



# **ANNUAL REPORT 2021**

MINISTRY OF FINANCE, ECONOMIC  
STABILIZATION & NATIONAL POLICIES  
SRI LANKA

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# MINISTRY OF FINANCE, ECONOMIC STABILIZATION & NATIONAL POLICIES

(AS AT 27<sup>th</sup> MAY 2022)

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(AS AT 27<sup>th</sup> MAY 2022)

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(AS AT 27<sup>th</sup> MAY 2022)

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# HEADS OF STATE BANKS/STATUTORY BOARDS AND OTHER INSTITUTIONS UNDER THE PURVIEW OF THE MINISTRY OF FINANCE, ECONOMIC STABILIZATION & NATIONAL POLICIES (AS AT 27<sup>th</sup> MAY 2022)

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**Central Bank of Sri Lanka**  
Dr. P. Nandalal Weerasinghe  
Governor

**Bank of Ceylon**  
Mr. Kanchana Ratwatte  
Chairman

**People's Bank**  
Mr. Sujeewa Rajapakse  
Chairman

**National Savings Bank**  
Ms. Keasila Jayawardena  
Chairperson

**State Mortgage & Investment Bank**  
Dr. Udaya Sri Kariyawasam  
Chairman

**Housing Development Finance Corporation**  
Ms. R.M.R.W. Manchanayake  
Chairperson

**Regional Development Bank**  
Mr. Mahinda Saliya  
Chairman

**Credit Information Bureau of Sri Lanka**  
Ms. T.M.J.Y.P. Fernando  
Chairman

**National Lotteries Board**  
Mr. Lalith Piyum Perera  
Chairman

**Development Lotteries Board**  
Mr. N.K.A.G. Naragala  
Chairman

**Securities and Exchange Commission of  
Sri Lanka**  
Mr. Viraj Dayarathna P.C.  
Chairman

**Sri Lanka Accounting & Auditing Standards  
Monitoring Board**  
Mr. Mr. J.P.R. Karunaratna  
Chairman

**Public Utilities Commission of Sri Lanka**  
Mr. Janaka Rathnayake  
Chairman

**National Insurance Trust Fund**  
Mr. M.M.M. Maujood  
Chairman

**Insurance Regulatory Commission of Sri Lanka**  
Mr. Razik Zarook  
Chairman

**Sri Lanka Export Credit Insurance Corporation**  
Mr. A.H.W. Ambawatta  
Chairman

**Employees' Trust Fund Board**  
Dr. Y.D.N. Jayathilake  
Chairman

**Shrama Vasana Fund**  
Chairman

**Lady Lochore Loan Fund**  
Ms. Kamala Ranatunga  
Control Trustee

# HEADS OF STATE BANKS, STATUTORY BOARDS AND OTHER INSTITUTIONS UNDER THE PURVIEW OF THE MINISTRY OF FINANCE, ECONOMIC STABILIZATION & NATIONAL POLICIES

(AS AT 27<sup>th</sup> MAY 2022)

---

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Chairman

## **Sri Lanka Insurance Corporation Ltd**

Eng. H.M. Vijitha Herath

Chairman

## **National Health Development Fund**

Chairman

## **Kapruka Fund**

Ms. A.V.K. Madawi Herath

Chairperson

## **Skills Development Fund Ltd**

Eng. (Dr.) L. Pinto

Chairman

## **Local Loans and Development Fund**

Mr. P.A.S.A. Kumara

Chairman

## **Sri Lanka Investors Fund**

Mr. N.M.S. Sirimuttu

Chief Executive Officer

## **Thurusaviya Fund**

Mr. Wijitha Lokunarangoda

Chairman

## **Public Service Pensioners Trust Fund**

Mr. S. Subramaniam

Chairman (Acting)

## **Public Service Mutual Provident Fund**

Mr. R.A.T.A. Ranaweera

Chairman

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AAIB	Agriculture and Agrarian Insurance Board
AASL	Airport and Aviation Services (Sri Lanka) Limited
ACI	Airport Council International
ADB	Asian Development Bank
AIT	Advance Income Tax
APIT	Advance Personal Income Tax
ASPI	All Share Price Index
ASYCUDA	Automated System for Customs Data
ATPS	Alternate Tax Payment System
AWCMR	Average Weighted Call Money Rate
AWDR	Average Weighted Deposit Rate
AWLD	Average Weighted Lending Rate
AWPLR	Average Weighted Prime Lending Rate
BIA	Bandaranaike International Airport
BoC	Bank of Ceylon
BOI	Board of Investment
BOP	Balance of Payment
BP	British Pharmacopoeia
CAR	Capital Adequacy Ratio
CASA	Current and Saving Account Ratio
CBSL	Central Bank of Sri Lanka
CCFL	Colombo Commercial Fertilizer Company Limited
CCPI	Colombo Consumers' Price Index
CEB	Ceylon Electricity Board
CECB	Central Engineering Consultancy Bureau
CESS	Commodity Export Subsidy Scheme
CFC	Ceylon Fisheries Corporation
CFCL	Ceylon Fertilizer Company Limited
CFHC	Ceylon Fishing Harbours Corporation
CICT	Colombo International Container Terminals
CID	Customs Import Duty
CIT	Corporate Income Tax
CKDU	Chronic Kidney Disease of Unknown
COPA	Committee on Public Accounts
CPA	Child Protection Authority
CPC	Ceylon Petroleum Corporation
CPI	Consumer Price Index
CPL	Chilaw Plantations Limited
CRA	Colombo Rubber Auction
CSE	Colombo Stock Exchange
CTA	Colombo Tea Auction



# LIST OF ACRONYMS

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CUB	Committed Undisbursed Balance
DFCC	Development Finance Corporation of Ceylon
DLB	Development Lotteries Board
DRL	Debt Repayment Levy
DRP	Debt Relief Package
DTET	Department of Technical Education and Training
ECT	East Container Terminal
EDSL	Excise Department of Sri Lanka
e-GP	electronic Government Procurement
EMDEs	Emerging Markets and Developing Economies
EMEs	Emerging Market Economies
EPF	Employees' Provident Fund
EPL	Elkaduwa Plantations Limited
ESC	Economic Service Charge
ETF	Employees, Trust Fund
ETFb	Employees Trust Fund Board
FCBUs	Foreign Currency Banking Units
FCTFF	Foreign Currency Term Financing Facility
FDI	Foreign Direct Investment
FGPCs	Farmer's Grain Preservation Centers
FOB	Free on Board
FPSF	Fuel Price Stability Fund
FSRU	Floating Storage Regasification Unit
G to G	Government to Government
GDP	Gross Domestic Products
GIZ	German International Cooperation
GOR	Gross Official Reserves
GOSL	Government of Sri Lanka
GVA	Gross Value Added
GWh	Giga Watt hours
GWP	Gross Written Premium
HDFC	Housing Development Finance Corporation Bank
HDL	Hotel Developers Lanka Limited
ICT	Information and Communication Technology
ILO	International Labour Organisation
IMF	International Monetary Fund
IPP	Independent Power Producer
IRCSL	Insurance Regulatory Commission of Sri Lanka
IRD	Inland Revenue Department
ISBs	International Sovereign Bonds
IT/BPO	Information Technology and Business Processing Outsourcing

# LIST OF ACRONYMS

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ITMIS	Integrated Treasury Management Information System
ITN	Independent Television Network
JEDB	Janatha Estates Development Board
JICA	Japan International Corporation Agency
KGLL	Kahatagaha Graphite Lanka Limited
KPL	Kurunegala Plantations Limited
KTFL	Kalubiwitiyana Tea Factory Ltd
kWh	Kilo Watt hours
LC	Letter of Credit
LCBs	Licensed Commercial Banks
LFPR	Labour Force Participation Rate
LIBOR	London Inter Bank Offered Rate
LMSL	Lanka Mineral Sands Limited
LNG	Liquefied Natural Gas
LSL	Lanka Sathosa Limited
LTU	Large Tax Payers Unit
LTU	Large Tax Administration Unit
M <sub>2b</sub>	Board Money
MarCom	Marketing an Communication
MCU	Medium Corporate Unit
MEs	Micro Enterprises
MFA	Micro Finance Act, No.6 of 2016
MILCO	Milco (pvt) Ltd
MOP	Muriate of Potash
MRPs	Maximum Retail Prices
MSD	Medical Supply Division
MSMEs	Micro, Small and Medium Enterprises
NAITA	National Apprentice and Industrial Training Authority
NBT	Nation Building Tax
NCGI	National Credit Guarantee Institute
NCPI	National Consumer Price Index
NCRCS	New Comprehensive Rural Credit Scheme
NCRE	Non – Conventional Renewable Energy
NGOs	Non-Governmental Organizations
NITF	National Insurance Trust Fund
NLB	National Lotteries Board
NLDB	National Livestock Development Board
NMRA	National Medicines Regulatory Authority
NOP	Net Open Positions
NPL	Non-Performing Loans
NRFC	Non-Resident Foreign Currency

# LIST OF ACRONYMS

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NSB	National Savings Bank
NSBS	Nearest School is the Best School
NVQ	National Vocational Qualifications
NWS&DB	National Water Supply and Drainage Board
OD	Overdrafts
ODA	Official Development Assistance
OGA	Other Government Agencies
OPEC	Organization of Petroleum Export Countries
PAL	Ports and Airport Development Levy
PAYE	Pay – As – You – Earn
PB	Peoples Bank
PDE	Product Design Engineering
PFIs	Participatory Financial Institutions
PFM	Public Finance Management
PIT	Personal Income Tax
PLC	Public Limited Company
PMB	Paddy Marketing Board
PMCU	Primary Medical Care Units
PMU	Project Management Unit
POD	Permanent Overdrafts
PRC	Project Review Committee
PSB	Pradeshiya Sanwardana Bank
RAMIS	Revenue Administration Management Information System
RCU	Regional Corporate Unit
RDB	Regional Development Bank
RFC	Resident Foreign Currency
RFP	Request for Proposals
RII Act	Regulation of Insurance Industry Act, No. 43 of 2000
ROA	Return on Assets
ROE	Return on Equity
RPCs	Regional Plantation Companies
RRMS	Revenue Risk Management System
RSPGLoC	Rooftop Solar Power Generation Line of Credit
RSS1	Rubber Smoked Sheet 1
S & P	Standard and Poor's
SAGT	South Asia Gateway Terminals
SCL	Special Commodity Levy
SD&CC	State Development and Construction Corporation
SDA	Special Deposit Account
SDFR	Standing Deposit Facility Rate
SDR	Special Drawing Rights

# LIST OF ACRONYMS

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SEC	Securities and Exchange Commission
SEC	State Engineering Corporation
SEZ	Special Economic Zone
SGST	Special Goods and Services Tax
SJGH	Sri Jayawardanapura General Hospital
SLA	Sri Lanka Airlines
SLADC	Sri Lanka Ayurvedic Drugs Corporation
SLC	Sri Lanka Customs
SLDBs	Sri Lanka Development Bonds
SLECIC	Sri Lanka Export Credit Insurance Corporation
SLFR	Standing Lending Facility Rate
SLHB	Sri Lanka Handicraft Board
SLIBTEC	Sri Lanka Biotechnology Institute
SLIC	Sri Lanka Insurance Corporation
SLINTEC	Sri Lanka Institute of Nanotechnology
SLPA	Sri Lanka Ports Authority
SLRC	Sri Lanka Rupavahini Corporation
SLREIT	Sri Lanka Real Estate Investment Trust
SLSI	Sri Lanka Standard Institute
SLSPC	Sri Lanka State Plantations Corporation
SLTB	Sri Lanka Transport Board
SLTDA	Sri Lanka Tourism Development Authority
SMELoC	Small and Medium Enterprise Line of Credit
SMEs	Small and Medium Enterprises
SMIB	State Mortgage and Investment Bank
SOBES	State Owned Business Enterprises
SOEs	State Owned Enterprises
SPC	State Pharmaceutical Corporation
SPMC	State Pharmaceutical Manufacturing Corporation
SRCC & T	Strike, Riot, Civil Commotion and Terrorism Fund
SRR	Statutory Reserve Ratio
SSCL	Social Security Contribution Levy
STC	State Timber Corporation
TEU	Twenty-Foot Equivalent Units
TIN	Tax Identification Number
TL	Telecommunication Levy
TSP	Triple Super Phosphate
TVD	Tax on Voluntary Disclosure
TVET	Technical and Vocational Education and Training
UCU	Upper Corporate Unit
UK	United Kingdom

# LIST OF ACRONYMS

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UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNIVOTEC	University of Vocational Technology
US	United States
USD	United States Dollar
USP	United States Pharmacopoeia
VAT	Value Added Tax
VFM	Value of Money
VOAs	Vote on Accounts
VTA	Vocational Training Authority
WB	World Bank
WCT	West Container Terminal
We-Fi	Women Entrepreneurs Financial Institute
WEO	World Economic Outlook
WHO	World Health Organization
WHT	Withholding Tax
WTO	World Trade Organization
Y-O-Y	Year on Year



## SRI LANKA AT A GLANCE 2019 – 2021

	2019	2020	2021 <sup>(a)</sup>		2019	2020	2021 <sup>(a)</sup>
<b>GDP</b>				<b>TOTAL GOVERNMENT DEBT (Rs. Bn)</b>	13,031	15,117	17,589
GDP at Market Prices (Rs.Bn)	14,997	15,027	16,809	Total Government Debt (Percent of GDP)	86.9	100.6	104.6
GDP at Market Prices (USD Bn)	83.9	81.0	84.5	Domestic (Percent of GDP)	45.5	60.3	66.0
Per Capita GDP at Market Prices (Rs.)	687,848	685,587	758,680	Foreign (Percent of GDP)	41.3	40.3	38.6
Per Capita GDP at Market Prices (USD)	3,848	3,695	3,815	Total Debt Service (Percent of GDP)	13.5	12.9	14.1
GDP (Growth %)	2.3	-3.6	3.7				
GNP (Growth %)	2.2	-3.5	4.0	<b>PROVINCIAL BUDGET</b>			
Inflation – GDP Implicit Price Deflator (%) 2010=100	2.6	4.0	7.9	Revenue (Rs.Bn)	91.3	52.2	58.1
Inflation – CCPI (%), 2013=100 (Annual Average)	4.3	4.6	6.0	Tax Revenue (Rs.Bn)	81.5	43.1	51.1
Unemployment (%)	4.8	5.5	5.1	Expenditure (Rs.Bn)	310	337	376
Labour Force Participation Rate (%)	52.3	50.6	49.9	Central Government Transfers (Rs.Bn)	218.8	284.8	318.3
<b>STRUCTURE OF THE ECONOMY</b>				<b>MONETARY SECTOR DEVELOPMENTS</b>			
<b>Share of GDP (%)</b>				Narrow Money (Rs.Bn)	866	1,177	1,460
Agriculture	7.0	7.1	6.9	Broad Money(M <sub>2b</sub> ) (Rs.Bn)	7,624	9,406	10,647
Industry	26.4	25.5	25.9	Money Growth (M <sub>2b</sub> ) (%)	7.0	23.4	13.2
Services	57.5	58.7	58.3				
Tax-Subsidier	9.1	8.7	8.9				
<b>Sectoral Growth (%)</b>				<b>ACCESS TO BANKING &amp; FINANCE</b>			
Agriculture	1.2	-2.2	2.0	Domestic Commercial Banks	13	13	13
Industry	2.6	-6.9	5.3	Branches	2,857	2,869	2,874
Services	2.3	-1.6	3.0	Foreign Commercial Banks	13	11	11
				Branches	50	46	45
<b>EXTERNAL TRADE</b>				Specialized Banks	6	6	6
Exports (USD Mn)	11,940	10,047	12,499	Branches	700	704	705
Imports (USD Mn)	19,937	16,055	20,637				
Trade Balance (USD Mn)	-7,997	-6,008	-8,139	<b>ATMs</b>			
Tourism Earning (USD Mn)	3,607	682	507	Domestic Commercial Banks	5,334	5,687	5,837
Worker's Remittances (USD Mn)	6,717	7,104	5,491	Foreign Commercial Banks	59	57	54
Current Account Balance (USD Mn)	-1,843	-1,187	-3,343	Specialized Banks	401	432	451
Overall Balance of Payment (USD Mn)	377	-2,328	-3,967				
				Insurance Companies	28	27	27
<b>GOVERNMENT FINANCE</b>				Registered Finance Companies	42	40	39
Revenue (Rs.Bn)	1,891	1,368	1,457	Specialized Leasing Companies	4	3	3
Tax Revenue (Rs.Bn)	1,735	1,217	1,298	Student Savings Units	3,783	3,787	3,695
Non-Tax Revenue (Rs.Bn)	156	151	159	Credit Cards Issued	353,826	235,310	285,888
Revenue (USD Mn)	10,577	7,373	7,326	Credit Cards in Use	1,854,103	1,984,525	2,054,985
Tax Revenue (USD Mn)	9,704	6,557	6,527				
Non Tax Revenue (USD Mn)	872	816	800	<b>EXCHANGE RATES</b>			
Total Expenditure and Net Lending (Rs.Bn)	3,338	3,041	3,522	Annual Average			
Current Expenditure (Rs.Bn)	2,425	2,548	2,748	Rs/USD	178.78	185.52	198.88
Capital Expenditure and Net Lending (Rs.Bn)	913	493	774	Rs/SDR	246.97	258.61	283.18
Current Account Balance/(Percent of GDP)	-3.6	-7.9	-7.7				
Primary Deficit/(Percent of GDP)	-3.6	-4.6	-6.0	Year End			
Budget Deficit/(Percent of GDP)	-9.6	-11.1	-12.2	Rs/USD	181.63	186.41	200.43
Total Expenditure and Net Lending (USD Mn)	18,670	16,391	17,708	Rs/SDR	251.17	268.48	280.53
Current Expenditure (USD Mn)	13,562	13,736	13,815				
Capital Expenditure and Net Lending (USD Mn)	5,109	2,655	3,893				
Budget Deficit (USD Mn)	-8,049	-8,989	-10,348				

<sup>(a)</sup> Provisional

\* Included arrears

n.a. – not available

## SRI LANKA AT A GLANCE 2019 – 2021

	2019	2020	2021
Duty free items – Raw Materials	4,099	4,441	4,454
5% Duty	2	-	-
10% Duty	9	476	476
25% Duty	25	-	-
15% Duty Intermediate Goods	1,537	2,420	2,420
30% Duty Luxury Goods & Motor Vehicles	1,462	-	-
75% Duty Tobacco	-	-	-
85% Duty Cigarettes	-	-	-
125% Duty Liquor	5	-	-
Specific Duty	73	75	75
Specific & Advelorum	287	391	391
<b>Total</b>	<b>7,494</b>	<b>7,803</b>	<b>7,816</b>

	2019	2020	2021 <sup>(a)</sup>		2019	2020	2021 <sup>(a)</sup>
<b>SOCIAL DEVELOPMENT</b>				<b>ACCESS TO BASIC INFRASTRUCTURE</b>			
Mid Year Growth of Population (%)	0.6	0.5	1.1	Access to Pipe-borne Water (% of Population)	51.8	53.1	54.3
Life Expectancy at Birth (2017)	75.5	75.5	75.5	Access to Safe Drinking Water (% of Population)	91.9	93.2	94.4
Crude Birth Rate (per 1,000 persons)	14.6	13.8	12.9	<b>Telecommunications</b>			
Crude Death Rate (per 1,000 persons)	6.7	6.0	7.4	Fixed Access Services ('000)	2,300	2,613	2,852
Literacy Rate – (%) <sup>(c)</sup>				Cellular Phones (No. of Subscribers) ('000)	32,884	28,739	29,959
Average	92.9	93.0	n.a	Internet and email Subscribers (Including mobile internet services) ('000)	13,408	17,524	22,236
Male	93.6	93.8	n.a	<b>Postal</b>			
Female	92.3	92.2	n.a	Public Post Offices	4,062	4,062	4,064
Computer Literacy Rate (%)	30.8	32.3	35.0 <sup>(b)</sup>	Private Post Offices	412	134	130
Dependency Ratio (%)	49.4	49.4	49.4	<b>Roads</b>			
<b>MOTOR VEHICLE IMPORTS</b>				<b>Ports</b>			
Motor Cars	34,800	15,785	2,174	Vessels Arrived	4,697	4,337	4,180
Motor Cycles	266,659	71,306	1,861	Total Container Traffic ('000 TEUs)	7,228	6,855	7,249
Three-Wheelers	16,997	4,864	2,000	Total Cargo Handled ('000 MT) <sup>(d)</sup>	106,979	102,908	109,369
Tractors	5,132	6,560	13,520	Transshipment Containers Handling ('000 TEUs)	5,955	5,765	6,050
Motor Vehicles for Transport of Goods	18,591	6,925	2,067	<b>Production of Agriculture Sector</b>			
Passenger Van and Buses	1,458	470	52	Tea (Mn Kg )	300	279	299
Other	422	77	158	Rubber (Mn Kg )	75	78	77
<b>TOTAL VEHICLE STOK</b>				Coconut ( Mn Nuts)	3,086	2,792	3,120
Motor Cars	875,864	896,885	900,380	Paddy ('000 MT)	4,592	5,121	5,150
Three-Wheelers	1,175,077	1,182,227	1,184,320	Fresh Milk (Mn Ltr.)	448	492	513
Motor Cycles	4,668,074	4,819,708	4,827,719	Fish ('000 MT)	506	429	435
Buses	112,005	112,583	112,864				
Dual Purpose Vehicles	439,020	448,552	449,323				
Motor Vehicles for Transport of Goods	375,000	379,441	383,873				
Land Vehicles – Tractors	375,601	381,626	392,046				
Land Vehicles – Tailors	72,108	74,385	78,729				
Quadricycle and Motor Home	1,975	2,445	2,448				

<sup>(b)</sup> During first 06 months

<sup>(c)</sup> Based on Quarterly Labour Force Survey, DCS

<sup>(d)</sup> Excluding KKS, Myliddy, Point of Pedro and Karraynagar Ports.



## SRI LANKA AT A GLANCE 2019 – 2021

	2019	2020	2021 <sup>(a)</sup>		2019	2020	2021 <sup>(a)</sup>
<b>ACCESS TO BASIC NEEDS</b>				<b>PRINT MEDIA</b>			
<b>HEALTH</b>				<b>Newspapers (No.)</b>			
Public Hospitals	603	609	618	Sinhala	114	122	110
Private Hospitals	209	217	233	Tamil	23	24	42
Primary Medical Care Units	499	514	542	English	39	43	33
Beds**	77,964	77,121	78,228	Bilingual/Trilingual	4	3	1
<b>PROFESSIONALS</b>				<b>ELECTRONIC MEDIA</b>			
Doctors**	18,130	18,218	18,992	<b>Television Services</b>			
Nurses**	38,276	37,133	38,743	Government	25	25	25
Attendants	8,531	8,177	8,176	Sinhala	5	5	5
Midwives	8,310	n.a.	n.a.	Tamil	2	3	3
				English	1	-	-
				Private	20	20	20
				Sinhala	14	12	12
				Tamil	3	4	4
				English	3	4	4
				China	-	-	-
<b>EDUCATION</b>				<b>Radio Services</b>			
Government				Government	58	51	51
Schools	10,165	10,155	10,152	Sinhala	22	14	14
Students ('000)	4,062	4,064	4,032	Tamil	10	7	7
Teachers	246,592	249,494	248,500	English	6	5	5
Private				Arabic	6	2	2
Schools	118	120	124	Hindi	-	-	-
Students ('000)	138	139	137	Private	36	37	37
Teachers	8,011***	8,564***	8,315***	Sinhala	20	20	20
Pirivenas				Tamil	6	7	7
Schools	801	816	819	English	10	10	10
Students ('000)	68	70	70	China	-	-	-
Teachers	7,200	7,336	7,400	<b>INSTALLED CAPACITY (MW)</b>			
				<b>Total</b>	<b>4,213</b>	<b>4,265</b>	<b>4,187</b>
				Public Sector	2,953	2,968	3,041
				Hydro Power	1,399	1,383	1,383
				Thermal Power	1,554	1,585	1,658
				Fuel	654	654	654
				Coal	900	900	900
				Other	-	31	104
				Private Sector	1,260	1,297	1,146
				Hydro Power	410	410	416
				Thermal Power – Fuel	628	614	433
				Other	226	273	297
				<b>POVERTY</b>			
				Poverty Head Count Index	14.3 <sup>(g)</sup>	14.3 <sup>(g)</sup>	14.3 <sup>(g)</sup>
				Poverty Gap Index (%)	0.6 <sup>(g)</sup>	0.6 <sup>(g)</sup>	0.6 <sup>(g)</sup>
				Gini Coefficient of Per Capita Expenditure	0.39 <sup>(g)</sup>	0.39 <sup>(g)</sup>	0.39 <sup>(g)</sup>
				Average Daily kilo Calorie Intake	2,120 <sup>(g)</sup>	2,120 <sup>(g)</sup>	2,120 <sup>(g)</sup>

\*\* Government

\*\*\* Including Special School Teachers and Excluding International Schools Teachers

<sup>(a)</sup> Women Population estimates were calculated based on final results of the Census of Population and Housing 2012

<sup>(f)</sup> 15 years and over population

<sup>(g)</sup> Based on Household Income and Expenditure Survey (2019), DCS

## SRI LANKA AT A GLANCE 2019 – 2021

GOVERNMENT TAX RATE (%)					
		2019		2020	2021
Personnel Income Tax Relief		Rs.500,000		Personnel Income Tax Relief	Rs.3,000,000
				Rs.3,000,000	Rs.3,000,000
Taxable income		Rate (%)		Taxable income	
First	Rs. 600,000	4		First	Rs. 3,000,000
Next	Rs. 600,000	8		Next	Rs. 3,000,000
Next	Rs. 600,000	12		Balance	
Next	Rs. 600,000	16		18	18
Next	Rs. 600,000	20			
Balance		24			

As at end				As at end						
		2019	2020	2021			2019	2020	2021	
<b>Corporate Tax (%)</b>				<b>Excise Duty</b>						
Standard Rate				28	24	24	<b>Cigarettes (Rs. Per 1,000)</b>			
Agro-Farming				Exempt	Exempt	Exempt	Length below 60 mm			
IT and Enabled Services				14	Exempt	Exempt	Length 60-67 mm			
Manufacturing				28	18	18	Length 67-72 mm			
Export Income				14	14	14	Length 72-84 mm			
Liquor & Tobacco				40	40	40	Length Exceeding 84 mm			
<b>Economic Service Charge (ESC)</b>										
ESC Rate (%)				0.5	0	0	<b>Liquor Duty Structure (Rs. Per Absolute Liter)</b>			
(Any ESC Paid is Deductible from any Income Tax/ Corporate Tax Payable)										
<b>Value Added Tax (VAT) (%)</b>										
Standard Rate				15	8	8	Coconut Processed/ Molasses Arrack			
Exports				0	0	0	Country Made Foreign Liquor			
<b>Nation Building Tax (NBT) (%)</b>				2	0	0	Malt Liquor (Beer) above 5% in Strength			
<b>Ports and Airports Development Levy (%)</b>				7.5	10.0	10.0	Malt Liquor (Beer) less than 5% in Strength			
<b>Telecommunications Levy % (other than Internet)</b>				11.25	11.25	11.25	Liquor made from any cereal other than toddy			
<b>Share Transaction Levy (%)</b>				0.3	0.3	0.3	Imported Malt Liquor			
<b>Customs Duty (%)</b>										
Inputs/Raw Material				0	0	0	Imported Wine			
Intermediate Goods				15	10	10	Any other imported Liquor			
Finished and Luxury Goods				30	15	15				

SOCIAL & ECONOMIC DEVELOPMENT BY INTERNATIONAL RANKING (2021)								
Index Name	No of Countries	Sri Lanka	India	Bangladesh	Bhutan	Maldives	Nepal	Pakistan
Prosperity index	167	88	101	126	N/A	N/A	114	138
Competitiveness Index (2019)	141	84	68	105	N/A	N/A	108	110
Human Development index (2020)	189	72	131	133	129	95	142	154
Global Hunger index	135	65	101	76	N/A	N/A	76	92
Global Innovation index	132	95	46	116	N/A	N/A	111	99
Corruption Perception index	180	102	85	147	25	85	117	140
Doing Business index (2020)	190	99	63	168	89	147	94	108
World Happiness index	146	126	136	99	N/A	87	85	103
Economic Freedom index	177	132	131	137	94	161	148	153

# **PART I**

## Macro-Fiscal Perspectives



**01**

Fiscal Policy,  
Strategy and Challenges

## 1.1 Overview

Sri Lanka is currently facing an unprecedented economic crisis with severe social and political spill-over effects. The Sri Lankan economy has been saddled with numerous vulnerabilities, including a weak fiscal base and high level of debt, persistent current account deficits in the Balance of Payments (BOP), limited economic competitiveness and long-standing structural issues. As the economy faced shocks, particularly in the form of COVID-19 pandemic, the Russia-Ukraine conflict, and other multifaceted headwinds, these vulnerabilities were exposed, and the result has been a dramatic economic downturn, affecting all segments, particularly the poor and the vulnerable. At present, inflation has reached a historic high, reflecting significant pressures on the cost of living, exacerbated by supply-side shocks both in the food and non-food category. Foreign exchange reserves have depleted to an alarmingly low level, contributing to a rapid depreciation of the currency. The government's cash flow has deteriorated significantly due to revenue shortfalls amidst rising recurrent expenditure pressures, compelling the government to rely on inflationary domestic financing. Public debt has reached an unsustainable level, causing the government to announce a temporary debt standstill for the repayment of selected foreign debt until the discussions with creditors progress towards restructuring the debt portfolio appropriately.

The effects of the economic downturn have spilled over into a social and political turbulence. The depletion of foreign reserves of the country and the lack of foreign exchange liquidity in the banking system have contributed to shortages of key commodity imports, including fuel, LP gas, and pharmaceuticals. The persistent shortages have led to social discontent and public unrest demanding for political accountability.

Economic growth has been below its potential for several years due to deep rooted macro-economic imbalances and institutional weaknesses. The Sri Lankan economy expanded by 3.7 percent in 2021, registering growth in all sectors, albeit from a low base due to the pandemic induced contraction of 3.6 percent

in 2020.<sup>1</sup> Sri Lanka's successful island-wide vaccination drive enabled economic activity to recover in 2021, amidst headwinds from global supply side shortages, particularly in the second half of the year.

The low and stable levels of single-digit inflation experienced since 2009 reverted to double-digit inflation in 2021, as reflected by both the National Consumer Price Index (NCPI, 2013=100) and the Colombo Consumer Price Index (CCPI, 2013=100). Headline inflation based on the CCPI, accelerated to 39.1 percent, y-o-y, by May 2022. Headline inflation based on the NCPI also increased to 33.8 percent, in April 2022 recording the highest level recorded since the inception of this index. These levels of inflation are significantly higher than the Central Bank's inflation target of 4–6 percent and are caused by the combined impact of global and local supply – side shocks, emanating from the increase in international commodity prices, removal of price controls, and depreciation of the rupee. The supply shocks were coupled with excessive demand pressures on prices as a result of the lagged impact of significant monetary accommodation, including unprecedented monetary financing of the government budget, given the significant shortfall in the government revenue.

With the rise in inflation and inflation expectations as well as the continued pressure on the BOP, the Central Bank shifted to a monetary policy tightening cycle from the accommodative policy conducted during the pandemic. Policy interest rates and the Statutory Reserve Ratio (SRR) were increased initially in August 2021 followed by significant tightening measures in early 2022, including a record 700 basis point policy rate increase in April 2022 with a view to anchoring inflation expectations. Sri Lanka's external sector remains fragile with a persistent current account deficit, limited non-debt creating capital inflows, and rising debt service obligations. The trade deficit widened to USD 8,139 million in 2021 from USD 6,008 million in 2020 due to higher import expenditure amidst an appreciable recovery in exports. Exports increased significantly by 24.4 percent to USD 12,499 million in 2021 from

<sup>1</sup>The analysis provided in this document is based on national income estimates, base year 2010. A base year revision to 2015 is expected shortly, and such revision is likely to affect GDP estimates and related ratios.

a relatively low base of USD 10,047 million in 2020, while imports rose by 28.5 percent to USD 20,637 million in 2021 from USD 16,055 million in 2020. Inflows of tourism and workers' remittances were subdued in 2021 with USD 507 million of earnings from tourism and the contraction of remittances to USD 5,491 million. The external current account deficit widened significantly to 4.0 percent of GDP in 2021 from 1.5 percent of GDP in 2020.

Sri Lanka experienced a significant depreciation of foreign currency reserves as the country was unable to refinance maturing external debt since losing access to global capital markets following successive credit rating downgrades. Disturbances caused by multiple waves of the pandemic and the more recent Russia-Ukraine conflict have exacerbated the pressures on the reserve position. By end 2019, the gross official foreign exchange reserve was at USD 7.6 billion and it had declined to USD 5.7 billion by end 2020. The reserves fell further to USD 3.1 billion by end 2021, which included a USD 1.5 billion equivalent swap with the People's Bank of China (PBOC) which carries usability restrictions. The sovereign rating downgrades also hindered foreign currency inflows to the commercial banking system, and since August 2021, the official reserves were utilized to meet foreign exchange needs related to the import of essential items, including fuel, coal, LP gas, pharmaceuticals, and other essential items. As of April 2022, the reserve position stood at USD 1.8 billion, the bulk of which comprised the USD 1.5 billion equivalent PBOC swap facility which has limitations in its utilization. As a result, the usable liquid reserves are at negligible levels, resulting in shortages of even essential items that have caused significant challenges for the entire country.

The fiscal sector continued to suffer from several structural weaknesses such as a sharp decline in government revenue, high and rigid recurrent expenditure, and a high concentration of capital expenditure towards certain sectors, including roads and highways. As the country's external competitiveness has not otherwise improved, this has resulted in persistent fiscal deficits contributing to the accumulation of a large volume of public debt which has become unsustainable.

Underlying pressures in the fiscal sector were aggravated due to additional spending required for pandemic control measures and providing support for citizens affected by the pandemic. The direct cost of pandemic control measures, including vaccines, amounted to Rs. 303 billion or nearly 2 percent of GDP during 2020 and 2021 period. Despite limited fiscal space, the Government provided extraordinary fiscal stimulus to support the economy. The fiscal imbalances eventually necessitated remedial monetary and exchange rate policy actions, which created further headwinds to economic activity as experienced at present.

Whilst the pandemic induced a significant fiscal shock, the fiscal position was weak even prior to this event. In late 2019, the Government introduced extraordinary tax revisions through tax rate cuts and narrowing tax bases of core taxes such as Corporate and Personal Income Taxes and Value Added Tax (VAT). Several tax exemptions, concessions, and deductions were also introduced as a part of this tax policy package. Although, these extraordinary revisions were made in order to stimulate a flagging economy, the revenue foregone due to the tax cuts combined with the impact of the pandemic is estimated to be more than Rs. 500 billion or 3.3 percent of GDP in 2020.

Table 1.1 | Government Fiscal Operations <sup>(a)</sup>

	2020 <sup>(b)</sup> Actual (Rs. Bn)	2021 Provisional (Rs. Bn)	2020 Actual (% of GDP)	2021 Provisional (% of GDP)
<b>Revenue &amp; Grants</b>	<b>1,373</b>	<b>1,464</b>	<b>9.1</b>	<b>8.7</b>
Revenue	1,368	1,457	9.1	8.7
Tax Revenue	1,217	1,298	8.1	7.7
Income Tax	268	302	1.8	1.8
Taxes on Goods & Services	587	646	3.9	3.8
Taxes on External Trade	362	350	2.4	2.1
Non-Tax Revenue	151	159	1.0	0.9
Grants	5	7	0.04	0.04
<b>Expenditure</b>	<b>3,041</b>	<b>3,522</b>	<b>20.2</b>	<b>21.0</b>
Recurrent Expenditure	2,548	2,748	17.0	16.3
Salaries & Wages	794	846	5.3	5.0
Goods & Services	180	169	1.2	1.0
Interest	980	1,048	6.5	6.2
Subsidies & Transfers	717	685	4.8	4.1
Arrears	-123	-	-0.8	-
Capital Expenditure and Net Lending	493	774	3.3	4.6
Public Investments	812	790	5.4	4.7
Arrears	-299	-	-2.0	-
Other	-20	-15	-0.1	-0.1
<b>Current Account Balance</b>	<b>-1,180</b>	<b>-1,290</b>	<b>-7.9</b>	<b>-7.7</b>
<b>Primary Balance</b>	<b>-687</b>	<b>-1,010</b>	<b>-4.6</b>	<b>-6.0</b>
<b>Overall Fiscal Balance (Budget Deficit)</b>	<b>-1,668</b>	<b>-2,058</b>	<b>-11.1</b>	<b>-12.2</b>
<b>Deficit Financing</b>	<b>1,668</b>	<b>2,058</b>	<b>11.1</b>	<b>12.2</b>
Foreign Financing (Net)	-83	-14	-0.6	-0.1
Domestic Financing (Net)	1,751	2,072	11.7	12.3

Source: Department of Fiscal Policy

<sup>(a)</sup> Based on the economic classification of Government fiscal operations.

