<b>ADB</b>										
2001003	Colombo Fort Efficiency and Expansion Project	XDR	4,084,153	822,470,896	240,244	50,000,335	64,294,701	3,843,909	836,765,262	
2004006	TA Loan-Road Project Preparatory Facility	XDR	7,910,541	1,593,032,738	416,482	87,933,482	126,821,806	7,496,674	1,631,921,063	
2004013	TA for Financial Markets Programme for Private Sector Development	XDR	247,367	49,815,004	12,368	2,571,171	3,912,148	234,999	51,155,981	
2016035	Technical Assistance Loan Agreement	XDR	-	-	1,225,424	263,891,650	3,000,325	1,225,424	266,891,975	
<b>IDA</b>										
1980001	Mahaweli Ganga T.A. Project	USD	752,445	112,716,298	55,732	8,446,547	2,226,213	696,713	106,495,965	
<b>ADB</b>										
2010103	Development Finance Corporation of Ceylon	XDR	181	36,461	-	-	(36,461)	-	0	
2010104	Canyon Hydro Power Project	XDR	1,437	289,537	-	-	23,443	1,437	312,980	

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2010105	Kirindioya Irrigation & Settlement Project	XDR	1,084,977	218,493,779	1,084,977	225,084,903	6,591,124	-	-	(0)
2010106	Sevanagala Sugar Development	XDR	2,036,857	410,184,295	1,365,600	290,716,198	27,164,995	673,599	146,633,092	
2010107	Urea Fertilizer (Supplementary) Project	XDR	261,237	52,608,247	104,600	21,739,869	3,229,389	156,637	34,097,766	
2010108	Rural Credit Project	XDR	846,084	170,385,341	282,200	59,445,468	11,809,886	563,884	122,749,759	
2010109	2nd DFCC Project	XDR	1,476,650	297,369,165	492,000	102,281,408	19,256,667	984,650	214,344,423	
2010110	Mahaweli Area Roads Development Project	XDR	1,167,687	235,149,909	333,400	70,230,755	16,693,374	834,287	181,612,528	
2010111	Third Tea Development Project	XDR	2,066,446	416,142,956	516,400	107,243,218	28,523,569	1,550,046	337,423,307	
2010112	Rural Electrification Project	XDR	1,295,648	260,918,869	432,200	91,042,988	18,084,638	863,448	187,960,519	
2010113	Anuradhapura Dry Zone Agriculture Project	XDR	1,516,168	305,327,412	379,200	79,878,531	22,053,118	1,136,968	247,501,998	
2010114	National Development Bank of Lanka	XDR	2,057,039	414,248,669	457,000	95,005,293	29,062,819	1,600,039	348,306,195	
2010115	Second Fisheries Development Project	XDR	93	18,770	70,200	14,787,639	68,274,609	245,793	53,505,740	
2010116	Coconut Development Project	XDR	477,317	96,122,545	106,200	22,371,044	7,035,442	371,117	80,786,943	
2010117	Kirindioya Irrigation & Settlement Project	XDR	2,343,491	471,934,656	390,800	81,069,316	34,208,256	1,952,691	425,073,596	
2010118	Community Forestry Project	XDR	1,712,100	344,784,372	341,400	72,586,880	26,184,667	1,370,700	298,382,159	
2010119	Health & Population project	XDR	1,481,043	298,254,003	269,400	56,749,146	22,252,951	1,211,643	263,757,807	
2010120	Technical Education Project	XDR	3,040,408	612,280,355	552,800	117,190,501	46,427,529	2,487,608	541,517,382	
2010121	Livestock Development Project	XDR	2,959,445	595,975,994	493,400	102,353,123	43,200,602	2,466,045	536,823,473	
<b>IDA</b>			-	-	-	-	-	-	-	-
2011010	Second Additional Financing for Road Sector Assistance Project	XDR	51,848,188	10,441,239,877	-	-	845,384,700	51,848,188	11,286,624,577	
2016043	Social Safety Nets Project	XDR	-	-	2,161,815	468,017,161	2,579,675	2,161,815	470,596,836	
<b>Pakistan</b>			-	-	-	-	-	-	-	-
1991003	Pakistan Line of Credit (Pakistan)	USD	1,280,000	191,744,000	160,000	24,377,504	3,830,880	1,120,000	171,197,376	
<b>Pakistan</b>			-	-	-	-	-	-	-	-
2006071	Pakistan Line of Credit	USD	19,715,860	2,953,435,908	3,759,839	572,551,284	58,069,898	15,956,022	2,438,954,522	
<b>Russia</b>			-	-	-	-	-	-	-	-
2010018	Russian Line of Credit (Russia)	USD	165,274,270	24,758,085,627	23,610,610	3,585,326,612	481,211,384	141,663,660	21,653,970,399	
<b>AB Svensk Ex.Credit</b>			-	-	-	-	-	-	-	-
2001072	Molecular Biology Institute, University - Colombo	SEK	499,487	8,237,004	-	-	(8,237,004)	-	-	-
2004076	Fourth Rural Electrification Project- USD Potion	USD	2,295,389	343,849,255	918,156	140,498,144	7,165,610	1,377,233	210,516,721	
2007029	Ratmalana & Ja-Ela Wastewater Treatment Facilities Project (Sweden)	USD	92,405,460	13,842,337,802	11,550,683	1,767,510,270	284,213,211	80,854,777	12,359,040,742	
2009026	Fourth Rural Electrification Project- Euro Potion (Sweden)	EUR	5,615,371	886,522,073	2,246,149	398,861,930	127,174,600	3,369,222	614,834,743	

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	
<b>Australia &amp; New Zealand Investment Bank</b>										
2010023	Integrated Water Supply Scheme for the Unserved Areas of Ampara District-Phase III (Australia)	USD	74,636,424	-	-	11,312,564	1,732,613,572	231,433,276	63,323,860	9,679,355,973
<b>Bank Austria</b>										
2003070	Sirimavo Bandaranayake Children's Hospital (Austria)	EUR	5,196,262	-	-	1,732,087	287,835,210	99,641,863	3,464,175	632,162,264
2003071	Railway Bridges to Extend Rail Tracks	EUR	6,941,100	-	-	1,735,275	298,115,282	152,283,300	5,205,825	949,988,564
2004073	Water Supply Welligama, Ambalantota, Kataragama (Austria)	EUR	4,288,186	-	-	952,930	168,253,872	99,896,431	3,335,256	608,636,449
2006089	Enhancement & Strengthening of the Road Infrastructure by Construction of Five Bridges (Austria)	EUR	8,791,666	-	-	879,167	151,471,272	207,412,032	7,912,500	1,443,918,100
2007003	Greater Colombo Sewerage Rehabilitation System II (Austria)	EUR	7,892,244	-	-	789,224	136,169,582	186,387,378	7,103,019	1,296,199,504
2008021	Rehabilitation & Augmentation of Kirindi Oya Water Supply Project (Austria)	EUR	8,683,795	-	-	1,335,968	230,173,461	200,099,553	7,347,826	1,340,873,281
2008023	Supply of Modern Medical Equipments for Teaching Hospital Kurunegala (Austria)	EUR	5,500,000	-	-	1,000,000	176,051,200	128,928,750	4,500,000	821,185,647
<b>Banco</b>										
2012015	Veyangoda Railway Crossing Flyover Project (Spain)	EUR	5,535,337	-	-	1,006,425	173,159,296	125,734,083	4,528,912	826,461,757
2012016	Veyangoda Railway Crossing Flyover Project (Spain)	EUR	-	-	-	-	-	-	-	-
2013003	Implementation of the Greater Rathnapura Water Supply Scheme	EUR	19,737,000	-	-	2,193,000	369,939,802	455,505,837	17,544,000	3,201,529,121
2015033	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	EUR	6,572,164	-	-	167,868	30,424,591	294,406,952	14,414,787	2,631,468,884
<b>BNP Paribas</b>										
2004070	Equipment to Teaching/ Base Hospitals - Finland	EUR	1,132,432	-	-	1,132,433	182,087,837	3,305,893	(1)	(134)
2013032	Reconstruction of (7) Railway Steel Bridges Project	EUR	3,977,111	-	-	305,932	52,525,002	94,579,523	3,671,180	669,937,735
<b>Calyon Credit Agricole CIB</b>										
2008042	Rehabilitation of Wimalasurendra and New Laxapana Power Stations (France)	USD	35,441,012	-	-	5,452,463	834,628,471	109,458,475	29,988,548	4,583,893,589
2016019	Implementation of Greater Matale Water Supply Project	EUR	-	-	10,667,527	1,775,573,570	174,772,031	10,667,527	1,950,345,601	
2016020	Implementation of Kelani Right Bank Water Supply Project	EUR	-	-	8,327,960	1,300,267,630	229,329,032	8,327,960	1,529,596,662	

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017			
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		
<b>Boerenleen Bank</b>											
2006085	Disaster Management & Emergency Response System (Netherlands)	EUR	4,032,884	636,688,285	-	-	2,016,442	346,960,272	78,243,791	2,016,442	367,971,804
2008039	Improvements of the Facilities and Programme of SLIATE (Netherlands)	EUR	2,404,412	379,594,648	-	-	961,765	170,786,232	54,454,118	1,442,648	263,262,533
2009031	Extension of a Disaster Management and Emergency Response System (Netherlands)	EUR	11,662,013	1,841,131,031	-	-	2,120,366	355,716,639	255,799,796	9,541,647	1,741,214,188
2011026	Importation of Dairy Animals (Netherlands & Australia)	USD	6,279,090	940,607,592	-	-	1,270,060	192,892,171	17,938,735	5,009,030	765,654,156
2012010	Development of Hambantota District General Hospital (Netherlands)	EUR	37,984,305	5,996,741,770	-	-	4,220,478	701,351,705	866,025,484	33,763,826	6,161,415,549
2013001	Upgrading of the National Blood Transfusion Services of SL	USD	23,578,773	3,532,100,159	-	-	2,773,973	424,656,887	72,670,194	20,804,799	3,180,113,467
2013024	Upgrading of Peripheral Blood Bank Coming under the National Blood Transfusion Services	EUR	16,652,662	2,629,025,657	-	-	1,850,296	316,591,988	388,786,457	14,802,566	2,701,220,125
2014032	Sri Lankan Dairy Development Project- Ph II	USD	14,827,848	2,224,219,381	1,037,135	152,355,156	1,763,520	268,873,833	47,775,697	14,101,463	2,155,476,401
2014033	Sri Lankan Dairy Development Project- Ph II	USD	3,112,094	466,191,681	-	-	1,556,047	239,226,043	10,883,615	1,556,047	237,849,253
2014035	Construction of 463 Rural Bridges	USD	74,363,286	11,700,551,240	14,928,739	2,480,792,350	25,200,000	4,461,946,440	1,976,480,845	64,092,025	11,695,877,995
2016012	Development of General Hospital Kalutara	EUR	-	-	1,280,451	231,931,049	-	-	63,414,057	1,280,451	295,345,106
2016040	Implementation of Importation of 20,000 Dairy Animals Project	USD	-	-	6,559,020	1,000,210,141	-	-	2,367,601	6,559,020	1,002,577,742
2016041	Implementation of Importation of 20,000 Dairy Animals Project	USD	-	-	2,773,277	419,110,109	-	-	4,798,601	2,773,277	423,908,710
<b>Danske Bank A/S</b>											
2006072	Towns South of Kandy Water Supply Project	EUR	12,017,668	1,897,279,172	-	-	4,245,099	723,364,199	244,400,824	7,772,202	1,418,315,797
<b>Deutsche Bank AG</b>											
2014028	Construction of 537 Steel Beam Bridges	GBP	70,540,079	12,982,499,493	17,189,548	3,339,021,411	-	-	1,738,829,128	87,729,626	18,060,350,032
<b>Exp. Development Bank of Iran</b>											
2008027	Uma Oya Hydro Electric and Irrigation Project (Iran)	USD	50,619,304	7,582,771,739	-	-	10,123,861	1,550,070,418	157,221,550	40,495,443	6,189,922,871
2010005	Implementation of Rural Electrification Project 8 (Iran)	EUR	31,736,371	5,010,354,176	-	-	19,041,823	3,408,897,862	715,117,234	12,694,548	2,316,573,548
<b>Exp. Fin&amp; Ins.Cop</b>											
2015034	Supply and Purchase of Clinical Waste Disposal Systems and Related Equipment	USD	2,773,837	415,520,736	9,812,765	1,495,873,297	1,376,463	210,264,040	12,185,007	11,210,139	1,713,314,999
<b>Exp.Imp.Bank of US</b>											
2013025	Badulla, Haliela and Ella Integrated Water Supply Project	USD	38,990,736	5,840,812,319	15,588,340	2,334,489,730	2,373,003	364,172,959	168,819,841	52,206,074	7,979,948,931

## Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
<b>Exp. Imp. Bank of China</b>										
2003050	Rural Electrification Project VII	CNY	102,647,225	2,213,915,868	-	14,663,889	332,050,048	181,765,713	87,983,336	2,063,631,533
2004041	Kelanithissa Diesel Storage Tank Project	CNY	9,796,081	211,283,832	-	3,265,360	73,941,029	15,833,942	6,530,721	153,176,746
2007014	Supply of 100 nos. Railway Passenger Carriages	CNY	87,838,774	1,894,524,245	-	14,639,796	331,504,472	153,847,623	73,198,978	1,716,867,396
2007015	Supply of 15 nos. Diesel Multiple Units	CNY	125,053,822	2,697,185,851	-	20,842,304	471,954,462	219,028,938	104,211,518	2,444,260,327
2009009	Bunkering Facility & Tank Farm Project at Hambantota	USD	50,300,301	7,534,985,203	-	5,917,683	899,024,687	148,135,869	44,382,619	6,784,096,385
2009010	Colombo-Katunayake Expressway (CKE) Section A2	USD	47,680,361	7,142,518,065	-	5,297,818	804,853,764	140,710,838	42,382,543	6,478,375,139
2009011	Colombo-Katunayake Expressway (CKE) Section A1	USD	52,531,146	7,869,165,609	-	5,836,794	886,735,953	155,026,124	46,694,352	7,137,455,780
2009012	Colombo-Katunayake Expressway (CKE) Section A3	USD	35,851,008	5,370,480,970	-	3,983,445	605,171,984	105,800,906	31,867,562	4,871,109,892
2009013	Colombo-Katunayake Expressway (CKE) Section A4	USD	50,087,486	7,503,105,356	-	5,565,276	845,486,497	147,814,569	44,522,210	6,805,433,429
2010007	Supply of 13 Nos. Diesel Multiple Units to Sri Lanka Railway Project	CNY	579,999,453	12,509,544,200	-	42,962,922	972,855,171	1,059,395,385	537,036,531	12,596,084,414
2010029	Supply of Two Nos. MA 60 Aircrafts Project	CNY	246,589,884	5,318,499,927	-	17,613,563	398,842,653	450,936,527	228,976,321	5,370,593,802
2010030	Procurement of Material for the Northern Province Power Sector Development Programme	USD	23,036,611	3,450,884,339	-	3,071,548	466,634,969	67,506,331	19,965,063	3,051,755,701
2010031	Northern Road Rehabilitation Project (A009) from Galkulama to 250Km post	USD	56,193,249	8,417,748,765	-	5,915,079	898,629,135	166,140,074	50,278,170	7,685,259,704
2010032	Northern Road Rehabilitation Project-11B	USD	35,424,750	5,306,627,550	-	3,542,475	538,179,001	104,910,220	31,882,275	4,873,358,768
2010033	Northern Road Rehabilitation Project (Mulativu-Kokkila)-11A	USD	33,857,745	5,071,890,195	-	3,563,973	541,445,039	100,103,274	30,293,772	4,630,548,430
2010034	Northern Road Rehabilitation Project-(AB020)/(AB032)/(AB016)/(AB018)	USD	59,183,580	8,865,700,164	-	6,229,850	946,449,781	174,981,236	52,953,729	8,094,231,619
2010035	Northern Road Rehabilitation Project-A009 (from 230Km post to Jaffna)	USD	55,820,948	8,361,978,021	-	5,875,889	892,675,382	165,039,334	49,945,058	7,634,341,972
2011005	Highway Section from Pimaduwa to Kodagoda (30Km to 45Km)	USD	70,790,387	10,604,399,964	-	7,079,038	1,075,459,841	209,645,378	63,711,349	9,738,585,501
2011006	Highway Section from Kodagoda to Godagama (45Km to 61Km)	USD	52,732,877	7,899,384,942	-	5,273,286	801,126,837	156,168,152	47,459,591	7,254,426,256
2011008	Re.& Im.of 67Km length of Navatkuli-Karaitivu-Mannar Road	USD	42,295,080	6,335,802,929	-	4,028,102	611,956,305	125,444,474	38,266,978	5,849,291,098
2011009	Re.& Im.of 113Km Length of Puttalam-Marichchikade-Mannar Road	USD	63,866,611	9,567,218,359	-	5,806,056	882,066,188	189,682,447	58,060,555	8,874,834,617
2012001	Finance Material Required for Lighting Sri Lanka Eastern Province Project	USD	29,712,667	4,450,957,617	-	2,701,152	410,357,465	88,239,734	27,011,516	4,128,839,885

Notes to the Financial Statements contd...

NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Balance as at 01.01.2017			Accounted During the Year			Repayments			Closing Balance as at 31.12.2017		
		Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.	Loan Currency	Loan Amount	Rs.
2013005	Matara Beliatta Section of Matara Kataragama Railway Extension Project	USD	147,974,196	22,166,534,552	15,919,126	2,430,694,710	-	-	-	454,651,645	163,893,321	25,051,880,908	
2013041	Greater Kurunegala Water Supply and Sewerage Project	CNY	251,444,875	5,423,213,354	-	-	-	-	-	501,472,989	251,444,875	5,924,686,343	
2014024	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	USD	60,589,910	9,076,368,499	68,373,418	10,451,323,135	-	-	-	179,665,251	128,963,328	19,707,356,885	
2014025	Construction of Extension of Southern Expressway, Section 4 from Mattala to Hambantota via Andarawewa Project	CNY	394,637,390	8,511,618,145	724,430,382	16,386,265,862	-	-	-	1,349,626,766	1,119,067,772	26,247,510,773	
2014026	Hambantota Hub Development Project	CNY	316,061,411	6,816,875,734	400,369,285	8,971,830,009	-	-	-	1,015,032,948	716,430,696	16,803,738,691	
2014040	Construction of Extension of Southern Expressway, Section 1 from Matara to Beliatta	USD	163,993,197	24,566,180,876	136,330,765	20,783,338,424	-	-	-	555,554,831	300,323,962	45,905,074,131	
2016015	Construction of Extension of Southern Expressway, Section 2 from Beliatta to Wetiya Project	USD	48,835,435	7,315,548,176	62,216,789	9,460,841,517	-	-	-	198,475,824	111,052,224	16,974,865,517	
<b>Export Import Bank of Hungary</b>													
2013008	Rehabilitation of Kalatuwewa Water Treatment Plant	EUR	15,041,906	2,374,728,908	1,336,971	218,605,722	-	-	-	416,807,996	16,378,877	3,010,142,625	
2013009	Rehabilitation of Labugama Water Treatment Plant Project	EUR	14,067,303	2,220,864,207	1,266,862	207,142,325	-	-	-	399,705,201	15,334,165	2,827,711,733	
<b>Fortis Bank</b>													
2011029	Implementation of Kolonna and Balangoda Water Supply Projects (Belgium)	EUR	7,665,916	1,210,250,333	-	-	1,179,372	202,915,438	-	176,366,660	6,486,545	1,183,701,555	
<b>Export Import Bank of Malaysia</b>													
2011018	Purchase 50 units Terberg Terminal Tractors to be Used at Jaya	USD	200,000	29,960,000	-	-	200,000	30,000,000	-	40,000	-	-	
<b>HSBC UK</b>													
2007027	Regional Bridge Project HSBC Bank Plc (UK)	JPY	6,720,000	8,646,623,999	-	-	1,120,000	1,483,776,000	-	430,192,000	5,600,000	7,593,039,999	
2008024	Supply & Installation of 5000 Solar Powered Drip Irrigation & Fertilizing Systems (Australia)	USD	4,795,000	718,291,000	-	-	1,370,000	208,205,613	-	13,442,303	3,425,000	523,527,690	
2008037	Development of the Dikkowita Fisheries Harbour (Netherlands)	EUR	15,186,933	2,397,624,898	-	-	3,374,874	580,436,648	-	338,343,606	11,812,059	2,155,531,855	
2010011	Emergency Purchase of Container Handling Equipments -Jaya Terminal (UK)	USD	-	-	-	-	-	-	-	-	-	-	
2012023	Construction of 210 Permanent Rural Steel Bridges	USD	44,142,909	6,612,607,717	-	-	4,414,291	670,861,420	-	130,963,630	39,728,618	6,072,709,928	
2013012	Modernization of Processing Factories of MILCO (Pvt) Ltd	USD	20,845,477	3,215,802,895	5,083,856	671,958,864	6,765,664	1,032,627,772	-	83,301,688	19,163,670	2,938,435,674	
2013027	Regional Bridges Project-Phase II- Buyer's Credit Facility	USD	57,129,426	8,557,988,030	2,380,735	359,903,815	2,975,508	455,571,709	-	179,081,464	56,534,653	8,641,401,600	

## Notes to the Financial Statements contd...

## NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
<b>HSBC Hongkong</b>											
2013026	Regional Bridges Project-Phase II- Commercial Credit Facility	USD	4,240,350	635,204,430	-	-	2,120,175	324,396,634	13,271,129	2,120,175	324,078,925
<b>HSBC (EKF Denmark)</b>											
2015019	Establishment of Dairy Processing Plant at Badalgama	EUR	27,719,365	4,362,949,329	21,193,894	3,479,419,736	-	-	1,084,753,500	48,913,259	8,927,122,566
<b>ING Bank</b>											
2008032	Negombo Water Supply Project (Netherlands)	EUR	7,573,469	1,195,655,367	-	-	1,682,993	298,858,982	178,131,275	5,890,476	1,074,927,660
<b>JBIC</b>											
2008022	Ukuruwela Power Station Rehabilitation Project (Japan)	JPY	473,703	609,513,730	-	-	118,424	162,827,079	35,036,229	355,279	481,722,881
<b>KBC Bank</b>											
2007009	Delimitation of the Outer Edge of the Continental Margin of Sri Lanka- Belgium	USD	600,000	89,880,000	-	-	400,000	60,770,500	1,461,460	200,000	30,570,960
2014007	Implementation of Monaragala- Buttala Water Supply Project	EUR	9,870,849	1,556,810,887	2,769,366	454,075,218	866,439	156,645,774	294,305,478	11,773,777	2,148,545,809
<b>Nordea Bank Finland</b>											
2005079	Solar Energy for the Development of Health & Education Facilities in Rural Areas-Finland	EUR	10,270,707	1,621,479,632	-	-	2,282,379	405,295,558	241,571,476	7,988,327	1,457,755,550
<b>Nordea Bank Sweden</b>											
2011011	Rural Electrification Project 4 Extension (Sweden)	USD	29,603,368	4,434,584,537	-	-	6,276,189	954,274,867	85,361,642	23,327,179	3,565,671,313
<b>Raiffeisen Bank</b>											
2008038	Up-grading of Technical Education (SLIATE)(Austria)	EUR	10,083,333	1,591,898,184	-	-	916,667	162,777,907	243,665,308	9,166,667	1,672,785,585
2016001	Implementation of the Kochchikade Bridge	EUR	2,391,643	377,578,773	3,514,609	627,725,742	-	-	72,502,061	5,906,252	1,077,806,576
<b>Uni Credit Bank Austria</b>											
2010004	Rehabilitation Old Laxapana Hydroelectric Power Plant (Austria)	EUR	12,070,674	1,905,648,001	-	-	3,448,764	591,594,769	259,322,049	8,621,910	1,573,375,282
2010022	Rehabilitation of Eastern Railway Line (Austria)	EUR	3,468,796	547,633,490	-	-	991,085	170,395,185	74,908,662	2,477,711	452,146,967
2013004	Augmentation of Mahiyangana Water Supply Project	EUR	10,404,953	1,642,673,631	-	-	-	-	256,081,501	10,404,953	1,898,755,132
2013006	Supply of 2 Nos Cardiac Catheterization System to Cardiology Dep. of the NHSL	EUR	2,382,000	376,056,344	-	-	-	-	58,624,593	2,382,000	434,680,937
2013045	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area	EUR	8,023,489	1,266,701,921	1,881,077	317,432,193	-	-	227,804,452	9,904,566	1,811,938,566

## Notes to the Financial Statements contd...

## NOTE - 28 (II) - STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Name	Loan Currency	Balance as at 01.01.2017		Accounted During the Year		Repayments		Closing Balance as at 31.12.2017	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
<b>Raiffeisen</b>										
2012009	Development of Niwara Eliya District General Hospital (Netherland)	EUR	33,479,529	5,285,553,855	-	-	3,572,379	593,651,651	29,907,150	5,457,627,245
<b>Exp. Imp. Bank of China</b>										
2011014	Procurement of Materials for Lighting Uva Province	USD	16,649,822	2,494,143,235	-	-	2,219,976	337,262,666	14,429,846	2,205,671,094
2013022	Matara-Belliatta Section of Matara-Kataragama Railway Extension Project	CNY	253,557,356	5,468,775,775	22,708,783	498,172,376	-	-	276,266,140	6,479,767,056
<b>Total</b>				<b>3,675,812,055,799</b>		<b>220,128,635,998</b>		<b>162,081,422,128</b>		<b>2,664,230,793,414</b>
				<b>2,454,942,055,799</b>		<b>220,128,635,998</b>		<b>162,081,422,128</b>		<b>2,664,230,793,414</b>

## Notes to the Financial Statements contd...

## Note - 28(III) Foreign Currency Term Financing Facility (9190)

Loan Key	Project Name	Balance as at 01.01.2017		Accounted during the year		Repayments		Closing Balance as at 31.12.2017		
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2016025	Foreign Currency Term Financing Facility	USD	104,860,000,000	-	-	280,000,000	42,881,678,000	2,220,694,000	420,000,000	64,199,016,000
2017011	Foreign Currency Term Financing Facility	USD	-	1,000,000,000	152,726,985,000	-	-	127,815,000	1,000,000,000	152,854,800,000
<b>Total</b>			<b>104,860,000,000</b>	<b>1,000,000,000</b>	<b>152,726,985,000</b>	<b>280,000,000</b>	<b>42,881,678,000</b>	<b>2,348,509,000</b>	<b>1,420,000,000</b>	<b>217,053,816,000</b>

## Note - 28(IV) International Sovereign Bond (9194)

Loan Key	Project Name	Balance as at 01.01.2017		Accounted during the year		Repayments		Closing Balance as at 31.12.2017		
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
2010040	International Sovereign Bond	USD	149,800,000,000	-	-	-	-	3,054,800,000	1,000,000,000	152,854,800,000
2011017	International Sovereign Bond	USD	149,800,000,000	-	-	-	-	3,054,800,000	1,000,000,000	152,854,800,000
2012018	International Sovereign Bond	USD	149,800,000,000	-	-	-	-	3,054,800,000	1,000,000,000	152,854,800,000
2014008	International Sovereign Bond	USD	149,800,000,000	-	-	-	-	3,054,800,000	1,000,000,000	152,854,800,000
2014009	International Sovereign Bond	USD	74,900,000,000	-	-	-	-	1,527,400,000	500,000,000	76,427,400,000
2015008	International Sovereign Bond	USD	97,370,000,000	-	-	-	-	1,985,620,000	650,000,000	99,355,620,000
2015029	International Sovereign Bond	USD	224,700,000,000	-	-	-	-	4,582,200,000	1,500,000,000	229,282,200,000
2016024	International Sovereign Bond	USD	149,800,000,000	-	-	-	-	3,054,800,000	1,000,000,000	152,854,800,000
2016026	International Sovereign Bond	USD	74,900,000,000	-	-	-	-	1,527,400,000	500,000,000	76,427,400,000
2017012	International Sovereign Bond	USD	-	1,500,000,000	228,450,000,000	-	-	832,200,000	1,500,000,000	229,282,200,000
<b>Total</b>			<b>1,220,870,000,000</b>	<b>1,500,000,000</b>	<b>228,450,000,000</b>	<b>-</b>	<b>-</b>	<b>25,728,820,000</b>	<b>9,650,000,000</b>	<b>1,475,048,820,000</b>

Notes to the Financial Statements contd...

NOTE - 32 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 32(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2017

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.	
1 Co-operative Wholesale Establishment	People's Bank	Credit Facility	157.10			2-Feb-05	30-Nov-15				90.31
2 Lakdhanavi Ltd.	National Savings Bank	Secure the Bonds	2,992.00			22-Feb-07	31-Mar-22				2,137.14
3 Lakdhanavi Ltd.	Employees' Trust Fund Board	Secure the Bonds	2,992.00			1-Mar-07	31-Mar-22				2,054.91
4 Ceylon Electricity Board	People's Bank	Credit Facility	4,116.00			7-May-08	3-Mar-23				-
5 West Coast Power (Pvt) Ltd.	Hongkong & Shanghai Banking Co.Ltd.	Secure the Loan Facility		134.84		28-Jun-07	28-Jun-22		38.34		
6 Ceylon Electricity Board	People's Bank	Credit Facility (Rs.1.2Bn + US\$ 4.2Mn)	1,200.00	4.20		11-Jun-08	9-Oct-23				1,432.65
7 Ceylon Petroleum Corporation	Bank of Ceylon	Secure the Foreign Currency Loans		700.00		1-Jan-17	31-Dec-17		700.00		
8 People's Bank Pension Trust Fund	People's Bank	Secure the Debentures	2,500.00			23-Oct-09	22-Oct-17				2,500.00
9 Urban Development Authority	National Savings Bank	Secure the Loan Facility	2,770.00			6-Nov-09	5-Nov-24				1,820.00
10 Road Development Authority	Commercial Bank	Secure the Loan Facility	1,085.00			1-Sep-11	28-Feb-26				1,085.00
11 General Sir John Kotelawala Defence University	Bank of Ceylon	Secure the Loan Facility	85.00			29-Aug-11	31-Dec-26				51.45
12 Road Development Authority	People's Bank	Secure the Loan Facility	2,328.36			14-Mar-12	31-Dec-26				1,681.08
13 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,784.36			12-Mar-12	31-Dec-26				1,783.92
14 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,063.00			12-Mar-12	31-Dec-26				2,062.50
15 Road Development Authority	People's Bank	Secure the Loan Facility	1,050.00			21-Mar-12	31-Dec-26				708.48
16 Road Development Authority	People's Bank	Secure the Loan Facility	5,983.68			21-Mar-12	31-Dec-26				5,983.60
17 Road Development Authority	People's Bank	Secure the Loan Facility	2,146.81			21-Mar-12	31-Dec-26				2,126.70
18 Ministry of Defence and Urban Development	Haitton National Bank	Secure the Loan Facility	3,550.00			24-Apr-12	31-Dec-30				3,550.00
19 Ministry of Defence and Urban Development	Commercial Bank	Secure the Loan Facility	2,000.00			24-Apr-12	31-Dec-30				1,959.18
20 Ministry of Defence and Urban Development	People's Bank	Secure the Loan Facility	1,000.00			24-Apr-12	31-Dec-30				979.96
21 Ministry of Defence and Urban Development	DFCC Bank	Secure the Loan Facility	1,000.00			24-Apr-12	31-Dec-30				995.37
22 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,007.64			6-Jun-12	31-Dec-26				2,006.77
23 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	315.56			15-Oct-12	30-Apr-27				1,728.63
24 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,413.16			31-Jan-13	30-Apr-27				1,848.66
25 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	354.58			15-Oct-12	30-Apr-27				2,027.26
26 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,494.31			15-Oct-12	30-Apr-27				1,848.66
27 Road Development Authority	National Savings Bank	Secure the Loan Facility	384.25			25-Oct-12	30-Apr-27				2,027.26
28 Road Development Authority	National Savings Bank	Secure the Loan Facility	1,643.39			31-Jan-13	30-Apr-27				1,072.60
29 Road Development Authority	Commercial Bank	Secure the Loan Facility	209.04			15-Nov-12	31-May-27				3,809.32
30 Road Development Authority	Commercial Bank	Secure the Loan Facility	863.57			31-Jan-13	31-May-27				2,021.32
31 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	670.75			15-Nov-12	31-May-27				1,074.00
32 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	3,139.25			31-Jan-13	31-May-27				1,662.50
33 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	385.64			15-Nov-12	31-May-27				1,735.85
34 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	209.06			26-Dec-12	30-Jun-27				1,142.01
35 Road Development Authority	Commercial Bank	Secure the Loan Facility	864.94			31-Jan-13	30-Jun-27				452.05
36 Road Development Authority	Commercial Bank	Secure the Loan Facility	299.25			26-Dec-12	30-Jun-27				2,512.31
37 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,363.75			31-Jan-13	30-Jun-27				495.67
38 Road Development Authority	Bank of Ceylon	Secure the Loan Facility	309.12			28-Dec-12	30-Jun-27				
39 Road Development Authority	Haitton National Bank	Secure the Loan Facility	1,423.73			11-Feb-13	30-Jun-27				
40 Road Development Authority	Haitton National Bank	Secure the Loan Facility	225.54			31-Dec-12	30-Jun-27				
41 Road Development Authority	National Savings Bank	Secure the Loan Facility	965.09			31-Jan-13	30-Jun-27				
42 Road Development Authority	National Savings Bank	Secure the Loan Facility	89.60			31-Dec-12	30-Jun-27				
43 Road Development Authority	DFCC Bank	Secure the Loan Facility	362.77			31-Jan-13	30-Jun-27				
44 Road Development Authority	DFCC Bank	Secure the Loan Facility	2,512.31			14-May-13	30-Nov-27				
45 Road Development Authority	Haitton National Bank	Secure the Loan Facility	750.00			7-Jun-13	30-Jun-28				
46 General Sir John Kotelawala Defence University	Bank of Ceylon	Secure the Loan Facility									

## Notes to the Financial Statements contd...

NOTE - 32 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 32(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2017

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	US\$ Mn.	Outstanding Amount - Capital	
				US\$ Mn.	Euro Mn.	J.Yen Mn.				Euro Mn.	J.Yen Mn.
47	General Sir John Kotelawala Defence University	National Savings Bank	Secure the Loan Facility	201.63			24-Jun-13	31-Jan-32	177.33		
48	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,581.74	11-Jul-13	31-Jan-28			1,581.34
49	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,537.53	11-Jul-13	31-Jan-28			1,537.53
50	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			3,330.95	25-Jul-13	31-Jan-28			3,330.95
51	Road Development Authority	Hatton National Bank	Secure the Loan Facility			897.00	5-Aug-13	31-Jan-28			897.00
52	Road Development Authority	Hatton National Bank	Secure the Loan Facility			2,133.44	5-Aug-13	31-Jan-28			2,133.44
53	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,907.48	12-Aug-13	29-Feb-28			1,904.63
54	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			2,173.92	28-Aug-13	29-Feb-28			2,173.12
55	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,403.53	30-Aug-13	29-Feb-28			1,402.91
56	Road Development Authority	National Savings Bank	Secure the Loan Facility			415.70	24-Oct-13	31-Oct-27			408.94
57	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,456.08	24-Oct-13	30-Apr-28			1,455.57
58	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,866.63	24-Oct-13	30-Apr-28			1,866.02
59	Road Development Authority	National Savings Bank	Secure the Loan Facility			3,136.99	24-Oct-13	30-Apr-28			3,136.26
60	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,502.08	24-Oct-13	30-Apr-28			1,492.33
61	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,314.00	24-Oct-13	31-Oct-27			1,314.00
62	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,478.49	24-Oct-13	30-Apr-28			1,478.30
63	Road Development Authority	National Savings Bank	Secure the Loan Facility			2,427.00	28-Nov-13	31-May-28			3,090.39
64	Road Development Authority	National Savings Bank	Secure Term Loan Facility			663.39	9-May-16	30-Nov-30			
65	Road Development Authority	Hatton National Bank	Secure the Loan Facility			871.15	28-Nov-13	31-May-28			871.15
66	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,168.49	28-Nov-13	31-May-28			1,168.11
67	Road Development Authority	Hatton National Bank	Secure the Loan Facility			393.99	28-Nov-13	31-May-28			393.99
68	Road Development Authority	Hatton National Bank	Secure the Loan Facility			5,839.00	28-Nov-13	31-May-28			5,838.17
69	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,579.00	28-Nov-13	31-May-28			1,579.00
70	State Development and Construction Corporation	Bank of Ceylon	Secure the Loan Facility			400.00	6-Dec-13	06-Dec-16			400.00
71	National School of Business Management Limited	Bank of Ceylon	Secure the Loan Facility			8,600.00	18-Dec-13	31-Dec-28			8,372.14
72	Road Development Authority	DFCC Bank	Secure the Loan Facility			653.48	27-Dec-13	30-Jun-28			653.48
73	Road Development Authority	Hatton National Bank	Secure the Loan Facility			1,807.00	27-Dec-13	30-Jun-28			1,806.56
74	Road Development Authority	National Savings Bank	Secure the Loan Facility			3,588.22	27-Jan-14	31-Jul-28			3,588.04
75	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			5,209.74	11-Feb-14	31-Aug-28			5,066.34
76	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			1,253.93	13-Feb-14	31-Aug-28			1,253.46
77	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			749.00	13-Feb-14	31-Aug-28			635.17
78	Road Development Authority	National Savings Bank	Secure the Loan Facility			6,377.05	7-Mar-14	31-Aug-28			6,376.37
79	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			852.28	14-Mar-14	30-Sep-28			840.02
80	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,664.00	14-Mar-14	30-Sep-28			1,650.00
81	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			462.05	25-Mar-14	30-Sep-28			456.06
82	Road Development Authority	Hatton National Bank	Secure the Loan Facility			486.51	25-Mar-14	30-Sep-28			486.21
83	Road Development Authority	Commercial Bank	Secure the Loan Facility			694.81	3-Apr-14	15-Oct-28			587.30
84	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			2,249.98	7-Apr-14	15-Oct-28			2,012.54
85	Road Development Authority	National Savings Bank	Secure the Loan Facility			2,951.86	5-Mar-14	30-Sep-28			2,930.91
86	Road Development Authority	National Savings Bank	Secure the Loan Facility			828.01	7-May-14	15-Nov-28			827.75
87	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,361.26	7-May-14	15-Nov-28			1,360.56
88	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,160.23	21-May-14	15-Nov-28			1,158.71
89	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,548.81	8-Jul-14	15-Jan-29			1,548.46
90	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			2,080.71	15-Jul-14	15-Jan-29			2,080.30
91	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			2,022.39	15-Jul-14	31-Jan-29			2,022.00
92	Road Development Authority	Commercial Bank	Secure the Term Loan Facility			1,757.66	15-Jul-14	31-Jan-29			1,757.10
93	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,894.95	16-Jul-14	31-Jan-29			1,894.95
94	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility			385.06	17-Jul-14	31-Jan-29			383.41
95	Road Development Authority	National Savings Bank	Secure the Term Loan Facility								

Notes to the Financial Statements contd...

NOTE - 32 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 32(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2017

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	US\$ Mn.	Outstanding Amount - Capital		Mn.
			US\$ Mn.	Euro Mn.	J.Yen Mn.				Euro Mn.	J.Yen Mn.	
96 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,291.03			21-Jul-14	31-Jan-29				1,283.70
97 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	957.77			21-Jul-14	31-Jan-29				953.23
98 Road Development Authority	National Savings Bank	Secure the Term Loan Facility	1,488.19			21-Jul-14	31-Jan-29				1,488.13
99 Road Development Authority	National Savings Bank	Secure the Loan Facility	901.90			20-Aug-14	28-Feb-29				901.65
100 Road Development Authority	National Development Bank PLC	Secure the Loan Facility	472.29			26-Aug-14	28-Feb-29				450.37
101 Ceylon Shipping Corporation Ltd	People's Bank	Secure the Loan Facility		80.00		26-Aug-14	03-Jun-29			73.71	
102 Road Development Authority	People's Bank	Secure the Term Loan Facility	44.71			22-Sep-14	30-Sep-27			39.50	
103 Road Development Authority	National Savings Bank	Secure the Term Loan Facility				23-Sep-14	31-Mar-29				1,341.56
104 Sri Lanka Land Reclamation & Development Corporation	National Savings Bank	Secure the Loan Facility	2,000.00			26-Sep-15	31-Oct-28				2,802.02
105 Sri Lanka Land Reclamation & Development Corporation	National Savings Bank	Secure the Loan Facility	1,500.00			13-Jul-14	31-Oct-28				
106 Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility	2,123.65			21-Sep-14	15-Apr-29				2,123.65
107 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	1,148.06			12-Nov-14	31-May-29				1,056.28
108 National Water Supply & Drainage Board	Bank of Ceylon	Secure Short Term Loan Facility	2,792.07			14-Nov-14	30-Nov-29				2,649.42
109 National Water Supply & Drainage Board	National Savings Bank	Secure Term Loan Facility	1,239.48			17-Nov-14	31-May-29				738.53
110 National Water Supply & Drainage Board	Commercial Bank	Secure Term Loan Facility	193.00			8-Dec-14	15-Jul-29				908.36
111 National Water Supply & Drainage Board	Commercial Bank	Secure Term Loan Facility	1,736.61			9-Jul-14	15-Jul-29				
112 National Water Supply & Drainage Board	National Development Bank PLC	Secure Term Loan Facility	2,800.00			9-Dec-14	31-Dec-29				2,378.73
113 National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan Facility	2,900.00			9-Dec-14	31-Dec-29				2,570.77
114 Road Development Authority	Bank of Ceylon	Secure Term Loan Facility	242.54			1-Dec-14	31-May-29				691.16
115 Road Development Authority	Bank of Ceylon	Secure Term Loan Facility	1,567.46			11-Sep-15	31-May-29				2,942.28
116 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	3,041.00			30-Dec-14	30-Jun-29				
117 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	1,870.50			31-May-16	30-Jun-29			1,790.00	
118 Airport & Aviation Services (Sri Lanka) Limited	Japan International Corporation Agency (JICA)	Secure Term Loan Facility	28,969.00			28-Mar-12	28-Mar-52				
119 Airport & Aviation Services (Sri Lanka) Limited	Japan International Corporation Agency (JICA)	Loan-SLP 114	45,428.00			9-May-16	9-May-56				Not Disbursed Yet
120 Ceylon Electricity Board	Industrial and Commercial Bank of China Limited		69.72			12-Mar-13	28-Mar-52			28.00	
121 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility	1,500.00			28-Jul-15	31-Jan-30				2,119.39
122 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility	1,500.00			30-Jun-16	31-Jan-30				
123 Ceylon Electricity Board	People's Bank	Secure Term Loan Facility	3,850.08			29-Apr-15	30-Apr-23				2,609.56
124 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	3,014.83			29-Sep-15	31-Mar-30				5,458.65
125 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	3,936.67			24-May-16	31-Mar-30				
126 National Water Supply & Drainage Board	Hatton National Bank	Secure Term Loan Facility	1,348.76			29-Sep-15	31-Dec-30				783.91
127 National Water Supply & Drainage Board	National Development Bank PLC	Secure Term Loan Facility	1,074.13			30-Sep-15	31-Dec-30				664.90
128 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	1,015.00			28-Jan-16	30-Jul-30				712.85
129 Northsea Limited	Bank of Ceylon	Secure Term Loan Facility	50.00			24-Feb-16	29-Feb-21				32.50
130 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	2,890.00			4-Mar-16	15-Sep-30				1,356.49
131 National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan Facility	948.00			4-Mar-16	15-Sep-30				626.88
132 Telecommunications Regulatory Commission of Sri Lanka	Exim Bank of China	Buyers Credit Loan	88.66			18-May-13	31-Jul-26			58.40	
133 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Loan Facility	300.00			29-Jul-16	31-Jan-31				132.21
134 National Water Supply & Drainage Board	People's Bank	Secure the Loan Facility	397.00			29-Jul-16	31-Jul-31				175.25
135 National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan Facility	937.87			16-Aug-16	11-Jul-31				1,259.06
136 National Water Supply & Drainage Board	DFCC Bank	Secure the Total Term Loan Facility	1,358.98			6-Nov-17	11-Jul-31				
137 State Engineering Corporation	Bank of Ceylon	Overdraft Facility	150.00			25-Aug-16	25-Aug-17				150.00
138 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	3,378.00		29.10	31-Aug-16	28-Feb-31				4,414.47
139 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility				31-Aug-16	28-Feb-31				Not Disbursed Yet
140 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	16.20			31-Aug-16	28-Feb-31				2,308.76

## Notes to the Financial Statements contd...

NOTE - 32 - STATEMENT OF CONTINGENT LIABILITIES  
NOTE - 32(A) - STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2017

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.	Rs. Mn.
141 Ceylon Electricity Board	National Savings Bank	Secure the Term Loan Facility		7,500.00		1-Jan-17	31-Dec-17				6,250.00
142 Lanka Coal Company (Pvt) Ltd	People's Bank	Secure Short Term Loan Facility		6,000.00		24-Oct-17	30-Apr-18				5,885.84
143 National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	164.90			28-Sep-16	30-Sep-31	22.03			
144 National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	91.80			28-Sep-16	30-Sep-31	17.21			
145 National Water Supply & Drainage Board	Haiton National Bank	Secure the Term Loan Facility		1,973.20	13.06	12-Oct-16	15-Apr-31				4,134.04
146 National Water Supply & Drainage Board	China Development Bank	Sovereign Guarantee	48.77			9-Sep-16	20-Mar-32	48.77			
147 State Engineering Corporation	Bank of Ceylon	Secure the Term Loan Facility		600.00		26-Oct-16	26-Oct-24				580.82
148 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	34.43			28-Nov-16	28-Nov-31				5,184.41
149 National Water Supply & Drainage Board	Haiton National Bank	Secure the Term Loan Facility		23.42		9-Dec-16	14-Dec-30				3,675.82
150 National Water Supply & Drainage Board	People's Bank	Secure the Term Loan Facility				13-Feb-17	13-Feb-32				343.68
151 Airport & Aviation Services (Sri Lanka) Limited	Hongkong & Shanghai Banking Co.Ltd.	Secure the Term Loan Facility	44.14			1-Mar-17	1-Mar-32	44.14			
152 National Water Supply & Drainage Board	National Development Bank PLC	Term Loan Facility		4,500.00		25-Jul-17	26-Jul-35				2,841.74
153 Road Development Authority	National Savings Bank	Secure the Total Term Loan Facility		11,200.00		4-Aug-17	8-Feb-32				11,200.00
154 Urban Development Authority	People's Bank	Secure the Repayment of Total Term Loan Facility		4,000.00		24-Aug-17	28-Aug-22				4,000.00
155 Road Development Authority	National Savings Bank	Settle Compensation Payment for Land Acquisition		7,500.00		12-Sep-17	13-Mar-32				7,500.00
156 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	9.67			19-Oct-17	23-Oct-32				744.42
157 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	18.10			19-Oct-17	23-Oct-32				Not Disbursed Yet
158 National Water Supply & Drainage Board	China Development Bank	Loan Facility	13.70			21-Aug-17	21-Aug-42				Not Disbursed Yet
159 Ceylon Petroleum Corporation	People's Bank	Cover up Foreign Currency Loans and Import Bills Payable	900.00			26-Oct-17	12-Jun-18				67,987.08
160 Ceylon Petroleum Corporation	Bank of Ceylon	Secure the Foreign Currency Loans	200.00			26-Oct-17	31-Jul-18	200.00			
161 Road Development Authority	Sampath Bank	Secure the Term Loan Facility		14,500.00		20-Dec-17	31-Dec-32				8,823.38
162 Paddy Marketing Board	Bank of Ceylon	Secure the Loan Facility		3,129.78		29-Dec-17	31-Dec-18				3,129.00
163 Paddy Marketing Board	People's Bank	Secure the Loan Facility		2,247.23		29-Dec-17	31-Dec-18				1,882.23
164 Paddy Marketing Board	Bank of Ceylon	Pledge Loan		5,841.10		29-Dec-17	31-Dec-18				5,459.00
165 Paddy Marketing Board	People's Bank	Pledge Loan		616.90		29-Dec-17	31-Dec-18				616.90
166 Ceylon Electricity Board	Asian Development Bank	Secure the Loan Facility	115.00			29-Jun-17	15-May-41	2.40			
167 Ceylon Electricity Board	Asian Development Bank	Secure the Loan Facility	150.00			10-Jul-17	15-Nov-41	0.93			
			3,024.71	171.31	74,397.00	285,090.10		1,412.42	38.34	1,790.00	334,977.32

## Summary of the TG in Rupee Value as at 31.12.2017 of the CBSL Exchange Rates

Currency	Exchange Rates as at 29.12.2017		Issued		Outstanding Amount - Capital	
	Amount in Respective Currencies (Mn.)	Amount in Rs. Mn.	Amount in Respective Currencies (Mn.)	Amount in Rs. Mn.	Amount in Respective Currencies (Mn.)	Amount in Rs. Mn.
US\$	155.15	3,024.71	469,284.27	219,136.96		
Euro	186.38	171.31	31,929.47	7,146.00		
Yen	1,3864	74,397.00	103,144.00	2,481.66		
Rs.	-	285,090.10	334,977.32	334,977.32		
<b>Grand Total in Rs. Mn</b>		<b>889,447.84</b>		<b>563,741.93</b>		

## Notes to the Financial Statements contd...

NOTE - 32(B) - STATEMENT OF LETTERS OF COMFORT ISSUED TO LOCAL BANKS AND THE LIABILITIES AS AT 31ST DECEMBER 2017

Institution	Bank or Institution	US\$ Mn	LC Amount Rs. Mn.	Date of Issue	Date of Expiry	Outstanding Amount - Capital			Rs. Mn.
						US\$ Mn.	Euro Mn.	J.Yen Mn.	
1	Lanka Sathosa Limited	21.50	-	1-Sep-14	31-Aug-15				1,238.80
2	Lanka Sathosa Limited	45.00	-	31-Oct-14	30-Apr-15				6,547.60
3	Lanka Sathosa Limited	11.25	-	30-Dec-14	31-Jul-15				
4	Lanka Sathosa Limited		4,000.00	22-Jul-15	21-Jul-16				2,550.00
5	Sri Lanka Tea Board		500.00	22-Jul-16	31-Jul-20				157.84
6	Sri Lanka Tea Board		500.00	22-Jul-16	31-Jul-20				404.51
7	Paddy Marketing Board		200.00	21-Sep-16	21-Sep-17				80.34
8	Co-operative Wholesale Establishment		440.00	11-Jan-17	11-Jan-18				440.00
9	Road Development Authority		12,000.00	31-Jan-17	31-Jan-18				12,000.00
10	Sri Lankan Airlines Limited	25.00	-	22-Feb-17	22-Feb-18	25.00			
11	Sri Lankan Airlines Limited	25.00	-	22-Feb-17	22-Feb-18	25.00			
12	Co-operative Wholesale Establishment		440.00	1-Mar-17	22-Feb-18				421.28
13	Co-operative Wholesale Establishment		2,500.00	12-May-17	12-May-18				2,500.00
14	Sri Lankan Airlines & Mihin Lanka	35.00	-	16-Jun-17	31-Dec-17	35.00			
15	Sri Lankan Airlines & Mihin Lanka	35.00	-	16-Jun-17	31-Dec-17	35.00			
16	Sri Lankan Airlines Limited		13,350.00	8-Aug-17	30-Jun-18				13,350.00
17	Sri Lankan Airlines Limited		12,900.00	8-Aug-17	30-Jun-18				12,900.00
18	Mihin Lanka Limited		1,650.00	8-Aug-17	31-Dec-17				1,650.00
19	Mihin Lanka Limited		1,650.00	8-Aug-17	31-Dec-17				1,650.00
20	Sri Lankan Airlines Limited	42.50	-	8-Oct-17	7-Oct-18	42.50			
21	Sri Lankan Airlines Limited	42.50	-	8-Oct-17	7-Oct-18	42.50			
22	Mihin Lanka Limited	2.50	-	8-Oct-17	31-Dec-17	2.50			
23	Mihin Lanka Limited	2.50	-	8-Oct-17	31-Dec-17	2.50			
<b>Grand Total</b>		<b>287.75</b>	<b>-</b>	<b>-</b>	<b>50,130.00</b>	<b>210.00</b>	<b>-</b>	<b>-</b>	<b>55,890.37</b>

### Summary of the LC. in Rupee Value as at 31.12.2017 of the CBSL Exchange Rates

Currency	Exchange Rates as at 29.12.2017	Issued		Outstanding Amount - Capital	
		Amount in Respective Currencies (Mn.)	Amount in Rs. Mn	Amount in Respective Currencies (Mn.)	Amount in Rs. Mn
US\$	155.15	287.75	44,644.41	210.00	32,581.50
Euro	186.38	-	-	-	-
Yen	1.3864	-	-	-	-
Rs.	-	-	50,130.00	-	55,890.37
<b>Grand Total in Rs. Mn</b>			<b>94,774.41</b>		<b>88,471.87</b>

## Notes to the Financial Statements contd...

### Note 33 - CAPITALIZATION BORROWING COST

				Rs.
Head No.	Ministry/Department	Project Description	Vote Particulars	Interest
117	Ministry of Higher Education and Highways	Extention of Southern Expressway (From Matara to Hambantota) -Godagama-Beliatta, Beliatta-Wetiya, Wetiya-Andarawewa, Andarawewa- Mattala)	117-2-3-9-2506-12	1,141,021,311
117	Ministry of Higher Education and Highways	Colombo District Road Development Project	117-2-4-32-2506-12	85,006,454
117	Ministry of Higher Education and Highways	Reconstruction of 25 Bridges on National Highways	117-2-6-17-2506-12	10,491,849
117	Ministry of Higher Education and Highways	Outer Circular Highway (OCH III) Section from Kadawatha to Kerawalapitiya	117-2-3-10-2506-12	193,017,335
160	Ministry of Mahaweli Development and Environment	Water Resources Development Investment Programme	160-2-5-11-2506-12	48,739,392
160	Ministry of Mahaweli Development and Environment	Moragahakanda and Kaluganga Reservoir Project	160-2-5-1-2506-12	172,431,666
160	Ministry of Mahaweli Development and Environment	Additional Financing for Dam Safety and Water Resources Planning Project	160-2-5-13-2506-12	75,402,016
162	Ministry of Megapolice and Western Development	Metro Colombo Urban Development Project	162-2-3-4-2506-12	155,276,756
162	Ministry of Megapolice and Western Development	Development of Strategic Cities-Kandy & Galle	162-2-3-8-2506-12	31,938,531
166	Ministry of City Planning and Water Supply	Water Supply and Sanitation Improvement Project	166-2-3-19-2506-12	54,961,893
<b>Total</b>				<b>1,968,287,205</b>

## Explanatory Notes

### Note 16 - Statement of Non-Current Assets

18 Special Spending Units, 51 Ministries, 90 Departments and 25 District Secretariats have reported non-financial assets at cost or revaluated value during the financial year as part of reporting non-financial assets in the financial statements of the Government and other Ministries / Departments will also be brought to the same system gradually.