<sup>(b)</sup> Included arrears

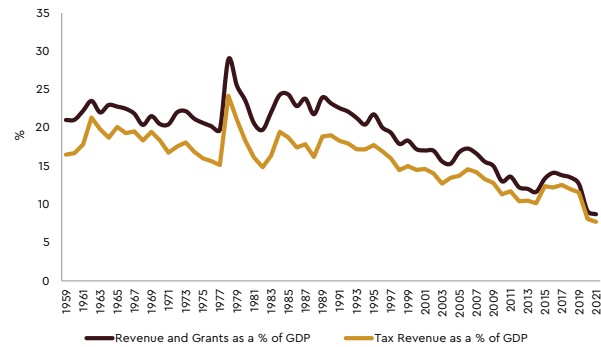
The deterioration of the fiscal position, among other factors, resulted in the downgrade of the sovereign credit rating to near default levels. The rating actions restricted Sri Lanka's access to international capital markets. This prevented the Government from raising fresh capital to refinance maturing debt. As such, the country gradually utilised its foreign currency reserves to maintain its unblemished debt service record, with expectations of a revival in the domestic and the global economy. Meanwhile, the inflows to reserves were further hampered by the decline in inflows from tourism and workers' remittances. The policy of utilising reserves to repay debt and financial essential imports eventually led to an exhaustion of the country's official reserves to an alarmingly low level, finally causing severe shortages of essential items and pressing the government to announce a temporary debt stand still in April 2022.

Government revenue as a percentage of GDP significantly declined to single-digit levels of 9.1 percent in 2020 and further to 8.7 percent in 2021, which is historically low and far below the average of 24.5 percent in emerging and developing Asia. Sri Lanka's tax to GDP ratio was amongst the lowest in the world even before the pandemic, and the 2019 tax cuts have pushed Sri Lanka even further towards the bottom. The low tax regime introduced in late 2019, the imposition of import restrictions to cushion the pressure from the external sector, combined with a deceleration of economic activity due to the pandemic, resulted in a dismal performance of the mobilization of government revenue in 2021. Moreover, the tax base also narrowed in 2020 and 2021, largely due to policy changes in Value Added Tax (VAT), income tax thresholds and removal of mandatory Pay-As-You-Earn (PAYE) and Withholding Tax (WHT). The total number



of registered corporate and non-corporate income taxpayers declined by 72.8 percent to 409,814 by end 2021 from 1,505,552 in 2019. With the revision of PAYE, the number of PAYE taxpayers sharply declined by 97.2 percent to 32,702 in 2021 from 1,149,883 in 2019. In the same vein, VAT registered files, excluding financial institutions, sharply dropped to 9,070 in 2021 from 28,914 in 2019 due to the increase in VAT threshold to Rs. 300 million per year from Rs. 12 million per year. However, the number of corporate taxpayers increased by 20.5 percent to 68,009 in 2021 from 56,460 in 2019. This demonstrates the urgent need for the expansion of the tax bases as part of sustainable fiscal consolidation efforts.

Figure 1.1 | Revenue and Grants and Tax Revenue as a % of GDP

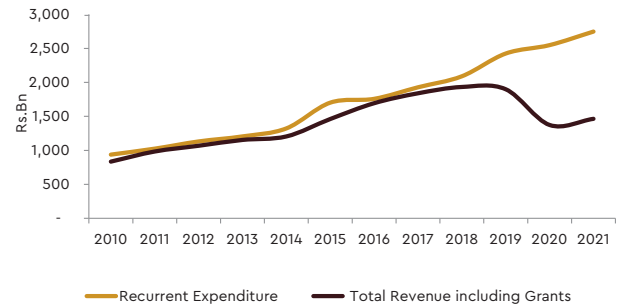


Source : Central Bank of Sri Lanka

The Government's total expenditure was close to two-and-a-half times of government revenue in 2021. Recurrent expenditure alone was around two times of government revenue in 2021, indicating the lack of sufficient revenue to meet even operational spending requirements of the Government. Interest expenditure, the highest component of recurrent expenditure, accounted for 72 percent of government revenue – one of the highest such ratios in the world, while salaries and wages amounted to 58 percent of government revenue. These two outlays alone are equivalent to 130 percent of government revenue or 11.3 percent of GDP. Curtailing such expenditure remains challenging due to the rigid and non-discretionary nature of recurrent expenditure. Past practices of increased recruitments into the public service without proper assessments of fiscal implications have been a key contributor

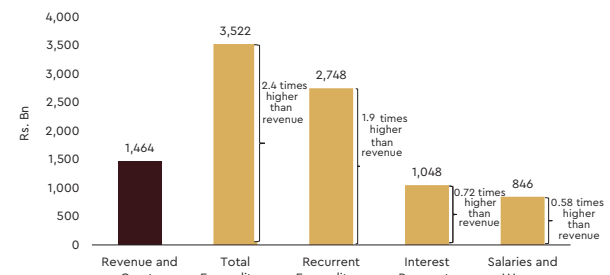
to this situation.

Figure 1.2 | Recurrent Expenditure Vs Revenue including Grants



Sources : Department of Fiscal Policy and Department of National Budget

Figure 1.3 | Government Revenue and Expenditure



Sources : Department of Fiscal Policy and Department of National Budget

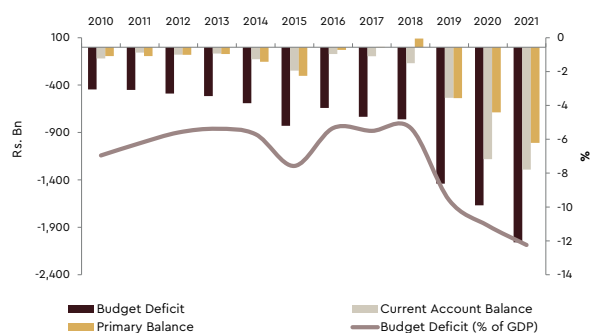
The public investment to GDP ratio has been relatively low over the past several years. Sri Lanka has not fully utilized its limited public finances to support key sectors such as education, healthcare, public transport, and social protection on a priority basis. Low revenue mobilisation and rigidity in recurrent expenditure have further narrowed the fiscal space required for productive public investments, restricting the country's future growth potential.

The budget deficit as a percentage of GDP widened to double digits to 11.1 percent in 2020<sup>2</sup> and 12.2 percent in 2021 creating significant macroeconomic imbalances in the economy. Due to the persistent overhang of budget deficits, the Government has been borrowing heavily from both local and foreign debt markets to finance the budget deficit, accumulating a large central government debt in the process. The escalation of foreign debt levels and resultant large external debt service payments have increased the country's

<sup>2</sup> The budget deficit of 11.1 percent in 2020 is due to the exclusion of arrears payments made in 2020 for expenditure undertaken in 2019.

external sector vulnerabilities. Total debt service payments increased by 22.4 percent, in nominal terms, to Rs. 2,375.6 billion in 2021 or 14.1 percent in GDP terms. Another indicator of the weak fiscal position is the fact that total debt service payments exceeded government revenue collection by a large margin. Space for financing the budget deficit through foreign financing was narrowed during the pandemic period due to Sri Lanka's sovereign credit rating downgrades coupled with spells of adverse global financing conditions. Therefore, the Government was compelled to rely mostly on domestic sources to finance the expanded budget deficit during the pandemic years.

Figure 1.4 | Key Fiscal Balances 2010 - 2021



Sources : Department of Fiscal Policy and Department of National Budget

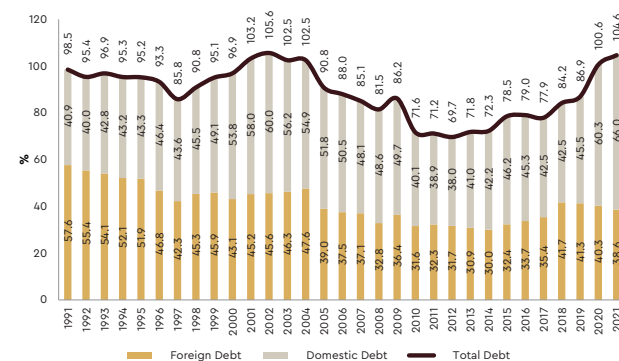
A large part of such domestic financing was accommodated through monetary financing by the Central Bank. Uncontrolled monetary financing has inherent risks including inflationary and BOP pressures. Given the significant revenue shortfalls and the time lags associated with new tax proposals yielding revenue, there is a likelihood of continued monetary accommodation in the near term. Hence, accelerated fiscal consolidation is a prerequisite to prevent future monetary financing and thereby avoiding the adverse consequences of such financing.

Reflecting the high structural budget deficit compounded by currency depreciation, the outstanding central government debt has risen to an unsustainable level of 104.6 percent of GDP by end of 2021. With 36.9 percent of outstanding central government debt exposures being foreign debt and 52.3 percent of such foreign debt exposures being non-concessional debt, Sri Lanka's debt sustainability has been severely compromised.

Limited non-debt creating foreign inflows such as foreign direct investment (FDI) and inflows to the external current account have undermined efforts to maintain sustainable servicing of foreign debt.

Consequently, the Government has been compelled to withhold selected external debt service payments from April 2022 until a negotiated solution is reached with creditors. Currently, the Government has initiated the external debt restructuring process to enhance the debt sustainability of the country, while seeking IMF assistance and bridging financing to address the near-term shortfall in the external and fiscal sectors and smoothen the debt service payments in the medium to long term.

Figure 1.5 | Central Government Debt (As a % of GDP)



Sources: Ministry of Finance and Central Bank of Sri Lanka

Hence, it is necessary to formulate an economic path towards enhancing productivity and competitiveness conducive to growth enhancements, backed by the export-oriented foreign direct investment, underpinned by fiscal and monetary discipline, while ensuring equitable outcomes by protecting the most vulnerable sections of society. In addition, managing expenditure within the framework of a reasonable revenue stream with a sustainable debt position would reduce the debt burden of future generations. It is necessary to prioritize the implementation of tax reforms to increase government revenue, combined with a rationalization of expenditure, whilst ensuring public investment in critical areas such as education, healthcare, clean energy, and social protection. In addition, reforming State-Owned Business Enterprises (SOBEs) for a competitive market, while strengthening their financial position would further reduce the burden on the General Treasury.

## 1.2 Fiscal Strategy in the Medium Term

The fiscal operations of the Government are framed by the Fiscal Management (Responsibility) Act, No. 3 of 2003 and subsequent amendments to the Act, which provide a legal framework to phase out fiscal deficits and associated debt, to support the broad-based development objectives. The Government's major medium term fiscal objectives, among others, are to contain the fiscal deficit and achieve at least a breakeven primary balance by 2025 from a primary deficit of 6.0 percent in 2021.

As fiscal excesses are no longer affordable, the fiscal position must be further strengthened, while managing expenditure responsibly in the medium term on a path to recovery from the present challenging context. The social safety net programme provided to households must be streamlined by adopting an objective and transparent criterion for selection of beneficiaries, thereby enabling more substantive support to those who are deserving. The fiscal space must be expanded in the medium term enabling more public investment to increase economic growth in an equitable and sustainable manner.

The country has been postponing the achievement of fiscal targets for many years. This has made the legislative framework for fiscal responsibility ineffective. The plans to strengthen this framework and make fiscal rules binding are discussed later in this document.

### Fiscal Strategy

Fiscal Space available to incur the required expenditure is limited due to the low revenue base. Tax and non-tax revenue both in terms of GDP and in absolute terms has further weakened over the years. This declining trend was heightened in 2020 and 2021 with the impact of the pandemic and tax cuts in late 2019 with the fragile global economic condition creating significant stress to public finances.

Going forward, the fiscal path will aim at increasing fiscal discipline and accountability towards achieving a surplus in the primary account in the medium term and containing the fiscal deficit. The Government is expected

to take prudent fiscal measures through an aggressive fiscal consolidation process by the enhancement of revenue, while rationalizing and limiting unproductive government expenditure.

The fiscal policy path for 2022–2025 and the macroeconomic direction is detailed below:

### Fiscal Path:

- Generating a material primary surplus in the government budget in the medium term through strong fiscal consolidation measures.
- Enhancing revenue to GDP ratio to at least 14 percent of GDP in the medium term with appropriate tax policy and tax administration measures.
- Containing the non-interest recurrent expenditure through the rationalization and management of expenditure, while improving quality of expenditure to increase fiscal space for development activities.
- Increasing allocation of funds and enhancing targeting of such funds for the most vulnerable segments of the society to uplift their livelihoods under the social safety net programme.
- Ensuring a robust selection and prioritization of public investment to ensure sustainable and equitable economic growth with a focus on investment in areas such as education, healthcare, public transportation, and sustainable energy.
- Improving the financial viability, competitiveness and governance of the SOEs including energy, water, transport, and aviation sectors.
- Formulating a sustainable debt management strategy to reduce and maintain the debt to GDP ratio at a prudent level.

### Macroeconomic Path:

- Enable economic recovery by 2023 and achieving economic growth of around 5.0 percent in the medium term.
- Introducing growth enhancing structural reforms to remove bottlenecks to high, sustainable and equitable growth

- Maintaining unemployment below 5.0 percent through appropriate reforms to enhance labour market conditions
- Reverting to single digit inflation and a moderate real interest rate
- Maintaining a stable exchange value of the rupee within a market-based framework

The fiscal strategy is framed to support strong and sustainable private sector-led export oriented economic growth, while channeling public investments into priority areas such as health and education, public transport, sustainable energy, digitization, and key economic infrastructure.

The Government's fiscal strategy on expenditure is focused on the rationalization and management of recurrent expenditure, while assuring the efficiency and quality of such spending and improving the service delivery. Such strategy will include the continuation of asset management, the digitalization of processes, such as e-procurement and the e-subsidy payment card, among others.

Revenue enhancement measures have been focused on revamping the current tax structure for a sustained revenue flow to the government, strengthening the Large Taxpayers Unit (LTU) at the Inland Revenue Department (IRD), the introduction of risk-based audits, expansion of the mandatory e-filing system for the non-corporate sector and reviewing the Revenue Administration Management Information System (RAMIS) at IRD. The Sri Lanka Customs (SLC) has already initiated the "Single Window System", among others. The Integrated Treasury Management Information System (ITMIS) at the Treasury has commenced rollouts in 410 entities at end of April 2022. The Excise Department implemented the foolproof sticker and digital image system on liquor and liquor-based products in order to avoid revenue leakages while collecting due taxes.

The poor performance of key State-Owned Enterprises (SOEs) has been driven by weak financial practices and sub-optimal pricing. Limited transparency and accountability remain a concern and as a result, some large SOEs create a significant burden to public finances. Structural reforms and balance sheet restructuring are required to make SOEs more

financially viable, competitive, and innovative entities. Productivity improvements and broad basing of the ownership of non-strategic commercial SOEs are expected to support fiscal space in reducing expenditure, whilst also supporting the non-tax revenue of the Government.

Whilst, the Government has an ambitious fiscal consolidation plan, there are significant risks to this given the fragile domestic economic situation and headwinds arising from the global economy due to commodity prices and global conflicts such as that in the Ukraine. As a result, there are key challenges in the implementation of the fiscal strategy posing risks to the expectations and targets, and the Sri Lankan economy as a whole.

### 1.3 Reforms

The Government's decision to seek the assistance of the International Monetary Fund (IMF) will be a starting point and the IMF supported programme is expected to be a catalyst to implement the critical reforms needed for the Sri Lankan economy. The foundation needs to be laid for a strong fiscal sector to facilitate sustainable growth and improve the living conditions of all the people. The support of all stakeholders including the private sector, the public sector, civil society, and international agencies, is vital in implementing fiscal reforms, along with a strong social safety net programme to protect the vulnerable. The situation demands responsible and disciplined fiscal management, transparent and robust institutions, and committed delivery of public services, among others. The engagement with the IMF is expected to help restore credibility of Sri Lanka within global markets and institutions, thereby supporting macroeconomic stability of the country.

The immediate priority of the Government is to regain debt sustainability. This needs to be done through a two-pronged approach, which includes a) restructuring the debt stock with technical expertise from legal and financial advisors, and b) fiscal consolidation measures underpinned by an IMF programme. Given Sri Lanka's current debt profile and its extreme vulnerability, negotiations with Sri Lanka's creditors (commercial, bilateral), while working towards a macroeconomic

programme, supported by the IMF, is vital. Sri Lanka's economic recovery can achieve a stable footing once debt is restructured to a sustainable level and Sri Lanka is able to once again access global capital markets supported by a stable fiscal regime.

## Tax Reforms

The Government introduced a low tax regime in end 2019 with significant reduction in tax rates, reduced tax base, and a range of exemptions and other concessions. Although, this provided immediate relief to businesses and the general public, this resulted in a sharp reduction of government revenue with adverse fiscal and macroeconomic outcomes as observed thereafter. In order to restore a sustainable fiscal structure, government revenue must be enhanced. Towards this end, it is necessary to restore the core tax base of corporate and personal income taxes, VAT, and core excise taxes. In order to maintain moderate tax rates, the tax base must be broadened significantly. This entails lower tax-free thresholds and rationalization of tax exemptions and tax concessions. Taxes have long been seen as a tool for economic policy incentives to encourage investment or production in certain sectors. This has resulted in a plethora of tax holidays, exemptions, and concessions which have weakened the government revenue base over many years. In a welfare economy like Sri Lanka, the core purpose of taxation is to provide a platform for government spending on public service delivery and public infrastructure, and the use of tax policy as a tool for permanent policy stimulus cannot be sustained and should be avoided.

## Reforms in Tax Administration

The Government expects to embark on a range of tax administration measures to strengthen revenue mobilization through digitalization while ensuring improvements in tax compliance, and risk-based tax audits. Mandatory payment of taxes by an electronic tax filing system is expected to expand to the non-corporate sector which will improve efficiency and reduce opportunities for corruption. Leveraging technology such as electronic registration facilities and electronic payments will provide a platform for revenue collecting agencies

to closely monitor government revenue, and enhance the effectiveness and efficiency of tax administration, thereby improving tax collection, while reducing tax administration costs. The Government will also take measures to further simplify procedures, legislation, and other institutional mechanisms.

Further improvements in automated systems introduced for revenue collecting agencies, such as Revenue Administration Management the Information System (RAMIS) at the IRD and Automated System for Customs Data (ASYCUDA) at the SLC, are envisaged. As a result, all limited liability companies have been facilitated at the IRD to file their tax returns electronically effective from April 01, 2021 without being physically present. Information sharing among tax collecting agencies, taxpayers, and banks, will be facilitated through a digital portal along with further digitization of tax administration agencies.

The use of Tax Identification Number (TIN) in all tax related source documents or underlying documents of the taxpayer was made mandatory. Establishment of different taxpayer units such as Large Taxpayers Unit (LTU) focusing tax compliance efforts on the biggest taxpayers, Upper Corporate Unit (UCU), Medium Corporate Unit (MCU) and Regional Corporate Unit (RCU) as per the level of income of taxpayers at the IRD and continuous improvements introduced to the system made tax administration more efficient, effective and user friendly.

The Department of Excise of Sri Lanka (EDSL) will also continue its digitization process by incorporating an IT managed revenue system with the implementation of the foolproof sticker and digital image system for liquor and liquor-based products. IRD has introduced an Alternate Tax Payment System (ATPS) via online payment platforms and SLC has introduced digital signatures to fast track its processes. SLC has also initiated implementation of the 'Single Window' system to streamline the customs procedures.



## Reforms in Public Expenditure Management

It is necessary to strike a balance between revenue and expenditure management by strategic identification of economic and social priorities, while minimizing non-priority expenditure items. The Government will rationalize expenditure and focus resources on productive uses to make optimal use of limited fiscal resources. Expenditure is expected to be rationalized based on efficiency, effectiveness, and equity of public spending in order to provide better public service delivery.

## Reforms in Public Investment

The Government has committed to maintaining adequate public investment in the green economy, digitalization of government and socioeconomic infrastructure, including education and healthcare. Steps have been taken to streamline foreign-funded projects which hold a substantial share of public investment to lessen the burden of debt on the Government by attracting projects on a Public-Private Partnership basis. Further, investing in socioeconomic infrastructure is an essential component of the public investment programme to maintain sustained economic growth and revitalize the economy affected by the global pandemic. However, public investment would require close scrutiny in order to optimize spending within the limited available fiscal space. Project selection will be done on a prudent and stringent basis with a sharp focus on immediate priorities amidst economic recovery and value for money.

## Reforms in Public Financial Management

Effective governance plays a vital role in public finance. A robust system of Public Finance Management (PFM) is important to ensure that Sri Lanka's public spending and taxation is conducted in a manner that is transparent, rules based, efficient, and upholds accountability. Towards this end, PFM laws, institutions, and practices need to enable sufficient oversight and checks and balances to ensure public finances of the country are managed with integrity and efficiency.

Sri Lanka has had legislation on aspects of PFM such as fiscal rules for many years. The Fiscal Management (Responsibility) Act has been in operation since 2003. However, legislation alone is not sufficient to ensure good fiscal outcomes, and hence fiscal management practices also need to be changed with strong institutions. Towards this end, the government intends to improve its overall budgetary process by enabling greater transparency and oversight in budget formulation and budget execution. These measures are expected to enhance the credibility of the budget and improve fiscal outcomes.

Public procurement plays a vital role in the process of public financial management, requiring transparency, accountability, and efficiency in order to ensure value for money and integrity in public expenditure. As such, the Government has incorporated e-procurement into the public procurement system by establishing an electronic Government Procurement (e-GP) Secretariat under the Ministry of Finance to ensure effective management of domestic and foreign financial resources. This provides an efficient, transparent, and cost-effective web-based procurement system that allows bidders to submit their bids electronically without having the physical presence of the bidder.

The ITMIS was introduced as part of the process of digitizing PFM while incorporating commitment accounting, contract management, and asset management. Thus, elements of the ITMIS will better facilitate the transition from cash-based accounting to accrual-based accounting which focuses on anticipated revenue and expenses.

The expected enhancement of PFM processes would also be codified under a new Public Finance Management Act which would incorporate upgraded fiscal rules legislation, building in relevant time bound escape clauses. It is the responsibility of the executive to ensure that they act within the framework of such laws, and it is the duty of the legislature to provide the relevant oversight towards this end.

## Reforms in State Owned Enterprises

State-Owned Enterprises (SOEs) have long been a net burden on Sri Lanka's fiscal balances. SOEs losses are concentrated amongst a few large entities in the energy and transport sectors. However, SOEs as a whole, have significant room for reform in terms of competitiveness, efficiency, and profitability. Towards this end, the Government has taken steps to further strengthen the regulatory framework applicable to SOEs to enhance transparency and accountability. The key loss making SOEs require cost-recovery pricing measures (CPC and CEB in particular), coupled with restructuring of balance sheets to address the burden of accumulated debt.

Reintroduction of cost-reflective pricing mechanisms for fuel as implemented on May 24, 2022 and the introduction of cost-recovery pricing mechanisms for electricity, LP gas and water would help ease the burden on the Treasury undertakings of SOEs debt. Improving financial management, governance, competition, and restructuring balance sheets, particularly of the large loss making SOEs such as CEB, CPC, and SriLankan Airlines, have been identified as key reforms to be introduced in the near to medium term. The Government is expected to encourage amalgamation and consolidation of SOEs operating in similar areas to optimize value addition, improve productivity, and curtail unnecessary expenses incurred on surplus staff.

The Government has identified the importance of reforms in SOEs to reduce vulnerabilities from rising indebtedness and foster more efficient resource allocation. SOEs are required to compete on a level playing field with the private sector and adopt modern corporate governance practices with professional boards and management. In addition, non-viable SOEs, whose functions can easily be carried out by the private sector without any impact on the broader public, would be restructured or allowed to exit. Given the fiscal situation of the country, divestment of underutilised and non-strategic state assets, including unproductive and less-value adding SOEs, will also be required.

## Immediate Priorities and Growth Enhancing Reforms

The immediate priority of the government is to stabilize the economy to enable a regular supply of essential commodities for the needs of citizens and economic activity. Towards this end, a macroeconomic stabilization programme is being put in place with the necessary monetary policy, exchange rate policy, and fiscal policy measures being introduced. The government is in negotiations with the IMF to support this macroeconomic programme, and thereby provide an anchor of credibility for the policy measures being undertaken. In parallel, the government is negotiating with external creditors to restructure external debt, with a view to reducing the overall debt burden to a sustainable level. Whilst these stabilization measures are being put in place, the government is making every effort to raise bridge financing and donor support to provide resources for essential imports until such time Sri Lanka is able to regain access to global capital markets to secure financing independently.


Whilst the focus is on fulfilling these immediate priorities, the government will not lose sight of the medium to long term growth potential of the Sri Lankan economy. Towards this end, measures are being put in place to enhance non-debt creating foreign exchange inflows to the economy by eliminating bottlenecks to the expansion of exports of goods and services and FDI. It is such non-debt creating inflows that provide a sustainable solution to the external debt challenges faced by Sri Lanka. Bottlenecks in the labour market, particularly in terms of the low levels of female labour force participation, will be addressed by facilitating and formalizing more flexible working patterns, facilitating investment in day care and child care centres, and enhancing safety, accessibility, and efficiency of public transport. The Government will also gradually phase out the high trade barriers in the form of para-tariffs which impose significant costs on intermediate and capital imports that create cascading costs across the economy resulting in weak global competitiveness of exports. This will be done in conjunction with a Trade Adjustment Programme to support industries and workers adversely affected by such tariff

liberalization. The Government will facilitate the expansion of renewable energy sources to enhance availability and reduce the cost of energy generation in Sri Lanka. Measures will also be taken to facilitate access to land for domestic and foreign investment.

Sri Lanka is going through one of the most challenging phases in its post-independence history. However, the appropriate policy corrections are now being put in place with a view to addressing the immediate short term challenges, whilst also investing in the long term

growth potential of the country. The period of adjustment will no doubt be challenging, and the Government is taking measures to enhance its social protection programme to provide targeted and adequate support to the most vulnerable segments of society. It is expected that these holistic policy measures, if carried out unhindered and with broad, rational, public support, will set the appropriate foundation for Sri Lanka to emerge from this unprecedented crisis as a country with a strong, productive, and equitable economy.





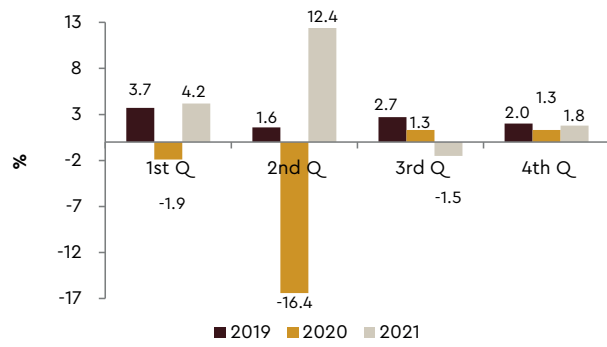
**02**

Economic  
Developments  
in 2021

## 2.1 Overview

Tourism and remittance dependent Sri Lankan economy was shaken with the eruption of COVID-19 pandemic which has now triggered unprecedented socio-economic consequences than ever before. The contracted economy in 2020 rebounded by 3.7 percent in 2021 with the control of the pandemic through pharmaceutical and non-pharmaceutical measures amidst the flow of the highly contagious new Delta variant. As such, all sectors of the economy including Agriculture, Industry and Services expanded with the repressed demand, ease of mobility restriction followed by a base year effect.

Figure 2.1 | Quarterly Growth Rates of GDP



Source: Department of Census and Statistics

The positive growth momentum witnessed since the third quarter of 2020 continued up to the second quarter of 2021 with the surge of economic activities registering an impressive growth of 12.4 percent in the second quarter. However, the economic growth was contracted by 1.5 percent in the third quarter of 2021 mainly due to the slowdown of services and industrial activities stemming from the third wave of COVID-19 with the spread of highly infectious delta variant which compelled the Government to impose travel restrictions throughout the country. However, 1.8 percent growth was recorded in the last quarter of 2021, with the help of several factors including the countrywide vaccination rollouts.

Table 2.1 | Sectoral GDP Growth Rates in 2021 (%)

Sector	Q1	Q2	Q3	Q4	Annual
<b>GDP (Nominal)</b>	<b>9.2</b>	<b>25.6</b>	<b>3.1</b>	<b>12.9</b>	<b>11.9</b>
Agriculture	15.4	29.5	11.0	15.3	17.3
Industry	15.0	34.5	12.9	18.4	18.9
Services	6.7	13.8	2.5	10.5	8.1
<b>GDP (Real)</b>	<b>4.2</b>	<b>12.4</b>	<b>-1.5</b>	<b>1.8</b>	<b>3.7</b>
Agriculture	4.1	9.8	0.8	-4.9	2.0
Industry	5.9	22.7	-1.6	-0.2	5.3
Services	2.9	7.3	-1.5	3.8	3.0

Source: Department of Census and Statistics

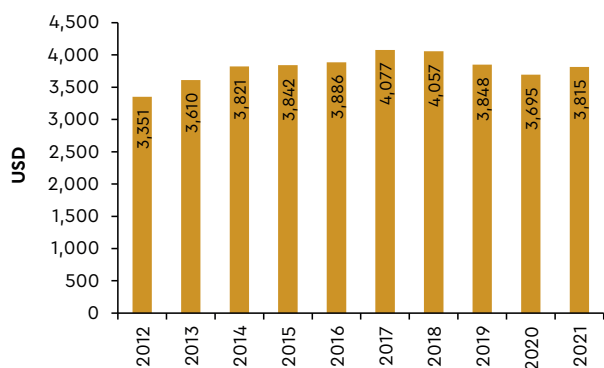
With the gradual normalization of economic activities, both consumption and investment expenditure rebounded in 2021. However, the domestic savings-investment gap as a percentage of GDP widened to 7.6 percent in 2021 from 6.4 percent of GDP in 2020 due to the increased growth in investment expenditure.

The external sector remained vulnerable in 2020 and 2021 due to exerted pressure from the balance of payments triggered by outflows including debt service payments and sharp depreciation of rupee. The trade deficit widened to USD 8,139 million in 2021 driven by a significant increase in imports expenditure that outpaced the increase in exports earnings which has recorded over USD 1.0 billion every month consecutively from June 2021. However, earnings from tourism significantly declined by 25.7 percent to USD 507 million due to the drop in tourism arrivals while workers' remittances declined by 22.7 percent to USD 5,491 million possibly due to the receipt of the remittances to the country through informal channels with the higher rates offered by grey market. Consequently, the current account deficit in the external sector significantly widened to USD 3.3 billion or 4.0 percent of GDP in 2021.

The declining momentum of gross official reserves continued throughout the year and the gross official reserves stood at USD 3.1 billion as at end December 2021. The foreign debt service payments, supply of foreign exchange to support essential import items and honoring of maturing liabilities of the CBSL were responsible for the decline of reserves by USD 2.5 billion in 2021. However, gross official reserves further deteriorated to a critically low level of USD 1.8 billion as at end of April 2022. Sri Lankan rupee depreciated by 7.0 percent in 2021 and further depreciated by 33.0 percent by end March 2022 due to large pressures in the domestic exchange market. GDP was

estimated at USD 84.5 billion at current prices in 2021 compared to USD 81.0 billion in 2020.

Figure 2.2 | Per Capita GDP (USD)



Source: Department of Census and Statistics

Equity market demonstrated a mixed performance during 2021. All-Share Price Index (ASPI) recorded its highest point of 12,226 and market capitalization recorded its highest in a decade at Rs. 5,489 billion in 2021. However, ASPI dropped to 8,144 points while the S&P SL20 Index dropped to 2,624 points as of April 8, 2022. Further, market capitalization decreased by 30.4 percent at the end of the first quarter of 2022 to Rs. 3,827 billion from Rs. 5,489 billion at end of 2021.

The total labour force participation rate fell to 49.9 percent in 2021 from 50.6 percent in 2020 reflecting the decline in the labour force together with the increase in the inactive population stemming from the spillover effect of the pandemic to the labour market. However, the unemployment rate dropped to 5.1 percent in 2021 from 5.5 percent in 2020 with the recovery of the economic activities in a new normal situation.

Inflation surged unprecedentedly to double digit levels commencing from December 2021. Headline inflation, as measured by the year-on-year (Y-o-Y) change in the Colombo Consumer Price Index (CCPI, 2013=100) soared alarmingly high to 39.1 percent in May 2022 from 29.8 percent in April 2022. This was driven by the increase of food inflation to 57.4 percent and non-food inflation to 30.6 percent. Core inflation, which mirrors the underlying inflation in the economy, rose to 28.4 in May 2022 from 8.3 percent in December 2021. Headline inflation as measured by National Consumer Price Index (NCPI) has also shown a similar trend increasing sharply to 33.8 in April 2022.

The Central Bank continued its accommodative monetary policy stance for most of 2021 considering the macroeconomic developments in the domestic and global spheres. Accordingly, the Standing Deposit Facility Rates (SDFR) and Standing Lending Facility Rates (SLFR) were maintained at 4.5 percent and 5.5 percent, respectively till July 2021.

From August 2021, SDFR and SLFR were maintained at 5.0 percent and 6.0 percent, respectively and from January 2022, policy rates were slightly increased by 50 basis points. At the beginning of March 2022, CBSL further tightened its monetary policy by increasing SDFR and SLFR to 6.5 percent and 7.5 percent, respectively.

The Central Bank further tightened its monetary policy stance at its historical levels by increasing policy rates by 700 basis points. Accordingly, SDFR and SLFR increased to 13.50 percent and 14.50 percent, respectively effective from 08 April 2022 to stabilize the inflationary pressures in the economy. Meanwhile, credit to the private sector increased to Rs. 6,981 billion at the end of December 2021 from Rs. 6,171 billion at the end of 2020. Net credit to the government increased from Rs. 4,548 billion at the end of 2020 to Rs. 5,832 billion at the end of December 2021.

## 2.2 Sri Lankan Economy

In 2021, the Sri Lankan economy recovered with a moderate growth of 3.7 percent after a contraction of 3.6 percent in 2020. All the sectors of the economy, i.e. Agriculture, Industry and Services sectors expanded in 2021 benefiting from the low base effect in 2020. Agriculture sector rebounded by 2.0 percent in 2021, compared to the contraction of 2.2 percent in 2020 benefiting from the growth in sub-sectors including coconut, animal production, tea, spices, and marine and inland fisheries. Industry sector grew by 5.3 percent from a sharp contraction of 6.9 percent in 2020 supported by the expansion of textile and apparel, rubber, non-metallic, mining and quarrying, food and beverages, electricity generation and construction sub-sectors. Services sector, which is the largest sector in the economy with a Rs. 5.8 trillion in value addition, expanded by 3.0 percent in 2021 from the slowdown of 1.6 percent in 2020. This

was mainly driven by the overall growth in all sub-sectors, in particular, wholesale and retail trade, transportation, financial services and real estate sub-sectors. Telecommunication and IT services recorded notable growth in 2021 benefiting from the increased demand for such services due to the pandemic induced needs.

Investment expenditure grew by 23.2 percent in 2021 mainly due to the considerable growth in gross fixed capital formation by 14.5 percent in 2021. Consumption expenditure comprising of private and government expenditure increased by 9.9 percent in 2021 from 2.0 percent in 2020, reflecting the increased private consumption expenditure during the

year. Net external demand contracted by 0.4 percent in 2021, in nominal terms, benefiting from the higher growth in the volume of exports. The national savings to GDP ratio improved to 23.8 percent in 2021. Further, the national savings-investment gap widened to 3.9 percent of GDP in 2021 from 1.6 percent of GDP in 2020 due to the significant increase in investment expenditure.

The GDP at current market prices was Rs. 16,809 billion in 2021, compared to Rs. 15,027 billion in 2020. Accordingly, GDP per capita increased to Rs. 758,680 in 2021 from Rs. 685,587 in 2020.

Table 2.2 | Gross Domestic Product (GDP) at Constant (2010) Market Prices, 2016 to 2021

Rs. Million

Economic Activity	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>	2020/2019 Change (%)	2021/2020 Change (%)
<b>Agriculture, Forestry and Fishing</b>	<b>644,655</b>	<b>642,159</b>	<b>679,702</b>	<b>688,076</b>	<b>672,930</b>	<b>686,478</b>	<b>-2.2</b>	<b>2.0</b>
1 Growing of Cereals (except rice)	13,158	11,503	11,829	10,474	15,170	16,638	44.8	9.7
2 Growing of Rice	52,388	48,648	70,380	74,169	79,388	74,047	7.0	-6.7
3 Growing of Vegetables	58,349	55,240	55,230	54,539	58,669	57,201	7.6	-2.5
4 Growing of Sugar cane, Tobacco and other non-perennial crops	2,347	2,044	1,820	2,000	2,386	2,209	19.3	-7.4
5 Growing of Fruits	46,512	49,961	55,654	60,399	64,156	59,165	6.2	-7.8
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	66,971	53,773	57,577	67,742	60,705	67,481	-10.4	11.2
7 Growing of Tea (Green Leaves)	63,972	66,879	67,170	66,329	61,621	66,178	-7.1	7.4
8 Growing of other beverage crops (Coffee, Cocoa, etc)	1,354	1,268	1,592	1,181	1,437	1,213	21.7	-15.6
9 Growing of spices, aromatic, drug and pharmaceutical crops	62,931	63,200	66,914	66,223	68,437	71,514	3.3	4.5
10 Growing of Rubber	23,028	24,165	25,158	22,779	23,831	23,428	4.6	-1.7
11 Growing of other perennial crops	16,484	16,717	16,303	16,380	16,647	15,851	1.6	-4.8
12 Animal Production	55,631	58,729	63,418	64,744	62,941	69,035	-2.8	9.7
13 Plant propagation and agricultural supporting activities	10,210	9,238	9,258	8,404	8,366	9,252	-0.5	10.6
14 Forestry & Logging	52,485	62,545	58,920	59,328	54,652	57,420	-7.9	5.1
15 Marine Fishing and Marine Aquaculture	105,100	103,043	102,175	96,589	75,593	76,465	-21.7	1.2
16 Fresh water fishing Fresh water Aquaculture	13,735	15,208	16,304	16,797	18,930	19,381	12.7	2.4
<b>Industries</b>	<b>2,396,833</b>	<b>2,509,421</b>	<b>2,541,186</b>	<b>2,608,189</b>	<b>2,427,872</b>	<b>2,556,998</b>	<b>- 6.9</b>	<b>5.3</b>
17 Mining and quarrying	217,577	237,827	225,505	231,893	202,873	208,505	-12.5	2.8
18 Manufacture of food, beverages and Tobacco products	529,786	534,924	559,356	578,117	599,909	618,361	3.8	3.1
19 Manufacture of textiles, wearing apparel and leather related products	289,001	304,090	324,565	333,530	287,856	327,616	-13.7	13.8
20 Manufacture of wood and of products of wood and cork, except furniture	32,855	32,909	34,233	31,408	28,725	31,129	-8.5	8.4
21 Manufacture of paper products, printing and reproduction of media products	30,283	31,885	32,884	31,445	30,094	32,942	- 4.3	9.5

Table 2.2 | Gross Domestic Product (GDP) at Constant (2010) Market Prices, 2016 to 2021 Contd...