### Note 33 - 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 has to be capitalized. Accordingly, Rs. 1,968,287,205/- of interest has been capitalized in respect of foreign funded projects listed in Note No 33 during the financial year.

### Schedule I - Disposal of Movable Assets

Disposal of Movable Assets in the reporting period is disclosed in the Financial Statements of the following year.

### Schedule IV - Total Revenue and Expenditure of Provincial Councils

Total Revenue of Rs. 86,521,000,371/- and Total Expenditure of Rs. 284,906,249,985/- were reported for 9 Provincial Councils (Provisional figures) during the financial year.

### Adopt New Accounting Policies

The Accounting method on reporting Treasury Bonds was revised from the year 2016 and Department of State Accounts reports the Treasury Bonds on their face value. Accordingly, adjustments have been done for the Treasury Bonds issued in 2016 onwards. However, due to unavailability of the adequate budgetary provisions, accounting of discount value of the Treasury Bond issued prior to 2016 are yet to be accounted.

### Correction of Classification Errors

Rs. 2,195,120,403/- worth of foreign currency received during previous years accounted in Special Foreign Currency Account (9119) has been erroneously classified under Foreign Loan Revolving Fund and Rs. 104,860,000,000/- worth of loan received accounted in Foreign Currency Term Financing Facility account (9190) has been erroneously classified under domestic borrowings. Therefore, these accounts are reclassified under Bank Balance and Foreign Borrowings respectively in the year 2017 and corresponding previous year figures adjusted accordingly.

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2101 - Vehicles

Head No	Institution	Rs.,'000																	
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 Additions	2016 Disposals	Balance	2017 Additions	Balance	
1	His Excellency the President	-	30,910	1,321,809	1,332,904	2,236,847	2,410,346	2,612,435	3,085,334	3,085,334	3,085,334	3,329,504	3,698,864	3,807,089	40,352	-	3,847,441	706	3,848,147
2	Office of the Prime Minister	335	17,172	56,615	56,615	60,615	62,918	89,102	121,383	130,920	130,920	130,920	131,074	136,264	41,027	7,000	170,291	221,731	392,022
3	Secretariat for Special Functions (Senior Ministers)	-	-	-	-	-	-	-	77,609	166,350	198,927	228,312	228,312	228,312	-	-	228,312	-	228,312
4	Judges of Supreme Court	-	-	18,475	219,907	219,907	219,907	224,821	230,721	230,721	230,721	230,721	230,721	230,721	-	-	230,721	-	230,721
5	Office of the Cabinet of Ministers	-	4,764	8,254	14,513	14,513	18,653	18,653	18,653	19,161	19,161	19,161	19,161	19,161	-	-	19,161	-	19,161
6	Public Service Commission	-	-	8,990	8,990	16,160	18,932	18,932	18,932	30,044	30,044	30,044	28,399	28,399	-	-	28,399	-	28,399
7	Judicial Service Commission	-	100	1,088	8,879	8,879	8,879	8,879	8,879	8,879	8,879	8,879	8,879	8,879	-	-	8,879	228	9,107
8	National Police Commission	-	-	249	5,560	6,117	6,117	6,117	6,117	6,134	11,212	11,212	11,212	11,212	-	-	11,212	-	11,212
10	Commission to Investigate Allegations of Bribery or Corruption	-	-	-	-	-	-	3,319	9,795	18,825	18,825	18,825	18,825	18,825	-	-	18,825	-	18,825
11	Office of the Finance Commission	-	4,850	4,850	7,700	7,700	7,795	12,835	12,835	12,835	12,835	12,835	12,835	12,835	-	-	12,835	-	12,835
12	National Education Commission	-	-	-	-	-	-	-	6,125	6,125	6,277	6,277	6,277	4,937	-	-	4,937	-	4,937
13	Human Rights Commission of Sri Lanka	-	-	-	-	-	-	8,071	8,071	8,071	8,426	14,081	14,081	14,081	-	-	14,081	-	14,081
14	Department of Attorney General	-	-	-	90,400	215,126	219,221	225,340	225,340	225,340	225,340	225,340	225,334	225,334	-	-	225,334	-	225,334
15	Department of Legal Draftsman	-	13,770	13,770	27,620	27,620	27,620	27,620	27,980	27,980	27,980	27,980	27,980	27,980	-	-	27,980	-	27,980
16	Parliament	6,800	27,735	27,735	27,735	61,770	68,870	76,370	111,813	159,853	159,044	150,716	150,716	15,393	26,200	139,908	65,221	205,130	
17	Office of the Leader of the House of Parliament	78	78	7,536	13,036	13,036	15,304	11,566	16,616	16,616	16,616	16,616	16,538	640	277	16,900	-	16,900	
18	Office of the Chief Government Whip of Parliament	-	7,150	7,413	12,913	12,913	12,913	15,835	14,824	21,033	6,915	6,932	4,770	-	-	4,770	-	4,770	
19	Office of the Leader of the Opposition of Parliament	80	7,512	7,512	8,012	8,012	8,267	16,209	16,209	16,209	26,859	42,466	34,711	-	-	34,711	37,474	72,185	
20	Department of Elections	-	-	-	15,715	25,626	25,626	30,467	41,320	41,920	41,920	41,920	33,343	-	8,926	24,418	275	24,693	
21	Auditor General's Department	-	2,151	2,151	2,543	2,543	6,498	16,234	16,234	17,631	17,631	17,631	17,631	-	-	17,631	-	17,631	
22	Office of the Parliamentary Commissioner for Administration	-	-	-	-	-	-	4,000	5,798	5,573	5,573	5,573	5,573	-	-	5,573	-	5,573	
101	Ministry of Buddhasana	-	-	5,500	24,545	24,545	24,545	32,717	38,976	45,359	56,959	57,950	57,950	-	-	57,950	25,000	82,950	
102	Ministry of Finance and Mass Media	4,100	42,251	54,217	113,815	128,922	129,769	136,406	115,005	91,001	98,341	85,365	76,321	35,000	-	111,321	78,629	189,949	
103	Ministry of Defence	495	10,152	57,907	459,119	2,545,912	2,563,739	2,563,780	2,617,984	2,648,635	2,658,847	2,668,887	2,675,475	22,437	440	2,697,472	180,220	2,877,692	
104	Ministry of National Policies and Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	17,851	1	(1,263,610)	6,361	(1,257,249)	
105	Ministry of Economic Development	-	-	-	47,035	47,035	51,353	157,676	340,555	498,439	764,053	950,114	950,114	-	-	950,114	-	950,114	
106	Ministry of Disaster Management	-	-	18,595	20,172	20,172	20,172	26,172	40,699	69,788	94,553	94,553	94,553	59,614	-	154,167	431,625	585,792	
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	-	5,800	19,825	52,725	52,725	52,725	72,728	77,085	77,085	75,428	117,799	110,192	-	12,351	97,841	84,055	181,896	
110	Ministry of Justice	16,717	16,717	33,465	34,663	58,314	59,481	58,181	77,337	85,226	88,983	90,175	90,175	-	-	90,175	79,025	169,200	
111	Ministry of Health, Nutrition and Indigenous Medicine	-	-	-	18,296	18,296	51,713	75,510	129,855	194,188	413,954	1,032,853	1,039,653	-	-	1,034,040	81,222	1,115,262	
112	Ministry of Foreign Affairs	-	25,986	151,191	273,957	345,547	386,696	405,674	509,828	614,621	652,494	750,498	830,507	79,612	40,440	869,678	78,226	947,905	
113	Ministry of Ports & Aviation	-	-	9,446	9,446	22,259	26,109	38,809	38,809	38,809	38,809	38,809	38,809	-	-	38,809	-	38,809	
114	Ministry of Transport & Civil Aviation	-	-	4,500	20,213	37,213	37,213	42,253	70,860	70,860	70,860	70,860	70,860	-	3,900	66,960	-	66,960	
115	Ministry of Petroleum Industries	-	-	10,553	23,303	34,180	34,180	43,469	52,212	52,212	55,400	72,365	72,365	-	-	72,365	-	72,365	
116	Ministry of Co-operative and Internal Trade	-	8,450	17,411	30,351	30,351	30,351	40,095	83,395	87,391	88,449	129,192	129,192	-	-	129,192	-	129,192	

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2101 - Vehicles

Head No	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Rs.,000
														Additions	Balance	Balance
117	Ministry of Ports Highways and Highways	-	-	5,432	67,087	83,787	83,787	125,414	125,414	597,552	602,904	611,284	611,284	-	611,284	611,284
117	Ministry of Higher Education and Highways	-	-	-	-	-	-	-	-	-	-	-	7,360	69,525	76,885	149,121
118	Ministry of Agriculture	15,047	18,274	37,096	123,672	125,089	192,710	228,062	228,062	228,062	241,455	293,485	293,485	-	293,485	293,485
119	Ministry of Power & Energy	1,682	16,727	16,727	16,727	16,727	16,727	21,324	30,075	30,256	23,387	41,493	41,493	-	41,493	41,493
119	Ministry of Power & Renewable Energy	-	-	-	-	-	-	-	-	-	-	-	-	31,960	25,035	25,035
120	Ministry of Child Development & Women's Affairs	-	3,475	16,325	26,175	26,175	26,175	44,628	51,511	74,243	79,323	79,323	79,323	-	79,323	79,323
120	Ministry of Women and Child Affairs	-	-	-	-	-	-	-	-	-	-	-	-	41,000	41,000	80,809
121	Ministry of Public Administration & Home Affairs	7,923	569,755	1,031,387	1,031,387	1,035,497	1,047,422	1,066,404	1,111,457	1,115,319	1,104,682	1,119,336	1,119,336	-	1,119,336	1,119,336
121	Ministry of Home Affairs	-	3,428	13,707	52,662	57,218	61,928	35,929	35,929	42,429	67,531	67,531	67,531	-	67,531	67,531
122	Ministry of Mass Media & Information	-	-	-	24,333	24,333	24,333	24,333	48,072	32,574	32,574	32,574	32,574	-	32,574	63,646
123	Ministry of Construction, Engineering Services, Housing and Common Amenities	-	-	-	24,333	24,333	24,333	24,333	48,072	32,574	32,574	32,574	32,574	-	32,574	63,646
124	Ministry of Social Service and Welfare	-	-	28,149	33,040	33,040	33,040	45,240	66,319	67,385	67,385	67,385	67,385	-	67,385	67,385
126	Ministry of Education	4,386	94,114	110,654	177,597	177,597	180,729	186,755	212,207	214,364	241,919	242,419	245,914	16,427	262,342	351,390
127	Ministry of Labour Relations & Productivity Improvement	-	19,050	30,410	47,090	47,090	47,776	47,724	64,224	61,573	70,727	106,100	106,100	-	106,100	106,100
128	Ministry of Traditional Industries & Small Enterprises Development	-	-	-	26,036	36,785	39,049	39,049	39,049	51,554	76,829	76,829	76,829	-	76,829	76,829
130	Ministry of Local Government & Provincial Councils	-	-	8,131	8,131	81,036	(109,079)	(65,054)	(16,177)	(31,825)	216,701	631,518	631,518	-	631,518	631,518
130	Ministry of Public Administration and Management	-	-	-	-	-	-	-	-	-	-	-	(47,943)	37,474	(32,969)	(32,969)
133	Ministry of Technology and Research	-	-	5,500	34,706	31,832	31,832	41,755	75,031	75,431	(25,239)	(27,804)	(27,804)	-	(27,804)	(27,804)
134	Ministry of National Languages & Social Integration	-	9,000	9,000	42,434	42,434	42,434	46,622	57,324	57,332	60,634	60,634	60,634	-	60,634	60,634
135	Ministry of Plantation Industries	-	-	35,579	115,151	115,151	134,674	146,950	187,187	196,742	203,147	231,369	225,867	-	225,867	266,281
136	Ministry of Sports	-	-	-	-	4,350	18,828	22,678	28,452	28,452	45,676	61,695	68,554	-	68,554	106,754
138	Ministry of Indigenous Medicine	-	9,242	20,217	35,217	35,217	35,217	35,217	56,091	70,025	84,283	84,283	84,283	-	84,283	84,283
139	Ministry of Fisheries & Aquatic Resources Development	2,625	2,625	10,776	21,864	48,225	138,562	164,564	181,525	181,525	187,921	187,921	187,921	-	187,921	187,921
140	Ministry of Livestock and Rural Community Development	-	-	3,390	46,160	58,221	68,044	76,655	90,601	75,179	90,515	111,915	111,915	-	111,915	111,915
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	-	-	-	-	-	-	-	-	-	-	(286,998)	40,391	(262,107)	(262,107)
142	Ministry of National Heritage	-	20,795	33,619	59,035	68,035	83,035	83,035	96,153	99,244	99,244	111,486	111,486	-	111,486	111,486
143	Ministry of Parliamentary Affairs	13,425	13,425	13,425	30,927	30,927	30,927	35,831	46,508	46,508	54,292	54,292	54,292	-	54,292	54,292
145	Ministry of Re-Settlement	-	-	16,638	39,363	48,863	56,068	56,068	82,945	89,094	104,536	104,536	104,536	-	104,536	104,536
145	Ministry of Rehabilitation, Re-Settlement and Hindu Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	(79,800)	62,999	(87,951)	(87,951)
147	Ministry of Regional Development	-	-	-	-	-	-	-	-	-	-	-	-	48,375	48,375	48,375

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Head No	Institution	Rs. '000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
149	Ministry of Industry and Commerce	2,667	2,667	15,538	37,338	50,928	65,327	71,627	73,261	88,798	98,014	131,368	141,621	-	141,621	82,440	224,061
150	Ministry of Petroleum Resources Development	-	-	-	-	-	-	-	-	-	-	-	1,930	63,525	45,835	-	45,835
151	Ministry of Fisheries & Aquatic Resources Development	-	-	-	-	-	-	-	-	-	-	-	7,515	-	7,515	39,711	47,226
152	Ministry of Irrigation & Water Resources Management	4,758	4,758	4,758	12,293	12,293	17,793	25,095	33,724	33,724	33,124	154,782	154,782	-	154,782	-	154,782
153	Ministry of Lands and Land Development	-	-	-	-	72,094	72,094	87,594	94,031	102,065	102,065	112,817	112,817	-	112,817	-	112,817
153	Ministry of Lands	-	-	-	-	-	-	-	-	-	-	-	32,302	-	32,302	-	32,302
154	Ministry of Rural Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,849	39,849
155	Ministry of Provincial Councils and Local Government	-	-	-	-	-	-	-	-	-	-	-	0	35,784	35,784	42,000	77,784
156	Ministry of Youth Affairs & Skills Development	-	1,912	14,902	22,402	20,861	20,861	71,342	95,842	98,793	104,978	104,978	104,978	-	104,978	-	104,978
157	Ministry of National Dialogue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,985	39,985
158	Ministry of Public Enterprise Development	-	-	-	-	-	-	-	-	-	-	-	35,000	-	35,000	39,964	74,964
159	Ministry of Tourism Development and Christian Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,784	39,784
160	Ministry of Environment & Renewable Energy	6,550	24,226	31,726	51,685	51,680	53,143	66,393	73,141	83,910	96,860	96,860	96,860	-	96,860	-	96,860
160	Ministry of Mahaweli Development and Environment	-	-	-	-	-	-	-	-	-	-	-	4,623	-	4,623	43,418	48,041
161	Ministry of Sustainable Development and Wildlife	-	-	-	-	-	-	-	-	-	-	-	31,387	-	31,387	-	31,387
162	Ministry of Megapolice and Western Development	-	-	-	-	-	-	-	-	-	-	-	39,596	-	39,596	-	39,596
166	Ministry of Water Supply & Drainage	-	-	-	25,986	25,986	34,216	50,216	60,277	67,012	67,012	63,852	63,852	-	63,852	-	63,852
166	Ministry of City Planning and Water Supply	-	-	-	-	-	-	-	-	-	-	-	38,558	7,487	31,071	41,054	72,125
167	Ministry of Special Assignment	-	-	-	14,795	14,795	14,795	31,855	45,289	66,333	84,780	84,795	84,795	32	32	39,441	39,443
171	Ministry of Higher Education	-	-	-	-	-	-	-	20,753	20,753	20,753	20,753	20,753	-	84,795	-	84,795
173	Ministry of Public Management Reforms	-	-	-	-	-	-	-	-	20,753	20,753	20,753	20,753	-	20,753	-	20,753
174	Ministry of Rehabilitation and Prison Reforms	-	-	-	-	-	-	34,623	34,623	47,500	53,827	93,373	93,373	-	93,373	-	93,373
175	Ministry of State Resources and Enterprise Development	-	-	-	-	-	-	-	20,692	24,296	42,110	211	211	-	211	-	211
176	Ministry of Civil Aviation	-	-	-	-	-	-	-	24,335	24,365	44,009	44,009	44,009	-	44,009	-	44,009
176	Ministry of Ports and Shipping	-	-	-	-	-	-	-	-	12,083	11,534	17,633	17,633	-	17,633	-	17,633
177	Ministry of Culture and the Arts	-	-	-	-	-	-	-	17,197	22,275	37,366	56,445	56,445	-	56,445	-	56,445
178	Ministry of Coconut Development & Janatha Estate Development	-	-	-	-	-	-	-	28,554	28,554	38,944	46,113	46,113	-	46,113	-	46,113
179	Ministry of Agrarian Services and Wild Life	-	-	-	-	-	-	-	42,303	42,303	42,303	42,303	42,303	-	42,303	-	42,303
180	Ministry of Minor Export Crop Promotion	-	-	-	-	-	-	-	39,292	40,075	48,769	48,769	48,769	-	48,769	-	48,769
181	Ministry of Productivity Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
182	Ministry of Foreign Employment Promotion & Welfare	-	-	14,515	14,515	19,890	19,890	19,890	19,890	56,740	56,740	56,740	56,740	-	56,740
182	Ministry of Foreign Employment	-	-	-	-	-	-	-	-	6,339	6,339	6,339	6,339	39,557	39,557
183	Ministry of Public Relation and Public Affairs	-	-	-	-	-	-	-	-	16,244	16,244	16,244	16,244	-	16,244
184	Ministry of Private Transport Services	-	-	-	-	-	-	-	-	35,800	35,800	35,800	35,800	-	45,959
185	Ministry of Telecommunication and Information Technology	-	-	-	-	-	-	-	-	16,000	16,000	16,000	16,000	-	24,079
187	Ministry of Investment Promotion	-	-	-	-	-	-	-	-	35,473	35,473	35,473	35,473	-	35,473
188	Ministry of Botanical Gardens & Public Recreation	-	-	-	-	-	-	-	-	6,683	6,683	6,683	6,683	-	6,683
190	Ministry of Law and Order	-	-	-	-	-	-	-	-	30,893	30,893	30,893	30,893	-	30,893
192	Ministry of Law and Order and Prisons Reforms	-	-	-	-	-	-	-	-	-	-	-	-	-	47,118
194	Ministry of Telecommunication and Digital Infrastructure	-	-	-	-	-	-	-	-	-	-	-	52	-	80,648
195	Ministry of Development Strategies and International Trade	-	-	-	-	-	-	-	-	-	-	-	41,000	-	35,280
196	Ministry of Science, Technology and Research	-	-	-	-	-	-	-	-	-	-	-	-	-	80,427
197	Ministry of Skills Development and Vocational Training	-	-	-	-	-	-	-	-	-	-	-	44,996	-	74,279
198	Ministry of Irrigation and Water Resources Management	-	-	-	-	-	-	-	-	-	-	-	-	-	80,439
201	Department of Buddhist Affairs	-	-	-	-	-	-	-	1,176	1,607	1,607	1,607	1,607	-	1,607
202	Department of Muslim Religious & Cultural Affairs	2,101	4,876	4,965	4,965	4,965	4,965	4,965	4,965	4,965	4,965	4,965	4,965	-	4,965
203	Department of Christian Religious Affairs	-	-	-	-	-	-	-	595	595	595	595	595	-	595
205	Department of Public Trustee	-	-	-	-	-	-	2,016	7,056	7,056	7,056	7,056	7,056	-	7,056
206	Department of Cultural Affairs	5,573	5,573	9,773	10,538	14,802	14,802	14,802	14,802	14,802	14,802	14,802	14,802	-	17,671
208	Department of National Museums	-	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	3,475	-	3,475
209	Department of National Archives	2,275	2,275	2,275	2,275	2,275	2,275	2,275	2,612	2,612	2,612	2,612	2,612	-	2,612
210	Department of Information	-	-	79	9,379	9,379	9,379	9,379	9,126	9,126	9,126	9,126	9,126	-	9,126
211	Department of Government Printer	-	-	-	20,518	20,518	20,518	20,518	20,518	20,518	15,114	20,604	20,604	-	20,604
212	Department of Examinations	-	2,875	2,875	8,797	8,797	8,797	7,402	7,402	4,617	4,617	4,617	4,617	-	4,617
213	Department of Educational Publications	-	-	-	-	-	-	-	-	-	-	-	11,238	-	11,238
215	Department of Technical Education & Training	-	-	75,205	78,705	78,705	78,705	78,705	78,705	78,705	78,705	78,705	78,705	-	78,705
216	Department of Social Services	-	-	-	-	-	345	345	345	345	345	345	345	-	345
217	Department of Probation & Child Care Services	-	-	-	3,877	3,877	3,877	3,877	3,877	3,877	3,877	3,877	3,877	-	3,877
219	Department of Sports Development	-	-	-	-	-	3,098	3,098	3,098	3,098	3,098	3,098	3,098	-	3,098
220	Department of Ayurveda	-	-	789	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	-	6,584
221	Department of Labour	-	48	48	20,788	20,788	20,788	20,788	20,788	20,788	20,788	20,788	17,839	-	2,949
222	Sri Lanka Army	-	409,651	973,124	1,468,196	2,453,745	3,752,398	3,964,911	5,703,611	5,713,580	5,738,169	5,862,567	101,676	-	5,760,891

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		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017			
													Additions	Disposals	Balance	Additions	Balance	
223	Sri Lanka Navy	38,152	38,152	251,852	761,052	1,266,602	1,466,230	1,623,572	2,360,662	2,382,203	2,177,757	2,305,206	2,258,703	11,396	17,752	2,252,346	2,604,118	4,856,464
224	Sri Lanka Air Force	-	201,940	401,595	523,506	686,680	780,672	787,112	1,204,615	1,230,569	1,343,734	1,370,655	1,464,494	29,000	359	1,493,134	390,518	1,883,652
225	Department of Police	-	-	479,644	680,084	2,192,626	2,365,837	2,522,492	5,178,483	5,207,967	5,207,967	5,207,967	5,207,967	-	-	5,207,967	81,376	5,289,343
226	Department of Immigration & Emigration	-	-	10,410	10,410	10,410	10,410	10,410	10,410	10,930	10,930	10,930	10,930	-	-	10,930	-	10,930
227	Department of Registration of Persons	3,665	3,665	15,765	17,700	27,700	27,700	27,700	27,808	27,808	27,808	27,808	27,808	-	-	27,808	-	27,808
228	Courts Administration	-	-	1,321	17,176	186,796	202,237	217,678	231,832	231,832	231,832	231,832	231,832	-	-	231,832	-	231,832
229	Department of Attorney General	-	-	-	-	-	-	-	-	-	-	-	651	-	-	(2,091)	22,500	20,409
230	Department of Legal Draftsman	-	-	-	-	-	-	-	-	-	-	-	(11,740)	-	-	(11,740)	-	(11,740)
232	Department of Prisons	17,813	19,905	45,497	58,804	79,926	84,901	107,970	107,970	107,970	159,371	159,371	454,541	13,256	-	467,798	-	467,798
233	Department of Government Analyst	-	-	3,441	13,137	13,137	18,177	18,177	18,177	14,331	12,051	12,529	12,529	-	-	12,529	-	12,529
235	Department of Law Commission	-	-	1,575	2,699	8,747	10,027	10,416	10,416	10,416	10,416	10,416	10,416	-	-	10,416	-	10,416
237	Department of National Planning	-	2,506	2,506	7,856	7,856	10,081	10,081	10,081	10,081	10,081	10,081	10,081	-	-	10,081	-	10,081
238	Department of Fiscal Policy	-	-	-	11,400	11,400	13,668	13,668	13,668	13,668	13,668	13,668	10,968	-	-	10,968	-	10,968
239	Department of External Resources	-	-	7,973	7,973	7,973	10,241	15,155	15,155	14,909	14,909	14,909	(2,041)	5,744	-	(7,785)	-	(7,785)
240	Department of National Budget	-	-	3,475	7,100	7,100	7,100	7,100	282,966	1,685,187	2,892,208	4,494,710	4,494,710	-	-	4,494,710	-	4,494,710
241	Department of Public Enterprises	-	-	-	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	-	-	12,200	-	12,200
242	Department of Management Services	-	-	-	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	-	-	2,600	-	2,600
243	Department of Development Finance	-	-	-	2,800	2,800	2,800	2,800	2,800	2,800	-	-	(14,977)	-	-	(14,977)	-	(14,977)
244	Department of Trade & Investment Policy	-	-	-	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	-	-	8,400	-	8,400
245	Department of Public Finance	-	-	3,500	3,500	9,365	9,365	9,365	9,365	9,365	9,365	6,494	6,494	-	-	6,494	-	6,494
246	Department of Inland Revenue	4,999	50,608	60,508	90,675	90,675	90,675	90,675	90,675	90,675	90,675	90,675	90,675	-	-	90,675	-	90,675
247	Sri Lanka Customs	-	18,562	18,562	3,923,342	3,923,342	3,929,768	3,944,699	3,946,629	3,946,629	3,960,455	3,960,455	3,961,951	-	-	3,961,951	-	3,961,951
248	Department of Excise	-	-	14,407	31,744	31,744	34,298	34,298	34,298	34,298	34,298	34,298	34,298	-	-	34,298	-	34,298
249	Department of Treasury Operations	-	-	-	12,818	12,818	12,818	12,818	5,636	5,636	5,636	5,636	(12,564)	-	-	(12,564)	-	(12,564)
250	Department of State Accounts	-	-	-	6,500	6,500	6,500	6,500	6,500	2,800	2,800	-	(9,800)	-	22,050	(31,850)	-	(31,850)
251	Department of Valuation	-	-	-	7,955	7,955	7,605	7,605	6,598	7,605	6,598	6,598	6,598	2,078	-	4,520	-	4,520
252	Department of Census & Statistics	3,446	6,874	29,132	48,643	48,643	48,643	77,501	79,955	79,955	79,955	79,955	79,955	-	-	79,955	-	79,955
253	Department of Pensions	-	-	3,360	14,205	14,205	14,205	14,205	14,205	14,205	14,205	14,205	14,205	-	-	14,205	-	14,205
254	Department of Registrar General	-	-	-	-	-	-	-	105	105	105	105	105	-	-	105	-	105
255	District Secretariat - Colombo	6	6	6	6	6	81	81	81	81	(11,440)	(14,047)	(16,897)	-	-	(16,897)	-	(16,897)
256	District Secretariat - Gampaha	-	-	-	-	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	-	1,000	(2,932)	-	(2,932)
262	District Secretariat - Matara	-	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	17,070	-	-	17,070	-	17,070
264	District Secretariat - Jaffna	-	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	5,390	-	15	5,375	-	5,375
271	District Secretariat - Trincomalee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
280	Department of Project Management and Monitoring	-	-	-	-	-	-	-	-	-	-	-	2,520	-	-	2,520	-	2,520
281	Department of Agrarian Development	-	6,500	6,500	6,500	7,033	7,033	7,033	7,033	7,033	6,869	6,869	6,869	-	-	6,869	-	6,869
282	Department of Irrigation	494	494	181,243	249,450	372,179	482,062	509,670	509,670	509,670	509,084	523,038	523,038	-	2	523,035	-	523,035
283	Department of Forests	3,350	3,350	3,350	3,350	3,350	14,620	14,620	14,620	14,620	14,620	14,620	14,620	-	-	14,620	-	14,620
284	Department of Wildlife Conservation	-	-	-	2,643	23,508	23,508	23,508	23,508	23,508	23,508	23,508	23,508	-	-	23,508	-	23,508

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Head No	Institution	Rs. '000																
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2016	2016	2017	2017
														Additions	Disposals	Balance	Additions	Balance
285	Department of Agriculture	-	-	-	18,850	18,850	18,850	18,850	19,519	19,519	19,519	19,519	22,156	-	28	22,127	10,488	32,615
286	Department of Land Commissioner	-	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	-	-	7,150	-	7,150
287	Department of Land Title Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
288	Department of Survey	-	-	-	11,400	11,400	11,400	11,400	11,400	11,400	11,400	11,400	11,400	-	-	11,400	-	11,400
290	Department of Fisheries and Aquatic Resources	-	-	-	1,521	11,617	11,899	11,899	11,997	11,997	11,997	11,997	11,997	-	3,200	8,797	-	8,797
291	Department of Coast Conservation	181	181	12,054	12,054	12,054	23,954	38,524	37,961	33,882	33,882	33,882	33,882	-	-	33,882	-	33,882
292	Department of Animal Production & Health	-	-	7,500	7,500	10,520	10,520	10,520	10,489	10,489	10,489	10,489	10,489	-	-	10,489	-	10,489
293	Department of Rubber Development	-	-	-	1,266	1,266	5,341	33,114	33,114	33,114	33,114	33,114	33,114	-	-	33,114	-	33,114
294	Department of National Zoological Garden	-	359	359	6,654	14,879	25,575	25,575	25,575	25,575	25,575	25,575	25,575	-	-	25,575	-	25,575
295	Department of Commerce	-	-	-	3,410	3,410	3,410	3,410	3,481	3,481	3,481	3,481	3,481	-	-	3,481	-	3,481
296	Department of Import and Export Control	-	-	89	4,689	8,584	8,584	8,584	8,584	8,584	8,584	8,584	8,584	-	-	8,584	-	8,584
298	Department of Measurement Units, Standards & Services	-	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	-	-	2,256	-	2,256
300	Department of Food Commissioner	-	-	-	-	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	-	-	2,760	-	2,760
302	Co-operative Employees Commission	-	7	2,502	2,502	2,502	2,502	2,501	2,489	2,489	2,489	2,489	2,489	-	-	2,489	-	2,489
304	Department of Meteorology	-	3,970	3,970	3,970	3,970	3,970	3,970	3,984	3,984	4,074	4,074	4,074	-	360	3,714	-	3,714
306	Department of Sri Lanka Railways	-	5,285	5,285	8,573,784	10,526,170	14,412,658	17,682,917	24,420,249	26,116,847	31,555,736	31,943,685	31,943,685	43	20,395	31,923,333	4,947,978	36,871,311
307	Department of Motor Traffic	-	3,227	5,227	5,529	5,529	4,976	4,976	4,976	4,976	4,976	4,976	4,976	-	-	4,976	-	4,976
308	Department of Posts	2,095	33,225	123,212	123,274	151,812	178,418	202,415	219,507	297,797	297,797	297,797	297,797	2,921	-	300,718	317,700	618,418
309	Department of Buildings	-	4,950	5,300	5,300	5,300	9,008	7,885	5,206	773	45	39	(420)	-	-	(420)	-	(420)
310	Government Factory	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	-	4,000	-	4,000
311	Department of National Physical Planning	-	-	3,630	3,630	8,630	8,630	8,630	8,630	8,630	6,430	6,430	6,430	-	-	6,430	-	6,430
313	Central Provincial Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
314	Southern Provincial Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
319	Sabaragamuwa Provincial Council	-	-	-	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	-	-	7,500	-	7,500
320	Department of Civil Security	-	-	-	34,065	81,960	87,086	87,086	87,086	87,086	87,086	87,086	87,086	-	-	87,086	-	87,086
322	Department of National Botanical Gardens	-	-	-	-	3,700	3,700	3,700	14,446	14,446	18,887	18,887	18,887	-	-	18,887	-	18,887
323	Department of Legal Affairs	-	-	-	-	2,520	2,520	2,520	2,520	2,520	2,520	2,520	(7,084)	-	-	(7,084)	-	(7,084)
325	Department of Sri Lanka Coast Guard	-	-	-	-	8,872	8,872	9,684	9,684	9,684	9,684	9,684	9,684	-	-	9,684	75,181	84,865
326	Department of Community Based Correction	-	-	-	-	-	-	-	-	(2,385)	(2,422)	(2,467)	(2,467)	-	-	(2,467)	-	(2,467)
328	Department of Man Power & Employment	-	-	-	-	-	-	-	-	(2,693)	(2,693)	(2,693)	(2,693)	-	-	(2,693)	-	(2,693)
<b>Grand Total</b>		<b>171,817</b>	<b>1,903,425</b>	<b>6,218,893</b>	<b>17,302,389</b>	<b>29,481,566</b>	<b>33,819,137</b>	<b>39,302,508</b>	<b>50,357,997</b>	<b>59,751,040</b>	<b>64,006,883</b>	<b>73,576,433</b>	<b>72,865,048</b>	<b>1,306,655</b>	<b>450,259</b>	<b>73,721,444</b>	<b>11,055,703</b>	<b>84,777,147</b>

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2102 - Office Equipment

Head No	Institution	Rs.'000																
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Balance		
1	His Excellency the President	1,723	10,526	138,511	1,328,118	1,426,035	1,481,452	1,511,430	1,541,415	1,571,142	1,613,072	1,723,864	1,732,588	31,091	-	1,763,679	52,610	1,816,289
2	Office of the Prime Minister	1,807	6,850	7,750	12,570	17,494	22,602	28,374	33,353	38,078	41,638	48,096	72,579	18,760	77	91,262	17,934	109,196
3	Secretariat for Special Functions (Senior Ministers)	-	-	-	-	-	-	-	4,910	5,898	6,862	9,156	9,156	-	-	9,156	-	9,156
4	Judges of the Superior Courts	-	-	-	-	-	-	-	-	2,967	6,076	7,914	8,406	-	-	8,406	583	8,989
5	Office of the Cabinet of Ministers	45	77	307	784	5,264	13,081	14,245	17,611	22,880	24,442	24,743	26,679	1,242	-	27,921	1,250	29,171
6	Public Service Commission	11,394	11,988	12,402	12,862	14,767	15,489	15,520	15,607	16,095	22,793	23,061	23,317	981	-	24,298	1,165	25,463
7	Judicial Service Commission	476	578	1,451	1,787	1,810	1,838	1,856	2,002	2,051	2,313	2,907	3,123	411	-	3,534	530	4,064
8	National Police Commission	500	3,968	4,917	6,999	8,390	8,574	8,574	8,578	8,601	8,628	8,671	8,690	504	-	9,194	1,343	10,537
9	Administration Appeals Tribunal	144	144	205	250	295	335	347	359	360	958	1,432	1,787	414	37	2,164	537	2,702
10	Commission to Investigate Allegations of Bribery or Corruption	497	1,196	1,892	2,386	2,572	3,455	4,329	5,216	5,424	7,831	10,010	23,434	1,669	-	25,103	2,581	27,684
11	Office of the Finance Commission	194	759	814	994	978	993	2,654	4,907	4,968	4,986	6,023	6,263	265	17	6,511	312	6,823
12	National Education Commission	424	875	1,361	1,432	1,745	2,533	3,005	3,602	3,829	4,602	4,948	5,680	438	16	6,101	436	6,537
13	Human Rights Commission of Sri Lanka	-	-	-	-	-	905	2,210	3,207	4,391	6,391	8,588	9,922	1,965	-	11,887	2,023	13,910
14	Department of Attorney General	3,615	6,362	8,894	14,330	17,039	21,923	31,152	35,895	39,095	45,089	51,749	51,749	-	-	51,749	-	51,749
15	Department of Legal Draftsman	501	1,212	1,765	2,251	6,346	16,748	32,198	40,744	43,488	43,674	43,057	43,057	-	-	43,057	-	43,057
16	Parliament	3,313	6,831	11,826	17,564	27,390	34,703	43,511	57,662	64,891	76,029	83,727	85,875	7,157	-	93,032	5,424	98,456
17	Office of the Leader of the House of Parliament	117	316	516	623	747	1,071	1,406	1,873	1,965	2,460	2,867	3,367	396	250	3,513	397	3,910
18	Office of the Chief Government Whip of Parliament	234	625	738	1,098	1,098	1,355	2,103	2,947	3,245	3,484	4,456	5,036	493	-	5,529	428	5,957
19	Office of the Leader of the Opposition of Parliament	-	392	492	572	627	689	889	1,108	1,290	1,514	1,814	4,059	2,081	-	6,141	3,599	9,740
20	Department of Elections	-	-	985	2,702	4,583	8,265	10,730	19,911	22,878	25,343	27,196	33,749	1,782	244	35,287	16,381	51,667
21	Auditor General's Department	1,966	5,352	7,841	9,035	13,677	16,418	22,643	23,908	26,681	27,430	34,746	41,343	13,691	-	55,034	11,937	66,972
22	Office of the Parliamentary Commissioner for Administration	87	160	160	227	349	501	1,015	1,185	1,266	2,009	2,300	2,328	63	-	2,391	1,424	3,815
23	Audit Service Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	774	774
24	National Procurement Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,696	1,696
25	Delimitation Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99	99
101	Ministry of Buddhasasana	50	220	2,614	3,578	4,178	5,312	6,064	6,964	7,408	8,229	9,490	10,088	555	4	10,639	218	10,857
102	Ministry of Finance and Mass Media	2,225	7,366	16,088	21,072	24,719	28,983	34,033	33,521	40,572	43,665	50,476	64,094	42,785	-	106,879	42,049	148,928
103	Ministry of Defence	1,876	13,307	39,173	76,086	150,733	174,680	230,703	259,825	285,423	334,696	367,596	393,100	19,968	36,129	376,940	22,211	399,151
104	Ministry of National Policies and Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,510	42,370
105	Ministry of Economic Development	-	-	-	424	2,793	5,400	8,137	8,787	15,768	30,483	34,040	34,040	-	-	34,040	-	34,040
106	Ministry of Disaster Management	-	-	7,628	8,969	10,268	10,904	12,702	13,593	16,065	19,310	21,859	32,928	2,830	-	35,758	9,345	45,103
108	Ministry of Postal Services	-	754	1,837	3,741	7,133	9,052	11,559	12,654	14,098	15,534	16,197	16,197	-	-	16,197	-	16,197
108	Ministry of Post, Postal Service and Muslim Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,043	5,546
110	Ministry of Justice	4,937	125,085	321,411	392,157	395,422	404,158	403,710	412,143	415,849	423,779	431,091	437,220	3,951	113	441,057	5,387	446,444
111	Ministry of Health, Nutrition and Indigenous Medicine	-	-	-	67,930	67,930	215,245	352,808	509,359	658,590	838,319	1,141,421	1,432,925	378,636	635	1,810,927	314,806	2,125,732
112	Ministry of Foreign Affairs	1,921	14,645	77,465	154,033	219,778	268,413	341,930	409,223	492,926	564,520	643,076	718,483	81,318	54	799,748	69,857	869,605

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2102 - Office Equipment

Head No	Institution	Rs.'000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
													Additions	Disposal	Balance	Additions	Balance
113	Ministry of Ports & Aviation	1,627	3,767	5,300	5,739	7,158	8,062	8,865	11,306	11,306	11,306	11,306	11,306	-	11,306	-	11,306
114	Ministry of Transport	23,001	23,001	24,498	25,375	26,711	27,299	28,116	28,726	29,719	30,167	31,422	31,422	-	31,422	-	31,422
114	Ministry of Transport & Civil Aviation	-	-	-	-	-	-	-	-	-	-	-	1,026	1,296	-	2,322	6,265
115	Ministry of Petroleum Industries	-	-	3,012	6,597	8,641	9,554	10,668	11,624	13,113	20,021	28,806	28,806	-	28,806	-	28,806
116	Ministry of Co-operative and Internal Trade	161	432	2,281	2,725	3,502	4,753	6,849	7,665	7,743	10,088	11,093	11,093	-	11,093	-	11,093
117	Ministry of Ports Highways	690	1,840	4,264	4,983	7,044	8,456	16,995	16,995	41,207	53,629	73,370	73,370	-	73,370	-	73,370
117	Ministry of Higher Education & Highways	-	-	-	-	-	-	-	-	-	-	-	159,397	309,595	19,655	449,336	759,260
118	Ministry of Agriculture	2,466	8,616	15,544	20,563	23,184	24,662	28,664	28,163	15,772	20,188	31,045	37,462	1,393	38,854	57,631	96,485
119	Ministry of Power & Energy	227	355	2,291	4,494	4,494	6,348	7,899	16,029	17,691	24,848	29,454	29,454	-	29,454	-	29,454
119	Ministry of Power & Renewable Energy	-	-	-	-	-	-	-	-	-	-	-	4,747	3,977	1,532	7,192	10,303
120	Ministry of Child Development & Women's Affairs	62	5,318	9,474	15,468	15,518	16,753	19,595	19,677	25,222	26,739	31,345	31,345	-	31,345	-	31,345
120	Ministry of Women and Child Affairs	-	-	-	-	-	-	-	-	-	-	-	3,993	5,101	-	9,094	16,759
121	Ministry of Public Administration & Home Affairs	3,659	16,823	24,142	36,401	41,783	45,339	61,533	83,584	123,828	149,199	163,673	163,673	-	163,673	-	163,673
121	Ministry of Home Affairs	-	-	-	-	-	-	-	-	-	-	-	9,045	164,042	58,194	114,893	181,992
122	Ministry of Mass Media & Information	-	1,783	4,783	6,765	7,308	9,497	10,517	11,129	13,037	14,728	16,152	16,152	-	16,152	-	16,152
122	Ministry of Parliamentary Reforms and Mass Media	-	-	-	-	-	-	-	-	-	-	-	1,714	2,100	1,089	2,725	5,360
123	Ministry of Construction, Engineering Services, Housing and Common Amenities	279	1,050	2,585	3,442	4,224	4,791	6,084	8,610	9,074	9,810	10,566	10,566	-	10,566	-	10,566
123	Ministry of Housing and Construction	-	-	-	-	-	-	-	-	-	-	-	2,721	1,233	149	3,804	6,804
124	Ministry of Social Service	-	-	3,414	5,141	5,812	6,662	8,309	9,926	11,018	12,930	14,635	14,635	-	14,635	-	14,635
124	Ministry of Social Empowerment and Welfare	-	-	-	-	-	-	-	-	-	-	-	4,305	2,545	-	6,850	10,122
126	Ministry of Education	20,709	1,505,227	2,907,513	4,342,564	4,366,124	4,413,179	5,604,857	6,734,515	7,379,544	8,017,018	11,853,373	17,547,392	2,065,995	19,613,387	2,805,289	22,418,676
127	Ministry of Labour Relations & Productivity Improvement	-	3,069	7,035	9,618	11,373	13,419	14,645	15,188	15,466	16,222	17,903	17,903	-	17,903	-	17,903
128	Ministry of Traditional Industries & Small Enterprises Development	-	-	-	765	1,595	2,161	3,194	4,656	4,906	6,562	9,599	9,599	-	9,599	-	9,599
130	Ministry of Local Government & Provincial Councils	357	357	2,134	4,219	6,248	7,774	10,362	16,152	20,796	26,239	29,995	29,995	-	29,995	-	29,995
130	Ministry of Public Administration and Management	-	-	-	-	-	-	-	-	-	-	-	40,253	11,990	8,164	44,079	51,862
133	Ministry of Technology and Research	3,265	7,530	13,746	25,372	36,497	50,468	70,627	81,143	91,516	108,887	123,624	123,624	-	123,624	-	123,624
134	Ministry of National Languages & Social Integration	724	1,478	1,542	8,188	9,376	16,551	12,715	24,488	14,687	21,590	26,022	26,022	-	26,022	-	26,022
135	Ministry of Plantation Industries	2,455	4,126	5,621	7,576	14,379	17,669	20,849	28,661	34,700	40,409	46,715	55,925	4,694	60,619	2,310	62,929
136	Ministry of Sports	-	-	-	-	2,375	3,566	7,008	12,180	12,716	31,889	43,205	52,869	6,241	59,074	7,842	66,916
138	Ministry of Indigenous Medicine	-	719	1,290	2,876	3,834	5,040	11,298	15,981	18,864	19,600	21,548	21,548	-	21,548	-	21,548
139	Ministry of Fisheries & Aquatic Resources Development	1,523	7,206	12,773	58,003	85,145	89,968	95,460	100,272	103,084	105,335	108,643	108,643	-	108,643	-	108,643
140	Ministry of Livestock and Rural Community Development	-	-	1,016	3,198	4,070	4,231	5,340	7,608	9,472	11,526	23,554	23,554	-	23,554	-	23,554

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Head No	Institution	Rs.'000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
													Balance	Disposal	Balance	Additions	Balance
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	-	-	-	-	-	-	-	-	-	-	(13,477)	3,700	(9,777)	2,307	(7,470)
142	Ministry of National Heritage & Cultural Affairs	-	19,745	40,466	45,405	45,405	67,297	88,032	92,233	93,526	97,817	100,080	100,080	-	100,080	-	100,080
143	Ministry of Parliamentary Affairs	532	532	707	1,834	2,228	2,991	3,729	4,725	5,626	7,013	7,788	7,788	-	7,788	-	7,788
145	Ministry of Re-Settlement	-	-	2,217	5,767	7,211	9,061	10,651	12,020	12,870	13,358	14,324	14,324	-	14,324	-	14,324
145	Ministry of Rehabilitation, Re-Settlement and Hindu Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	613	1,312	1,172	1,994	3,166
147	Ministry of Regional Development	446	446	2,051	4,000	6,302	7,311	8,913	13,213	16,833	28,172	40,163	50,127	11,873	62,000	8,853	70,853
149	Ministry of Industry and Commerce	-	-	-	-	-	-	-	-	-	-	-	3,375	9,315	9,531	4,841	14,372
150	Ministry of Petroleum Resources Development	-	-	-	-	-	-	-	-	-	-	-	3,441	2,804	6,245	2,460	8,705
151	Ministry of Fisheries & Aquatic Resources Development	-	-	-	-	-	-	-	-	-	-	-	42,181	-	42,181	-	42,181
152	Ministry of Irrigation & Water Resources Management	-	-	3,652	5,212	6,653	7,196	10,604	13,204	16,480	32,862	42,181	42,181	-	42,181	-	42,181
153	Ministry of Lands and Land Development	1,943	1,943	1,943	1,943	5,482	8,630	11,942	14,122	13,989	18,459	24,429	24,429	-	24,429	-	24,429
153	Ministry of Lands	-	-	-	-	-	-	-	-	-	-	2,094	2,342	-	4,436	3,143	7,580
154	Ministry of Rural Economic Affairs	-	-	-	-	-	-	-	-	-	-	802	1,652	-	2,454	3,286	5,740
155	Ministry of Provincial Councils and Local Government	-	-	-	-	-	-	-	-	-	-	-	3,045	3,000	6,045	2,837	8,882
156	Ministry of Youth Affairs & Skills Development	1,228	3,753	5,148	9,948	10,825	10,888	15,744	26,691	35,202	43,767	54,018	54,018	-	54,018	-	54,018
157	Ministry of National Dialogue	-	-	-	-	-	-	-	-	-	-	(1,066)	1,395	-	329	12,915	13,245
158	Ministry of Public Enterprise Development	-	-	-	-	-	-	-	-	-	-	2,757	14,536	-	17,292	3,046	20,339
159	Ministry of Tourism Development and Christian Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	3,796	2,161	5,958	4,708	10,666
160	Ministry of Environment	146	11,320	12,267	16,580	18,257	19,169	20,222	20,551	21,297	22,132	22,584	22,584	-	22,584	-	22,584
160	Ministry of Mahaweli Development and Environment	-	-	-	-	-	-	-	-	-	-	-	803	170,327	171,130	274	171,404
161	Ministry of Sustainable Development and Wildlife	-	-	-	-	-	-	-	-	-	-	-	7,384	2,509	9,845	3,376	13,222
162	Ministry of Megapallice and Western Development	-	-	-	-	-	-	-	-	-	-	-	699	9,797	10,496	997	11,493
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	-	-	-	-	-	-	-	-	-	-	-	1,759	3,437	5,196	43,830	49,026
164	Ministry of Southern Development	-	-	-	-	-	-	-	-	-	-	-	6,899	-	6,899	-	6,899
165	Ministry of National Integration and Reconciliation	-	-	-	-	-	-	-	-	-	-	-	306	5,853	6,159	1,496	7,655
166	Ministry of Water Supply & Drainage	-	-	-	3,277	4,814	6,312	7,014	7,438	7,541	8,192	9,204	9,204	-	9,204	-	9,204
166	Ministry of City Planning and Water Supply	-	-	-	-	-	-	-	-	-	-	-	742	912	1,653	672	2,326
167	Ministry of Special Assignment	-	-	-	-	-	-	-	-	-	-	-	-	1,221	1,221	83	1,304
171	Ministry of Higher Education	-	-	-	1,252	3,187	3,445	157,334	180,832	250,879	351,971	470,113	470,113	-	470,113	-	470,113
173	Ministry of Public Management Reforms	-	-	-	-	-	-	5,148	7,593	4,035	9,459	13,449	13,449	-	13,449	-	13,449
174	Ministry of Rehabilitation and Prison Reforms	-	-	-	-	-	-	2,610	3,588	3,935	6,255	8,500	8,500	-	8,500	-	8,500