		Rs. Million								
Economic Activity	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>	2020/2019 Change (%)	2021/2020 Change (%)		
22 Manufacture of coke and refined petroleum products	31,245	29,743	27,312	33,694	30,026	20,869	-10.9	-30.5		
23 Manufacture of chemical products and basic pharmaceutical products	90,095	93,552	97,851	101,949	101,312	105,348	-0.6	4.0		
24 Manufacture of rubber and plastic products	77,055	86,202	85,933	81,070	68,334	82,013	-15.7	20.0		
25 Manufacture of other non – metallic mineral products	69,660	77,821	81,764	81,399	81,844	95,617	0.5	16.8		
26 Manufacture of basic metals and fabricated metal products	38,577	43,862	48,491	47,120	45,017	46,767	-4.5	3.9		
27 Manufacture of machinery and equipments i.e.	46,610	50,967	51,697	53,038	51,285	57,801	- 3.3	12.7		
28 Manufacture of furniture	96,303	97,920	92,997	96,829	87,299	88,415	-9.8	1.3		
29 Other manufacturing and repair and installation of machinery and equipment	70,923	76,943	76,589	71,348	69,623	80,610	-2.4	15.8		
30 Electricity, gas, steam and air conditioning supply	92,356	94,803	100,382	104,437	102,758	109,049	-1.6	6.1		
31 Water collection, treatment and supply	12,972	13,562	14,351	15,139	15,866	16,540	4.8	4.2		
32 Sewerage, Waste, treatment, and disposal activities	25,539	28,316	30,207	32,403	32,078	31,006	-1.0	-3.3		
33 Construction	645,994	674,097	657,070	683,371	592,972	604,410	-13.2	1.9		
<b>Services</b>	<b>5,127,616</b>	<b>5,313,435</b>	<b>5,555,325</b>	<b>5,683,960</b>	<b>5,595,176</b>	<b>5,760,308</b>	<b>- 1.6</b>	<b>3.0</b>		
34 Wholesale and Retail Trade	957,088	993,667	1,040,360	1,071,847	1,086,962	1,108,274	1.4	2.0		
35 Transportation of goods and passengers including warehousing	982,703	1,013,857	1,034,755	1,048,825	977,105	982,745	-6.8	0.6		
36 Postal and courier activities	4,260	4,425	4,485	4,752	4,975	5,251	4.7	5.5		
37 Accommodation, Food and beverage service activities	139,443	146,432	154,794	147,671	89,452	91,156	-39.4	1.9		
38 Programming and broadcasting activities and audio video productions	2,831	2,804	2,519	2,639	2,702	2,803	2.4	3.7		
39 Telecommunication	36,984	41,503	45,830	53,695	61,990	72,006	15.4	16.2		
40 IT programming consultancy and related activities	13,015	13,564	15,072	17,044	18,752	22,827	10.0	21.7		
41 Financial Service Activities and Auxiliary financial service	554,564	606,512	687,918	701,891	778,544	837,181	10.9	7.5		
42 Insurance, reinsurance and pension funding	92,172	95,925	112,515	122,921	118,854	124,911	-3.3	5.1		
43 Real estate activities, including ownership of dwelling	520,085	544,733	566,078	579,601	572,799	590,534	-1.2	3.1		
44 Professional services	152,229	158,755	165,550	169,523	164,947	167,333	-2.7	1.4		
45 Public Administration and defence, compulsory social security	452,586	430,672	428,022	437,065	443,960	452,340	1.6	1.9		
46 Education	171,830	172,701	179,524	185,116	186,712	194,745	0.9	4.3		
47 Human Health Activities, Residential care and social work activities	162,405	174,155	179,356	182,777	190,706	201,621	4.3	5.7		
48 Other personal service activities	885,421	913,729	938,547	958,592	896,716	906,581	-6.5	1.1		
<b>Gross Value Added (GVA), at basic prices</b>	<b>8,169,103</b>	<b>8,465,015</b>	<b>8,776,212</b>	<b>8,980,225</b>	<b>8,695,978</b>	<b>9,003,784</b>	<b>-3.2</b>	<b>3.5</b>		
<b>(+) Taxes less Subsidies on Products</b>	<b>866,727</b>	<b>894,132</b>	<b>889,166</b>	<b>910,243</b>	<b>879,609</b>	<b>917,346</b>	<b>-3.4</b>	<b>4.3</b>		
<b>Gross Domestic Products (GDP), at Constant Market Price</b>	<b>9,035,830</b>	<b>9,359,147</b>	<b>9,665,379</b>	<b>9,890,468</b>	<b>9,532,909</b>	<b>9,881,397</b>	<b>-3.6</b>	<b>3.7</b>		

Source: Department of Census and Statistics

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

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

Economic Activity	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Agriculture, Forestry and Fishing</b>	<b>-3.7</b>	<b>-0.4</b>	<b>5.8</b>	<b>1.2</b>	<b>-2.2</b>	<b>2.0</b>
1 Growing of Cereals (except rice)	-12.2	-12.6	2.8	-11.5	44.8	9.7
2 Growing of Rice	-31.3	-7.1	44.7	5.4	7.0	-6.7
3 Growing of Vegetables	2.9	-5.3	0.0	-1.3	7.6	-2.5
4 Growing of Sugar Cane, Tobacco and Other non-perennial Crops	24.7	-12.9	-10.9	9.9	19.3	-7.4
5 Growing of Fruits	-3.2	7.4	11.4	8.5	6.2	-7.8
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	-0.8	-19.7	7.1	17.7	-10.4	11.2
7 Growing of Tea (Green Leaves)	-11.2	4.5	0.4	-1.3	-7.1	7.4
8 Growing of Other Beverage Crops (Coffee, Cocoa, etc)	7.5	-6.4	25.6	-25.8	21.7	-15.6
9 Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	3.5	0.4	5.9	-1.0	3.3	4.5
10 Growing of Rubber	-10.7	4.9	4.1	-9.5	4.6	-1.7
11 Growing of Other Perennial Crops	-2.1	1.4	-2.5	0.5	1.6	-4.8
12 Animal Production	7.3	5.6	8.0	2.1	-2.8	9.7
13 Plant Propagation and Agricultural Supporting Activities	-2.0	-9.5	0.2	-9.2	-0.4	10.6
14 Forestry and Logging	8.5	19.2	-5.8	0.7	-7.9	5.1
15 Marine Fishing and Marine Aquaculture	0.7	-2.0	-0.8	-5.5	-21.7	1.2
16 Fresh Water Fishing and Fresh Water Aquaculture	9.9	10.7	7.2	3.0	12.7	2.4
<b>Industries</b>	<b>5.7</b>	<b>4.7</b>	<b>1.3</b>	<b>2.6</b>	<b>-6.9</b>	<b>5.3</b>
17 Mining and Quarrying	13.8	9.3	-5.2	2.8	-12.5	2.8
18 Manufacture of Food, Beverages and Tobacco Products	0.2	1.0	4.6	3.4	3.8	3.1
19 Manufacture of Textiles, Wearing Apparel and Leather related Products	2.2	5.2	6.7	2.8	-13.7	13.8
20 Manufacture of Wood and Products of Wood and Cork, except Furniture	20.3	0.2	4.0	-8.3	-8.5	8.4
21 Manufacture of Paper Products, Printing and Reproduction of Media Products	9.2	5.3	3.1	-4.4	-4.3	9.5
22 Manufacture of Coke and Refined Petroleum Products	7.5	-4.8	-8.2	23.4	-10.9	-30.5
23 Manufacture of Chemical Products and Basic Pharmaceutical Products	8.3	3.8	4.6	4.2	-0.6	4.0
24 Manufacture of Rubber and Plastic Products	1.2	11.9	-0.3	-5.7	-15.7	20.0
25 Manufacture of Other Non-metallic Mineral Products	-7.4	11.7	5.1	-0.4	0.5	16.8
26 Manufacture of Basic Metals and Fabricated Metal Products	33.2	13.7	10.6	-2.8	-4.5	3.9
27 Manufacture of Machinery and Equipment	20.0	9.3	1.4	2.6	-3.3	12.7
28 Manufacture of Furniture	1.9	1.7	-5.0	4.1	-9.8	1.3
29 Other Manufacturing and Repair and Installation of Machinery and Equipment	3.5	8.5	-0.5	-6.8	-2.4	15.8
30 Electricity, Gas, Steam and Air Conditioning Supply	8.4	2.6	5.9	4.0	-1.6	6.1
31 Water Collection, Treatment and Supply	7.9	4.6	5.8	5.5	4.8	4.3
32 Sewerage, Waste, Treatment and Disposal Activities	17.8	10.9	6.7	7.3	-1.0	-3.3
33 Construction	8.3	4.4	-2.5	4.0	-13.2	1.9
<b>Services</b>	<b>4.8</b>	<b>3.6</b>	<b>4.6</b>	<b>2.3</b>	<b>-1.6</b>	<b>3.0</b>
34 Wholesale and Retail Trade	2.6	3.8	4.7	3.0	1.4	2.0
35 Transport of Goods and Passenger including Warehousing	5.5	3.2	2.1	1.4	-6.8	0.6
36 Postal Courier Activities	5.1	3.9	1.4	5.9	4.7	5.6
37 Accommodation, Food and Beverage Service Activities	4.0	5.0	5.7	-4.6	-39.4	1.9
38 Programming and Broadcasting Activities and Audio Video Productions	7.9	-0.9	-10.2	4.8	2.4	3.7
39 Telecommunication	8.3	12.2	10.4	17.2	15.4	16.2
40 IT Programming Consultancy and Related Activities	7.1	4.2	11.1	13.1	10.0	21.7
41 Financial Service Activities and Auxiliary Financial Services	12.3	9.4	13.4	2.0	10.9	7.5
42 Insurance, Reinsurance and Pension Funding	12.4	4.1	17.3	9.2	-3.3	5.1
43 Real Estate Activities, Including Ownership of Dwelling	6.3	4.7	3.9	2.4	-1.2	3.1
44 Professional Services	-1.3	4.3	4.3	2.4	-2.7	1.4
45 Public Administration and Defence; Compulsory Social Security	5.2	-4.8	-0.6	2.1	1.6	1.9
46 Education	7.5	0.5	4.0	3.1	0.9	4.3
47 Human Health Activities, Residential Care and Social Work Activities	1.5	7.2	3.0	1.9	4.3	5.7
48 Other Personal Service Activities	1.4	3.2	2.7	2.1	-6.5	1.1
<b>Gross Value Added (GVA), at Basic Prices</b>	<b>4.3</b>	<b>3.6</b>	<b>3.7</b>	<b>2.3</b>	<b>-3.2</b>	<b>3.5</b>
<b>(+) Taxes less Subsidies on Products</b>	<b>4.3</b>	<b>3.0</b>	<b>0.6</b>	<b>2.4</b>	<b>-8.1</b>	<b>4.9</b>
<b>Gross Domestic Products (GDP), at Constant Market Price</b>	<b>4.5</b>	<b>3.6</b>	<b>3.3</b>	<b>2.3</b>	<b>-3.6</b>	<b>3.7</b>

Source : Department of Census and Statistics

<sup>(a)</sup> Revised

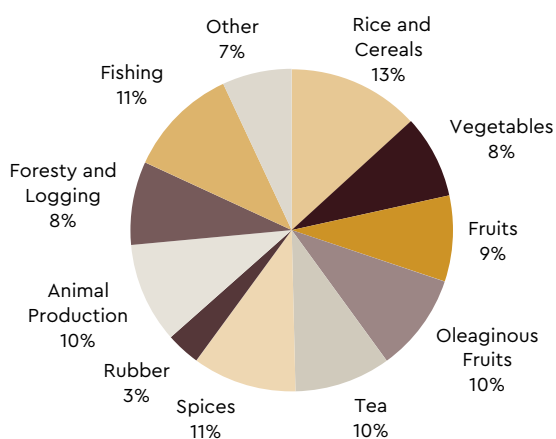
<sup>(b)</sup> Provisional



## Agriculture Sector

Agriculture sector grew by 2.0 percent in 2021 from the contraction of 2.2 percent in 2020. This was mainly due to the expansion of sectors such as the growing of coconut, tea, spices, animal production, and freshwater and marine fishing. Further, plant propagation and agriculture supporting activities, forestry and logging and growing of cereals also contributed positively to this expansion. However, the growing of rice, vegetables, sugarcane, fruits, other beverage crops, rubber and other perennial crops recorded negative growth in 2021.

Figure 2.3 | Agriculture Sector Composition – 2021



Source: Department of Census and Statistics

## Paddy

Value-added production of paddy sector contracted by 6.7 percent in 2021, compared to the expansion of 7.0 percent in 2020. However, the total paddy production recorded a marginal increase of 0.6 percent to 5.1 million metric tons in 2021. Favorable weather conditions together with the increase in net extent harvested mainly contributed to this increase. Paddy production in the 2020/21 Maha season declined by 4.2 percent to 3.1 million metric tons. This decline was offset by the growth in paddy production in 2021 Yala season by 8.5 percent to 2.1 million metric tons, compared to 1.9 million metric tons in 2020. The net extent harvested in both seasons expanded, resulting an extent of 681,521 hectares in 2020/21 Maha and 445,084 hectares in 2021 Yala season.

The Government imposed a ban on the importation of chemical fertilizer and other agrochemicals in May 2021 while promoting domestic organic fertilizer production with the objective of shifting the economy towards sustainable agriculture practices. Accordingly, farmers who produce and use organic fertilizer for their paddy cultivation were given an incentive of Rs. 12,500 per hectare, capped at a maximum of one hectare from the 2021/22 Maha season. However, the limitations in availability of inorganic and organic fertilizers created concerns among farmers leading to sizable loss of yield resulting in the increase in price of paddy. In order to address this issue, Government took measures to import natural organic fertilizer, chelated minerals and micronutrients for paddy cultivation.

Meanwhile, around 44,948 metric tons of paddy from 2020/21 Maha season and around 7,728 metric tons of paddy from 2021 Yala season were purchased under the Government paddy purchasing programme. A guaranteed price of Rs. 56.50 per kg for all varieties of rice was imposed in March 2021, which was later revised in July 2021 as Rs. 50.00 per kg for Nadu, Rs. 52.00 per kg for Samba and Rs. 55.00 per kg for Keeri Samba to assure a fair price for farmers. Although the Government imposed maximum retail prices of Rs. 103.00 per kg for Samba and Rs. 98.00 per kg for Nadu, it was revoked at the end of September 2021 to address the shortage in the rice supplies due to the concentration of market power among a few millers.

The Government significantly reduced Special Commodity Levy (SCL) on imported Samba, Nadu and Raw rice from Rs. 65.00 to Rs. 0.25 per kg effective from October 2021 to June 2022, aimed at continuous supply of rice in the local market. As a result of this initiative, rice imports recorded a notable growth from 15,770 metric tons in 2020 to 147,091 metric tons in 2021, of which 134,716 metric tons of rice were imported during the period from November to December 2021.

## Tea

In value-added terms, growing of tea sub-sector expanded by 7.4 percent in 2021, compared to the contraction of 7.1 percent in 2020. The tea production increased by 7.0 percent to 299.5 million kg in 2021, compared to 278.9 million kg in 2020 reflecting the favorable weather conditions that prevailed in all tea growing areas combined with the low base effect of the previous year. As a result, tea prices at Colombo Tea Auction (CTA) declined, on average, by 2.3 percent to Rs. 619.15 per kg in 2021 from Rs. 633.85 per kg recorded in 2020. Although the average FOB export price of tea increased by 6.2 percent to Rs. 920.76 per kg in 2021 from Rs. 866.70 per kg in 2020, the FOB price of tea in USD terms decreased by 0.9 percent during 2021. Due to the increase in tea production coupled with improved demand in the global market, tea exports increased by 7.7 percent to 286.0 million kg in 2021 from 265.6 million kg in 2020.

## Rubber

In value-added terms, the rubber subsector contracted marginally by 1.7 percent in 2021, compared to the growth of 4.6 percent in 2020 owing to the heavy rains in plantation areas during tapping days coupled with the prevalence of fungal disease. Accordingly, rubber production declined by 1.7 percent to 76.9 million kg in 2021 from 78.2 million kg in 2020. Domestic raw rubber consumption by the industrial sector increased by 19.4 percent to 133.9 million kg in 2021 from 112.1 million kg in 2020 as reflected in the expansion of rubber related manufacturing activities including tyre production. Earnings from rubber exports increased significantly by 40.1 percent to USD 42.2 million in 2021 due to the increase in average FOB price of rubber to USD 2.72 per kg from USD 1.91 per kg in 2020 despite the drop in export volumes by 1.7 percent to 15.5 million kg in 2021.

## Coconut

The coconut production increased to 3,120 million nuts in 2021 from 2,792 million nuts in 2020 supported by the favorable weather

conditions prevailed in coconut cultivation areas. As such, related industries such as coconut oil, desiccated coconut, coconut cream, coconut milk and coconut milk powder have been benefited. Accordingly, production of desiccated coconut increased by 31.8 percent to 33,289 metric tons, while coconut oil production rose by 117.8 percent, compared to 2020. The significant increase in coconut oil production was backed by the policy initiative of the Government to promote local coconut oil production, while discouraging the importation of palm oil and other edible oil. Copra production fell to 5 million nuts in 2021 from 6 million nuts in 2020. Reflecting the rising demand from coconut-based industries, the average retail price of a coconut increased to Rs. 83.90 in 2021 from Rs 73.82 in 2020; auction price of a coconut, on average, increased to Rs. 56.51 in 2021 from Rs. 48.89 in 2020; the price of a bottle of coconut oil (750 ml) and desiccated coconut (1 kg) increased by 29.2 percent to Rs. 443.42 and 20.0 percent to Rs. 537.25, respectively in 2021. The coconut export revenue increased by 23.2 percent to USD 425.2 million in 2021, compared to USD 345.2 million in 2020 with the increase in export volume.

## Minor export crops

Spices sector grew by 4.5 percent in 2021 from 3.3 percent in 2020 benefiting from the increased demand for such products in international markets. Production of minor export agricultural crops increased by 28.6 percent in 2021 with the increase in production of spices such as cinnamon, cardamom, pepper and clove. The Government initiated programs to encourage the small export crop cultivators by providing high-quality seeds, planting materials, cultivation instructions and technical know-how. Turmeric cultivation expanded significantly during 2021 in line with the Government's goal of achieving self-sufficiency in turmeric. Cardamom production increased by 20.9 percent to 104 metric tons in 2021, compared to 86 metric tons in 2020. Cinnamon production recorded an increase of 9.6 percent to 22,872 metric tons in 2021, compared to 20,866 metric tons in 2020.



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

Crop	Production					Export*				
	2017	2018	2019	2020	2021 <sup>(a)</sup>	2017	2018	2019	2020	2021 <sup>(a)</sup>
Cinnamon	22,341	20,398	20,352	20,866	22,872	16,617	17,537	17,480	19,090	19,195
Pepper	29,546	22,551	22,156	23,970	25,047	13,309	13,535	8,335	9,542	18,575
Cocoa	471	413	548	612	658	2,584	296	520	255	159
Cardamom	113	86	69	86	104	839	108	13	1	3
Clove	6,413	3,360	4,786	3,512	3,837	7,806	3,279	5,126	2,597	6,487
Nutmeg & Mace	3,545	4,180	5,119	2,751	2,818	2,043	1,938	3,417	2,451	2,651

Sources : Central Bank of Sri Lanka and Sri Lanka Customs

<sup>(a)</sup> Provisional

\* Including Re-export

## Other crops

The growing of cereals (excluding rice) contributed positively to the growth of the agriculture sector with an increase of 9.7 percent, benefiting from the government policy to achieve food security through the increase in domestic production of such agricultural crops. Big onion production grew by 53.2 percent, recording 65,907 metric tons in 2021 from 43,000 metric tons in 2020. Potato production rebounded with a growth of 16.6 percent to 75,900 metric tons in 2021 from 65,085 metric tons in 2020. However, growing of vegetables and fruits contracted by 2.5 percent and 7.8 percent, respectively, in value-added terms in 2021. Due to the shortage of organic fertilizer coupled with inclement weather and the increased machinery and transportation cost, vegetable production fell by 1.4 percent to 1.7 million metric tons in 2021 while vegetable exports dropped by 35.1 percent to 21,540 metric tons in 2021 with an earning of USD 28.5 million. Fruit production was estimated at 3.3 million metric tons in 2021, while fruit exports improved by 12.1 percent to 43,426 metric tons in 2021 with an earning of USD 38.0 million.

## Livestock

In value-added terms, the animal production subsector expanded by 9.7 percent in 2021, compared to a 2.8 percent contraction in 2020. As such, milk production increased by 4.4 percent to 513.0 million litres in 2021 from 491.5 million litres in 2020 mainly due to the attractive prices with the greater demand for liquid milk while adding new dairy farms to the industry. Reflecting a positive growth recorded in the poultry sector, the egg production

increased by 4.5 percent to 1,953.7 million in 2021, compared to 1,869.7 million eggs in 2020. In 2021, the production of beef, pork and mutton increased by 4.4 percent, 4.9 percent and 1.0 percent, respectively.

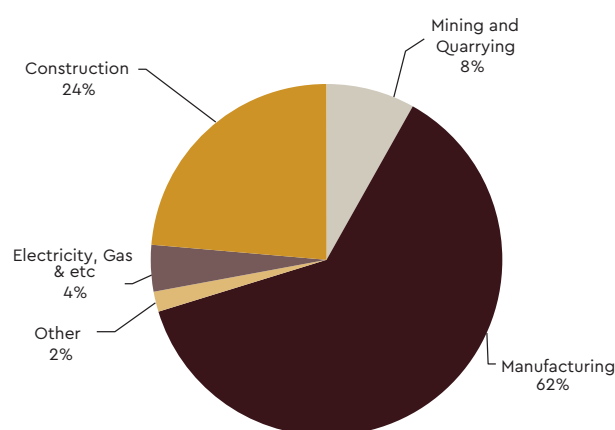
## Marine and inland fishing

In value-added terms, the marine fishing and marine aquaculture and freshwater fishing and freshwater aquaculture sub-sectors recorded 1.2 percent and 2.4 percent growth, respectively, in 2021. The total fish production increased slightly by 1.5 percent to 435.3 metric tons in 2021, compared to 428.7 metric tons in 2020. During the second and third quarters of 2021, fish production was affected by the disruptions to marine fishing due to the Xpress Pearl vessel incident that caused a severe impact to the coastal and marine resources.

## Industry Sector

In 2021, industry sector expanded by 5.3 percent, in value-added terms, from the contraction of 6.9 percent in 2020 mainly due to the expansion of construction activities, mining and quarrying activities and manufacturing activities except for coke and refined petroleum products. Moreover, electricity, gas, steam and air-conditioning and water collection, treatment and supply sub-sectors recorded positive growth in 2021. However, sewerage, waste, treatment and disposal activities and manufacturing of coke and refined petroleum products contracted in 2021.

Figure 2.4 | Industry Sector Composition – 2021



Source: Department of Census and Statistics

## Mining and quarrying

Mining and quarrying activities expanded by 2.8 percent in 2021, in value-added terms, compared to the contraction of 12.5 percent in 2020. The improved demand for sand mining due to expansion in the construction sector was attributable to this performance.

## Manufacturing

All the sub-sectors of manufacturing expanded during 2021, except manufacturing of coke and refined petroleum products sub-sector which was adversely affected by the temporary closure of the Sapugaskanda refinery. This growth was mainly attributable to the permission granted for manufacturing activities despite the pandemic related travel restrictions together with the successful vaccination rollout in the country.

The manufacturing of textiles and wearing apparel sub-sector expanded significantly by 13.8 percent in 2021, compared to the contraction of 13.7 percent in 2020. This was mainly due to the rebounding the international trade resulting an improvement in external demand along with the facilitations provided by the Government to continue the manufacturing activities amid pandemic related travel restrictions.

Other manufacturing activities also expanded in 2021, compared to 2020 including food and beverages (3.1 percent); chemical products (4.0 percent); other non-metallic mineral products (16.8 percent); furniture (1.3 percent); rubber and plastic (20.0 percent); wood and wood products (8.4 percent); basic metals (3.9 percent); paper products (9.5 percent); machinery and equipment (12.7 percent); and other manufacturing (15.8 percent). However, the manufacture of coke and refined petroleum products and sewerage, waste, treatment and disposal activities contracted, in value-added terms by 30.5 percent and 3.3 percent, respectively during 2021.

The electricity, gas, steam and air conditioning supply subsector recorded a positive growth of 6.1 percent in 2021, compared to the contraction of 1.6 percent in 2020 due to the increase in demand from industrial customers. Electricity power generation increased to 16,588 Gwh in 2021 from 15,714 Gwh in 2020.

Table 2.5 | Performance of the Selected Industrial Exports

Item	USD Million						
	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
Food , Beverages and Tobacco	307	324	393	462	447	464	587
Animal Fodder	75	68	80	108	129	103	149
Textiles and Garments	4,820	4,884	5,032	5,318	5,596	4,423	5,435
Rubber Products	761	768	835	875	866	786	1,050
Gems, Diamonds and Jewellery	332	274	258	278	306	181	277
Machinery and Mechanical Appliances	294	318	371	435	400	338	501
Transport Equipment	244	131	162	120	146	71	148
Petroleum Products	374	287	434	622	521	374	506
Chemical Products	126	126	146	167	176	173	223
Wood and Paper Products	112	117	139	141	129	99	130
Leather Travel Goods and Footwear	136	166	158	148	103	54	58
Plastics and Articles thereof	62	66	75	78	73	176	79
Base Metals and Articles	56	90	116	165	177	111	156
Ceramic Products	35	34	34	31	30	24	37
Other Industrial Exports	283	288	309	311	326	295	361
<b>Total</b>	<b>8,017</b>	<b>7,940</b>	<b>8,542</b>	<b>9,258</b>	<b>9,426</b>	<b>7,672</b>	<b>9,702</b>

Source: Central Bank of Sri Lanka

<sup>(a)</sup> Provisional

## Construction

The construction industry expanded by 1.9 percent in 2021, compared to a 13.2 percent contraction in 2020. However, the total cement supply declined by 0.8 percent in 2021 creating a shortage in the market while other construction material imports recorded an increase during the year. Further, the third wave of the pandemic and disruptions to global and local supply chains were affected negatively to the construction industry. Accordingly, the shortage of raw materials such as cement, steel and tiles due to supply side disturbances together with price hike in materials hindered the construction sector from achievement its full potential. Meanwhile, credit granted to the private sector for construction activities by Licensed Commercial Banks increased by 14.5 percent at the end of 2021, compared to end 2020 reflecting an increase in the availability of funds for construction sector.

## Services Sector

Services sector expanded by 3.0 percent in 2021 led by expansions in wholesale and retail (2.0 percent); transport (0.6 percent); financial services activities (7.5 percent); real estate (3.1 percent) and other personal service activities (1.1 percent). Sub-sectors including public administration (1.9 percent); human health activities (5.7 percent); education (4.3 percent) and professional services (1.4 percent) contributed positively to the Services sector.

## Wholesale and retail trade

Wholesale and retail services grew by 2.0 percent in 2021, compared to 1.4 percent growth recorded in 2020 with the ease off mobility restrictions and the periodic financial assistance provided by the Government. Although the wholesale and retail trade sub-sector recorded a growth, the share of GDP dropped to 11.2 percent in 2021 from 11.4 percent in 2020 and the share of the services sector declined to 19.2 percent from 19.4 percent in 2020. Meanwhile, loans and advances by Licensed Commercial Banks for wholesale and retail trade activities increased notably by 9.6 percent at the end of 2021, compared to end 2020.

## Transportation of goods and passengers

The transport sub-sector expanded marginally by 0.6 percent in 2021, compared to the contraction of 6.8 percent in 2020. Passenger kilometers flown by SriLankan Airlines dropped by 21.2 percent to 2,868 million km in 2021 due to continued international travel restrictions with the new variants of the pandemic. Passenger kilometers operated by Sri Lanka Transport Board fell by 28.4 percent to 6,175 million km in 2021. However, total cargo handled grew by 6.3 percent to 109.4 million metric tons and total container traffic increased by 5.8 percent to 7.2 million Twenty-Foot Equivalent Units (TEUs) in 2021.

## Accommodation, food and beverage service activities

Accommodation, food and beverage service activities expanded by 1.9 percent in 2021, compared to the significant contraction of 39.4 percent recorded in 2020. This was due to the gradual recovery of tourism and leisure activities after the third and fourth waves of the COVID-19 pandemic. Tourist arrivals declined by 61.7 percent to 194,495 persons in 2021, compared to arrivals of 507,704 persons in 2020, resulting in a substantial drop in earnings from tourism to USD 507 million in 2021 from USD 682 million in 2020.

## Financial, insurance and real estate activities

Financial and auxiliary services grew by 7.5 percent in 2021, compared to the growth of 10.9 percent in 2020. Loans and advances of the banks and non-bank financial institutions grew by 14.7 percent, while the deposit base also recorded a growth of 13.2 percent at the end 2021, compared to end 2020. Insurance, reinsurance and pension activities increased by 5.1 percent in 2021, compared to a 3.3 percent contraction in 2020. Meanwhile, real estate activities expanded by 3.1 percent in 2021, compared to the 1.2 percent contraction reported in 2020.

Table 2.6 | Selected Indicators of Service Sector

Indicator	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Port Services</b>					
Vessels Arrived *	4,879	4,874	4,697	4,337	4,180
Total Cargo Handled (MT '000)	93,857	104,934	106,979	102,908	109,369
Total Container Traffic (TEU '000) <sup>(c)</sup>	6,209	7,047	7,228	6,855	7,249
Transshipment Container ** (TEU '000)	4,826	5,704	5,955	5,765	6,050
<b>Telecommunication Sector</b>					
Fixed Telephone Lines*** (No '000)	1,198	1,216	1,245	2,613	2,852
Cellular Phones (No '000)	28,199	32,528	32,884	28,739	29,959
Wireless Phone (No '000)	1,405	1,269	1,055	1,367	1,587
Internet and E mail Subscribers ('000) <sup>(d)</sup>	5,904	10,563	13,408	17,524	22,236
<b>Health Sector</b>					
Private Hospitals	181	191	209	217	233
Public Hospitals	612	612	603	609	618
No of Beds (Government)	76,569	76,824	77,964	77,121	78,228
No of Doctors (Government)	20,349	19,692	18,130	18,218	18,992
No of Nurses (Government)	34,221	34,714	38,276	37,133	38,743
<b>Financial Sector</b>					
Bank Branches and Other Outlets	6,213	6,882	7,390	7,406	7,319
Credit Cards in Use	1,486,545	1,710,671	1,854,103	1,984,525	2,054,985
Registered Finance Companies	45	43	42	40	39
Registered Leasing Companies	6	5	4	3	3
<b>Tourism Sector</b>					
Tourist Arrivals	2,116,407	2,333,796	1,913,702	507,704	194,495
Tourist Earnings (US\$ Mn)	3,925	4,381	3,607	682	507
Annual Room Occupancy Rate	73.3	72.8	57.1	15.0	18.6****
<b>Transport Services (New Registrations)</b>					
Buses	3,331	2,957	1,613	578	281
Cars	39,182	80,776	38,232	21,021	3,495
Dual Purpose Vehicles*****	16,742	16,931	13,459	9,532	771
Goods Transport Vehicles – Lorries	11,432	9,371	5,223	3,941	4,432
Motor Cycles	344,380	339,763	284,301	151,634	8,011
Three Wheelers	23,537	20,063	15,490	7,150	2,093
Land Vehicles – Tractors	8,821	7,460	5,696	6,025	10,420
Land Vehicles – Trailers	4,228	2,822	1,970	2,277	4,344

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

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Including KKS, Myliddy, Point Pedro & Karrainagar Ports

<sup>(d)</sup> Including mobile internet connections

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

\*\* Including Re-Stowing

\*\*\* excluding fixed wireless phones

\*\*\*\* In Level 1 & Level 2 and other safe and secure hotels

\*\*\*\*\* excludes single cabs

## Other service activities

The value-added telecommunication activities grew by 16.2 percent in 2021, compared to 15.4 percent growth in 2020. This subsector continued its growth momentum due to the integrated connectivity demand for work-from-home arrangements, educational activities and entertainment.

IT programming, consultancy and related activities grew by 21.7 percent in 2021, compared to 10.0 percent growth in 2020

benefiting from the increased demand for digital solutions. Foreign direct investments in IT/BPO services recorded for USD 43.9 million in 2021, compared to USD 26.4 million in 2020. Public administration and defence and compulsory social security services grew by 1.9 percent in 2021, compared to the growth of 1.6 percent in 2020. Meanwhile, education and health services grew by 4.3 percent and 5.7 percent, respectively in 2021.

## Domestic demand and consumption

Domestic demand comprising of consumption and investment expenditure of the country expanded by 13.1 percent to Rs. 18,081 billion at current market prices in 2021, compared to total demand of Rs. 15,993 billion in 2020 supported by the expansion of both consumption and investment expenditure.

Export of goods and services increased by 23.3 percent to Rs. 2,982 billion in 2021, compared to Rs. 2,419 billion in 2020 mainly due to the increase in export demand. The import of goods and services increased by 25.7 percent to Rs. 4,253 billion in 2021, compared to Rs. 3,385 billion in 2020 mainly due to the increase in global market prices. As such, the net external demand at current prices contracted significantly by 31.6 percent to Rs. 1,272 billion in 2021, compared to the contraction of 5.1 percent in 2020.

The total consumption expanded by 9.9 percent to Rs. 13,425 billion in 2021, compared to the moderate growth of 2.0 percent in 2020 due to the gradual lifting of mobility restrictions imposed in response to COVID-19. The consumption, as a percentage of GDP, was 79.9 percent in 2021 which comprises 88.0 percent of private consumption and 12.0 percent of government consumption. Private consumption grew at a rate of 10.8 percent due to the impact of higher prices of most consumer goods coupled with increased spending in a new normal condition. This has resulted a growth in private consumption categories such as transport, restaurant and hotels, and clothing and footwear. However, the government consumption grew moderately by 3.7 percent in 2021, compared to the growth of 9.9 percent in 2020 due to the Government's continued effort in curtailing the COVID-19 pandemic.

Table 2.7 | Domestic Demand, Supply and Trade Balance <sup>(a)</sup>

Item	Current Market Prices (Rs. Bn)			Change (%)			As a Percent of GDP		
	2019 <sup>(b)</sup>	2020 <sup>(b)</sup>	2021 <sup>(c)</sup>	2019 <sup>(b)</sup>	2020 <sup>(b)</sup>	2021 <sup>(c)</sup>	2019 <sup>(b)</sup>	2020 <sup>(b)</sup>	2021 <sup>(c)</sup>
<b>Domestic Demand</b>	<b>15,917</b>	<b>15,993</b>	<b>18,081</b>	<b>3.7</b>	<b>0.5</b>	<b>13.1</b>	<b>106.1</b>	<b>106.4</b>	<b>107.6</b>
Consumption	11,971	12,214	13,425	8.0	2.0	9.9	79.8	81.3	79.9
Private	10,558	10,662	11,815	8.0	1.0	10.8	70.4	71.0	70.3
Government	1,413	1,552	1,610	7.8	9.9	3.7	9.4	10.3	9.6
Investment	3,945	3,779	4,656	-7.5	-4.2	23.2	26.3	25.1	27.7
<b>Net External Demand (Trade balance)</b>	<b>-919</b>	<b>-966</b>	<b>-1,272</b>	<b>13.4</b>	<b>-5.1</b>	<b>-31.6</b>	<b>-6.1</b>	<b>-6.4</b>	<b>-7.6</b>
Export of Goods and Services	3,472	2,419	2,982	5.5	-30.3	23.3	23.2	16.1	17.7
Import of Goods and Services	4,392	3,385	4,253	0.9	-22.9	25.7	29.3	22.5	25.3
<b>Domestic Supply = GDP</b>	<b>14,997</b>	<b>15,027</b>	<b>16,809</b>	<b>-4.9</b>	<b>0.2</b>	<b>11.9</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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

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

<sup>(b)</sup> Revised

<sup>(c)</sup> Provisional

Table 2.8 | Aggregate Supply and use of Goods and Services <sup>(a)</sup>

Item	Rs. Bn			Change (%)		As a % of GDP	
	2019 <sup>(b)</sup>	2020 <sup>(b)</sup>	2021 <sup>(c)</sup>	2019/ 2020 <sup>(b)</sup>	2020/ 2021 <sup>(c)</sup>	2020 <sup>(b)</sup>	2021 <sup>(c)</sup>
<b>Aggregate Demand</b>	<b>19,389</b>	<b>18,412</b>	<b>21,063</b>	<b>-5.0</b>	<b>14.4</b>	<b>122.5</b>	<b>125.3</b>
Domestic Demand	15,917	15,993	18,081	0.5	13.1	106.4	107.6
External Demand = Export of Goods and Services	3,472	2,419	2,982	-30.3	23.3	16.1	17.7
<b>Aggregate Supply</b>	<b>19,389</b>	<b>18,412</b>	<b>21,063</b>	<b>-5.1</b>	<b>14.4</b>	<b>122.5</b>	<b>125.3</b>
Gross Domestic Product	14,997	15,027	16,809	0.1	11.9	100.0	100.0
Import of Goods and Services	4,392	3,385	4,253	-22.9	25.7	22.5	25.3
Trade Gap of Goods and Services	-919	-966	-1,272	-5.0	-31.6	-6.4	-7.6
Share of Imports in Aggregate Supply (%)	22.7	18.4	20.2	-17.3	9.9	0.1	0.1

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

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

<sup>(b)</sup> Revised

<sup>(c)</sup> Provisional



## Investment and savings

Reflecting the gradual recovery of economic activities, the investment expenditure at current market prices grew by 23.2 percent in 2021, compared to the contraction of 4.2 percent in 2020. This was mainly due to the significant growth in gross capital formation by 14.5 percent in 2021, compared to the contraction of 6.0 percent in 2020. As such, the asset categories of gross fixed capital formulation, such as construction, transport equipment and machinery and equipment, expanded in 2021. The investment as a percentage of GDP improved to 27.7 percent in 2021, compared to 25.1 percent in 2020. Further, the Foreign Direct Investments (FDIs) increased by 13.6 percent to USD 780.2 million in 2021, compared to USD 687.0 million in 2020. The growth of domestic savings by 20.3 percent was attributable to the increase in private savings during the year. Domestic savings as a percentage of GDP increased to 20.1 percent in 2021, compared to 18.7 percent in 2020. Meanwhile, in rupee terms, net primary income recorded a growth, while net current transfers from the rest of the world contracted in 2021. Accordingly, national savings recorded a growth of 13.2 percent, which was 23.8 percent of GDP.

Table 2.9 | Investment and Savings

Item	Rs. Bn		As a % of GDP	
	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Domestic Investment</b>	<b>3,779</b>	<b>4,656</b>	<b>25.1</b>	<b>27.7</b>
<b>Domestic Savings</b>	<b>2,813</b>	<b>3,384</b>	<b>18.7</b>	<b>20.1</b>
Private	3,994	4,675	26.6	27.8
Government	-1180	-1,290	-7.9	-7.7
<b>Investment - Domestic Savings Gap</b>	<b>966</b>	<b>1,272</b>	<b>6.4</b>	<b>7.6</b>
Net Factor Income From Abroad <sup>(c)</sup>	-423	-407	-2.8	-2.4
Net Foreign Private Transfers	1,151	1,030	7.7	6.1
<b>National Savings</b>	<b>3,541</b>	<b>4,008</b>	<b>23.6</b>	<b>23.8</b>

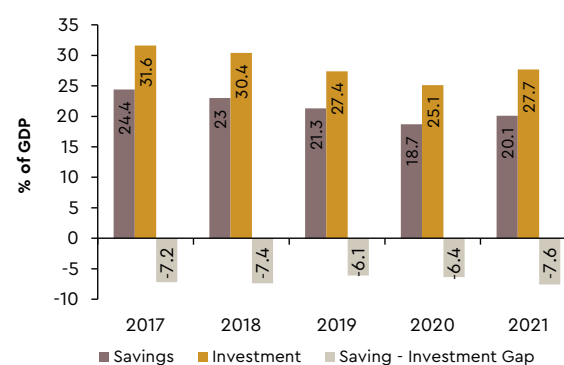
Sources : Department of Census and Statistics and Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> The difference with the BOP estimates is due to the time lag in compilation

Figure 2.5 | Savings - Investment Gap



Source: Department of Census and Statistics

## 2.3 External Sector

The external sector recorded a subdued performance in 2021 due to the COVID-19 pandemic related disruptions. The trade deficit widened to USD 8,139 million in 2021 from USD 6,008 million in 2020 driven by a significant increase in import expenditure that outpaced the increase in export earnings. Accordingly, import expenditure grew by 28.5 percent to USD 20,637 million in 2021 from USD 16,055 million in 2020 with the rise in commodity prices in the global market, especially including fuel prices and an increase in the importation of medical and pharmaceuticals mainly vaccines for COVID-19 pandemic, refined petroleum and textiles and textile articles. Import expenditure remained considerably low at the beginning of 2021 due to the restrictions imposed by the government on the importation of non-essential goods. Meanwhile, monthly exports earnings recorded a notable growth exceeding USD 1 billion from June 2021 onwards. Accordingly, export earnings increased significantly by 24.4 percent to USD 12,499 million in 2021 from USD 10,047 million in 2020. The current account deficit significantly widened to 4.0 percent of the GDP in 2021 from 1.5 percent of GDP in 2020. Services account surplus increased with the augmented inflows from information technology related business process outsourcing (IT/BPO) services and transport services. Financial account was disturbed by the subdued performance in the foreign direct investments. Further, the net outflow was recorded from the government securities market in 2021. External debt service payments declined to USD 4,498 million in 2021 from USD 4,604 million in 2020 with the decline in interest payments. A stable exchange rate was maintained in 2021 and exchange rate flexibility was allowed to move effective from March 07, 2022.

The tourism sector demonstrated recovery signs with the increased tourist arrivals since the latter part of 2021. However, earnings from tourism declined by 25.7 percent to USD 507 million in 2021 from USD 682 million in 2020 due to the decline in tourist arrivals by 61.7 percent to 194,495 persons in 2021, compared to 507,704 persons in 2020. Meanwhile, tourist arrivals increased to 285,334 persons in the first three months of 2022 compared to 9,629 persons in the same period of 2021. Earnings from tourism were recorded as USD 513 million in the first three months of 2022 and it was USD 25 million in the same period of 2021.

Table 2.10 | External Trade

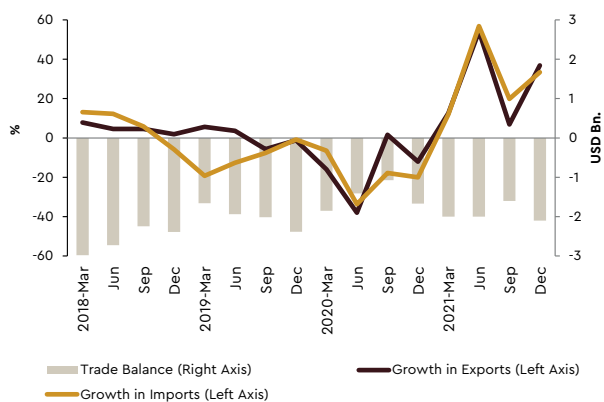
	USD Million			
	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Exports</b>	<b>11,890</b>	<b>11,940</b>	<b>10,047</b>	<b>12,499</b>
Agricultural Exports	2,579	2,462	2,336	2,730
Industrial Exports	9,258	9,426	7,672	9,702
Mineral Exports	34	34	25	45
Unclassified	18	18	14	23
<b>Imports</b>	<b>22,233</b>	<b>19,937</b>	<b>16,055</b>	<b>20,637</b>
Consumer Goods	4,980	3,957	3,402	3,849
Intermediate Goods	12,488	11,370	9,077	12,309
Investment Goods	4,690	4,603	3,563	4,463
Unclassified	75	8	14	17
<b>Trade Deficit</b>	<b>-10,343</b>	<b>-7,997</b>	<b>-6,008</b>	<b>-8,139</b>

Sources : Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

Figure 2.6 | Growth in Exports & Imports and Trade Balance (Quarterly)



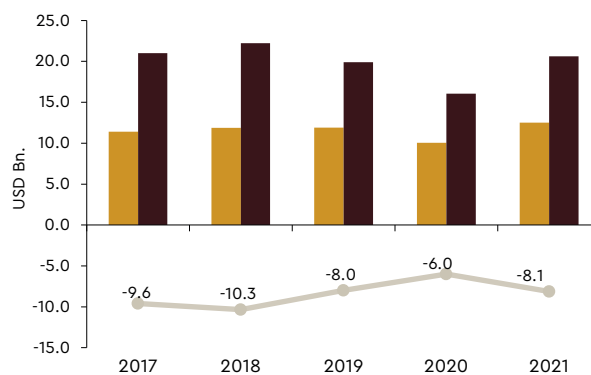
Source: Central Bank of Sri Lanka

The current account deficit in the external sector increased to USD 3.3 billion in 2021 from USD 1.2 billion in 2020 with the increase in the trade deficit and falling workers' remittances. Services account surplus increased to USD 1,586 million from USD 819 million in 2020 due to the increased inflows from information technology

related business process outsourcing (IT/BPO) services and increased inflows from transport services including sea and air freight transports. The primary income account deficit contracted to USD 2,018 million in 2021 from USD 2,205 million in 2020.

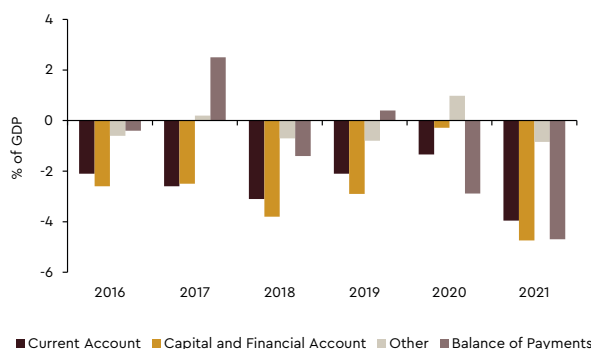
In March 2021, the CBSL entered into a bilateral currency swap arrangement with the People's Bank of China (PBoC) for around USD 1.5 billion. In addition, receipt of Special Drawing Rights (SDR) allocation of the International Monetary Fund (IMF) around USD 787 million in 2021, and receipt of bilateral currency swap arrangement between the CBSL and the Bangladesh Bank amounted to USD 200 million, and foreign currency term financing facility of around USD 810 million from the China Development Bank, were received in 2021. Further, Sri Lanka received financial assistance from the SAARCFINANCE swap of USD 400 million from the Reserve Bank of India. Also, USD 500 million credit facility was approved to import fuel in February 2022 and USD 1 billion was approved to import essential items including food, medicine and industrial raw materials in March 2022 under the Indian credit line facility.

Figure 2.7 | Trade Balance



Source: Central Bank of Sri Lanka

Figure 2.8 | Balance of Payments



Source: Central Bank of Sri Lanka

Table 2.11 | Import &amp; Export of Services

Item	USD Million			
	Imports		Exports	
	2020	2021 <sup>(a)</sup>	2020	2021 <sup>(a)</sup>
Transportation Services	1,059	256	1,174	608
Computer and Information Services	257	140	971	1,168
Travel and Tourism	449	239	682	507
Communication Services	32	31	24	32
Construction Services	10	11	7	10
Insurance Services	82	37	39	20
Financial Services	220	102	96	95
Other Business Services	37	17	16	16
Government Expenditure n.i.e.	70	57	26	19
<b>Total</b>	<b>2,216</b>	<b>890</b>	<b>3,035</b>	<b>2,475</b>

Source: Central Bank of Sri Lanka

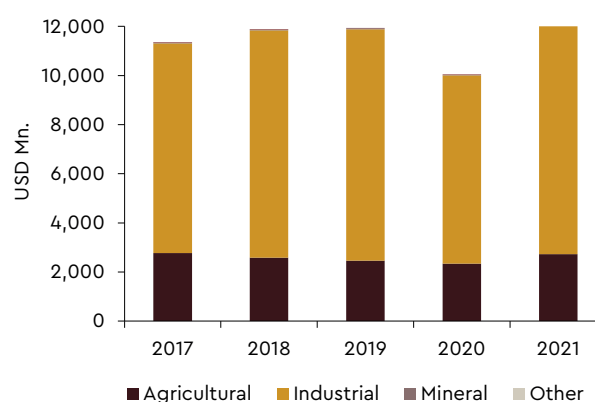
<sup>(a)</sup> Provisional

Gross official reserves (GOR) dropped to USD 3.1 billion at the end of December 2021 from USD 5.7 billion in 2020 and total foreign assets decreased to USD 6.1 billion at the end of 2021 from USD 8.5 billion recorded in 2020. GOR declined due to the foreign currency debt service payments and net sales to the domestic foreign exchange market by CBSL. Sri Lankan rupee depreciated by 33.0 percent against the US dollar up to April 01, 2022. Exchange rate flexibility was allowed from March 07, 2022 with the floating of Sri Lankan Rupee. The overall balance of payments (BOP) recorded a deficit of USD 3,967 million in 2021, compared to a deficit of USD 2,328 million in 2020.

## Exports

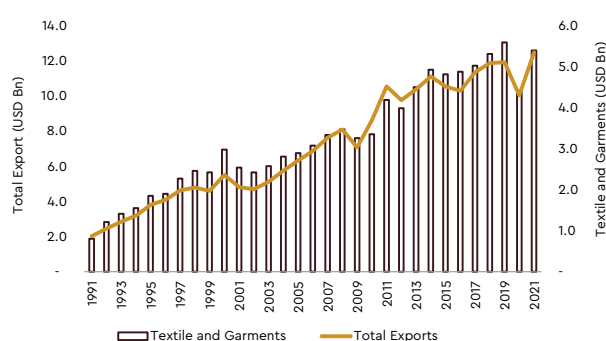
Earnings from merchandise exports significantly increased by 24.4 percent to USD 12,499 million in 2021 from USD 10,047 million in 2020 surpassing the highest export earnings recorded in 2019. Export earnings as a percentage of GDP augmented to 14.8 percent in 2021 from 12.4 percent in 2020. This was due to the increased industrial, agricultural and mineral exports with the higher demand and reestablishment of supply chains with the normalization of international trade. Accordingly, industrial exports grew by 26.5 percent to USD 9,702.0 million, agricultural exports grew by 16.8 percent to USD 2,729.5 million and mineral exports grew by 77.3 percent to USD 44.5 million. Garments, rubber products and tea exports were the highest contributors to the exports in 2021.

Figure 2.9 | Composition of Exports



Source: Central Bank of Sri Lanka

Figure 2.10 | Total Exports and Textile &amp; Garments Exports



Source: Central Bank of Sri Lanka



Table 2.12 | Value of Industrial Exports

Item	USD Million				
	2017	2018	2019	2020	2021 <sup>(a)</sup>
Textile and Garments	5,032	5,318	5,597	4,423	5,435
Rubber Products	835	875	866	786	1,050
Petroleum and Chemical Products	581	622	521	374	506
Gems, Diamonds and Jewellery	257	278	306	181	277
Machinery and Mechanical Appliances	371	435	400	338	501
Food, Beverages and Tobacco	393	462	447	464	587
Other Industrial Exports	1,073	1,268	1,290	1,106	1,346
<b>Total</b>	<b>8,542</b>	<b>9,258</b>	<b>9,426</b>	<b>7,672</b>	<b>9,702</b>

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

<sup>(a)</sup> Provisional

Earnings from industrial exports increased by 26.5 percent to USD 9,702.0 million in 2021 compared to USD 7,672.0 in 2020. The contribution of industrial exports to total exports was around 78 percent in 2021. This was mainly due to the increased earnings from garments, rubber products, food, beverages and tobacco, petroleum products, and machinery and mechanical appliances.

Earnings from textile and garments which was 43 percent of the total export earnings, increased by 22.9 percent to USD 5,435.1 million. Export earnings from rubber products increased by 33.6 percent to USD 1,050.4 million driven by increased solid tyre and gloves exports. Earnings from petroleum products increased by 35.6 percent to USD 506.4 million with the increase in average export prices of bunker fuel and aviation fuel exports. Earnings from food, beverages and tobacco increased

by 26.5 percent to USD 586.9 million in 2021 mainly due to the export earnings from value added coconut products, animal or vegetable fats and oils. Machinery and mechanical appliances earnings increased by 48.4 percent to USD 500.9 million in 2021.

Earning from the gem, diamonds and jewellery increased by 52.5 percent to USD 276.7 million and earnings from transports equipment increased by 107.5 percent to USD 148.2 million in 2021. Further, animal fodder, base metals and articles, wood and paper products and chemical products exports earnings increased by 45.2 percent, 41.1 percent, 30.8 percent and 29.2 percent, respectively. However, plastics and articles export earnings declined by 55.4 percent and made up textile articles earnings drop by 42.9 percent in 2021 due to lower demand for the Personal Protective Equipment (PPE) specially facemasks, from the international markets.

Table 2.13 | Value of Agricultural Exports

Category	USD Million				
	2017	2018	2019	2020	2021 <sup>(a)</sup>
Tea	1,530	1,429	1,346	1,241	1,324
Rubber	39	32	24	30	42
Coconut	348	311	330	345	425
Other Agricultural Exports	610	542	499	530	665
Seafood	241	266	263	190	274
<b>Total</b>	<b>2,767</b>	<b>2,579</b>	<b>2,462</b>	<b>2,336</b>	<b>2,730</b>

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

<sup>(a)</sup> Provisional

Earnings from agricultural exports increased by 16.8 percent to USD 2,729.5 million in 2021 compared to USD 2,336.2 million in 2020 mainly with the increased earnings from tea, spices, seafood and coconut products exports. Earnings from tea exports increased by 6.7

percent to USD 1,324.4 million in 2021 from USD 1,240.9 million in 2020 with the increased tea export volume while the decline in average tea export prices. With the higher export prices, earnings from spices increased by 36.4 percent to USD 454.8 million and seafood earnings

increased by 44.4 percent to USD 274.1 million in 2021. Earnings from coconut exports increased by 23.2 percent to USD 425.2 million with the higher export prices and volumes, while rubber exports earnings increased by 40.1 percent to USD 42.2 million with increased export prices. Earnings from mineral exports increased by 77.3 percent to USD 44.5 million in 2021 with the increased earnings from titanium ores, natural graphite and quartz.

## Imports

Expenditure on imports significantly increased by 28.5 percent to USD 20,637.4 million in 2021, compared to USD 16,055.4 million in 2020. This was mainly due to the increased imports expenditure of all major imports with the increased commodity prices including fuel prices, enhanced demand with the normalization of economic activities, increased import expenditure on medical and pharmaceuticals especially vaccines for COVID-19 and removing some import restrictions. Import expenditure as a percentage of GDP increased to 24.4 percent in 2021 from 19.8 percent of GDP in 2020.

Government has limited the importation of nonessential items by imposing cash margin deposit requirements in September 2021. However, it was removed in October 2021. In March 2022, the Government again imposed import restrictions on selected nonessential and non urgent items.

Import expenditure on consumer goods increased by 13.1 percent to USD 3,848.7 million in 2021 compared to USD 3,401.7 million in 2020 due to increased import expenditure of food and beverages and non-food consumer goods with the increased commodity prices. Import expenditure on food and beverages grew by 7.2 percent to USD 1,666.5 million in 2021 from USD 1,554.4 million in 2020, owing to an increase in import expenditure on the cereals and milling industry products especially rice, and also dhal, sugar, vegetables, fresh fruit, and spices. Import quantity of rice increased to 147,091 metric tons in 2021 from 15,770 metric tons in 2020 of around 137,000 metric tons were imported in the 4<sup>th</sup> quarter of 2021. As such, rice import expenditure increased to USD 73.0 million in 2021 compared to USD 10.5

million recorded in 2020. Import expenditure on sugar grew by 4.3 percent to USD 288 million in 2021 from USD 276 million in 2020 while import quantity of sugar declined to 582,479 metric tons in 2021 from 682,553 metric tons in 2020. Further, the import quantity of dhal increased by 15.0 percent to 205,281 metric tons in 2021 from 178,447 metric tons in 2020 while import expenditure on dhal increased to USD 143.0 million in 2021 from USD 96.9 million in 2020. Meanwhile, import expenditure on dairy products fell by 4.8 percent to USD 317.7 million in 2021 from USD 333.8 million in 2020 due to the declined import expenditure on milk powder. Import expenditure on seafood declined by 35.2 percent to USD 122.3 million with the drop of import expenditure on canned fish and sprats.

Expenditure on non-food consumer goods increased by 18.1 percent to USD 2,182.2 million from USD 1,847.3 million in 2020. This was mainly due to the increase in the importation of medical and pharmaceuticals including vaccines for COVID-19 by 48.2 percent to USD 882.5 million and home appliances by 47.6 percent to USD 257.1 million. Expenditure on telecommunication devices increased by 42.6 percent to USD 382.9 million in 2021 with the increased performance of IT services such as online services during the COVID-19 situation. Accordingly, the importation of mobile telephones and televisions which are categorized under non-food consumer goods increased in 2021. Meanwhile, import expenditure on personal vehicles significantly declined by 95.5 percent to USD 12.8 million in 2021 compared to USD 282.9 million in 2020 due to restrictions imposed on importing motor vehicles.

Meanwhile, import expenditure on intermediate goods, which has around 60 percent share of total import expenditure, grew significantly by 35.6 percent to USD 12,308.9 million in 2021 compared to USD 9,076.5 million in 2020, mainly due to increased expenditure on imports of fuel, textiles and textile articles, chemical products, base metals, plastics and articles thereof and rubber and articles thereof. Expenditure on fuel imports, which has the highest share of total intermediate goods expenditure, increased by 47.2 percent to USD 3,742.9 million with the increased average

prices of refined petroleum, crude oil and coal while increased import volume of refined petroleum and the decline in import volumes of crude oil and coal. Import expenditure on textiles and textile articles, which is the second largest import category, grew by 31.3 percent to USD 3,066.9 million due to the increased import expenditure on fabrics and yarn. Import bill of chemical products grew by 29.2 percent to USD 1,074.4 million, base metals grew by 88.2 percent to USD 866.4 million, plastic and articles thereof grew by 41.8 percent to USD

765.7 million and rubber and articles thereof grew by 83.2 percent to USD 400.7 million. Meanwhile, import expenditure on fertilizer significantly contracted by 38.9 percent to USD 158.2 million in 2021 from USD 258.9 million in 2020 due to the drop in import quantity to around 412,000 metric tons in 2021 from around 952,000 metric tons recorded in 2020, reflecting the impact of restricting fertilizer importation with the government strategy of encouraging using local organic fertilizers.

Table 2.14 | Value of Imports

Category	USD Million			
	2018	2019	2020	2021 <sup>(a)</sup>
<b>Consumer Goods</b>	<b>4,980</b>	<b>3,958</b>	<b>3,402</b>	<b>3,848</b>
Food and Beverages	1,606	1,428	1,554	1,667
Sugar	248	201	277	289
Milk and Milk Products	332	312	334	318
Other Food and Beverages	1,026	915	944	1,060
Non-food Consumables	3,374	2,530	1,847	2,182
Vehicles	1,574	816	283	13
Home appliances-Radio and Television Sets	124	207	174	257
Rubber Products	95	83	58	102
Medical and Pharmaceutical Products	532	553	596	883
Household and Furniture Items	169	172	147	161
Other	880	700	590	766
<b>Intermediate Goods</b>	<b>12,488</b>	<b>11,370</b>	<b>9,077</b>	<b>12,309</b>
Fertilizer	262	221	259	158
Petroleum	4,152	3,892	2,543	3,743
Chemical Products	904	832	832	1,074
Paper and Paper Boards	529	457	383	469
Wheat and Maize	374	346	384	418
Textile & Textile article	2,859	2,909	2,335	3,067
Diamond and Precious Metals	573	201	117	144
Base Metal	683	563	460	866
Other Intermediate Goods	2,153	1,948	1,763	2,370
<b>Investment Goods</b>	<b>4,690</b>	<b>4,603</b>	<b>3,563</b>	<b>4,463</b>
Machinery and Equipment	2,492	2,490	2,176	2,810
Transport Equipment	668	597	348	399
Building Material	1,525	1,509	1,036	1,249
Other Investment Goods	6	8	3	6
<b>Unclassified Imports</b>	<b>75</b>	<b>8</b>	<b>14</b>	<b>17</b>
<b>Total Imports</b>	<b>22,233</b>	<b>19,938</b>	<b>16,055</b>	<b>20,637</b>

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

<sup>(a)</sup> Provisional

Import expenditure on investment goods increased by 25.2 percent to USD 4,462.7 million in 2021 from USD 3,563.2 million in 2020, with the increased import expenditure on machinery and equipment, building materials and transport equipment due to the expansion of economic activities with the gradual recovery from the pandemic. Import expenditure on machinery and equipment grew by 29.1 percent to USD 2,809.5 million from USD 2,176.1 million in 2020 while import expenditure on building materials increased by 20.6 percent to USD 1,248.9 million in 2021 from USD 1,035.6 million in 2020 due to the increased import expenditure on iron and steel imports. Transport equipment import expenditure also increased by 14.4 percent to USD 398.5 million in 2021 from USD 348.3 million in 2020 with the increased import expenditure on agricultural tractors, lorries and railway equipment.

### Earnings from Tourism

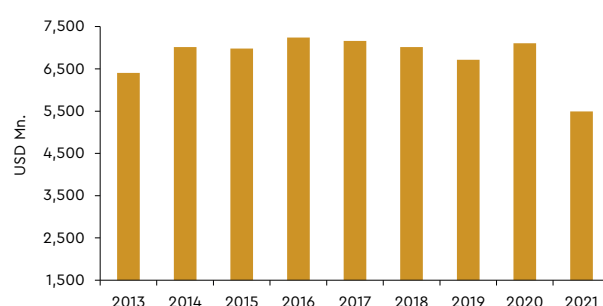
The tourism sector was severely affected by the COVID-19 pandemic which has led to a decline in earnings from tourism significantly by 25.7 percent to USD 507 million in 2021 compared to USD 682 million in 2020. This continuous decline in tourism earnings negatively affected domestic tourism sector service providers. Tourist arrivals declined by 61.7 percent to 194,495 persons in 2021, compared to 507,704 persons recorded in 2020 while it was 1,913,702 persons in 2019. However, during the latter part of 2021, tourist arrivals increased gradually to 22,771 arrivals in October, 44,294 arrivals in November, and 89,506 arrivals in December 2021. This was due to the successful COVID-19 vaccination program, granting debt moratoria for the tourism sector businesses and offering

loans with concessionary interest rates for the persons involved in tourism sector. Tourist arrivals were mainly recorded from Europe, India and Russia.

### Workers' remittances

Workers' remittances declined by 22.7 percent to USD 5,491 million in 2021, compared to USD 7,104 million in 2020 possibly due to the receipts of remittances through informal channels with the higher rates offered by grey market. As such, the Government introduced several incentives to encourage abroad workers to send funds through banking channels and introduce digital platforms to transfer remittances. Accordingly, the Government provided an additional incentive of Rs.10 for each dollar converted into a rupee than the normal exchange rate from December 2021, remitted through formal channels. Further, the CBSL introduced a national remittance mobile application branded as "Lanka Remit" which launched in February 2022, enabling migrant workers to direct access to the existing remittance channels of banking and other formal financial institutions.

Figure 2.11 | Workers' Remittances



Source: Central Bank of Sri Lanka

Table 2.15 | Balance of Payments: 2017- 2021

Category	USD Million				
	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Trade Balance</b>	<b>-9,619</b>	<b>-10,343</b>	<b>-7,997</b>	<b>-6,008</b>	<b>-8,139</b>
Exports	11,360	11,890	11,940	10,047	12,499
Imports	20,980	22,233	19,937	16,055	20,637
<b>Service (net)</b>	<b>3,303</b>	<b>3,766</b>	<b>2,849</b>	<b>819</b>	<b>1,586</b>
Receipts	7,724	8,374	7,474	3,035	2,475
Payments	4,421	4,608	4,625	2,216	889
<b>Income (net)</b>	<b>-2,319</b>	<b>-2,384</b>	<b>-2,466</b>	<b>-2,205</b>	<b>-2,018</b>
Receipts	173	249	252	198	116
Payments	2,492	2,633	2,718	2,404	2,134
<b>Goods, Services and Income (net)</b>	<b>-8,636</b>	<b>-8,962</b>	<b>-7,614</b>	<b>-7,394</b>	<b>-8,571</b>

Table 2.15 | Balance of Payments: 2017- 2021 Contd...

	USD Million				
Category	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Current Transfers (net)</b>	<b>6,327</b>	<b>6,163</b>	<b>5,766</b>	<b>6,207</b>	<b>5,228</b>
Private Transfers(net)	6,316	6,155	5,757	6,194	5,222
Receipts (Workers' Remittances)	7,164	7,015	6,717	7,104	5,491
Payments	848	860	960	910	270
Official Transfers (net)	11	8	9	13	6
<b>Current Account</b>	<b>-2,309</b>	<b>-2,799</b>	<b>-1,848</b>	<b>-1,187</b>	<b>-3,343</b>
<b>Capital and Financial Account</b>	<b>-2,112</b>	<b>-3,364</b>	<b>-2,437</b>	<b>-232</b>	<b>-4,004</b>
<b>Capital Account</b>	<b>11</b>	<b>14</b>	<b>23</b>	<b>28</b>	<b>25</b>
<b>Current and Capital Account</b>	<b>-2,298</b>	<b>-2,785</b>	<b>-1,825</b>	<b>-1,159</b>	<b>-3,318</b>
<b>Financial Account(c)</b>	<b>-2,123</b>	<b>-3,378</b>	<b>-2,460</b>	<b>-260</b>	<b>-4029</b>
Errors and Omissions	175	-593	-635	795	-711
<b>Overall Balance (Balance of Payments)</b>	<b>2,068</b>	<b>-1,103</b>	<b>377</b>	<b>-2,328</b>	<b>-3,967</b>
<b>As a percentage of GDP</b>					
Trade Deficit	-10.9	-11.7	-9.5	-7.4	-9.6
Current Account Deficit	-2.6	-3.2	-2.2	-1.5	-4.0

Sources: Central Bank of Sri Lanka

<sup>(a)</sup> Revised

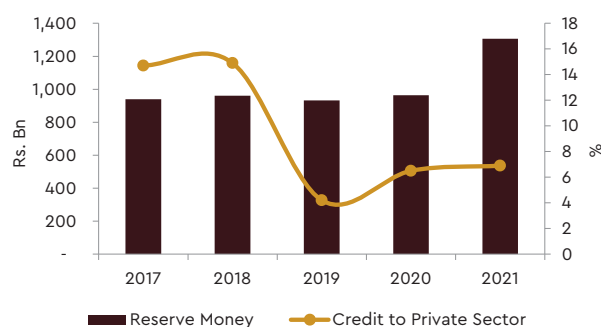
<sup>(b)</sup> Provisional

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

## 2.4 Monetary Sector Developments

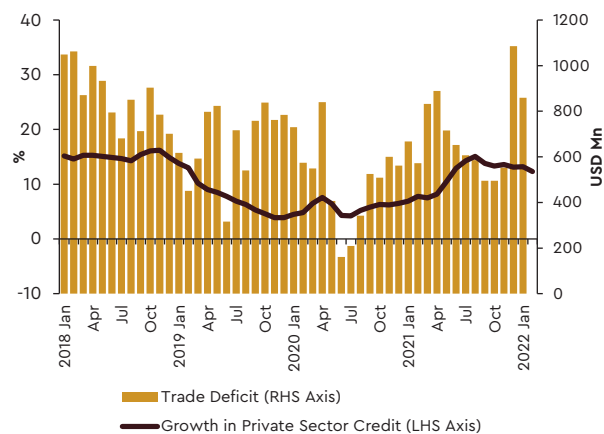
The accommodative monetary policy adopted by the Central Bank since the emergence of the pandemic in early 2020 continued majority of 2021 as reflected in Standing Deposit Facility Rates (SDFR), Standing Lending Facility Rates (SLFR) and other policy rates remained intact in July 2021. SDFR and SLFR rates were maintained at 4.5 percent and 5.5 percent, respectively up to July 2021, facilitating the lending by the banking sector for economic recovery. This subversive accommodative monetary policy helped release additional liquidity to the market which has led to historically low-interest rates and allowed access to low-cost funds for both private and public sectors. However, SLFR and SDFR were increased by 50 basis points in August 2021 to ease the imbalances in the external sector of the economy and cushion inflationary pressure. The Statutory Reserve Ratio (SRR) applicable on all rupee deposit liabilities of Licensed Commercial Banks (LCBs) was increased by 2.0 percentage points to 4.0 percent, with effect from the beginning of September 2021. However, to arrest the inflationary pressures that could further intensify in the period ahead, SDFR and SLFR were increased to historic highs by 700 basis points to 13.50 percent and 14.50 percent, respectively, effective from April 08, 2022.

Figure 2.12 | Reserve Money and Private Sector Credit Growth



Source: Central Bank of Sri Lanka

Figure 2.13 | Private Sector Credit Growth and Trade Deficit



Source: Central Bank of Sri Lanka

The Average Weighted Call Money Rate (AWCMR) remained closer to the lower bound of the Standing Rate Corridor at the beginning of 2021 and it was moved to the upper bound of the Standing Rate Corridor commencing from August 2021 and AWCMR was recorded as 7.49 percent at the end of March 2022. Average

Weighted Prime Lending Rate (AWPLR), weekly increased to 8.61 percent at the end of 2021 from 5.81 percent at the end of December 2020. The Average Weighted Deposit Rate (AWDR) declined to 4.94 percent at the end of 2021.

 Table 2.16 | Outstanding Loans and Advances Granted by Commercial Banks <sup>(a) (b)</sup>

Item	Rs. Million		
	2020	2021 <sup>(c)</sup>	2021/2020 % Change
<b>Agriculture and Fishing</b>	<b>489.7</b>	<b>543.6</b>	<b>11.0</b>
o/w			
Tea	102.0	101.2	-0.8
Rubber	30.8	41.4	34.4
Coconut	27.8	33.7	21.2
Paddy	38.6	44.4	15.3
Vegetable, Fruits and Minor Food Crops	29.2	30.9	5.8
Fisheries	20.5	24.0	17.0
<b>Industry</b>	<b>2,540.1</b>	<b>2,880.5</b>	<b>13.4</b>
o/w			
Construction	1,348.6	1,544.7	14.5
Food and Beverages	148.3	174.7	17.8
Textiles and Apparel	235.1	273.1	16.1
Machinery and Transport Equipment	132.9	152.8	14.9
<b>Services</b>	<b>1,716.7</b>	<b>1,976.0</b>	<b>15.1</b>
o/w			
Wholesale and Retail Trade	501.8	549.8	9.6
Tourism	261.7	288.2	10.1
Financial and Business Services	350.1	437.2	24.9
<b>Shipping, Aviation and Freight Forwarding</b>	<b>21.6</b>	<b>30.3</b>	<b>40.1</b>
<b>Personal Loans and Advances (d)</b>	<b>1,632.1</b>	<b>1,762.2</b>	<b>8.0</b>
o/w			
Consumer Durables	330.8	375.0	13.3
Pawning	248.7	294.9	18.6
Credit Cards	127.8	143.1	12.0
<b>Total</b>	<b>6,378.6</b>	<b>7162.3</b>	<b>12.3</b>

Source: Central Bank of Sri Lanka

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

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

<sup>(c)</sup> Provisional

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



In collaboration with the commercial banks, the Central Bank had decided to introduce priority sector lending targets for the Micro, Small, and Medium-Sized businesses (MSMEs) to assist in a broad-based economic recovery. Credit to the private sector increased to Rs. 6,981 billion at the end of December 2021 from Rs. 6,171 billion at the end of 2020. Credit to the private sector stood at Rs. 7,051 billion at the end of February 2022. However, this credit growth is expected to slow down with the increase of policy rates with effect from April 08, 2022. Net credit to the government increased to Rs. 5,832 billion at the end of December 2021 from Rs. 4,548 billion at the end of 2020.

### Employment and Unemployment

The total employed population in the country increased by 2.5 percent to 8.1 million in 2021 from 7.9 million in 2020 with the recovery of the economic activities in 2021, particularly the rebounding of the tourism sector towards the end of 2021. However, employment in the second and third quarters of 2021 was subdued due to the impact of the third wave of the pandemic and economic hardship due to difficulties in the external sector. Employment in the second and third quarters of 2021 was 8.0 million. Employment in the agriculture and service sector increased considerably in 2021 compared to 2020 with the fall in the impact of the pandemic on employment. The share of employment in the agriculture sector rose to 27.3 percent in 2021 from 27.1 percent in 2020 while that of the services sector rose to 46.7 percent in 2021 from 46.0 percent in 2020. The growth in the tourism sector towards the end of 2021 also significantly contributed to the increase in employment in the services sector. Employment in the industry sector was severely affected by the pandemic and the emergence of the economic slowdown in the third and fourth quarters of 2021. The employment in the industry sector dropped to 1.9 million in the third quarter of 2021 from 2.1 million in 2020. However, the employment in the third quarter of 2021 recovered to 2.2 million at the end of the fourth quarter. The share of employment in the industry sector dropped by 3.3 percent to 26.0 percent in 2021 from 26.9 percent in 2020. The total employment in the public sector at the end of 2021 was 1.401 million.

Showing a significant recovery of the economy from the pandemic, the unemployment population to 440,000 in 2021 from 468,000 in 2020. The unemployment rate declined significantly to 5.1 percent in 2021 from 5.5 percent in 2020. Although both the male and female unemployment rates declined in 2021, female unemployment remained relatively high compared to male unemployment. The male unemployment rate declined to 3.7 percent in 2021 from 4.0 percent in 2020 while the female unemployment rate declined to 7.9 percent in 2021 from 8.5 percent in 2020. The unemployment rate among GCE A/L and above education category dropped significantly to 9.1 percent in 2021 from 9.8 percent in 2020. The unemployment among 20–29 and 20–24 age categories increased in 2021 to 18.3 percent and 26.8 percent, respectively. However, the unemployment rate among the 25–29 age category decreased to 11.4 percent in 2021 from 12.0 percent in 2020. The significant increase in departures for foreign employment in 2021 with the recovery of other global economies and the relaxation of mobility restrictions contributed to the decline in unemployment. The departures for foreign employment more than doubled to 121,795 persons in 2021 from 53,711 persons in 2020.