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
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Head No	Institution	Rs.'000																
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017			
175	Ministry of State Resources & Enterprise Development	-	-	-	8,654	9,900	10,947	11,596	11,960	13,362	15,771	18,126	18,126	-	18,126	-	18,126	
176	Ministry of Civil Aviation	-	-	-	-	-	-	-	3,294	3,631	6,292	7,584	7,584	-	7,584	-	7,584	
176	Ministry of Ports and Shipping	-	-	-	-	-	-	-	-	-	-	-	2,058	2,537	30	4,565	2,803	
177	Ministry of Culture and the Arts	-	-	-	-	-	-	-	29,924	54,677	85,467	86,901	86,901	-	86,901	-	86,901	
178	Ministry of Coconut Development and Janatha Estate Development	-	-	-	-	-	-	-	5,041	5,580	9,838	17,094	17,094	-	17,094	-	17,094	
179	Ministry of Agrarian Services and Wild Life	-	-	-	-	-	-	-	3,388	7,774	13,046	15,641	15,641	-	15,641	-	15,641	
180	Ministry of Minor Export Crop Promotion	-	-	-	-	-	-	-	3,041	8,019	12,579	15,548	15,548	-	15,548	-	15,548	
181	Ministry of Productivity Promotion	-	-	-	-	-	-	-	2,195	4,831	8,476	14,476	14,476	-	14,476	-	14,476	
182	Ministry of Foreign Employment Promotion & Welfare	-	-	2,076	2,628	4,518	4,960	4,960	12,022	13,813	15,338	18,235	18,235	-	18,235	-	18,235	
182	Ministry of Foreign Employment	-	-	-	-	-	-	-	-	-	-	-	3,000	32,977	-	35,977	10,360	
183	Ministry of Public Relations and Public Affairs	-	-	-	-	-	-	-	1,202	2,678	3,352	4,229	4,229	-	4,229	-	4,229	
184	Ministry of Private Transport Services	-	-	-	-	-	-	-	2,560	5,020	8,381	13,301	13,301	-	13,301	-	13,301	
185	Ministry of Telecommunication and Information Technology	-	-	-	-	-	-	-	1,984	2,359	2,460	4,134	4,134	-	4,134	-	4,134	
186	Ministry of Sugar Industry Development	-	-	-	-	-	-	-	-	-	-	1,853	1,853	-	1,853	-	1,853	
187	Ministry of Investment Promotion	-	-	-	-	-	-	-	-	-	-	2,081	2,081	-	2,081	-	2,081	
188	Ministry of Botanical Gardens & Public Recreation	-	-	-	-	-	-	-	-	-	-	8,547	8,547	-	8,547	-	8,547	
189	Ministry of Education Services	-	-	-	-	-	-	-	-	-	-	174,106	174,106	-	174,106	-	174,106	
190	Ministry of Law and Order	-	-	-	-	-	-	-	-	-	-	55,866	55,866	-	55,866	-	55,866	
192	Ministry of Law and Order and Prisons Reforms	-	-	-	-	-	-	-	-	-	-	36,170	36,170	2,937	89,799	45,054	134,853	
193	Ministry of Labour and Trade Union Relations	-	-	-	-	-	-	-	-	-	-	1,135	1,135	241	2,453	5,262	7,715	
194	Ministry of Telecommunication and Digital Infrastructure	-	-	-	-	-	-	-	-	-	-	1,224	1,224	1,516	2,740	403	3,143	
195	Ministry of Development Strategies and International Trade	-	-	-	-	-	-	-	-	-	-	2,065	2,065	3,295	5,361	2,194	7,554	
196	Ministry of Science, Technology and Research	-	-	-	-	-	-	-	-	-	-	13,691	13,691	14,503	28,193	61,911	90,104	
197	Ministry of Skills Development and Vocational Training	-	-	-	-	-	-	-	-	-	-	4,979	4,979	405,157	44,068	2,733	46,801	
198	Ministry of Irrigation and Water Resources Management	-	-	-	-	-	-	-	-	-	-	6,532	6,532	4,702	11,233	9,146	20,379	
199	Ministry of Primary Industries	-	-	-	-	-	-	-	-	-	-	816	816	4,236	72	4,980	8,407	
201	Department of Buddhist Affairs	3,795	7,344	8,308	9,288	9,992	10,228	10,685	12,128	13,070	14,814	17,245	19,127	1,943	21,070	1,690	22,760	
202	Department of Muslim Religious & Cultural Affairs	616	635	883	1,411	1,505	1,546	1,696	1,786	1,816	2,036	2,325	3,463	1,074	4,535	987	5,522	
203	Department of Christian Religious Affairs	-	-	-	173	427	1,246	1,532	1,800	1,821	2,270	2,531	3,251	1,282	4,464	900	5,364	
204	Department of Hindu Religious & Cultural Affairs	739	781	1,534	2,705	3,733	4,026	4,516	5,945	6,462	9,442	10,955	13,234	1,769	15,004	3,493	18,497	
205	Department of Public Trustee	136	651	729	1,391	1,639	1,850	2,176	2,322	2,511	2,797	3,106	3,497	299	84	3,712	322	4,034

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Head No	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Rs.'000		
														Disposal	Balance	Balance		
206	Department of Cultural Affairs	-	3,059	4,665	5,983	7,896	8,655	9,561	11,715	13,681	15,367	17,065	23,563	8,414	31,977	7,436	39,413	
207	Department of Archaeology	1,279	3,196	4,600	10,262	15,362	18,179	21,124	24,323	27,523	30,969	34,219	38,744	3,893	42,637	3,000	45,637	
208	Department of National Museums	500	5,217	9,678	11,226	15,586	17,296	19,725	21,707	23,296	24,578	27,742	33,527	3,435	36,962	11,335	48,297	
209	Department of National Archives	3,281	6,445	9,999	17,512	19,417	20,483	22,353	24,777	26,991	29,239	32,071	34,872	2,080	36,952	100,402	137,354	
210	Department of Information	-	785	3,177	3,822	9,221	11,823	13,128	38,920	42,482	44,728	46,586	51,758	9,686	20	61,424	3,990	65,414
211	Department of Government Printer	-	1,684	5,464	8,272	9,855	11,407	13,071	14,999	17,235	20,300	20,929	27,792	5,568	33,359	9,114	42,473	
212	Department of Examinations	-	499	1,992	3,020	3,800	4,714	98,987	99,984	101,049	120,847	138,378	147,375	10,799	158,174	4,475	162,649	
213	Department of Educational Publications	815	1,159	1,159	1,801	2,269	2,863	3,789	4,326	4,922	5,783	7,079	8,760	958	9,718	1,733	11,451	
215	Department of Technical Education & Training	7,444	14,940	24,940	36,987	39,843	42,954	49,942	62,316	85,987	97,688	130,643	152,518	31,083	183,601	23,037	206,638	
216	Department of Social Services	1,257	5,650	9,204	16,950	17,942	18,494	21,367	22,222	22,615	23,100	23,798	34,300	5,637	39,937	4,163	44,100	
217	Department of Probation & Child Care Services	300	1,154	2,309	3,148	3,372	3,682	4,006	4,417	4,862	5,939	7,193	8,926	1,574	10,500	1,324	11,824	
218	Department of Commissioner General of Samurdhi	-	703	2,485	3,532	3,712	3,997	6,399	6,898	6,863	9,951	9,951	9,951	-	9,951	-	9,951	
219	Department of Sports Development	2,185,223	2,187,994	2,189,215	2,190,155	2,190,954	2,191,174	2,191,652	2,191,918	2,192,218	2,192,628	2,192,676	2,193,150	207	2,193,358	2,822	2,196,180	
220	Department of Ayurveda	3,316	5,879	9,811	14,027	19,304	22,474	29,243	38,033	53,358	62,349	71,123	78,882	3,018	81,900	11,624	93,524	
221	Department of Labour	10,682	63,348	76,166	79,077	80,205	81,035	81,742	84,054	93,480	107,958	120,792	142,710	6,582	148,857	8,382	157,239	
222	Sri Lanka Army	-	32,916	104,997	172,004	301,299	389,296	499,073	571,299	783,691	907,059	1,109,097	1,341,271	100,098	1,399,077	101,107	1,500,184	
223	Sri Lanka Navy	34,298	34,298	34,298	69,570	69,570	69,570	99,130	153,697	269,602	297,756	328,622	340,148	59,918	24,700	375,366	458,006	
224	Sri Lanka Air Force	2,810	32,689	50,689	69,091	77,542	171,488	202,572	268,671	327,846	412,876	518,887	602,124	73,506	4,124	671,507	745,941	
225	Department of Police	-	-	-	146,389	146,389	146,389	266,702	366,702	486,314	672,296	928,344	1,319,944	325,959	1,645,903	300,489	1,946,392	
226	Department of Immigration & Emigration	573	28,520	36,813	39,383	41,307	41,727	43,281	51,569	53,644	54,083	54,954	55,295	1,689	10,198	46,787	57,769	
227	Department of Registration of Persons	1,312	2,034	3,040	3,884	4,543	6,154	7,018	7,654	8,162	9,384	11,516	16,487	1,747	305	17,930	19,925	
228	Courts Administration	17,204	33,866	59,486	94,758	134,790	186,194	216,167	269,452	300,247	358,879	436,721	564,330	125,498	689,791	132,920	822,712	
229	Department of Attorney General	-	-	-	-	-	-	-	-	-	-	-	7,492	6,996	14,472	5,498	19,970	
230	Department of Legal Draftsman	-	-	-	-	-	-	-	619	952	1,503	2,402	2,788	3,630	4,528	552	5,080	
231	Department of Debt Conciliation Board	-	-	-	231	318	416	515	619	952	1,503	2,402	2,788	3,79	3,167	666	3,833	
232	Department of Prisons	1,463	3,721	6,545	19,546	29,080	44,613	56,427	66,418	80,184	138,988	232,691	316,798	164,846	481,626	33,922	515,549	
233	Department of Government Analyst	995	2,456	3,452	21,449	39,021	59,840	109,821	139,371	150,938	155,493	189,824	197,219	14,457	219	211,458	518,7	216,645
234	Registrar of Supreme Court	-	-	-	-	-	-	-	-	-	9,940	11,748	14,499	303	-	14,802	1,780	16,582
235	Department of Law Commission	352	352	952	2,182	3,112	4,082	4,301	4,701	4,851	5,815	6,283	6,748	522	-	7,270	347	7,617
236	Department of Official Languages	15	115	392	648	648	826	887	1,038	1,531	2,108	2,874	3,773	1,787	51	5,509	7,863	13,372
237	Department of National Planning	1,151	6,196	6,428	10,038	13,258	14,785	14,876	14,749	15,681	16,315	15,368	16,467	799	2,504	14,762	1,284	16,046
238	Department of Fiscal Policy	-	4,163	4,497	4,497	4,562	4,641	5,459	5,985	6,556	7,916	8,119	10,070	625	9,362	1,333	277	1,610
239	Department of External Resources	1,192	10,433	16,409	27,297	27,297	27,875	29,793	29,903	33,688	39,133	39,294	39,307	25	221	39,112	784	39,896
240	Department of National Budget	138	646	729	957	1,207	5,883	5,908	6,288	11,552	11,910	16,545	18,358	3,415	1,055	20,717	465	21,182
241	Department of Public Enterprises	782	1,305	1,480	2,609	4,286	5,821	6,324	6,370	8,312	11,819	14,760	16,451	1,600	-	18,052	549	18,600
242	Department of Management Services	1,945	3,161	4,482	5,894	5,910	6,362	6,684	9,962	10,059	12,787	13,370	14,555	268	466	14,357	1,348	15,705
243	Department of Development Finance	-	187	359	502	502	548	620	672	927	991	991	1,309	259	353	1,215	2,278	3,493
244	Department of Trade & Investment Policy	-	-	-	736	1,446	1,444	1,464	2,057	2,069	2,075	1,927	2,321	924	704	2,541	-	2,541
245	Department of Public Finance	1,518	1,772	2,329	5,361	5,361	5,389	5,678	6,032	6,564	7,290	8,616	9,233	920	-	10,153	131	10,284
246	Department of Inland Revenue	986	8,245	40,917	49,083	54,406	64,155	73,383	88,336	96,251	101,912	151,255	183,075	27,130	312	209,894	39,089	248,983

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Head No	Institution	Rs.'000																
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Balance	Balance	
247	Sri Lanka Customs	-	722	722	18,478	18,478	44,397	144,397	145,333	146,206	147,498	150,492	152,908	710	-	153,618	4,994	158,613
248	Department of Excise	697	1,744	8,646	13,992	17,606	21,668	25,798	28,951	33,930	38,928	40,737	48,454	3,997	-	52,451	18,579	71,030
249	Department of Treasury Operations	-	-	277	417	531	2,112	2,988	3,058	3,625	3,833	6,825	8,547	6,415	14,507	455	377	832
250	Department of State Accounts	846	1,703	2,077	3,172	3,172	3,857	4,789	4,726	6,888	7,251	6,125	6,950	444	631	6,763	511	7,273
251	Department of Valuation	396	984	1,778	3,611	8,386	10,085	20,821	20,821	21,293	27,255	31,880	33,878	1,744	-	35,622	1,990	37,612
252	Department of Census & Statistics	1,016	3,010	4,639	6,128	7,559	12,239	38,468	136,916	140,387	144,684	146,746	219,204	43,570	-	262,773	49,641	312,414
253	Department of Pensions	767	4,542	8,201	11,429	14,312	16,815	21,556	25,052	28,110	34,059	40,957	49,249	1,908	6,669	44,488	5,815	50,303
254	Department of Registrar General	-	2,812	6,052	18,226	27,657	29,489	37,522	45,866	53,775	63,944	74,680	86,316	11,511	424	97,402	11,358	108,760
255	District Secretariat - Colombo	3,131	14,978	17,425	51,313	55,005	67,579	82,799	105,225	116,231	151,103	179,559	185,322	5,483	908	189,897	5,384	195,281
256	District Secretariat - Gampaha	1,499	2,178	4,126	20,102	22,867	24,762	26,709	29,634	32,106	36,098	39,383	37,148	799	4,317	33,631	1,498	35,129
257	District Secretariat - Kalutara	920	2,418	5,379	27,961	33,908	34,996	36,578	40,703	44,305	48,845	53,711	58,352	3,971	-	62,324	3,698	66,022
258	District Secretariat - Kandy	746	2,242	4,793	44,617	51,427	55,653	63,036	68,001	71,249	74,694	77,865	81,349	2,786	-	84,135	9,964	94,099
259	District Secretariat - Matale	1,691	3,688	5,538	25,040	28,403	32,476	35,779	40,191	43,789	48,635	53,545	58,468	3,979	64	62,383	11,478	73,860
260	District Secretariat - Nuwara Eliya	475	2,468	3,926	19,193	26,077	31,171	36,632	42,143	47,110	51,022	54,932	58,898	3,193	379	61,712	3,065	64,777
261	District Secretariat - Galle	3,918	7,177	9,161	39,153	46,565	52,432	59,249	64,101	67,679	73,754	78,901	83,156	4,368	3,365	84,159	4,992	89,151
262	District Secretariat - Matara	1,375	10,146	12,695	33,522	38,153	44,524	56,508	63,502	69,087	76,078	89,475	98,095	6,621	1,476	103,239	6,591	109,830
263	District Secretariat - Hambantota	2,135	4,403	7,403	22,384	26,102	31,048	37,497	50,252	80,790	92,735	104,883	116,183	15,195	626	130,752	12,797	143,549
264	District Secretariat - Jaffna	-	3,797	7,493	27,487	31,206	39,406	45,155	52,413	58,145	62,145	66,123	75,768	4,000	5,551	74,217	8,169	82,386
265	District Secretariat - Mannar	54	553	3,301	8,715	13,281	18,260	24,209	30,772	35,761	40,760	45,295	49,901	4,305	31	54,176	4,196	58,371
266	District Secretariat - Vavuniya	-	899	2,139	8,013	11,268	12,265	16,221	20,220	25,213	29,739	34,737	39,715	4,168	188	43,695	4,397	48,093
267	District Secretariat - Mullaitivu	500	894	3,373	7,792	7,792	9,905	12,874	18,369	23,735	33,435	40,931	48,356	5,995	207	54,144	5,714	59,859
268	District Secretariat - Kilinochchi	365	1,365	2,864	11,849	13,999	21,998	30,473	38,078	43,075	46,071	49,065	50,629	2,399	995	52,033	2,848	54,882
269	District Secretariat - Batticaloa	998	6,194	7,892	19,476	23,806	28,783	33,236	31,369	34,336	37,638	38,677	42,676	5,200	666	47,210	6,090	53,300
270	District Secretariat - Ampara	850	2,321	3,779	20,970	23,331	29,510	49,583	57,583	62,583	69,574	76,574	84,314	6,383	3,504	87,193	6,600	93,793
271	District Secretariat - Trincomalee	2,993	3,992	6,930	14,731	15,829	18,512	22,354	26,353	29,396	33,380	36,557	39,861	3,198	-	43,059	3,123	46,182
272	District Secretariat - Kurunegala	4,583	7,730	10,533	61,954	66,799	66,799	71,629	75,582	79,911	84,911	89,722	94,653	3,973	72	98,554	4,083	102,637
273	District Secretariat - Puttalam	999	2,729	5,228	20,227	24,621	28,471	31,265	33,274	34,941	38,933	42,933	47,929	3,993	-	51,922	3,999	55,921
274	District Secretariat - Anuradhapura	1,186	2,983	5,735	25,295	29,006	33,409	38,200	43,156	47,620	53,092	58,074	63,969	3,908	-	67,877	11,059	78,936
275	District Secretariat - Polonnaruwa	-	2,000	3,991	10,963	16,387	21,452	28,605	34,567	39,194	43,540	47,426	51,007	3,101	35	54,072	20,069	74,141
276	District Secretariat - Badulla	988	3,584	6,571	28,777	34,940	36,904	39,368	43,233	45,510	48,274	49,645	50,630	791	-	51,421	1,346	52,767
277	District Secretariat - Monaragala	989	2,994	5,111	12,981	15,304	18,801	24,793	30,623	31,336	38,817	41,817	49,189	3,200	290	52,098	4,114	56,212
278	District Secretariat - Ratnapura	1,009	2,928	5,154	7,918	10,789	19,183	26,817	35,552	40,381	45,709	54,169	58,902	6,276	839	64,339	7,393	71,732
279	District Secretariat - Kegalle	782	3,274	5,751	25,762	29,750	32,486	36,458	41,415	45,306	52,794	56,755	60,730	3,196	146	63,781	2,982	66,763
280	Department of Project Management and Monitoring	-	-	-	-	-	-	-	-	45	74	74	289	868	7,800	(6,643)	-	(6,643)
281	Department of Agrarian Development	-	3,470	8,148	17,400	22,096	31,136	52,955	67,031	106,777	174,618	313,003	378,437	20,284	3,210	395,511	18,151	413,662
282	Department of Irrigation	15,177	29,400	51,505	70,491	85,553	109,254	115,730	135,263	139,523	163,345	190,254	210,277	22,890	45	233,121	23,337	256,458
283	Department of Forests	490	988	1,530	6,488	11,720	15,577	19,575	24,068	28,603	33,447	38,197	49,009	13,284	-	62,293	7,939	70,232
284	Department of Wildlife Conservation	63	2,030	3,019	4,141	40,553	43,316	62,155	65,103	69,078	74,722	92,464	138,790	9,309	-	148,099	5,831	153,929
285	Department of Agriculture	10,921	15,778	19,734	31,255	44,228	56,324	69,534	93,696	117,018	149,655	189,288	237,693	34,140	663	271,170	34,855	306,025
286	Department of Land Commissioner	1,798	3,796	6,784	9,278	11,116	12,516	14,516	19,509	24,059	29,037	32,036	35,335	2,929	-	38,264	488	38,752
287	Department of Land Title Settlement	198	1,571	2,848	3,351	4,151	5,580	6,854	7,853	8,599	9,599	17,946	22,289	3,969	-	26,258	2,491	28,749
288	Department of Surveyor	3,386	125,364	127,493	132,310	133,456	133,322	134,889	137,176	138,847	141,274	149,306	155,375	6,360	79	161,656	6,518	168,174

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2102 - Office Equipment

Head No	Institution	Rs.'000																
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Balance	Balance	
289	Department of Export Agriculture	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929	2,929
290	Department of Fisheries and Aquatic Resources	298	2,093	3,406	4,936	7,809	8,942	10,434	13,913	16,051	24,309	28,319	32,252	13,043	137	45,295	24,552	69,847
291	Department of Coast Conservation	692	2,586	3,282	4,018	4,316	4,384	4,577	5,056	6,241	7,510	8,994	8,429	996	241	9,184	1,799	10,984
292	Department of Animal Production and Health	2,296	2,296	7,441	12,226	19,318	21,792	26,790	36,222	41,860	43,722	55,065	58,745	1,339	10	60,074	1,762	61,836
293	Department of Rubber Development	-	759	946	4,008	5,112	7,576	8,558	10,043	10,752	12,055	13,013	13,865	10,617	-	24,482	2,755	27,237
294	Department of National Zoological Gardens	211	511	895	1,537	2,036	2,737	3,089	3,840	4,638	5,531	6,891	7,791	1,492	-	9,283	2,889	12,172
295	Department of Commerce	-	1,681	2,317	3,106	3,175	3,674	4,110	4,483	5,263	8,929	13,636	15,272	1,512	951	15,833	991	16,824
296	Department of Import and Export Control	5,933	6,112	6,439	7,704	7,432	8,419	8,513	8,608	18,704	23,103	29,509	31,725	2,322	-	34,046	2,540	36,587
297	Department of the Registrar of Companies	2	215	215	215	215	215	215	215	215	(444)	(444)	(444)	-	-	(444)	-	(444)
298	Department of Measurement Units, Standards & Services	301	630	1,005	1,907	2,370	2,370	2,859	3,356	3,843	4,246	4,731	5,225	-	-	5,225	1,607	6,832
299	National Intellectual Property Office of Sri Lanka	44	44	44	44	44	44	44	44	44	-	-	-	-	-	-	-	-
300	Department of Food Commissioner	44	89	650	1,500	1,915	2,128	3,496	4,810	5,604	6,258	7,141	7,649	939	-	8,588	2,004	10,591
301	Department of Co-operative Development	167	796	1,976	2,469	2,558	2,634	2,734	2,832	2,906	3,214	3,479	3,779	298	-	4,077	10,350	14,427
302	Co-operative Employees Commission	-	295	1,369	1,540	1,535	1,596	1,660	1,674	1,982	2,178	2,493	2,532	-	197	2,336	350	2,686
303	Department of Textile Industries	494	919	1,117	1,708	1,769	1,913	2,403	3,303	3,749	4,248	6,080	6,973	2,900	-	9,873	1,294	11,167
304	Department of Meteorology	2,218	7,019	7,679	9,621	10,726	11,919	13,009	14,358	17,108	18,404	31,404	40,304	4,763	-	45,067	4,989	50,056
305	Department of Upcountry Peasantry Rehabilitation	49	298	741	741	1,089	1,344	1,544	1,788	2,016	2,024	2,316	2,316	-	-	2,316	-	2,316
306	Department of Sri Lanka Railways	-	5,839	9,751	10,185	22,307	26,950	31,824	42,577	60,802	77,839	117,305	155,061	41,046	-	196,107	42,647	238,754
307	Department of Motor Traffic	-	1,998	7,658	12,317	18,886	22,139	22,713	23,818	33,051	38,313	41,714	46,217	4,534	-	50,750	3,040	53,790
308	Department of Posts	26,557	45,544	52,744	55,100	89,712	98,470	108,286	120,230	130,522	142,217	156,137	201,137	29,301	-	230,438	31,848	262,286
309	Department of Buildings	-	1,244	4,035	13,216	22,450	28,072	30,979	32,432	34,450	36,780	38,224	38,983	798	42	39,740	1,344	41,083
310	Government Factory	240	1,010	1,872	2,843	3,305	3,942	4,439	4,928	5,926	6,867	7,692	11,658	1,989	-	13,647	2,534	16,181
311	Department of National Physical Planning	1,524	2,398	3,615	5,088	5,988	6,093	6,194	6,492	6,541	6,600	6,800	11,245	486	24	11,707	1,000	12,707
320	Department of Civil Security	-	-	-	26,075	44,651	63,110	70,594	78,093	85,092	92,588	110,756	145,745	21,523	-	167,268	15,721	182,988
322	Department of National Botanical Garden	-	-	-	-	462	462	759	1,201	1,637	2,146	2,713	3,294	2,260	-	5,554	3,231	8,784
323	Department of Legal Affairs	-	-	-	-	-	-	225	867	925	1,283	1,452	(1,637)	228	-	(1,410)	-	(1,410)
324	Department of Management Audit	-	-	-	-	-	179	310	657	662	799	937	890	234	1	1,124	175	1,299
325	Department of Sri Lanka Coast Guard	-	-	-	-	-	875	6,085	11,049	14,280	15,969	19,050	25,026	2,459	-	27,485	2,386	29,871
326	Department of Community Based Correction	-	-	-	-	-	-	3,433	3,569	5,626	10,093	16,885	17,735	3,186	475	20,446	2,820	23,267
327	Department of Land Use Policy Planning	-	-	-	-	-	-	-	1,512	3,160	5,137	7,884	10,257	2,180	286	12,152	2,561	14,513
328	Department of Man Power and Employment	-	-	-	-	-	-	-	18,718	15,238	15,835	16,323	14,948	871	741	15,078	479	15,557
329	Department of Information Technology Management	-	-	-	-	-	-	-	-	-	-	111	266	324	758	(168)	229	61
331	Department of Divrugama Development	-	-	-	-	-	-	-	-	-	-	-	8,293	9,940	-	18,233	9,740	27,972
332	Department of National Community Water Supply	-	-	-	-	-	-	-	-	-	-	-	4,071	9,764	-	13,835	992	14,827
<b>Grand Total</b>		<b>2,501,603</b>	<b>4,751,376</b>	<b>7,070,310</b>	<b>11,149,424</b>	<b>12,108,851</b>	<b>13,163,434</b>	<b>15,960,294</b>	<b>18,556,448</b>	<b>20,739,841</b>	<b>23,218,959</b>	<b>29,751,769</b>	<b>38,027,178</b>	<b>5,500,948</b>	<b>659,735</b>	<b>42,868,391</b>	<b>5,687,461</b>	<b>48,555,851</b>

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2103 - Machinery

Head No.	Institution	Rs., 000														
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
1	His Excellency the President	3,000	9,582	420,875	452,978	516,455	667,404	867,280	949,593	1,042,708	1,223,481	1,391,473	1,477,698	87,569	143,461	1,708,728
2	Office of the Prime Minister	2,880	59,564	63,902	68,949	77,634	80,633	81,876	86,834	87,072	87,831	88,518	89,000	11,374	13,702	114,074
3	Secretariat for Special Functions (Senior Ministers)	-	-	-	-	-	-	-	2,163	3,985	7,077	10,973	10,973	-	10,973	10,973
4	Judges of the Superior Courts	-	-	-	-	-	-	-	-	-	-	-	-	592	2,730	5,324
5	Office of the Cabinet of Ministers	2,084	2,517	3,638	4,347	4,347	4,347	5,294	5,914	5,914	6,711	6,711	6,852	-	6,852	6,957
6	Public Service Commission	400	981	1,618	2,069	2,208	2,930	3,293	9,543	12,690	12,802	12,937	13,726	3,823	17,549	18,029
7	Judicial Service Commission	-	-	98	134	177	609	792	1,766	1,950	2,638	2,927	3,367	-	3,367	5,503
8	National Police Commission	152	1,006	1,534	1,534	1,557	1,596	1,621	1,621	1,709	1,732	2,185	2,722	2,041	4,763	5,607
9	Administration Appeals Tribunal	165	165	165	165	165	165	165	165	165	165	165	165	-	165	165
10	Commission to Investigate Allegations of Bribery or Corruption	1,656	2,521	4,001	4,545	4,693	4,693	4,693	4,693	4,693	4,693	4,693	8,765	654	9,419	9,887
11	Office of the Finance Commission	69	177	397	477	506	506	1,202	1,660	2,110	2,176	2,461	2,461	835	3,289	4,122
12	National Education Commission	-	-	25	29	38	533	533	481	505	797	1,294	1,437	24	1,461	1,554
13	Human Rights Commission of Sri Lanka	-	-	-	-	-	421	439	582	632	706	781	868	92	960	960
14	Department of Attorney General	-	-	-	5,799	5,799	5,799	5,799	15,299	17,673	20,173	22,673	22,673	-	22,673	22,673
15	Department of Legal Draftsman	562	562	562	562	562	562	562	562	562	562	562	562	-	562	562
16	Parliament	6,900	7,425	9,492	10,992	21,399	28,672	79,909	105,963	130,082	144,971	172,043	197,553	35,066	10,200	236,125
19	Office of the Leader of the Opposition of Parliament	-	-	-	-	461	1,131	1,131	1,131	1,131	1,131	1,131	1,131	-	1,131	1,378
20	Department of Elections	-	-	5,006	51,198	58,055	63,339	67,404	75,084	78,113	83,536	103,077	121,194	31,803	47,898	198,616
21	Auditor General's Department	-	-	-	-	-	-	-	-	-	-	-	7,002	-	7,002	23,649
24	National Procurement Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	2,026	2,026
25	Delimitation Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	542	542
101	Ministry of Buddhasasana	3,673	4,970	5,432	7,630	8,204	8,673	9,292	9,901	11,158	12,271	13,453	15,200	2,924	18,124	18,617
102	Ministry of Finance and Mass Media	14	312	562	4,618	5,075	5,124	9,356	9,208	9,511	12,761	13,638	41,333	57,802	99,134	150,817
103	Ministry of Defence	5,311	14,579	19,476	119,084	664,468	674,558	689,933	727,193	791,802	892,999	908,817	924,266	23,358	947,624	978,723
104	Ministry of National Policies and Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	2,030	4,270	6,301	6,928
105	Ministry of Economic Development	-	-	-	1,216	2,318	3,486	5,281	7,086	2,576,790	6,639,064	6,647,127	6,647,127	-	6,647,127	6,647,127
106	Ministry of Disaster Management	-	-	2,431	19,108	20,402	20,934	22,104	22,650	23,642	26,035	147,847	151,253	11,716	162,969	237,898
108	Ministry of Postal Services	-	1,234	5,168	5,333	5,333	5,333	6,440	8,214	10,187	13,121	14,294	14,294	-	14,294	14,294
108	Ministry of Post, Postal Service and Muslim Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	4,203	21,509	8,917	32,577
110	Ministry of Justice	-	75	311	791	1,012	1,012	1,012	1,012	1,012	1,099	1,099	2,763	40,143	42,907	58,603
111	Ministry of Health Nutrition and Indigenous Medicine	-	-	-	311,773	311,773	965,166	2,555,472	4,968,230	7,025,413	10,970,772	15,140,039	21,495,254	6,544,517	28,030,902	35,852,793
112	Ministry of Foreign Affairs	-	5,242	13,743	17,307	28,261	40,019	60,690	72,445	85,871	103,142	115,407	124,194	24,563	148,757	164,520
114	Ministry of Transport	78,900	78,900	80,878	82,936	84,845	86,175	87,364	91,821	94,489	95,945	97,400	97,400	-	97,400	97,400
114	Ministry of Transport & Civil Aviation	-	-	-	-	-	-	-	-	-	-	-	1,178	2,367	3,545	5,899
115	Ministry of Petroleum Industries	-	-	1,606	3,558	4,669	4,876	4,937	4,937	4,937	4,937	4,916	4,916	-	4,916	4,916
116	Ministry of Co-operative and Internal Trade	-	1,160	3,379	4,209	6,337	7,771	12,874	14,486	14,567	16,275	19,690	19,690	-	19,690	19,690
117	Ministry of Highways	543	1,597	3,680	45,280	46,353	48,112	83,402	83,402	83,398	86,705	133,534	133,534	-	133,534	133,534
117	Ministry of Higher Education & Highways	-	-	-	-	-	-	-	-	-	-	-	14,806	3,917	(1,908)	3,263
118	Ministry of Agriculture	38	1,217	2,289	76,072	1,021,632	1,663,408	1,970,654	2,181,066	2,678,580	2,699,382	2,705,998	2,709,201	4,766	2,713,967	2,720,111
119	Ministry of Power & Energy	-	-	-	-	-	135	1,825	3,426	4,000	7,575	19,696	19,696	-	19,696	19,696
119	Ministry of Power & Renewable Energy	-	-	-	-	-	-	-	-	-	-	-	1,583	1,666	2,129	3,272

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2103 - Machinery

Head No.	Institution	Rs. '000															
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
													Additions	Disposals	Balance	Additions	Balance
120	Ministry of Child Development & Women's Affairs	57	2,429	2,499	3,402	3,787	4,033	4,837	5,036	5,334	6,764	8,731	8,731	-	8,731	-	8,731
120	Ministry of Women and Child Affairs	-	-	-	-	-	-	-	-	-	-	-	4,194	1,200	5,394	2,199	7,594
121	Ministry of Public Administration & Home Affairs	270	1,685	4,353	11,206	18,089	19,078	23,835	25,846	105,641	142,156	178,310	178,310	-	178,310	-	178,310
121	Ministry of Home Affairs	-	-	-	-	-	-	-	-	-	-	-	54,342	59,738	101,742	65,327	167,069
122	Ministry of Mass Media & Information	-	3,186	5,386	11,000	13,302	15,241	17,127	18,760	23,546	25,429	27,829	27,829	-	27,829	-	27,829
122	Ministry of Parliamentary Reforms and Mass Media	-	-	-	-	-	-	-	-	-	-	-	1,995	1,628	2,614	2,091	4,705
123	Ministry of Construction, Engineering Services, Housing and Common Amenities	214	654	1,653	2,756	4,120	5,190	6,338	6,753	9,804	12,916	16,271	16,271	-	16,271	-	16,271
123	Ministry of Housing and Construction	-	-	-	-	-	-	-	-	-	-	-	3,583	3,982	6,667	3,000	9,667
124	Ministry of Social Service	-	-	5,517	9,904	10,183	10,432	12,365	13,538	14,315	15,797	19,181	19,181	-	19,181	-	19,181
124	Ministry of Social Empowerment and Welfare	-	-	-	-	-	-	-	-	-	-	-	3,900	3,983	7,884	1,992	9,876
126	Ministry of Education	9,837	45,340	90,051	146,540	155,213	161,110	174,649	190,290	197,296	215,397	241,394	294,807	155,846	450,653	216,340	666,993
127	Ministry of Labor Relations & Productivity Improvement	-	5,707	14,407	30,388	32,706	36,649	40,145	42,276	43,271	47,080	50,280	50,280	-	50,280	-	50,280
128	Ministry of Traditional Industries & Small Enterprises Development	-	-	-	-	-	3,010	3,993	6,103	7,234	8,211	9,419	9,419	-	9,419	-	9,419
130	Ministry of Local Government & Provincial Councils	495	495	2,337	3,474	5,281	-	10,279	14,232	14,750	14,982	18,486	18,486	-	18,486	-	18,486
130	Ministry of Public Administration and Management	-	-	-	-	-	-	-	-	-	-	-	31,098	8,702	30,823	20,785	51,608
133	Ministry of Technology and Research	-	-	-	4,583	10,479	15,783	21,667	27,789	32,089	36,364	39,882	39,882	-	39,882	-	39,882
134	Ministry of National Languages & Social Integration	-	203	1,090	1,436	1,705	2,085	5,483	6,086	12,821	14,198	16,624	16,624	-	16,624	-	16,624
135	Ministry of Plantation Industry	-	-	-	-	-	-	-	-	-	-	-	22	1,089	1,111	1,814	2,926
136	Ministry of Sports	-	-	-	-	331	1,022	4,759	9,205	11,083	22,567	31,638	40,989	8,416	49,405	19,110	68,515
138	Ministry of Indigenous Medicine	-	221	368	563	1,798	2,452	9,488	12,024	13,719	16,825	19,616	19,616	-	19,616	-	19,616
139	Ministry of Fisheries & Aquatic Resources Development	3,454	4,042	4,976	10,156	34,873	68,560	129,589	134,259	134,658	135,169	136,705	136,705	-	136,705	-	136,705
140	Ministry of Livestock and Rural Community Development	-	-	1,914	3,117	4,078	6,328	8,540	9,979	12,536	14,624	18,449	18,449	-	18,449	-	18,449
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	-	-	-	-	-	-	-	-	-	-	-	(3,161)	991	(2,170)	969	(1,201)
142	Ministry of National Heritage & Cultural Affairs (National Heritage)	-	1,291	2,875	5,264	6,384	10,198	11,980	15,190	17,913	21,391	23,428	23,428	-	23,428	-	23,428
143	Ministry of Parliamentary Affairs	150	150	186	322	399	453	1,312	1,359	1,260	2,050	2,050	2,050	-	2,050	-	2,050
145	Ministry of Re-Settlement	-	-	529	17,210	19,506	25,642	27,040	28,698	30,067	31,389	32,892	32,892	-	32,892	-	32,892
145	Ministry of Rehabilitation, Re-Settlement and Hindu Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	1,413	1,571	1,179	3,600	4,779
147	Ministry of Regional Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
149	Ministry of Industry and Commerce	434	434	2,334	4,689	7,313	10,047	12,907	15,276	15,317	15,458	18,319	19,661	53	19,715	26	19,741
151	Ministry of Fisheries & Aquatic Resources Development	-	-	-	-	-	-	-	-	-	-	-	1,115	3,295	4,410	4,373	8,783
152	Ministry of Irrigation & Water Resources Management	-	-	-	591	812	935	1,024	1,142	1,312	1,611	1,950	1,950	-	1,950	-	1,950
153	Ministry of Lands and Land Development	-	-	-	-	12,922	15,907	15,907	15,907	15,907	15,907	15,907	15,907	-	16,907	561	17,468

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Head No.	Institution	Rs. '000																	
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 Additions	2016 Disposals	Balance	2017 Additions	Balance	
154	Ministry of Rural Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	120	1,161	-	1,280	2,479	3,759
155	Ministry of Provincial Councils and Local Government	-	-	-	-	-	-	-	-	-	-	-	-	2,162	1,406	-	3,568	1,618	5,187
156	Ministry of Youth Affairs & Skills Development	2,282	9,085	13,211	17,027	17,910	18,148	18,417	19,441	19,641	25,311	243,135	243,135	-	-	243,135	-	243,135	
157	Ministry of National Dialogue	-	-	-	-	-	-	-	-	-	-	-	-	-	2,668	-	2,668	2,593	5,261
158	Ministry of Public Enterprise Development	-	-	-	-	-	-	-	-	-	-	-	-	2,317	9,007	-	11,324	1,326	12,650
159	Ministry of Tourism Development and Christian Religious Affairs	-	-	-	-	-	-	-	-	-	-	-	-	1,757	1,744	-	3,501	500	4,001
160	Ministry of Environment	438	7,715	9,311	10,881	12,844	14,782	17,481	33,301	39,960	46,637	52,642	52,642	-	-	52,642	-	52,642	
160	Ministry of Mahaweli Development and Environment	-	-	-	-	-	-	-	-	-	-	-	-	1,908	2,391	-	4,299	4,069	8,368
161	Ministry of Sustainable Development and Wildlife	-	-	-	-	-	-	-	-	-	-	-	-	42	1,430	-	1,472	2,997	4,469
162	Ministry of Megapolice and Western Development	-	-	-	-	-	-	-	-	-	-	-	-	10,448	10,960	-	21,408	4,094	25,501
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	-	-	-	-	-	-	-	-	-	-	-	-	5,305	9,808	-	15,113	17,947	33,060
165	Ministry of National Integration and Reconciliation	-	-	-	-	-	-	-	-	-	-	-	-	488	8,358	-	8,847	3,824	12,671
166	Ministry of Water Supply & Drainage	-	-	-	3,256	4,244	5,251	7,264	7,837	8,423	9,204	10,913	10,913	-	-	10,913	-	10,913	
166	Ministry of City Planning and Water Supply	-	-	-	-	-	-	-	-	-	-	-	-	2,228	2,230	224	4,234	2,340	6,575
167	Ministry of Special Assignment	-	-	-	-	-	-	-	-	-	-	-	-	-	3,309	-	3,309	424	3,733
171	Ministry of Higher Education	-	-	-	3,667	5,212	5,338	5,893	6,559	7,082	11,683	14,175	14,175	-	-	14,175	-	14,175	
173	Ministry of Public Management Reforms	-	-	-	-	-	-	-	6,061	7,226	9,566	11,311	11,311	-	-	11,311	-	11,311	
174	Ministry of Rehabilitation and Prison Reforms	-	-	-	-	-	-	4,173	5,515	6,161	10,626	13,999	13,999	-	-	13,999	-	13,999	
175	Ministry of State Resources & Enterprise Development	-	-	-	3,349	3,618	3,962	4,040	4,815	5,720	8,194	9,422	9,422	-	-	9,422	-	9,422	
176	Ministry of Civil Aviation	-	-	-	-	-	-	-	3,074	3,914	5,662	7,161	7,161	-	-	7,161	-	7,161	
176	Ministry of Ports and Shipping	-	-	-	-	-	-	-	-	-	-	-	-	2,423	1,983	405	4,001	2,339	6,340
177	Ministry of Culture and Arts	-	-	-	-	-	-	-	6,174	11,023	18,405	20,957	20,957	-	-	20,957	-	20,957	
178	Ministry of Coconut Development and Janatha Estate Development	-	-	-	-	-	-	-	5,653	6,051	6,051	6,776	6,776	-	-	6,776	-	6,776	
179	Ministry of Agrarian Services and Wild Life	-	-	-	-	-	-	-	11,921	17,029	12,812	15,569	15,569	-	-	15,569	-	15,569	
180	Ministry of Minor Export Crop Promotion	-	-	-	-	-	-	-	2,412	2,415	2,417	2,417	2,417	-	-	2,417	-	2,417	
181	Ministry of Productivity Promotion	-	-	-	-	-	-	-	2,099	6,592	7,728	10,021	10,021	-	-	10,021	-	10,021	
182	Ministry of Foreign Employment Promotion & Welfare	-	-	3,027	4,372	6,070	6,205	6,205	7,344	7,353	7,443	7,573	7,573	-	-	7,573	-	7,573	
182	Ministry of Foreign Employment	-	-	-	-	-	-	-	-	-	-	-	-	604	469	-	1,073	1,357	2,430
183	Ministry of Public Relations and Public Affairs	-	-	-	-	-	-	-	1,366	3,595	6,152	6,448	6,448	-	-	6,448	-	6,448	
184	Ministry of Private Transport Services	-	-	-	-	-	-	-	404	1,620	1,620	3,344	3,344	-	-	3,344	-	3,344	
185	Ministry of Telecommunication and Information Technology	-	-	-	-	-	-	-	5,983	9,209	11,098	13,595	13,595	-	-	13,595	-	13,595	
186	Ministry of Sugar Industry Development	-	-	-	-	-	-	-	-	-	-	3,982	3,982	-	-	3,982	-	3,982	
188	Ministry of Botanical Gardens & Public Recreation	-	-	-	-	-	-	-	-	-	-	220	220	-	-	220	-	220	

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Head No.	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Additions	Disposals	Balance	Additions	Balance	2017
189	Ministry of Education Services	-	-	-	-	-	-	-	-	-	-	4,928	4,928	-	-	4,928	-	4,928	-
190	Ministry of Law and Order	-	-	-	-	-	-	-	-	-	-	100,947	100,947	-	-	100,947	-	100,947	-
192	Ministry of Law and Order and Prisons Reforms	-	-	-	-	-	-	-	-	-	-	91,783	51,045	44,492	3,754	91,783	87,347	87,347	179,130
193	Ministry of Labour and Trade Union Relations	-	-	-	-	-	-	-	-	-	-	-	1,865	2,322	402	3,785	5,665	5,665	9,449
194	Ministry of Telecommunication and Digital Infrastructure	-	-	-	-	-	-	-	-	-	-	-	(1,599)	2,194	-	594	133,429	133,429	134,023
195	Ministry of Development Strategies and International Trade	-	-	-	-	-	-	-	-	-	-	-	-	972	-	972	1,895	2,866	2,866
196	Ministry of Science, Technology and Research	-	-	-	-	-	-	-	-	-	-	-	1,662	19,982	-	21,644	204,444	226,088	226,088
197	Ministry of Skills Development and Vocational Training	-	-	-	-	-	-	-	-	-	-	-	4,255	177,322	37,880	143,696	1,190	144,886	144,886
198	Ministry of Irrigation and Water Resources Management	-	-	-	-	-	-	-	-	-	-	-	720	1,350	-	2,070	2,790	4,860	4,860
199	Ministry of Primary Industries	-	-	-	-	-	-	-	-	-	-	-	859	1,953	-	2,812	982	3,794	3,794
201	Department of Buddhist Affairs	-	-	-	-	-	-	-	-	1,418	1,427	2,093	2,098	257	-	2,355	793	3,147	3,147
202	Department of Muslim Religious & Cultural Affairs	867	1,648	1,648	1,901	1,908	1,993	2,121	2,246	2,297	2,692	2,886	4,557	794	14	5,337	999	6,335	6,335
203	Department of Christian Religious Affairs	-	-	-	-	180	395	397	397	397	397	397	452	-	313	140	69	209	209
204	Department of Hindu Religious & Cultural Affairs	-	-	-	-	103	175	460	2,508	2,607	2,624	3,124	3,373	270	-	3,643	599	4,242	4,242
205	Department of Public Trustee	319	319	319	1,116	1,667	1,734	1,766	2,083	2,052	2,949	3,488	4,447	500	391	4,557	1,361	5,917	5,917
206	Department of Cultural Affairs	-	504	1,435	3,349	6,820	7,625	15,983	18,782	21,500	21,855	22,681	25,881	23,315	-	28,196	9,000	37,196	37,196
207	Department of Archaeology	2,976	4,195	4,534	5,290	5,672	5,817	8,148	11,004	14,124	25,203	29,093	34,681	2,987	-	37,668	3,223	40,891	40,891
208	Department of National Museums	5,982	7,038	7,437	7,998	8,351	8,555	8,814	9,170	9,483	9,483	10,220	12,479	1,144	-	13,624	2,774	16,397	16,397
209	Department of National Archives	4,846	6,705	6,958	13,414	17,639	19,810	29,258	34,563	36,439	41,391	59,541	70,295	2,054	-	72,349	6,562	78,911	78,911
210	Department of Information	-	10,860	20,057	38,115	45,933	50,058	53,567	58,233	61,859	63,337	67,452	69,297	4,920	-	74,217	8,621	82,839	82,839
211	Department of Government Printer	-	17,016	60,077	156,533	263,018	288,300	377,749	451,279	480,917	567,179	641,300	746,598	50,851	-	797,450	75,709	873,159	873,159
212	Department of Examinations	-	5,096	10,097	11,860	14,001	16,462	17,871	19,438	21,015	35,526	123,539	124,002	127,943	-	251,946	3,586	255,532	255,532
213	Department of Educational Publications	8	8	8	8	391	803	899	1,853	2,633	3,332	4,878	8,201	6,127	-	14,327	855	15,182	15,182
215	Department of Technical Education & Training	41,559	64,575	95,602	103,292	123,825	124,666	126,626	139,599	188,215	193,059	231,767	247,104	22,717	-	269,821	16,065	285,886	285,886
216	Department of Social Services	-	-	44	823	1,737	2,072	2,387	2,736	3,112	4,397	4,945	6,378	1,424	-	7,802	3,205	11,007	11,007
217	Department of Probation & Child Care	600	886	890	1,117	1,246	1,489	1,926	2,006	2,006	2,006	1,962	1,962	-	-	1,962	-	1,962	1,962
218	Department of the Commissioner General of Samurdhi	-	-	-	-	-	-	-	-	17	17	17	17	-	-	17	-	17	17
219	Department of Sports Development	2,188	2,835	21,873	39,890	39,890	45,413	70,323	82,860	99,834	101,750	102,515	103,472	2,748	-	106,220	-	106,220	106,220
220	Department of Ayurveda	413	3,054	7,862	11,475	15,246	15,623	24,894	34,631	39,609	42,467	54,250	59,704	9,195	-	68,899	4,712	73,611	73,611
221	Department of Labour	15,663	29,885	43,561	185,489	205,913	230,310	290,114	345,021	447,015	537,696	604,677	691,476	37,446	488	728,433	59,014	787,447	787,447
222	Sri Lanka Army	-	28,065	74,013	386,758	870,410	1,550,750	2,517,378	3,085,240	3,989,299	4,334,513	4,906,381	5,511,794	597,457	2,638	6,106,614	665,190	6,771,803	6,771,803
223	Sri Lanka Navy	323,588	323,588	666,588	894,077	928,750	982,547	1,484,745	2,254,210	2,784,003	3,241,990	3,421,018	4,245,371	406,513	108,692	4,543,191	399,557	4,942,748	4,942,748
224	Sri Lanka Air Force	36,796	62,945	73,963	2,579,612	7,219,045	8,506,253	8,685,561	14,770,740	15,807,816	16,134,350	16,858,115	17,677,069	571,106	9,972	18,238,203	525,344	18,763,546	18,763,546
225	Department of Police	-	-	-	442,799	442,799	442,799	743,900	874,057	1,000,547	1,309,478	1,473,814	1,684,390	179,165	-	1,863,554	388,347	2,251,901	2,251,901
226	Department of Immigration & Emigration	23,720	24,915	112,550	158,583	197,979	217,589	226,947	233,112	251,241	238,452	249,421	256,319	42,716	28,781	270,254	65,143	335,397	335,397
227	Department of Registration of Persons	667	3,237	4,995	12,451	13,136	14,570	16,070	17,528	20,544	24,509	32,898	35,178	3,458	1,970	36,666	1,760	38,425	38,425
229	Department of Attorney General	-	-	-	-	-	-	-	-	-	-	-	7,340	7,000	72	14,268	2,373	16,641	16,641
232	Department of Prisons	5,666	10,092	16,537	22,808	27,781	39,448	48,265	52,929	59,644	110,491	131,754	139,215	36,992	0	176,207	1,493	177,700	177,700