Despite the decline in overall unemployment rates, Labour Force Participation Rate (LFPR) declined to 49.9 percent in 2021 from 50.6 percent in 2020. The Male LFPR dropped to 71.0 percent in 2021 from 71.9 percent in 2020 while the female LFPR fell to 31.8 percent in 2021 from 32.0 percent in 2020. The LFPR in both urban and rural residential sectors dropped in 2021. The LFPR in the urban sector dropped to 46.9 percent while that of the rural sector dropped to 50.5 percent.

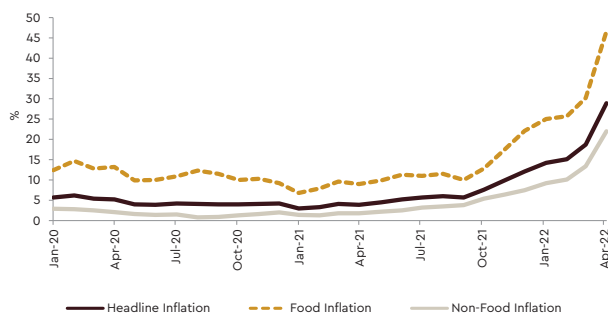
### Inflation

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI, 2013=100) and the National Consumer Price Index (NCPI, 2013=100), year-on-year basis reached a double-digit level in December 2021. Headline inflation as measured by year-on-year change in both the NCPI and CCPI remained relatively low at the beginning of 2021 and grew in the latter part of the year with the increased food and non-food inflation. Food inflation was

driven by the drop in production, disruptions to supply channels, increased energy prices and removing maximum retail prices. Headline inflation as measured by the year-on-year change in the CCPI sharply increased to 39.1 percent in May 2022 from 29.8 percent in April 2022 while it was recorded as 12.1 percent in December 2021. Year-on-year headline inflation as measured by NCPI remained relatively subdued up to September 2021. However, it had reached 14.0 percent at the end of December 2021, 17.5 percent at the end of February 2022 and increased to 33.8 percent in April 2022. The unprecedented rise in money supply, the decrease in essential imports such as fuel and gas, the rise in global fuel prices and the drop in crop yields were contributory factors to the rise in inflation.

Core inflation, which reflects the underlying inflation in the economy, as measured by the movements of the CCPI began to rise in the second half of 2021 with the growth in money supply, price increments on milk powder and bakery products, the drop in essential imports due to the foreign exchange crisis and other supply side shocks. Year-on-year core inflation as measured by the CCPI rose from 6.3 percent in October 2021 to 8.3 percent in December 2021 and reached an unprecedented 22.0 percent in April 2022. Year-on-year core inflation as measured by the movements in NCPI also shows a similar trend increasing sharply from the beginning of October 2021 from 7.2 percent to 10.8 percent in December 2021 and increasing to 27.9 percent at the end of April 2022.

Figure 2.14 | Headline Inflation, Food Inflation & Non-food Inflation



Source: Department of Census and Statistics

## Equity Market Developments

The equity market showed higher growth momentum in 2021 compared to 2020. The All-Share Price Index (ASPI) notably increased by 80.5 percent to 12,226 points in 2021, compared to 6,774 points in 2020, which is the highest point recorded in the last 10 years. Meanwhile, the S&P SL20 index, which represents the top and the most liquid stocks, increased by 60.5 percent to 4,233 points in 2021, compared to 2,638 points in 2020. However, ASPI dropped to 8,144 points while the S&P SL20 index dropped to 2,624 points as of April 8, 2022.

The market capitalization recorded its 10-year highest of Rs. 5,489 billion at the end of 2021. This was declined by 30.4 percent to Rs. 3,827 billion at the end of the first quarter in 2022, compared to Rs. 5,489 billion at the end of 2021. The daily average turnover increased by 157.9 percent to Rs. 4.9 billion per day in 2021, compared to Rs. 1.9 billion per day in 2020. Thus, the total average turnover increased by 195.5 percent to Rs. 1,173 billion in 2021, compared to Rs. 397 billion in 2020, recording the ten years highest.

The listed companies trading under the Colombo Stock Exchange increased to 296 in 2021, compared to 283 in 2020. This Number remained unchanged at the end of the first quarter of 2022.

Foreign sales fell by 16.8 percent to Rs. 86,665 million in 2021, compared to Rs. 104,165 million in 2020 while foreign purchases also dropped by 35.7 percent to Rs. 34,016 million in 2021, compared to Rs. 52,889 million in 2020.



Table 2.17 | Movements in the Capital Market

Indicators	2013	2014	2015	2016	2017	2018	2019	2020	2021
All Share Price Index (1985=100)	5,913	7,299	6,895	6,228	6,369	6,052	6,129	6,774	12,226
S&P SL 20 Index	3,264	4,089	3,626	3,496	3,672	3,135	2,937	2,638	4,233
Market Capitalization (Rs. Bn)	2,460	3,105	2,938	2,745	2,899	2,840	2,851	2,961	5,489
No. of Listed Companies in Trading	289	294	294	295	296	297	289	283	296
Annual Average Turnover (Rs.Bn)	200	341	253	176	221	200	171	397	1,173
Foreign Sales (Rs. Mn)	60,873	83,554	89,793	74,275	94,627	100,316	68,272	104,165	86,665
Foreign Purchases (Rs. Mn)	83,657	104,771	84,421	74,625	112,285	77,067	56,537	52,889	34,016

Sources : Colombo Stock Exchange and Central Bank of Sri Lanka



**03**

Global Economic  
Developments

### 3.1 Overview<sup>1</sup>

The world economy was poised to take off and recover in 2021 with the lifting of COVID-19 restrictions and showed signs of returning to normalcy while several economies were stuck, signifying a notable divergence of economic recovery across borders. As such, the growth prospects envisaged earlier were achieved in 2021 even amidst the brief impact of the Omicron Variant and disruptions to the global supply chains. According to the International Monetary Fund (IMF) estimations, the world economy grew by 6.1 percent in 2021 which is 0.2 percentage points higher than the anticipated growth in October 2021, while it is 0.6 percentage points higher than the World Bank's estimation of 5.5 percent.

The ongoing geo – political tensions underpins multiple economic implications for the world economy, particularly for developing economies as both countries share a large portion of energy, metal and food exports in the World Market. With the consequences of the conflict, the IMF's April report envisages the global economy to recover by 3.6 percent in 2022 and 2023, which is 0.8 and 0.2 percentage points lower than the IMF's January forecast, respectively demonstrating heightened uncertainty on the prediction which tends to skew to the downside.

The spillover effects of the Russia-Ukraine conflict are multifaceted: disruptions to the world peace, trade and investment flow, and financial sector, while creating a refugee crisis and threats to the stability in the neighbouring nations.

The commodity markets and trade flows have been dismantled. Russia being one of the major suppliers of oil, gas, and metals, while Ukraine being a key exporter of wheat and corn, the shortage of the supply of these commodities has led to a surge in prices of such commodities. However, this impact is felt beyond these commodities.

The Specialized manufacturing sector in Europe has been severely affected due to the dearth of unique supplies of inputs such as Nickel (used to make stainless steel and vehicle batteries), Cobalt (used in rechargeable batteries), Vanadium (used in large scale energy storage and steelmaking) and semi-finished iron (used to make iron products) from Russia and Ukraine. Further, the world economy would slow down significantly with high inflationary pressures that would aggravate if sanctions imposed against Russia are extended further.

At the time of the compilation of this report, the global economy remains highly fragile and uncertain stemming, particularly from the conflict. In addition, the effects of the pandemic could persist in many countries and new variants could emerge. Inflation pressures may further tighten and financial conditions may get tougher resulting in the emergence of debt vulnerabilities among sovereign and corporate borrowers with the risk of widespread debt distress. This requires effective national-level policies and multilateral efforts to mitigate such vulnerabilities.

As in many countries in the world such as Lebanon and Pakistan, the small islander economy of Sri Lanka also goes through a very turbulent time characterized by the acute depreciation of the currency, foreign currency shortage, and the subsequent severe shortage of access to essential imports, unprecedentedly high inflation, high fiscal and balance of payment financing needs and large debt overhang while adding pressure to the domestic economy with the uncertain and turbulent global economy.

<sup>1</sup> Based on *World Economic Outlook (April 2022, IMF)*, *Fiscal Monitor (April 2022, IMF)*, *Global Financial Stability Report (April 2022, IMF)*, *Commodity Markets Outlook (April 2022, IMF)*, *Finance for An Equitable Recovery (2022, World Bank)*, *Global Economic Prospects (January 2022, World Bank)* and other data and information from IMF, World Bank and the Worldwide Web.

Table 3.1 | A Snapshot of the World – 2021

Country	2021				
	GDP Growth (Annual percent change)	Inflation (Percent)	Unemployment (Percent)	Fiscal Balance (Percent of GDP)	Gross Debt (Percent of GDP)
Argentina	10.2	48.4	9.3	-4.6	80.6
Australia	4.7	2.8	5.1	-7.7	59.8
Brazil	4.6	8.3	14.2	-4.4	93.0
Canada	4.6	3.4	7.4	-4.7	112.1
Chile	11.7	4.5	8.9	-7.5	36.3
China	8.1	0.9	4.0	-6	73.3
France	7.0	2.1	7.9	-7.0	112.3
Germany	2.8	3.2	3.5	-3.7	70.2
Greece	8.3	0.6	15.0	-8.7	198.9
India	8.9	5.5	n.a.	-10.4	86.8
Indonesia	3.7	1.6	6.5	-4.6	42.8
Italy	6.6	1.9	9.5	-7.2	150.9
Japan	1.6	-0.3	2.8	-7.6	263.1
Korea	4.0	2.5	3.7	-0.6	49.8
Malaysia	3.1	2.5	4.7	-5.5	69.0
Mexico	4.8	5.7	4.1	-3.8	57.6
Russia	4.7	6.7	4.8	0.7	17.0
Singapore	7.6	2.3	2.6	-0.2	132.8
South Africa	4.9	4.5	34.2	-6.4	69.1
Spain	5.1	3.1	14.8	-7	118.7
Sri Lanka	3.7	6.0	5.5	-12.2	104.6
Thailand	1.6	1.2	1.5	-7.8	58.0
United Kingdom	7.4	2.6	4.5	-8	95.3
United States	5.7	4.7	5.4	-10.2	132.6
Vietnam	2.6	1.9	2.7	-4.2	40.2
Venezuela	-1.5	1,589	n.a.	-4.5	307.0

Sources: "World Economic Outlook", IMF, April 2022, Fiscal Monitor, IMF, April 2022 and Annual Report 2021, Central Bank of Sri Lanka  
 n.a - Not available

### 3.2 World Output

After the dismal performance of the world economy in 2020 engulfed by the impact of the pandemic, 2021 showed great signs of recovery amidst growth divergence across economies depending on the severity of the pandemic, prevention and access to vaccination, and the magnitude of fiscal and monetary stimulus packages.

In 2021, the world output rebounded by 6.1 percent from the significant contraction of 3.1 percent in 2020. Advanced economies grew by 5.2 percent with strong growth from Euro Area (5.3 percent) driven by France (7.0 percent) and Italy (6.6 percent). Other notable growths were recorded in the United States (5.7 percent), the United Kingdom (7.4 percent), and Singapore (7.6 percent).

Emerging Markets and Developing Economies (EMDEs) recorded a growth of 6.8 percent fueled by strong growth from Emerging and Developing Asia (7.3 percent) led by China (8.1 percent) and India (8.9 percent). Emerging and Developing Europe recorded a growth of 6.7 percent with Russia growing by 4.7 percent. Latin America and the Caribbean region grew by 6.8 percent with key economies of Brazil and Mexico growing at 4.6 percent and 4.8 percent, respectively. The Middle East and Central Asia grew by 5.7 percent and Sub-Saharan Africa by 4.5 percent.

The South Asian economies recovered, albeit at varying degrees: Maldives (33.4 percent after the contraction of 33.5 percent in 2020), India (8.9 percent), Bangladesh (5.0 percent), Pakistan (5.6 percent), Sri Lanka (3.7 percent), and Nepal (2.7 percent), while Bhutan recorded a contraction of 3.7 percent.

Global economic growth is estimated to slow down from 6.1 percent in 2021 to 3.6 percent each in 2022 and 2023. Beyond 2023, the global economic growth is projected to decline to about 3.3 percent over the medium term. Thus, employment and output generally remain below pre-pandemic levels over the medium term.

Emerging and Developing Europe including Russia and Ukraine is expected to contract by 2.9 percent in 2022 but would expand by 1.3 percent in 2023. The contraction is driven by the estimated contraction of the economies of Russia, Ukraine and neighbouring countries, higher energy prices, disruption of trade and the decline in external demand. In the same vein the Middle Eastern and Central Asian region is expected to grow by 4.6 percent in 2022 and 3.7 percent in 2023 amidst the higher exposure to global food prices, tighter financial conditions, shrunken earnings from tourism and secondary demand spillovers from Europe. However, oil exporters are expected to grow at 4.6 percent in 2022 as they can obtain some offsetting gains due to high fuel prices.

Emerging and Developing Asia is estimated to grow by 5.4 percent and 5.6 percent in 2022 and 2023, respectively. The region's growth is expected to be heavily affected by the strict zero-COVID strategy in China where recent lockdowns in key manufacturing cities leads to heavy supply disruptions. Hence, China's economic growth is limited to 4.4 percent in 2022. Major economies such as Japan and India will have slower-than-previously-anticipated growth at 2.4 percent and 8.2 percent in 2022. The growth prospects of the United States (US) are expected to be derailed due to lesser fiscal and monetary policy support and continued supply chain disruptions and the US economy is expected to grow by 3.7 percent in 2022. In the meantime, Latin America and the Caribbean region will be affected by inflation and monetary policy tightening and as expected to grow moderately at 2.5 percent in 2022.

Table 3.2 | World and Regional Output

	Annual Percent Change			
	Actual		Forecast	
	2020	2021	2022	2023
<b>World Output</b>	<b>-3.1</b>	<b>6.1</b>	<b>3.6</b>	<b>3.6</b>
<b>Advanced Economies</b>	<b>-4.5</b>	<b>5.2</b>	<b>3.3</b>	<b>2.4</b>
United States	-3.4	5.7	3.7	2.3
Euro Area	-6.4	5.3	2.8	2.3
Germany	-4.6	2.8	2.1	2.7
France	-8.0	7.0	2.9	1.4
Italy	-9.0	6.6	2.3	1.7
Spain	-10.8	5.1	4.8	3.3
Japan	-4.5	1.6	2.4	2.3
United Kingdom	-9.3	7.4	3.7	1.2
Canada	-5.2	4.6	3.9	2.8
<b>Emerging Market and Developing Economies</b>	<b>-2.0</b>	<b>6.8</b>	<b>3.8</b>	<b>4.4</b>
<b>Emerging and Developing Asia</b>	<b>-0.8</b>	<b>7.3</b>	<b>5.4</b>	<b>5.6</b>
China	2.2	8.1	4.4	5.1
India	-6.6	8.9	8.2	6.9
Indonesia	-2.1	3.7	5.4	6.0
Malaysia	-5.6	3.1	5.6	5.6
Thailand	-6.2	1.6	3.3	4.3
Vietnam	2.9	2.6	6.0	7.2
<b>Latin America and the Caribbean</b>	<b>-7.0</b>	<b>6.8</b>	<b>2.5</b>	<b>2.5</b>
Brazil	-3.9	4.6	0.8	1.4
<b>Emerging &amp; Developing Europe</b>	<b>-1.8</b>	<b>6.7</b>	<b>-2.9</b>	<b>1.3</b>
Russia	-2.7	4.7	-8.5	-2.3
<b>Middle East and Central Asia</b>	<b>-2.9</b>	<b>5.7</b>	<b>4.6</b>	<b>3.7</b>
<b>Sub-Saharan Africa</b>	<b>-1.7</b>	<b>4.5</b>	<b>3.8</b>	<b>4.0</b>
South Africa	-6.4	4.9	1.9	1.4
Sri Lanka	-3.6	3.7	n.a.	n.a.

Source: World Economic Outlook, IMF, April 2022

Annual Report 2021, Central Bank of Sri Lanka

n.a - Not available

### 3.3 Inflation

In 2021, inflationary pressures induced by the pandemic were witnessed in many economies owing to high commodity prices and supply-demand mismatches. Consumer prices in advanced economies increased to 3.1 percent in 2021 from 0.7 percent in 2020. The US and the Euro Area recorded an inflation of 4.7 percent and 2.6 percent, respectively in 2021. Inflation in the EMDEs increased to 5.9 percent in 2021 from 5.2 percent in 2020. Emerging

and Developing Asia recorded low inflation at 2.2 percent. However, inflation was high in the rest of the EMDEs: Emerging and Developing Europe (9.5 percent), Latin America and the Caribbean (9.8 percent), Middle East and Central Asia (13.2) and Sub-Saharan Africa (11.0). Inflation of 12.1 percent was recorded by fuel exporting nations and net debtor economies with arrears and/or rescheduling also recorded high inflation at 21.1 percent.

In 2022, global inflation has already begun to accelerate owing to conflict-induced spikes in commodity prices of energy, metals and food. Energy prices are affected due to the short supply of oil and gas due to the conflict, whereas food price increases reflect damages to harvests due to adverse weather and an increase in fertilizer prices due to the rising oil and gas prices. High inflation is also manifested by aggregate demand-supply imbalances as driven by a myriad of reasons such as pent-up demand in 2021 and factors affecting supply including COVID-19 induced factory closures, disruptions to ports and transport services and labour related issues.

Inflation in most countries remain worrisome, including the US and some European countries with inflation reaching its highest level in more than 40 years. Inflation in 2022 is estimated at 5.7 percent in advanced economies: 7.7 percent in the US, 5.3 percent in the Euro Area, 7.4 percent in the United Kingdom. Inflation in EMDEs is estimated at 8.7 percent in 2022, as soaring inflation is expected from Emerging and Developing Europe of 27.1 percent with high inflation from Russia, Ukraine and neighbouring countries. Emerging and Developing Asia's inflation is expected to be moderate at 3.5 percent. Inflation expectations from Latin America and the Caribbean, the Middle east and Central Asia and Sub-Saharan Africa are estimated at 11.2 percent, 12.8 percent and 12.2 percent, respectively. Inflationary pressures are largely, although unevenly, expected to subside in 2023. As the envisaged high inflation is expected to mostly affect the vulnerable populations, particularly in low-income countries and hence, there is a mounting risk of leading to social unrest.

Table 3.3 | Inflation at Average Consumer Prices

	Annual Percent Change			
	Actual		Forecast	
	2020	2021	2022	2023
<b>Advanced Economies</b>	<b>0.7</b>	<b>3.1</b>	<b>5.7</b>	<b>2.5</b>
United States	1.2	4.7	7.7	2.9
Euro Area	0.3	2.6	5.3	2.3
Germany	0.4	3.2	5.5	2.9
France	0.5	2.1	4.1	1.8
Italy	-0.1	1.9	5.3	2.5
Spain	-0.3	3.1	5.3	1.3
Japan	0.0	0.3	1.0	0.8
United Kingdom	0.9	2.6	7.4	5.3
Canada	0.7	3.4	5.6	2.4
<b>Emerging Market and Developing Economies</b>	<b>5.2</b>	<b>5.9</b>	<b>8.7</b>	<b>6.5</b>
<b>Emerging and Developing Asia</b>	<b>3.1</b>	<b>2.2</b>	<b>3.5</b>	<b>2.9</b>
China	2.4	0.9	2.1	1.8
India	6.2	5.5	6.1	4.8
Indonesia	2.0	1.6	3.3	3.3
Malaysia	-1.1	2.5	3.0	2.4
Thailand	-0.8	1.2	3.5	2.8
Vietnam	3.2	1.9	3.8	3.2
<b>Latin America and the Caribbean</b>	<b>6.4</b>	<b>9.8</b>	<b>11.2</b>	<b>8.0</b>
Brazil	3.2	8.3	8.2	5.1
<b>Emerging &amp; Developing Europe</b>	<b>5.3</b>	<b>9.5</b>	<b>27.1</b>	<b>18.1</b>
Russia	3.4	6.7	21.3	14.3
<b>Middle East and Central Asia</b>	<b>10.6</b>	<b>13.2</b>	<b>12.8</b>	<b>10.5</b>
<b>Sub-Saharan Africa</b>	<b>10.2</b>	<b>11.0</b>	<b>12.2</b>	<b>9.6</b>
South Africa	3.3	4.5	5.7	4.6
Sri Lanka	4.6	6.0	17.6	12.9

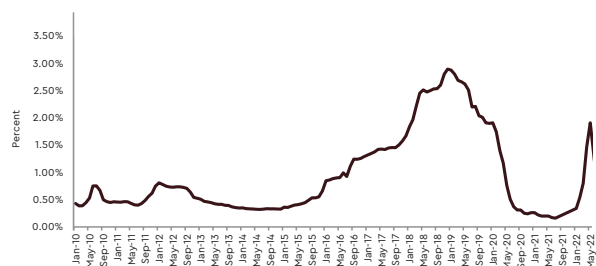
Source: World Economic Outlook, IMF, April 2022

### 3.4 Interest Rates

Moving on from the substantial monetary easing measures adopted by many countries in 2020 and early 2021, there is a shift to a monetary policy tightening to arrest higher inflation which has led to increased interest rates across economies. The Federal Reserve of the US, increased its Federal Fund's target range by 25 basis points in March 2022, as the US inflation increased to a 40-year high in early 2022. The Federal Reserve has indicated further tightening of monetary policy with policy rate hikes over the near term.

Interest rates are forecast to rise furthest notably in advanced economies. Many EMDEs also have tightened their monetary policy stance against the inflationary pressures except for China which has reduced policy rates in January 2022 due to lower inflation.

Figure 3.1 | Monthly Movement of Six Month LIBOR



Source : moneycafe.com

### 3.5 Fiscal Position

The fiscal policies implemented along with the accommodative monetary policies as a response to the pandemic, prevented protracted recessions in many parts of the world, while leading to higher deficits and accumulated debt levels. In 2021, expansionary fiscal policies were eased up with the high inflationary pressures emanating from most parts of the world which made the fiscal space to be more constrained. With the increase in interest rates, the high debt levels mounted, adding enormous pressure on many EMDEs. In addition, fiscal deficit and debt levels also represent a large disparity across country groups, reflecting divergent economic recoveries.

The fiscal outlook remains blurry from 2022 onwards with the spillovers from the Russia-Ukraine conflict, higher inflation, elevated interest rates, slower economic growth and high debt and borrowing costs. Countries may need to tailor fiscal policies according to exposure to the conflict and its economic disruptions, the state of the pandemic and the strength of the recovery.

#### 3.5.1 Fiscal Deficits

With the economic recovery in 2021, the global average fiscal deficit to GDP ratio declined to 6.4 percent in 2021 from 9.9 percent in 2020 and is estimated to further decline to 4.9 percent in 2022 and 4.0 percent in 2023. In the same vein, overall deficits in advanced economies declined to 7.3 percent in 2021 from the record-high levels of 10.5 percent in 2020 and are expected to fall further to 4.3 percent in 2022 and 2.9 percent in 2023.

Policies in advanced economies have shifted to promote structural transformation such as increasing in public investment from the COVID-19 support measures. The US infrastructure Bill has focused on transportation, utilities, broadband, environmental remediation and resilience while Japan's fiscal package caters to extended pandemic relief, broader social spending and infrastructure investment.

Similarly, fiscal deficits in EMDEs declined significantly to 5.3 percent in 2021 from 9.3 percent in 2020 due to discretionary policies. Brazil (to 4.4 percent from 13.3 percent) and Saudi Arabia (to 2.4 percent to 11.3 percent) recorded largest reductions in deficit in 2021 in relation to 2020. The Philippines (to 6.5 percent from 5.7 percent) and Thailand (to 7.8 percent from 4.7 percent) recorded widening of deficits while China's deficit reduced largely to 6.0 percent from 10.7 percent with overall fiscal tightening. Among South Asian countries, reductions in fiscal deficits were recorded from India (to 10.4 percent from 12.8 percent), Pakistan (to 6.1 percent from 7.0 percent), Bangladesh (4.2 percent from 5.6 percent), Nepal (to 4.2 percent from 5.3 percent), whereas it has widened in Sri Lanka (to 12.2 percent from 11.1 percent) in 2021 compared to 2020. Fiscal deficits of EMDEs are set to slightly increase to 5.7 percent in 2022 and slightly decline to 5.5 percent in 2023.

Table 3.4 | General Government Fiscal Balance: Overall Balance

	As a Percentage of GDP			
	Actual		Forecast	
	2020	2021	2022	2023
<b>World</b>	<b>-9.9</b>	<b>-6.4</b>	<b>-4.9</b>	<b>-4.0</b>
<b>Advanced Economies</b>	<b>-10.5</b>	<b>-7.3</b>	<b>-4.3</b>	<b>-2.9</b>
United States	-14.5	-10.2	-4.8	-4.0
Euro Area	-7.2	-5.5	-4.3	-2.5
Germany	-4.3	-3.7	-3.3	-0.7
France	-9.1	-7.0	-5.6	-3.8
Italy	-9.6	-7.2	-6.0	-3.9
Spain	-11.0	-7.0	-5.3	-4.3
Japan	-9.0	-7.6	-7.8	-3.5
United Kingdom	-12.8	-8.0	-4.3	-2.3
Canada	-11.4	-4.7	-2.2	-0.8



Table 3.4 | General Government Fiscal Balance:  
Overall Balance Contd...

	As a Percentage of GDP			
	Actual		Forecast	
	2020	2021	2022	2023
<b>Emerging Market and Developing Economies</b>	<b>-9.3</b>	<b>-5.3</b>	<b>-5.7</b>	<b>-5.5</b>
<b>Emerging and Developing Asia</b>	<b>-10.4</b>	<b>-6.6</b>	<b>-7.7</b>	<b>-6.9</b>
China	-10.7	-6.0	-7.7	-7.1
India	-12.8	-10.4	-9.9	-9.1
Indonesia	-6.1	-4.6	-4.0	-2.9
Malaysia	-4.6	-5.5	-4.9	-3.3
Thailand	-4.7	-7.8	-6.1	-3.0
Vietnam	-3.9	-4.2	-5.0	-5.1
<b>Latin America and the Caribbean</b>	<b>-8.8</b>	<b>-4.5</b>	<b>-4.7</b>	<b>-4.2</b>
Brazil	-13.3	-4.4	-7.6	-7.4
<b>Emerging &amp; Developing Europe</b>	<b>-5.6</b>	<b>-1.9</b>	<b>-4.6</b>	<b>-4.8</b>
Russia	-4.0	0.7	-4.0	-5.3
<b>Middle East, North Africa, Afghanistan and Pakistan (MENAP)</b>	<b>-8.0</b>	<b>-3.1</b>	<b>1.5</b>	<b>0.1</b>
<b>Sub-Saharan Africa</b>	<b>-5.6</b>	<b>-5.5</b>	<b>-5.2</b>	<b>-4.4</b>
South Africa	-9.7	-6.4	-5.8	-6.1
Sri Lanka	-11.1*	-12.2*	-9.4	-10.5

Source: Fiscal Monitor, IMF, April 2022

\* Department of Fiscal Policy

### 3.5.2 Government Debt

Global debt stock as a percentage of GDP declined to 97.0 percent in 2021 from 99.2 percent in 2020, which is still higher than the pre-pandemic level of 83.6 percent in 2019. This is expected to further decline to 94.4 percent in 2022 and to 94.1 percent in 2023. Public debt in advanced economies declined to 119.8 percent of GDP in 2021 from 123.2 percent in 2020, which is expected to further decline over the medium term to 115.5 percent in 2022 and 113.7 percent in 2023.

The Government debt to GDP ratio of the EMDEs increased to 66.1 percent in 2021 from 64.9 percent in 2020. The ratio is expected to widen to 67.4 percent in 2022 and 69.8 percent in 2023 in line with the projected increase in fiscal deficit. However, the medium term fiscal plans and projections are subject to a higher degree of uncertainty due to the impact of the conflict, and high inflation and interest rates.

Table 3.5 | General Government Gross Debt

	As a Percentage of GDP			
	Actual		Forecast	
	2020	2021	2022	2023
<b>World</b>	<b>99.2</b>	<b>97.0</b>	<b>94.4</b>	<b>94.1</b>
<b>Advanced Economies</b>	<b>123.2</b>	<b>119.8</b>	<b>115.5</b>	<b>113.7</b>
United States	134.2	132.6	125.6	123.7
Euro Area	97.3	96.0	95.2	93.4
Germany	68.7	70.2	70.9	67.7
France	115.2	112.3	112.6	112.9
Italy	155.3	150.9	150.6	148.7
Spain	120.0	118.7	116.4	115.9
Japan	259.0	263.1	262.5	258.3
United Kingdom	102.6	95.3	87.8	82.7
Canada	117.8	112.1	101.8	98.5
<b>Emerging Market and Developing Economies</b>	<b>64.9</b>	<b>66.1</b>	<b>67.4</b>	<b>69.8</b>
<b>Emerging and Developing Asia</b>	<b>68.9</b>	<b>72.9</b>	<b>76.5</b>	<b>79.5</b>
China	68.1	73.3	77.8	81.8
India	90.1	86.8	86.9	86.6
Indonesia	39.8	42.8	42.7	42.7
Malaysia	67.8	69.0	69.2	68.9
Thailand	49.8	58.0	62.7	61.4
Vietnam	41.7	40.2	41.3	42.0
<b>Latin America and the Caribbean</b>	<b>77.8</b>	<b>72.4</b>	<b>71.7</b>	<b>71.9</b>
Brazil	98.7	93.0	91.9	92.8
<b>Emerging &amp; Developing Europe</b>	<b>37.9</b>	<b>36.3</b>	<b>37.1</b>	<b>38.6</b>
Russia	19.2	17.0	16.8	18.9
<b>Middle East, North Africa, Afghanistan and Pakistan (MENAP)</b>	<b>53.8</b>	<b>52.6</b>	<b>43.1</b>	<b>42.9</b>
<b>Sub-Saharan Africa</b>	<b>49.9</b>	<b>51.1</b>	<b>50.3</b>	<b>48.8</b>
South Africa	69.4	69.1	70.2	73.4
Sri Lanka	100.6*	104.6*	109.0	107.5

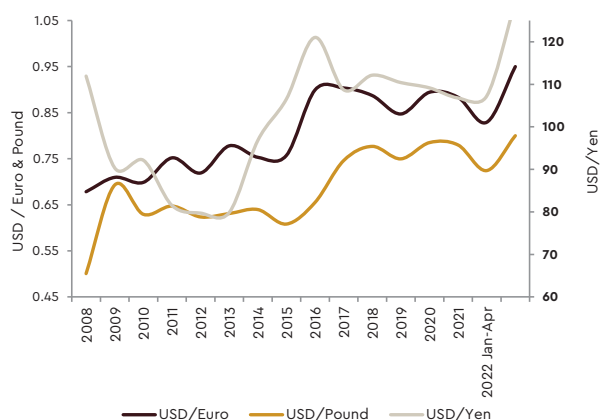
Source: Fiscal Monitor, IMF, April 2022

\* Department of Fiscal Policy

### 3.6 Currency Movements

With the monetary tightening to address inflation in the US, the exchange rates in most countries are seen to be volatile against the US dollar, at the time of compilation of this report. This risk increases if financial markers start to reprice more aggressively. Exchange rate flexibility is paramount in a highly uncertain global environment such as the one at present.

Figure 3.2 | Exchange Rates Against USD : 2007 – April 2022



Source : x-rates.com

### 3.7 World Trade

In contrast to the contraction of world trade by 7.9 percent in 2020, the volume of world trade increased significantly in 2021 by 10.1 percent. This is reflected by an increase in exports by 12.3 percent by EMDEs and an increase in imports by 11.8 percent by EMDEs. Exports and imports by advanced economies also recorded an increase, albeit at a lower rate than EMDEs, by 8.6 percent and 9.5 percent, respectively.

Global trade flows, particularly of energy and foods are expected to be disrupted by the conflict-related interruptions to production, sanctions, and lower access to cross-border payment systems. Hence, world trade flows are expected to slow down at 5.0 percent in 2022 and 4.4 percent in 2023.

Table 3.6 | World Trade Volume

	Average 2004–2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual Percentage Change											
Trade in Goods and Services											
<b>World Trade Volume</b>	<b>5.4</b>	<b>3.8</b>	<b>3.0</b>	<b>2.3</b>	<b>5.6</b>	<b>4.0</b>	<b>0.9</b>	<b>-7.9</b>	<b>10.1</b>	<b>5.0</b>	<b>4.4</b>
<b>Volume of Exports</b>											
Advanced Economies	4.5	3.8	3.8	2.1	4.9	3.6	1.3	-9.1	8.6	5.0	4.7
Emerging Market and Developing Economies	7.4	3.4	2.0	2.8	6.5	4.1	0.4	-4.8	12.3	4.1	3.6
<b>Volume of Imports</b>											
Advanced Economies	3.7	3.9	4.8	2.5	4.8	3.8	2.1	-8.7	9.5	6.1	4.5
Emerging Market and Developing Economies	9.1	4.3	-0.6	1.7	7.5	5.1	-1.1	-7.9	11.8	3.9	4.8

Source: World Economic Outlook, April 2022

### 3.8 World Commodity Market

With the supply disruptions, prices of the number of commodities have already increased and prices are expected to be significantly higher in 2022 than in 2021 and over the medium term. Energy and non-energy prices are forecast to rise by 50 and 20 percent, respectively in 2022 and are expected to somewhat normalize in 2023.

Table 3.7 | Price Indices (2010=100)

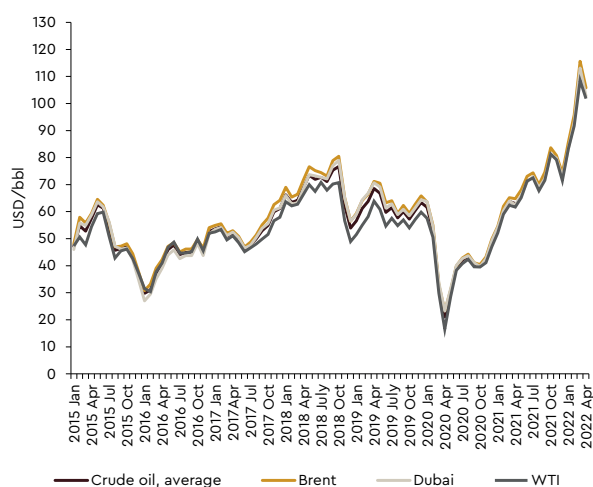
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Energy	100.00	128.69	127.57	127.41	118.30	64.79	55.05	68.09	87.01	75.96	52.68	95.38
Non-Energy	100.00	119.56	109.51	101.29	96.47	81.62	79.37	83.75	85.22	81.68	84.36	111.99
Agriculture	100.00	121.52	114.29	105.68	101.88	87.86	87.46	86.98	86.69	83.31	87.52	108.70
Beverages	100.00	115.97	92.63	83.30	101.77	93.95	91.29	83.11	79.09	76.13	80.38	93.49
Food	100.00	122.47	124.15	114.59	106.02	88.46	89.63	90.20	90.45	86.98	93.12	121.85
Oils and Meals	100.00	120.54	125.35	114.34	106.35	84.36	88.27	87.57	85.01	77.46	89.79	127.10
Grains	100.00	138.19	141.34	128.25	104.08	87.06	80.69	80.55	88.76	88.96	95.35	123.82
Other Food	100.00	110.77	107.02	102.56	107.33	95.13	99.50	102.41	99.13	97.71	95.49	113.14
Raw Materials	100.00	122.04	101.34	95.41	91.91	83.29	80.25	81.11	81.43	78.05	77.56	84.51
Fertilizers	100.00	137.62	141.06	114.36	101.47	98.40	77.71	74.26	82.50	81.38	73.20	132.15
Metals and Minerals	100.00	113.49	96.13	90.81	84.79	66.94	62.97	78.20	82.51	78.36	79.15	116.44
Precious Metals	100.00	136.27	138.46	115.09	101.12	90.64	97.45	97.84	97.17	105.44	133.54	140.17

Source: World Commodity Outlook, April 2022

### 3.8.1 Energy Prices

The price of oil has already risen sharply with broad based increases in all fuels. Brent Crude Oil average of USD 116/bbl in March 2022, marking a 10-year high and a 55 percent increase compared to December 2021 price of USD 74/bbl. Prices eased in April to USD 106/bbl following announcements of significant releases of oil by the United States and other International Energy Agency (IEA) members and weaker demand due to COVID-19 related lockdowns in several cities in China. The price of Brent crude oil is projected to average USD 106.83/bbl in 2022 which marks a 42 percent increase from 2021 and the highest ever since 2013.

Figure 3.3 | Crude Oil Prices : 2015 Jan – 2022 April



Source: World Commodity outlook, April 2022

Natural Gas prices have too recorded an increase in recent months. Natural Gas prices in the US have increased to USD 4.88/mmbtu in March 2022 and further to USD 6.53/mmbtu in April 2022 from USD 3.73/mmbtu in December 2021, partly reflecting increased demand for US exports of Liquefied Natural Gas. Prices in Europe reached an all-time high in March with fears of disruption of imports from Russia. Prices increased to USD 42.39/mmbtu in March 2022 from 38.03/mmbtu in December 2021. However, prices have dropped down to USD 32.20/mmbtu in April 2022. Russia accounts for about 45 percent of the European Union's total gas imports and 10 percent of global oil imports.

Coal prices have also reached an all-time high in March with the increased demand as a substitute for natural gas in electricity generation. South African coal prices have increased to USD 294.32 Mt in March 2022, from 142.50 in December 2021 and this has further increased to USD 302.00 Mt in April 2022.

### 3.8.2 Agricultural Prices

Russia and Ukraine account for one-quarter of global wheat, one-seventh of corn and three-quarters of sunflower oil exports. Wheat prices recorded a sharp increase as prices rose 30 percent higher to USD 486.3/Mt in March 2022 compared to USD 376.81/Mt in December 2021. Wheat prices have further increased to USD 495.28/Mt in April 2022. Most edible oil prices also recorded a sharp increase with production

shortfalls in South America as well as disruptions to Ukraine's sunflower seed oil exports. Palm oil prices increased to USD 1,682.74/Mt in April 2022 from USD 1,270.29/Mt in December 2021, and Soyabean oil prices increased to USD 1,947.51/Mt in April 2022 from USD 1,411.21/Mt in December 2021. Rice prices also increased to USD 431/Mt in April 2022 from USD 400/Mt in December 2021.

Prices of agricultural goods are expected to rise further – particularly wheat and corn to a lesser extent. Food prices can also be amplified by fertilizer shortages. Russia and Belarus account for one-fifth of global fertilizer exports, especially potassic fertilizers (two-fifths of global exports) and nitrogenous fertilizers. Fertilizer prices had already increased by about 80 percent over the last 12 months. Fertilizer prices increased sharply during 2022 Q1, partly reflecting the surge in natural gas and coal prices, as both are key inputs into fertilizer production. This can impact future harvests in large economies such as Brazil, India and the United States and most low-income countries dependent on imported fertilizers.

### 3.8.3 Metal Prices

The metals and minerals index rose by 13 percent in 2022 Q1 which marks a 24 percent higher increase than a year ago. Nickel prices rose by 35 percent in the quarter. Aluminium and iron ore prices also saw large increases, reflecting Russia's importance in supply.

### 3.9 Look Forward within the Sri Lankan Context

Since Sri Lanka is passing through one of the most economically challenging times in its post-independent history, the uncertainty and unpredictability of the global arena will further impact the persistent and fragile economic conditions of the country.

Along with the surge in commodity prices which is expected to continue or further heighten in most countries of the world due to the impact of the geo – political tensions in the world. Sri Lanka's domestic prices will be continuously affected by supply shortages in the world market. Sri Lanka is greatly impacted by the increase in global prices of key commodities including fuel, LP gas, fertilizer and food items such as wheat and milk powder.

In addition, asbestos, semi-finished products of iron and steel, copper and potassium chloride for fertilizer are imported from Russia and Ukraine. As such, the increase in prices of such goods in the domestic market reflects the supply shortage as well as the depreciation of Sri Lanka Rupee.

Sri Lanka's exports can also be affected by the geo-political tensions and its global spillovers. Europe is a major importer of garments, tea, spices and seafood from Sri Lanka. With the reduction of purchasing power of Europeans, the demand for Sri Lankan exports may also reduce.

Apart from the adverse impact on the external sector, Sri Lanka's limited access to foreign financial markets owing to rating downgrades, among others will be further constrained by global developments including tightening of monetary policy in key economies.

With the enormous economic challenges Sri Lanka is facing, the fragile global economic conditions will continue to affect the country. However, with clear structural reforms, Sri Lanka will be able to stabilize the economy over time in a way that can withstand the challenges emanating from outside.

**04**

Government  
Revenue

## 4.1. Overview

In 2021, government revenue collection was unprecedentedly challenged by the impact of COVID-19 pandemic on the economy combined with the extraordinary tax cuts in late 2019. Government revenue sharply declined in 2020 and 2021 both in nominal terms and as a percentage of GDP. The revenue mobilized in 2021 was much similar to the revenue collected in 2015 due to tax base erosion, significant rate cuts in late 2019 and the pandemic induced measures. In nominal terms, the total revenue including grants increased moderately by 6.6 percent to Rs. 1,463.8 billion in 2021 from Rs. 1,373.3 billion in 2020. Total revenue as a percentage of GDP fell sharply at its lowest to 8.7 percent in 2021 which is well below 24.5 percent of GDP in the emerging and developing Asia. The envisaged revenue estimate of 11.8 percent of GDP for 2021 was derailed sharply to 8.7 percent due to the drop in revenue from external trade taxes by 1.1 percentage points to 2.1 percent of GDP, excise taxes by 1.0 percentage points to 1.8 percent of GDP, income taxes by 0.4 percentage points to 1.8 percent of GDP and 0.4 percentage points of non-tax revenue to 0.9 percent of GDP stemming from the drop in fees and charges and profits transfers from

State-Owned Business Enterprises (SOBES). The deviation of revenue from the estimate amounted to 3.1 percentage points of GDP or Rs. 497 billion in 2021. Hence, immediate actions are warranted to embark on revenue-based fiscal measures including broadening the tax base, rationalizing tax exemptions, and increasing the tax rates while strengthening tax administration at revenue collecting agencies.

The actual government revenue of Rs. 1,457.1 billion in 2021 was around one-fourth or Rs. 494 billion aberration of the annual estimated revenue of Rs. 1,951 billion. The aberration was mainly due to the low revenue mobilization from several taxes such as taxes on external trade including Customs Import Duty (CID), Special Commodity Levy (SCL), corporate income tax, excise taxes including liquor, cigarettes, petroleum and motor vehicles and non-tax revenue such as profits and dividends and fees and charges stemming from both domestic and external challenges. The actual tax revenue of Rs. 1,298 billion was a 25.0 percent or Rs. 426 billion below the estimated tax revenue of Rs. 1,724 billion while non-tax revenue of Rs. 159 billion was a 30.0 percent or Rs. 68 billion deviations from the estimate of Rs. 227.0 billion.

Table 4.1 | Summary of Government Revenue

	Rs. Million			
Item	2018	2019	2020	2021 <sup>(a)</sup>
<b>Total Revenue and Grants</b>	<b>1,932,459</b>	<b>1,898,808</b>	<b>1,373,308</b>	<b>1,463,810</b>
<b>Total Revenue</b>	<b>1,919,974</b>	<b>1,890,899</b>	<b>1,367,960</b>	<b>1,457,071</b>
Tax Revenue	1,712,318	1,734,925	1,216,542	1,298,019
Income Tax	310,449	427,700	268,249	302,115
Taxes on Goods and Services	1,061,751	975,557	586,650	646,068
Taxes on External Trade	340,117	331,668	361,643	349,836
Non Tax Revenue	207,656	155,974	151,417	159,052
<b>Grants</b>	<b>12,485</b>	<b>7,909</b>	<b>5,348</b>	<b>6,740</b>
<b>As a % of GDP</b>				
<b>Revenue and Grants</b>	<b>13.5</b>	<b>12.7</b>	<b>9.1</b>	<b>8.7</b>
<b>Total Revenue</b>	<b>13.4</b>	<b>12.6</b>	<b>9.1</b>	<b>8.7</b>
Tax Revenue	12.0	11.6	8.1	7.7
Non Tax Revenue	1.5	1.0	1.0	0.9
<b>Grants</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>

Source: Department of Fiscal Policy

<sup>(a)</sup> Provisional

A subdued performance of both tax and non-tax revenue was witnessed in 2021 due to the lagged effects of the tax cut in 2019 and the slowdown of economic activities triggered by the pandemic and related measures. Despite the large revenue shortfall recorded in 2020, the Government further introduced a plethora of tax holidays, tax concessions and deductions and tax exemptions in 2021 derailing the announced fiscal consolidation efforts. In addition, under the Finance Act, No, 18 of 2021, provisions were made to write off tax in arrears on the abolished or repealed taxes in respect of any period ending on or prior to December

31, 2020, and to write off penalty or interest payable on income tax and VAT in respect of which the payment due date was on or prior to December 31, 2020, subject to the payment of any outstanding tax.

A Tax on Voluntary Disclosure (TVD) was imposed on the value of the investment on both domestic and foreign undisclosed funds and the property at the rate of 1.0 percent effective from September 15, 2021 upto March 31, 2022 of which Rs.4 billion was collected during the taxable period.

Table 4.2 | Estimated and Actual Revenue – 2021

				Rs. Million
	Item	Estimated	Actual <sup>(a)</sup>	Deviation
<b>Total Revenue</b>		<b>1,951,000</b>	<b>1,457,071</b>	<b>-493,929</b>
<b>Tax Revenue</b>		<b>1,724,000</b>	<b>1,298,019</b>	<b>-425,981</b>
<b>Department of Inland Revenue</b>				
	Tax on Income and Profit	371,000	302,073	-68,927
	VAT – Domestic (Net)	200,000	185,462	-14,538
	Nation Building Tax (Domestic)	–	355	355
	Other	4,503	8,953	4,450
	<b>Sub Total</b>	<b>575,503</b>	<b>496,843</b>	<b>-78,660</b>
<b>Department of Customs</b>				
	Import Duty	180,000	64,339	-115,661
	VAT – Imports (Net)	110,000	122,751	12,751
	Nation Building Tax (Import)	–	79	79
	PAL	170,000	154,125	-15,875
	Cess Levy	70,000	75,543	5,543
	Special Commodity Levy & Other	111,950	55,994	-55,956
	<b>Excise Special Provisions</b>			–
	Cigarettes	130,000	88,539	-41,461
	Petroleum	85,000	55,339	-29,661
	Motor Vehicles & other	100,000	24,346	-75,654
	<b>Sub Total</b>	<b>956,950</b>	<b>641,056</b>	<b>-169,119</b>
<b>Department of Excise</b>				
	Liquor/Tobacco	160,035	138,674	-21,361
	<b>Sub Total</b>	<b>160,035</b>	<b>138,674</b>	<b>-21,361</b>
<b>Other</b>				
	Telecommunication Levy	20,000	12,840	-7,160
	License Tax & Other	11,512	8,606	-2,907
	<b>Sub Total</b>	<b>31,512</b>	<b>21,446</b>	<b>-10,067</b>
<b>Non – Tax Revenue</b>		<b>227,000</b>	<b>159,052</b>	<b>-67,948</b>

Source: Department of Fiscal Policy

<sup>(a)</sup> Provisional



## 4.2. Revenue Policy Measures – 2021

The Government has taken swift policy measures to provide further tax exemptions and holidays amidst the exerting unprecedented pressure on the government's fiscal balance.

### I. A series of income-tax exemptions were granted effective from April 01, 2021 to promote thriving sectors of the economy:

- realization of lands or buildings which were sold, exchanged, or transferred to a Sri Lanka Real Estate Investment Trust (SLREIT) listed in the Colombo Stock Exchange and licensed by the Securities and Exchange Commission of Sri Lanka;
- realization of units or amounts derived as gains from the realization of the capital asset of a business or investment by a unitholder from any SLREIT;
- interest accruing to or derived by any welfare society (including benevolent fund which promotes the savings of members);
- interest or discount accrued or derived by any "Samurdhi" community-based banks established under the Department of "Samurdhi" Development from the Sri Lanka Government Treasury Securities;
- gains from the realization of Sri Lanka international sovereign bonds, issued by or on behalf of the Government of Sri Lanka and received or derived by a commercial bank or authorized dealer who made an aggregate investment, not less than USD 100 million in such bonds on or after April 1, 2021;
- gains and profits earned or derived from any business of export of gold, gems or jewellery or from businesses which engage in re-export with value addition where such gains and profits earned in foreign currency are remitted through a bank to Sri Lanka; and

- gains and profits earned or derived by any Vocational Education Institution from any vocational educational programme which is standardized under the TVET concept (Technical and Vocational Education and Training) and regulated by the Tertiary and Vocational Education Commission if such institution has doubled its student intake of such programmes for such year of assessment compared to the student intake of the previous year. The exemption is available for five years and was exempted from the income tax with effect from April 01, 2021.

### II. Remittance tax exemption: Remittance tax at the rate of 14.0 percent on remitted profit is exempted for three years with effect from April 01, 2021 for a non-resident company carrying a business in Sri Lanka through a Sri Lankan permanent establishment that earned profits and income and retained such total profit for a minimum of three years period by investing in Sri Lanka to expand its business or to acquire shares or any securities from Colombo Stock Exchange or to acquire any Treasury Bill, Treasury Bond or Sri Lanka International Sovereign Bonds.

### III. Tax holidays: With effect from April 01, 2021 'tax holidays' were granted for the gains and profits (excluding capital gains) received or derived from the following new business such as;

- Ten-year tax exemption period for an undertaking in which the sale of construction materials recycled in a selected separate site established in Sri Lanka to recycle the materials which were already used in the construction industry,
- Five-year tax exemption period for any business commenced on or after April 1, 2021 by an individual after successful completion of vocational education from any institution which is standardized under the TVET concept and regulated by the Tertiary and Vocational Education Commission,



- Seven-year tax exemption period for an undertaking commenced by a resident person in manufacturing of boats or ships in Sri Lanka and received or derived any gains and profits from the supply of such boats or ships,
- Seven-year tax exemption period for any "renewable energy project" established with a capacity to produce not less than one hundred Mega Watts solar or wind power and supply such power to the national grid,
- Five-year tax exemption period for any undertaking commenced on or after January 1, 2021 by any resident person who constructs and installs the communication towers and related appliances using local labours and local raw materials in Sri Lanka or provides required technical services for such construction or installation,
- A tax exemption period for any undertaking for letting bonded warehouses or warehouses related to the offshore business, in Colombo and Hambantota ports, if such person has invested on such warehouse.

**IV. Tax concessions:** Concessionary tax rates were granted to the sectors such as Gem and Jewellery and renewable energy.

- Concessionary income tax rates such as a maximum rate of 14.0 percent for individuals and a flat rate of 14.0 percent for companies were granted with effect from April 01, 2021 for businesses such as the sale of Gem and Jewellery, supply of electricity to the national grid generated by using renewable energy resources and a company which lists its shares in Colombo Stock Exchange during the period of January 1, 2021 and December 31, 2021 for three years of assessment commencing from April 1, 2022 taxed at the rate of 14.0 percent,

- tax payable liability has been reduced by 50.0 percent on aggregate income tax payable by any company (including BOI companies but other than on gains from the realization of investment assets) which lists its shares on or after January 1, 2021 but before December 31, 2021 in the Colombo Stock Exchange licensed by the Securities and Exchange Commission of Sri Lanka for the year of assessment 2021/2022,
- the relevant tax liability of dividend income derived by a multinational company has been reduced by 25.0 percent if exports will be increased by a minimum of 30.0 percent in 2021/2022 compared to the year 2020/2021 and the relevant tax liability of dividend income has been reduced by 50.0 percent if exports are increased by a minimum of 50.0 percent in 2022/2023 compared to 2021/2022 or if exports are increased by a minimum of 50.0 percent in 2023/2024 compared to 2020/2021. In addition, if the agricultural produce from farming activities is used for processing or manufacturing activities the relevant tax liability of dividend income has been reduced by 25.0 percent.

**V. Tax Deductions:** Tax deductions have been granted effective from April 1, 2021 to the sectors such as marketing and communication, services sector with a minimum of 65.0 percent value addition and research and development in order to encourage value addition, promote domestic industries and encourage female entrepreneurship in "Samurdhi" recipient families.

- additional deduction of 100.0 percent has been provided for locally incurred Marketing and Communication expenses (MarCom) subject to certain conditions.
- expenditures incurred in the production of Films have been allowed as qualifying payments.

- contributions made by an individual for establishing a shop for a female individual who is from a "Samurdhi" beneficiary family have been identified as qualifying payments.
- if the expenditure is attributable to a good or service with a minimum of 65.0 percent of local value addition during the three years from 2021/2022 to 2023/2024 an additional deduction of 100.0 percent of the expenditure is provided with an upper cap of Rs. 500 million for three years commencing on April 1, 2021.
- an additional 100.0 percent deduction is granted on research and development expenditure for the years of assessment from 2021/2022 to 2022/2023.

**VI. Imposition of new Tax on Voluntary Disclosure (TVD):** A new TVD was imposed at the rate of 1.0 percent of the value of the investment on both domestic and foreign undisclosed funds and the property effective from September 15, 2021 and it has ended on March 31, 2022. This TVD allows people to voluntarily disclose their undisclosed taxable supplies, income, and assets to encourage the movement of undisclosed taxable funds to the formal sector of which Rs. 4 billion was collected from September 15, 2021 to March 31, 2022.

**VII. Penalty waive off:** Under the Finance Act, No, 18 of 2021, provisions were made to write off tax in arrears with regard to abolished or repealed taxes in respect of any period ending on or prior to December 31, 2020, and to write off penalty or interest payable with regard to Income Tax and VAT in respect of which the payment due date was on or prior to December 31, 2020, subject to the payment of any outstanding tax.

### 4.3. Tax Policy Reforms – 2021

#### 4.3.1. Reforms in Tax Administration

The Government has introduced tax administrative measures with the infusion of automated systems such as the second phase of the Revenue Administration Management Information System (RAMIS) and (Lanka Pay) e-payment system has been introduced to 11 banks including state banks, all limited liability companies to file their tax returns electronically while introducing voluntary e-filing for individuals and partnerships etc., at the Inland Revenue Department (IRD).

At Sri Lanka Customs (SLC), cargo selectivity for examination to fast track the cargo clearance with less physical examination, paperless document processing, electronic submission of manifests and cargo clearance, use of digital signature and integration of Other Government Agencies (OGA) such as Sri Lanka Tea Board, Sri Lanka Standard Institute (SLSI), Excise, and Food Control have been implemented to automate the SLC' systems. Further, Sri Lanka Customs (SLC) has initiated a comprehensive Single Window System to enhance the efficiency of service delivery through SLC while introducing an outward remittances management system to monitor such remittances, verification etc., and SMS alerting has also been implemented by SLC to infuse technology into the administration.

The Department of Excise of Sri Lanka (EDSL) is also in the process of its system automation by incorporating IT managed revenue system instead of the currently using manual revenue system to better facilitate revenue collection and revenue administration. EDSL is in the process of introducing a Revenue Risk Management System (RRMS) and Excise Revenue Management System (ERMS) for domestic licensed liquor producers which were already introduced for the licensed liquor importers to strengthen the revenue administration. EDSL has broadened the scope of digitalized sticker systems from a paper-based sticker system implementing both systems to cover importers and local manufacturers depending on their scale of production. With the introduction of the system, liquor tax revenue has increased significantly during January to April 2022 due to lessening of revenue leakage.

### 4.3.2. Tax Revenue Enhancement Measures Introduced by Budget 2022

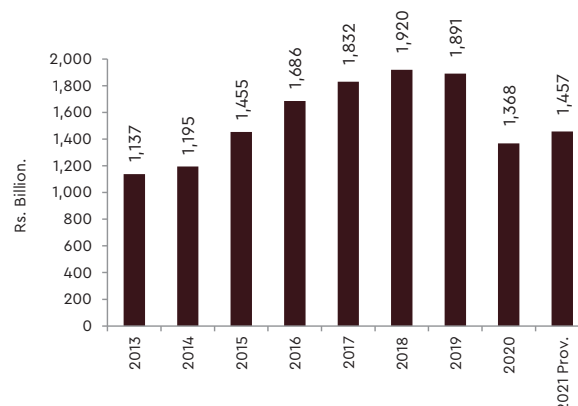
The Budget 2022, introduced a one-off Surcharge Tax, Social Security Contribution Levy, and an increase of VAT on financial services from 15.0 percent to 18.0 percent which was effective from January 01, 2022. The Surcharge Tax was introduced with a payment of 25.0 percent tax by individuals or corporations with taxable income of more than Rs. 2,000 million for the fiscal year 2020/2021 and is to be paid in two installments by April 20, 2022 and July 20, 2022 of which Rs. 59.6 billion was collected from the first installment. The Social Security Contribution Levy (SSCL) on liable turnover exceeding Rs. 120 million per annum at a rate of 2.5 percent is being introduced. Upward rate revisions were made to Excise duty on cigarettes and liquor. In addition, measures are being taken to release vehicles detained at Customs due to various reasons including violation of import restrictions while providing amnesty for roadworthy vehicles unregistered at the Department of Motor Traffic (DMT).

### 4.4. Government Revenue Performance

The total government revenue including grants moderately increased by 6.6 percent to Rs. 1,463.8 billion in 2021 from Rs. 1,373.3 billion in 2020. The total revenue of the government excluding grants marginally grew by 6.5 percent to Rs.1,457.1 billion in 2021 from the Rs. 1,368.0 billion in 2020 and the actual revenue of the government has deviated by 25.3 percent or Rs. 494.0 billion against the estimate of Rs. 1,951 billion. Also, the tax revenue marginally grew by 6.7 percent to Rs. 1,298.0 billion in 2021 from Rs. 1,216.5 billion in 2020 due to an

increase in revenue collection from Income tax, VAT, Excise duty on liquor and Ports and Airports Development Levy (PAL). Non-tax revenue increased by 5.0 percent to Rs. 159.1 billion in 2021 from Rs. 151.4 billion in 2020 reflecting the increase in revenue from profits and dividends transfers of SOEs.

Figure 4.1 | Government Revenue



Source: Department of Fiscal Policy

Revenue from domestic consumption-based taxes increased by 13.3 percent to Rs. 419.3 billion in 2021 from Rs. 370.2 billion in 2020 due to a 25.3 percent increase in revenue from domestic VAT and 14.6 percent increase in revenue from liquor tax compared to 2020. However, revenue collected from taxes on external trade contracted by 3.3 percent to Rs. 349.8 billion in 2021 from Rs. 361.6 billion in 2020 due to the import restriction measures during the year. Also, revenue mobilized on import-based taxes marginally contracted by 0.6 percent to Rs. 546.1 billion in 2021 from Rs. 549.6 billion in 2020 due to slower performance of revenue collected from import duties, VAT on imports, excise duty on motor vehicles and Special Commodity Levy (SCL) mainly due to the restriction of imports and the downward SCL rate revisions.

Table 4.3 | Government Revenue

Item	Rs. Million						
	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Tax Revenue</b>	<b>1,355,779</b>	<b>1,463,689</b>	<b>1,670,178</b>	<b>1,712,318</b>	<b>1,734,925</b>	<b>1,216,542</b>	<b>1,298,019</b>
Income Tax	262,583	258,857	274,562	310,449	427,700	268,249	302,115
VAT	219,700	283,470	443,739	461,651	443,877	233,786	308,213
Nation Building Tax	45,004	57,424	69,035	71,357	70,672	2,351	434
Excise Duty	497,623	454,952	469,454	484,242	399,478	321,932	306,861
Import Duties	132,189	156,487	136,501	96,991	98,427	114,183	64,339
Ports & Airports Development Levy	58,644	88,823	102,360	113,950	112,174	115,442	154,125
Special Commodity Levy	52,276	55,825	71,402	75,807	70,364	82,709	55,828
Other	87,760	107,851	103,125	97,872	112,233	77,890	106,103

Table 4.3 | Government Revenue Contd...

	Rs. Million						
Item	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Non Tax Revenue</b>	<b>99,099</b>	<b>222,372</b>	<b>161,353</b>	<b>207,656</b>	<b>155,974</b>	<b>151,417</b>	<b>159,052</b>
Interest/ Rent	7,321	15,806	11,845	13,731	18,547	19,351	11,556
Profit and Dividends	29,798	108,160	53,998	41,828	27,857	17,624	30,591
Sales and Charge	44,632	72,606	66,575	105,202	73,884	47,370	42,645
Social Security Contribution	15,213	18,046	22,940	25,215	28,985	32,417	34,619
Central Bank Profit Transfers	-	5,000	-	15,000	-	24,009	15,012
Other	2,135	2,754	5,995	6,681	6,701	10,646	24,630
<b>Total Revenue</b>	<b>1,454,878</b>	<b>1,686,061</b>	<b>1,831,531</b>	<b>1,919,973</b>	<b>1,890,899</b>	<b>1,367,960</b>	<b>1,457,071</b>
<b>As a % of GDP</b>							
<b>Tax Revenue</b>	<b>12.4</b>	<b>12.2</b>	<b>12.5</b>	<b>12.0</b>	<b>11.6</b>	<b>8.1</b>	<b>7.7</b>
Income Tax	2.4	2.2	2.1	2.2	2.8	1.8	1.8
VAT	2.0	2.4	3.3	3.2	3.0	1.6	1.8
Nation Building Tax	0.4	0.5	0.5	0.5	0.5	0.0	0.0
Excise Duty	4.5	3.8	3.5	3.4	2.7	2.2	1.8
Import Duties	1.2	1.3	1.0	0.7	0.7	0.8	0.4
Ports & Airports Development Levy	0.5	0.7	0.8	0.8	0.7	0.8	0.9
Special Commodity Levy	0.5	0.5	0.5	0.5	0.5	0.6	0.3
Other	0.8	0.9	0.8	0.7	0.7	0.5	0.6
<b>Non Tax Revenue</b>	<b>0.9</b>	<b>1.9</b>	<b>1.2</b>	<b>1.5</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>
Interest/ Rent	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Profit and Dividends	0.3	0.9	0.4	0.3	0.2	0.1	0.2
Sales and Charge	0.4	0.6	0.5	0.7	0.5	0.3	0.3
Social Security Contribution	0.1	0.2	0.2	0.2	0.2	0.2	0.2
Central Bank Profit Transfers	-	...	-	-	-	-	-
<b>Total Revenue</b>	<b>13.3</b>	<b>14.1</b>	<b>13.7</b>	<b>13.4</b>	<b>12.6</b>	<b>9.1</b>	<b>8.7</b>

Source: Department of Fiscal Policy

<sup>(a)</sup> Provisional

... Negligible

- not available

#### 4.4.1. Tax Revenue

In nominal terms, tax revenue increased to Rs. 1,298.0 billion in 2021 from Rs. 1,216.5 billion in 2020. The tax revenue to GDP ratio declined by 0.4 percentage points to 7.7 percent of GDP in 2021 from 8.1 percent of GDP in 2020. However, the share of tax revenue to the total revenue marginally increased to 89.1 percent in 2021 from 88.9 percent in 2020. Revenue from Income tax increased notably by 12.6 percent

to Rs. 302.1 billion in 2021 from Rs. 268.2 billion in 2020 and taxes on goods and services by 10.1 percent to Rs. 646.1 billion in 2021 from Rs. 586.7 billion in reflecting rebounding of economic activities in 2021 compared to the contraction in 2020.

Table 4.4 | Government Tax Revenue – By Source

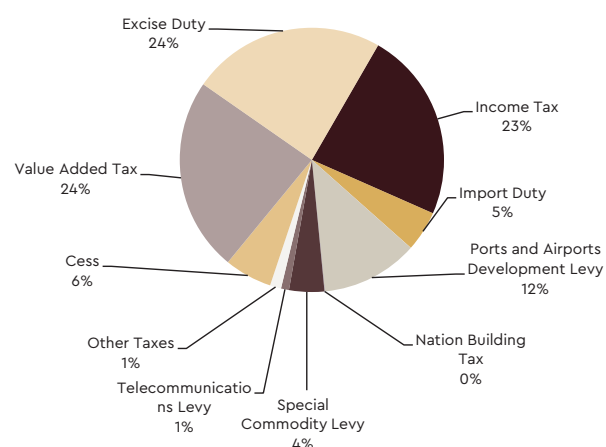
Source	Rs. Million		
	2020	2021 <sup>(a)</sup>	2021/2020 Change (%)
<b>Income Tax</b>	<b>268,249</b>	<b>302,115</b>	<b>12.6</b>
<b>Domestic Consumption Based Taxes</b>	<b>370,198</b>	<b>419,264</b>	<b>13.3</b>
VAT – Domestic	148,061	185,462	25.3
NBT – Domestic	2,036	355	-82.6
Tax on Liquor	120,990	138,637	14.6
Tax on Cigarettes /Tobacco	94,384	88,576	-6.2
Other (Excise)	4,727	6,234	31.9
<b>Import Based Taxes</b>	<b>549,554</b>	<b>546,117</b>	<b>-0.6</b>
Import Duties	114,183	64,339	-43.7
VAT – Import	85,725	122,751	43.2
NBT – Import	315	79	-74.9
PAL	115,442	154,125	33.5
SCL	82,709	55,828	-32.5
Cess Levy	49,309	75,543	53.2
Petroleum – Excise	53,111	55,339	4.2
Motor Vehicles – Excise	48,760	18,113	-62.9
<b>Licence and Other</b>	<b>28,542</b>	<b>30,523</b>	<b>6.9</b>
Telecommunications Levy	13,130	12,840	-2.2
Other	15,412	17,683	14.7
<b>Total Tax Revenue</b>	<b>1,216,542</b>	<b>1,298,019</b>	<b>6.7</b>

Source : Department of Fiscal Policy

<sup>(a)</sup> Provisional

Revenue collection from Excise taxes declined by 4.7 percent to Rs. 306.9 billion in 2021 from Rs. 321.9 billion in 2020. Excise tax revenue as a percentage of GDP was 1.8 percent of GDP in 2021 from 2.1 percent of GDP in 2020 mainly driven by the drop in revenue from motor vehicles and cigarettes by 62.9 percent and 6.2 percent, respectively in 2021. Revenue collected from taxes on external trade declined by 3.3 percent to Rs. 349.8 billion in 2021 from Rs. 361.6 billion in 2020 owing to the decline in revenue from the Customs Import Duty (CID) by 43.7 percent to Rs. 64.3 billion in 2021 and SCL by 32.5 percent to Rs. 55.8 billion in 2021.

Figure 4.2 | Composition of Tax Revenue – 2021



Source: Department of Fiscal Policy

## Income Taxes

The income tax structure was significantly revamped with the extraordinary tax revisions introduced in late 2019. This included the increase in Personal Income Tax (PIT) relief from Rs. 500,000 to Rs. 3 million, the introduction of an expenditure relief up to Rs. 1.2 million, an increase of tax slabs on taxable income from Rs. 600,000 to Rs. 3 million and a reduction of the maximum personal income tax rate from 24.0 percent and 18.0 percent. In the same vein, the Standard Corporate Income Tax (CIT) rate was reduced from 28.0 percent to 24.0 percent, while introducing a plethora of tax incentives such as tax exemptions for agriculture and Information Technology (IT) and enabled services, tax deductions and tax holidays.

The low tax regime together with the impact of the pandemic on revenue mobilization led to a significant decline in income tax revenue by 37.3 percent or Rs. 159.5 billion to Rs. 268.2 billion in 2020, in nominal terms, from Rs. 427.7 billion in 2019. This marked a decline in income tax revenue to GDP ratio to 1.8 percent in 2020 from 2.9 percent in 2019.



However, revenue from income taxes increased by 12.6 percent to Rs. 302.1 billion in 2021 from Rs. 268.2 billion in 2020 with an increase in revenue from corporate and non-corporate taxes, Advance Personal Income Tax (APIT), tax on interest and capital gain tax with the revival of economic activities in 2021. Corporate and non-corporate taxes increased by 19.7 percent to Rs. 272.8 billion in 2021 from Rs. 228.0 billion in 2020. In addition, revenue from the tax on interest increased by 24.2 percent to Rs. 12.4 billion in 2021 from 10.0 billion in 2020. APIT recorded a slight increase of 2.5 percent to Rs. 15.3 billion in 2021 from Rs. 15.0 billion in 2020. Revenue from capital gains tax increased by 86.8 percent to 668 million in 2021 from 358 million in 2020.

Revenue of Rs. 175 million was recorded during September 15, 2021 to December 31, 2021 totalling Rs. 4 billion as at end March 2022 from the Tax on Voluntary Disclosure (TVD) introduced under the Finance Act, No. 18 of 2021, which provides to grant an amnesty for those who disclose and invest undisclosed income or assets with the payment of the above tax at the rate of 1.0 percent of the investment.

Table 4.5 | Value Added Tax Revenue

Item	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>	Rs. Million
Domestic	168,817	276,065	283,327	275,089	150,823	185,918	
Imports	115,339	168,394	179,163	169,914	85,727	122,766	
<b>Gross Revenue</b>	<b>284,156</b>	<b>444,459</b>	<b>462,490</b>	<b>445,003</b>	<b>236,550</b>	<b>308,684</b>	
Refunds	686	720	840	1,126	2,764	471	
<b>Net Revenue</b>	<b>283,470</b>	<b>443,739</b>	<b>461,651</b>	<b>443,877</b>	<b>233,786</b>	<b>308,213</b>	
<b>Net Revenue as a % of GDP</b>	<b>2.4</b>	<b>3.3</b>	<b>3.2</b>	<b>3.0</b>	<b>1.6</b>	<b>1.8</b>	

Source: Department of Fiscal Policy

<sup>(a)</sup> Provisional

## Excise Duty

Revenue from excise duties declined significantly both as a percentage of GDP and in nominal terms mainly due to the restriction imposed on the imports of motor vehicles and weakened revenue collection from cigarettes amidst the increase in revenue collection from liquor, petroleum products and other excisable

## Value Added Tax (VAT)

With the rate reduction from 15.0 percent to 8.0 percent, while remaining intact on financial services at 15.0 percent, the increase in VAT registration threshold to 300 million per annum from 12 million per annum combined with the pandemic impact on revenue mobilization, revenue collection from VAT declined by Rs. 210.1 billion to Rs 233.8 billion in 2020 from Rs. 443.9 billion in 2019. However, VAT revenue increased by 31.8 percent to Rs. 308.2 billion in 2021 with the normalization of economic activities which is below Rs. 310 billion from the estimate. VAT revenue from domestic activities increased to Rs. 185.5 billion in 2021 from Rs. 148.1 billion in 2020 while VAT revenue from imports increased to Rs. 122.8 billion from Rs. 85.7 billion in 2020. This was due to the recovery of economic activities in 2021 together with the surge in both global and domestic prices.

VAT revenue as a percentage of total tax revenue increased to 23.7 percent in 2021 from 19.2 percent in 2020 while VAT revenue as a percentage of GDP increased to 1.8 percent from 1.6 percent in 2020 which is below the level of 3.0 percent of GDP recorded in 2020. Meanwhile, VAT on financial services increased by 3.0 percentage points from 15.0 percent to 18.0 percent effective from January 01, 2022.

articles. The revenue collected from Excise duties as a percentage of GDP declined to 1.8 percent in 2021 from 2.1 percent in 2020.

Table 4.6 | Excise Duty Revenue

Item	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>	Rs. Million
Liquor	120,238	113,684	113,944	115,443	120,990	138,637	
Cigarettes	88,752	85,956	92,198	87,367	94,345	88,539	
Motor Vehicles	186,499	189,740	204,081	130,378	48,760	18,113	
Petroleum Products	55,719	73,983	66,318	61,740	53,111	55,339	
Other	3,704	6,091	7,701	4,549	4,727	6,234	
<b>Total</b>	<b>454,912</b>	<b>469,454</b>	<b>484,242</b>	<b>399,478</b>	<b>321,932</b>	<b>306,861</b>	

Source: Department of Fiscal Policy

<sup>(a)</sup> Provisional

The revenue collected from excise duty on liquor increased notably by 14.6 percent to Rs. 138.6 billion in 2021, compared to Rs. 121.0 billion in 2020, mainly due to the resumption of economic activities in 2021 compared to 2020 combined with the upward revision of excise duty on liquor and cigarettes on November 12,

2021. The production of alcohol also increased by 10.9 percent to 40.9 million absolute liters in 2021 from 36.9 million absolute liters in 2020. This has been further supported by the initiation of affixing foolproof stickers and printing digital image system on liquor and liquor based products at EDSL.

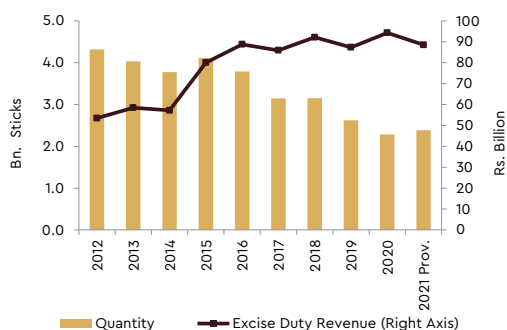
Table 4.7 | Structure of the Amendment of the Excise Duty on Liquor

Liquor Category	Previous Duty per Absolute Litre (Rs.) (Before Nov 12, 2021)	New Duty per Absolute Litre (Rs.) (After Nov 12, 2021)	Increase as a Percentage
Special Arrack	3,800	4,180	10
Molasses/ Palmyra/ Coconut Arrack	4,050	4,460	10
Country made Foreign Liquor	4,150	4,570	10
Beer (Strength - Less than 5%)	3,200	3,300	3
Strong Beer (Strength - more than or equal to 5%)	3,200	3,450	8
Wine	3,200	3,300	3

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

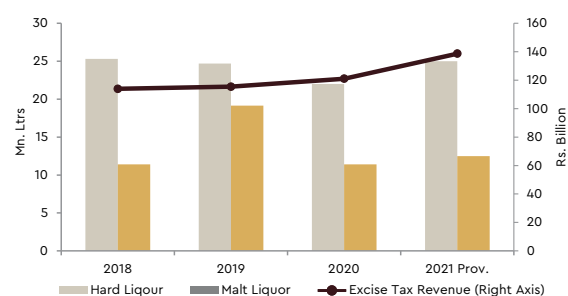
Revenue from Excise duty on motor vehicles significantly declined by 62.9 percent to Rs. 18.1 billion in 2021, compared to Rs. 48.8 billion in 2020 due to the decline in the importation of motor vehicles by 79.4 percent to 21,832 vehicles in 2021, compared to 105,987 vehicles in 2020 reflecting the impact of the continuation of the imposition of import restrictions on motor vehicles effective from March 2020 to lessen the pressure on the balance of payment.

Figure 4.3 | Cigarette Production and Excise Duty Revenue



Sources : Department of Fiscal Policy and Department of Excise

Figure 4.4 | Liquor Production and Excise Tax Revenue



Sources: Department of Fiscal Policy and Department of Excise

Note: Liquor production after 2017 is in absolute liters

Meanwhile, the revenue from cigarettes declined by 6.2 percent to Rs. 88.5 billion in 2021, compared to Rs. 94.3 billion in 2020 mainly due to a decline in production of cigarettes with a length over 67mm despite the increase in production by 4.3 percent to 2,384 million sticks in 2021 from 2,287 million sticks in 2020.