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Head No.	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			2017			Rs.,000
														Additions	Disposals	Balance	Additions	Balance		
233	Department of Government Analyst	-	-	-	-	-	-	-	-	-	9,584	51,743	161,345	44,106	-	205,451	71,806	277,257		
234	Registrar of Supreme Court	-	-	-	-	-	-	-	-	-	600	2,036	4,460	1,838	-	6,298	6,099	12,397		
236	Department of Official Languages	676	1,876	2,475	2,475	2,509	2,678	2,678	2,872	3,049	4,643	5,311	6,090	989	17	7,062	1,122	8,184		
237	Department of National Planning	-	-	3,334	3,334	3,334	3,334	3,334	3,334	3,334	3,334	3,334	3,334	3,334	-	3,334	-	3,334		
238	Department of Fiscal Policy	-	-	1,555	2,351	2,464	3,815	3,815	3,815	3,815	3,961	3,910	3,910	3,910	-	3,910	-	3,910		
239	Department of External Resources	-	-	-	-	-	-	-	-	-	-	3,125	6,089	917	3,265	3,740	1,234	4,974		
240	Department of National Budget	3,293	6,339	11,764	13,934	14,389	14,389	14,389	14,373	14,373	14,373	14,373	14,373	-	-	14,373	-	14,373		
241	Department of Public Enterprises	-	-	-	-	922	916	916	916	916	916	916	916	-	-	916	-	916		
242	Department of Management Services	-	-	-	-	33	33	33	33	33	33	33	(7)	-	-	(7)	-	(7)		
243	Department of Development Finance	-	-	-	33	33	33	33	33	33	33	33	(7)	-	-	(7)	-	(7)		
244	Department of Trade & Investment Policy	-	-	-	1,964	2,958	2,967	2,967	2,993	3,434	5,078	6,437	8,986	1,290	949	9,328	115	9,442		
245	Department of Public Finance	-	178	178	178	178	178	178	178	178	178	178	178	-	-	178	-	178		
246	Department of Inland Revenue	3,381	7,913	31,922	64,312	77,899	95,098	101,998	101,998	107,958	142,540	142,540	142,540	-	-	142,540	-	142,540		
247	Sri Lanka of Customs	-	14,983	2,046,228	2,046,228	2,046,228	2,046,228	2,131,293	2,140,598	2,142,379	2,144,838	2,148,817	2,152,687	23,999	-	2,176,685	34,333	2,211,019		
248	Department of Excise	293	680	2,615	6,485	10,447	12,353	12,743	12,748	13,242	13,682	14,009	14,596	481	-	15,077	75	15,152		
249	Department of Treasury Operations	-	-	1,318	2,457	2,457	2,457	2,457	2,435	1,854	1,648	1,648	1,648	(607)	-	2,690	(3,297)	(4,477)		
250	Department of State Accounts	500	1,501	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	1,648	-	1,648	-	1,648		
251	Department of Valuation	653	1,390	2,182	4,670	16,711	50,711	51,207	51,259	52,022	52,497	54,417	55,327	1,465	-	56,792	1,963	58,755		
252	Department of Census & Statistics	1,002	4,415	6,212	16,230	22,958	33,569	33,569	33,569	33,569	38,553	38,553	38,553	38,553	-	54,396	1,630	56,025		
253	Department of Pensions	237	299	299	1,978	4,363	6,883	12,588	15,748	16,453	31,216	93,516	99,010	4,322	29,266	74,065	5,000	79,065		
254	Department of Registrar General	-	-	357	1,091	3,488	5,390	9,023	12,229	14,002	24,319	35,728	45,531	9,981	-	55,511	6,017	61,529		
255	District Secretariat - Colombo	-	1,298	1,472	3,016	3,262	36,695	41,092	44,087	62,548	79,384	80,699	84,908	20,973	52	105,830	2,179	108,008		
256	District Secretariat - Gampaha	-	-	172	30,169	9,127	10,984	14,681	21,871	24,976	27,750	27,750	27,750	859	-	27,750	2,968	30,183		
257	District Secretariat - Kalutara	-	-	2,354	13,293	14,951	15,911	18,400	20,370	20,593	22,525	24,157	25,960	1,198	-	27,158	2,758	29,916		
258	District Secretariat - Kandy	47	47	1,472	2,345	4,181	5,006	7,000	7,853	9,433	10,542	12,012	13,480	1,192	-	14,672	1,500	16,172		
259	District Secretariat - Matale	380	380	1,879	2,756	3,496	4,512	5,902	7,883	8,768	11,741	14,700	17,655	2,399	24	20,030	6,684	26,714		
260	District Secretariat - Nuwara Eliya	1,526	2,510	4,106	4,106	5,077	7,235	9,424	11,707	12,560	14,545	16,535	18,476	1,442	-	19,918	1,548	21,466		
261	District Secretariat - Galle	274	1,088	3,939	8,785	10,610	11,759	17,186	18,185	18,629	20,099	21,654	23,323	1,390	1,273	23,440	2,987	26,427		
262	District Secretariat - Malara	14	372	1,846	2,644	4,479	6,121	8,533	10,506	12,075	13,816	15,555	17,278	837	432	17,683	1,385	19,068		
263	District Secretariat - Hambantota	400	400	2,434	2,879	3,530	5,029	5,254	6,696	6,647	7,847	9,967	10,967	788	-	11,756	5,998	17,753		
264	District Secretariat - Jaffna	-	96	2,091	3,862	5,205	5,803	6,671	8,048	8,235	8,684	9,179	9,679	900	4,596	5,983	1,418	7,400		
265	District Secretariat - Mannar	-	-	1,678	2,051	4,000	5,698	6,194	6,194	6,553	7,792	8,827	9,868	691	-	10,559	1,500	12,059		
266	District Secretariat - Vavuniya	-	172	1,087	2,085	3,009	4,561	5,559	6,757	7,754	9,001	9,241	9,412	31	-	9,443	97	9,539		
267	District Secretariat - Mullaitivu	-	-	1,258	3,369	3,369	4,142	6,980	10,464	11,886	22,436	29,936	40,321	5,992	-	46,313	4,889	51,202		
268	District Secretariat - Killinochchi	-	-	825	2,823	4,322	6,929	8,414	11,814	13,312	14,812	22,655	24,109	1,475	194	25,390	1,998	27,388		
269	District Secretariat - Batticaloa	499	2,384	4,263	9,236	10,415	15,200	24,624	31,424	34,099	36,599	36,599	40,001	1,300	174	42,272	3,499	45,772		
271	District Secretariat - Trincomalee	-	-	604	604	604	604	2,604	4,604	4,691	6,108	7,461	8,915	1,243	-	10,158	1,283	11,441		
272	District Secretariat - Kurunegala	48	97	6,152	6,552	6,568	6,568	9,548	11,539	13,501	15,501	17,493	19,414	2,617	11	22,021	2,098	24,119		
273	District Secretariat - Puttalam	-	-	-	798	1,720	3,715	4,449	7,449	7,736	9,235	10,544	13,037	1,999	-	15,037	1,953	16,990		
274	District Secretariat - Anuradhapura	184	314	3,082	4,830	6,478	8,098	10,474	11,246	12,129	13,596	14,055	14,055	2,663	-	16,718	1,098	17,816		
275	District Secretariat - Polonnaruwa	-	101	1,637	2,133	2,133	3,828	5,521	7,575	9,418	11,922	15,135	17,576	500	-	18,075	500	18,575		
276	District Secretariat - Badulla	-	-	1,934	3,841	6,592	7,589	14,077	18,731	20,217	25,813	28,311	30,810	3,225	-	34,035	2,400	36,435		
277	District Secretariat - Monaragala	-	400	1,664	2,164	4,161	6,161	8,661	9,654	10,105	12,105	29,105	30,405	3,050	5	33,450	3,196	36,647		
278	District Secretariat - Ratnapura	101	176	1,444	1,559	1,879	1,879	1,879	2,408	3,406	3,406	5,406	6,833	634	-	7,467	61	7,528		
279	District Secretariat - Kegalle	-	-	1,315	1,315	2,321	3,143	3,143	3,143	3,302	5,302	7,301	9,281	1,791	-	11,071	1,793	12,864		
280	Department of Project Management and Monitoring	-	-	-	-	-	-	-	-	-	625	625	953	15	-	968	-	968		
281	Department of Agrarian Development	-	-	-	14,705	17,804	31,899	39,145	53,513	65,540	72,135	92,699	92,782	-	-	92,782	1,275	94,057		
282	Department of Irrigation	14,833	38,625	45,692	56,341	178,121	353,191	550,685	747,675	929,016	1,165,344	1,459,707	1,639,270	109,348	6	1,748,612	241,423	1,990,035		

Schedule I - MOVABLE ASSETS ACQUIRED SINCE 01.01.2004  
2103 - Machinery

Head No.	Institution	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Rs.,'000
														Disposals	Balance	Balance
283	Department of Forests	500	998	998	1,647	2,636	3,594	4,579	5,786	8,254	10,734	13,407	16,749	3,478	20,227	22,704
284	Department of Wildlife Conservation	860	1,847	2,330	3,452	131,457	132,120	132,404	133,122	133,930	135,030	146,773	147,648	1,959	149,607	156,760
285	Department of Agriculture	4,536	5,504	17,034	52,774	58,918	65,519	87,419	110,796	135,544	157,145	238,064	272,373	31,448	302,304	320,005
287	Department of Land Title Settlement	327	327	327	707	707	707	2,675	5,115	6,594	7,505	7,505	7,505	-	7,505	7,505
288	Department of Surveyor	22,333	22,333	61,516	75,507	87,314	89,226	109,781	156,022	170,184	190,284	219,648	286,963	56,751	343,537	389,286
289	Department of Export Agriculture	1,130	1,130	1,130	1,130	4,011	16,098	24,720	30,702	36,218	40,696	46,602	46,602	68	50,645	55,619
290	Department of Fisheries and Aquatic Resources	603	8,540	16,799	20,179	25,891	29,603	33,530	36,308	39,848	41,652	55,708	61,871	1,996	63,868	64,816
291	Department of Coast Conservation	-	1,055	2,502	11,427	11,720	12,133	12,633	13,131	13,620	14,099	14,868	15,734	70,574	86,308	162,619
292	Department of Animal Production and Health	2,254	2,254	41,823	82,701	94,440	103,089	109,405	111,012	118,184	121,654	125,565	132,136	5,893	138,027	146,095
293	Department of Rubber Development	-	-	-	-	1,822	3,808	4,211	5,422	5,422	5,422	5,891	6,652	738	7,389	8,280
294	Department of National Zoological Gardens	5,262	9,345	14,269	19,867	24,419	28,595	32,998	35,258	39,716	44,120	51,406	63,231	3,443	66,674	93,993
295	Department of Commerce	-	1,330	2,122	2,921	3,392	3,883	4,343	4,580	4,628	4,863	5,061	5,131	768	5,898	8,055
298	Department of Measurement Units, Standards & Services	10,496	41,874	78,899	119,061	140,299	142,027	176,454	205,052	208,143	210,098	231,095	250,961	8,283	259,244	279,215
300	Department of Food Commissioner	-	-	45	916	916	1,151	5,664	5,664	6,205	6,440	6,456	6,524	185	6,709	6,975
301	Department of Co-operative Development	-	-	-	-	-	-	193	193	259	696	1,069	1,307	333	1,640	2,038
302	Co-operative Employees Commission	-	258	298	298	298	365	447	447	857	857	857	864	-	864	1,302
303	Department of Textile Industries	-	-	165	165	165	165	165	165	165	165	165	165	-	165	165
304	Department of Meteorology	4,492	6,048	9,841	186,547	349,911	357,872	400,320	438,070	582,143	623,248	629,548	641,994	11,174	653,168	665,425
306	Department of Sri Lanka Railways	-	-	-	923	55,409	166,749	283,056	431,310	4,022,807	5,792,485	9,093,546	13,378,752	1,258,928	14,637,680	15,204,018
307	Department of Motor Traffic	-	4,799	26,928	55,100	78,634	90,748	148,593	128,343	143,197	159,981	173,680	235,162	7,130	242,292	243,959
308	Department of Posts	48	416	70,630	76,413	93,357	97,509	104,908	111,845	123,294	136,928	167,270	175,167	7,897	175,167	195,884
309	Department of Buildings	-	-	2,650	2,650	2,650	2,650	3,164	3,613	3,927	12,345	27,550	47,122	10,046	57,161	69,095
310	Government Factory	600	2,816	14,249	18,090	27,152	29,914	32,354	36,393	39,755	44,362	50,570	57,099	19,349	76,447	94,432
311	Department of National Physical Planning	225	1,710	3,631	5,576	5,637	5,736	5,814	5,863	5,863	5,863	5,959	5,959	112	6,071	6,593
320	Department of Civil Security	-	-	-	42,887	165,112	337,354	427,334	467,316	486,940	511,939	547,733	582,695	15,365	598,060	611,458
322	Department of National Botanical Gardens	-	-	-	-	270	270	561	873	1,149	1,539	2,037	2,579	22,432	25,011	29,298
324	Department of Management Audit	-	-	-	-	233	233	422	422	613	1,189	1,639	2,161	630	2,693	4,198
325	Department of Sri Lanka Coast Guard	-	-	-	-	-	-	23,075	49,157	60,397	70,681	75,422	81,865	8,943	90,808	123,846
326	Department of Community Based Corrections	-	-	-	-	-	-	-	494	494	979	3,292	3,992	495	4,487	5,421
327	Department of Land Use Policy Planning	-	-	-	-	-	-	-	1,598	3,335	4,918	6,864	8,787	1,948	10,211	12,261
328	Department of Man Power and Employment	-	-	-	-	-	-	-	420	1,772	2,764	3,464	4,464	400	4,857	5,352
329	Department of Information Technology Management	-	-	-	-	-	-	-	-	-	-	936	1,709	1,482	2,945	2,984
331	Department of Divinaguma Development	-	-	-	-	-	-	-	-	-	-	-	3,826	5,317	9,143	10,079
332	Department of National Community Water Supply	-	-	-	-	-	-	-	-	-	-	-	12,121	2,807	14,928	15,741
<b>Grand Total</b>		<b>671,843</b>	<b>1,084,507</b>	<b>2,592,418</b>	<b>9,833,198</b>	<b>17,677,872</b>	<b>22,016,000</b>	<b>27,395,746</b>	<b>38,735,149</b>	<b>51,187,373</b>	<b>63,751,495</b>	<b>74,952,955</b>	<b>89,505,530</b>	<b>11,423,306</b>	<b>100,603,741</b>	<b>127,004,667</b>

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
16	Parliament	Other Capital Expenditure	167,000,000	167,000,000	100
103	Ministry of Defense	Special Communication Project	206,000,000	125,421,528	61
		Strategic Defence Communication	169,000,000	17,348,612	10
104	Ministry of National Policies and Economic Affairs	Financial City	172,915,875	100,000,000	58
		Decentralized Budget	2,316,390,000	1,970,789,969	85
		Rural Infrastructure Development Programme	9,513,290,000	4,628,858,212	49
		Redevelopment of the Bogambara Prison Precinct	149,845,200	96,631,880	64
106	Ministry of Disaster Management	Flood and Drought Relief	25,000,000	24,831,613	99
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	Improve the Postal Network in Jaffna District	10,000,000	7,790,299	78
111	Ministry of Health, Nutrition and Indigenous Medicine	Work Plan Activities- UNICEF	3,000,000	1,014,957	34
		Work Plan Activities- UNFPA	4,000,000	279,215	7
		Technical Assistance- WHO	15,000,000	9,371,307	62
		Technical Assistance- SAARC	10,000,000	2,755,673	28
		Upgrading of Nurses Training School	218,624,163	218,624,162	100
		Activities under the Second Health Sector Development Programme	106,000,000	30,557,649	29
		Strengthening Patient Care Services by Establishing Clinical Waste Management Systems in the Needy Hospitals Come under the Provincial Councils in Sri Lanka	1,504,139,888	1,498,332,192	100
		Upgrading Clinic Rooms and Consulting Rooms with all Facilities in Identified Hospitals	50,000,000	49,810,255	100
		Rehabilitation and Expansion of Production Capacity at State Pharmaceutical Manufacturing Corporation	60,183,126	40,800,441	68
		Upgrading the Kurunegala, Anuradhapura and Jaffna Hospitals	145,000,000	85,905,414	59
		Construction of Cancer Hospitals at Karapitiya, Kandy, Tellipallai	25,125,944	25,000,000	99
		Programme for Strengthening Primary Level Health Care	175,000,000	105,849,747	60
		Control of Non Communicable Diseases	15,000,000	316,281	2
		Development of Homeopathic System	7,500,000	2,349,428	31
117	Ministry of Higher Education and Highways	Southern Transport Development Project	14,500,000	10,959,636	76

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		STDP-Section from Kottawa to Kurundugahahetekma	42,230,000	42,227,947	100
		Outer Circular Highway (OCH I & II)	380,000,000	369,718,428	97
		Central (Northern) Expressway	764,996,000	342,949,458	45
		Extension of Southern Expressway (From Matara to Hambantota)	63,800,430,000	62,983,720,050	99
		Outer Circular Highway (OCH III) Section from Kadawatha to Kerawalapitiya	12,163,000,000	10,706,094,086	88
		Colombo- Ratnapura- Pelmadulla Expressway	100,000,000	92,100,000	92
		Elevated Highway from New Kelani Bridge to Athurugiriya	75,000,000	17,162,993	23
		Port Access Elevated Highway Project	45,300,000	24,435,000	54
		Road Maintenance Trust Fund (Maintenance of Roads and Bridges)	4,000,000,000	3,638,600,000	91
		Road Sector Assistant Project - II (RSAP-II)	11,000,000	10,941,712	99
		Northern Road Connectivity Project	98,430,000	94,634,540	96
		Network Planning and Road Safety (Improvement of Traffic Management and Road Safety)	25,000,000	8,538,750	34
		Traffic Management (Traffic Management in Greater Colombo Area)	25,000,000	25,000,000	100
		Rehabilitation and Improvement of Priority Roads Project I	570,000,000	416,013,920	73
		National Highway Sector Project	200,000,000	196,535,022	98
		Road Network Development Project	416,470,000	404,138,173	97
		Northern Road Connectivity Project- Supplementary Loan	706,000,000	584,656,662	83
		Road Network Development Project	209,613,550	122,572,778	58
		Colombo District Road Development Project	1,317,261,450	1,253,121,433	95
		Rehabilitation and Improvement of Priority Roads Project III	7,900,000,000	7,611,620,802	96
		Western Province National Highways Project	50,000,000	24,753,000	50
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady	2,045,500,000	1,984,494,990	97
		Expressway Connectivity Improvement Plan Project	285,000,000	72,338,094	25

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Southern Road Connectivity Project	1,515,000,000	1,156,459,405	76
		Southern Road Connectivity Project	100,000,000	33,000,000	33
		Integrated Road Investment Programme	18,837,700,000	18,544,371,805	98
		Rehabilitation and Improvement of Priority Roads Project 3- Phase II	7,200,000,000	5,991,090,683	83
		Transport Project Preparatory Facility	280,000,000	92,366,809	33
		Transport Connectivity and Asset Management Project	80,000,000	63,791,426	80
		Marine Drive Extension Up to Panadura	150,000,000	15,000,000	10
		Government Guaranteed Local Bank Funded Road Rehabilitation Project	30,323,400,000	30,320,700,000	100
		Surveys, Investigations and Feasibility Studies	100,000,000	51,500,000	52
		Widening and Improvements of Roads-Colombo District	598,031,000	434,267,944	73
		Widening and Improvements of Roads-Gampaha District	446,120,000	321,435,178	72
		Widening and Improvements of Roads-Kalutara District	317,524,000	234,492,730	74
		Widening and Improvements of Roads-Kandy District	356,370,000	356,369,034	100
		Widening and Improvements of Roads-Matale District	92,792,000	46,439,521	50
		Widening and Improvements of Roads-Nuwara Eliya District	85,543,000	33,315,030	39
		Widening and Improvements of Roads-Matara District	296,400,000	241,636,189	82
		Widening and Improvements of Roads-Galle District	160,384,000	128,284,578	80
		Widening and Improvements of Roads-Hambantota District	277,522,000	277,521,021	100
		Widening and Improvements of Roads-Jaffna District	188,701,000	188,700,461	100
		Widening and Improvements of Roads-Kilinochchi District	136,214,000	136,213,545	100
		Widening and Improvements of Roads-Mannar District	150,000,000	121,520,800	81
		Widening and Improvements of Roads-Vavuniya District	276,496,000	276,494,968	100
		Widening and Improvements of Roads-Mullaitivu District	252,250,000	252,249,487	100

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Widening and Improvements of Roads-Batticaloa District	93,605,000	93,604,957	100
		Widening and Improvements of Roads-Ampara District	164,423,000	164,422,685	100
		Widening and Improvements of Roads-Trincomalee District	109,278,000	109,277,188	100
		Widening and Improvements of Roads-Kurunegala District	369,013,000	369,012,445	100
		Widening and Improvements of Roads-Puttalam District	296,000,000	238,788,481	81
		Widening and Improvements of Roads-Anuradhapura District	387,107,000	387,106,721	100
		Widening and Improvements of Roads-Polonnaruwa District	279,193,000	279,192,908	100
		Widening and Improvements of Roads-Badulla District	180,832,000	180,829,804	100
		Widening and Improvements of Roads-Monaragala District	84,037,000	50,846,929	61
		Widening and Improvements of Roads-Kegalle District	175,000,000	135,514,396	77
		Widening and Improvements of Roads-Ratnapura District	150,000,000	139,395,223	93
		Tax Component	714,569,000	714,567,777	100
		National Savings Bank Funded Projects	4,100,000,000	3,300,000,000	80
		Reconstruction of Damaged/ Weak Bridges on National Highways	274,000,000	224,000,000	82
		Construction of Rural Bridges Using Old Bridge Component	300,000,000	157,000,000	52
		Regional Bridge Project Phase II	981,910,000	940,903,815	96
		Reconstruction of 25 Bridges on National Highways	277,000,000	254,559,189	92
		Reconstruction of 46 Bridges and Widening and Reconstruction of Bridges on National Road Network	270,000,000	270,000,000	100
		Major Bridges Construction Project of National Road Network (GOSL-JICA)	2,844,500,000	2,748,332,331	97
		Construction of Kochchikade Bridge on Peliyagoda- Puttalam Road	1,394,593,500	642,825,742	46
		Second New Kelani Bridge Construction Project	8,200,000,000	7,543,952,952	92
		Establishment of Bridge Maintenance System (BMS) and Bridge Assessment Unit in the Road Development Authority	27,500,000	20,161,250	73

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Thattuthurai Causeway and Road Network Development	24,625,000	21,890,781	89
		Construction of 3 Flyovers at Rajagiriya, Polgahawela & Ganemulla	4,204,870,000	4,060,579,730	97
		Landslide Disaster Protection Project of National Road Network	1,548,000,000	1,353,208,217	87
		Rural Road Reawakening Programme	1,025,000,000	293,916,191	29
		Development of 1000Km of Rural Road Length in Rural Areas	2,250,000,000	1,218,140,219	54
118	Ministry of Agriculture	Rehabilitation of Small Tanks and Canals	1,079,064,003	1,015,415,714	94
		Restoration, Rehabilitation and De-silting of 1500 Small Tanks	3,000,000,000	526,176,747	18
119	Ministry of Power and Renewable Energy	Convert Public Sector Buildings to Green Energy	350,000,000	33,517,000	10
		Generation of Electricity through Thermal Power by CEB During the Drought Period	6,000,000,000	6,000,000,000	100
		Appropriate Mitigation Actions in the Energy Generation and End-Use Sectors in Sri Lanka Project	137,660,000	137,659,296	100
121	Ministry of Home Affairs	Providing Sanitary Facilities for National Heritage Sites	5,000,000	4,491,177	90
123	Ministry of Housing and Construction	Upgrading of Technical Training Infrastructure Equipment Training Centre	10,000,000	10,000,000	100
		Renovation Housing Scheme	285,000,000	285,000,000	100
		Implementation of UN Habitat Programme	5,000,000	5,000,000	100
		Moratuwa-Lunawa Urban Housing Scheme- Implemented by USDA	80,000,000	80,000,000	100
		Middle Income Housing Project	120,700,000	120,700,000	100
		Infrastructure Facilities for Model Villages	5,600,000	5,600,000	100
126	Ministry of Education	Other Capital Expenditure	200,000,000	171,629,299	86
		13 years Mandatory Schooling Policy	192,000,000	89,429,195	47
		Providing Electricity Facilities (Through National Grid or Solar) For the Schools	892,000,000	691,000,000	77
		Providing Sanitary Water Facilities for All Schools	2,608,000,000	2,284,097,950	88
130	Ministry of Public Administration and Management	Other Capital Expenditure	164,615,000	145,458,432	88
136	Ministry of Sports	Development of Sports Infrastructure	560,000,000	388,742,585	69

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Development of Cricket in 1000 Outstation schools	150,000,000	65,402,494	44
		Infrastructure Development of Sport schools	80,000,000	12,833,433	16
140	Ministry of Hill Country New Villages, Infrastructure and Community Development	Livelihood and Basic Facility Improvement in Rural Areas	100,000,000	34,132,170	34
		Lagging Area Socio- Economic Development Project	500,000,000	276,039,583	55
		Estate Housing Programme	2,000,000,000	1,431,219,936	72
		Indian Grant Assisted Housing Programme	1,288,000,000	362,985,030	28
147	Ministry of Regional Development	Other Capital Expenditure	50,000,000	27,640,443	55
149	Ministry of Industry and Commerce	Industrial Estates Development Programmes (Providing Infrastructure Facilities for 19 New Industrial Estates and 29 Existing Industrial Estates	434,000,000	335,454,095	77
		Upgrading and Modernization of Mini Industrial Estates	209,000,000	35,608,778	17
		Improvements in Elephant Pass Saltern	40,000,000	13,786,680	34
		Provide Necessary Infrastructure and Entrepreneur Training in Handloom Industry through Industrial Development Board and Uplifment of Industrial Estates.	500,000,000	83,218,670	17
151	Ministry of Fisheries and Aquatic Resources Development	Fishery Community Empowerment	217,000,000	166,602,809	77
		Dickowita Fishery Harbour	98,044,007	85,318,050	87
		Stocking of Fish Fingerlings in Fresh Water Bodies to Develop Inland Fisheries	1,100,000,000	702,747,789	64
		Development and Rehabilitation of Fishery Harbours, Anchorages and Landing Sites	100,000,000	99,983,951	100
		Enhancing Fish Breeding Capacity	300,000,000	300,000,000	100
		National Food Production Programme	350,000,000	295,385,889	84
		Development and Upgrading of Fishery Harbours in Chilaw, Mirissa, Kalmunai, Valvettithurai, Karainagar and Puranawella	600,000,000	84,270,945	14
		Establishment of Aquaculture Park	190,000,000	6,171,339	3
		Northern Province Sustainable Fishery Development Programme	42,000,000	6,393,903	15
		Improve Fishery Villages in 10 Coastal Districts Including Hambantota, Jaffna, Batticaloa	1,200,000,000	672,894,579	56

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Establish Integrated Inland Fishery Villages - "Wewak Sahitha Gamak" Programme	300,000,000	198,357,066	66
		Expand Operations of National Aquaculture Development Authority	50,000,000	47,702,119	95
154	Ministry of Rural Economic Affairs	Establishment of Economic Centers	50,000,000	32,096,218	64
		Development and Improvement of Traditional Handicraft Villages	28,000,000	27,540,221	98
		Development of Pottery Villages	5,000,000	4,884,717	98
		Kithul Development Project	25,664,050	23,537,898	92
		Development of Rural Infrastructure Facilities and Livelihood Development	604,434,000	278,155,340	46
		Establishment of Dedicated Economic Centre	500,000,000	378,931,831	76
		Construction of 2 Cold Stores	500,000,000	53,418,413	11
		Facilitation of Promotion of Liquid Milk Consumption	45,000,000	36,327,037	81
		Medium Term Livestock Development Programme	45,000,000	26,696,930	59
		Importation of Dairy Animals	152,400,000	152,355,156	100
		Development of Small and Medium Scale Poultry Farming System	15,000,000	12,661,603	84
		Swine Industry Development	10,000,000	2,987,000	30
		Importation of 20000 Dairy Animals	1,529,080,263	1,437,180,214	94
		Development of Mini Dairy Cooperative Societies	40,000,000	50,064	0
		Promotion of Self Employed Private Artificial Insemination Technicians for Productivity Improvement	10,250,000	5,800,742	57
155	Ministry of Provincial Councils and Local Government	Greater Colombo Wastewater Management Project	3,380,000,000	1,789,997,680	53
		Greater Colombo Wastewater Management Project - Tranche 2	279,977,288	81,282,705	29
		Sewerage System- Colombo Municipal Council	1,167,000,000	479,059,961	41
		Greater Colombo Water and Wastewater Improvement Investment Programme - Tranch 3	1,171,275,000	782,069,418	67
		Construction of 210 Rural Bridges	20,000,000	15,237,538	76
		Construction of 537 Rural Bridges	6,045,000,000	3,888,872,084	64
		Construction of 463 Rural Bridges	3,100,000,000	2,689,528,812	87

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
157	Ministry of National Co-Existence, Dialogue and Official Languages	Establishment of Provincial Centers (LLRC)	20,000,000	20,000,000	100
160	Ministry of Mahaweli Development and Environment	Pilisarur Programme	290,000,000	223,560,000	77
		Strengthening of the Laboratory of Central Environment Authority	10,000,000	9,025,798	90
		Construction of Solid Waste Disposal Facilities- Anuradhapura, Hikkaduwa, Udunuwara and Panadura	1,321,410,000	125,677,008	10
		Construction of Sanitary Land Fill for Waste Management for Gampaha District	210,000,000	203,431,244	97
		Moragahakanda and Kaluganga Reservoir Project	19,774,000,000	17,855,774,558	90
		Mahaweli Consolidation Project (System B Rehabilitation)	500,000,000	433,000,000	87
		Uma Oya Diversion Project	13,600,000,000	12,272,312,983	90
		Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure Rehabilitation Works	273,500,000	180,670,000	66
		Redeemaliyadda Integrated Development Project	110,000,000	79,900,000	73
		Welioya Integrated Development Project	400,000,000	316,420,000	79
		System B Maduru Oya Right Bank Development	150,000,000	109,000,000	73
		Implementing a Mechanism to Protect River Bank of Mahaweli-Gatambe	16,500,000	15,500,000	94
		Water Resources Development Investment Programme - Upper Elehara Canal, Kalu Ganga Transfer Canal, Minipe Anicut Raising & Lb Rehabilitation, North Western Province Canal	4,851,000,000	1,942,608,775	40
		Additional Financing for Dam Safety and Water Resources Planning Project	3,920,000,000	3,092,480,966	79
		Rambakan Oya Integrated Development Project	115,000,000	92,680,000	81
		Kivul Oya Reservoir Project	25,000,000	16,130,000	65
		Agriculture and Livestock Programme Implemented by Sri Lanka Mahaweli Authority	220,000,000	179,548,000	82
162	Ministry of Megapolis and Western Development	International Convention Center-Hambantota	299,434,000	265,633,347	89
		Metro Colombo Urban Development Project	4,177,000,000	3,524,056,106	84

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Greater Colombo Urban Transport	425,000,000	425,000,000	100
		Development of Strategic Cities -Kandy & Galle	3,113,000,000	2,350,156,720	75
		Greater Colombo Flood Protection and Environment Development Project	392,700,000	362,345,654	92
		Metro Colombo Flood Resilient Urban Environment Fund	72,160,000	72,158,413	100
		Metro Colombo Solid Waste Management Project	1,545,000,000	108,360,146	7
		Western Region Megapolis Master Plan	85,000,000	52,343,025	62
		Relocation of Manning Market at Peliyagoda	1,358,600,000	841,498,698	62
		Townships Development and Solid Waste Management	8,895,900,000	5,855,339,829	66
		Establishment of Project Offices for Proposed Western Region Megapolis Authority	219,000,000	210,117,687	96
		Development of Strategic Cities -Jaffna	341,000,000	43,653,789	13
		Development of Strategic Cities - Anuradhapura	59,000,000	54,248,141	92
		Port City Development Project	2,709,323,814	2,709,285,579	100
		Preparation of Master Plan for Trincomalee District	91,000,000	69,540,370	76
		Town Development Projects in Nine Provinces	800,000,000	510,548,015	64
		Light Rail Transit System Project	31,000,000	30,300,543	98
		Beira Lake Rehabilitation and Redevelopment Project	150,000,000	150,000,000	100
		Matara Riverside Development	150,000,000	95,204,663	63
		Urban Regeneration Programme	8,500,000,000	8,500,000,000	100
		Improving Bus Service to Promote Public Transport	200,000,000	104,017,951	52
		Bogambara Prison Precinct Redevelopment Project	25,000,000	17,942,378	72
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	Preservation of Native Habitats	8,800,000	8,082,424	92
		Shilpa Gammana Programme	6,500,000	5,544,105	85
		Other Capital Expenditure	2,231,104,204	1,761,450,367	79
166	Ministry of City Planning and Water Supply	Implementation of Rain Water Harvesting Programme	5,000,000	4,512,706	90
		Catchment Protection & Prevention of Pollution at Sources	5,000,000	3,470,046	69

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		South Asia Conference on Sanitation, Follow up Action-All Island Sanitation Programme	30,000,000	30,000,000	100
		Improvement of Rural Water Supply and Sanitation	1,160,500,000	751,565,408	65
		Prevention of Water Borne Diseases in the Chronic Kidney Disease Affected Areas	3,500,000,000	3,183,481,213	91
		Water Supply and Sanitation Improvement Project	184,500,000	87,336,294	47
		Second Phase of the Pipe Laying Project from Andaragasyaya Underground Tank to Gannoruwa in Hambantota District	250,000,000	30,405,925	12
		China- Sri Lanka Grant Research Project (For the Investigation of Chronic Kidney Disease)	50,000,000	18,583,801	37
		Integrated Townships in Samanthurai and Kalmunai	200,000,000	3,040,000	2
		Development of Comprehensive Plan to Upgrade Cities	3,355,380,000	1,220,606,477	36
		Water Supply Facilities for Resettlement Villages in Kegalle District	158,400,000	30,578,530	19
		UNICEF Drought Mitigation and Emergency Activities	59,600,000	56,355,506	95
		Augmentation of Trincomalee Water Supply Scheme	600,000,000	20,015,791	3
176	Ministry of Ports and Shipping	System of Issuing Certificate of Competencies & Seafarer Continuous Discharge Certificate with Biometric to Comply with Seafarer Identity Document	26,000,000	11,561,465	44
		Developing Jetty Facilities in the Jaffna Peninsula and Suburban Islands	35,000,000	20,500,000	59
		Outstanding Commitment of Colombo Ports Expansion Project	32,255,000	32,255,000	100
192	Ministry of Law and Order and Southern Development	Improving Infrastructure Facility in Southern Province	1,000,000,000	225,331,467	23
195	Ministry of Development Strategies and International Trade	Land, Electricity and Water Facilities to Private Free Trade Zones along the Expressway Corridors	1,000,000,000	336,770,757	34
196	Ministry of Science, Technology and Research	Nano - Technology Programme	600,000,000	169,125,867	28
198	Ministry of Irrigation and Water Resource Management	Other Capital Expenditure	600,000	150,000	25
		Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure Rehabilitation Works	345,000,000	285,333,852	83

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Lower Malwathuoya Multisector Development Project	144,690,601	58,803,512	41
		Pre - Fabricated Buildings for Government Agencies from Peoples' Republic of China	564,982,048	560,756,058	99
		Climate Resilience Improvement Project	3,208,800,000	2,710,601,603	84
		Climate Resilience Improvement Project- Additional Financing	593,200,000	593,186,525	100
		Productivity Enhancement and Irrigation System Efficiency Management Project	300,000,000	147,325,646	49
		Support Rehabilitation on Minipe Left Bank and Kithul and Rugam, Mundeni Aru	300,000,000	236,569,297	79
199	Ministry of Primary Industries	Research, Development and Promotion of Export Industries	1,000,000,000	388,657,225	39
202	Department of Muslim Religious and Cultural Affairs	Construction of Islamic Cultural Centers and Improvement of Mosques	20,000,000	17,347,789	87
204	Department of Hindu Religious and Cultural Affairs	Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples	88,000,000	88,000,000	100
208	Department of National Museums	Renovation of Colombo National Museum	22,550,000	22,550,000	100
209	Department of National Archives	Computerization of Indices at the National Archives of Sri Lanka	4,500,000	4,006,732	89
		Digitizations of Films	2,000,000	1,260,000	63
		Digitization & Publishing of the Map Collection	5,000,000	2,517,859	50
219	Department of Sports Development	Other Capital Expenditure	1,000,000	977,500	98
		Other Capital Expenditure	564,000,000	322,737,027	57
223	Sri Lanka Navy	Construction of Quay at Dockyard	153,600,000	149,151,164	97
		Other Capital Expenditure	104,390,000	104,389,992	100
228	Courts Administration	Improvement of Court Administration and Automated Court Administration System	7,000,000	2,573,987	37
230	Department of Legal Draftsman	Other Capital Expenditure	3,185,000	3,181,334	100
262	District Secretariat- Matara	Nilwala Urban Development Project- Matara	281,000,000	46,614,566	17
280	Department of Project Management and Monitoring	Project Evaluation and Web Based Monitoring System	3,692,000	3,640,739	99
		Project for Improvement of Basic Social Services Targeting Emerging Regions	6,871,000	6,767,220	98
281	Department of Agrarian Development	Development of Minor Irrigation Systems and Abandoned Paddy Lands	1,987,800,000	662,990,255	33

## Schedule II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS -2017

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
284	Department of Wildlife Conservation	Other Capital Expenditure	10,000,000	2,131,514	21
		Habitat Enrichment for Wildlife	100,000,000	77,559,651	78
		Improvement of Road Network in National Parks	40,000,000	36,663,905	92
		Mitigate Human-Elephant Conflict in Sri Lanka	4,500,000	1,308,779	29
285	Department of Agriculture	Improvement of School Agriculture	52,814,027	41,774,688	79
		Accelerated Seed Farms Development Programme	120,000,000	109,995,098	92
		Strengthening of Seed Certification Activities	46,400,000	46,085,141	99
289	Department of Export Agriculture	Other Capital Expenditure	2,000,000	1,303,238	65
		Other Capital Expenditure	1,000,000	980,388	98
290	Department of Fisheries and Aquatic Resources	Administrative and Establishment Service	1,050,000	1,048,955	100
		Introduction of Modern Technology for Small and Medium Fishing Industry	421,952,000	338,824,519	80
311	Department of National Physical Planning	Physical Plans and Research Activities	7,000,000	6,880,666	98
		Township Development Plans	200,000,000	5,000,000	3
325	Department of Sri Lanka Coast Guard	Other Capital Expenditure	2,000,000	1,445,395	72
332	Department of National Community Water Supply	Improvement of Community Water Supply	100,000,000	99,999,325	100
<b>Total</b>			<b>352,338,155,001</b>	<b>293,734,090,259</b>	

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2017

Head	Institution	Total			Recurrent			Capital			Rs.'000
		Provision	Expenditure	%	Provision	Expenditure	%	Provision	Expenditure	%	
1	His Excellency the President	10,301,484	7,917,363	77	3,642,332	3,240,592	89	401,740	4,676,771	1,982,381	70
2	Office of The Prime Minister	1,489,544	1,378,726	93	912,878	855,305	94	57,573	523,422	53,245	91
4	Judges of The Superior Courts	193,543	182,850	94	137,243	129,484	94	7,759	53,366	2,934	95
5	Office of The Cabinet Ministers	90,285	75,023	83	78,085	72,914	93	5,171	2,109	10,091	17
6	Public Service Commission	451,613	344,937	76	197,113	184,171	93	12,942	160,767	93,733	63
7	Judicial Service Commission	70,940	63,494	90	60,500	55,368	92	5,132	8,126	2,314	78
8	National Police Commission	101,126	97,255	96	97,196	94,723	97	2,473	2,532	1,398	64
9	Administrative Appeals Tribunal	24,351	23,583	97	23,501	23,039	98	462	543	307	64
10	Commission to Investigate Allegations of Bribery or Corruption	374,956	366,361	98	332,356	330,908	100	1,448	35,453	7,147	83
11	Office of the Finance Commission	153,060	136,116	89	50,160	48,278	96	1,882	87,838	15,062	85
12	National Education Commission	39,652	33,227	84	35,502	30,798	87	4,704	2,429	1,721	59
13	Human Rights Commission of Sri Lanka	208,696	199,598	96	197,246	192,337	98	4,909	7,262	4,188	63
16	Parliament	3,005,048	2,841,275	95	2,482,027	2,443,534	98	38,493	397,741	125,280	76
17	Office of the Leader of the House of Parliament	39,376	38,437	98	38,076	37,277	98	800	1,161	139	89
18	Office of the Chief Govt. Whip of Parliament	62,794	61,681	98	61,194	60,475	99	719	1,206	394	75
19	Office of the Leader of the Opposition of Parliament	164,562	140,449	85	77,978	62,687	80	15,291	77,761	8,822	90
20	Department of Elections	4,566,846	894,482	20	4,456,016	788,624	18	3,667,392	105,858	4,972	96
21	Auditor General's Department	1,593,365	1,506,108	95	1,455,865	1,371,520	94	84,345	134,588	2,912	98
22	Office of the Parliamentary Commissioner for Administration	26,150	24,351	93	24,676	22,922	93	1,754	1,429	45	97
23	Audit Service Commission	55,034	28,490	52	52,234	27,398	52	24,836	1,093	1,707	39
24	National Procurement Commission	50,062	46,760	93	43,562	41,398	95	2,164	5,361	1,139	82
25	Delimitation Commission	32,841	19,635	60	31,641	18,961	60	12,680	674	526	56
101	Ministry of Buddha Sasana	1,695,450	999,502	59	717,615	427,882	60	289,733	571,620	406,215	58
102	Ministry of Finance and Mass Media	5,629,920	3,222,888	57	1,070,628	1,017,078	95	53,550	2,205,810	2,353,483	48
103	Ministry of Defence	22,095,618	16,251,184	74	12,273,171	8,992,763	73	3,280,408	7,258,421	2,564,026	74
104	Ministry of National Policies and Economic Affairs	50,045,060	27,238,258	54	2,226,114	2,100,915	94	125,199	25,137,342	22,681,604	53
106	Ministry of Disaster Management	16,438,059	12,069,161	73	8,897,848	6,974,252	78	1,923,596	5,094,909	2,445,302	68
108	Ministry of Posts, Postal Services and Muslim Religious Affairs	298,572	276,910	93	122,407	116,722	95	5,685	160,188	15,977	91
110	Ministry of Justice	1,079,522	971,684	90	836,572	792,931	95	43,641	178,753	64,197	74
111	Ministry of Health, Nutrition and Indigenous Medicine	170,220,973	144,295,516	85	124,626,973	116,795,786	94	7,831,187	27,499,730	18,094,270	60
112	Ministry of Foreign Affairs	11,011,875	9,949,178	90	9,677,231	9,622,985	99	54,246	326,193	1,008,450	24
114	Ministry of Transport & Civil Aviation	35,951,927	22,003,420	61	17,838,234	14,072,376	79	3,765,858	7,931,044	10,182,649	44
117	Ministry of Higher Education and Highways	216,090,668	199,109,088	92	2,015,358	1,600,828	79	414,530	197,508,260	16,567,050	92

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2017

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	%	Expenditure	Provision	%	Expenditure	Provision	%			
118	Ministry of Agriculture	46,702,165	41,642,254	89	38,829,394	38,829,394	89	526,118	7,872,772	99	3,338,978	4,533,793	42
119	Ministry of Power & Renewable Energy	9,216,136	8,582,380	93	453,007	442,202	98	10,805	8,763,129	98	8,140,178	622,952	93
120	Ministry of Women and Child Affairs	8,293,813	7,637,088	92	6,948,262	6,675,183	96	273,079	1,345,551	96	961,905	383,646	71
121	Ministry of Home Affairs	26,942,152	17,207,396	64	8,916,494	7,924,536	89	991,958	18,025,658	89	9,282,860	8,742,798	51
122	Ministry of Parliamentary Reforms and Mass Media	3,820,565	1,702,465	45	1,490,106	1,369,579	92	120,527	2,330,459	92	332,886	1,997,573	14
123	Ministry of Housing and Construction	7,533,128	7,530,974	100	683,978	681,824	100	2,154	6,849,150	100	6,849,150	0	100
124	Ministry of Social Empowerment and Welfare	12,906,807	12,129,929	94	12,152,665	11,787,427	97	365,238	754,142	97	342,502	411,640	45
126	Ministry of Education	107,562,476	76,761,776	71	54,985,029	49,138,859	89	5,846,170	52,577,447	89	27,622,917	24,954,530	53
130	Ministry of Public Administration and Management	1,820,440	1,571,962	86	1,082,035	1,039,715	96	42,320	738,405	96	532,246	206,159	72
135	Ministry of Plantation Industries	9,615,608	7,105,663	74	4,538,570	4,249,425	94	289,145	5,077,038	94	2,856,238	2,220,800	56
136	Ministry of Sports	3,569,208	1,691,238	47	460,416	409,443	89	50,973	3,108,792	89	1,281,794	1,826,998	41
140	Ministry of Hill Country New Villages, Infrastructure and Community	4,367,886	2,424,726	56	335,376	308,482	92	26,894	4,032,510	92	2,116,244	1,916,266	52
145	Ministry of Rehabilitation, Resettlement and Hindu Religious Affairs	12,727,141	11,280,819	89	1,014,716	1,002,773	99	11,943	11,712,425	99	10,278,046	1,434,379	88
147	Ministry of Regional Development	658,466	436,159	66	340,041	282,799	83	57,242	318,425	83	153,360	165,065	48
149	Ministry of Industry and Commerce	14,493,483	9,071,655	63	2,419,583	1,971,680	81	447,903	12,073,900	81	7,099,975	4,973,925	59
150	Ministry of Petroleum Resources Development	330,611	310,320	94	236,986	230,216	97	6,770	93,625	97	80,104	13,521	86
151	Ministry of Fisheries and Aquatic Resources Development	7,018,110	4,673,297	67	1,389,290	1,345,771	97	43,519	5,628,820	97	3,327,526	2,301,294	59
153	Ministry of Lands	3,470,019	2,073,426	60	308,969	304,963	99	4,006	3,161,050	99	1,768,462	1,392,588	56
154	Ministry of Rural Economic Affairs	10,373,604	7,884,087	76	896,290	610,080	68	286,210	9,477,314	68	7,274,007	2,203,306	77
155	Ministry of Provincial Councils and Local Government	37,852,996	19,334,948	51	1,899,913	426,973	22	1,472,940	35,953,083	22	18,907,975	17,045,108	53
157	Ministry of National Dialogue	903,918	617,873	68	401,176	359,683	90	41,494	502,742	90	258,190	244,551	51
158	Ministry of Public Enterprise Development	9,964,030	1,549,298	16	295,047	279,107	95	15,940	9,668,983	95	1,270,191	8,398,792	13
159	Ministry of Tourism Development and Christian Religious Affairs	1,113,867	424,772	38	190,067	151,119	80	38,948	923,800	80	273,653	650,147	30
160	Ministry of Mahaweli Development and Environment	54,513,484	42,822,569	79	3,717,843	3,668,540	99	49,303	50,795,641	99	39,154,029	11,641,612	77
161	Ministry of Sustainable Development and Wildlife	237,267	201,521	85	177,820	174,226	98	3,595	59,447	98	27,295	32,151	46
162	Ministry of Megapolice and Western Development	39,841,918	29,781,232	75	2,552,772	2,527,472	99	25,300	37,289,146	99	27,253,760	10,035,386	73
163	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs	5,050,723	3,587,032	71	941,467	886,029	94	55,438	4,109,256	94	2,701,003	1,408,253	66
165	Ministry of National Integration and Reconciliation	3,539,401	2,814,546	80	120,055	105,030	87	15,025	3,419,346	87	2,709,516	709,830	79
166	Ministry of City Planning and Water Supply	33,994,616	27,087,396	80	180,514	179,156	99	1,357	33,814,102	99	26,908,239	6,905,863	80
167	Ministry of Special Assignment	165,149	111,846	68	69,464	68,899	99	565	95,685	99	42,947	52,738	45
176	Ministry of Ports and Shipping	2,400,110	620,040	26	251,855	209,740	83	42,115	2,148,255	83	410,300	1,737,955	19
182	Ministry of Foreign Employment	753,883	726,864	96	624,483	606,431	97	18,052	129,400	97	120,432	8,968	93

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2017

Head	Institution	Total			Recurrent			Capital			Rs.'000
		Provision	Expenditure	%	Provision	Expenditure	%	Provision	Expenditure	%	
192	Ministry of Law and Order and Prisons Reforms	10,766,056	8,290,631	77	7,493,361	7,403,595	99	3,272,695	887,035	27	2,385,660
193	Ministry of Labour and Trade Union Relations	291,379	257,284	88	235,159	222,621	95	56,220	34,663	62	21,557
194	Ministry of Telecommunication and Digital Infrastructure	17,632,200	1,769,435	10	219,096	214,432	98	17,413,104	1,555,004	9	15,858,101
195	Ministry of Development Strategies and International Trade	1,965,495	1,054,539	54	585,695	503,590	86	1,379,800	550,949	40	828,851
196	Ministry of Science, Technology and Research	5,774,458	3,634,572	63	1,843,360	1,721,900	93	3,931,098	1,912,672	49	2,018,426
197	Ministry of Skills Development and Vocational Training	8,481,044	6,225,071	73	4,570,510	3,936,656	86	3,910,534	2,288,415	59	1,622,119
198	Ministry of Irrigation and Water Resources Management	10,207,316	5,848,930	57	534,891	524,253	98	9,672,425	5,324,677	55	4,347,749
199	Ministry of Primary Industries	1,910,947	612,651	32	147,147	141,085	96	1,763,800	471,566	27	1,292,234
201	Department of Buddhist Affairs	1,343,345	1,164,123	87	1,287,895	1,113,549	86	55,450	50,574	91	4,876
202	Department of Muslim Religious and Cultural Affairs	146,285	127,537	87	109,085	93,919	86	37,200	33,618	90	3,582
203	Department of Christian Religious Affairs	244,850	209,411	86	187,080	159,976	86	57,770	49,435	86	8,335
204	Department of Hindu Religious and Cultural Affairs	244,548	234,625	96	149,898	140,621	94	94,650	94,005	99	645
205	Department of Public Trustee	52,652	52,202	99	49,475	49,031	99	3,177	3,171	100	7
206	Department of Cultural Affairs	873,937	759,184	87	598,077	586,111	98	275,860	173,073	63	102,787
207	Department of Archaeology	958,797	942,509	98	892,697	891,932	100	66,100	50,577	77	15,523
208	Department of National Museums	256,879	252,372	98	186,965	184,896	99	69,914	67,476	97	2,438
209	Department of National Archives	361,719	219,410	61	113,919	97,709	86	247,800	121,701	49	126,099
210	Department of Information	327,769	303,086	92	288,132	277,998	96	39,637	25,089	63	14,548
211	Department of The Government Printer	2,330,198	2,327,636	100	2,209,927	2,207,726	100	120,271	119,911	100	360
212	Department of Examinations	3,890,245	3,010,729	77	3,107,645	2,863,917	92	782,600	146,812	19	635,788
213	Department of Educational Publications	140,215	92,787	66	56,699	53,759	95	83,517	39,028	47	44,488
214	University Grants Commission	42,137,109	40,351,615	96	30,597,050	29,873,701	98	11,540,059	10,477,913	73	1,062,146
215	Department of Technical Education & Training	2,262,012	2,075,708	92	1,883,761	1,799,861	96	378,251	275,847	73	102,404
216	Department of Social Services	701,024	585,585	84	520,719	483,917	93	180,305	101,668	56	78,637
217	Department of Probation and Child Care Services	309,663	303,334	98	291,063	285,950	98	18,600	17,384	93	1,216
219	Department of Sports Development	3,385,589	2,486,539	73	1,039,739	908,801	87	2,345,850	1,577,737	67	768,113
220	Department of Ayurveda	2,390,221	1,777,165	74	1,267,758	1,238,265	98	1,122,463	538,900	48	583,563
221	Department of Labour	5,112,556	3,903,346	76	1,505,256	1,452,582	97	3,607,300	2,450,764	68	1,156,536
222	Sri Lanka Army	158,165,978	152,455,475	96	146,393,930	142,925,890	98	11,772,048	9,529,585	81	2,242,463
223	Sri Lanka Navy	57,713,418	55,041,536	95	48,570,862	47,709,024	98	9,142,556	7,332,512	80	1,810,044
224	Sri Lanka Air Force	41,825,508	37,812,475	90	33,182,623	32,278,745	97	8,642,885	5,533,730	64	3,109,155
225	Department of Police	65,982,457	63,627,949	96	60,656,957	60,030,884	99	5,325,500	3,597,065	68	1,728,435
226	Department of Immigration and Emigration	2,168,733	1,796,573	83	1,240,533	1,235,028	100	928,200	561,545	60	366,655
227	Department of Registration of Persons	818,217	810,182	99	747,517	744,984	100	70,700	65,198	92	5,502

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2017

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
228	Courts Administration	8,181,806	7,380,859	800,947	90	5,632,256	5,618,863	13,393	100	2,549,550	1,761,996	787,554	69
229	Department of Attorney General	1,359,909	943,797	416,112	69	724,909	708,822	16,087	98	635,000	234,976	400,024	37
230	Department of Legal Draftsman	139,404	124,446	14,958	89	109,204	95,705	13,499	88	30,200	28,741	1,459	95
231	Department of Debt Conciliation Board	19,318	16,406	2,912	85	18,468	15,672	2,796	85	850	734	116	86
232	Department of Prisons	6,539,744	5,839,851	699,893	89	5,275,244	4,761,874	513,370	90	1,264,500	1,077,977	186,523	85
233	Department of Government Analyst	375,480	353,893	21,587	94	267,219	250,807	16,412	94	108,261	103,086	5,175	95
234	Registrar of Supreme Court	172,560	157,206	15,354	91	160,905	147,759	13,146	92	11,655	9,447	2,208	81
235	Department of Law Commission	17,285	16,510	775	96	15,335	14,783	552	96	1,950	1,728	222	89
236	Department of Official Languages	173,582	153,529	20,053	88	137,486	132,071	5,415	96	36,096	21,458	14,638	59
237	Department of National Planning	95,445	89,095	6,350	93	85,222	82,821	2,401	97	10,223	6,274	3,949	61
238	Department of Fiscal Policy	3,734,191	52,051	3,682,140	1	3,730,591	51,666	3,678,925	1	3,600	385	3,215	11
239	Department of External Resources	3,285,880	3,269,730	16,150	100	598,530	585,164	13,366	98	2,687,350	2,684,566	2,784	100
240	Department of National Budget	9,572,647	5,815,022	3,757,625	61	2,456,789	1,543,047	913,742	63	7,115,858	4,271,975	2,843,883	60
241	Department of Public Enterprises	17,417,388	17,411,010	6,379	100	3,938,835	3,934,566	4,269	100	13,478,553	13,476,443	2,110	100
242	Department of Management Services	76,197	69,884	6,314	92	72,363	66,207	6,156	91	3,834	3,676	158	96
243	Department of Development Finance	14,057,177	12,876,143	1,181,034	92	5,608,078	4,770,946	837,132	85	8,449,099	8,105,197	343,902	96
244	Department of Trade and Investment Policy	52,932	45,636	7,296	86	49,732	44,924	4,808	90	3,200	712	2,488	22
245	Department of Public Finance	574,685	530,840	43,844	92	521,433	520,565	868	100	53,252	10,275	42,977	19
246	Department of Inland Revenue	4,464,509	4,337,167	127,342	97	3,025,429	3,014,606	10,823	100	1,439,080	1,322,560	116,520	92
247	Sri Lanka Customs	2,682,359	2,302,008	380,351	86	2,116,403	2,083,252	33,152	98	565,956	218,756	347,200	39
248	Department of Excise	1,312,023	966,882	345,141	74	1,039,503	806,518	232,985	78	272,520	160,364	112,156	59
249	Department of Treasury Operations	1,667,762,564	1,611,410,106	56,352,458	97	767,407,131	741,783,850	25,623,281	97	900,355,433	869,626,255	30,729,177	97
250	Department of State Accounts	48,108	44,647	3,461	93	44,228	42,895	1,333	97	3,880	1,752	2,128	45
251	Department of Valuation	2,915,821	1,449,239	1,466,582	50	387,321	360,513	26,808	93	2,528,500	1,088,726	1,439,774	43
252	Department of Census & Statistics	1,127,213	981,129	146,085	87	942,052	851,030	91,022	90	185,161	130,099	55,062	70
253	Department of Pensions	210,906,870	210,093,464	813,406	100	210,876,113	210,064,888	811,225	100	30,757	28,576	2,181	93
254	Department of Registrar General	1,418,020	1,376,923	41,097	97	1,342,020	1,330,650	11,370	99	76,000	46,273	29,727	61
255	District Secretariat - Colombo	1,852,806	1,830,593	22,213	99	742,606	731,617	10,989	99	1,110,200	1,098,976	11,224	99
256	District Secretariat - Gampaha	1,467,330	1,119,048	348,282	76	999,330	993,172	6,158	99	468,000	125,876	342,124	27
257	District Secretariat - Kalutara	2,085,870	1,210,212	875,658	58	848,440	832,988	15,452	98	1,237,430	377,224	860,206	30
258	District Secretariat - Kandy	1,273,150	1,210,431	62,719	95	1,159,150	1,103,513	55,637	95	114,000	106,918	7,082	94
259	District Secretariat - Matale	885,690	785,391	100,299	89	583,690	577,197	6,493	99	302,000	208,194	93,806	69
260	District Secretariat - Nuwara Eliya	514,510	508,071	6,439	99	440,860	436,398	4,462	99	73,650	71,672	1,978	97
261	District Secretariat - Galle	3,194,910	1,449,351	1,745,559	45	1,074,710	1,068,796	5,914	99	2,120,200	380,555	1,739,645	18
262	District Secretariat - Matara	2,943,660	1,353,629	1,590,031	46	889,947	887,901	2,047	100	2,053,713	465,728	1,587,985	23

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2017

Head	Institution	Total			Recurrent			Capital			Rs.'000	
		Provision	Expenditure	%	Expenditure	Provision	%	Expenditure	Provision	%		
263	District Secretariat - Hambanthota	1,244,540	1,028,995	83	753,740	727,480	26,260	97	490,800	301,514	189,286	61
264	District Secretariat - Jaffna	808,770	807,683	100	687,984	686,897	1,087	100	120,787	120,786	0	100
265	District Secretariat - Mannar	320,790	305,432	95	200,790	195,095	5,695	97	120,000	110,338	9,662	92
266	District Secretariat/ Kachcheri - Vavuniya	281,500	277,897	99	199,500	196,506	2,994	98	82,000	81,391	609	99
267	District Secretariat - Mullaitivu	307,440	300,378	98	187,440	181,025	6,415	97	120,000	119,353	647	99
268	District Secretariat - Killinochchi	302,730	291,621	96	202,730	192,087	10,643	95	100,000	99,534	466	100
269	District Secretariat - Batticaloa	851,560	737,065	87	577,560	574,396	3,164	99	274,000	162,670	111,330	59
270	District Secretariat - Ampara	970,640	881,586	91	884,640	795,587	89,053	90	86,000	85,999	1	100
271	District Secretariat - Trincomalee	444,280	436,873	98	380,280	373,877	6,403	98	64,000	62,996	1,004	98
272	District Secretariat - Kurunegala	1,704,050	1,676,379	98	1,636,050	1,627,090	8,960	99	68,000	49,289	18,711	72
273	District Secretariat - Puttalam	737,140	733,138	99	642,140	640,634	1,506	100	95,000	92,504	2,496	97
274	District Secretariat - Anuradhapura	935,346	885,034	95	810,787	799,867	10,920	99	124,559	85,167	39,392	68
275	District Secretariat - Polonnaruwa	938,268	846,236	90	416,268	415,275	993	100	522,000	430,961	91,039	83
276	District Secretariat - Badulla	809,130	736,451	91	659,130	655,415	3,715	99	150,000	81,036	68,964	54
277	District Secretariat - Monaragala	580,690	551,042	95	462,690	457,824	4,866	99	118,000	93,218	24,782	79
278	District Secretariat - Rathnapura	1,978,390	1,144,416	58	776,970	773,159	3,811	100	1,201,420	371,257	830,163	31
279	District Secretariat - Kegalle	1,144,720	736,009	64	619,830	617,000	2,830	100	524,890	119,008	405,882	23
280	Department of Project Management and Monitoring	255,740	216,925	85	144,866	131,137	13,729	91	110,874	85,787	25,087	77
281	Department of Agrarian Development	9,133,856	7,567,891	83	6,752,170	6,698,856	53,314	99	2,381,686	869,035	1,512,651	36
282	Department of Irrigation	14,909,183	12,428,774	83	3,280,055	2,829,962	450,093	86	11,629,128	9,598,812	2,030,316	83
283	Department of Forests	2,225,484	2,177,637	98	1,339,784	1,293,640	46,144	97	885,700	883,998	1,702	100
284	Department of Wildlife Conservation	1,879,655	1,780,577	95	1,120,855	1,117,885	2,970	100	758,800	662,692	96,108	87
285	Department of Agriculture	6,362,702	5,677,740	89	4,572,614	4,249,659	322,955	93	1,790,087	1,428,081	362,006	80
286	Department of Land Commissioner General	404,964	376,320	93	350,764	342,169	8,595	98	54,200	34,151	20,049	63
287	Department of Land Title Settlement	401,380	386,189	96	386,380	379,826	6,554	98	15,000	6,363	8,637	42
288	Department of Surveyor	3,917,664	3,514,597	90	3,695,264	3,377,732	317,532	91	222,400	136,865	85,535	62
289	Department of Export Agriculture	1,278,398	1,004,654	79	604,198	604,129	69	100	674,200	400,525	273,675	59
290	Department of Fisheries and Aquatic Resources	1,017,350	892,931	88	480,350	465,815	14,535	97	537,000	427,116	109,884	80
291	Department of Coast Conservation	1,334,655	1,195,077	90	218,455	213,421	5,034	98	1,116,200	981,656	134,544	88
292	Department of Animal Production & Health	1,162,210	911,960	78	535,710	512,073	23,637	96	626,500	399,888	226,612	64
293	Department of Rubber Development	1,343,093	1,103,672	82	325,093	317,850	7,243	98	1,018,000	785,822	232,178	77
294	Department of National Zoological Gardens	887,860	827,772	93	379,160	375,900	3,260	99	508,700	451,872	56,828	89
295	Department of Commerce	136,667	128,938	94	122,300	115,765	6,535	95	14,367	13,172	1,195	92
296	Department of Import & Export Control	70,841	67,132	95	58,791	56,493	2,298	96	12,050	10,639	1,411	88
297	Department of The Registrar of Companies	53,060	52,952	100	53,060	52,952	108	100	0	0	0	0

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2017

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
298	Department of Measurement Units, Standards and Services	173,062	122,395	50,667	71	103,062	100,817	2,245	98	70,000	21,578	48,422	31
299	National Intellectual Property Office of Sri Lanka	30,879	30,728	151	100	30,879	30,728	151	100			0	
300	Department of Food Commissioner	734,870	709,563	25,307	97	530,838	529,431	1,407	100	204,032	180,131	23,901	88
301	Department of Cooperative Development	99,033	97,429	1,604	98	67,533	66,309	1,224	98	31,500	31,120	380	99
302	Cooperative Employees Commission	17,908	16,232	1,676	91	16,008	14,592	1,416	91	1,900	1,640	260	86
303	Department of Textile Industries	157,264	139,689	17,575	89	120,814	115,181	5,633	95	36,450	24,509	11,941	67
304	Department of Meteorology	323,385	304,500	18,885	94	260,885	254,977	5,908	98	62,500	49,524	12,976	79
306	Department of Sri Lanka Railways	33,058,495	26,969,536	6,088,959	82	14,571,340	14,080,658	490,682	97	18,487,155	12,888,878	5,598,277	70
307	Department of Motor Traffic	3,346,629	3,186,638	159,991	95	1,985,829	1,967,979	17,850	99	1,360,800	1,218,659	142,141	90
308	Department of Posts	13,149,729	13,104,320	45,409	100	12,627,729	12,599,105	28,624	100	522,000	505,215	16,785	97
309	Department of Buildings	356,136	354,969	1,167	100	316,236	316,058	178	100	39,900	38,912	988	98
310	Government Factory	158,414	156,398	2,016	99	100,264	98,666	1,598	98	58,150	57,732	418	99
311	Department of National Physical Planning	392,407	190,495	201,912	49	181,007	174,431	6,576	96	211,400	16,063	195,337	8
312	Western Provincial Council	19,194,340	16,664,984	2,529,356	87	15,090,984	15,090,984	0	100	4,103,356	1,574,000	2,529,356	38
313	Central Provincial Council	28,477,254	26,096,541	2,380,713	92	23,319,632	23,319,632	0	100	5,157,622	2,776,909	2,380,713	54
314	Southern Provincial Council	25,809,574	24,561,166	1,248,408	95	21,032,816	21,032,816	0	100	4,776,758	3,528,350	1,248,408	74
315	Northern Provincial Council	25,240,238	23,791,264	1,448,974	94	17,077,526	17,077,526	0	100	8,162,712	6,713,738	1,448,974	82
316	North Western Provincial Council	25,898,487	25,250,930	647,558	97	21,866,188	21,866,188	0	100	4,032,299	3,384,741	647,558	84
317	North Central Provincial Council	18,329,080	17,124,847	1,204,233	93	13,828,650	13,828,650	0	100	4,500,430	3,296,197	1,204,233	73
318	Uva Provincial Council	20,661,407	19,456,887	1,204,520	94	16,114,887	16,114,887	0	100	4,546,520	3,342,000	1,204,520	74
319	Sabaragamuwa Provincial Council	24,008,282	22,441,221	1,567,061	93	19,350,281	19,350,281	0	100	4,658,001	3,090,940	1,567,061	66
320	Department of Civil Security	17,000,952	16,785,590	215,362	99	16,720,252	16,549,886	170,366	99	280,700	235,704	44,996	84
321	Eastern Provincial Council	22,840,661	22,030,218	810,443	96	18,679,134	18,667,527	11,607	100	4,161,527	3,362,691	798,836	81
322	Department of National Botanical Gardens	664,740	655,836	8,904	99	364,690	358,277	6,413	98	300,050	297,559	2,491	99
323	Department of Legal Affairs	11,138	9,061	2,077	81	10,238	8,931	1,307	87	900	130	770	14
324	Department of Management Audit	51,811	45,913	5,898	89	46,911	43,575	3,336	93	4,900	2,339	2,561	48
325	Department of Sri Lanka Coast Guard	329,614	231,900	97,714	70	40,214	35,820	4,394	89	289,400	196,080	93,320	68
326	Department of Community Based Corrections	274,339	263,793	10,546	96	263,839	256,254	7,585	97	10,500	7,539	2,961	72
327	Department of Land Use Policy Planning	404,520	395,551	8,969	98	350,970	346,515	4,455	99	53,550	49,037	4,513	92
328	Department of Manpower and Employment	400,996	388,770	12,226	97	356,196	350,057	6,139	98	44,800	38,713	6,087	86
329	Department of Information Technology Management	46,443	32,028	14,415	69	39,343	29,135	10,208	74	7,100	2,893	4,207	41
331	Department of Divinaguma Development	58,013,754	53,865,220	4,148,534	93	56,777,054	52,685,875	4,091,179	93	1,236,700	1,179,344	57,356	95
332	Department of National Community Water Supply	247,418	231,040	16,378	93	143,118	127,990	15,128	89	104,300	103,051	1,249	99
	<b>Grand total</b>	<b>3,860,318,021</b>	<b>3,470,588,569</b>	<b>389,729,452</b>		<b>2,026,682,974</b>	<b>1,945,575,040</b>	<b>81,107,934</b>		<b>1,833,635,047</b>	<b>1,525,013,529</b>	<b>308,621,518</b>	

Schedule IV  
 STATEMENT OF PROVINCIAL COUNCILS REVENUE AND EXPENDITURE REPORT - 2017

Category	Province									Total
	Western	Central	Southern	Northern	North Western	North Central	Uva	Sabaragamuwa	Eastern	
<b>Total Revenue</b>	44,498,018,998	7,385,060,307	7,934,582,437	3,583,620,878	8,091,567,600	3,674,746,115	3,487,251,000	4,241,712,036	3,624,441,000	86,521,000,371
<b>Recurrent Expenditure</b>	52,651,364,445	30,354,736,471	27,547,844,989	20,438,336,105	28,949,222,469	17,030,332,085	20,068,919,278	22,668,337,297	22,051,599,641	241,760,692,779
<b>Capital Expenditure</b>	9,530,008,234	5,163,259,824	3,365,565,225	5,504,807,340	6,635,050,948	5,690,936,583	494,988,146	6,263,424,630	497,516,276	43,145,557,207
<b>Total Expenditure</b>	62,181,372,679	35,517,996,295	30,913,410,214	25,943,143,445	35,584,273,417	22,721,268,668	20,563,907,423	28,931,761,926	22,549,115,917	284,906,249,985

(Rs.)



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்  
**AUDITOR GENERAL'S DEPARTMENT**



මගේ අංකය  
எனது இல.  
My No.

TRE/A/DSA/2/17/IA/01

මගේ අංකය  
உமது இல.  
Your No.

දිනය  
திகதி  
Date

31 May 2018

Secretary

Ministry of Finance and Mass Media

**Report of the Auditor General on the Financial Statements of the Democratic Socialist Republic of Sri Lanka for the year ended 31 December 2017**

The audit of financial statements of the Democratic Socialist Republic of Sri Lanka for the year ended 31 December 2017 comprising the statement of financial position as at 31 December 2017 and the statement of financial performance, cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review will be issued in due course.

**1.2 Management's Responsibility for Financial Statements**

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Principles and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

**1.3 Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Standards of Supreme Audit Institutions (ISSAI 1000 - 1810). Those Standards require that I comply with ethical requirements and plan and





perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements of the Republic 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **2. Financial Statements**

### **2.1 Basis for Qualified Opinion**

My opinion is qualified based on the matters described in paragraph 2.2 of this report.

### **2.2 Comments on Financial Statements**

#### **2.2.1 Qualified Opinion**

In my opinion except for the effects of the matters described under the Basis for Qualified Opinion in this report, the financial statements give a true and fair view of the financial position of the Democratic Socialist Republic of Sri Lanka as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

#### **2.2.2 Financial Statements of the Republic**

Even though the above financial statements had been titled as financial statements of the Republic, those had been solely confined to the transactions of the Consolidated Fund. Accordingly, transactions and events and assets and liabilities of the Provincial Councils, Local Government Authorities, Public Enterprises and other institutions

owned by the Republic or functioning under the control of Government had not been incorporated in these financial statements.

Therefore, the title of this set of financial statements is inappropriate to the requirements of the said Act and the content of the above financial statement.

### 2.2.3 Accounting Deficiencies

- (a) According to the financial statements, the balance of debts payable by the Government as at 31 December 2017 amounted to Rs.9,588,101 million, whereas according to the following matters observed at the audit test check, the aforesaid balance of debts had been understated by Rs.803,555 million in the accounts.
- (i) The accounting policy related to the Treasury Bonds included in the financial statements of the Republic 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, it was observed that due to failure in further adjusting the face value of the Treasury Bonds issued before the year 2016 to the accounts, the total liability of Treasury Bonds of Rs.433,097 million had been understated in the financial statements by 31 December 2017.
- (ii) The debt balance of Rs.330,221 million remained as at 31 December 2017 relating to 08 loan agreements entered into by the Government under the contractual agreements had not been included in these financial statements.
- (iii) Of the debt balances included in the aforesaid 08 loan agreements, a sum of Rs.150,730 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 should hold the responsibility of 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. Notwithstanding the decision taken to that effect by the Cabinet, this loan balance had not been included in these financial statements.

- (iv) Out of the debt balances included in the aforesaid 08 loan agreements referred to in above (ii) Paragraph, the value of the installments settled during the year under review relating to the loans obtained for the construction of Coal-fired Power Station, Puttalam under 03 foreign loan agreements had not been included in Note 30 (Foreign Loan Balance Statement) of the financial statements. Accordingly, a difference of Rs.14,386 million was observed between the financial statements and the Notes thereof relating to the recovery of foreign loans. Details appear below.

Loan No. -----	Amount ----- Rs.Millions
2005045	3,038
2006045	2,324
2009027	9,024
Total	----- 14,386 =====

- (v) Foreign loans amounting to Rs.40,237 million realized during the year 2017 relating to 65 loan agreements had not been included in these financial statements.
- (b) According to the financial statements, the Government had granted on lending amounting to Rs.181,368 million to various Government and private institutions. It was observed during the course of audit test check carried out in this connection that the value of on lending had been understated by Rs.7,490 million. Details appear below.



- (i) According to the Note No.20 of the financial statements,2017, the value of on lending granted during the year 2017 amounted to Rs.25,152 million, whereas a sum of Rs.19,043 million only had been brought to accounts as on lending under the Object No.2302 in the final report of the Department of State Accounts (Table 33). Accordingly, a difference of Rs.6,109 million was observed between the financial statements and the final report of the Department of State Accounts.
- (ii) On lending totaling Rs.7,490 million comprising Rs.4,990 million in the years 2015 and 2016 and Rs.2,500 million in the year 2017 granted on recovery basis to the Ministry of National Policies and Economic Affairs under Object No.2302 to settle the payments of Golden Key depositors according to a Supreme Court decision had not been included in the financial statements of the Republic. Further, agreements had not been entered into up to date for the grant of these loans.
- (c) According to the financial statements, the value of the Government investments in various public enterprises amounted to Rs.578,481 million. Nevertheless, it was observed according to the audit test check carried out on the above matter that the net investment value had been understated by Rs.23,509 million in the accounts.

According to the Treasury books, when comparing the capital contribution made by the General Treasury to the National Water Supply and Drainage Board with the direct balance confirmations, it was observed that a sum of Rs.23,509 million had been understated in the financial statements as specified below.



Detail	Opening Balance	Investments during the year	Closing Balance
-----	-----	-----	-----
	Rs. Millions	Rs. Millions	Rs. Millions
According to the Balance Confirmations	68,810	8,702	77,512
According to the Treasury Books	53,890	113	54,003
Difference	14,920	8,589	23,509
	=====	=====	=====

(d) According to the financial statements, the Government liability (excluding public debts) stood at Rs.35,340 million as at 31 December 2017. Nevertheless, it was observed according to the audit test check carried out in this connection that the liabilities amounting to Rs.53,188 million had been understated in the financial statements.

(i) Out of the loan of Rs.7,550 million obtained by the Ministry of Defence from 04 commercial banks for the construction of Secretariat of Personal Identification, the value of the loan installments and interests further remained payable as at 31 December 2017 amounted to Rs.7,396 million and the above balance had not been stated as a liability in the financial statements. Details appear below.

Commercial Bank	Loan installments and the interests payable as at 2017.12.31
-----	-----
	Rs.Millions
Hatton National Banks	3,477
Commercial Bank	1,959
People's Bank	980
DFCC Bank	980
Total	7,396
	=====

(ii) Of the loans 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 2017 amounted to Rs. 45,792 million and that amount had not been recognized as a liability in the financial statements of the Republic. Details appear below.

Commercial Bank -----	Loan balance payable as at 2017.12.31 ----- Rs.Millions
People's Bank	21,032
Bank of Ceylon	16,432
National Savings Bank	8,328
 Total	 ----- 45,792 =====

- (e) In the sale of 82 motor vehicles purchased for the Commonwealth Heads of Government Meeting, a loss of Rs.400 million had been sustained during the year 2014. Nevertheless, action had not been taken to write off the above loss from the books even by 31 December 2017 and that value had been further included in the Suspense Account in the financial statements. Similarly, negative balances of Rs.127,384 million shown under the Note. 30 in the financial statements had been adjusted in the Operating Account for the Government Departments and presented, whereas adequate explanations had not been made in this connection.
- (f) According to the financial statements, 2017, the Non Financial Assets as at 31 December 2017 totalled Rs.814,336 million. In this connection, when comparing the balances according to the "Non Financial Assets Movement Report" included in the Note No.01 of the Appropriation Accounts of the year 2017 relating to 77 institutions selected on sample basis out of Non Financial Assets balances included in the Note No.16 of the financial statements with the balance of Non Financial Assets existed as at that date, the following differences were observed.

(i)

Category of Assets	Assest	Balance as at 31.12.2017 according to these financial statements	Balance as at 31.12.2017 according to the Appropriation Account	Difference
		Rs.Millions	Rs. Millions	Rs. Millions
9151	Building and Constructions	196,818	51,031	145,787
9152	Machinery and Equipment	6,294	4,200	2,094
9153	Lands	26,480	2,289	24,191
9160	Work-in-progress	6,756	1,369	5,387
9180	Leasing assets	24,545	11,046	13,499
	Total	260,893	69,935	190,958

The balance as per the Note No.16 of the financial statements as at 31 December 2017 amounted to Rs.260,893 million relating to the selected institutions and according to the Note No.1 of the Appropriation Accounts of those institutions, that balance was Rs.69,935 million. Accordingly, a difference Rs.190,958 million was observed.

(ii)

Category of Assets	Assest	Balance as at 31.12.2017 according to these financial statements	Balance as at 31.12.2017 according to the Appropriation Account	Difference
		Rs.Millions	Rs.Millions	Rs.Millions
9151	Building and Constructions	9,544	47,445	(37,901)
9152	Machinery and Equipment	59,356	130,473	(71,117)
9153	Lands	1,699	21,098	(19,399)
9160	Work-in-progress	6,666	47,012	(40,346)
9180	Leasing assets	-	-	-
	Total	77,265	246,028	(168,763)

The balance as per the Note No.16 of the financial statements as at 31 December 2017 amounted to Rs.77,265 million relating to the selected institutions and according to the Note No.1 of the Appropriation Accounts of those institutions, that balance was Rs.246,028 million. Accordingly, a difference Rs.168,763 million was observed.

#### **2.2.4 Non-compliance with Laws, Rules , Regulations etc.**

The following non-compliances with Laws, Rules , Regulations etc. were observed.

- (a) It is specified in Paragraph 3 (a) of the Financial 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 centum of the estimated Gross Domestic Product 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, it was observed that, in the year 2017 and during the period of preceding seven years, it had not been possible to maintain the budget deficit at the end of the above each year so as not to exceed five per centum of the estimated Gross Domestic Product related to those years. Accordingly, those percentages stood at 7.89 per centum relating to the estimated budget deficit and at 5.70 per centum relating to the actual budget deficit respectively during the year under review.

- (b) In terms of Financial Management (Responsibility) Act No,3 of 2003 as amended by the Financial 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 centum of the estimated Gross Domestic Product of that year. Even through the records of the Ministry of Finance demonstrate that the Ministry had complied with the above limitations, it was observed that when taking into consideration the liabilities relevant to various public enterprises which had been accounted outside the statement of financial position of these financial statements, the relevant limitation had been exceeded. Details appear below.



Liability	Value as at 31 December 2017*
-----	
	Rs.Millions
Bank Overdraft	150,539
Central Bank Advances	199,801
Public Debt	9,588,101
Liabilities not accounted in the financial statements.	
- Foreign loans accounted outside the Balance Sheet.	330,221
- Understating the balance of Treasury Bonds in the accounts	433,097
	-----
Total Liability	10,701,759
	=====
Gross Domestic Product	13,289,000
Total Liability as a percentage of the Gross Domestic Product	81

\* The value of guarantees and letter of comfort amounting to Rs.652,214 million granted to the banks in respect of the loans obtained by the public enterprises upon the guarantees of the General Treasury and values included in the statement of liabilities in the Appropriation Accounts had not been included in the above liabilities.

**2.3 Reporting to Parliament**

The report I should forward to Parliament in pursuance of Article 154 (6) of the Constitution will be issued in due course.

Sgd./ H.M. Gamini Wijesinghe  
 Auditor General.

**Sgd./ H.M. GAMINI WIJESINGHE**  
**Auditor General**



# Statistical Appendix



Table 1 | Sri Lanka: Demographic and Related Trends

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
Mid - Year Population	'000	18,136	18,467	18,797	18,921	19,173	19,435	19,644	19,858	20,039	20,217	20,450	20,653	20,869	20,328	20,483	20,771	20,966	21,203	21,444
Mid - Year Population by Age Group	'000																			
0 -14 Years		6,384	-	4,942	5,041	5,108	5,107	5,163	5,220	5,266	5,315	5,378	5,431	5,488	5,132	5,171	5,235	5,288	5,348	5,411
15 - 64 Years		10,969	-	12,671	12,668	12,838	13,103	13,243	13,386	13,509	13,625	13,784	13,921	14,065	13,604	13,707	13,901	14,030	14,187	14,349
65 Years and Over		783	-	1,184	1,212	1,227	1,225	1,238	1,252	1,264	1,277	1,288	1,301	1,316	1,592	1,605	1,635	1,648	1,668	1,684
Growth of Population	%	1.5	1.4	1.2	1.3	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.0	1.0	0.9	0.8	0.9	0.9	1.1	1.1
Density of Population	Persons per sq. km	289	305	300	303	307	310	314	317	319	332	326	329	333	324	327	331	334	338	342
Life Expectancy at Birth	Years																			
Male		69.5	-	-	-	-	-	-	69.9	-	-	-	-	70.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Female		74.2	-	-	-	-	-	-	78.7	-	-	-	-	79.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Birth Rate	Per '000	19.9	18.2	19.1	19.4	19.3	18.8	18.9	18.8	19.3	18.8	18.4	17.6	17.4	17.5	17.9	16.9	16.0	15.6	15.2
Crude Death Rate	Per '000	6.0	6.1	6.0	5.9	6.0	5.9	6.7	5.9	5.9	5.9	5.9	6.2	5.9	6.0	6.2	6.2	6.3	6.2	6.5
Infant Mortality Rate (IMR)	Per '000 Live Births	16.5	13.4	12.6	11.4	11.3	9.8	11.2	10.0	8.5	8.5	9.7	-	-	n.a.	8.2	n.a.	n.a.	n.a.	8.5
Maternal Mortality Rate (MMR)	Per 100,000 Live Births	23.6	22.1	17.8	16.3	19.7	12.1	11.9	14.2	-	-	22.3	22.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Migration Rate	Per '000	-2.9	1.5	-0.9	-0.6	-1.3	-1.2	-1.5	-1.5	-1.8	-2.2	-1.4	-1.1	-2.2	-2.6	-2.3	-2.0	0.7	2.1	2.3
Dependency Ratio	%	65.34	-	48.35	49.36	49.35	48.32	48.33	48.35	48.34	48.38	48.36	48.36	48.38	49.40	52.90	49.40	49.10	49.40	49.40
Dependency Ratio - 65 years and Over	%	7.14	-	9.34	9.57	9.56	9.35	9.35	9.35	9.36	9.37	9.34	9.35	9.36	11.70	14.10	11.80	11.50	11.76	11.74
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	-	n.a.
Computer Literacy Rate	% of Population	-	-	-	-	-	-	-	-	16.1(c)	-	-	20.3(c)	35.0(f)	37.0(f)	40.0(f)	25.1(c)	26.6(g)	27.5(g)	28.3(g)
Average Daily Calorie Intake (d)	Kilocalories	-	-	-	-	-	-	-	-	2,118	-	-	-	2,094	-	2,111	-	-	-	n.a.

Sources: Department of Census and Statistics, Department of Immigration and Emigration and Ministry of Education

(a) Provisional

(b) Population 10 years &amp; over

(c) Computer (Computer Literacy Survey 2006/07, Computer Literacy Survey 2009, Computer Literacy Survey 2014)

(d) Household Income and Expenditure Survey in 2006/07, 2009/10 and 2012/13

(e) Based on Census of Population and Housing 2012, Department of Census and Statistics

(f) Projection

(g) first 6 months of 2015, 2016 &amp; 2017

Table 2 | Climate

Item	Unit	1995	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Annual Rainfall (Average) Total</b>	mm	1,626	1,430	1,471	1,419	1,945	1,607	1,921	1,640	2,020	1,711	1,992	2,027	1,776	1,687	2,375	2,387	1,351	1,757
<b>Highest Rainfall</b>																			
<b>Cities with Highest Rainfall</b>	mm																		
Anuradhapura		82.5	110.8	67.9	98.4	66.0	81.0	90.3	109.2	127.1	89.3	98.6	114.4	130.8	145.4	162.5	121.6	192.5	122.4
Badulla		52.8	73.1	71.9	73.5	127.4	60.6	108.4	65.7	69.8	72.6	90.9	131.6	102.9	108.6	195.9	79.4	73.8	78.8
Batticaloa		83.8	110.8	134.7	102.9	236.7	75.5	90.2	95.9	114.1	241.7	145.5	312.2	127.5	229.2	147.8	182.9	210.6	97.4
Colombo		126.3	94.1	132.4	110.5	96.5	270.1	163.9	131.6	111.0	207.0	440.2	81.9	114.6	134.3	102.8	114.4	256.9	95.2
Hambantota		92.4	151.1	94.4	96.0	70.5	67.6	91.8	139.9	56.0	62.6	82.9	100.6	176.5	104.8	112.0	92.2	104.0	75.4
Kandy		90.8	116.7	87.3	61.1	74.8	90.8	91.0	87.0	79.4	93.0	115.6	137.3	181.2	94.8	139.6	80.4	133.5	64.5
Kurunegala		140.1	136.0	111.6	62.1	200.0	97.1	162.0	97.0	186.3	123.2	135.4	144.4	315.5	139.6	162.6	97.9	156.4	85.2
Nuwara Eliya		76.2	85.3	64.2	61.1	81.1	73.2	76.8	77.6	48.7	62.8	68.2	94.1	109.5	73.2	77.1	120.0	78.7	73.6
Ratnapura		124.5	131.0	99.2	345.2	104.8	113.3	115.4	146.6	186.1	126.2	139.9	166.9	99.1	114.9	178.1	82.7	136.0	348.5
Vavuniya		64.5	94.9	58.9	133.4	115.5	77.3	81.3	156.5	104.7	104.7	163.9	123.2	225.7	81.8	205.2	136.5	202.5	93.6
<b>Annual Average Minimum Temperature</b>	°C																		
Low Country		24.4	24.7	24.7	24.8	24.7	24.8	24.7	24.4	24.3	24.7	24.9	24.7	24.2	24.3	23.4	24.3	24.7	24.4
Hill Country		17.3	17.2	17.3	17.4	17.3	17.4	17.2	17.2	17.0	16.9	17.5	17.1	16.8	17.1	17.1	16.9	17.2	18.2
<b>Annual Average Maximum Temperature</b>	°C																		
Low Country		31.5	31.3	31.5	31.4	31.4	31.5	31.2	31.2	31.1	31.4	31.4	31.1	32.1	31.7	31.9	32.0	32.6	32.1
Hill Country		26.2	26.5	26.5	26.6	26.4	26.6	26.2	26.0	25.8	26.1	25.9	26.0	26.1	25.3	25.7	25.9	26.5	27.3

Source: Department of Meteorology  
 Note: Badulla, Bandarawela, Nuwaraeliya and Katugastota stations have been considered for the calculation of hill country temperature.

Table 3 | Gross Domestic Product (GDP), Inflation and Exchange Rate

Year	GDP (e)				Inflation				Exchange Rate										
	GDP at Current Market Prices (Rs. Mn.)	GDP at Current Market Prices (US\$ Mn.)	Per Capita GDP at Current Market Price (US\$)	Real GDP Growth (%)	Share of GDP (at Current Cost Prices) (%)	Agriculture	Industry	Services	GDP Deflator (%)	Annual Average Price Change of CCPI (%)	Annual Average Price Change of NCPI (%)	End Year	Annual Average						
											US\$	Yen	Euro	Indian Rs	US\$	Yen	Euro	Indian Rs	
1992	425,283	9,703	24,233	557	4.3	25.9	25.6	48.5	10.0	11.4(b)	-	46.00	0.37	-	1.75	43.83	0.30	-	1.69
1993	499,565	10,354	28,362	588	6.9	24.6	25.6	49.8	9.5	11.7(b)	-	49.56	0.44	-	1.58	48.25	0.40	-	1.59
1994	579,084	11,718	32,419	656	5.6	23.8	26.2	50.1	9.3	8.4(b)	-	49.98	0.50	-	1.59	49.42	0.50	-	1.57
1995	667,772	13,030	36,571	719	5.5	23.0	26.5	50.5	8.4	7.7(b)	-	54.04	0.52	-	1.54	51.25	0.50	-	1.58
1996	768,128	13,898	42,119	759	3.8	22.4	26.4	51.1	12.1	15.9(b)	-	56.70	0.49	-	1.58	55.27	0.50	-	1.56
1997	890,272	15,092	48,031	853	6.3	21.9	26.9	51.2	8.6	9.6(b)	-	61.28	0.47	-	1.56	58.99	0.48	-	1.63
1998	1,017,986	15,761	55,697	879	4.7	21.1	27.5	51.4	8.4	9.4(b)	-	67.78	0.59	-	1.60	64.59	0.49	-	1.57
1999	1,105,963	15,712	60,899	863	4.3	20.7	27.3	52.0	4.4	4.7(b)	-	72.11	0.70	72.53	1.66	70.39	0.62	75.07	1.63
2000	1,257,636	16,596	64,750	899	6.0	19.9	27.3	52.8	6.7	6.2(b)	-	80.06	0.70	71.32	1.71	75.78	0.70	69.93	1.68
2001	1,407,398	15,750	74,541	837	-1.5	20.1	26.8	53.1	12.4	14.2(b)	-	93.16	0.71	83.06	1.93	89.36	0.74	79.99	1.89
2002	1,581,885	16,537	86,076	900	4.0	20.5	26.3	53.2	8.4	9.6(b)	-	96.72	0.82	101.38	2.01	95.66	0.76	90.43	1.97
2003	1,822,468	18,882	94,664	981	5.9	13.2	28.4	58.3	5.1	6.3(b)	-	96.74	0.90	121.60	2.12	96.52	0.83	109.16	2.07
2004	2,090,841	20,663	107,432	1,062	5.4	12.5	28.6	58.8	8.8	9.0(c)	-	104.60	1.02	142.32	2.39	101.19	0.93	125.79	2.23
2005	2,452,782	24,406	124,709	1,241	6.2	11.8	30.2	58.0	10.4	11.0(c)	-	102.12	0.87	120.96	2.27	100.50	0.91	125.09	2.28
2006	2,938,680	28,267	147,775	1,421	7.7	11.3	30.6	58.0	11.3	10.0(c)	-	107.70	0.90	141.58	2.44	103.96	0.89	130.63	2.30
2007	3,578,688	32,351	178,845	1,634	6.8	11.7	29.9	58.4	14.0	15.8(c)	-	108.72	0.97	160.27	2.77	110.62	0.94	151.63	2.69
2008	4,410,682	40,715	218,167	2,014	6.0	13.4	29.4	57.2	16.3	22.6(c)	-	113.14	1.25	159.45	2.36	108.33	1.05	159.31	2.52
2009	4,835,293	42,068	236,445	2,057	3.5	12.7	29.7	57.6	5.9	3.5(d)	-	114.38	1.24	163.72	2.46	114.94	1.23	160.21	2.40
2010	6,413,668	56,728	310,214	2,400	8.0	8.5	26.6	54.6	7.3	6.2(d)	-	110.95	1.36	147.56	2.48	113.06	1.30	150.10	2.49
2011	7,219,106	65,290	345,925	3,129	8.4	8.8	28.0	55.1	3.8	6.8(d)	-	113.90	1.47	147.42	2.15	110.57	1.39	153.86	2.38
2012	8,732,463	68,436	427,559	3,351	9.1	7.4	30.1	55.6	10.8	7.5(d)	-	127.16	1.48	168.12	2.33	127.60	1.60	164.00	2.39
2013	9,592,125	74,294	466,112	3,610	3.4	7.7	29.2	56.4	6.2	6.9(d)	-	130.75	1.24	180.45	2.11	129.11	1.32	171.51	2.21
2014	10,361,151	79,359	498,828	3,821	5	8	28.3	56.9	2.9	3.2(d)	-	131.05	1.10	159.42	2.07	130.56	1.24	173.59	2.14
2015(g)	10,950,621	80,555	522,304	3,842	5	8.2	27.2	57.4	0.6	2.2(f)	3.8 (f)	144.06	1.20	157.37	2.17	135.94	1.12	150.84	2.12
2016(g)	11,906,752	81,777	561,560	3,857	4.5	7.5	27.3	56.9	4.1	4(f)	4.0 (f)	149.80	1.29	157.87	2.21	145.60	1.34	161.16	2.17
2017(a)	13,289,466	87,167	619,729	4,065	3.1	7.7	27.2	55.8	8.2	6.6(f)	7.7 (f)	152.85	1.36	182.49	2.39	152.46	1.36	171.73	2.34

Sources : Department of Census and Statistics

(a) Provisional

(b) 1952=100

(c) 2002=100

(d) 2006/07=100

(e) National Accounts data from 2003 onwards based on the GDP estimates of the Department of Census and Statistics with base year 2002. From 2010 onwards, data is based on the year 2010 GDP estimates of the Department of Census and Statistics. National Accounts estimates were revised in 1982 and 1996 by Central Bank of Sri Lanka.

(f) 2013=100

(g) Revised

Table 4 | Gross Domestic Product - Sectoral Composition (2010) Constant Prices

		Rs. million									
Sector		2010	2011	2012	2013	2014	2015 (b)	2016 (b)	2017 (a)		
<b>Agriculture, Forestry and Fishing</b>		<b>544,914</b>	<b>569,954</b>	<b>592,445</b>	<b>611,676</b>	<b>639,696</b>	<b>669,725</b>	<b>644,262</b>	<b>639,273</b>		
1	Growing of Cereals (except rice)	10,548	10,593	12,521	14,307	13,969	14,984	13,149	11,799		
2	Growing of Rice	60,086	70,205	62,289	65,607	61,019	76,293	52,387	50,269		
3	Growing of Vegetables	47,704	52,349	51,244	54,153	55,244	56,730	58,705	49,198		
4	Growing of Sugar Cane, Tobacco and Other Non-perennial Crops	2,442	2,142	2,254	2,441	2,287	1,882	2,168	1,863		
5	Growing of Fruits	36,610	37,791	38,248	37,385	40,888	48,038	46,511	49,960		
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	60,231	57,110	62,201	53,424	64,158	67,514	66,970	53,929		
7	Growing of Tea (Green Leaves)	72,208	71,769	72,100	74,734	73,936	72,051	63,970	67,019		
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		
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	28,468	28,147	44,426	50,833	57,505	60,797	62,197	62,499		
10	Growing of Rubber	44,411	45,956	44,249	37,987	28,688	25,783	23,028	24,167		
11	Growing of Other Perennial Crops	14,496	14,666	15,167	14,344	15,402	16,839	16,484	16,739		
12	Animal Production	27,230	26,359	29,511	36,599	47,950	51,857	55,629	57,809		
13	Plant Propagation and Support Activities to Agriculture	8,533	8,436	9,105	9,183	9,767	10,421	10,210	10,250		
14	Forestry and Logging	43,339	42,505	38,188	43,044	47,451	48,362	52,669	64,261		
15	Marine Fishing and Marine Aquaculture	77,579	89,575	97,063	103,879	105,822	104,413	105,094	103,036		
16	Fresh Water Fishing and Fresh Water Aquaculture	9,737	11,065	12,560	12,435	14,072	12,503	13,735	15,208		
<b>Industries</b>		<b>1,708,867</b>	<b>1,866,947</b>	<b>2,035,600</b>	<b>2,119,080</b>	<b>2,218,711</b>	<b>2,267,725</b>	<b>2,399,285</b>	<b>2,492,286</b>		
17	Mining and Quarrying	124,926	148,100	184,468	198,447	201,613	191,145	218,587	231,516		
18	Manufacture of Food, Beverages and Tobacco Products	433,769	487,943	507,121	507,127	513,960	528,821	527,794	535,966		
19	Manufacture of Textile, Wearing Apparel and Leather Related products	264,905	238,254	244,496	264,527	276,800	282,719	287,760	304,244		
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	26,318	31,521	23,472	25,258	23,139	27,320	31,666	31,556		
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	26,094	27,605	24,738	24,925	24,968	27,728	30,504	33,236		
22	Manufacture of Coke and Refined Petroleum Products	22,281	35,457	28,858	27,514	28,723	29,075	31,245	29,743		
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	69,450	67,644	75,582	81,982	82,243	83,179	86,929	89,174		
24	Manufacture of Rubber and Plastic Products	63,257	75,656	83,307	82,187	71,909	76,144	88,635	96,366		
25	Manufacture of Other Non-metallic Mineral Products	79,267	86,204	87,090	81,037	78,671	75,191	67,168	72,783		
26	Manufacture of Basic Metals and Fabricated Metal Products	31,665	26,295	24,591	26,589	24,882	28,953	36,186	39,312		
27	Manufacture of Machinery and Equipment	35,909	33,650	30,849	30,845	32,064	38,848	45,087	48,104		
28	Manufacture of Furniture	56,402	53,352	63,922	67,488	82,748	94,489	97,958	102,714		

Table 4 | Gross Domestic Product - Sectoral Composition (2010) Constant Prices contd...

		2010	2011	2012	2013	2014	2015 (b)	2016 (b)	2017 (a)
	<b>Sector</b>								Rs. million
29	Other Manufacturing and Repair and Installation of Machinery and Equipment	48,660	34,555	41,962	44,443	55,993	68,509	72,973	75,873
30	Electricity, Gas, Steam and Air Conditioning Supply	68,491	73,927	75,262	76,789	80,298	85,202	92,350	94,816
31	Water Collection, Treatment and Supply	9,381	9,846	10,554	10,975	11,504	12,023	12,971	13,569
32	Sewerage, Waste, Treatment and Disposal Activities	11,712	12,141	14,572	15,511	17,355	21,681	25,539	27,567
33	Construction	336,381	424,798	514,757	553,438	611,842	596,697	645,933	665,747
	<b>Services</b>	<b>3,504,323</b>	<b>3,817,155</b>	<b>4,245,462</b>	<b>4,405,644</b>	<b>4,618,501</b>	<b>4,894,717</b>	<b>5,124,016</b>	<b>5,289,227</b>
34	Wholesale and Retail Trade	705,778	788,048	848,686	859,977	884,094	933,216	956,918	993,429
35	Transport of Goods and Passengers including Warehousing	662,153	745,891	805,391	849,539	885,506	931,529	982,643	991,703
36	Postal Courier Activities	4,066	4,068	4,441	4,364	4,056	4,052	4,260	4,425
37	Accommodation, Food and Beverage Service Activities	87,693	105,372	134,160	126,392	131,481	134,017	139,442	146,431
38	Programming and Broadcasting Activities and Audio Video Productions	2,526	2,178	2,252	2,422	2,513	2,624	2,831	3,205
39	Telecommunication	22,931	24,420	26,450	27,395	30,986	34,146	36,982	41,434
40	IT Programming Consultancy and Related Activities	6,194	7,216	7,972	9,693	10,579	12,148	13,015	13,564
41	Financial Service Activities and Auxiliary Financial Services	274,933	314,678	364,688	386,009	420,223	493,785	554,521	606,448
42	Insurance, Reinsurance and Pension Funding	67,830	67,596	69,026	70,854	74,978	82,013	88,999	94,087
43	Real Estate Activities, Including Ownership of Dwelling	307,112	328,076	369,719	417,024	444,049	489,352	520,080	544,726
44	Professional Services	112,062	127,358	155,741	161,963	166,486	154,266	152,228	158,720
45	Public Administration and Defence; Compulsory Social Security	383,823	367,093	385,615	382,470	402,206	430,105	452,586	430,671
46	Education	138,553	136,172	167,107	157,477	173,751	159,875	171,826	172,696
47	Human Health Activities, Residential Care and Social Work Activities	136,574	155,994	173,898	146,551	147,962	160,056	162,400	174,148
48	Other Personal Service Activities	592,095	642,995	730,316	803,514	839,633	873,534	885,286	913,540
	<b>Gross Value Added (GVA), at basic prices</b>	<b>5,758,104</b>	<b>6,254,056</b>	<b>6,873,506</b>	<b>7,136,401</b>	<b>7,476,908</b>	<b>7,832,167</b>	<b>8,167,563</b>	<b>8,420,786</b>
	<b>(+) Taxes less Subsidies on Products</b>	<b>655,564</b>	<b>698,664</b>	<b>715,011</b>	<b>709,801</b>	<b>758,522</b>	<b>815,667</b>	<b>866,727</b>	<b>894,702</b>
	<b>Gross Domestic Product(GDP), at market prices</b>	<b>6,413,668</b>	<b>6,952,720</b>	<b>7,588,517</b>	<b>7,846,202</b>	<b>8,235,429</b>	<b>8,647,833</b>	<b>9,034,290</b>	<b>9,315,488</b>

Sources: Department of Census and Statistics

(a) Provisional

(b) Revised

Table 5 | Savings, Investments and Selected External Sector Indicators

Item	Unit	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(d)	2017(a)
Investment (b)	Rs. Mn	309,684	334,804	388,757	528,016	658,019	822,240	1,000,320	1,215,248	1,181,449	1,946,707	2,408,573	3,410,511	3,189,326	3,347,638	3,114,674	4,164,890	4,854,187
Savings (b)(c)	Rs. Mn	285,988	309,007	374,601	459,520	583,473	656,301	834,928	784,278	1,148,305	1,825,232	1,897,484	2,908,642	2,865,365	3,081,142	2,850,554	3,909,124	4,502,650
Savings - Investment Gap (b)	Rs. Mn	-23,696	-25,797	-14,156	-68,496	-74,546	-165,939	-165,392	-430,970	-33,144	-121,475	-511,089	-501,869	-323,961	-266,496	-264,121	-255,766	-351,537
Investment (b)	% of GDP	22.0	21.2	21.3	25.3	26.8	28.0	28.0	27.6	24.4	30.4	33.4	39.1	33.2	32.3	28.4	35.0	36.5
Savings (b)(c)	% of GDP	20.3	19.5	20.6	22.0	23.8	22.3	23.3	17.8	23.7	28.5	26.3	33.3	29.9	29.7	26.0	32.8	33.9
Savings - Investment Gap (b)	% of GDP	-1.7	-1.6	-0.8	-3.3	-3.0	-5.6	-4.6	-9.8	-0.7	-1.9	-7.1	-5.7	-3.4	-2.6	-2.4	-2.1	-2.6
Exports of Goods	US\$ Mn.	4,817	4,699	5,133	5,759	6,347	6,883	7,640	8,111	7,085	8,626	10,559	9,774	10,394	11,130	10,546	10,310	11,360
Imports of Goods	US\$ Mn.	5,974	6,106	6,672	8,000	8,863	10,253	11,297	14,091	10,207	13,451	20,269	19,190	18,003	19,417	18,935	19,183	20,980
Trade Balance	US\$ Mn.	-1,158	-1,407	-1,539	-2,241	-2,518	-3,368	-3,657	-5,981	-3,122	-4,825	-9,710	-9,417	-7,609	-8,287	-8,388	-8,873	-9,620
% of GDP (b)		-7.3	-8.5	-8.1	-10.9	-10.3	-11.9	-11.3	-14.7	-7.4	-8.5	-14.9	-13.8	-10.2	-10.4	-10.4	-10.9	-11.0
Exports of Goods & Services	US\$ Mn.	5,880	5,967	6,557	7,300	7,892	8,517	9,419	10,114	8,972	11,092	13,644	13,562	15,079	16,735	16,943	17,448	19,120
Imports of Goods & Services	US\$ Mn.	6,862	7,079	6,648	9,123	10,072	11,627	12,776	15,687	11,704	15,210	22,256	21,678	21,508	23,142	23,006	23,442	25,401
Exports and Imports of Goods & Services	US\$ Mn.	12,741	13,046	13,205	16,423	17,964	20,144	22,195	25,801	20,676	26,301	35,899	35,239	36,587	39,877	39,949	40,890	44,521
Foreign Remittances	US\$ Mn.	1,155	1,287	1,414	1,564	1,918	2,161	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242	7,164
Earnings from Tourism	US\$ Mn.	213	363	454	408	429	410	385	342	350	576	830	1,039	1,715	2,431	2,981	3,518	3,925
Earnings from Computer and Information Services	US\$ Mn.	66	50	65	72	82	98	110	230	245	265	355	564	604	628	677	724	786
Current Account Balance	US\$ Mn.	-215	-237	-71	-648	-650	-1,499	-1,402	-3,886	-214	-1,075	-4,615	-3,982	-2,541	-1,988	-1,883	-1,742	-2,309
% of GDP (b)		-1.4	-1.4	-0.4	-3.1	-2.7	-5.3	-4.3	-9.5	-0.5	-1.9	-7.1	-5.8	-3.4	-2.5	-2.3	-2.1	-2.6
Foreign Direct Investments including loans	US\$ Mn.	82	197	229	223	272	604	734	889	601	516	1,066	1,382	1,438	1,635	1,160	1,078	1,841
Inflows	US\$ Mn.	82	192	199	193	272	480	603	752	404	478	956	941	933	894	680	897	1,375
Outflows	US\$ Mn.	-	11	27	42	38	29	55	62	20	43	60	64	65	67	53	237	72
Loans & Other	US\$ Mn.	0	16	58	72	38	153	186	198	217	81	170	505	571	808	533	418	538
Portfolio Investments	US\$ Mn.	-11.0	25	2	7	60	51	101	60	-6	-230	-171	2,126	2,068	2,065	686	993	1,772
Inflows	US\$ Mn.	24	78	145	95	276	355	423	548	375	819	452	2,116	2,068	2,065	686	993	1,772
Outflows	US\$ Mn.	35	53	143	89	215	304	322	488	381	1,049	623	-10.0	0.0	-0.2	...	...	...
Total Reserves	US\$ Mn.	2,238	2,495	3,218	3,439	4,201	4,005	4,956	3,640	7,030	8,621	7,991	8,586	8,574	9,884	9,337	8,433	10,436
Gross Official Reserves	US\$ Mn.	1,338	1,700	2,329	2,196	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
Total External Debt	US\$ Mn.	8,372	9,333	10,735	11,346	11,354	11,981	13,990	15,107	18,662	21,438	32,748	37,098	39,905	42,989	44,839	46,418	51,824

Sources: Department of Customs and Central Bank of Sri Lanka

... negligible

(a) Provisional

(b) Revised GDP estimates (base year 2010) of the Department of Census and Statistics have been used from 2010 onwards.