However, the revenue generated from petroleum products increased by 4.2 percent to Rs. 55.3 billion in 2021 from Rs. 53.1 billion in 2020 mainly due to the augmented demand

for fuel in 2021 driven by the ease of mobility restrictions and enhanced economic activities with the success of the vaccination programme. The excise duty revenue generated from other

Table 4.8 | Production and Excise Tax Collection from Liquor and Cigarettes

Year	Quantity Produced						Excise Tax Revenue			
	Hard Liquor (Liter Mn)	% Change	Malt Liquor (Liter Mn)	% Change	Cigarettes (Mn Sticks)	% Change	Liquor (Rs.Bn)	% Change	Cigarettes (Rs. Bn)	% Change
2013	44.2	-11.1	120.2	21.0	4,035	-6.6	66.0	10.2	58.6	8.7
2014	43.9	-0.6	124.5	3.6	3,777	-6.4	69.1	4.6	57.2	-2.3
2015	51.8	17.9	125.8	1.0	4,116	9.0	105.9	53.3	80.0	39.9
2016	55.6	7.3	52.2	-58.5	3,789	-7.9	120.8	14.1	88.8	11.0
2017	46.9	-15.5	71.1	36.3	3,149	-16.9	113.7	-5.9	86.0	-3.2
2018	25.3 <sup>(a)</sup>	-46.1	11.4 <sup>(a)</sup>	-84.0	3,150	0.0	113.9	0.2	92.2	7.2
2019	24.7	-2.4	19.1	67.9	2,622	-16.8	115.4	1.3	87.4	-5.2
2020	22.0	-10.9	11.4	-40.4	2,287	-12.8	121.0	4.9	94.3	8.0
2021	25.0	13.6	12.5	9.6	2,384	4.3	138.6	14.6	88.5	-6.2

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

<sup>(a)</sup> Hard Liquor & Malt Liquor Production after 2017 is in absolute liters

excisable items such as sweetened beverages, refrigerators, palm oil, fatty acid etc., increased by 31.9 percent to Rs. 6.2 billion in 2021 reflecting the increase in import volumes of selected items and improved tax compliance with the expansion of the domestic activities in 2021.

### Custom Import Duty (CID)

Revenue from Custom Import Duty (CID) declined by 43.7 percent to Rs. 64.3 billion in 2021 compared to Rs.114.2 billion in 2020 due to the imposition of import restriction measures on nonessential items. In addition, CID revenue declined with the revision of CID thresholds from 30.0 percent, 15.0 percent and zero percent into 15.0 percent, 10.0 percent and zero percent, respectively effective from November 17, 2020. Petrol 92 and 95, lubricating oils, super diesel, other diesel that contains sulphur exceeding 10mg/kg (ppm) but not exceed 500mg/kg (ppm) and unwrought forms of gold were the highest CID revenue generated items in 2021. General duty waivers were granted for the importation of wheat grain and milk powder and concessionary rates were granted for the importation of wheat flour. As such, the realization of CID revenue collection was 35.7 percent of the estimate for 2021.

### Special Commodity Levy (SCL)

Revenue collection from Special Commodity Levy (SCL) declined considerably by 32.5 percent to Rs. 55.8 billion in 2021 compared to Rs. 82.7 billion in 2020. This was mainly due to the downward revision of SCL rates on commodities such as sugar, big onion, potatoes, coconut oil and lentils.

### Ports and Airports Development Levy (PAL)

Revenue generated from the Ports and Airports Development Levy (PAL) increased by 33.5 percent to Rs. 154.1 billion in 2021, compared to Rs. 115.4 billion in 2020. Revenue from PAL as a percentage of GDP increased to 0.9 percent in 2021 from 0.8 percent in 2020. This was mainly attributable to the surge in international petroleum prices by around 70.0 percent in 2021 compared to 2020, which has resulted in increased revenue from PAL emanating from Petrol 92 and Lanka Auto Diesel by 41.0 percent and 51.0 percent, respectively. The increase in international prices of other imports such as mobile phones and animal feed has also resulted in increased PAL revenue in 2021.



## Commodity Export Subsidy Scheme Levy (CESS)

Revenue from CESS Levy increased by 53.2 percent to Rs. 75.5 billion in 2021 compared to Rs. 49.3 billion in 2020 due to the upward revision of CESS levy rates with the Budget 2021. Revenue collected from CESS Levy on imports increased significantly by 54.2 percent to Rs. 73.3 billion in 2021 from Rs. 47.5 billion in 2020. Beedi leaves were the single largest contributor to the import CESS revenue

and portland cement, lubricants, ceramic products, tyres, building structures, and part of structures and woven fabrics have become the largest contributors. CESS revenue on exports increased by 25.2 percent to Rs. 2.2 billion in 2021 from Rs. 1.8 billion in 2020. Tea, ilmenite, coconut, granite and pale crepe rubber were the major contributors to CESS revenue on exports. The realization of CESS revenue collection was 107.9 percent of the estimates for 2021.

Table 4.9 | CESS Revenue from International Trade and Government Subsidy for Agriculture Sector Development : 2019-2021

Rs. Million								
Description	2019	2020	2021 <sup>(a)</sup>	Description	2019	2020	2021 <sup>(a)</sup>	
<b>CESS on Exports</b>	<b>2,300</b>	<b>1,775</b>	<b>2,223</b>	<b>Commercial Crop Development</b>	<b>37,085</b>	<b>39,595</b>	<b>24,056</b>	
Tea-under Tea (Tax and Control of Export) Act, Sri Lanka Tea Board Law	721	408	482	Tea	588	737	1,177	
Rubber-under Rubber Replanting Subsidy Act	6	7	8	Rubber	564	823	897	
Coconut-under Coconut Development Act	144	196	180	Coconut	641	734	322	
EDB CESS – under Sri Lanka Export Development Act	1,428	1,164	1,553	Cashew	70	85	64	
<b>CESS on Imports</b>	<b>48,403</b>	<b>47,534</b>	<b>73,320</b>	Minor Export Crops (Cinnamon, Cocoa, Coffee, Pepper)	256	529	361	
Imports- under Sri Lanka Export Development Act	48,403	47,534	73,320	Fertilizer Subsidy for Total Agriculture Sector Development	34,966	36,687	21,235	
<b>Total</b>	<b>50,703</b>	<b>49,309</b>	<b>75,543</b>	<b>Total</b>	<b>37,085</b>	<b>39,595</b>	<b>24,056</b>	

Sources: Department of Customs and Department of National Budget

<sup>(a)</sup> Provisional

## Other Taxes

**Telecommunication Levy (TL):** Revenue generated from Telecommunication Levy declined slightly by 2.2 percent to Rs. 12.8 billion in 2021 from Rs. 13.1 billion in 2020. Although the use of telecommunication services particularly internet usage increased with the transition to e platforms due to the pandemic in 2021, the revenue collected from TL declined due to the continuation of zero tax on internet services and reduction of voice calls owing to the concept of working from home. However, 64.2 percent of the estimated revenue of TL has been achieved in 2021.

**Embarkation Levy (EL):** Revenue collected from EL declined for the second consecutive year by 56 percent to Rs. 3.3 billion in 2021 from Rs. 7.5 billion in 2020 due to the international travel restrictions and closure of airports.

**Betting and Gaming Levy:** Revenue from Betting and Gaming Levy increased to Rs. 1.9 billion in 2021 from Rs. 1.4 billion in 2020 due mainly to the combined effects of the gradual re-opening of Casinos and betting centres and recovery in tourism and leisure sectors.

## 4.4.2 Non-Tax Revenue

In nominal terms, non-tax revenue increased moderately by 5.0 percent to Rs. 159.1 billion in 2021 from Rs. 151.4 billion in 2020, reflecting the increase in revenue collection from profits and dividends transfers of State-Owned Enterprises. Non-tax revenue as a percentage of GDP declined to 0.9 percent in 2021 compared to 1.0 in 2020. The share of non-tax revenue in total revenue remained unchanged at around 11 percent in both 2020 and 2021. Profits and dividends transfers of State-Owned Enterprises significantly increased by 73.6 percent to Rs. 30.6 billion in 2021 from Rs.

17.6 billion in 2020 due to reporting higher profits with the revival of economic activities in 2021. Reflecting the negative impacts of the pandemic, non-tax revenue from rent income, interest income and, fees and charges declined by 57.8 percent, 11.4 percent and 10.0 percent to Rs. 5.1 billion, Rs. 6.5 billion and Rs. 42.6 billion, respectively in 2021. The profit transfers from the Central Bank also declined. Revenue from Social Security Contribution increased by 6.8 percent to Rs. 34.6 billion in 2021 from Rs. 32.4 billion in 2020. Other sources of non-tax revenue considerably increased by 131.4 percent to Rs. 24.6 billion in 2021 from Rs. 10.6 billion in 2020 mainly due to an increase in Treasury Bond premium received.

Table 4.10 | Non-Tax Revenue

Item	Rs. Million						2021 (% change)	2021 (% of Total Non Tax Revenue)
	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>		
Interest/Rent	15,806	11,845	13,731	18,547	19,351	11,556	-40.3	7.3
Profits and Dividends	53,998	53,998	41,828	27,857	17,624	30,591	73.6	19.2
Sales and Charges	66,575	66,575	105,202	73,884	47,370	42,645	-10.0	26.8
Social Security Contribution	22,940	22,940	25,214	28,985	32,417	34,619	6.8	21.8
Central Bank Profit Transfers	-	-	15,000	-	24,009	15,012	-37.5	9.4
Other	5,995	5,995	6,681	6,701	10,646	24,630	131.4	15.5
<b>Total</b>	<b>165,314</b>	<b>161,353</b>	<b>207,656</b>	<b>155,974</b>	<b>151,417</b>	<b>159,052</b>	<b>5.0</b>	<b>100.0</b>

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

<sup>(a)</sup> Provisional

Table 4.11 | Variance Analysis of Government Revenue

Item	Rs. Billion				Reasons
	2020	2021 Est.	2021 Revised Est.	2021 <sup>(a)</sup>	
Income Taxes	268.2	371.0	295.0	302.1	Revenue collection from income taxes increased by 12.6 percent to Rs. 302.1 billion in 2021 compared to Rs. 268.2 billion recorded in 2020, realizing 81.4 percent of the annual estimate of 2021 benefiting from the recovery of economic activities supported by a rapid vaccination programme. The revenue from Corporate and Non-Corporate tax increased by 19.7 percent to Rs. 272.8 billion in 2021 compared to the previous year. The revenue from the PAYE, Capital Gain Tax and Withholding Tax also increased by 2.5 percent to Rs. 15.4 billion, 86.8 percent to Rs. 668 million and 24.2 percent to 12.4 billion, respectively in 2021 compared to that of 2020. Further, Tax on Voluntary Disclosure was introduced in September 2021 generating Rs. 174.6 million during the fourth quarter of 2021.

Table 4.11 | Variance Analysis of Government Revenue Contd...

Rs. Billion

Item	2020	2021 Est.	2021 Revised Est.	2021 <sup>(a)</sup>	Reasons
Value Added Tax (VAT)	233.8	310.0	310.0	308.2	VAT revenue increased significantly by 31.8 percent to Rs. 308.2 billion in 2021, compared to 2020, realizing 99.4 percent of the annual estimate for 2021. This was mainly due to the recovery of economic activities, increase in goods and commodity prices in global and domestic markets and the expansion of imports. Revenue from both VAT on domestic economic activities and import related activities increased by 25.3 percent to Rs. 185.5 billion and 43.2 percent to Rs. 122.8 billion, respectively in 2021.
Excise Duty	321.9	475.0	311.0	306.9	Revenue collection from excise duties declined by 4.7 percent in 2021 compared to 2020, a realization of 64.6 percent of the annual estimate for 2021. The restriction imposed on motor vehicle imports effective from March, 2020 to reduce pressure on foreign currency outflow contributed to the slowdown of revenue expectation from motor vehicles. Excise duty revenue on cigarettes dropped by 6.2 percent to Rs. 88.5 billion in 2021 mainly due to the decline in production of cigarettes with length over 67mm despite the increase in production by 4.3 percent to 2,384 million sticks in 2021 from 2,287 million sticks in 2020. However, revenue collection from liquor increased significantly by 14.6 percent to Rs. 138.6 billion in 2021 from Rs. 121.0 billion in 2020. The relaxed mobility restrictions during the end of 2021 was mainly attributable for this performance. The excise duty revenue collection from petroleum products increased marginally by 4.2 percent due to the increase in fuel demand with the relaxation of mobility restrictions imposed with pandemic coupled with enhanced economic activities and improved fuel imports in value term in 2021. The revenue collection from other products such as sugar and fatty acids positively contributed to the increase in excise duty revenue by 31.9 percent to Rs. 6.2 billion in 2021.
Import Duties	114.2	180.0	100.0	64.3	The revenue from Import Duty declined by 43.7 percent to Rs. 64.3 billion in 2021 compared to 2020, realizing 35.7 percent of the annual estimate for 2021. This decline was mainly due to certain restriction imposed on imports and impact from the revision of CID thresholds from 30%, 15%, 0 to 15%, 10%, 0 with effect from November, 2020.
Ports and Airports Development Levy (PAL)	115.4	170.0	140.0	154.1	Revenue collection from PAL significantly increased by 33.5 percent to Rs. 154.1 billion in 2021 with a realization of 90.7 percent of the annual estimate for 2021. This was mainly due to the increase in imports by 28.5 percent combined with the depreciation of rupee against the US Dollar.

Table 4.11 | Variance Analysis of Government Revenue Contd...

Rs. Billion

Item	2020	2021 Est.	2021 Revised Est.	2021 <sup>(a)</sup>	Reasons
Special Commodity Levy (SCL)	82.7	110.0	60.0	55.8	Revenue from SCL declined by 32.5 percent to Rs. 55.8 billion in 2021, achieving 50.8 percent of annual estimate for 2021. This performance was mainly supported by the rate changes of selected commodity items such as sugar, big onion, potatoes, coconut oil and lentils combined with the duty extension granted on fruits, mackerel fish, dried fish, Maldives fish, peas, chickpeas and kurakkan, etc., to reduce local market prices responding to the global commodity price escalations.
Other Taxes	80.2	108.0	109.0	106.5	The revenue collection from other taxes increased by 32.8 percent to Rs.106.5 billion in 2021 from Rs. 80.2 billion in 2020 realizing 98.6 percent of the annual estimate for 2021. This was mainly due to the increased revenue from CESS levy by 53.2 percent to Rs. 75.5 billion, reflecting the impact of the upward revision of CESS rates conducted in the Budget 2021. However, the Telecommunication Levy declined marginally by 2.2 percent due to the drop in both international incoming and outgoing call duration by 23.7 percent and 36.4 percent, respectively. However, the other taxes helped narrow the deviation by increasing its revenue by 14.7 percent to Rs. 17.7 billion.
Non Tax Revenue	151.4	227.0	170.0	159.1	Non-tax revenue increased marginally 5.0 percent to Rs. 159.1 billion compared to the previous year, realizing 70.1 percent of the annual estimate for 2021, mainly due to decline in rent, interest income, Central Bank Profit transfers and fees and charges. However, the revenue receipts from the profits and dividends from SOEs of Rs. 30.6 billion, social security contributions of Rs. 34.6 billion and other Non - tax revenue of Rs. 24.6 billion helped enhance the non tax revenue in 2021.
<b>Total</b>	<b>1,368.0</b>	<b>1,951.0</b>	<b>1,495.0</b>	<b>1,457.1</b>	

Compiled by the Department of Fiscal Policy

(a) Provisional

<b>Box 4.1   Major Fiscal Measures: Act Amendments (January 2021 – April 2022)</b>	
<b>Effective Date</b>	<b>Measures</b>
<b>Fiscal Management (Responsibility) (Amendment) Act, No. 12 of 2021</b>	
01.01.2021	<ul style="list-style-type: none"> <li>- To extend the Government Debt target of 60 percent of GDP to 2030 from 2020; and</li> <li>- To increase the guarantee limit to 15 percent from 10 percent.</li> </ul>
<b>Income Tax –Amendment to the Inland Revenue Act, No. 24 of 2017</b>	
<b>Inland Revenue (Amendment) Act, No. 10 of 2021</b>	
<b>Income Tax Exemptions</b>	
01.04.2021	<ul style="list-style-type: none"> <li>- Gains made by a person from the realization of lands or buildings which were sold, exchanged or transferred to a Sri Lanka Real Estate Investment Trust (SLREIT) listed in the Colombo Stock Exchange (CSE) and licensed by the Securities and Exchange Commission (SEC) of Sri Lanka.</li> <li>- Dividends and gains on the realization of units or amounts derived as gains from the realization of capital asset of a business or investment by a unitholder from any SLREIT.</li> <li>- Interest accruing to or derived by any welfare society (including benevolent fund which promotes the savings of members).</li> <li>- Interest accruing to or derived by any multi-national company on any deposit opened and maintained such deposit in foreign currency in any domestic bank, if such deposit is maintained to cover its import expenditure for that year of assessment.</li> <li>- Interest or discount accrued or derived by any Samurdhi community-based bank established under the Department of Samurdhi Development from the Sri Lanka Government Treasury Securities.</li> <li>- Gains from the realization of Sri Lanka international sovereign bonds, issued by or on behalf of the Government of Sri Lanka and received or derived by a commercial bank or authorized dealer who made an aggregate investment not less than USD 100 million in such bonds on or after April 1, 2021.</li> <li>- Gains and profits earned or derived from any business of export of gold, gems or jewellery or from the business of cutting and polishing gems which are brought to Sri Lanka and exported after such cutting and polishing, where such gains and profits earned in foreign currency are remitted through a bank to Sri Lanka.</li> <li>- Gains and profits earned or derived by any Vocational Education Institution from any vocational educational programme which is standardized under Technical and Vocational Education and Training (TVET) concept and regulated by the Tertiary and Vocational Education Commission, if such institution has doubled their student intake of such programmes for such year of assessment compared to the student intake of the previous year. The exemption is available for a period of five years.</li> </ul>

**Box 4.1 | Major Fiscal Measures: Act Amendments (January 2021 – April 2022) Contd...**

Effective Date	Measures
01.04.2021	<ul style="list-style-type: none"> <li>- Remittance tax (at the rate of 14 percent on remitted profit) is exempted for a non-resident company carrying a business in Sri Lanka through a Sri Lankan permanent establishment which earned profits and income and retained such total profit for minimum of three years period by investing in Sri Lanka to expand its business or to acquire shares or any securities from Colombo Stock Exchange or to acquire any Treasury Bill, Treasury Bond or Sri Lanka International Sovereign Bonds. The exemption is available for the period of three years.</li> </ul>
<b>Tax holidays</b>	
01.04.2021	<p>Tax holidays are granted for the gains and profits (excluding capital gains) received or derived from the following new businesses. Two years implementation period will be considered.</p> <ul style="list-style-type: none"> <li>- Ten-year tax exemption period for an undertaking which sale of construction materials recycled in a selected separate site established in Sri Lanka to recycle the materials which were already used in the construction industry.</li> <li>- Five-year tax exemption period for any business commenced on or after April 1, 2021 by an individual after successful completion of vocational education from any institution which is standardized under TVET concept and regulated by the Tertiary and Vocational Education Commission.</li> <li>- Seven-year tax exemption period for an undertaking commenced by a resident person in manufacturing of boats or ships in Sri Lanka and received or derived any gains and profits from the supply such boats or ships.</li> <li>- Seven-year tax exemption period for any "renewable energy project" established with a capacity to produce not less than one hundred Mega Watts (100 MW) solar or wind power and supplied such power to the national grid.</li> <li>- Five-year tax exemption period for any undertaking commenced on or after January 1, 2021 by any resident person who constructs and installs the communication towers and related appliances using local labours and local raw materials in Sri Lanka or provide required technical services for such construction or installation.</li> </ul>
<b>Concessionary Tax Rates</b>	
01.04.2021	<ul style="list-style-type: none"> <li>- Sale of Gem and Jewellery taxed at the maximum rate of 14 percent for individuals and flat rate of 14 percent for companies.</li> <li>- Amounts received on the supply of electricity to national grid generated by using renewable energy resources taxed at the maximum rate of 14 percent for individuals and flat rate of 14 percent for companies.</li> <li>- A company which lists its shares in CSE during the period of January 1, 2021 and December 31, 2021 for three years of assessment commencing from April 1, 2022 (2022/2023 to 2024/2025) taxed at the rate of 14 percent.</li> </ul>

<b>Box 4.1   Major Fiscal Measures: Act Amendments (January 2021 – April 2022) Contd...</b>		
<b>Effective Date</b>	<b>Measures</b>	
<b>Reduction of Tax Liability</b>		
01.04.2021	<b>Income</b>	<b>Reduction of Tax</b>
	Aggregate income tax payable by any company (including BOI companies but other than on gains from the realization of investment assets) which lists its shares on or after January 1, 2021 but prior to December 31, 2021 in the CSE licensed by the SEC of Sri Lanka for the year of assessment 2021/2022.	50%
	On the relevant tax liability of dividend income derived by a multinational company	
	(i) If exports are increased by a minimum of 30 percent in 2021/2022 compared to the year 2020/2021	25%
	(ii) If exports are increased by a minimum of 50 percent in 2022/2023 compared to 2021/2022	50%
	(iii) If exports are increased by minimum of 50 percent in 2023/2024 compared to 2020/2021 or same status as in (ii) above is maintained for 2023/2024	50%
On attributable quantum of the relevant tax liability, if agricultural produce from farming activities are used for processing or manufacturing activities by the same person	25%	
<b>Deductions in computing the assessable income</b>		
01.04.2021	<ul style="list-style-type: none"> <li>- Marketing and communication expenses, incurred on market research, development and production of marketing or advertising campaigns, advertising and communication campaigns, advertising on mainstream media or social media, product launches or campaign activation and development and printing of point-of-sale material are allowed to be deducted in computing the assessable income from business whether the expenditure is on capital or revenue nature.</li> <li>- Cost of funds incurred by any financial institutions will be considered as a deductible expenditure for such financial institutions, on any loans provided for start-up capital of the businesses starting by young men and women after a vocational training (which is qualified for 5-year tax holiday).</li> </ul>	
<b>New Qualifying Payments</b>		
01.04.2021	<ul style="list-style-type: none"> <li>- Contribution made by a resident individual in money or otherwise to establish a shop for a female individual who is from a Samurdhi beneficiary family as instructed and confirmed by the Department of Samurdhi Development.</li> <li>- Expenditure incurred by any financial institution by way of cost of acquisition or merger of any other financial institution where such cost is ascertained by considering all the facts on a case-by-case basis and as confirmed by the Central Bank of Sri Lanka. The total deductible expenditure shall be apportioned in equal amounts over a period of three years and be deductible from the assessable income up to the total qualifying payment.</li> </ul>	



**Box 4.1 | Major Fiscal Measures: Act Amendments (January 2021 – April 2022) Contd...**

Effective Date	Measures
01.04.2021	<ul style="list-style-type: none"> <li>- Expenditure incurred in the production of any film at a cost (including the promotional expenditure of such film) not less than five million rupees or in the construction and equipping of a new cinema at a cost not exceeding twenty-five million rupees or in the upgrading of a cinema at a cost not exceeding ten million rupees. The deduction will be restricted to one third of the taxable income of the year and can be carried forward to next year.</li> </ul>
<b>Consideration as "specified undertakings"</b>	
01.04.2021	<p>The following businesses are considered as specified undertakings to apply the 14 percent rate:</p> <ul style="list-style-type: none"> <li>- Bunkering services provided for the supply of marine fuel, including the supply of marine fuel to local bunker suppliers within a specified port premises.</li> <li>- Sale of goods manufactured in Sri Lanka by a BOI export-oriented company which has entered into an agreement with the BOI of Sri Lanka under section 17 of the BOI of Sri Lanka Law, No. 4 of 1978, to –                             <ul style="list-style-type: none"> <li>(a) any company which has entered into an agreement with the BOI of Sri Lanka under section 17 of the BOI of Sri Lanka Law, No. 4 of 1978, including any company enjoying tax holiday under the Strategic Development Projects Act, No.14 of 2008, and which is permitted to import project related goods or raw materials on duty free basis under the provisions of such agreement, during the project implementation period; or</li> <li>(b) to any person eligible to import specific goods on duty free basis under any Government Authority, but, up to the quantity approved by the BOI as import replacement within the 3 years period commencing on April 1, 2021.</li> </ul> </li> </ul>
<b>Changes in Tax Incentives and Temporary Concessions</b>	
01.04.2021	<ul style="list-style-type: none"> <li>- Additional deduction of 100% of the expenditure is provided with an upper cap of Rs.500 million for a three-year period commencing on April 1, 2021. However, expenditure should be attributable to a good or service with minimum of 65 percent of local value addition during the three years from 2021/2022 to 2023/2024.</li> <li>- Construction of a building or similar work in a lease hold land will be considered for enhanced capital allowance purpose.</li> <li>- The validity period to claim enhanced capital allowances in relation to new investments up to USD 3 million under the Sixth Schedule of the Inland Revenue Act has been extended for another 3 years.</li> <li>- Additional 100 percent deduction is granted on research and development expenditure for the years of assessment from 2021/2022 to 2022/2023.</li> </ul>
<b>Tax relief for resident Individuals</b>	
01.04.2021	<ul style="list-style-type: none"> <li>- Relief to the individuals who invest in solar panels up to the maximum deduction of Rs. 600,000 for a year. Investment can be made by financing through a bank loan and in such cases, the loan repayment will be considered for relief purposes.</li> </ul>



<b>Box 4.1   Major Fiscal Measures: Act Amendments (January 2021 – April 2022) Contd...</b>	
<b>Effective Date</b>	<b>Measures</b>
<b>Changes to tax administrative provisions</b>	
01.04.2021	<ul style="list-style-type: none"> <li>- Allowing to file a single capital gains tax return (covering all capital gains transactions of the month) and making the payments within thirty days after the end of the relevant calendar month in which the realization occurred.</li> <li>- If a person files a return of income, it will be considered as his self-assessment for the relevant year of assessment and capital gain tax returns filed by the same person for the same year shall not result in self-assessments.</li> <li>- Making it mandatory to use the Tax Identification Number (TIN) in all tax related source documents or underlying documents of the taxpayer.</li> <li>- Making e-filing mandatory for all limited liability companies irrespective of whether resident or non-resident, including public corporations to file their tax returns (including annual statements) only electronically using the computer system or mobile devices.</li> </ul>
<b>Value Added Tax (VAT) –Amendments to Value Added Tax Act, No. 14 of 2002</b>	
<b>Value Added Tax (Amendment) Act, No. 9 of 2021</b>	
01.01.2021	- To reduce piece based VAT rate applicable on domestic sale of certain garments by the export oriented BOI companies from Rs.100/- to Rs. 25/-
<b>Value Added Tax (Amendment) Act, No. 13 of 2022</b>	
01.01.2022	- To increase the VAT rate from 15 per cent to 18 per cent on the supply of financial services on financial institutions and to exempt certain goods and services from VAT.
<b>Finance Act, No. 18 of 2021</b>	
15.09.2021	<ul style="list-style-type: none"> <li>- To provide a tax amnesty to individuals and companies who voluntarily disclose taxable supply, income or asset which they were required to disclose, but had failed to disclose under the provisions of specified revenue laws on or prior to March 31, 2020 after investing/deposit such taxable supply, income or asset in the specified form and payment of the Tax on Voluntary Disclosure at 1 percent of such investment/deposit.</li> <li>- To provide for tax arrears to be written off under certain laws.</li> </ul>
<b>Surcharge Tax Act, No 14 of 2022</b>	
07.04.2022	- To impose Surcharge Tax as a one-off tax at the rate of 25 percent from individuals, partnerships or companies whose taxable income exceeds Rs. 2,000 million for the year of assessment 2020/2021.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022)**

Effective Date	Measures
<b>Income Tax – Inland Revenue Act, No. 24 of 2017</b>	
01.04.2021	Gazette Notification No. 2217/7 dated 02.03.2021 - To impose regulations on transfer pricing
01.04.2021	Gazette Notification No. 2234/6 dated 29.06.2021 - To prescribe information technology and enabled services exempted from income tax.
<b>Value Added Tax (VAT) – Value Added Tax Act, No. 14 of 2002</b>	
01.04.2021	Gazette Notification No. 2228/33 and dated 20.05.2021 - To amend the record keeping regulations for VAT registered persons to include requirement of record keeping for exports
01.04.2021	Gazette Notification No. 2234/7 and dated 29.06.2021 - To prescribe information technology and enabled services exempted from VAT
<b>Excise Duty (Special Provisions) – Excise (Special Provisions) Act, No. 13 of 1989</b>	
05.04.2021	Gazette Notification No. 2222/2 of 05.04.2021 - To exempt the applicable duty to purchase 2,000 three -wheelers to the Sri Lanka Police on the recommendation of the Secretary of the line Ministry in charge of Sri Lanka Police subject to the approval of the Secretary to the Treasury.
06.04.2021	Gazette Notification No. 2222/3 of 05.04.2021 - To introduce new duty structure on locally assembled/ manufactured motor vehicles and motor bicycles in line with the implementation of Standard Operating Procedures (SOP) for automobile manufacturing /assembling industry & automobile component manufacturing industry.
23.04.2021	Gazette Notification No. 2224/24 of 22.04.2021 - To revise the duty rates applicable on mobile workshop vehicles.
03.08.2021	Gazette Notification No. 2239/16 of 03.08.2021 - To exempt the payment of Excise Duty to import 52 water bowsers and 62 double cabs for use of essential field activities.
13.11.2021	Gazette Notification No. 2253/42 of 12.11.2021 - To revise Excise Duty on cigarettes as proposed in line with the budget 2022.
<b>Excise (Ordinance) Duty – Excise Ordinance (Chapter 52)</b>	
01.01.2021	Excise Notification No. 01/2021 (Gazette Notification No. 2208/34 of 01.01.2021) - To extend the date of implementing the Foolproof Sticker and Sticker Management System for licensed manufactures up to June 30, 2021.
01.01.2021	Excise Notification No. 02/2021 (Gazette Notification No. 2208/35 of 01.01.2021) - To exempt the annual licence fee for FL/7, FL/8, FL/11, FL/12 FL/22B for the year 2021.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
08.01.2021	Excise Notification No. 03/2021 (Gazette Notification No. 2209/42 of 07.01.2021) - To reduce the duty from Rs. 50/- to Rs. 25/ per litre of bottled toddy manufactured in and issued from any licensed manufactory established in Sri Lanka.  [Excise Notification No. 993 (Gazette Extraordinary No.1998/6 of 20.12.2016 rescinded.)]
07.01.2021	Excise Notification No. 04/2021 (Gazette Notification No. 2209/44 of 07.01.2021) - To amend the Excise Notification No. 03/2018 to extend the opening and closing hours of Toddy Taverns.  [Excise Notification No. 11/2018 (Gazette Extraordinary No.2075/24 of 13.06.2020 rescinded.)]
07.01.2021	Excise Notification No. 05/2021 (Gazette Notification No. 2209/43 of 07.01.2021) - To increase the limit of sale by retail and quantity transported to 3 litres for Toddy from 1.5 Litres.  [Excise Notification No. 745 of 14.08.1985 rescinded.]
11.01.2021	Excise Notification No. 06/2021 (Gazette Notification No. 2210/2 of 11.01.2021) - To exempt payment of Authorization Fee only for year of 2021 to (i) 3 star and 4 star class hotels and (ii) 5 star hotels and above star class/ boutique hotels: boutique villas / heritage hotels.
25.02.2021	Excise Notification No. 07/2021 (Gazette Notification No. 2216/16 of 25.02.2021) - To specify regulations pertaining to the Security Features and Security Management System for licensed manufacturers.
30.06.2021	Excise Notification No. 08/2021 (Gazette Notification No. 2234/23 of 30.06.2021) - To amend the Excise Notification No. 07/2021, to extend the implementation date of the Security Features and Security Features Management System for licensed manufactures upto August 15, 2021
29.07.2021	Gazette Notification No. 2238/28 of 29.07.2021 and Gazette Notification No. 2238/29 of 29.07.2021 - To notify that the Excise Notification No. 01/2021 and 02/2021 were passed by parliament on April 20, 2021 as per Section 32 of the Excise Ordinance ( Chapter 52) in order to fulfill the legal requirements
29.07.2021	Gazette Notification No. 2238/30 of 29.07.2021 and Gazette Notification No. 2238/31 of 29.07.2021 - To notify that the Excise Notification No. 04/2021 and 06/2021 were passed by parliament on May 04, 2021 as per Section 32 of the Excise Ordinance ( Chapter 52) in order to fulfill the legal requirements
16.08.2021	Excise Notification No. 09/2021 (Gazette Notification No. 2241/3 of 16.08.2021) - To amend the Excise Notification No.07/2021, to extend the implementation date of the Security Features and Security Management System for licensed manufactures upto October 15, 2021.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures																												
16.10.2021	Excise Notification No. 10/2021 (Gazette Notification No. 2249/50 of 16.10.2021) - To amend the Excise Notification No.07/2021, to extend the implementation date of the Security Features and Security Management System for licensed manufactures upto January 03, 2022.																												
12.11.2021	Excise Notification No. 11/2021 (Gazette Notification No. 2253/41 of 12.11.2021) - To increase Excise Duty on locally manufactured Liquor as follows;																												
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="text-align: center;">Liquor Category</th> <th style="text-align: center;">Previous Duty per Absolute Litre (Rs.)</th> <th style="text-align: center;">New Duty per Absolute Litre (Rs.)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Special Arrack</td> <td style="text-align: center;">3,800</td> <td style="text-align: center;">4,180</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Molasses/ Palmyra/ Coconut Arrack</td> <td style="text-align: center;">4,050</td> <td style="text-align: center;">4,460</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Country made Foreign Liquor</td> <td style="text-align: center;">4,150</td> <td style="text-align: center;">4,570</td> </tr> <tr> <td style="text-align: center;">4</td> <td>Beer (Strength – Less than 5%)</td> <td style="text-align: center;">3,200</td> <td style="text-align: center;">3,300</td> </tr> <tr> <td style="text-align: center;">5</td> <td>Strong Beer (Strength – more than or equal to 5%)</td> <td style="text-align: center;">3,200</td> <td style="text-align: center;">3,450</td> </tr> <tr> <td style="text-align: center;">6</td> <td>Wine</td> <td style="text-align: center;">3,200</td> <td style="text-align: center;">3,300</td> </tr> </tbody> </table>		Liquor Category	Previous Duty per Absolute Litre (Rs.)	New Duty per Absolute Litre (Rs.)	1	Special Arrack	3,800	4,180	2	Molasses/ Palmyra/ Coconut Arrack	4,050	4,460	3	Country made Foreign Liquor	4,150	4,570	4	Beer (Strength – Less than 5%)	3,200	3,300	5	Strong Beer (Strength – more than or equal to 5%)	3,200	3,450	6	Wine	3,200	3,300
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6	Wine	3,200	3,300																										
01.01.2022	Excise Notification No. 01/2022 (Gazette Notification No. 2260/78 of 01.01.2022) - To exempt payment of Authorization fee applicable for the usage of liquor until March 31, 2022 for 3 stars and 4 Stars Classes hotels and 5 Star Classes and above Star Classes/ Boutique Hotels; Boutique Villas/ Heritage Hotels.																												
01.01.2022	Excise Notification No. 02/2022 (Gazette Notification No. 2260/79 of 01.01.2022) - To exempt the annual liquor license fee from hotels (licenses categorized as FL/ 7, FL /8, FL /11 and FL /22 B by the Department of Excise) until March 31, 2022[Excise Notification No. 02/2021 (Gazette Extraordinary No.2208/35 of 01.01.2021 rescinded.]																												
27.01.2022	Gazette Notification Nos. 2264/28 of 27.01.2022 and 2264/29 of 27.01.2022 - To notify that the Excise Notification Nos. 08/2021 and 09/2021 were passed by Parliament on December 10, 2021 as per Section 32 of the Excise Ordinance (Chapter 52) in order to fulfill legal requirements.																												
29.04.2022	Excise Notification No. 03/2022 (Gazette Notification No. 2277/62 of 29.04.2022) - To increase the duty from Rs. 25/- to Rs. 50/ per litre of bottled toddy manufactured in and issued from any licensed manufactory established in Sri Lanka.																												