(c) National Savings

(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	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>1. Revenue and Grants</b>	<b>145,286</b>	<b>216,427</b>	<b>239,796</b>	<b>268,967</b>	<b>284,421</b>	<b>320,154</b>	<b>412,387</b>	<b>507,901</b>	<b>595,559</b>	<b>686,483</b>	<b>725,566</b>	<b>834,188</b>	<b>983,003</b>	<b>1,067,533</b>	<b>1,153,306</b>	<b>1,204,621</b>	<b>1,460,892</b>	<b>1,693,557</b>	<b>1,839,562</b>
1.1 Total Revenue	136,258	211,282	234,296	261,888	276,465	311,473	379,747	477,833	565,051	655,260	699,644	817,279	967,862	1,051,462	1,137,447	1,195,206	1,454,878	1,686,061	1,831,531
Tax	118,543	182,392	205,840	221,838	231,597	281,552	336,828	428,378	508,947	585,621	618,933	724,747	845,697	908,915	1,005,895	1,050,362	1,355,779	1,463,689	1,670,178
Non-Tax	17,715	28,890	28,456	40,050	44,868	29,921	42,919	49,455	56,104	69,639	80,711	92,532	122,165	142,547	131,552	144,844	99,099	222,372	161,353
1.2 Grants	9,028	5,145	5,500	7,079	7,956	8,681	32,640	30,068	30,508	31,222	25,922	16,909	15,141	16,071	15,859	9,415	6,014	7,496	8,031
<b>2. Expenditure and Lending minus Repayments</b>	<b>203,484</b>	<b>335,822</b>	<b>386,517</b>	<b>402,989</b>	<b>417,673</b>	<b>476,906</b>	<b>584,783</b>	<b>713,647</b>	<b>841,604</b>	<b>996,126</b>	<b>1,201,928</b>	<b>1,280,206</b>	<b>1,433,182</b>	<b>1,556,497</b>	<b>1,669,396</b>	<b>1,795,866</b>	<b>2,290,394</b>	<b>2,333,883</b>	<b>2,573,056</b>
2.1 Recurrent	154,159	254,279	303,361	330,847	334,694	389,679	443,350	547,960	622,758	743,710	879,575	937,094	1,024,906	1,131,021	1,205,180	1,322,899	1,701,657	1,757,782	1,927,692
2.2 Capital and Lending minus Repayment	49,325	81,543	83,156	72,142	82,979	87,227	141,433	165,687	218,846	252,416	322,352	343,112	408,276	425,476	464,216	472,967	588,737	576,101	645,364
2.2 Capital	41,723	67,768	67,902	58,595	75,089	83,807	140,154	162,214	206,162	232,607	277,416	302,087	363,037	373,240					
2.3 Lending minus Repayments	7,602	13,775	15,254	13,547	7,890	3,420	1,279	3,473	12,684	19,809	44,936	41,025	30,464	25,394					
o/w Public Investment	52,810	80,955	82,491	72,177	87,409	97,631	148,582	177,443	229,273	263,859	330,448	356,519	422,300	443,973	481,204	486,610	602,768	594,012	657,386
<b>3. Current Account Surplus(+)/ Deficit (-)</b>	<b>-17,901</b>	<b>-42,997</b>	<b>-69,065</b>	<b>-68,960</b>	<b>-58,229</b>	<b>-78,206</b>	<b>-63,603</b>	<b>-70,127</b>	<b>-57,707</b>	<b>-88,450</b>	<b>-179,931</b>	<b>-119,815</b>	<b>-57,043</b>	<b>-79,560</b>	<b>-67,733</b>	<b>-127,693</b>	<b>-246,779</b>	<b>-71,721</b>	<b>-96,161</b>
<b>4. Budget Deficit</b>	<b>-58,198</b>	<b>-119,396</b>	<b>-146,722</b>	<b>-134,022</b>	<b>-133,251</b>	<b>-156,752</b>	<b>-172,396</b>	<b>-205,745</b>	<b>-246,045</b>	<b>-309,644</b>	<b>-476,361</b>	<b>-446,017</b>	<b>-450,180</b>	<b>-488,964</b>	<b>-516,090</b>	<b>-591,244</b>	<b>-829,502</b>	<b>-640,326</b>	<b>-733,494</b>
<b>5. Financing of Budget Deficit</b>	<b>58,198</b>	<b>119,396</b>	<b>146,722</b>	<b>134,022</b>	<b>133,251</b>	<b>156,752</b>	<b>172,396</b>	<b>205,745</b>	<b>246,045</b>	<b>309,644</b>	<b>476,361</b>	<b>446,017</b>	<b>450,180</b>	<b>488,964</b>	<b>516,090</b>	<b>591,244</b>	<b>829,502</b>	<b>640,326</b>	<b>733,494</b>
5.1. Total Foreign Financing (Net)	21,224	495	14,538	1,979	43,117	37,071	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
Gross Borrowings	29,701	23,777	42,459	39,036	77,542	70,112	69,133	87,930	165,022	116,964	945,523	321,972	317,745	486,824	327,693	395,632	521,096	561,020	663,852
Repayments	-8,477	-23,282	-27,921	-37,057	-34,425	-33,041	-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
5.2. Total Domestic Financing (Net)	33,972	118,901	132,184	132,044	90,133	119,680	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
Non-Bank Financing (Net)	26,359	58,797	74,294	132,003	100,735	69,274	93,109	83,797	111,308	114,437	185,247	193,891	44,171	70,984	82,413	265,155	300,857	108,456	61,841
Gross Borrowings	-	140,041	118,368	262,789	285,818	217,014	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
Repayments	-	-81,244	-44,074	-130,786	-185,083	-147,740	-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
Bank Financing (Net)	7,065	56,528	48,554	-4,836	-20,905	43,289	26,195	80,008	15,769	195,233	49,027	-1,892	191,850	131,527	296,977	126,929	291,841	139,955	187,733
Other Borrowings (Net)(b)	548	3,576	9,336	4,877	10,303	7,117	5,320	-	18,060	4,619	11,280	10,230	-4,798	-	13,000	-13,363	-	-	44,677

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts,

Department of Fiscal Policy and Central Bank of Sri Lanka

(a) Provisional

(b) Includes domestic grants, divestiture proceeds and other non market borrowing

Table 7 | Economic Classification of Government Fiscal Operations

Item	As a percentage of GDP																		
	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>1. Revenue and Grants</b>	<b>21.8</b>	<b>17.2</b>	<b>17.0</b>	<b>17.0</b>	<b>15.6</b>	<b>15.3</b>	<b>16.8</b>	<b>17.3</b>	<b>16.6</b>	<b>15.6</b>	<b>15.0</b>	<b>13.0</b>	<b>13.6</b>	<b>12.2</b>	<b>12.0</b>	<b>11.6</b>	<b>13.3</b>	<b>14.2</b>	<b>13.8</b>
1.1 Total Revenue	20.4	16.8	16.6	16.6	15.2	14.9	15.5	16.3	15.8	14.9	14.5	12.7	13.4	12.0	11.9	11.5	13.3	14.2	13.8
Tax	17.8	14.5	14.6	14.0	12.7	13.5	13.7	14.6	14.2	13.3	12.8	11.3	11.7	10.4	10.5	10.1	12.4	12.3	12.6
Non-Tax	2.7	2.3	2.0	2.5	2.5	1.4	1.7	1.7	1.6	1.6	1.7	1.4	1.7	1.6	1.4	1.4	0.9	1.9	1.2
1.2 Grants	1.4	0.4	0.4	0.4	0.4	0.4	1.3	1.0	0.9	0.7	0.5	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1
<b>2. Expenditure and Lending minus Repayments</b>	<b>30.5</b>	<b>26.7</b>	<b>27.5</b>	<b>25.4</b>	<b>22.9</b>	<b>22.8</b>	<b>23.8</b>	<b>24.3</b>	<b>23.5</b>	<b>22.6</b>	<b>24.9</b>	<b>20.0</b>	<b>19.9</b>	<b>17.8</b>	<b>17.4</b>	<b>17.3</b>	<b>20.9</b>	<b>19.6</b>	<b>19.4</b>
2.1 Recurrent	23.1	20.2	21.6	20.9	18.4	18.6	18.1	18.6	17.4	16.9	18.2	14.6	14.2	13.0	12.6	12.8	15.5	14.8	14.5
2.2 Capital and Lending minus Repayment	7.4	6.5	5.9	4.6	4.6	4.2	5.8	5.6	6.1	5.7	6.7	5.3	5.7	4.9	4.8	4.6	5.4	4.8	4.9
o/w Public Investment	7.9	6.4	5.9	4.6	4.8	4.7	6.1	6.0	6.4	6.0	6.8	5.6	5.8	5.1	5.0	4.7	5.5	5.0	4.9
<b>3. Current Account Surplus(+)/deficit (-)</b>	<b>-2.7</b>	<b>-3.4</b>	<b>-4.9</b>	<b>-4.3</b>	<b>-3.2</b>	<b>-3.7</b>	<b>-2.6</b>	<b>-2.4</b>	<b>-1.6</b>	<b>-2.0</b>	<b>-3.7</b>	<b>-1.9</b>	<b>-0.8</b>	<b>-0.9</b>	<b>-0.7</b>	<b>-1.2</b>	<b>-2.3</b>	<b>-0.6</b>	<b>-0.7</b>
<b>4. Budget Deficit</b>	<b>-8.7</b>	<b>-9.5</b>	<b>-10.4</b>	<b>-8.5</b>	<b>-7.3</b>	<b>-7.5</b>	<b>-7.0</b>	<b>-7.0</b>	<b>-6.9</b>	<b>-7.0</b>	<b>-9.9</b>	<b>-7.0</b>	<b>-6.2</b>	<b>-5.6</b>	<b>-5.4</b>	<b>-5.7</b>	<b>-7.6</b>	<b>-5.4</b>	<b>-5.5</b>
<b>5. Financing of Budget Deficit</b>	<b>8.7</b>	<b>9.5</b>	<b>10.4</b>	<b>8.5</b>	<b>7.3</b>	<b>7.5</b>	<b>7.0</b>	<b>7.0</b>	<b>6.9</b>	<b>7.0</b>	<b>9.9</b>	<b>7.0</b>	<b>6.2</b>	<b>5.6</b>	<b>5.4</b>	<b>5.7</b>	<b>7.6</b>	<b>5.4</b>	<b>5.5</b>
5.1. Total Foreign Financing (Net)	3.2	...	1.0	0.1	2.4	1.8	1.9	1.4	1.8	0.3	1.7	3.0	2.7	2.4	0.9	2.1	2.2	3.3	3.3
Gross Borrowings	4.4	1.9	3.0	2.5	4.3	3.4	2.8	3.0	3.6	1.5	4.0	5.0	4.4	5.6	3.4	3.8	4.8	4.7	5.0
Repayments	-1.3	-1.9	-2.0	-2.3	-1.9	-1.6	-0.9	-1.6	-1.8	-1.2	-2.3	-1.2	-1.4	-2.3	-1.9	-1.8	-2.6	-1.4	-1.7
5.2. Total Domestic Financing (Net)	5.1	9.4	8.8	8.0	4.4	5.6	5.0	5.6	5.1	6.7	8.1	3.2	3.2	3.0	5.9	3.7	5.4	2.1	2.2
Non- Bank Financing (Net)	3.9	4.7	5.3	8.3	5.5	3.3	3.8	2.9	3.1	2.6	3.8	3.0	0.6	2.2	2.7	2.6	2.7	0.9	0.5
Gross Borrowings	-	11.1	8.4	16.6	15.7	10.4	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
Repayments	-	-6.5	-3.4	-0.3	-10.2	-7.1	-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
Bank Financing (Net)	1.1	4.5	3.4	-0.3	-1.1	2.1	1.1	2.7	0.4	4.4	1.0	0.0	2.7	0.7	3.1	1.2	2.7	1.7	1.4
Other Borrowings (Net)	0.1	0.3	0.1	-0.1	0.6	0.2	0.2	-	0.5	0.1	0.2	0.2	-0.1	-	0.1	-0.1	-	-	0.3

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Census and Statistics, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

(a) Provisional

...negligible

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	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)	2017(e)
<b>1. Tax Revenue</b>	118,543	182,392	205,840	221,839	231,597	281,552	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	
Income Tax	17,161	27,457	34,636	37,437	39,398	41,372	52,535	79,693	107,169	126,541	139,558	135,624	157,310	172,594	205,666	198,115	262,583	258,857	274,562	
Personal and Corporate Income Tax	17,161	27,457	31,903	26,338	25,118	26,046	32,139	50,175	59,659	68,235	72,162	78,914	97,814	98,124	121,136	122,343	193,531	182,493	176,508	
Corporate & Non Corporate	15,004	22,935	21,969	21,190	20,266	19,791	26,478	42,710	48,409	53,901	57,716	62,646	83,016	83,360	102,578	100,046	167,325	154,324	143,588	
Pay-As-You-Earn (PAYE)	2,157	4,522	9,934	5,148	4,852	6,255	5,661	7,465	11,250	14,334	14,446	16,268	14,798	14,764	18,558	22,297	26,206	28,169	32,920	
Economic Service Charge (ESC)	-	-	-	-	-	4,052	8,067	8,853	12,203	14,476	14,207	18,048	21,335	14,864	6,596	6,155	6,148	20,458	44,720	
Tax on Interest Income	-	-	2,733	11,099	14,280	11,274	12,329	20,665	35,307	43,830	53,188	38,662	38,160	59,606	77,934	69,617	62,904	55,906	53,334	
Value Added Tax (VAT) (b)	36,429	43,893	45,901	66,692	97,230	120,382	138,660	164,555	187,452	203,646	171,510	219,990	225,858	229,604	250,757	275,350	219,700	283,470	443,739	
Domestic (Net)	16,980	25,021	26,940	34,320	50,949	55,523	65,300	71,877	85,490	102,815	103,891	120,412	104,897	109,370	124,440	140,084	130,527	168,134	275,346	
Services	7,074	14,413	15,157	18,644	41,326	42,688	45,951	49,613	62,920	79,116	75,652	88,694	71,447	69,680	80,716	93,630	87,242	132,721	199,500	
Manufacturing	9,906	10,608	11,782	15,677	9,624	12,835	19,349	22,265	22,570	23,699	28,239	31,718	33,450	39,828	43,724	46,454	43,285	35,413	75,846	
Import (net)	19,449	18,872	18,961	32,372	46,281	64,859	73,360	92,678	101,962	100,831	67,619	99,578	120,961	120,234	126,317	135,266	89,173	115,336	168,393	
National Security Levy (NSL) (c)	14,408	33,539	43,065	28,859	79	240	35	-	-	-	-	-	-	-	-	-	-	-	-	
Excise Tax	19,436	42,655	44,978	52,114	50,972	65,790	76,978	93,529	96,675	100,971	97,604	129,864	204,822	223,960	250,700	256,690	497,623	454,952	469,500	
Liquor	6,298	9,532	9,795	10,235	10,735	13,512	16,285	20,661	23,723	27,434	28,525	36,654	55,286	60,086	66,008	69,100	105,234	120,238	113,684	
Cigarettes/Tobacco	8,788	19,269	19,475	20,579	20,055	23,457	26,992	30,067	31,437	37,288	37,602	40,675	49,623	53,563	58,567	57,240	80,015	88,792	86,002	
Petroleum	-	10,700	12,948	16,708	13,251	14,817	17,041	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719	73,983	
Motor Vehicles	-	2,599	2,202	4,261	6,405	12,674	14,220	21,671	17,415	11,067	3,192	21,199	71,646	78,509	96,478	98,531	263,470	186,499	189,740	
Other	4,350	555	558	332	526	1,330	2,440	2,896	4,976	6,205	5,268	3,298	5,798	3,336	2,516	3,087	3,812	3,704	6,091	
Stamp Duties (d)	-	8,564	8,415	2,331	69	51	9	1,516	4,026	3,751	3,328	4,439	-	-	-	-	-	-	-	
Ports & Airports Development Levy (PAL)	-	-	-	3,497	5,483	7,340	10,969	21,126	26,700	31,017	36,286	49,632	66,028	70,111	61,987	68,646	58,644	88,823	102,360	
Debits Tax (e)	-	-	1,119	1,315	3,611	4,489	5,700	6,255	7,187	8,410	8,036	10,843	4,232	-	-	-	-	-	-	
Import Duties	24,365	23,970	26,356	28,345	34,184	41,096	45,391	52,657	56,017	63,842	79,560	64,165	79,811	80,155	83,123	81,108	132,189	156,487	136,501	
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	

Table 8 | Economic Classification of Government Revenue contd...

Item	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(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
Nation Building Tax (NBT) (f)	-	-	-	-	-	-	-	-	-	-	27,205	46,022	35,667	38,736	40,937	44,583	45,004	57,424	69,035
Domestic	-	-	-	-	-	-	-	-	-	-	11,594	19,310	19,040	23,076	25,243	28,494	28,044	39,029	49,715
Imports	-	-	-	-	-	-	-	-	-	-	15,611	26,712	16,627	15,660	15,694	16,089	16,960	18,395	19,320
Telecommunications Levy (g)	-	-	-	-	-	-	-	-	-	-	-	8,869	18,651	22,290	24,445	31,351	33,358	35,976	33,399
License Taxes & Other	6,744	606	1,371	1,249	572	792	2,108	3,175	6,563	8,367	8,361	15,376	8,035	5,058	5,485	7,858	8,113	10,145	10,126
<b>2. Non Tax Revenue</b>	<b>17,715</b>	<b>28,890</b>	<b>28,456</b>	<b>40,050</b>	<b>44,868</b>	<b>29,921</b>	<b>42,919</b>	<b>49,455</b>	<b>56,104</b>	<b>69,639</b>	<b>80,712</b>	<b>92,532</b>	<b>122,165</b>	<b>142,547</b>	<b>131,552</b>	<b>144,844</b>	<b>99,099</b>	<b>222,372</b>	<b>161,353</b>
Rent	217	1,325	630	620	607	1,163	1,155	1,294	1,709	2,050	1,425	2,048	3,580	2,197	2,331	5,669	2,823	10,980	4,450
Interest	6,946	7,304	7,626	13,232	7,963	8,673	8,642	10,320	9,242	9,305	9,043	8,017	9,847	9,489	9,664	7,978	4,498	4,826	7,395
Profit and Dividends	4,368	6,305	3,507	3,055	5,380	4,357	5,929	7,451	7,682	7,365	11,982	31,301	34,351	46,761	35,169	46,814	29,798	108,160	53,998
Sales and Charges	2,336	6,177	8,189	4,477	11,806	9,207	16,196	22,249	18,437	32,260	25,387	22,925	37,292	26,019	40,720	38,492	44,632	72,606	66,575
Social Security Contributions	825	3,620	2,667	2,930	3,037	3,444	4,910	6,470	8,777	9,791	11,165	11,120	12,628	11,738	15,145	14,919	15,213	18,046	22,940
Central Bank Profit Transfers	1,200	3,200	5,000	10,000	10,000	1,000	5,000	-	4,000	8,000	20,000	15,000	22,000	43,000	26,350	11,500	-	5,000	-
Other	1,822	959	838	5,736	6,075	2,077	1,087	1,671	6,257	868	1,710	2,122	2,468	3,343	2,173	19,472	2,135	2,754	5,995
<b>Total Revenue</b>	<b>136,258</b>	<b>211,282</b>	<b>234,296</b>	<b>261,888</b>	<b>276,465</b>	<b>311,473</b>	<b>379,747</b>	<b>477,833</b>	<b>565,051</b>	<b>655,259</b>	<b>699,644</b>	<b>817,279</b>	<b>967,862</b>	<b>1,051,462</b>	<b>1,137,447</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>1,686,061</b>	<b>1,831,531</b>

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

(a) Provisional

(b) VAT was introduced with effect from 01 August 2002 and is in operation since then. It replaced the Goods and Services Tax (GST), an almost similar tax on the consumption of goods and services, which was in effect since April 1998. Prior to that, the data represents the revenue from central government Business Turnover Tax (BTT).

(c) NSL was abolished since April 2002 with the introduction of VAT.

(d) Under the revenue sharing mechanism introduced in 2011 with the Provincial Councils (PCs), 100 percent of the revenue from stamp duties is transferred to PCs. The BTT collected by Provincial Councils was abolished in 2011 and NBT was extended to buying and selling activities.

(e) Debts tax was abolished with effect from April 2011.

(f) Data from 2011 represents only two thirds of the total revenue from NBT as the balance one third is transferred to PCs under the revenue sharing mechanism with them.

(g) Data from 2011 represents the revenue from Telecommunications Levy, which was introduced as a composite tax to the telecommunications sector by removing VAT, NBT, Regional Infrastructure Development Levy, Environment Conservation Levy and the Mobile Subscribers' Levy on this sector in 2011.

Table 9 | Economic Classification of Government Expenditure and Lending Minus Repayments

Item	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>1 Recurrent Expenditure</b>	254,279	303,361	330,849	334,692	389,679	443,351	547,959	622,758	743,711	879,575	937,094	1,024,906	1,131,023	1,205,180	1,322,899	1,701,657	1,757,782	1,927,692
<b>1.1 Expenditure on Goods &amp; Services</b>	130,765	143,747	139,894	138,659	164,530	194,861	253,025	292,632	360,328	379,731	388,286	451,605	487,833	512,624	568,829	746,011	722,054	734,490
Salaries and Wages	68,544	78,056	88,806	91,783	106,187	138,604	175,031	214,160	239,078	271,229	300,558	319,601	347,747	393,228	440,982	561,730	570,761	588,518
Central Government	18,506	22,618	24,383	26,285	30,246	44,950	54,544	61,799	65,315	71,859	75,817	83,072	95,965	113,223	133,584	172,491	184,856	197,914
Provincial Councils	21,401	25,125	29,213	29,237	34,455	44,620	61,453	69,366	73,791	74,634	81,887	90,818	88,217	105,034	121,789	150,796	143,740	149,715
Defence	28,636	30,313	25,748	26,604	30,850	38,040	44,960	60,185	73,509	94,189	110,335	112,703	126,950	134,295	141,138	176,810	180,829	180,998
Police and Public Security	9,462	9,657	10,636	10,993	14,074	17,074	22,810	26,463	30,547	32,519	33,008	36,615	40,677	44,471	44,471	61,633	61,336	59,891
Other Purchases of Goods and Services	62,221	65,691	51,088	46,877	58,343	56,257	77,994	78,472	121,250	108,502	87,728	132,004	140,086	119,396	127,847	184,281	151,293	145,972
Central Government	18,265	26,434	20,784	19,993	24,941	21,466	29,012	25,725	46,950	42,970	38,618	71,741	92,738	74,307	50,767	106,567	60,157	61,705
Provincial Councils	1,819	1,280	1,377	1,539	1,436	1,859	1,576	1,416	3,075	3,110	3,112	3,784	3,676	3,810	4,417	18,959	26,011	16,633
Defence	34,825	31,767	23,417	20,401	25,491	23,458	36,283	41,671	61,201	50,695	33,471	43,400	32,631	31,855	51,463	50,923	47,119	50,908
Police and Public Security	7,312	6,210	5,510	4,944	6,475	9,474	11,123	9,660	10,024	11,727	12,527	13,079	11,040	9,424	21,200	7,832	18,006	16,726
<b>1.2 Interest Payments</b>	71,200	94,307	116,515	125,126	119,782	120,159	150,777	182,681	212,475	309,676	352,592	356,699	408,498	444,007	436,395	527,227	610,895	735,566
Foreign	9,015	9,747	10,617	11,586	13,904	6,995	16,990	21,311	30,277	35,698	55,464	68,565	90,839	100,985	108,461	132,938	126,713	164,942
Domestic	62,185	84,560	105,897	113,540	105,878	113,164	133,787	161,370	182,198	273,978	297,127	288,134	317,659	343,022	327,934	394,289	484,182	570,623
<b>1.3 Subsidies and Transfers</b>	52,314	65,307	74,441	70,907	105,367	128,331	144,157	147,445	170,908	190,168	196,216	216,601	234,692	248,549	317,674	428,419	424,833	457,636
Households	41,815	53,319	53,958	52,649	83,585	101,602	104,842	110,910	131,342	148,993	156,194	171,438	187,895	195,288	249,710	354,484	341,349	372,519
o/w Pensions	21,602	26,493	31,123	31,150	36,444	46,782	58,006	68,822	74,922	85,139	90,995	99,961	111,682	123,293	127,049	156,577	173,152	181,696
Samurdhi (b)	9,661	12,574	9,910	8,715	8,498	9,161	10,789	9,200	9,995	9,267	9,241	9,043	10,553	15,256	15,042	39,994	40,740	39,707
Fertilizer Subsidy	1,733	3,650	2,448	2,190	3,572	6,846	11,867	11,000	26,450	26,935	26,028	29,802	36,456	19,706	31,858	49,571	27,771	30,361
Sub National Governments	1,424	694	392	608	358	233	172	150	217	-	-	-	-	-	-	-	-	-
Non Financial Public Enterprises	3,370	4,376	7,998	5,705	8,405	10,412	18,336	10,639	12,942	14,126	12,361	12,999	11,817	13,854	21,387	27,927	29,120	23,438
Institutions and other	5,705	6,919	12,093	11,945	13,019	16,084	20,807	25,746	26,407	27,049	27,661	32,164	34,979	39,407	46,577	46,008	54,364	61,679
<b>2 Capital Expenditure</b>	67,769	67,902	58,595	75,089	83,807	140,154	162,214	206,162	232,607	277,416	302,087	377,812	400,082	454,303	459,854	588,176	577,035	638,343
<b>2.1 Acquisition of Fixed Capital Assets</b>	32,934	36,115	26,501	36,580	40,449	88,141	88,209	111,510	128,605	143,590	158,488	208,963	176,562	252,535	252,303	313,260	328,202	348,260
<b>2.2 Capital Transfers</b>	34,835	31,787	32,094	38,509	43,359	52,013	74,005	94,652	104,002	133,826	143,599	168,849	223,520	201,768	207,551	274,916	248,833	290,083
Institutions	14,522	18,351	15,118	19,894	19,306	20,700	32,371	50,408	59,991	90,291	99,151	105,603	145,935	143,504	147,166	197,712	184,689	242,322
Non Financial Public Enterprises	12,048	6,973	11,459	14,339	19,068	19,969	21,526	23,737	22,432	19,750	20,345	35,168	50,860	27,193	28,322	42,473	32,066	13,394
Sub National Governments	8,218	6,251	5,421	4,186	4,812	11,141	19,699	20,346	21,237	23,780	24,101	27,619	25,266	29,692	31,547	34,063	29,887	34,511
Abroad	47	212	96	90	173	203	409	160	341	5	1	459	1,459	1,379	516	668	2,191	-144
<b>3 Lending Minus Repayments</b>	13,775	15,254	13,547	7,890	3,420	1,279	3,473	12,684	19,809	44,936	41,025	30,464	25,394	9,913	13,113	561	-934	7,021
<b>3.1 Net Lending through Advance Accounts</b>	2,638	2,044	1,336	1,710	1,950	1,850	83	700	1,457	1,932	2,126	854	-2,088	-1,019	1,249	-1,070	708	4,396
<b>3.2 Lending to Public Enterprises</b>	13,187	14,590	13,582	12,320	13,823	8,428	15,230	23,112	31,253	53,032	54,433	44,488	43,891	26,901	26,756	14,592	16,977	19,043
<b>3.3 Loan Repayments by Public Enterprises</b>	-6,209	-6,699	-6,060	-10,741	-15,920	-10,364	-13,881	-11,677	-13,526	-11,978	-15,535	-14,878	-16,409	-15,969	-14,892	-12,961	-18,619	-16,418
<b>3.4 Restructuring Expenditure</b>	4,159	5,320	4,689	4,601	3,567	2,041	549	625	1,950	-	-	-	-	-	-	-	-	-
<b>Total</b>	335,823	386,518	402,992	417,671	476,907	584,784	713,646	841,604	996,126	1,201,927	1,280,205	1,433,182	1,556,499	1,669,396	1,795,865	2,290,394	2,333,883	2,573,056

Sources: Department of National Budget, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

(a) Provisional

Table 10 | Functional Classification of Government Expenditure

Item	1995	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>1. Recurrent Expenditure</b>	154,159	303,362	330,847	334,693	389,678	443,350	547,960	622,758	743,710	879,575	937,094	1,008,244	1,131,023	1,205,180	1,322,898	1,701,657	1,757,782	1,927,693
General Public Services	47,888	82,149	80,970	86,361	95,443	106,992	136,352	165,807	207,348	224,281	228,184	245,266	254,371	270,554	334,354	414,275	408,176	424,975
Civil Administration	6,562	14,944	17,473	24,755	23,196	25,027	29,912	31,481	36,150	37,123	37,895	43,076	47,135	54,303	73,282	105,661	104,518	113,175
Defence	35,186	54,242	49,163	47,005	56,341	61,498	81,243	101,856	134,710	144,884	145,243	156,103	163,219	170,150	195,401	233,733	224,315	228,013
Police and Public Security	6,140	12,963	14,334	14,601	15,906	20,467	25,197	32,470	36,487	42,274	45,046	46,087	44,017	46,101	65,671	74,881	79,343	83,787
Social Services	57,647	87,968	106,096	104,812	138,820	188,652	204,635	226,271	240,768	260,072	267,636	315,749	335,427	399,666	446,441	564,190	607,626	640,369
Education	15,784	23,448	31,162	31,673	33,792	50,697	61,144	72,592	77,141	82,414	85,195	99,043	107,271	119,819	139,787	169,600	179,319	187,628
Health	8,818	14,785	20,234	22,073	25,919	34,113	44,069	51,741	55,874	58,789	60,506	74,443	81,946	99,609	116,151	140,560	155,402	161,312
Welfare	32,106	44,635	47,503	45,849	73,571	92,909	86,753	91,747	94,789	105,017	107,690	123,122	128,451	159,787	165,467	230,035	251,490	264,510
Community Services	941	5,100	7,198	5,217	5,538	10,933	12,669	10,191	12,963	13,852	14,245	19,141	17,758	20,451	25,036	23,995	21,415	26,919
Economic Services	6,830	13,882	14,769	11,625	17,548	25,811	43,977	45,479	74,489	78,464	78,819	81,646	92,034	82,146	105,031	173,430	129,435	126,310
Agriculture and Irrigation	3,826	7,967	7,635	7,002	8,876	13,500	22,173	22,849	41,579	43,967	44,081	46,290	46,429	29,899	46,782	91,267	63,787	71,460
Energy and Water Supply	990	565	385	9	112	1,008	2,766	3,647	3,323	3,429	3,492	3,533	3,612	4,001	394	5,479	1,334	1,478
Transport and Communication	2,014	5,350	6,749	4,614	8,560	11,303	19,038	18,983	29,587	31,068	31,246	31,823	34,995	36,810	41,129	57,028	48,959	34,657
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	6,998	16,726	19,656	15,354	18,715
Other	41,794	119,363	129,014	131,894	137,867	121,896	162,996	185,201	221,105	316,759	362,455	365,583	449,191	452,814	437,073	549,763	612,544	736,040
o/w Interest Payments	38,687	94,307	116,515	125,126	119,782	120,159	150,777	182,681	212,475	309,675	352,592	356,699	408,498	444,007	436,395	527,227	610,895	735,566
<b>2. Capital Expenditure and Lending</b>	52,810	82,491	72,177	87,409	97,631	148,582	177,443	229,273	263,859	330,448	356,519	438,962	443,972	481,203	486,610	602,767	594,013	657,386
General Public Services	5,776	6,563	4,713	5,203	7,191	9,901	21,356	32,143	34,403	20,095	21,510	32,484	27,510	32,804	43,620	48,699	50,504	46,348
Civil Administration	3,962	5,478	4,075	4,826	5,986	8,537	18,109	28,438	29,675	18,686	20,212	28,668	26,565	31,631	40,282	44,886	46,128	41,362
Police and Public Security	1,814	1,085	638	377	1,205	1,364	3,247	3,705	4,728	1,409	1,298	3,816	945	1,173	3,338	3,813	4,376	4,986
Social Services	9,855	14,559	15,690	19,190	28,996	35,992	48,387	54,986	60,236	53,938	56,205	63,366	71,176	77,643	112,338	124,370	117,297	135,307
Education	3,124	4,838	6,048	7,443	8,548	12,860	17,200	19,948	22,942	18,092	19,053	22,326	28,930	31,982	50,363	55,447	58,971	69,752
Health	2,134	3,987	4,713	5,403	8,500	10,738	13,969	16,961	18,674	12,664	13,329	14,794	17,155	19,920	22,252	37,230	30,747	35,509
Housing	3,300	3,722	3,717	4,090	7,250	3,937	4,021	4,481	4,826	5,291	5,489	7,105	7,823	8,014	7,769	7,811	7,152	9,553
Community Services	1,297	2,012	1,212	2,254	4,698	8,457	13,197	13,596	13,794	17,891	18,334	19,141	17,267	17,727	31,954	23,882	20,426	20,493
Economic Services	36,105	54,906	51,678	58,740	61,271	77,537	106,788	141,244	168,879	256,410	278,803	342,653	343,828	369,377	330,136	429,030	424,021	474,118
Agriculture and Irrigation	6,060	6,034	6,936	8,420	8,207	10,041	12,615	14,736	17,681	22,105	24,865	28,617	30,351	36,721	57,099	54,447	68,990	66,663
Energy and Water Supply	5,003	14,758	17,732	23,801	22,283	19,234	26,376	47,850	48,783	59,983	66,569	85,186	85,589	87,517	51,314	55,499	48,840	54,872
Transport and Communication	18,888	21,464	18,916	20,238	22,198	31,765	37,988	50,995	82,916	139,104	165,505	190,026	204,539	210,398	177,471	239,279	200,478	228,847
Other	6,155	12,650	8,094	6,283	8,583	16,500	29,810	27,663	19,499	35,219	21,804	38,825	23,350	34,741	44,252	79,805	105,713	123,736
Other	1,074	6,463	96	4,276	173	704	912	900	341	5	1	459	1,459	1,379	516	668	2,191	1,614
<b>3. Other</b>	-	-	-	-	-	24,448	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure and Lending</b>	<b>206,969</b>	<b>385,853</b>	<b>403,024</b>	<b>422,102</b>	<b>487,309</b>	<b>591,932</b>	<b>725,403</b>	<b>852,031</b>	<b>1,007,569</b>	<b>1,210,023</b>	<b>1,293,613</b>	<b>1,447,206</b>	<b>1,574,995</b>	<b>1,686,383</b>	<b>1,809,508</b>	<b>2,304,425</b>	<b>2,351,795</b>	<b>2,585,079</b>

Sources: Central Bank of Sri Lanka, Department of National Budget, Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

(a) Provisional

Table 11 | Composition of Government Debt

Source	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (a)
<b>1. Foreign Debt</b>	<b>346,286</b>	<b>542,040</b>	<b>636,741</b>	<b>721,957</b>	<b>843,882</b>	<b>996,138</b>	<b>956,620</b>	<b>1,103,418</b>	<b>1,326,487</b>	<b>1,448,734</b>	<b>1,760,467</b>	<b>2,024,583</b>	<b>2,329,280</b>	<b>2,767,299</b>	<b>2,960,424</b>	<b>3,113,116</b>	<b>3,544,031</b>	<b>4,045,796</b>	<b>4,718,618</b>
1.1 Project Loans (b)	286,848	477,845	542,942	640,354	769,559	914,232	865,494	978,356	1,087,359	1,261,304	1,362,806	1,461,729	1,640,117	1,846,772	1,938,909	1,904,599	2,180,388	2,361,118	2,610,547
1.2 Non-project Loans	59,438	64,195	93,799	81,603	74,323	81,906	91,126	125,062	239,128	187,430	397,661	562,854	689,163	920,527	1,021,515	1,208,516	1,363,643	1,684,678	2,108,071
Commodity (c)	57,730	63,009	67,000	68,050	68,892	73,835	69,116	69,021	68,665	66,499	62,304	54,653	53,460	56,599	61,597	69,993	71,470	69,101	62,727
Other (d)	1,708	1,186	26,799	13,553	5,431	8,071	22,010	56,041	170,463	120,931	335,357	508,201	635,703	863,928	959,918	1,138,523	1,292,173	1,615,577	2,045,344
<b>2. Domestic Debt</b>	<b>289,410</b>	<b>676,660</b>	<b>815,965</b>	<b>948,386</b>	<b>1,019,969</b>	<b>1,143,389</b>	<b>1,265,722</b>	<b>1,479,230</b>	<b>1,715,198</b>	<b>2,140,228</b>	<b>2,400,955</b>	<b>2,565,662</b>	<b>2,804,085</b>	<b>3,232,813</b>	<b>3,832,825</b>	<b>4,277,783</b>	<b>4,959,197</b>	<b>5,341,507</b>	<b>5,594,428</b>
2.1 Rupee Loans (e)	157,928	263,888	292,813	287,701	248,414	164,758	140,563	116,713	131,509	130,009	112,292	87,709	61,961	58,386	55,518	55,518	24,088	24,088	24,088
2.2 Treasury Bills (f)	113,771	134,996	170,995	210,995	219,295	243,886	234,174	257,732	307,012	402,600	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581	697,154
2.3 Treasury Bonds (g)	-	204,124	229,174	347,128	483,107	643,349	751,569	885,972	1,018,852	1,281,978	1,513,512	1,643,887	1,819,251	2,095,054	2,452,360	2,844,054	3,305,248	3,714,787	3,822,620
2.4 Sri Lanka Development Bonds	-	-	14,749	24,177	8,816	26,083	25,519	62,469	86,459	158,805	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886
2.5 Central Bank Provisional Advances	13,700	27,169	30,127	31,033	31,204	34,791	39,746	49,015	60,679	76,308	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307	199,801
2.6 Other (h)	4,011	46,483	78,107	47,352	29,133	30,522	74,151	107,329	110,687	90,528	92,160	67,869	53,400	116,017	146,429	148,463	152,031	167,545	212,879
<b>3. Total</b>	<b>635,696</b>	<b>1,218,700</b>	<b>1,452,706</b>	<b>1,670,343</b>	<b>1,863,851</b>	<b>2,139,526</b>	<b>2,222,342</b>	<b>2,582,648</b>	<b>3,041,685</b>	<b>3,588,962</b>	<b>4,161,422</b>	<b>4,590,245</b>	<b>5,133,365</b>	<b>6,000,112</b>	<b>6,793,249</b>	<b>7,390,899</b>	<b>8,503,227</b>	<b>9,387,303</b>	<b>10,313,046</b>
<b>Government Debt to GDP Ratio (i)</b>																			
Foreign Debt	51.9	43.1	45.2	45.6	46.3	47.6	39.0	37.5	37.1	32.8	36.4	31.6	32.3	31.7	30.9	30.0	32.4	34.2	35.5
Domestic Debt	43.3	53.8	58.0	60.0	56.0	54.7	51.6	50.3	47.9	48.5	49.7	40.0	38.8	37.0	40.0	41.3	45.3	45.1	42.1
Total Debt	95.2	96.9	103.2	105.6	102.3	102.3	90.6	87.9	85.0	81.4	86.1	71.6	71.1	68.7	70.8	71.3	77.7	78.8	77.60

Sources: Department of Public Debt of the Central Bank of Sri Lanka, Department of External Resources, Department of National Budget, Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

(a) Provisional

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

(b) Represents the amounts withdrawn and outstanding on the loans contracted with the IBRD, USA, Canada, Denmark, People's Republic of China, Germany, UK, India, IDA, ADB, Netherlands, Kuwait, OPEC, Japan, UAE, IFAD, Scandinavianiska Enskilda Bankens - Sweden, Salomon Brother's Incorporated-New York, Bank Indosuez, BFCF-France, Citibank International of USA, Australia, Austria, Saudi Arabian Fund, EIB, Hong Kong and Korea

(c) Represents the amounts withdrawn and outstanding on the loans contracted with the USA, Canada, Germany, Japan, France, India, Italy, Pakistan, and Netherlands

(d) Includes cash loans received from the ADB, USA, China, Germany, Japan, OPEC, rupee denominated Treasury bonds and rupee denominated Treasury bills from 2008 held by foreign investors, the international sovereign bonds, outstanding defence loans and foreign currency term financing facilities

(e) Includes the market value of investments held by the Joint Investment Fund on behalf of the sinking funds (f) Excludes outstanding Treasury bills held by foreign investors

(f) Excludes (i) rupee denominated Treasury bonds held by foreign investors, (ii) Treasury bonds amounting to Rs. 78,447 million issued to settle dues to CPC in January 2012. Due to maturing of some of these bonds in January 2017, the outstanding amount from January 2017 was Rs. 56,662 million and (iii) Treasury bonds amounting to Rs. 13,125 million issued to capitalise SriLankan Airlines

(g) Includes administrative borrowings arising from foreign loans channelled through government or semi-government agencies and outstanding borrowings from Offshore Banking Units (OBUs)

(h) Based on revised GDP estimates for 2016 made available by the Department of Census and Statistics on 20.03.2018

Table 12 | Domestic Production of Selected Items

Item	Unit	1995	2000	2001	2002	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (a)
<b>Plantation Crops</b>																			
Tea	(Kg Mn)	245.9	305.8	295.1	310.0	308.1	317.2	310.8	305.2	318.7	291.0	331.0	327.5	328.4	340.2	338.0	328.9	292.6	307.7
Rubber	(Kg Mn)	105.7	87.6	86.0	90.5	94.7	104.4	109.2	117.6	129.2	136.9	153.0	158.2	152.0	130.4	98.6	88.5	79.1	83.1
Coconut	(Nuts Mn)	2,755	3,096	2,769	2,392	2,591	2,515	2,785	2,869	2,909	2,853	2,584	2,808	2,940	2,513	2,870	3,056	3,011	2,445
<b>Seasonal Crops</b>																			
Paddy	(Mt'000)	2,809.9	2,859.9	2,695.8	2,859.5	2,628.0	3,246.2	3,342.0	3,131.1	3,875.0	3,652.0	4,300.6	3,894.2	3,846.0	4,620.7	3,380.7	4,819.4	4,420.1	2,383
Potatoes	(Mt'000)	81.7	48.4	57.7	88.7	81.3	79.4	78.5	77.4	74.8	61.7	51.9	59.4	72.2	78.8	82.7	94.8	95.8	73.3
Sweet Potatoes	(Mt'000)	61.8	51.8	48.5	47.5	39.7	41.2	41.6	49.2	52.5	47.3	46.5	47.3	43.6	51.3	50.9	51.9	44.7	40.7
Chilies -Green	(Mt'000)	85.4	55.9	49.0	46.3	40.5	52.9	52.9	48.7	51.0	46.4	49.0	44.4	61.5	71.0	71.0	62.9	72.3	51.8
Chilies -Dried	(Mt'000)	21.3	14.0	12.3	11.7	10.1	13.2	12.7	12.2	12.8	11.6	12.3	10.9	15.4	17.8	17.9	15.7	18.1	13
Big Onions	(Mt'000)	29.7	36.6	32.0	31.6	37.5	55.5	73.6	92.2	57.4	81.7	58.9	45.7	83.6	69.6	101.2	89.6	65.2	53.6
Red Onions	(Mt'000)	48.4	42.5	36.9	35.3	39.5	53.7	60.7	57.0	49.3	46.2	61.8	72.3	74.0	55.6	63.1	61.2	63.7	57.7
Maize	(Mt'000)	34.8	31.0	28.8	26.4	35.2	41.8	47.5	56.4	112.3	129.8	161.7	137.8	202.3	209.0	240.6	261.1	243.9	195.7
Green Gram	(Mt'000)	16.0	11.7	9.7	10.3	7.8	9.0	7.9	8.5	8.9	9.3	11.7	17.0	12.0	14.1	14.6	15.0	14.5	9.4
Black Gram	(Mt'000)	7.9	5.4	5.1	5.1	5.0	6.9	7.5	7.7	9.5	7.1	10.0	5.8	10.2	9.4	9.6	11.9	11.2	7.3
Kurakkan	(Mt'000)	4.9	4.8	4.2	4.1	4.7	6.4	6.3	5.4	6.5	6.4	7.3	5.4	6.0	6.9	8.8	8.9	8.6	5.6
Cowpea	(Mt'000)	16.1	12.1	9.8	10.4	9.2	11.2	10.1	10.8	11.9	13.5	11.6	10.4	14.8	14.2	15.1	12.3	13.7	8.6
Soya Beans	(Mt'000)	2.4	0.6	0.6	1.2	1.9	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
Gingerly	(Mt'000)	4.5	4.6	4.2	4.1	4.3	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
Ground Nuts	(Mt'000)	5.9	7.0	6.8	5.8	7.9	9.0	9.6	9.8	10.3	13.1	14.4	16.9	22.0	27.5	25.1	28.5	24.2	22.5
<b>Other Agricultural Crops</b>																			
Sugar	(Mt'000)	51.7	64.0	48.0	38.0	58.0	54.0	56.0	29.0	39.0	32.0	31.0	35.0	36.7	53.0	51.8	56.0	62.0	56.0
Coffee	(Mt'000)	11.5	2.5	2.3	2.4	3.5	3.5	3.5	3.0	3.1	3.1	3.2	5.3	5.3	5.9	6.5	5.3	5.5	5.4
Cinnamon	(Mt'000)	11.8	13.5	13.6	13.0	14.9	14.5	15.9	16.5	14.9	15.8	16.4	18.2	16.1	16.0	19.0	23.9	24.5	24.7
Pepper	(Mt'000)	16.1	10.6	7.7	12.6	12.0	14.3	14.4	16.6	12.9	15.8	17.3	10.8	25.6	27.0	28.4	35.4	32.1	29.6
Cloves	(Mt'000)	3.7	1.7	2.7	4.1	3.6	6.1	3.6	3.0	8.2	3.0	9.6	5.5	4.0	4.0	6.3	8.2	8.2	7.3
<b>Livestock and Fish</b>																			
Milk	(Ltr Mn)	333.3	181.5	183.0	183.2	190.3	193.0	196.6	202.0	208.1	233.4	247.6	258.3	299.2	329.2	333.9	374.4	384.0	396.2
Fish	(Mt'000)	235.8	300.3	284.7	302.9	286.4	163.2	251.3	291.0	319.1	339.7	384.7	444.8	486.2	512.8	535.1	520.2	530.9	531.3

Sources: Department of Census and Statistics, Ministry of Irrigation and Agriculture, Department of Export Agriculture and Central Bank of Sri Lanka  
(a) Provisional

Table 13 | Value of Exports

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Agricultural Exports</b>	1,134	1,025	1,016	1,057	1,151	1,249	1,424	1,647	1,976	1,836	2,306	2,528	2,332	2,581	2,794	2,481	2,326	2,768
Tea	700	689	660	683	739	811	882	1,027	1,272	1,185	1,441	1,491	1,412	1,471	1,628	1,340	1,269	1,530
Black Tea	637	613	593	601	646	718	769	890	1,111	1,072	1,383	1,430	1,354	1,471	1,555	1,280	1,208	1,463
Bulk	393	350	360	338	393	407	463	535	643	616	567	534	512	561	563	504	473	605
Packets	180	194	160	183	162	213	203	235	321	301	607	667	640	693	754	593	547	670
Bags	64	69	73	81	91	98	103	121	147	156	209	229	203	217	238	183	188	188
Instant	8	9	9	11	8	7	7	9	11	10	13	15	11	15	19	16	17	17
Green Tea	3	5	5	5	11	14	19	22	29	29	44	46	47	56	55	45	44	50
Other	52	63	53	63	73	72	86	106	118	74	-	-	-	-	-	-	-	-
<b>Rubber</b>	29	24	26	39	51	47	93	109	125	99	173	206	125	71	45	26	33	39
<b>Coconut</b>	121	82	84	93	113	113	124	141	171	166	166	166	266	209	356	352	366	348
Kernel Products	77	41	41	48	59	49	53	60	82	58	56	136	80	86	214	222	216	190
Other	44	41	42	45	54	64	71	81	89	108	110	130	129	119	142	130	150	158
<b>Other Agricultural Exports</b>	155	136	168	150	162	183	195	208	243	215	335	379	388	529	511	600	489	610
Vegetables	8.6	6.7	7.2	7.4	9.9	11.8	10.0	11.5	13.0	11.7	23.4	16.9	13.3	24.9	40.1	30.5	26.5	29
Fruits (Fresh or Dry)	4.5	4.5	4.0	6.3	6.6	6.3	9.6	11.2	13.9	12.1	14.5	17.1	18.1	29.1	44.2	38.0	34.7	41.5
Arecanut	0.6	0.1	0.3	0.2	0.4	0.7	2.0	0.9	3.4	1.4	2.2	2.5	3.7	15.9	63.6	67.5	34.1	37.7
Coffee	0.1	...	0.1	0.5	0.2	0.2	0.2	0.1	0.2	0.1	0.3	0.1	0.1	0.1	0.2	0.2	0.1	0.2
Pepper	20.9	6.0	15.5	12.8	9.2	12.2	17.1	31.7	26.2	20.6	42.7	32.1	70.2	128.3	72.4	149.0	76.4	88.0
Cinnamon	45.4	42.3	45.0	44.9	46.7	58.3	66.2	75.8	82.6	74.1	82.9	128.9	135.5	138.6	139.8	139.6	171.4	218.4
Cloves	4.0	13.0	28.3	6.0	14.0	17.5	12.6	9.2	33.0	12.0	37.4	35.4	18.5	49.7	14.0	48.3	13.8	47.7
Nutmeg and Maize	5.5	3.9	5.7	6.4	4.8	7.4	6.3	7.6	9.0	8.1	16.0	28.2	23.0	31.2	29.8	33.3	39.9	35.2
Cardamoms	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.3	0.2	0.3	0.2	0.2	0.2	0.3	1.1	5.8	5.7
Other Oil Seeds	...	...	...	...	...	...	...	0.2	...	0.1	...	0.1	5.2	0.4	1.2	0.1	0.1	0.2
Betel Leaves	1.7	1.3	2.0	2.9	3.0	2.6	2.6	4.1	6.7	6.0	5.1	6.9	5.0	10.6	10.5	9.1	7.7	20.7
Cocoa	0.0	0.1	0.1	0.0	0.1	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
Unmanufactured Tobacco	37.6	35.2	37.5	37.2	39.7	35.1	35.3	40.2	39.5	33.5	32.6	38.4	42.2	47.6	41.3	31.8	31.2	36.5
Sesame Seeds	0.1	...	...	0.4	1.6	0.7	1.3	0.6	0.4	1.6	8.9	0.5	2.5	10.4	6.2	4.7	4.4	2.0
Cashew Nuts	0.6	1.0	0.5	0.4	0.8	1.6	1.1	1.0	1.4	1.1	2.2	2.6	1.3	0.6	1.4	1.4	0.8	0.9
Essential Oils	0.9	0.9	0.9	1.0	1.3	1.4	1.7	3.5	3.8	2.4	5.0	1.1	0.9	1.3	4.5	2.4	4.7	4.8
Cinnamon Bark Oil	2.8	2.7	2.7	2.3	2.4	2.6	3.6	5.2	3.9	2.4	4.4	7.7	5.8	6.2	7.6	8.4	12.3	16.2
Clove Oil	0.1	...	0.2	...	0.1	...	0.2	0.3	0.3	0.1	0.4	0.4	0.3	0.3	0.2	0.4	0.4	0.6
Other Minor Agricultural Crops	21.7	18.3	18.6	21.2	21.7	24.2	24.7	4.2	5.8	27.6	52.4	38.4	28.7	33.5	32.9	34.1	24.5	24.6
<b>Seafood</b>	128.5	94.2	77.9	92.7	86.2	96.0	129.9	162.5	164.6	170.6	192.3	185.3	198.0	233.7	252.7	163.1	169.6	240.6
<b>Industrial Exports</b>	4,315	3,713	3,628	3,975	4,508	4,949	5,402	5,937	6,112	5,228	6,097	7,992	7,371	7,749	8,262	8,017	7,940	8,542
<b>Food, Beverages and Tobacco</b>	25	27	32	78	75	223	232	323	244	183	245	348	284	235	289	307	324	393
Milling Industry Products	8	7	9	9	13	30	52	48	62	40	71	142	90	37	43	31	26	29
Vegetable, Fruit and Nut Preparations	6	8	9	10	11	10	15	29	49	55	51	61	59	63	80	87	100	129
Cereal Preparations	1	2	2	2	4	4	5	7	11	9	11	19	20	25	22	21	19	20
Fish Preparations	...	...	...	...	1	3	1	1	1	1	1	...	...	1	1	0	0	1
Manufactured Tobacco	2	2	2	8	16	20	16	23	28	24	26	41	47	49	56	58	73	73
Other	9	8	10	48	30	156	142	215	93	54	85	85	67	61	88	109	105	141
<b>Textile and Garments</b>	2,982	2,544	2,425	2,575	2,808	2,890	3,084	3,337	3,478	3,261	3,356	4,191	3,991	4,508	4,930	4,820	4,884	5,031

Table 13 | Value of Exports contd...

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
Garments	2,712	2,335	2,246	2,400	2,654	2,748	2,917	3,144	3,284	3,120	3,178	3,986	3,784	4,265	4,682	4,556	4,603	4,739
Woven Fabrics	65	46	49	47	43	34	46	61	66	55	70	85	92	124	90	102	107	119
Yarn	32	27	25	23	22	24	24	45	44	42	50	57	58	58	68	63	70	69
Other Made Up Textile Articles	173	137	105	105	89	84	96	86	84	44	57	64	56	61	90	100	105	104
<b>Petroleum Products</b>	<b>97</b>	<b>68</b>	<b>73</b>	<b>65</b>	<b>100</b>	<b>131</b>	<b>188</b>	<b>170</b>	<b>255</b>	<b>134</b>	<b>263</b>	<b>553</b>	<b>463</b>	<b>428</b>	<b>338</b>	<b>374</b>	<b>287</b>	<b>434</b>
Bunkers and Aviation Fuel	75	53	60	65	100	131	181	168	253	133	259	524	457	423	327	364	271	404
Other Petroleum Products	22	14	13	...	-	-	7	2	2	2	4	28	6	5	11	10	16	30
<b>Ceramic Products</b>	<b>47</b>	<b>42</b>	<b>42</b>	<b>40</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>49</b>	<b>36</b>	<b>40</b>	<b>38</b>	<b>36</b>	<b>40</b>	<b>41</b>	<b>35</b>	<b>34</b>	<b>34</b>
Tiles	9	7	8	9	10	9	11	11	12	8	8	6	7	8	9	8	7	7
Tableware, Household Items and Sanitaryware	27	25	26	24	29	31	32	30	30	24	27	28	25	29	29	25	23	23
Other	10	11	9	8	8	7	5	5	7	4	5	5	4	3	3	3	4	4
<b>Rubber Products</b>	<b>196</b>	<b>173</b>	<b>182</b>	<b>231</b>	<b>284</b>	<b>395</b>	<b>450</b>	<b>483</b>	<b>542</b>	<b>385</b>	<b>558</b>	<b>885</b>	<b>860</b>	<b>888</b>	<b>890</b>	<b>761</b>	<b>768</b>	<b>836</b>
Rubber Tyres	101	84	84	121	160	259	295	309	337	213	336	569	540	551	564	467	476	510
Surgical Gloves and Other Gloves	62	56	61	73	77	86	105	111	117	114	137	181	177	195	176	165	176	198
Other Rubber Products	33	32	37	37	47	50	50	64	88	58	85	135	143	141	150	130	116	128
<b>Leather, Travel Goods and Footwear</b>	<b>176</b>	<b>150</b>	<b>84</b>	<b>58</b>	<b>121</b>	<b>133</b>	<b>127</b>	<b>60</b>	<b>56</b>	<b>47</b>	<b>60</b>	<b>65</b>	<b>55</b>	<b>77</b>	<b>139</b>	<b>136</b>	<b>166</b>	<b>158</b>
Footwear	56	32	19	21	13	13	19	24	22	17	20	17	12	29	87	86	118	108
Travel Goods	109	108	55	27	21	19	13	26	23	20	27	31	27	28	31	29	29	33
Other	12	10	9	10	87	101	94	10	12	10	13	17	16	19	21	21	19	17
<b>Machinery and Mechanical Appliances</b>	<b>244</b>	<b>245</b>	<b>266</b>	<b>290</b>	<b>386</b>	<b>330</b>	<b>396</b>	<b>371</b>	<b>322</b>	<b>187</b>	<b>259</b>	<b>312</b>	<b>297</b>	<b>312</b>	<b>343</b>	<b>294</b>	<b>318</b>	<b>371</b>
<b>Gems, Diamonds and Jewellery</b>	<b>334</b>	<b>276</b>	<b>251</b>	<b>346</b>	<b>373</b>	<b>402</b>	<b>414</b>	<b>474</b>	<b>514</b>	<b>402</b>	<b>409</b>	<b>532</b>	<b>559</b>	<b>446</b>	<b>394</b>	<b>332</b>	<b>274</b>	<b>257</b>
Gems	143	91	45	113	108	124	86	105	76	69	70	95	118	130	173	164	149	145
Diamonds	178	166	192	216	247	265	312	348	418	317	322	414	417	295	198	148	105	94
Jewellery	13	19	14	17	19	13	16	22	20	17	17	22	24	21	22	19	20	18
<b>Transport Equipment</b>	<b>15</b>	<b>81</b>	<b>100</b>	<b>164</b>	<b>145</b>	<b>105</b>	<b>138</b>	<b>151</b>	<b>108</b>	<b>127</b>	<b>144</b>	<b>225</b>	<b>165</b>	<b>146</b>	<b>152</b>	<b>244</b>	<b>131</b>	<b>163</b>
Road Vehicles	5	4	3	5	8	13	20	23	39	50	58	49	86	32	39	40	42	39
Ships, Boats and Floating Structures	2	1	1	2	2	9	8	37	22	58	59	149	57	82	86	182	65	97
Other	8	76	96	157	135	83	111	91	48	20	28	27	22	33	27	22	25	27
<b>Printing Industry Products</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>9</b>	<b>15</b>	<b>34</b>	<b>47</b>	<b>48</b>	<b>246</b>	<b>235</b>	<b>42</b>	<b>36</b>	<b>52</b>	<b>46</b>	<b>42</b>	<b>49</b>
<b>Other Industrial Exports</b>	<b>197</b>	<b>105</b>	<b>170</b>	<b>126</b>	<b>166</b>	<b>285</b>	<b>311</b>	<b>487</b>	<b>497</b>	<b>418</b>	<b>517</b>	<b>608</b>	<b>619</b>	<b>633</b>	<b>694</b>	<b>669</b>	<b>712</b>	<b>816</b>
Chemical Products	31	28	31	35	53	73	65	78	71	74	93	118	117	120	134	126	126	146
Mineral Exports	3	4	5	5	11	23	17	22	22	20	24	33	61	52	59	28	29	34
<b>Unclassified Exports</b>	<b>69</b>	<b>75</b>	<b>50</b>	<b>94</b>	<b>89</b>	<b>125</b>	<b>42</b>	<b>38</b>	-	-	<b>199</b>	<b>7</b>	<b>10</b>	<b>12</b>	<b>15</b>	<b>20</b>	<b>15</b>	<b>17</b>
<b>Total Exports</b>	<b>5,522</b>	<b>4,818</b>	<b>4,699</b>	<b>5,133</b>	<b>5,759</b>	<b>6,347</b>	<b>6,883</b>	<b>7,640</b>	<b>8,111</b>	<b>7,085</b>	<b>8,626</b>	<b>10,559</b>	<b>9,774</b>	<b>10,394</b>	<b>11,130</b>	<b>10,547</b>	<b>10,310</b>	<b>11,361</b>

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

(a) Provisional

... negligible

Table 14 | Value of Imports

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Consumer Goods</b>	844	815	1,050	1,219	1,282	1,289	1,551	1,664	2,007	1,565	2,410	3,654	2,995	3,182	3,853	4,713	4,319	4,502
Food and Beverages	383	402	513	547	558	573	711	802	1,089	933	1,256	1,567	1,304	1,368	1,634	1,627	1,627	1,840
Sugar	141	115	132	116	111	132	224	151	203	218	363	426	345	289	255	253	343	256
Milk and Milk Products	118	115	110	120	122	133	171	186	288	165	259	345	307	291	339	251	249	316
Rice	4	11	18	9	59	16	6	39	44	23	59	18	24	18	282	135	13	301
Flour	8	1	2	2	1	32	3	2	1	1	1	14	5	2	2	2	2	2
Fish	68	69	65	63	56	68	92	108	115	119	128	147	134	162	141	218	234	214
Other Food and Beverages	213	140	186	237	208	192	216	317	437	407	446	617	489	607	614	768	787	752
Potatoes	5.5	9.8	6.3	5.6	4.1	7.6	10.4	20.0	23.6	23.0	36.9	35.7	22.7	28.5	35.8	35.5	31.5	35.7
Chillies	22.2	17.0	17.5	22.5	16.6	16.2	26.3	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7	51.8
Onions	26.0	26.0	27.0	26.0	27.0	26.0	28.0	57.0	53.0	60.0	96.0	86.0	51.9	100.1	65.3	122.0	100.0	123
Lentils	39.5	36.7	35.0	29.9	29.6	31.6	37.6	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4	114.4
Green Gram	5.3	3.0	2.3	2.5	4.0	3.0	3.8	7.4	11.0	10.7	15.6	13.8	7.3	11.2	13.6	27.2	15.6	14.9
Peas	7.1	5.4	5.1	5.1	5.3	5.0	6.3	10.0	18.8	12.9	14.9	18.5	19.0	19.9	21.8	31.8	25.6	23.0
Chick Peas	9.8	5.9	6.5	6.5	7.3	4.4	6.3	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1	32.7
Kurakkan	0.3	0.1	0.2	0.1	0.3	0.2	0.2	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6	1.3
Oil and Fat	11.0	9.0	35.0	56.0	18.0	15.0	14.0	21.0	31.0	14.0	19.0	25.9	20.0	59.2	20.1	33.5	35.9	46.0
Spices	28.0	27.0	28.0	32.0	26.0	24.0	35.0	50.0	64.0	65.0	72.0	111.0	68.0	79.9	98.2	113.3	132.0	92.8
Other	58.0	72.0	23.2	50.8	69.8	59.0	47.7	44.7	68.8	47.4	99.3	158.7	134.1	157.9	156.7	183.2	216.0	216.0
Non-food Consumables	461	413	537	672	724	716	840	862	918	632	1,154	2,087	1,691	1,814	2,219	3,086	2,692	2,662
Vehicles	40	37	138	249	249	235	308	244	239	93	455	881	495	582	897	1,360	795	773
Home appliances-Radio and Television Sets	56	40	40	49	63	52	65	59	64	24	45	118	118	103	86	120	136	141
Rubber Products	34	26	29	32	37	38	42	44	51	46	72	83	80	88	90	114	112	94
Medical and Pharmaceutical Products	96	92	105	105	117	135	162	179	212	202	217	348	372	378	381	460	526	520
Household and Furniture Items	55	48	48	50	59	63	69	70	75	61	88	127	117	125	134	150	182	186
Other	180	170	177	187	199	193	194	266	277	206	277	530	509	538	632	882	941	948
Garments	131.9	100.0	88.1	89.1	98.7	91.5	81.5	85.9	89.1	98.9	94.4	112.0	131.9	157.6	227.0	321.4	290.9	292.3
Other Articles of Plastics	34.1	30.0	21.6	23.1	25.5	28.9	36.3	32.9	29.8	18.3	20.7	33.0	35.4	33.2	34.0	52.8	28.9	24.3
Printed Books	4.2	3.7	10.8	2.9	3.2	4.5	4.8	5.0	4.4	21.5	19.8	15.0	14.1	11.9	10.4	10.7	13.0	17.3
Fans	7.7	5.0	4.1	5.3	5.7	5.9	6.1	7.5	7.1	7.0	12.3	23.1	23.4	27.4	24.4	33.5	41.8	34.9
Washing Preparations	6.6	3.9	3.8	5.6	4.9	5.1	7.4	7.5	9.7	11.0	10.6	6.0	6.0	5.6	4.3	4.0	5.0	4.4
Powders, Make up	4.9	2.3	2.7	3.0	3.6	2.8	4.3	4.2	6.2	4.8	5.6	10.7	6.8	8.1	6.7	9.0	13.5	12.5
Cookers	4.5	2.2	3.6	3.1	3.4	3.7	3.6	3.5	3.8	3.7	5.0	9.4	6.4	6.8	5.7	9.2	11.6	10.8

Table 14 | Value of Imports contd...

Category	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Intermediate Goods</b>	3,376	3,406	3,667	4,023	4,953	5,607	6,257	6,983	9,019	6,159	8,054	12,274	11,578	10,554	11,398	9,638	9,869	11,436
Fertilizer	79	68	75	87	107	134	163	192	577	182	240	407	311	239	272	290	137	103
Petroleum	902	729	791	837	1,213	1,657	2,070	2,516	3,392	2,184	3,041	4,795	5,045	4,308	4,597	2,700	2,481	3,428
Chemical Products	202	195	218	238	265	312	357	405	508	432	520	702	670	734	808	870	856	834
Paper and Paper Boards	116	108	156	186	210	222	254	290	328	264	350	427	363	380	490	477	487	485
Wheat and Maize	143	131	144	158	209	168	217	255	402	269	265	429	364	323	405	357	249	357
Textile	1,139	1,459	1,414	1,476	1,634	1,659	1,656	1,724	1,788	1,529	1,812	2,321	2,266	2,046	2,328	2,296	2,705	2,724
Diamond and Precious Metals	161	147	179	217	218	244	257	284	545	277	378	1,076	588	483	175	162	514	772
Base Metal	64	55	124	175	253	298	298	252	275	167	239	354	440	406	478	471	456	629
Vehicle and Machinery Parts	79	65	70	82	94	105	121	127	159	127	176	223	211	210	228	264	281	295
Other Intermediate Goods	491	449	496	567	750	808	864	938	1,045	728	1,033	1,540	1,320	1,425	1,616	1,752	1,703	1,809
Semi Finished Products of Iron	80	24	36	45	60	71	78	105	137	72	91	157	256	238	168	151	n.a	n.a
Polymer of Ethylene	89	39	37	44	67	77	82	106	103	76	103	109	99	106	142	147	144	134
Un-manufactured Tobacco	49	1	30	41	36	46	32	40	42	39	31	52	71	62	70	83	68	68
Palm Oil (Refined <sup>1</sup> )	71	18	34	24	53	131	131	145	127	35	68	161	67	81	123	111	84	148
<b>Investment Goods</b>	1,387	1,065	1,180	1,360	1,714	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
Machinery and Equipment	844	683	730	788	998	1,051	1,341	1,428	1,467	1,077	1,339	2,141	2,356	2,222	2,131	2,278	2,741	2,621
Recorders and Primary Batteries **	38	13	15	18	29	50	49	119	124	107	87	124	138	152	n.a.	17	17	n.a
Medical Instruments and Appliances - Used **	63	34	48	31	47	56	56	60	73	54	63	81	87	92	104	117	137	n.a
Wire Cables (Electrical) **	26	16	14	11	20	18	19	5	13	11	38	33	32	34	33	37	31	n.a
Gas Cylinders (For Industries)	6	4	4	3	4	3	4	7	6	3	6	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a
Transport Equipment	245	127	156	228	269	333	405	410	481	357	593	1,065	992	668	707	931	663	675
Building Material	296	254	292	342	443	548	651	753	900	656	822	1,076	1,237	1,357	1,309	1,352	1,569	1,591
Iron Pipe & Tube	84	34	38	45	63	79	85	93	126	88	108	85	84	70	56	70	79	103
Other Investment Goods	2	1	2	2	4	5	3	6	4	3	4	4	5	6	5	6	8	8
<b>Unclassified Imports</b>	1,715	687	207	73	50	31	48	52	213	390	162	54	28	14	14	16	13	147
<b>Total Imports</b>	7,320	5,974	6,106	6,672	8,000	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

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

(a) Provisional

\*\* CBSL classification names for certain items differ from mentioned item.

Table 15 | Import Quantities of Selected Items

Item	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
Sugar	570.4	457.4	567.7	526.0	496.5	444.2	520.6	470.7	563.1	460.7	539.2	596.6	559.0	539.0	509.5	624.0	638.7	483.2
Milk Powder	56.9	52.2	61.9	63.8	54.2	52.8	68.1	62.1	62.5	62.4	72.4	84.1	79.5	66.0	67.2	81.8	94.0	93.1
Potatoes	116.5	62.6	38.0	40.5	28.0	40.8	46.6	85.9	99.4	99.6	129.9	130.5	112.8	123.2	118.2	142.2	148.1	151.4
Chillies - Red	23.4	25.8	25.3	27.7	24.3	27.3	29.4	31.2	34.7	36.0	37.7	42.2	40.7	44.1	47.8	49.9	51.0	51.7
Big Onions	117.5	110.1	130.1	130.5	115.1	110.7	119.5	140.7	146.6	143.2	158.1	170.7	145.9	168.9	150.5	210.3	215.6	232.3
Red Onions	5.9	2.7	1.8	0.2	2.7	10.2	10.9	23.8	26.9	16.2	11.9	6.8	7.0	15.4	11.8	15.2	19.8	10.9
Dhal	80.4	90.7	106.5	90.9	89.6	86.4	107.7	103.2	104.9	108.0	134.3	151.3	114.0	150.9	153.4	160.9	154.3	165.9
Rice	14.9	52.0	95.1	34.5	221.7	51.7	11.5	88.0	84.7	51.7	125.8	27.8	36.2	22.9	599.7	285.6	29.50	748
Maize	115.2	157.3	94.6	128.5	148.8	146.8	83.7	78.4	82.5	27.2	9.6	7.0	1.0	0.5	86.8	67.2	41.9	179.6
Green Gram	6.8	8.7	7.1	8.2	12.7	9.3	11.5	12.8	13.7	14.2	11.5	10.5	7.9	7.1	5.2	11.5	13.9	15.5
Black Gram	7.3	7.9	6.9	7.6	5.4	4.6	6.2	7.1	5.0	3.3	1.5	7.1	3.2	4.2	6.3	8.1	12.0	12.8
Peas	21.9	21.9	18.1	17.9	20.3	21.3	25.2	26.9	27.2	26.7	33.0	36.1	31.9	30.8	35.9	45.4	35.6	36.7
Chick Peas	14.3	13.4	17.4	19.6	22.6	13.9	18.5	14.7	17.2	20.0	19.1	19.9	18.7	25.3	25.7	27.7	27.0	26.5
Kurakkan	0.5	0.8	1.1	0.6	1.8	1.4	1.9	2.6	2.9	3.3	2.1	2.2	3.6	12.0	0.7	0.8	2.2	2.9
Cowpea	0.2	0.1	0.1	0.2	0.1	0.2	0.3	0.6	0.7	0.4	0.6	0.9	0.7	1.1	1.0	5.6	6.1	7.3
Soya Bean	2.9	3.2	3.5	1.5	1.6	1.3	0.2	...	2.4	1.8	1.6	...	0.1	1.1	...	7.3	7.1	3.2
Corriander	12.8	10.1	11.7	13.1	13.1	9.9	11.0	14.8	9.7	10.9	12.1	13.3	10.1	15.3	13.8	12.3	15.0	12.2
Turmeric	3.6	2.9	3.7	3.8	3.5	3.4	3.4	3.3	4.4	3.9	3.9	4.1	3.8	4.1	4.2	4.9	4.7	4.9
Turmeric (Powder)	0.2	0.1	0.1	...	0.3	0.5	0.4	0.3	0.3	0.3	0.3	0.2	...	...	...	...	1.0	12.0
Tamarind	0.8	...	0.4	0.7	0.1	1.0	0.1	0.1	0.1	0.1	0.9	0.7	...	...	...	1.1	0.1	0.4
Garlic	13.7	15.7	19.0	19.5	17.5	18.4	18.4	20.9	25.0	21.2	20.4	23.8	23.1	24.4	27.0	28.2	26.0	27.5
Apples	13.5	14.2	18.5	22.5	17.1	17.5	16.6	18.0	17.2	20.1	22.4	21.2	21.1	20.1	15.9	20.2	25.3	26.7
Grapes	2.5	2.7	3.4	3.9	3.5	3.0	3.5	3.4	3.7	3.4	4.3	6.9	6.6	6.2	3.8	6.9	6.2	7.3
Oranges	10.8	9.4	10.8	11.1	7.6	3.8	5.0	3.3	3.6	4.3	4.5	7.0	6.0	7.6	6.5	7.5	8.1	8.7
Mandarin	...	...	...	...	2.7	4.0	6.1	3.7	5.3	7.4	10.9	10.5	10.6	9.5	7.1	8.9	10.6	6.0
Melon	...	...	...	...	0.1	0.1	0.1	0.1	0.1	0.1	...	...	...	...	-	...	...	...
Canned Fish	21.8	20.3	20.1	18.1	18.1	20.2	19.7	23.1	18.2	13.6	16.7	20.7	19.6	22.2	19.7	49	37.1	40.6
Maldiva Fish	4.3	5.6	6.2	5.9	5.2	5.5	5.6	3.6	3.1	3.2	2.9	2.8	1.4	1.4	1.3	2.2	2.7	2.7
Sprats	19.1	19.2	17.6	20.9	17.6	21.5	23.2	25.4	22.8	25.4	27.3	27.6	25.2	23.5	24.9	24.6	24.5	22.8
Other Dry Fish	31.4	28.9	27.0	24.8	20.3	23.4	21.6	22.7	22.1	20.1	18.5	19.6	14.2	14.0	10.0	7.9	9.8	9.1
Palm Oil	77.7	60.9	88.0	53.9	118.8	326.2	297.1	205.6	126.8	49.7	74.3	135.5	51.1	45.3	142.0	161.8	120.5	195.3
Coconut Oil	4.2	2.8	62.2	108.4	19.2	5.5	4.9	5.5	15.6	2.4	3.5	3.6	5.2	2.2	3.9	3.4	1.2	0.9

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

... negligible

(a) Provisional

Table 16 | Value of Food Imports

Item	US\$ million																	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
Sugar	141.0	115.0	132.0	116.0	111.4	132.3	223.7	151.0	203.0	218.0	363.0	426.0	345.0	288.9	255.5	252.5	342.5	256
Milk Powder and Milk Products	118.0	115.0	110.0	120.0	122.0	133.0	171.0	186.0	288.0	165.0	259.0	345.0	307.0	291.0	339.4	250.9	249.3	315.8
Flour	8.0	1.0	2.0	2.4	1.0	31.9	3.0	2.0	1.0	1.0	1.0	14.0	4.9	1.8	2.1	2.0	1.8	2
Potatoes	5.5	9.8	6.3	5.6	4.1	7.6	10.4	20.0	23.6	23.0	36.9	35.7	22.7	28.4	35.8	35.5	31.5	36
Chillies - Red	22.2	17.0	17.5	22.5	16.6	16.2	26.3	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7	52
Big Onions	19.8	19.6	19.9	21.3	21.4	18.2	18.7	39.7	32.1	40.8	58.8	59.3	29.5	71.1	42.0	79.8	46.7	79
Red Onions	1.4	0.7	0.6	0.1	0.7	3.0	3.6	8.6	14.6	9.4	5.7	4.2	3.0	10.7	5.0	8.8	9.0	8
Dhal	39.5	36.7	35.0	29.9	29.6	31.6	37.6	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4	114.4
Rice	4.0	11.0	18.0	9.0	59.4	15.6	5.5	38.7	44.3	22.9	59.0	18.4	24.2	17.9	281.7	135.1	12.8	300.9
Maize	14.4	20.1	12.6	18.6	24.8	25.0	15.7	18.7	22.8	0.6	2.5	2.3	0.4	0.3	23.9	16.1	10.8	53
Green Gram	5.3	3.0	2.3	2.5	4.0	3.0	3.8	7.4	11.0	10.7	15.6	13.8	7.3	7.6	6.8	15.0	15.6	15
Black Gram	2.2	2.5	2.3	2.3	1.5	1.2	1.6	2.2	2.5	2.7	1.7	7.2	3.0	3.5	6.9	11.3	22.4	13
Peas	5.7	5.4	5.1	5.1	5.3	5.0	6.3	10.0	18.8	12.9	14.9	18.5	19.0	19.9	20.4	31.8	25.6	23
Chick Peas	6.3	5.9	6.5	6.5	7.3	4.4	6.3	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1	33
Kurakkan	0.3	0.1	0.2	0.1	0.3	0.2	0.2	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6	1
Cowpea	n.a	n.a	n.a	n.a	...	0.1	0.1	0.1	0.4	0.3	...	0.7	0.6	0.9	0.9	4.1	4.5	4
Soya Bean	0.8	0.9	1.0	0.4	0.5	0.4	0.6	...	0.9	0.7	0.8	...	0.1	...	...	3.4	3.0	8
Corriander	4.0	3.7	4.0	3.9	3.9	2.8	3.2	6.6	10.9	9.5	9.5	9.9	6.5	14.8	19.2	14.0	10.0	6
Turmeric	1.9	1.0	1.6	1.6	1.3	1.1	1.1	1.1	2.7	4.2	8.2	7.0	3.7	4.6	4.6	6.5	7.1	7
Turmeric (Powder)	0.1	...	0.1	...	0.2	0.2	0.1	0.1	0.2	0.5	0.6	0.2	...	...	...	...	...	...
Tamarind	0.2	...	0.1	0.1	...	0.2	...	...	...	...	0.2	0.2	-	...	...	0.4	...	0.2
Garlic	4.2	5.2	5.9	4.0	4.3	4.5	6.0	8.2	6.4	9.9	31.2	22.0	19.1	18.0	18.2	25.5	44.3	36
Apples	6.1	5.9	7.9	9.0	6.1	5.4	5.2	5.7	5.4	7.7	9.6	9.7	14.4	19.8	17.2	18.3	24.0	24
Grapes	4.0	4.0	4.4	4.3	3.9	3.1	3.7	3.7	4.0	4.4	5.6	6.8	10.5	11.2	8.4	13.4	15.9	15
Oranges	2.6	2.2	2.8	3.0	2.1	1.5	1.8	1.4	1.6	2.0	2.3	3.7	4.0	5.2	4.7	4.6	5.9	6
Mandarin	...	...	...	0.1	0.6	0.8	1.2	0.8	1.2	2.1	3.2	3.3	3.8	2.8	2.1	2.7	3.5	2
Melon	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	...	-	...	...	-	...	0.4	0.6
Canned Fish	19.5	16.6	19.5	17.9	17.6	23.3	27.0	34.8	39.4	32.1	38.6	50.7	43.6	47.5	39.5	81.9	66.2	65.4
Maldive Fish	8.7	11.2	10.4	9.1	7.8	8.3	8.5	5.9	8.1	14.1	11.5	12.3	7.5	6.6	5.0	11.4	13.7	11
Sprats	16.7	16.5	12.7	14.5	11.7	14.5	25.2	29.1	26.5	31.4	35.1	39.1	40.0	55.2	44.9	49.1	62.1	59
Other Dry Fish	28.7	33.0	28.4	24.4	20.5	23.2	27.8	27.4	31.2	37.0	32.0	36.8	30.0	25.3	18.1	15.4	22.5	25
Palm Oil	28.4	17.7	33.6	24.1	53.5	130.9	131.0	145.3	127.4	35.3	68.1	160.6	67.2	81.4	123.0	103.5	84.1	148
Coconut Oil	2.2	0.9	25.4	46.7	8.0	2.7	3.0	4.9	13.4	1.8	3.6	6.6	4.8	2.2	0.2	5.8	3.7	16

Sources: Department of Customs, Department of Statistics and Central Bank of Sri Lanka

... negligible  
(a) Provisional

Table 17 | Motor Vehicles

Item	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Motor Vehicle Imports</b>																
Total	130,713	208,930	236,868	295,928	337,693	296,290	258,244	169,493	383,099	533,056	374,175	308,398	482,003	655,086	469,305	460,261
Motor Bicycles	70,749	117,301	142,445	193,411	209,635	177,193	153,191	117,913	221,832	252,036	186,372	159,791	322,257	349,523	329,978	364,346
Three-Wheelers	17,377	35,773	41,445	39,154	50,310	34,485	44,046	30,356	92,207	137,389	93,284	80,586	83,233	132,779	47,976	19,021
Tractors	12,591	16,379	15,288	26,106	23,120	23,629	28,181	12,874	18,617	26,870	18,967	13,247	5,511	14,234	13,185	10,295
Transport Vehicles (goods)	12,680	19,770	18,291	18,423	22,987	36,084	13,742	5,639	20,655	55,786	45,560	25,655	25,664	44,287	32,161	25,964
Passenger Vans and Buses	1,201	1,358	2,241	2,229	3,025	2,094	1,117	649	2,766	3,836	3,245	1,627	3,906	4,690	2,849	3,732
Motor Cars	15,989	17,871	16,876	15,944	28,464	22,315	17,273	1,852	26,745	56,370	26,312	27,084	41,030	109,059	42,208	36,131
Other	126	478	282	661	152	490	694	210	277	769	435	408	402	514	948	772
<b>New Registration of Motor Vehicles</b>																
Total	113,351	181,502	223,842	229,669	300,522	297,892	265,199	204,075	359,243	525,421	397,295	326,651	429,556	668,907	491,036	448,910
Motor Cars	12,003	21,184	19,116	17,283	27,578	22,603	20,237	5,762	23,072	57,886	31,546	28,380	38,780	105,628	45,172	39,182
Three Wheelers	20,876	36,204	43,789	41,085	64,466	43,068	44,804	37,364	85,648	138,426	98,815	83,673	79,038	129,547	56,945	23,537
Motor Cycles	54,762	86,877	124,474	130,696	156,626	182,508	155,952	135,421	204,811	253,331	192,284	169,280	272,885	370,889	340,129	344,380
Buses	1,429	1,949	2,167	2,069	3,346	2,637	1,180	739	2,491	4,248	3,095	1,805	3,851	4,140	2,685	3,331
Dual Purpose Vehicles	8,591	13,268	10,736	6,851	7,245	5,193	2,856	1,280	11,712	33,518	37,397	24,603	20,799	39,456	26,887	16,742
Goods Transport Vehicles - Lorries	8,166	11,158	10,703	14,262	20,436	18,408	14,038	8,225	11,845	14,818	12,266	5,872	5,121	7,142	5,271	8,689
Land Vehicles - Tractors	7,078	10,004	11,535	15,597	19,040	21,346	24,357	13,951	17,363	20,073	18,450	10,772	7,070	9,977	10,285	8,821
Land Vehicles - Trailers	446	858	1,322	1,826	1,785	2,129	1,775	1,333	2,301	3,121	3,442	2,266	2,012	2,128	3,662	4,228
<b>Total Vehicle Fleet *</b>																
Total	1,892,367	2,073,869	2,297,711	2,527,380	2,827,902	3,125,794	3,390,993	3,595,068	3,954,311	4,479,732	4,877,027	5,203,678	5,633,234	6,302,141	6,793,177	7,242,087
Motor Cars	253,447	274,631	293,747	311,030	338,608	361,211	381,448	387,210	410,282	468,168	499,714	528,094	566,874	672,502	717,674	756,856
Three Wheelers	133,115	169,319	213,108	254,193	318,659	361,727	406,531	443,895	529,543	667,969	766,784	850,457	929,495	1,059,042	1,115,987	1,139,524
Buses	923,467	1,010,344	1,134,818	1,265,514	1,422,140	1,604,648	1,760,600	1,896,021	2,100,832	2,354,163	2,546,447	2,715,727	2,988,612	3,359,501	3,699,630	4,044,010
Dual Purpose Vehicles	67,702	69,651	71,818	73,887	77,233	79,870	81,050	81,789	84,280	88,528	91,623	93,428	97,279	101,419	104,104	107,435
Goods Transport Vehicles - Lorries	150,087	163,355	174,091	180,942	188,187	193,380	196,236	197,516	209,228	242,746	280,143	304,746	325,545	365,001	391,888	408,630
Land Vehicles - Tractors	187,617	198,775	209,478	223,740	244,176	262,584	276,622	284,847	296,692	311,510	323,776	329,648	334,769	341,911	347,182	355,871
Land Vehicles - Trailers	143,804	159,808	165,343	180,940	199,980	221,326	245,683	259,634	276,997	297,070	315,520	326,292	333,362	343,339	353,624	362,445
Other	33,128	33,986	35,308	37,134	38,919	41,048	42,823	44,156	46,457	49,578	53,020	55,286	57,298	59,426	63,088	67,316

Sources: Department of Customs and Department of Motor Traffic

(a) Provisional

\* Cumulative number of all vehicles registered in Sri Lanka

Table 18 | Power Sector

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (a)
Installed Capacity	MW	1,409	1,838	1,999	2,231	2,483	2,499	2,411	2,434	2,444	2,645	2,684	2,818	3,146	3,312	3,356	3,932	3,847	4,018	4,138
Hydro Power		1,137	1,150	1,161	1,172	1,247	1,281	1,291	1,314	1,324	1,345	1,379	1,383	1,401	1,584	1,625	1,665	1,680	1,726	1,737
Thermal		272	685	835	1,056	1,233	1,215	1,115	1,115	1,115	1,285	1,290	1,390	1,396	1,338	1,335	1,215	1,115	1,215	1,293
Coal		-	-	-	-	-	-	-	-	-	-	-	-	300	300	300	900	900	900	900
Wind*		-	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Other		-	-	-	-	-	-	2	2	2	12	12	42	46	87	93	150	149	174	205
Maximum Demand	MW	980	1,405	1,445	1,422	1,516	1,563	1,748	1,893	1,842	1,922	1,868	1,955	2,163	2,146	2,164	2,152	2,283	2,453	2,523
Total sales by CEB	GWh	3,915	5,258	5,236	5,502	6,209	6,667	7,255	7,832	8,276	8,417	8,441	9,268	10,023	10,474	10,621	11,063	11,786	12,785	13,430
Generation **	GWh	4,783	6,686	6,520	6,810	7,612	8,043	8,769	9,389	9,814	9,901	9,882	10,714	11,528	11,800	11,898	12,357	13,090	14,149	14,671
Average Electricity Price	Rs	3.70	4.53	5.48	7.25	7.68	7.66	7.71	9.01	10.56	13.17	13.10	13.03	13.21	15.56	17.93	18.50	15.93	16.18	-
Average Cost of Electricity	Rs	2.64	6.28	7.58	9.42	9.17	10.33	10.91	10.93	13.48	17.67	14.93	13.03	15.59	23.66	16.94	19.97	15.06	18.10	n.a
Access to Electricity	000'	n.a.	2,752	2,850	2,928	3,131	3,401	3,592	3,698	3,811	3,995	4,158	4,327	4,611	4,979	5,211	5,418	5,649	5,964	6,193
Access to Electricity	%	45.0	62.6	63.9	64.7	67.9	73.4	76.7	78.1	80.0	83.0	85.4	88.0	91.0	94.0	96.0	98.0	99.0	99.3	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	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	119 (a)
<b>Total Road Length</b>	<b>km</b>	109,626	109,982	110,046	110,392	110,792	111,001	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
National Roads		11,126	11,482	11,546	11,649	11,649	11,658	11,693	11,773	11,874	11,891	11,922	12,019	12,019	12,258	12,289	12,369	12,380	12,380	12,380
Class A		4,216	4,216	4,216	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,215	4,215	4,215	4,215
Class B		6,910	7,266	7,330	7,430	7,430	7,439	7,474	7,554	7,655	7,672	7,703	7,800	7,800	7,944	7,949	7,993	7,995	7,995	7,993
Expressways		-	-	-	-	-	-	-	-	-	-	-	-	95	95	121	161	170	170	170
Provincial Roads		15,500	15,500	15,500	15,743	15,743	15,743	15,743	16,532	16,532	16,532	16,532	16,973	17,429	17,614	17,614	19,083	18,397	18,353	18,900
Rural Roads		83,000	83,000	83,000	83,000	83,400	83,600	84,000	84,659	85,100	85,150	85,220	85,280	85,320	85,400	85,480	85,560	85,630	87,326	88,200
<b>Total Roads Density</b>	<b>km/km<sup>2</sup></b>	<b>1.67</b>	<b>1.68</b>	<b>1.68</b>	<b>1.68</b>	<b>1.69</b>	<b>1.69</b>	<b>1.70</b>	<b>1.72</b>	<b>1.73</b>	<b>1.73</b>	<b>1.73</b>	<b>1.74</b>	<b>1.75</b>	<b>1.76</b>	<b>1.76</b>	<b>1.78</b>	<b>1.77</b>	<b>1.80</b>	<b>1.82</b>
National Roads Density		0.17	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.19	0.19	0.19	0.19	0.19	0.19
Provincial Roads Density		0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.25	0.25	0.25	0.25	0.26	0.27	0.27	0.27	0.29	0.28	0.28	0.29
Rural Roads Density		1.27	1.27	1.27	1.27	1.27	1.27	1.28	1.29	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.31	1.33	1.34
<b>Road Condition of National Roads as per IRI*</b>																				
Excellent	%	-	-	-	-	-	-	-	-	7	7	11	16	23	24	29	27	27	35	36
Good	%	-	-	-	-	-	-	-	-	28	23	24	27	23	29	36	27	28	29	30
Fair	%	-	-	-	-	-	-	-	-	19	18	17	13	10	10	8	9	9	10	13
Poor	%	-	-	-	-	-	-	-	-	36	41	37	33	26	17	13	16	16	11	10
Bad	%	-	-	-	-	-	-	-	-	10	11	11	11	18	20	14	22	20	15	11

Source: Road Development Authority and Department of National Planning

\*IRI = International Roughness Index

(a) Provisional

Table 20 | Port Services

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (a)
<b>Vessels Arrived *</b>	No.	3,612	4,232	4,014	4,062	4,032	3,883	4,139	4,469	4,710	4,814	4,592	4,075	4,358	4,178	4,024	4,298	4,760	5,023	4,942
Colombo		3,277	3,832	3,570	3,787	3,838	3,688	3,929	4,228	4,424	4,424	4,114	3,910	4,124	3,870	3,667	3,742	4,197	4,405	4,329
Sri Lanka Ports Authority		3,277	3,026	2,765	2,886	2,899	2,691	2,972	3,160	3,114	3,151	2,939	2,928	3,040	2,750	2,600	2,424	2,169	2,061	1,998
South Asia Gateway Terminal		-	806	805	901	939	997	957	1,068	1,212	1,273	1,175	982	1,084	1,120	1,011	855	1,026	1,087	1,073
Colombo International Container Terminal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	56	463	1,002	1,257	1,258
Galle		69	97	117	76	73	88	114	100	87	68	32	48	73	69	36	60	72	96	87
Trincomalee		266	303	327	199	121	107	96	141	297	322	310	109	126	161	134	127	164	216	233
Magam Ruhunupura Mahinda Rajapakse Port KKS, Myliddy, Point Pedro & Karainagar		-	-	-	-	-	-	-	-	-	-	-	-	9	34	139	335	295	281	230
<b>Total Cargo Handled</b>	MT '000	19,517	27,535	27,062	28,363	30,500	33,959	37,300	42,661	46,344	50,582	48,778	61,240	65,097	65,030	66,292	74,431	77,611	86,546	93,879
Colombo		17,414	25,222	24,741	26,273	28,198	31,299	34,523	39,428	43,502	47,960	46,373	58,768	62,016	61,669	63,482	70,794	73,718	81,879	89,034
Sri Lanka Ports Authority		17,414	21,986	21,207	20,298	21,502	21,918	24,885	27,585	28,985	30,924	27,281	33,775	36,019	36,867	39,186	39,998	36,668	35,172	35,001
South Asia Gateway Terminal **		-	3,236	3,534	5,975	6,696	9,381	9,638	11,843	14,517	17,036	19,092	24,993	25,997	24,802	23,551	22,148	16,893	21,196	23,622
Colombo International Container Terminal ***		-	-	-	-	-	-	-	-	-	-	-	-	-	-	745	8,648	20,157	25,511	30,411
Galle		237	597	662	526	482	578	655	735	627	459	167	318	464	422	207	394	542	771	712
Trincomalee		1,866	1,716	1,659	1,564	1,820	2,082	2,123	2,498	2,215	2,163	2,238	2,154	2,574	2,859	2,435	2,748	3,027	3,514	3,897
Magam Ruhunupura Mahinda Rajapakse Port KKS, Myliddy, Point Pedro & Karainagar		-	-	-	-	-	-	-	-	-	-	-	-	15	20	119	474	292	355	213
<b>Total Container Traffic (b)</b>	TEUs '000	1,049	1,733	1,727	1,765	1,959	2,221	2,455	3,079	3,381	3,687	3,464	4,137	4,263	4,187	4,306	4,908	5,185	5,735	6,209
Sri Lanka Ports Authority		1,049	1,432	1,397	1,207	1,335	1,321	1,524	1,744	1,835	1,961	1,714	2,167	2,299	2,317	2,502	2,559	2,252	2,100	2,011
South Asia Gateway Terminal		-	301	330	558	624	900	931	1,335	1,546	1,726	1,750	1,970	1,963	1,870	1,747	1,662	1,371	1,632	1,810
Colombo International Container Terminal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	57	687	1,562	2,003	2,388
<b>Trans - shipment Container ** (b)</b>	TEUs '000	721	1,181	1,195	1,218	1,370	1,531	1,716	2,330	2,578	2,874	2,712	3,205	3,216	3,167	3,274	3,781	3,967	4,435	4,826
Sri Lanka Ports Authority		721	959	959	848	964	949	1,106	1,297	1,412	1,517	1,301	1,604	1,652	1,652	1,825	1,916	1,711	1,617	1,623
South Asia Gateway Terminal		-	222	236	370	406	582	610	1,033	1,166	1,357	1,411	1,601	1,564	1,515	1,405	1,325	1,043	1,314	1,434
Colombo International Container Terminal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	44	540	1,213	1,504	1,769
<b>Employment (Sri Lanka Ports Authority)</b>	No.	16,492	19,344	18,561	17,910	13,936	13,233	13,527	13,660	13,667	13,715	13,367	12,828	11,008	10,200	9,886	9,598	9,550	9,651	9,377
Colombo		14,851	17,411	16,744	16,157	12,522	11,888	12,217	12,382	12,470	12,548	12,263	11,681	10,059	9,325	9,014	8,747	8,725	8,856	8,588
Galle		779	758	737	752	638	634	622	615	577	553	513	500	433	391	378	373	355	348	351
Trincomalee		862	1,175	1,080	1,001	776	711	688	663	620	614	591	598	466	436	426	419	417	402	401
Magam Ruhunupura Mahinda Rajapakse Port		-	-	-	-	-	-	-	-	-	-	-	-	49	50	48	68	59	53	37
<b>Revenue (Sri Lanka Ports Authority)</b>	Rs Mn	6,820	14,717	16,387	15,667	16,356	17,861	20,552	23,004	25,913	25,142	23,331	28,279	31,086	38,098	37,232	37,492	40,805	44,080	45,609

Source: Sri Lanka Ports Authority

(a) Provisional

(b) TEUs= Twenty-foot Equivalent Container Units

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

\*\*Including Re-Stowing

\*\*\* Estimated tonnage

The South Asia Gateway Terminal commenced its operations in 1999.

Table 21 | Water Supply and Sewerage

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
Access to Pipe Borne Water	% population	13.0	n.a	n.a	n.a	28.0	n.a	30.0	31.0	32.0	34.0	37.0	40.0	42.4	43.5	43.7	44.3	45.9	47.7	49.2
Access to Safe Drinking Water	% population	n.a	n.a	n.a	n.a	71.0	n.a	75.0	76.0	77.0	78.0	80.0	81.0	82.9	84.1	88.7	84.6	86.0	87.8	89.3
Access to Piped Sewerage *	% population	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	1.8	1.8	1.8	1.8	1.9	1.9	2.0	2.0	2.0	2.1
Average Cost (per month)**	Rs,000'	n.a	n.a	n.a	n.a	406,069	441,030	513,698	587,222	741,554	880,770	946,918	1,066,353	1,160,719	1,331,254	1,440,848	1,607,839	1,774,605	1,934,313	1,935,243***
Average Household Bill (per month)	Rs	n.a	155.0	180.5	194.8	206.3	197.4	285.4	300.9	305.7	290.9	412.7	438.2	437.7	473.9	557.0	570.7	547.9	632.5	610.6
Water Supply Connections	No.	323,259	581,165	665,166	732,935	782,724	841,505	907,622	989,395	1,078,892	1,186,931	1,266,328	1,353,573	1,449,301	1,587,663	1,707,742	1,831,998	1,953,721	2,092,471	2,219,172
Water Production	Mncum	275	332	343	349	357	368	383	398	425	440	449	470	490	525	547	575	600	649	679
Water Consumption	Mncum	150*	213	220	230	233	244	253	261	284	299	309	322	342	368	381	411	436	483	508
Water Sales (Bill Revenue)	Rs Mn	1,542	3,006	3,498	3,966	4,366	4,460	5,839	6,947	7,422	7,875	11,119	12,409	13,343	13,209	18,167	19,969	20,472	23,975	24,846
Non- Revenue Water																				
Colombo City	%	n.a	53.7	54.5	52.0	52.3	53.0	51.3	51.8	53.2	54.0	53.1	52.0	50.0	49.2	47.7	46.6	46.2	45.7	43.1
Island wide	%	n.a	35.7	35.8	34.2	34.9	33.7	33.8	34.4	33.1	32.1	31.1	31.6	30.4	29.9	30.2	28.5	27.3	25.5	25.2
Employees	No.	7,555	7,809	8,334	8,103	8,187	7,806	7,981	8,335	8,848	9,006	9,063	9,018	9,199	9,670	9,953	10,483	10,245	10,352	10,338
Employees	Per 1000 connections	23.4	13.4	12.5	11.1	10.5	9.3	8.8	8.4	8.2	7.6	7.2	6.7	6.4	6.1	5.8	5.7	5.2	5.0	4.7
Collection Efficiency (Collection/Billing)		0.89	0.99	0.96	0.97	1.09	1.10	1.02	0.98	1.00	0.99	0.94	1.00	0.99	0.98	1.01	1.00	1.11	1.00	1.03

Source: National Water Supply and Drainage Board

(a) Provisional

\*Increase 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.

\*\*\* Estimated figures.

Table 22 | Communications

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Telecommunication</b>																				
Fixed Access Services	No.	204,350	767,411	829,282	883,108	933,771	991,239	1,243,993	1,884,078	2,742,059	3,446,411	3,435,958	3,534,575	3,608,392	3,449,391	2,706,787	2,709,848	2,601,196	2,550,432	2,603,178
Wireline in Service		204,350	653,144	708,200	768,620	817,750	860,468	919,040	909,894	931,737	933,536	872,120	896,710	941,780	999,354	1,062,065	1,123,126	1,128,291	1,166,348	1,198,483
Wireless Access (b)		n.a.	114,267	121,082	114,488	116,021	130,771	324,953	974,184	1,810,322	2,512,875	2,563,838	2,637,865	2,666,612	2,450,037	1,644,722	1,586,722	1,472,905	1,384,084	1,404,695
Cellular Phones (b)	No.	51,316	430,202	667,662	931,580	1,393,403	2,211,158	3,361,775	5,412,496	7,983,489	11,082,508	14,264,442	17,246,567	18,319,447	20,324,070	20,315,150	22,123,000	24,384,544	26,227,631	28,199,083
Telephone Density (Including Cellular Phones)	per 100 persons	1.4	6.3	8.0	9.6	12.1	16.5	23.4	36.7	53.6	71.9	86.6	100.8	105.1	116.9	112.4	119.6	128.7	135.7	143.6
Public Pay Phones	No. of Booths	850	8,222	7,281	6,681	6,440	6,095	6,285	7,561	8,526	7,417	7,378	7,054	6,458	6,983	6,788	6,642	5,809	5,297	5,137
Internet and Email Subscribers	No.	n.a.	40,497	61,532	70,082	85,500	93,300	115,000	130,000	202,348	234,000	249,756	280,000	359,216	423,194	507,845	606,100	682,512	929,089	1,221,960
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
Internet Service Providers	No.	-	-	-	-	-	1	3	4	5	8	8	9	20	19	15	15	15	13	8
<b>Postal</b>																				
Public Post Offices	No.	3,966	4,043	4,043	4,038	4,041	4,040	4,043	4,046	4,051	4,053	4,057	4,059	4,058	4,062	4,061	4,063	4,063	4,063	4,062
Main Post Offices		563	597	602	614	625	629	633	637	641	645	647	649	648	651	651	653	653	652	653
Sub Post Offices		3,376	3,446	3,441	3,424	3,416	3,411	3,410	3,409	3,410	3,408	3,410	3,410	3,410	3,411	3,410	3,410	3,410	3,410	3,409
Private Post Offices	No.	179	309	339	421	621	650	654	679	646	654	657	606	675	676	602	629	629	629	628
Private Agency Post Offices		179	309	339	376	420	436	439	463	480	488	494	491	512	516	497	524	524	524	523
Rural Agency Post Offices		-	-	-	-	156	156	157	158	159	159	159	111	156	156	101	101	101	101	101
Estate Agency Post Offices **		-	-	-	45	45	58	58	58	7	7	4	4	7	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 Lives-tock Development to the Agents of the Estate Agency Post Offices."

Table 23 | Crude Oil and Petroleum Products

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>International Prices (End Year)</b>																				
Crude Oil																				
Brent	US\$(bbl)	17.96	25.28	18.60	28.52	29.88	39.65	56.75	62.31	91.45	41.58	74.67	91.80	107.97	109.64	110.63	62.16	53.61	45.03	43.98
WTI	US\$(bbl)	19.03	28.40	19.31	29.44	32.12	43.23	59.41	62.00	91.36	41.44	74.49	89.22	98.61	88.19	97.90	59.10	49.28	43.92	50.92
Dubai	US\$(bbl)	16.81	22.16	17.64	25.71	27.86	34.26	53.13	58.67	85.75	41.00	75.49	89.18	106.20	105.67	107.94	60.39	50.91	41.27	53.18
Oman*	US\$(bbl)	n.a.	27.42	23.67	24.41	26.93	34.13	50.42	62.13	68.50	94.51	62.02	78.22	106.64	109.55	109.98	96.95	51.18	41.81	53.41
<b>Refined Products (Singapore Plattes)(Annual Avg)</b>																				
Petrol	US\$(bbl)	20.89	31.26	25.64	27.92	33.64	46.34	62.14	72.54	81.73	101.95	68.18	86.23	117.33	120.29	116.30	108.14	66.08	53.32	65.42
Diesel	US\$(bbl)	21.54	32.72	27.63	30.09	32.71	46.60	65.86	78.06	86.10	122.01	69.77	89.97	125.34	127.37	121.50	112.10	64.58	52.05	64.64
Kerosene	US\$(bbl)	22.84	34.48	28.33	29.77	32.90	47.61	67.93	80.66	86.77	122.08	70.14	90.18	125.29	126.84	122.98	112.49	64.80	52.83	65.28
<b>Domestic Prices (End Year)</b>																				
Petrol (92 Octane)**	Super Petrol Rs/ltr	50.00	50.00	50.00	49.00	53.00	70.00	80.00	92.00	117.00	120.00	115.00	115.00	137.00	159.00	162.00	150.00	117.00	117.00	117.00
Petrol (95 Octane)	Rs/ltr	-	53.00	53.00	52.00	56.00	73.00	83.00	95.00	120.00	133.00	133.00	133.00	155.00	167.00	170.00	158.00	128.00	128.00	128.00
Auto Diesel	Rs/ltr	12.40	24.50	26.50	30.00	32.00	44.00	50.00	60.00	75.00	70.00	73.00	73.00	84.00	115.00	121.00	111.00	95.00	95.00	95.00
Super Diesel	Rs/ltr	15.20	29.80	31.80	35.30	37.30	49.30	55.30	65.30	80.30	85.30	88.30	88.30	106.30	142.00	145.00	133.00	110.00	110.00	110.00
Kerosene	Rs/ltr	9.50	18.40	17.40	24.00	25.50	25.50	30.50	48.00	68.00	50.00	51.00	51.00	71.00	106.00	106.00	81.00	49.00	49.00	44.00
Furnace Oil - 800 Sec	Rs/ltr	6.80	15.10	17.00	21.90	23.70	25.20	32.80	45.80	53.90	33.90	32.90	42.20	52.20	92.20	92.20	92.20	82.20	82.20	82.20
Furnace Oil - 1000 Sec	Rs/ltr	6.50	14.60	16.50	21.20	23.20	24.70	31.40	44.40	44.40	52.70	52.70	48.70	48.70	-	-	-	-	-	80.00
Furnace Oil - 1500 Sec	Rs/ltr	n.a.	14.00	15.80	20.70	22.30	24.30	30.30	43.30	51.70	25.00	32.70	40.00	50.00	90.00	90.00	90.00	80.00	80.00	80.00
Furnace Oil - 3500 Sec	Rs/ltr	n.a.	12.40	14.10	18.90	20.70	22.00	28.00	41.00	41.00	45.00	26.00	40.00	50.00	90.00	90.00	-	80.00	80.00	80.00
<b>Quantity Imported</b>																				
Crude Oil	Mt 000'	1,872	2,330	1,955	2,300	1,995	2,200	2,008	2,151	1,968	1,853	2,066	1,819	2,070	1,486	1,743	1,824	1,763	1,685	1,591
Refined Products (b)	Mt 000'	563	1,266	1,419	1,344	1,168	1,644	1,823	1,926	2,411	2,476	2,264	2,991	4,283	4,891	4,376	4,993	5,204	3,885	4,895
L.P. Gas	Mt 000'	66	134	126	137	141	148	149	158	156	144	146	163	180	199	197	198	277	345	387
<b>Domestic Production</b>																				
L.P. Gas	Mt 000'	14	12	15	20	20	15	13	15	16	16	24	23	24	17	22	28	10	9	19
<b>Local Sales</b>																				
Petrol (92 Octane)**	Mt 000'	190	220	244	277	375	417	526	454	487	490	518	573	676	726	733	767	911	1,036	1,109
Petrol (95 Octane)	Mt 000'	n.a.	4	5	9	16	20	23	24	31	29	22	22	35	40	55	69	100	137	168
Auto Diesel	Mt 000'	789	1,715	1,675	1,728	1,663	1,890	1,862	1,633	1,752	1,606	1,681	1,663	1,985	2,054	1,705	1,947	1,779	2,143	2,194
Super Diesel	Mt 000'	107	47	49	47	42	36	17	9	14	9	9	12	15	42	50	61	74	75	92
Kerosene	Mt 000'	222	229	228	229	207	204	252	206	168	151	151	165	169	143	126	122	130	137	161
Furnace Oil	Mt 000'	241	785	811	758	715	748	1,026	912	986	999	1,110	1,117	1,222	1,322	827	915	630	817	1,040
L.P. Gas	Mt 000'	77	146	141	157	161	166	165	170	197	174	194	210	228	228	218	232	293	356	412
Petroleum Tax Revenue	Rs Mn.	n.a.	n.a.	n.a.	19,702	22,291	25,876	27,413	26,004	23,270	33,072	32,287	39,434	32,725	39,556	76,775	64,128	89,303	158,370	172,302
o/w Excise Duty	Rs Mn.	n.a.	10,700	12,948	16,708	13,251	14,817	17,041	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719	73,983

Sources: Ceylon Petroleum Corporation, Central Bank of Sri Lanka and Energy Statistics on Index Mundi([www.indexmundi.com/commodities](http://www.indexmundi.com/commodities))

(a) Provisional

(b) Including Coal Imports

\*Annual Average

\*\*Petrol(92 Octane) prices were given from 2014.

Table 24 | Petroleum Products Tax Structure

Item	Unit																
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<b>Petrol</b>																	
Value Added Tax (VAT)	%	10	10	15	15	15	15	5	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Import Duty	Rs. per ltr	Free	Free	Free	Free	20	20	16	Rs.35 Duty waived	Rs.35 Duty waived	Rs.35 Duty waived	Rs.35 Duty waived	35	35	35	35	
Excise Duty	Rs. per ltr	21	21	20	20	20	20	25	25	25	25	27	27	27	27	27	
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	5	5	5	5	5	5	5	
Nation Building Tax (NBT)	%	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Social Responsibility Levy (SRL)	%	1	1	1	1.5	1.5	1	1.5	1.5	-	-	-	-	-	-	-	
Surcharge	%	10	10	10	10	10	10	15	Free	-	-	-	-	-	-	-	
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	
<b>Diesel</b>																	
Value Added Tax (VAT)	%	10	10	15	15	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Rs.15 Duty waived	Rs.15 Duty waived	Rs.15 Duty waived	Rs.15 Duty waived	Rs.15 Duty waived	Rs.15 Duty waived	15	15	
Excise Duty	Rs. per ltr	3	3	2.25	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3	3	3	3	3	
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	5	5	5	5	5	5	5	
Nation Building Tax (NBT)	%	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1.5	1.5	-	-	-	-	-	-	-	
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-	
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	
<b>Kerosene</b>																	
Value Added Tax (VAT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	
Excise Duty	Rs. per ltr	1.25	1.25	1.25	1.25	1.25	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	5	5	5	5	5	5	5	
Nation Building Tax (NBT)	%	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1.5	1.5	-	-	-	-	-	-	-	
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-	
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	
<b>L.P. Gas</b>																	
Value Added Tax (VAT)	%	10	10	15	15	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	
Excise Duty	Rs. per ltr	Ex	Ex	Ex	Ex	Ex	5% or Rs. 8 ltr	5% or Rs. 14 ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Ports and Airports Development Levy (PAL)	%	1	1	1	1.5	2.5	3	3	3	5	5	5	5	5	5	5	
Nation Building Tax (NBT)	%	-	-	-	-	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	
Social Responsibility Levy (SRL)	%	-	-	-	-	-	1	1.5	1.5	-	-	-	-	-	-	-	
Surcharge	%	-	-	-	-	-	10	10	15	Free	-	-	-	-	-	-	
Provincial Turnover Tax (PTT)	%	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	

Source: Department of Fiscal Policy  
Note: EX - Exempted

Table 25 | Health Services

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Hospitals</b>	No.	535	581	594	605	605	605	606	604	734	747	716	740	778	790	809	811	831	823	790
Public		535	581	594	605	605	605	606	604	619	612	555	568	592	593	603	601	610	610	612(d)
Private		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	115	135	161	172	186	197	206	210	221	225(e)	178(d)
Central Dispensaries	No.	386	389	389	385	398	397	397	397	387	417	461	476	475	480	481	484	475	475(d)	506(d)
Beds	No.	47,665 (b)	58,423	58,833	59,781	61,522	61,868	61,937	61,835	66,430	66,835	68,905	69,501	69,731	73,437	79,945(c)	82,604(c)	76,781	76,781(d)	76,829(d)
<b>Doctors</b>	No.	3,986	10,285	10,975	10,328	11,834	12,210	12,692	13,276	14,060	15,185	15,930	16,492	18,299	18,252	19,672	21,277	21,837	21,168	23,649
Administrative MOO		n.a.	101	97	102	101	106	124	124	128	131	136	138	240	211	143**	128	203	84	77
Specialist MOO		n.a.	697	683	669*	719	791	848	905	959	1,006	1,135	1,216	1,264	1,458	1,566	1,493	1,836	1,703	1,446
Medical Officers		n.a.	6,873	7,235	7,459	8,342	8,749	9,070	9,297	9,662	10,932	11,684	11,782	12,630	13,329	14,584	15,873	15,833	16,934	20,575(d)
Dental Surgeons		n.a.	589	954	726	763	774	805	848	849	879	1,022	1,209	1,230	1,110	1,279	1,324	1,391	1,416	550
RMO/AMO		n.a.	1,332	1,330	1,295	1,285	1,276	1,260	1,245	1,244	1,244	1,188	1,158	1,100	1,082	1,057	1,055	1,017	1,031	1,001(d)
Nurses	No.	13,310	14,931	15,061	16,139	16,771	17,316	20,332	20,912	22,088	22,977	26,351	27,494	29,234	30,217	30,928	31,527	32,272	32,499	34,221
Public Health Nursing Sisters (PHNS)	No.	174	292	308	303	298	311	308	312	297	210	328	365	326	364	331	n.a.	299	241	40(d)
Public Health Midwives (PHM)	No.	4,383	5,371	5,189	5,342	7,453	7,407	7,316	7,165	7,590	8,722	8,276	8,276	8,385	8,703	9,120	9,164	9,021	8,842	1,110(d)
Public Health Inspectors (PHI)	No.	932	1,448	1,450	1,482	1,517	1,564	1,581	1,574	1,662	1,695	1,691	1,689	1,718	1,644	1,713	1,867	1,664	1,729	169(d)
Health Education Officers (HEOO)	No.	n.a.	50	54	52	51	51	49	50	43	43	51	50	56	47	48	40	47	44	2(d)
Professions Supplementary to Medicine (PSM)	No.	n.a.	2,153	2,313	2,357	2,471	2,456	2,557	2,485	2,488	2,756	3,251	3,509	3,553	3,694	3,699	3,773	3,995	2,848	3,106
Medical Lab Technicians (MLTT)		n.a.	733	860	873	910	899	984	913	910	1,020	1,332	1,422	1,415	1,399	1,421	1,423	1,448	1,067	1,108
Physiotherapists		n.a.	208	199	203	211	209	220	217	215	241	268	322	328	339	319	340	400	367	454
Radiographers		n.a.	288	320	338	346	341	345	340	336	385	464	477	485	534	536	531	551	421	425
Occupational Therapists		n.a.	45	49	47	49	49	47	46	47	56	75	92	100	105	94	93	101	98	120
Pharmacists		n.a.	879	885	896	955	958	961	969	980	1,054	1,112	1,196	1,225	1,317	1,329	1,386	1,495	895	999
Attendants	No.	5,579	7,309	7,163	6,955	6,880	6,696	6,705	7,091	7,129	7,184	8,358	8,189	8,403	8,375	8,091	8,096	8,689	8,268(d)	8,562(d)

Source: Ministry of Health and Indigenous Medicine

(a) Provisional

(b) Excluding Northern province

(c) Private and Public Hospitals

(d) Including only line Ministry

(e) Including PGIM Trainees

\*Excluding Specialist MOO attached to Anti Filariasis Campaign, Blood Bank Colombo, Faculty Staff Colombo, Fever HS Colombo, Mental HS Angoda, Rehabilitation HS Ragama, NIHS, STD Clinic Katugastota, BH Kalmunai South, BH

Delhiattakandiya, DH Madirigiriya &amp; BH Nikaweratiya

\*\* Permanently employed

Table 26 | Education

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (a)
<b>General Education</b>																				
Schools	No.	10,832	10,615	10,552	10,508	10,473	10,501	10,461	10,459	10,430	10,445	10,205	10,502	10,549	10,737	10,849	10,971	10,997	11,021	11,053
Government		10,239	9,976	9,891	9,829	9,790	9,765	9,723	9,714	9,678	9,662	9,410	9,685	9,731	9,905	10,012	10,121	10,144	10,162	10,194
o/w National		198	317	320	323	323	324	324	327	328	330	334	340	342	342	350	352	352	353	353
Private		79	78	78	80	85	85	91	92	94	92	98	98	98	98	103	103	104	105	106
Privenas		514	561	583	599	598	651	653	654	658	691	697	719	720	734	734	747	749	754	753
Students	000'	4,351	4,340	4,337	4,179	4,099	4,029	4,098	3,999	4,111	4,101	4,038	4,119	4,159	4,195	4,234	4,272	4,330	4,345	4,367
Government		4,216	4,194	4,187	4,027	3,942	3,871	3,937	3,838	3,942	3,930	3,865	3,940	3,974	4,004	4,037	4,078	4,129	4,143	4,166
National		391	717	746	706	644	684	723	682	730	749	759	785	800	793	797	797	806	803	811
Provincial		3,825	3,477	3,441	3,322	3,298	3,186	3,214	3,156	3,212	3,181	3,106	3,155	3,174	3,211	3,240	3,281	3,324	3,340	3,355
Private		88	95	97	97	101	101	106	106	114	115	115	117	122	126	130	131	136	136	139
Privenas		47	51	53	55	56	57	55	55	55	56	58	62	63	65	66	63	65	66	62
Teachers	No.	195,388	194,718	198,410	196,407	196,897	197,697	199,715	215,439	220,204	223,314	224,672	226,646	231,819	235,533	236,131	245,922	250,850	249,374	254,392
Government		187,571	186,097	189,485	186,999	186,695	187,337	189,234	204,645	209,197	212,116	213,126	214,562	219,886	223,333	223,752	232,990	236,999	235,999	241,018
Private		3,677	4,332	4,343	4,569	4,913	4,846	5,000	5,266	5,414	5,454	5,701	5,994	5,804	6,114	6,317	6,471	7,075	6,872	7,039
Privenas		4,140	4,289	4,582	4,839	5,289	5,514	5,481	5,528	5,593	5,744	5,845	6,090	6,129	6,086	6,062	6,461	6,776	6,503	6,335
<b>University Education</b>																				
Universities	No.	9	15	15	15	15	15	17	17	17	17	17	17	17	17	17	17	17	17	17
UGC (a)		9	13	13	13	13	13	15	15	15	15	15	15	15	15	15	15	15	15	15
MoHE		-	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Students	No.	36,669	56,071	57,414	58,382	70,995	73,083	74,458	78,600	80,836	80,057	82,822	86,592	92,963	86,197	94,492	105,084	109,870	111,065	117,080
UGC (b)		32,004	50,636	51,017	52,253	64,337	64,952	66,386	68,588	71,257	69,491	71,471	73,398	77,657	70,222	77,126	83,539	87,085	87,741	92,244
OUSL		4,665	5,349	6,260	5,952	6,454	7,908	7,774	9,700	9,222	10,153	10,904	12,818	14,915	15,418	16,739	20,916	22,097	22,546	21,144
MoHE		-	86	137	177	204	223	298	312	357	413	447	376	391	557	627	629	688	778	692
New Admissions	No.	8,015	11,805	11,962	12,144	25,471*	13,396	14,520	16,598	17,196	20,069	20,846	21,547	22,016	29,009	24,444	25,200	25,676	29,337	30,391
Employees	No.	8,541	11,486	12,112	12,634	12,390	12,417	13,269	13,859	14,119	14,549	15,412	15,670	15,905	16,301	16,971	17,641	16,007	16,783	17,302
<b>Academics</b>																				
Lecturers		2,808	3,255	3,282	3,425	3,531	3,567	3,814	4,066	4,363	4,504	4,790	5,032	5,117	5,242	5,508	5,688	5,281	5,533	5,591
UGC (a)		2,808	3,241	3,268	3,390	3,487	3,525	3,770	4,016	4,313	4,452	4,735	4,984	5,064	5,176	5,439	5,610	5,199	5,440	5,498
MoHE		-	14	14	35	44	42	44	50	50	52	55	48	53	66	69	78	82	93	93
Non Academic		5,733	8,231	8,830	9,209	8,859	8,850	9,455	9,793	9,756	10,045	10,622	10,638	10,788	11,059	11,463	11,953	10,726	11,250	11,711
<b>Graduate Output**</b>																				
First Degree		4,206	9,374	8,224	9,027	12,436	15,828	12,545	16,812	16,837	19,755	20,931	20,357	23,167	11,788***	20,880	28,357	29,545	29,835	30,090
Postgraduate		1,048	2,169	1,643	1,996	3,796	5,158	4,589	3,071	3,852	4,665	6,518	6,330	5,614	8,054	8,636	8,141	7,513	7,697	7,960

Sources: Ministry of Education and Ministry of Higher Education

OUSL-Open University of Sri Lanka

UGC(a) - Universities under the University Grants Commission, including OUSL

UGC(b) - Universities under the University Grants Commission, excluding OUSL

MoHE - Buddhist and Pali University and Buddhadasa Bikkhu University under Ministry of Higher Education

\* In year 2003, two batches of undergraduates were admitted

\*\* From 2003, Graduate output includes graduates who followed internal and external degree programmes of universities, Open universities and higher educational institutes

\*\*\* Number of graduated has been decreased in 2012 as final exams have not been held in several faculties due to academic & Non academic Strikes in 2012.

(a) Provisional

Table 27 | Access to Banking and Finance

Category	Unit	2000		2001		2002		2003		2004		2005		2006		2007		2008		2009		2010		2011		2012		2013		2014		2015		2016		2017			
		No.	10	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	11	11	11	11	11	11	11	11	11	11	
<b>Domestic Commercial Banks</b>																																							
State			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	2	2	2	2	2	2	2	2	
Private			8	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	9	9	9	9	9	9	9	9
Branches			931	952	987	1,013	1,056	1,090	1,179	1,263	1,289	1,289	1,333	1,417	1,567	1,627	2,582**	2,672**	2,705**	2,788	2,816																		
State			603	604	608	610	620	624	630	633	637	640	640	640	654	675	1,356	1,361	1,366	1,376																			
Private			328	348	379	403	436	466	549	630	652	693	777	913	952	1,226	1,311	1,339	1,411	1,440																			
Other offices			480	523	633	679	700	742	2,296	2,894	3,256	3,452	3,523	3,610	3,727	2,864***	2,871***	2,870***	2,556***	2,639***																			
State			275	275	325	340	348	368	1,955	2,566	2,910	3,077	3,101	3,160	3,265	2,610	2,610	2,610	2,303	2,386																			
Private			205	248	308	339	352	374	341	328	346	375	422	450	462	254	261	260	253	253																			
Automated Teller Machines (ATMs)			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,256	1,510	1,710	1,815	2,035	2,187	2,406	3,188	3,475	4,026																			
State			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	392	490	625	664	740	787	871	894	1,033	1,558																			
Private			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	864	1,020	1,085	1,151	1,295	1,400	1,445	1,512	2,294	2,468																			
<b>Foreign Commercial Banks</b>																																							
Branches			16	14	12	11	11	11	11	12	12	11	11	11	11	11	11	11	11	11																			
Other Offices			38	37	31	32	33	35	39	43	44	44	44	46	49	49	221	221	220	53																			
Automated Teller Machines (ATMs)			7	9	4	6	6	7	23	133	170	170	170	170	171	171																							
<b>Specialized Banks (c)</b>																																							
State			6	8	7	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8																			
Private			6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6																			
Branches			315	328	332	346	375	369	379	409	448	465	500	515	527	645**	652**	624**	683	691																			
State			134	140	142	156	178	170	175	191	229	239	270	280	287	390	541	546	595	600																			
Private			181	188	190	190	197	199	204	218	219	226	230	235	240	255	111	78	88	91																			
Other Offices			18	20	32	33	33	36	212	219	220	233	257	272	273	175***	175***	175***	27***	28***																			
State			11	13	20	21	21	23	194	202	203	215	236	251	251	167	175	175	27	28																			
Private			7	7	12	12	12	13	18	17	17	18	21	21	22	8	-	-	-																				
Automated Teller Machines (ATMs)			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	68	97	119	158	158	180	180	180	295	320																				
Insurance Companies			8	9	11	12	13	14	15	15	16	18	19	22	22	22	21	28	27																				
Registered Finance Companies			25	25	26	26	26	28	29	32	34	35	36	39	47	48	48	46	45																				
Specialized Leasing Companies			n.a.	n.a.	n.a.	13	15	17	18	20	22	21	21	16	13	10	8	7	6																				
Credit Cards Issued			n.a.	n.a.	n.a.	n.a.	153,186	181,857	234,720	200,679	122,083	68,430	90,489	148,481	167,424	166,181	176,750	198,843	264,058	290,264																			
Credit Cards In Use			No.	205,324	255,584	321,145	393,854	491,196	629,740	810,179	905,561	929,112	840,905	778,544	862,352	891,170	951,625	1,032,833	1,145,055	1,315,915	1,486,545																		

Sources: 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. Prade-shiya Sarvaardhana Bank

\*\* All outlets excluding Student Savings Units

\*\*\* This includes Student Savings Units only.

Note: with effect from 01.01.2013 Banking Outlets were reclassified into two categories namely branches and student savings units.

Table 28 | Labour Force and Unemployment

Item	Unit	1995	2000	2001	2002	2003 (a)	2004 (b)	2005 (c)	2006(d)	2007 (d)	2008 (a)	2009 (a)	2010 (a)	2011 (c)	2012 (c)	2013(c)	2014(c)	2015(c)	2016(c)(e)	2017(e)
<b>Labour Force</b>																				
Total Labour Force	000'	6,106	6,827	6,772	7,146	7,653	8,061	8,141	7,576	7,473	8,062	8,051	8,096	7,936	7,808	8,034	8,048	8,214	8,311	8,567
Labour Force Participation Rate	%	47.9	50.3	48.8	50.3	48.9	48.6	48.3	51.2	49.8	49.5	48.7	48.1	52.9	52.5	53.7	53.2	53.8	53.8	54.1
<b>Employed Population by Industry</b>																				
Agriculture	000'	1,967	2,274	2,033	2,248	2,384	2,475	2,306	2,270	2,193	2,474	2,460	2,513	2,519	2,338	2,321	2,223	2,245	2,154	2,140
Industry	000'	1,188	1,491	1,491	1,459	1,611	1,781	1,928	1,888	1,871	2,003	1,905	1,865	1,820	1,942	1,997	2,027	2,018	2,098	2,331
Services	000'	2,202	2,545	2,711	2,813	3,017	3,138	3,284	2,927	2,963	3,151	3,215	3,319	3,262	3,217	3,363	3,450	3,568	3,696	3,737
<b>Unemployment</b>																				
Unemployment No.	000'	749	517	537	626	641	667	623	492	446	433	471	400	335	310	353	348	383	363	359
<b>By Gender</b>																				
Male	000'	368	260	280	310	311	323	302	227	210	194	223	185	142	147	164	165	158	154	156
Female	000'	381	257	257	316	330	344	322	268	237	239	248	215	193	163	189	183	225	209	203
<b>By Age Group</b>																				
15-19 years	000'	157	101	114	125	127	121	122	86	70	68	68	59	43	43	48	49	56	58	46
20-29 years	000'	436	325	340	398	404	422	381	300	272	260	277	240	211	184	208	206	222	221	215
30-39 years	000'	113	62	56	69	74	78	76	59	59	58	71	59	53	49	53	54	61	48	53
Over 40 years	000'	41	30	27	34	36	45	44	48	46	46	55	42	28	34	43	39	45	36	45
<b>By Level of Education</b>																				
Grade 5 & Below	000'	41	16	19	29	31	36	28	23	20	19	20	11	10	8	14	11	10	10	11
Grade 6 - 10	000'	352	236	219	255	258	245	232	207	183	170	188	140	128	116	129	131	132	129	108
GCE O/L	000'	218	134	147	158	167	175	178	131	98	101	109	91	66	84	78	78	94	80	89
GCE A/L & Above	000'	138	131	153	184	185	212	185	133	146	142	154	159	131	102	132	128	148	144	151
<b>Unemployment Rate</b>	%	<b>12.0</b>	<b>7.6</b>	<b>7.9</b>	<b>8.8</b>	<b>8.4</b>	<b>8.3</b>	<b>7.7</b>	<b>6.5</b>	<b>6.0</b>	<b>5.4</b>	<b>5.9</b>	<b>4.9</b>	<b>4.2</b>	<b>4.0</b>	<b>4.4</b>	<b>4.3</b>	<b>4.7</b>	<b>4.4</b>	<b>4.2</b>

Source: Department of Census and Statistics

(a) Data including Eastern provinces but excluding Northern province

(b) Excluding Mullaitivu and Killinochchi districts

(c) All the districts are included

(d) Excluding Northern and Eastern provinces

(e) Provisional

Note: From year 2013 lower bound of working age has changed and therefore age 15 and above population is considered as working age population. Hence, this table provides 2011, 2012 and 2013 statistics considering the new lower bound (for the purpose of comparison)

Table 29 | Average Daily Wages and Strikes

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Paddy Cultivation</b>	Rs. per day																			
Male		n.a.	n.a.	n.a.	279.00	304.00	341.00	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
Female		n.a.	n.a.	n.a.	217.00	230.00	258.00	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
<b>Tea Cultivation</b>	Rs. per day																			
Male		66.50	95.00	101.00	258.00	276.00	304.00	300.00	333.00	375.00	440.00	496.00	543.00	617.00	691.00	764.00	819.00	887.00	952.00	1,085
Female			95.00	101.00	188.00	201.00	218.00	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
<b>Rubber Cultivation</b>	Rs. per day																			
Male		64.01	95.00	95.00	277.00	280.00	304.00	305.00	335.00	389.00	500.00	532.00	588.00	658.00	741.00	853.00	881.00	931.00	978.00	1,113
Female			95.00	95.00	195.00	217.00	229.00	230.00	249.00	277.00	377.00	416.00	463.00	490.00	585.00	652.00	702.00	742.00	786.00	870
<b>Coconut Cultivation</b>	Rs. per day																			
Male		64.01	95.00	110.00	330.00	338.00	366.00	387.00	421.00	479.00	590.00	652.00	699.00	783.00	887.00	997.00	1,061.00	1,114.00	1,182.00	1,284
<b>Carpentry</b>	Rs. per day																			
Master Carpenter		90.33	105.00	165.00	439.00	470.00	516.00	556.00	633.00	732.00	844.00	932.00	1,002.00	1,115.00	1,248.00	1,334.00	1,406.00	1,486.00	1,622.00	1,795
Skilled and Unskilled		n.a.	92.00	145.00	269.00	289.00	356.00	368.00	416.00	479.00	558.00	617.00	657.00	729.00	824.00	903.00	958.00	1,034.00	1,131.00	1,249
<b>Masonry</b>	Rs. per day																			
Master Mason		76.98	105.00	165.00	433.00	466.00	510.00	553.00	629.00	727.00	837.00	935.00	995.00	1,093.00	1,216.00	1,304.00	1,376.00	1,450.00	1,596.00	1,785
Skilled and Unskilled		74.00	92.00	145.00	273.00	504.00	354.00	369.00	413.00	474.00	561.00	627.00	669.00	729.00	823.00	900.00	955.00	1,029.00	1,131.00	1,257
<b>Strikes</b>																				
No. of Strikes		183	87	92	104	98	90	57	53	25	51	8	15	21	34	42	38	51	41	32

Sources: Department of Labour and Central Bank of Sri Lanka  
(a) Provisional

Table 30 | Poverty and Inequality

Index	Unit	Survey period							
		1990/91	1995/96	2002	2006/07	2009/10	2012/13	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	
Puttlam	%	22.3	31.1	31.3	13.1	10.5	5.1	2.1	
Anuradhapura	%	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	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(b)	2017(a)
Total Remittances	US\$ mn	727	1,160	1,155	1,287	1,414	1,564	1,918	2,161	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242	7,164
By Country																				
Middle East		423	730	703	770	804	868	1,089	1,234	1,451	1,745	1,995	2,474	3,030	3,358	3,562	3,902	3,769	3,889	3,711
European Union		108	156	190	220	253	286	355	411	500	525	603	724	885	1,071	1,160	1,270	1,222	1,282	1,311
Europe, Other		41	63	64	71	113	129	135	143	135	128	148	177	232	275	308	337	307	739	824
East Asia		55	68	61	63	69	76	86	110	135	175	203	247	401	509	557	611	698	333	330
North America		58	78	81	87	90	105	125	119	105	114	127	140	154	174	186	204	209	210	208
South and Central America		7	11	12	13	14	15	19	22	20	23	28	35	41	48	58	63	63	398	394
South East Asia		15	22	22	24	27	32	38	52	75	90	100	144	206	263	288	316	391	174	172
South Asia		5	8	7	11	12	13	19	22	25	32	40	58	51	90	83	91	98	109	107
Australia and New Zealand		7	12	14	14	16	23	29	28	33	55	57	82	103	132	147	161	161	51	50
Other		8	12	11	14	16	18	24	22	23	29	30	35	41	66	58	63	63	58	57
<b>Total Departures</b>	<b>No.</b>	<b>172,471</b>	<b>182,188</b>	<b>184,007</b>	<b>203,773</b>	<b>209,846</b>	<b>214,709</b>	<b>231,290</b>	<b>201,948</b>	<b>218,459</b>	<b>250,499</b>	<b>247,126</b>	<b>267,507</b>	<b>262,961</b>	<b>282,447</b>	<b>293,218</b>	<b>300,703</b>	<b>263,443</b>	<b>242,816</b>	<b>212,162</b>
Professional		878	935	1,218	1,481	1,541	1,827	1,421	1,713	1,653	2,835	2,832	3,057	3,844	4,448	5,151	5,372	6,251	6,578	6,371
Middle Level		2,495	3,781	3,776	4,555	7,507	6,561	8,042	6,638	3,962	8,667	6,388	6,884	6,134	9,280	16,510	20,778	6,951	8,234	7,124
Clerical and Related		4,594	5,825	6,015	7,239	6,779	6,679	7,742	7,911	4,551	6,791	6,719	7,923	9,906	16,184	26,561	29,267	12,501	10,862	9,265
Skilled		27,165	36,475	36,763	45,478	47,744	45,926	46,688	45,063	50,263	59,718	61,321	71,537	67,726	67,150	73,707	73,162	81,682	76,545	68,993
Semi Skilled		-	-	-	-	-	-	-	-	3,499	5,326	6,015	4,932	4,180	3,467	3,412	3,977	4,847	3,926	3,295
Unskilled		23,479	35,759	33,385	36,485	44,264	43,204	41,904	40,912	52,176	59,239	50,173	60,422	63,680	62,907	70,977	79,519	77,985	71,656	61,057
Housemaids		113,860	99,413	102,850	108,535	102,011	110,512	125,493	99,711	102,355	107,923	113,678	112,752	107,491	119,011	96,900	88,628	73,226	65,015	56,057

Sources: 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																	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Healthcare</b>																		
Pharmaceuticals (free medicine)	4,600	4,482	4,721	4,068	6,796	7,100	11,379	10,804	12,082	12,149	13,544	16,617	16,740	27,269	34,805	31,703	38,028	38,566
<b>Empowering the Vulnerable and Needy</b>																		
Samurdhi	9,638	12,057	9,920	8,756	8,497	9,103	10,789	9,200	9,995	9,267	9,241	9,044	10,553	15,256	15,042	39,994	40,740	39,707
No. of Beneficiaries (Families Mn)	2.0	2.0	1.9	1.9	1.9	2.0	1.9	1.8	1.6	1.6	1.6	1.5	1.5	1.4	1.5	1.4	1.4	1.4
Assistance to Elderly	-	-	-	-	-	-	648	326	922	960	650	950	554	2,045	2,655	8,039	9,060	9,008
Allowance for Handicapped Students	-	-	-	-	-	40	50	71	70	74	71	80	80	123	138	220	247	195
Allowance for Disabled People	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	43	75	74	75	394	403	513	479	936	1,114	1,125
Financial Supports for Kidney Patients	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	487	869
<b>Empowering Government Security Forces</b>																		
Allowance for the Third Child of Soldiers	-	-	-	-	-	-	-	-	-	-	-	297	313	458	46	-	-	-
Death and Disabled Soldiers Compensation	-	-	-	-	-	4,749	5,921	7,426	8,694	9,796	10,500	13,316	14,779	16,152	18,244	23,433	26,772	27,810
<b>Agriculture Development</b>																		
Fertilizer	1,765	3,649	2,446	2,487	3,571	6,846	10,700	11,000	26,450	26,935	23,028	29,802	36,456	19,706	31,858	49,571	27,771	30,361
Paddy Purchasing (To Stabilise Paddy Prices)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	755	990	680	1,060	1,805	1,629	1,440	1,789	228	7,480	242	-
Fertilizer Subsidy for Small holders of Tea, Rubber & Coconut Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,862	1,466
<b>Commercial Crop Development</b>																		
Crop Subsidy																		
Tea	81	96	141	160	206	183	188	199	232	211	191	171	182	272	331	7,292	549	445
Rubber	90	69	54	61	50	115	176	193	275	200	371	485	435	587	763	2,871	713	703
Coconut	68	69	126	218	56	124	270	179	222	237	269	293	353	403	485	471	709	598
Cashew	11	12	25	13	15	18	22	23	35	34	25	29	27	49	40	35	40	54
Minor Crops - (Cinnamon, Cocoa, Coffee, Pepper)	104	99	40	32	40	45	79	134	117	175	180	220	185	207	254	360	380	336
<b>School Children and University Students</b>																		
School Uniforms	n.a.	n.a.	799	601	1,099	1,060	963	1,067	582	1,260	950	1,364	2,218	2,300	3,574	2,261	2,157	2,479
Season Tickets	225	225	225	225	225	250	250	500	600	1,384	1,369	1,359	1,233	1,430	1,695	1,800	1,998	4,923
School and Dharma School Text books	n.a.	n.a.	n.a.	970	1,099	1,080	1,123	2,250	3,387	2,196	2,056	2,337	2,127	2,583	2,773	3,979	5,599	4,476
Grade V Scholarships, Mahapola and Bursary	222	255	n.a.	441	362	421	235	201	565	578	645	777	790	801	852	1,390	1,914	1,344

Table 32 | Welfare Payments and Development Subsidies contd...

Description	Rs. million																		
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)	
Nutrition Program	-	-	5	43	61	166	722	1,308	1,649	2,251	2,475	2,631	2,790	3,077	3,725	3,938	3,916	4,434	
Thripasa for Children and Expectant Mothers	246	487	617	512	304	504	537	488	649	1,155	865	1,336	1,189	1,396	1,787	1,956	1,351	1,692	
Poshana Malla for Expectant Mothers	-	-	-	-	-	-	82	418	386	505	388	360	249	203	279	2,422	5,746	5,408	
Fresh milk for Pre-school and school Children	-	-	-	-	-	-	-	13	35	167	178	249	205	230	197	189	106	434	
Poshana Manpetha and Lama Saviya	-	-	-	-	13	4	25	22	24	30	30	18	17	19	21	49	30	-	
Health Insurance for School Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,700	
Uniforms and library allowance for Dhamma School Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	352	306
<b>Disaster Assistance</b>																			
Flood and Drought Relief	-	-	-	-	310	348	171	345	323	738	264	649	153	148	521	271	132	5,852	
Cooked Meals and Dry Rations	-	-	-	-	1,800	1,482	2,586	1,670	1,457	2,859	1,000	199	54	32	28	118	111	-	
Disaster Related Development Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,120	1,822	
<b>Assistance to Religious Places</b>																			
Water for Religious Places	-	-	-	-	-	45	45	30	46	144	42	46	49	47	50	50	-	-	
<b>Losses of Public Enterprises</b>																			
Petroleum (Ceylon Petroleum Corporation)	16,062	-	-	-	-	-	946	-	11,085	7,717	20,295	85,165	89,656	7,969	-	19,468	69,620	2,756	
Kerosene	-	12	-	-	-	-	-	259	357	-	-	-	-	-	-	-	-	-	
Electricity (Ceylon Electricity Board)	4,147	6,195	3,023	-	10,124	6,852	14,176	22,314	33,870	7,440	-	19,266	61,164	-	15,737	-	14,499	42,371	
Water	-	-	139	134	837	92	214	1,278	2,915	1,417	5,955	-	578	-	-	252	2,977	1,882	
Railway	1,671	1,820	1,966	2,062	2,650	3,505	3,981	4,298	4,553	4,768	3,173	4,060	3,796	5,163	11,034	7,714	6,773	7,595	
Sri Lanka Transport Board	984	2,403	2,197	2,464	3,515	2,778	2,542	2,312	6,261	8,026	827	3,307	4,287	4,333	6,351	5,229	3,617	5,697	
<b>Transport Facilities</b>																			
SLTB Transport Facilities - Un - economical Routes	350	1,263	1,715	1,834	3,065	3,689	4,360	3,159	3,736	2,332	2,460	1,922	2,184	2,335	4,770	4,975	4,999	5,000	
Transportation Facilities for Armed Forces	-	-	-	-	-	-	-	-	200	598	208	257	182	169	276	300	289	321	
<b>Common Facilities</b>																			
Street Lighting	-	-	300	294	-	800	900	1,000	1,300	204	360	123	-	-	-	-	-	-	
<b>Total</b>	<b>40,263.7</b>	<b>33,191.8</b>	<b>28,459.3</b>	<b>25,375.5</b>	<b>44,694.6</b>	<b>51,401.1</b>	<b>74,834.7</b>	<b>83,520.5</b>	<b>133,828.7</b>	<b>106,940.8</b>	<b>103,489.0</b>	<b>198,751.1</b>	<b>255,420.9</b>	<b>117,062.8</b>	<b>159,037.0</b>	<b>228,766.0</b>	<b>277,020</b>	<b>252,868</b>	

Sources: Department of National Budget, Department of Treasury Operations and Department of Public Enterprises  
(a) Provisional

Table 33 | Tourism

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Tourist Arrivals by Country of Nationality</b>	No.	403,095	400,414	336,794	393,171	500,638	566,202	549,308	559,603	494,008	438,475	447,890	654,476	855,975	1,005,605	1,274,593	1,527,153	1,798,380	2,050,832	2,116,407
North America		14,580	17,352	16,304	20,004	25,095	30,654	46,727	35,688	28,338	23,203	25,044	40,552	53,658	59,236	65,616	72,653	91,956	98,376	104,375
Latin America & the Caribbean		594	342	400	549	636	715	732	805	4,104	3,721	666	594	1,167	1,626	3,166	3,202	5,698	5,625	6,482
Western Europe		251,061	261,011	204,510	200,676	255,179	285,366	227,558	228,666	195,813	165,822	170,186	255,172	320,431	373,063	421,037	498,758	599,415	643,333	680,901
Eastern Europe		4,551	6,840	7,045	8,046	10,600	14,259	9,305	14,236	25,485	29,352	26,177	35,630	51,922	72,401	125,695	141,984	125,284	161,171	161,967
Middle East		3,816	4,347	5,364	6,462	6,759	9,486	10,230	10,191	13,587	16,701	23,821	37,501	36,376	56,169	80,509	88,654	101,676	107,635	95,581
Africa		732	891	902	1,545	1,925	1,759	2,337	3,163	2,991	2,354	1,591	2,249	6,736	5,045	8,081	10,674	14,473	12,144	12,703
Asia		117,513	91,409	89,343	142,578	177,377	196,023	222,844	241,954	200,697	175,944	174,382	245,753	334,274	380,289	509,653	640,045	787,483	938,697	962,395
Australasia		10,248	18,222	12,926	13,311	23,067	27,940	29,575	24,900	22,993	21,378	26,023	37,025	51,411	57,776	60,836	71,183	72,395	83,851	92,003
<b>Tourist Arrivals by Purpose of Visit</b>	No.																			
Leisure		383,570	360,887	300,545	335,898	404,327	442,534	382,321	377,093	331,238	321,079	358,188	516,538	687,830	748,436	915,158	1,037,644	1,198,240	1,710,027	1,776,503
Private & Official Business		10,772	19,346	22,677	36,793	45,762	59,961	92,789	99,404	52,116	37,261	38,473	83,270	68,436	90,040	67,553	4,616	6,705	37,121	60,940
Convention & Meetings		3,895	-	-	5,319	10,048	14,037	12,543	17,009	7,620	5,867	6,262	6,350	14,681	22,220	26,766	4,495	5,240	16,652	n.a.
Visiting Friends & Relations		3,258	8,480	6,205	7,823	31,188	36,105	43,943	42,617	40,968	36,304	23,122	35,386	70,531	117,520	164,422	419,266	458,411	236,127	n.a.
Religious & Cultural		1,119	6,891	3,974	3,771	5,765	8,289	5,400	9,561	13,902	11,523	9,127	5,150	2,321	22,371	65,004	200	1,202	390	n.a.
Other		487	4,810	3,393	3,567	3,552	5,279	12,312	13,919	48,164	26,441	12,718	7,782	12,178	5,018	35,689	60,932	128,582	50,515	n.a.
Official Tourist Receipts *	US \$ Mln	225	253	211	253	340	417	362	410	384	342	349	575	830	1,038	1,715	2,431	2,981	3,519	3,925
Receipt Per Tourist Per Day *	US\$	56.1	62.3	63.1	63.4	66.8	72.2	74.6	83.4	79.1	76.7	81.8	88.0	98.0	103.0	156.5	160.8	164.1	168	170
Average Duration (Nights)*	No.	10	10	10	10	10	10	9	10	10	10	9	10	10	10	9	10	10	10	11
<b>Accommodation Capacity Hotels (Classified/ unclassified and Boutique Hotels)</b>	No.																			
Rooms		11,255	13,311	13,626	13,818	14,137	14,322	13,162	14,218	14,604	14,793	14,461	14,714	14,653	15,510	16,223	18,510	19,377	22,336	23,477
Beds*		21,680	24,953	25,595	25,956	26,511	26,854	24,740	27,117	27,500	28,698	28,344	28,978	28,844	30,880	32,284	36,883	38,479	45,509	48,550
Foreign Travel by Sri Lankans (Departures)		504,420	524,212	505,341	532,737	591,126	680,248	727,301	756,735	862,011	966,337	962,786	1,122,212	1,239,290	1,268,792	1,261,711	1,311,063	1,356,411	1,447,786	1,439,429

Table 33 | Tourism contd...

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Revenue from Tourism</b>																				
Tourism Development Levy		-	-	-	-	-	300.6	172.5	177.5	214.3	344.5	405.2	516.9	653.5	809.4	1,044.2	1,005.6	1,014.8	1,276.8	1,541.5
Embarkation Tax on Foreign Tourists	Rs. Mn	201.6	200.2	269.3	393.2	500.6	566.2	823.9	839.4	741.0	738.8	766.3	1,000.1	1,041.7	1,161.6	1,604.9	1,779.8	1,968.5	2,355.4	2,378.8
<b>Museums</b>																				
Number of Foreign Visitors		24,997	10,122	11,157	13,577	19,213	23,883	15,281	13,771	9,040	7,353	10,244	22,061	31,096	37,305	44,751	454,053	558,521	59,982	68,107
Revenue from Sale of Tickets	Rs. '000	1,171.0	506.2	620.4	769.0	1,181.1	1,463.2	3,937.6	6,522.5	4,190.9	3,340.6	4,636.4	9,868.6	14,200.0	16,842.5	14,982.0	831,587.0	1,011,585	33,636	50,210
<b>Cultural Triangle</b>																				
Number of Foreign Visitors		166,661	155,167	129,201	131,804	212,521	246,380	110,443	138,232	104,583	112,190	109,404	197,947	239,920	592,980	504,699	627,136	722,676	905,333	978,606
Revenue from Sale of Tickets	Rs. Mn	168.7	276.0	222.0	242.8	403.3	543.1	284.7	400.9	279.8	307.5	402.8	743.5	988.2	1,330.7	1,727.0	2,178.0	2,496	3,363.3	3,774.4
<b>Zoological Gardens</b>																				
Number of Foreign Visitors		189,043	204,681	150,353	147,329	217,930	252,445	135,006	178,902	155,310	153,934	149,833	249,556	284,898	287,485	305,860	348,842	393,064	415,776	369,685
Revenue from Sale of Tickets	Rs. Mn	11.4	29.2	22.2	30.2	42.3	119.5	61.4	82.7	133.1	134.3	201.7	410.1	470.2	480.7	550.9	745.7	813.9	841.1	729.0
<b>Botanical Gardens</b>																				
Number of Foreign Visitors		n.a.	n.a.	n.a.	n.a.	n.a.	238,689	110,639	150,138	113,759	117,751	123,425	210,949	237,763	259,572	293,454	345,468	407,553	465,405	440,207
Revenue from Sale of Tickets	Rs. '000	25,199	29,461	21,226	26,346	57,919	70,704	32,605	44,210	66,560	69,119	72,267	123,162	253,896	279,045	314,871	369,858	435,151	594,297	640,043
<b>Wildlife Parks</b>																				
Number of Foreign Visitors		n.a.	n.a.	n.a.	n.a.	n.a.	88,033	57,441	84,198	58,258	54,323	70,688	143,198	198,536	254,052	325,153	454,053	558,521	783,203	934,633
Revenue from Sale of Tickets	Rs. '000	38,539	60,153	54,390	58,537	102,234	113,802	62,692	99,551	85,733	84,420	103,993	227,249	301,009	468,098	578,459	831,388	1,011,583	1,445,966	1,730,718

Sources: Sri Lanka Tourism Development Authority, Central Cultural Fund

(a) Provisional

\* Estimated

Note: Since 2014, data on "tourist arrivals by purpose of visit" as per the new classification

Table 34 | Livestock Sector

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(b)	2017(a)
<b>Total Livestock Population</b>		12,738	12,652	12,671	13,402	11,683	13,001	13,619	15,133	15,820	16,444	15,591	16,076	16,262	16,191	18,619	18,468	18,542	39,108	44,382
Cattle	No. '000	1,704	1,148	1,153	1,113	1,139	1,161	1,185	1,215	1,223	1,196	1,137	1,170	1,192	1,254	1,169	1,105	1,088	1,366	1,390
Buffalo	No. '000	764	305	290	282	280	302	308	314	319	440	372	423	405	415	381	321	323	426	439
Goat/Sheep	No. '000	610	506	504	360	424	417	405	395	405	387	385	381	384	394	341	307	317	470	513
Swine	No. '000	87	71	68	82	68	79	85	92	94	89	81	84	82	89	81	105	70	125	150
Chicken	No. '000	9,573	10,622	10,655	11,564	9,772	11,042	11,636	13,117	13,779	14,331	13,615	14,018	14,199	14,039	16,647	16,630	16,744	36,720	41,890
<b>Total Production</b>																				
Milk	Mn Lt.	333	181	183	183	187	190	193	197	202	208	233	248	258	299	329	334	374	454	483
Chicken meat	Mt '000	39	67	71	75	80	78	86	85	100	103	99	104	117	137	145	150	164	174	197
Eggs	Mn	862	1,032	1,172	1,290	1,357	1,595	1,449	1,243	1,252	1,380	1,099	941	1,185	2,279	1,637	1,721	1,899	2,201	2,739
Mutton	Mt	2,213	2,100	1,900	2,000	1,700	1,800	1,800	1,700	1,600	1,400	1,500	1,700	1,790	1,600	1,840	1,340	1,350	1,400	1,420
Pork	Mt	2,339	5,500	5,500	9,500	9,500	10,000	11,000	11,500	11,700	11,100	10,120	10,435	9,800	7,030	7,040	7,080	7,018	7,280	7,890
<b>Domestic Demand</b>																				
<b>Domestic Demand - Milk</b>																				
Milk Requirement	Mn. Ltrs per Year	664.3	674.2	683.6	693.5	702.6	710.3	717.6	725.6	730.4	738.0	746.4	753.7	767.0	742.0	740.0	937.7	1,035.0	1,166.5	1,206.6
Domestic Production	Mn Ltrs.	333.3	181.5	183.0	183.2	186.8	190.3	192.7	196.6	202.0	208.0	233.3	247.5	258.3	299.3	329.2	333.9	374.4	453.8	482.7
Domestic Production / Total Req. Ratio	%	50.2	26.9	26.8	26.4	26.6	26.8	26.9	27.1	27.7	28.2	31.3	32.8	33.7	40.0	44.5	35.6	36.2	35.0	40.0
Production Gap	Mn Ltrs.	331.0	492.7	500.6	510.3	515.8	520.0	524.9	529.0	528.4	530.0	513.1	506.2	508.7	442.7	410.8	603.8	631.6	712.6	723.9
<b>Domestic Demand - Chicken</b>																				
Chicken Requirement	Mt'000 per year	232.5	236.0	239.3	242.7	245.9	248.6	251.2	253.8	256.5	261.1	261.2	263.8	266.6	259.7	261.7	148.7	165.0	174.1	197.0
Domestic Production	Mt'000	38.9	66.5	71.3	74.7	80.3	77.8	86.3	85.3	100.1	102.5	99.3	104.2	116.8	137.4	144.5	150.3	164.5	173.83	196.6
Production Gap	Mt'000	193.6	169.5	168.0	168.0	165.6	170.8	164.9	168.6	156.5	158.6	162.0	159.6	149.8	122.3	117.2	-	-	-	0.4
<b>Domestic Demand - Eggs</b>																				
Egg Requirement	Mn. per Year	3,321.5	3,370.8	3,418.2	3,467.5	3,513.1	3,551.5	3,588.0	3,626.3	3,664.6	3,730.3	3,732.1	3,768.6	3,809.0	3,710.0	3,738.0	2,231.0	2,202.5	2,201	2,739.1
Domestic Production	Mn.	861.7	1,032.1	1,172.4	1,289.5	1,356.6	1,594.8	1,449.0	1,243.0	1,252.0	1,380.0	1,099.0	941.0	1,185.3	2,278.7	1,636.8	1,721.0	1,899.0	2,201	2,739.1
Production Gap	Mn.	2,459.8	2,338.7	2,245.9	2,178.0	2,156.5	1,956.7	2,139.0	2,383.3	2,412.6	2,350.3	2,633.1	2,827.6	2,623.7	1,431.3	2,101.2	510.0	303.5	-	-
<b>Per Capita Availability</b>																				
Milk	LME L per Year	18.4	9.8	9.7	9.7	9.7	9.8	9.8	9.9	10.1	10.3	11.4	12.0	12.4	14.7	16.1	16.1	17.9	51.9	56.0
Chicken Meat	kg per Year	2.2	3.6	3.8	3.9	4.2	4.0	4.4	4.3	5.0	5.0	4.9	4.9	5.7	6.8	7.1	7.2	7.8	8.31	9.2
Eggs	No. per Year	46.9	55.9	62.6	67.8	70.3	82.0	73.7	62.6	62.4	67.5	53.7	45.6	82.0	112.7	102.6	107.9	109.1	105.0	127.8
Mutton	kg per Year	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	...	0.1	0.1	0.1	0.1	0.1
Pork	kg per Year	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.3	0.3	0.3	0.3	0.35

Table 34 | Livestock Sector contd...

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016(b)	2017(a)
Beef	kg per Year	1.5	1.6	1.5	1.5	1.5	1.5	1.5	1.4	1.3	1.1	1.1	1.1	1.7	1.7	1.8	1.6	1.5	1.5	1.4
<b>Imports</b>																				
Milk and Milk Products																				
	Mt	50,185	52,526	49,068.6	60,768.5	58,461.2	52,701.8	52,788.1	65,840.3	61,241.8	65,376.1	63,873.5	75,482.6	88,129.0	83,818.0	69,452.0	71,026.8	86,327.5	99,593.4	98,863.9
	Rs. Mn	5,532	7,780	9,080.1	9,587.3	10,106.1	11,289.2	12,591.4	16,254.0	19,306.2	30,849.0	18,608.7	29,029.4	38,192.0	39,023.0	37,572.0	44,307.7	34,087.9	36,338.2	48,145.4
Poultry and Poultry Products																				
	Mt	635.6	1,488.7	1,522.7	1,491.0	2,427.7	2,042.1	2,098.5	479.3	1,199.9	2,617.1	989.9	1,235.7	1,952.1	845.0	352.5	354.0	591.6	252.6	203
	Rs. Mn	40.8	90.6	98.8	97.3	149.6	131.2	151.6	32.7	88.7	228.9	85.2	149.7	300.1	148.0	112.0	99.2	129.4	99.6	94.7
Mutton and Mutton Products																				
	Mt	699.5	805.9	596.3	537.5	450.8	536.7	405.7	450.0	415.9	293.1	269.7	284.9	169.2	338.0	385.5	350.3	502.7	485.2	949.3
	Rs. Mn	60.1	87.7	88.7	106.1	100.6	120.1	109.0	116.6	116.4	93.0	58.3	82.2	72.9	200.3	172.8	165.7	218.9	213.7	474.35
Pork and Pork Products																				
	Mt	3.7	19.8	8.9	6.7	8.9	12.8	4.2	48.8	60.3	37.7	0.5	0.2	0.3	0.9	0.1	2.6	...	0.6	49.52
	Rs. Mn	0.9	8.4	4.3	3.4	5.8	4.3	4.6	6.2	27.6	21.1	0.4	0.5	0.4	0.8	0.1	0.5	0.1	0.4	31.11
Beef and Beef Products																				
	Mt	64.3	68.7	53.8	65.9	50.2	53.4	33.6	67.5	23.7	30.1	22.0	28.9	61.1	27.5	36.0	36.1	50.7	72.4	150.97
	Rs. Mn	20.9	26.5	14.6	19.8	21.4	32.2	24.1	29.0	23.1	25.6	16.9	12.7	52.3	24.2	28.5	28.8	39.7	80.2	141.0

Sources: Department of Census and Statistics, Department of Animal Production and Health and Central Bank of Sri Lanka

(a) Provisional

(b) Revised

... negligible

Table 35 | Fisheries Sector

Item	Unit	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(a)
<b>Fishing Fleet Capacity (Total Boats)</b>	No.	27,269	28,148	27,717	28,703	30,295	31,164	30,504	38,819	38,383	39,049	40,245	48,134	53,476	54,310	52,301	62,524	61,354	68,618	46,890
High Seas Boats	n.a.	6	6	6	8	10	9	10	11	10	13	19	26	29	130	-	-	1,576	1,455	1,417
Multi Day Boats		1,639	1,430	1,572	1,614	1,530	1,581	1,328	2,394	2,454	2,529	2,604	2,679	3,843	3,950	4,111*	4,447*	3,456	3,833	2,779
One Day Boats		1,357	1,170	993	1,112	1,486	1,493	1,164	907	1,085	1,110	1,135	1,160	1,120	890	802	876	789	835	868
Out Board 6-8 m FRP		8,564	8,690	8,744	9,033	11,020	11,559	11,010	16,685	15,016	15,016	15,016	15,016	22,890	23,160	23,134	23,982	24,882	26,136	22,394
Motorized Traditional Boats		1,060	1,205	640	776	618	674	1,660	1,842	2,188	2,213	2,238	2,263	2,960	2,340	2,514	2,720	2,179	2,248	2,185
Non-Motorized Traditional Boats (b)		14,649	15,100	15,200	15,600	15,040	15,260	14,739	16,347	16,640	17,178	18,243	26,000	21,650	22,800	20,566	29,325	26,859	32,291	16,035
Beach Scene Boats	**	547	562	560	560	591	588	593	633	990	990	990	990	984	1,040	1,174	1,174	1,613	1,820	1,212
<b>Annual Fish Production</b>	MT	235,750	300,380	284,760	302,890	284,960	286,370	162,680	251,270	291,050	319,120	339,750	384,670	444,830	484,810	512,840	535,050	520,190	530,920	531,310
Marine Fish Catch		217,500	263,680	254,890	274,760	254,680	253,190	130,400	215,980	252,670	274,630	293,170	332,260	385,270	417,220	445,930	459,300	452,890	456,990	449,440
Coastal		157,500	175,280	167,550	176,250	163,850	154,470	63,690	121,360	150,110	165,320	180,410	202,420	222,350	257,540	267,980	278,850	269,020	274,160	259,720
Offshore and Deep Sea		60,000	88,400	87,360	98,510	90,830	98,720	66,710	94,620	102,560	109,310	112,760	129,840	162,920	159,680	177,950	180,450	183,870	182,830	189,720
Inland and Aquaculture		18,250	36,700	29,870	28,130	30,280	33,180	32,280	35,290	38,380	44,490	46,560	52,410	59,560	67,590	66,910	75,750	67,300	73,930	81,870
<b>Fish for Drying or Smoking</b>	MT	36,000	60,900	43,650	61,720	54,340	63,470	18,900	71,740	77,830	93,240	97,690	100,120	112,295	61,320	146,630	157,982	126,390	145,620	138,430

Source: Ministry of Fisheries and Aquatic Resources

(a) Provisional

(b) from 2014 number of nonmotorized Traditional Boats includes both marine and fresh water driven boats.

\* Including High Sea Boats

\*\* Beach Scene boats are included in Non- Motorized Traditional Boats