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
<b>Ports and Airports Development Levy (PAL) – Ports and Airports Development Levy Act, No. 18 of 2011</b>	
05.01.2021	Gazette Notification No. 2209/17 of 05.01.2021 - To change the recommending authority for granting PAL exemptions to pharmaceutical machinery and raw materials used in the production of face masks from Secretary, Ministry of Health to Secretary, State Ministry of Production, Supply and Regulation of Pharmaceuticals.
23.02.2021	Gazette Notification No. 2216/3 of 22.02.2021 - To grant a concessionary rate of 2.5 percent on the importation of milk powder.
09.03.2021	Gazette Notification No. 2218/51 of 09.03.2021 - To allow any enterprise which carries out a capital investment of not less than USD 50 million in a stage wise during the project implementation or construction period and prior to the commencement of commercial operations to be exempted from PAL.
20.03.2021	Gazette Notification No. 2219/68 of 19.03.2021 - To create an exemption provision for PAL to allow Ceylon Petroleum Corporation to import furnace oil specifically for the production of bitumen.
20.04.2021	Gazette Notification No. 2224/08 of 19.04.2021 - To grant a concessionary rate of 7.5 percent or Rs. 2,000 per Metric Ton (MT) whichever is the lowest until International liquefied Petroleum Gas Prices reach USD 325 per MT on the importation of Liquefied Petroleum Gas.
12.06.2021	Gazette Notification No. 2231/19 of 11.06.2021 - To grant a concessionary rate of 5.0 percent on the importation of whole or broken, raw Cocoa beans.
12.08.2021	Gazette Notification No. 2240/21 of 11.08.2021 - To exempt imported milk powder from PAL.
06.01.2022	Gazette Notification No. 2261/58 of 06.01.2022 - To amended Gazette Notification No. 2199/2 dated October 26, 2020 by granting PAL exemptions on donated medical equipment, machinery etc. donated to government hospitals or Ministry of Health.
12.01.2022	Gazette Notification No. 2262/19 of 11.01.2022 - To assign PAL concessionary rates and exemptions on newly created national HS sub divisions.
<b>CESS Levy – Sri Lanka Export Development Act, No. 40 of 1979</b>	
13.01.2021	Gazette Notification No. 2210/09 of 12.01.2021 - To exempt CESS on the export of scrap/waste by an enterprise, generated through the process of manufacture of goods to be exported, out of raw material imported and generated through the process of repair/maintenance works done by that enterprise which has entered into an agreement with the Board of Investment of Sri Lanka and registered under the Customs Manufacture-in-Bond Scheme or under the Temporary Importation for Export Processing (TIEP) Scheme.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
16.03.2021	Gazette Notification No. 2219/15 of 15.03.2021 To revise CESS Levy on importation of tiles and sanitary ware.
18.03.2021	Gazette Notification No. 2219/36 of 17.03.2021 - To allow any goods imported by any enterprise and Strategic Development Project, which invests USD 50 million or above in each stage on a project on or after March 06, 2019, during the project implementation or construction period of the said project but prior to commencement of commercial operations to be exempted from CESS.
12.01.2022	Gazette Notification No. 2262/20 of 11.01.2022 - To Assign the existing CESS levy rates for the new national HS Sub Divisions created for rice, fisheries products and accessories related to transferring liquefied petroleum gas.
11.03.2022	Gazette Notification No. 2270/59 of 10.03.2022 - To increase the existing CESS levy rates for textiles and garments.
<b>Customs Import Duty (CID) – Revenue Protection Act, No. 19 of 1962</b>	
11.03.2022	Gazette Notification No. 2270/59 of 10.03.2022 - To increase the existing CESS levy rates for textiles and garments.
23.04.2021	Revenue Protection Order No. 01/2021 (Gazette Notification No. 2224/25 of 17.11.2020) - To create National HS Sub divisions for Motor Vehicles used as mobile workshops as per direction of the Committee on Public Accounts.
18.05.2021	Revenue Protection Order No. 02/2021 (Gazette Notification No. 2228/2 of 17.05.2021) - To create National HS Subdivisions for Face Masks to impose a nominal Special Commodity Levy and protect revenue leakage.
12.01.2022	Revenue Protection Order No. 01/2022 (Gazette Notification No. 2262/14 of 11.01.2022) Create HS Code National Subdivisions - To assess and monitor the standards of LP Gas related accessories - To monitor import and market information of fisheries products - To monitor the export growth and market information of Tissue Culture Plants - To clearly identify brown sugar and white sugar based on ICUMSA value and to promote local brown sugar production - To eliminate classification issues and easy identification of rice varieties as Basmati and other rice
10.03.2022	Revenue Protection Order No. 02/2022 (Gazette Notification No. 2270/20 of 09.03.2022) - To increase CID on selected non-essential imports to discourage importation and minimize foreign currency outflows.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
<b>Surcharge on Customs Duty -Customs Ordinance (Chapter 232)</b>	
02.02.2021	Gazette Notification No.2213/7 of 01.02.2021 - To remove the surcharge on Rs. 20 per litre for octane 95 and other petrol, Rs. 30 per litre for super diesel/ diesel/ another diesel and Rs. 12 per litre for auto diesel.
<b>Customs Import Duty (CID) Waiver – Customs Ordinance (Chapter 232)</b>	
01.01.2021	- To increase CID waiver on the importation of petrol (Octane 92) to Rs. 18 per litre from Rs. 7 per litre and petrol (Octane 95) to Rs. 16 per litre from Rs. 6 per litre - To grant CID waiver of Rs. 15 per litre on the importation of Super diesel and increase CID waiver on auto diesel to Rs. 20 per litre.
02.02.2021	- To increase CID waiver on the importation of petrol (Octane 92) to Rs. 29 per litre from Rs. 18 per litre and reduce CID waiver on petrol (Octane 95) to Rs. 8 per litre from Rs. 16 per litre - To remove CID waiver of Rs. 15 per litre on the importation of super diesel and reduce CID waiver on auto diesel to Rs. 14 per litre from Rs. 20 per litre.
25.03.2021	- To increase CID waiver on the importation of petrol (Octane 92) to Rs. 45 per litre from Rs. 29 per litre and petrol (Octane 95) to Rs. 24 per litre from Rs. 8 per litre - To grant CID waiver of Rs. 10 per litre on the importation of Super diesel and increase CID waiver on auto diesel to Rs. 25 per litre from Rs. 14 per litre.
12.08.2021	To increase CID waiver on the importation of Milk Powder to Rs. 225 per Kg or 20 percent from Rs. 210 per Kg
<b>Special Commodity Levy (SCL) – Special Commodity Levy Act, No. 48 of 2007</b>	
14.01.2021	Gazette Notification No. 2210/16 of 13.01.2021 - To extend the validity period of SCL on the importation of Sugar, Bombay onion and dhal for a period of six months.
19.01.2021	Gazette Notification No. 2211/8 of 18.01.2021 - To extend the validity period of SCL on the importation of cheese coriander, turmeric and black gram flour for a period of six months.
12.02.2021	Gazette Notification No. 2214/58 of 11.02.2021 - To maintain the same duty rate for all varieties of dried fish and to reduce the duty of potatoes to Rs. 15 to control vegetable prices in the market for a period of six months.
04.03.2021	Gazette Notification No. 2217/23 of 03.03.2021 - To extend the validity period of SCL on the importation of Mackerel fish, black gram, cowpea and kurakkan and millet for a period of one year.
14.04.2021	Gazette Notification No. 2223/2 of 13.04.2021 - To extend the validity period of SCL on the importation of Sugar, Bombay onion and dhal for a period of six months.
27.04.2021	Gazette Notification No. 2225/1 of 26.04.2021 - To extend SCL on the importation of fish, Maldivefish, green gram, mangoosteens, kiwi fruit for a period of one year.



**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
28.04.2021	Gazette Notification No. 2225/8 of 27.04.2021 - To impose SCL on the importation of Desiccated Coconut (other) of Rs. 300 per kg for a period of three months and granted duty waiver to BCC Lanka Ltd .
27.04.2021	Gazette Notification No. 2225/13 of 27.04.2021 - To increase SCL on the importation of Potatoes to Rs. 50 per kg.
18.05.2021	Gazette Notification No. 2228/3 of 17.05.2021 - To extend the validity period of SCL on the importation of 22 items for a period of one year.
15.06.2021	Gazette Notification No. 2232/03 of 14.06.2021 - To extend the validity period of SCL on the importation of 17 items including Clementines Fresh & others for a period of one year.
19.07.2021	Gazette Notification No. 2236/66 of 18.07.2021 - To extend the validity period of SCL on the importation cheese coriander, turmeric and black gram flour for a period of one year.
12.08.2021	Gazette Notification No. 2240/20 of 11.08.2021 - To extend the validity period of SCL on the importation of Sprats, dried fish, butter, Mathe seed, kurakkan flour, mustard seed and salt for a period of one year.
08.09.2021	Gazette Notification No. 2244/8 of 07.09.2021 - To increase SCL on the importation of Bombay onions to Rs. 40 per kg.
14.10.2021	Gazette Notification No. 2249/16 of 13.10.2021 - To extend the validity period of SCL on the importation of Sugar, Potatoes and dhal for a period of six months.
03.11.2021	Gazette Notification No. 2252/9 of 02.11.2021 - To impose SCL duty of Rs. 1/- on the importation of maize for manufacturing of "Thiriposha" by government owned Sri Lanka Thiriposha Ltd.
02.11.2021	Gazette Notification No. 2252/25 of 02.11.2021 - To impose SCL duty of Rs. 0.25/- (25 cents) on the importation of Rice (Samba/Kekulu and Nadu).
24.11.2021	Gazette Notification No. 2255/8 of 23.11.2021 - To Re- introduced SCL on the importation of Desiccated Coconut (other) of Rs. 300 per Kg and granted duty waiver of Rs.1/- to BCC Lanka Ltd.
22.12.2021	Gazette Notification No. 2259/9 of 21.12.2021 - To impose SCL duty of Rs. 10/- on the importation of Maize for manufacturing of "Animal Feeds" by the manufactures who have obtained approval of the Department of Animal Production and Health up to total of 40,000 MTs for a period of six months.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
01.01.2022	Gazette Notification No. 2260/72 of 31.12.2021 - To reduce SCL duty by Rs.30/- per Kg on importation of Potatoes and B'Onions for a period of six months.
12.01.2022	Gazette Notification No. 2262/15 of 11.01.2022 - To extend the existing duty rates according to the new HS Codes creation for rice and sugar for a period of six months.
04.03.2022	Gazette Notification No. 2269/48 of 03.03.2022 - To introduce a concessionary duty rate of Rs.10 per kg on maize and sorghum, considering the raw material requirements of small-scale animal feed manufactures and poultry products prices.
04.03.2022	Gazette Notification No. 2269/56 of 03.03.2022 - To extend the validity period of SCL on the importation of mackerel fish, black gram, cowpea, kurakkan and millet for a period of one year in order to protect local canned fish industry, to ensure a good price for farmers and to maintain price stability to consumers.
10.03.2022	Gazette Notification No. 2270/19 of 09.03.2022 - To increase SCL on the importation of yogurt and butter to Rs. 1,000 per kg, cheese to Rs. 400 per kg, dates and orange fresh to Rs. 200 per kg, grapes- fresh, apples and other fruits to Rs. 300 per kg for a period of six months to reduce the imports.
28.03.2022	Gazette Notification No. 2273/01 of 28.03.2022 - To grant duty waiver of Rs. 199/- for the importation of dates considering the Ramadan festive season.
14.04.2022	Gazette Notification No. 2275/02 of 13.04.2022 - To extend the validity period of SCL on the importation of lentils, fish, maldivefish, green gram, mangoesteens and kiwi fruit for a period of six months.
<b>Regulations of Department of Imports and Exports Control</b>	
05.01. 2021	Imports and Exports (Control) Regulations No. 01 of 2021 (Gazette Notification No. 2209/18 of 05.01.2021) - To amend the lists of goods related to tyre imports that are under import restrictions as specified by Imports and Exports (Control) Regulations No. 04 of 2020.
11 .02.2021	Imports and Exports (Control) Regulations No. 03 of 2021 (Gazette Notification No. 2214/56 of 11.02.2021) - To amend the lists of goods related to ceramic products and sarees that are under restrictions as specified by Imports and Exports (Control) Regulations No. 04 of 2020.
05.04.2021	Imports and Exports (Control) Regulations No. 04 of 2021 (Gazette Notification No. 2222/31 of 06.04.2021) - To regulate the importation of palm oil.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
<b>Tax rates for other entities</b>	
23.04.2021	Imports and Exports (Control) Regulations No. 05 of 2021 (Gazette Notification No. 2224/43 of 23.04.2021 - To Impose requirement of ICL for mobile workshops
23.04.2021	Imports and Exports (Control) Regulations No. 06 of 2021(Gazette Notification No. 2224/44 of 23.04.2021 - To temporary suspend the importation of brand-new mobile workshops
06.05.2021	Imports and Exports (Control) Regulations No. 06 of 2021(Gazette Notification No. 2224/44 of 23.04.2021 - To temporary suspend the importation of brand-new mobile workshops
06.05.2021	Imports & Exports (Control) Regulations No 07 of 2021 (Gazette Notification No. 2226/48 of 06.05.2021 - To control Importation of Chemical fertilizers, pesticides & herbicides
11.06.2021	Imports & Exports (Control) Regulations No. 08 of 2021 (Gazette Notification No. 2231/16 of 11.06.2021 - To impose requirement of ICL for importation of facemasks, gold and metal.
11.06.2021	Imports & Exports (Control) Regulations No. 09 of 2021 (Gazette Notification No. 2231/17 of 11.06.2021 - To empower the recommendation to National Medicines Regulatory Authority to exports the goods specified in the Schedule I including oxygen.
11.06.2021	Imports & Exports (Control) Regulations No. 10 of 2021 (Gazette Notification No. 2231/18 of 11.06.2021 - To temporary suspend the lists of goods in Schedule 1 that are under import restrictions as specified by Imports and Exports (Control) Regulations No. 04 of 2020.
31.07.2021	Imports & Exports (Control) Regulations No. 11 of 2021 (Gazette Notification No. 2238/45 of 31.07.2021 - To impose requirement of ICL for mineral or chemical fertilisers.
30.09.2021	Imports & Exports (Control) Regulations No. 12 of 2021 (Gazette Notification No. 2247/12 of 30.09.2021 - To eliminate requirement of ICL on white crystalline sugar.
03.11.2021	Imports & Exports (Control) Regulations No. 14 of 2021 (Gazette Notification No. 2252/30 of 03.11.2021 - To remove temporary suspension on importation of rice.
30.11.2021	Imports & Exports (Control) Regulations No. 15 of 2021 (Gazette Notification No. 2256/23 of 30.11.2021, - To remove restrictions on importation of chemical fertilizers, pesticides & herbicides - To impose requirement of ICL on radio navigational aid apparatus - To ban importation of Glyphosate

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
12.01.2022	Imports & Exports (Control) Regulations No.03 of 2022 (Gazette Notification No. 2262/18 of 12.01.2022 - To remove temporary suspension on long grain rice - To continue restrictions on fish fillet as per new Hs codes
09.03.2022	Imports & Exports (Control) Regulations No.05 of 2022 (Gazette Notification No. 2270/18 of 09.03.2022 - To impose requirement of ICL on selected items.
09.04.2022	Imports & Exports (Control) Regulations No.06 of 2022 (Gazette Notification No. 2274/42 of 09.04.2022 - To impose requirement of ICL on selected items.
<b>Finance Act, No. 25 of 2003</b>	
<b>Embarkation Levy</b>	
27.03.2022	Gazette Notification No. 2272/53 of 27.03.2022 - To reduce embarkation levy by 50 percent to USD 30 for the passengers leaving Sri Lanka by aircraft from Colombo International Airport, Ratmalana (CIAR) with the aim of promoting CIAR as an international airport serving regional destination.
29.04.2022	Gazette Notification No. 2277/63 of 29.04.2022 - To extend the waiver off of Embarkation Levy for two years from the date of commencement of operations by new international airlines from Mattala Mahinda Rajapaksa International Airport (MRIA).
<b>Finance Act, No. 11 of 2006</b>	
<b>Levy on Tele-dramas, Films and Commercials</b>	
09.02.2021	Gazette Notification No.2214/25 of 09.02.2021 - To reimpose the Levy on Tele-dramas, films and commercials on the telecast of foreign tele-dramas and films. Foreign tele-dramas and films were exempted from the levy on 27.03.2020 as a temporary measure considering the disruptions to local production of tele-dramas and films due to COVID-19 related restrictions.
11.05.2021	Gazette Notification No.2227/2 of 10.05.2021 - To introduce a provision for obtaining a certificate of clearance for telecasting foreign commercials for one month.
<b>Finance Act, No. 11 of 2009</b>	
<b>International Telecommunication Operators Levy</b>	
01.01.2021	Gazette Notification No. 2208/59 of 01.01.2021 - To continue the same rates for International Telecommunication Operators Levy with effect from 01.01.2021

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
<b>Finance Act, No. 35 of 2018</b>	
<b>Luxury Tax on Motor Vehicles</b>	
05.01.2021	Gazette Notification No. 2209/23 of 05.01.2021 - To exempt Members of the 8th Parliament under a permit issued by the Secretary of line Ministry of the subject of Parliament Affairs from payment of Luxury Tax.
<b>Strategic Development Projects Act, No.14 of 2008</b>	
05.01.2021	Gazette Notification No. 2209/22 of 05.01.2021 - To setup a dedicated pharmaceutical manufacturing zone in Arabokka, Hambantota.
05.03.2021	Gazette Notification No. 2217/40 of 05.03.2021 - To publish project information including exemptions and conditions to adhere with regarding the SDP Project "Ceylon Tyre Manufacturing Company (Pvt) Ltd".
23.03.2021	Gazette Notification No. 2220/30 of 23.03.2021 - To publish amend a clause in already published 3(4) Gazette Notification of the Colombo International Financial Centre (CIFC) Mixed Development Project.
19.04.2021	Gazette Notification No. 2224/2 of 19.04.2021 - To declare the infrastructure requirement and granting incentives for each enterprise of the dedicated pharmaceutical manufacturing zone.
20.04.2021	Gazette Notification No. 2224/9 of 20.04.2021 - To declare the infrastructure requirement and granting incentives for each enterprise of the dedicated textile manufacturing zone.
24.05.2021	Gazette Notification No. 2229/02 of 24.05.2021 - To extend the time granted to implement the "WELCOMHOTELS LANKA (PRIVATE) LIMITED "Project for a further period of Eighteen (18) months from 01.01.2022
24.05.2021	Gazette Notification No. 2229/03 of 24.05.2021 - To extend the time granted to implement the "AVIC INTERNATIONAL HOTELS LANKA LIMITED "Project for a further period of Nineteen (19) months from the 25.03.2020.
30.07.2021	Gazette Notification No. 2238/39 of 30.07.2021 - To publish relevant information of the Development and Operation of West Container Terminal-1 (WCT-1) project under the Colombo Port Expansion Project.
30.07.2021	Gazette Notification No. 2238/40 of 30.07.2021 - To declare the tax exemptions / concessions granted for each enterprise of the dedicated textile manufacturing zone.
06.09.2021	Gazette Notification No. 2244/03 of 06.09.2021 - To amend the date of commencement of commercial operations of the Waterfront Properties (Private) Limited.

**Box 4.2 | Major Fiscal Measures: Orders, Notifications and Regulations  
(January 2021 – April 2022) Contd...**

Effective Date	Measures
15.11.2021	Gazette Notification No. 2254/03 of 15.11.2021 - To publish the relevant information and exemptions granted for the project to construct and operate a four-lane elevated highway from New Kelani Bridge to Athurugiriya (NKBA) via Rajagiriya.
15.11.2021	Gazette Notification No. 2254/02 of 15.11.2021 - To publish the relevant information and exemptions granted to the project for the development and operation of West Container Terminal 1 under the Colombo Port Expansion project.
18.01.2022	Gazette Notification No. 2263/03 of 18.01.2022 - To Publish the relevant information and exemptions granted for the project to develop software and information technology (IT) related services for export by HCL Technologies Lanka (Private) Limited.





**05**

Government  
Expenditure

## 5.1 Overview

In 2021, Government expenditure, in nominal terms, considerably increased by 15.8 percent to Rs. 3,521.7 billion in 2021 from Rs. 3,041.0 billion in 2020 reflecting the increased interest payments and salaries with the rise in expenditure on the COVID-19 pandemic including the costs for vaccinations. Recurrent expenditure increased by 7.8 percent to Rs. 2,747.5 billion in 2021 from Rs. 2,548.3 billion in 2020. However, Capital and net lending expenditure increased to Rs. 774.2 billion in 2021 from Rs. 492.6 billion in 2020.

The Government expenditure as a percentage of GDP rose to 21.0 percent in 2021 from 20.2 percent in 2020 mainly due to the increase in capital and net-lending as a percentage of GDP to 4.6 percent in 2021 compared to 3.3 percent in 2020 whilst the recurrent expenditure to GDP ratio dropped by 0.7 percentage points to 16.3 percent in 2021 from 17.0 in 2020.

Although the recurrent expenditure to GDP ratio declined in 2021, such expenditure in nominal terms increased in 2021. The increase in recurrent expenditure was mainly driven by the increase in expenditure on interest payments and salaries and wages. However, expenditure on subsidies and transfers and goods and services marginally declined in 2021. Expenditure on subsidies and transfers significantly declined to 4.1 percent of GDP in 2021 from 4.8 percent of GDP in 2020 due mainly to the decline in expenditure on fertilizer subsidy, free medicine and transfers provided to public institutions amidst the increase in pension bill and Samurdhi payments. Reflecting the annual salary increase of the public servants combined with the full impact of the recruitment of Graduate Trainees and Multipurpose Taskforce recruited in the latter part of 2020, the salary bill increased to Rs 845.7 billion in 2021 from Rs. 794.2 billion in 2020. However, the salary bill declined to 5 percent of GDP in 2021 from 5.3 percent of GDP in 2020.

Although the interest payments in nominal terms increased to Rs 1,048.4 billion in 2021 from Rs. 980.3 billion in 2020 due to the rise in domestic interest payments triggered by the rise in interest payments on Treasury Bills, the interest payments to GDP ratio declined to 6.2 percent in 2021 from 6.5 percent in 2020.

## 5.2. Appropriation Act for 2021

The Appropriation Bill for 2021 was submitted to Parliament on October 20, 2020 and approved on December 10, 2020. It was subsequently enacted as the Appropriation Act, No. 07 of 2020.

According to the Appropriation Act, the total government expenditure was estimated as Rs. 5,052 billion of which Rs. 1,834 billion was for recurrent expenditure, Rs. 1,095 billion for capital expenditure, Rs. 2,117 billion for public debt amortization and the remainder, Rs. 6 billion for Advance Account activities. Those provisions were allocated among 223 expenditure Heads. The summary of three schedules included in the Appropriation Act, No. 07 of 2020 is detailed in Table 5.1. As per Section 2(1) (b) of the Act, the Government borrowing limit for 2021 was Rs. 2,997 billion, compared to Rs. 2,830 billion in 2020.

Later, actions were taken to amend the borrowing limit stipulated under Section 2(1) (b) of the Appropriation Act, No. 07 of 2020 to cushion the shortfall in government revenue while meeting the increase in government expenditure with the rise in expenditure on health and social welfare. Appropriation (Amendment) Bill was submitted to Parliament on October 21, 2021 accordingly, to amend the borrowing limit of Rs. 2,997 billion stipulated in Appropriation Act, No.07 of 2020 to Rs. 3,397 billion and it was enacted as Appropriation (Amendment) Act, No. 26 of 2021 on November 12, 2021.

Table 5.1 | Schedule of the Appropriation Act, No. 07 of 2020

Schedule	Description	Rs. Billion Amount
<b>First Schedule</b>	Expenditure of General Services of the Government by Programme	2,818
<b>Second Schedule</b>	Expenditure of the Government, authorized by law and to be charged on the Consolidated Fund	2,228
<b>Third Schedule</b>	Expenditure related to Advance Account Activities	6
<b>Total Government Expenditure</b>		5,052

Source : Department of National Budget

### 5.3 Supplementary Estimates

In 2021, two supplementary estimates were passed by Parliament.

#### 5.3.1. Supplementary Estimates submitted for the Department of National Budget

A supplementary estimate of Rs. 200 billion including provisions to expand health care services, provide relief to families under quarantine and low-income families who had been affected due to the lockdown and cover other unexpected expenditure, was submitted to Parliament on June 23, 2021 and approved on the same day.

#### 5.3.2. Supplementary Estimates submitted for the State Ministry of Primary Health Care, Epidemics and COVID Disease Control

A supplementary estimate of Rs. 11.8 billion was approved by Parliament on August 05, 2021 for the State Ministry of Primary Health Care,

Epidemics and COVID Disease Control, as the Ministry had not been established by the time of the approval of the Appropriation Act 2021. However, the net effect of this supplementary estimate was only Rs. 184.7 million as a sum of Rs. 11.6 billion allocated under the Ministry of Health was frozen simultaneously.

#### 5.3.3 Special Law Warrants as Supplementary Allocations

As per the powers vested with the Minister of Finance by the Constitution, four (04) Special Law warrants were issued to authorize the withdrawal of money from the Consolidated Fund to fulfil the additional fund requirement of the government that have been recognized as Special Law Services in the Schedule 2 of the Appropriation Act, No. 07 of 2020.

Table 5.2 | Issued Special Law Warrants in 2021

Authority No	Head No.	Expenditure Institution	Purpose /Objective	Amount (Rs.)
1	4	Judges of the Superior Courts	To pay salaries of the newly appointed Judges for the Supreme Court and the Appeal Court as per the 20th amendment to the Constitution	28,000,000
2	20	Election Commission	To pay salaries of the two newly appointed members to the commission under the 20th amendments to the Constitution	2,160,000
3	253	Department of Pensions	To meet the shortfall of provisions allocated on pension for widows, widowers and Orphans of public officers	19,000,000,000
4	249	Department of Treasury Operations	To meet the shortfall of provisions allocated on debt servicing	143,500,000,000

Source : Department of National Budget

### 5.4 Revised Budget for 2021

The budgetary allocations approved by Parliament were revised with the approval of Supplementary Estimates by Parliament or with the issuance of Special Law warrants by the

Minister of Finance. As such, Table 5.3 indicates the total budgetary allocation in 2021 following the revision of the budget by issuing the above four Special Law warrants.

Table 5.3 | Total Budgetary Allocations Applicable for 2021

Authority Source	Recurrent (Rs.)	Capital/Debt Amortization (Rs.)	Total (Rs.)
Appropriation Act 1st Schedule	1,718,301,178,000	1,100,088,822,000	2,818,390,000,000
Appropriation Act 2nd Schedule	975,851,000,000	1,252,297,000,000	2,228,148,000,000
Appropriation Act 3rd Schedule			6,000,000,000
Supplementary Estimates approved by Parliament	142,570,700,000	69,273,000,000	211,843,700,000
Special Law Warrants issued by the Minister of Finance	79,530,160,000	83,000,000,000	162,530,160,000
<b>Total</b>	<b>2,916,253,038,000</b>	<b>2,504,658,822,000</b>	<b>5,426,911,860,000</b>

Source : Department of National Budget

## 5.5 Advance Account Activities

Advance Accounts Activities are the activities of commercial nature and advances to public officers excluding the property loans which are implemented through the selected Banks. The actual expenditure of the Advance Account Activities of 2021 was Rs. 19.95 billion, against the estimated maximum expenditure of Rs. 29.65 billion. The actual total receipts were Rs. 20.19 billion, compared to the estimated minimum receipts of Rs. 23.65 billion. Accordingly, the Advance Account Activities were well within the approved total expenditure limits of the Appropriation Act, No. 07 of 2020.

Performance of the Advance Account Activities has improved in 2021, compared to 2020 despite certain limitations such as suspension of the festival advances with the implementation of a supplementary festival loan scheme as per the Public Administration Circular No. 22/2020 dated December 16, 2020 and restriction of the number of employees in institutions called to work due to the COVID-19 pandemic.

Accordingly, the actual expenditure on Advance Accounts Activities increased by 25 percent to Rs. 19.95 billion in 2021 from 16.00 billion in 2020 while the receipts for those activities increased by 22 percent to Rs. 20.19 billion in 2021 from 16.50 billion in 2020.

## 5.6. Public Expenditure Management

### 5.6.1 Transfer of Funds

As per Section 5 of the Appropriation Act, No. 07 of 2020, approval has been granted to reallocate or transfer unutilized provisions within the total expenditure limit approved by Parliament under the Virement procedure specified in Financial Regulation No. 66 and 69 (FR 66 and FR 69). In 2021, National Budget Department has granted approval for 725 of such FR 66 and 69 transfer applications amounting to Rs. 256 billion.

### 5.6.2 Reallocation of Provisions under the Project "Supplementary Support Services and Contingent Liabilities"

The "Supplementary Support Services and Contingent Liabilities" project under the Expenditure Head 240 - Department of National Budget continued in 2021 to facilitate unforeseen, unexpected or urgent additional fund requirements of spending agencies. Accordingly, Rs. 421.1 billion was reallocated to relevant spending agencies as supplementary allocations for 2021 in line with the guidelines specified in printed estimates of 2021. A summary of such allocations is given in Table 5.4. The Reports related to the reallocation of the provision were tabled in Parliament as per the Appropriation Act, No 07 of 2020. In addition, the detail of all such transfers has been incorporated into the Final Budgetary Position Report (Annual Report) as per the Fiscal Management (Responsibility) Act, No. 03 of 2003.

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
2	Office of the Prime Minister	Personal emoluments, Foreign and domestic traveling, Supplies and services, Maintenance, Overtime payment, Transport allowance, Furniture and office equipment, Plant and machinery, renovation of the Prime Minister's residence	346,500,000	298,000,000
4	Judges of the Superior Courts	Expenses for newly appointed Judges to the Supreme Court, purchase of Ceremonial Wigs to the newly appointed Judges of the Supreme Court and the Appeal Court	119,200,000	47,750,000
6	Public Service Commission	Purchase of Furniture, Office Equipment, Plant and machinery for the newly appointed officers to the Public Service Commission	-	5,000,000
13	Human Rights Commission	Utilize the Grant received for the project of Enabling Returnees in Kilinichchi, Puttalam, and Mannar Districts. (UNHCR)	-	1,550,000
17	Office of the Leader of the House of Parliament	Salaries and Wages	400,000	1,060,000
18	Office of the Chief Government Whip of Parliament	Vehicle Maintenance, Vehicles rent for the new vehicles, overtime payments for the newly recruited drivers, fuel allowance for increased cadre, supply of fuel for reserved vehicles	16,550,000	-
19	Office of the Leader of the Opposition of Parliament	Fuel Expenditure	1,000,000	-
20	Election Commission	Settlement of outstanding bills and vouchers for the officers and institutions involved in Parliamentary Election 2020	22,000,000	-
101	Ministry of Buddhasasana, Religious and Cultural Affairs	Salaries and Wages, import duties on food items donated for free distribution among Covid affected people, settlement of outstanding to the work of Stage V of the Vidyalankara International Buddhist Center Kelaniya, construction of dhamma school building of St. Sebastian's Church, Katuwapitiya	5,914,300	114,076,000
201	Department of Buddhist Affairs	Holding the cremation ceremony of the Maha Nayaka Thero of the Ramanna Maha Nikaya most Venerable Napana Premasiri Mahanayake Thero and Lanka Amarapura Mahanikaya most venerable Kotugoda Dhammawasa Thero with full state honours and full state patronage, renovating the Mahanayake Charikaramaya	12,055,000	16,308,626
102	Ministry of Finance	Expenditure for Ministry of Economic policies & Plan Implementation in relation to building improvement, acquisition of capital assets, supply and services, general administration and establishment service, property loan interest, expenditure for the Central Cultural Fund in relation to settlement of the outstanding bills, salaries & wages and other operational expenditure, rent and local taxes, expenditure of Financial Sector Modernization Project	925,245,000	385,800,000
240	Department of National Budget	Settlement of outstanding excise duty to the supplier of Motor bicycles which was provided to the field officers	-	97,105,600
241	Department of Public Enterprises	Salaries and statutory payment of Sri Lanka Rupavahini Corporation, Sri Lanka Broadcasting Corporation, State Engineering Corporation Sri Lanka, National Equipment and Machinery Organization, State Development & Construction Corporation and settlement of accrued interest of the loans obtained by state-owned enterprises from People's Bank, capital infusion to Sri Lanka Air Lines, Gratuity payment of Janatha Estate Development Board, lease rental for the vehicles under operational leasing, debt servicing of Ceylon Electricity Board, Issue treasury bonds for Sri Lanka Air Lines, buy new shares of right issue from National Development Bank	119,640,000	25,814,711,275

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
243	Department of Development Finance	The shortfall of the provision of the Solar Power Generation Project and SME Credit Line, development subsidies, reimbursement of the price difference due to the sale of four essential food items at a concessionary price during the Covid-19 pandemic, advance payments for selected suppliers of Organic Fertilizer	26,210,500,000	9,680,000,000
247	Sri Lanka Customs	Expenditure under the sales and service of Container Scanning System	-	2,028,000,000
248	Department of Excise	Incentives and rewards to the officers	143,600,000	-
249	Department of Treasury Operations	Payment of Interest on Bank Overdraft, interest and domestic debt repayment on short term borrowings, account for the Loan floatation expenses, and write off the outstanding sub-loan balance, interest due payable by the Ceylon Fisheries Corporation to the General Treasury	23,911,600,000	5,000,000,000
250	Department of State Accounts	Expenses for the newly recruited staff to the ITMIS project, payment for the new Janitorial service provider	3,175,000	-
414	State Ministry of Samurdhi Household Economy, Micro Finance, Self Employment, Business Development and Under Utilized State Resources Development	Payment of salary subsidy due to increase in the number of beneficiaries from 85 to 150 of the "Providing Salary Subsidy for Recruitment of Disability People by Private Entities" Programme, expenditure for rehabilitation of buildings, implementation of the budget proposal (No.32) in relation to Empowerment of Samurdhi Families	5,000,000	5,755,000,000
331	Department of Samurdhi Development	Payment of Rs.5,000 Samurdhi allowance, reimburse the accrued interest and part of the Principle of bank loans of the beneficiaries	11,665,870,000	-
103	Ministry of Defence	Training programs for the officers of the Tri Forces, settling the outstanding rents of Lanka Logistics & Technologies Limited, implementation of Budget Proposal (No 01) in relation to National Security, expenditure to rehabilitate a building at Pitakotte for Communication & Technological Unit	6,420,000	300,135,500
222	Sri Lanka Army	Expenditure related to preventing the COVID-19 pandemic, diets and uniforms, salary and wages, construction of a building, medical and other equipment purchase for Army Hospital Pallekele, custom duty and maintenance expenditure of vehicle equipment, and implementation of the Budget Proposal (No 01) in relation to National Security	10,120,320,000	3,543,382,000
223	Sri Lanka Navy	Expenditure related to preventing COVID-19 pandemic and implementation of budget proposal (No 01) in relation to National Security	100,000,000	1,427,260,000
224	Sri Lanka Air Force	Expenditure related to Covid-19 prevention activities, payment for spares, accessories, and equipment, implementation of the Budget Proposal (No 01) in relation to National Security, Aircraft upgrade and refurbishment	20,000,000	5,516,256,600
325	Department of Sri Lanka Coast Guard	Construction of advance training and administrative building at Mirissa	-	75,000,000
409	State Ministry of Home Affairs	Expenditure on relief to the people affected by the adverse weather condition, account the grant received for the program for Enhancement to Search & Rescue Capacity to respond to Disasters and CBRN Emergencies and building rent, personal emoluments, and other expenditures for the newly established State Ministry of National Security and Disaster Management, additional provisions required for National Secretariat for NGOs and institute of National Security Studies Sri Lanka and National Defence College, salaries and other allowances for the newly appointed development officers, resettle the identified families residing in disaster high-risk zone, Implementation of the Budget Proposal (No 02) in relation to - Programmes for war heroes	308,600,000	942,300,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
255	District Secretariat, Colombo	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, relief to families engaged in fishing activities affected by the MV X-Press Pearl Cargo Ship fire incident	1,577,585,000	-
256	District Secretariat, Gampaha	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, relief to families engaged in fishing activities affected by the MV X-Press Pearl Cargo Ship fire incident, to settle the outstanding bills for the construction of administrative complex - Gampaha	1,612,415,000	350,000,000
257	District Secretariat, Kalutara	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, and relief to families engaged in fishing activities affected by the MV X-Press Pearl Cargo Ship fire incident	925,750,000	-
258	District Secretariat, Kandy	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of paddy in Maha Season	470,500,000	-
259	District Secretariat, Matale	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, losses and write offs, vehicle repair, and expenditure of services	955,714,642	2,129,268
260	District Secretariat, Nuwara- Eliya.	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	398,290,000	-
261	District Secretariat, Galle	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	706,690,000	-
262	District Secretariat ,Matara	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	328,100,000	-
263	District Secretariat , Hambantota	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, expenditure on purchasing unsold excess stock of fruits and vegetables from farmers due to the COVID 19 travel restrictions and redistribute them free of charge to the state institutions and to the families who have lost their livelihood	422,500,000	100,000,000
264	District Secretariat/ Kachcheri - Jaffna	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	357,619,000	-
265	District Secretariat/ Kachcheri - Mannar	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	22,000,000	-
266	District Secretariat/ Kachcheri - Vavuniya	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of Mung Bean from farmers	179,775,000	1,744,750
267	District Secretariat/ Kachcheri - Mullaitivu	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	105,985,000	-
268	District Secretariat/ Kachcheri - Killinochchi	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	62,430,000	-
269	District Secretariat/ Kachcheri - Batticaloa	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, organic fertilizer production and purchasing	593,215,000	100,000,000



Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
270	District Secretariat, Ampara	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, organic fertilizer production and purchasing	389,161,000	100,000,000
271	District Secretariat/ Kachcheri – Trincomalee	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of paddy in Maha Season	282,855,000	-
272	District Secretariat, Kurunegala	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of paddy in Maha Season, organic fertilizer production and purchasing	919,046,000	100,000,000
273	District Secretariat, Puttalam	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of Mung Bean and paddy from farmers, organic fertilizer production and purchasing	540,600,000	100,000,000
274	District Secretariat, Anuradhapura	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of Mung Bean and paddy from farmers, organic fertilizer production and purchasing	519,580,000	100,000,000
275	District Secretariat – Polonnaruwa	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of Mung Bean and paddy from farmers, organic fertilizer production and purchasing	647,000,000	103,280,000
276	District Secretariat – Badulla	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of paddy in Maha Season	386,000,000	-
277	District Secretariat, Monaragala	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of paddy in Maha Season	304,872,680	-
278	District Secretariat, Rathnapura	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic, purchase of Mung Bean and paddy from farmers, establishment of intermediate treatment centers for Covid 19 patients in Rathnapura	829,957,000	-
279	District Secretariat, Kegalle	Expenditure on relief to the families quarantined and whose livelihood is affected due to the lockdown because of the COVID-19 pandemic	477,348,000	-
442	State Ministry of National Security and Disaster Management			
254	Department of Registrar General	Expenditure of relocating Registrar General Office – Maligawaththa and providing essential office requisites	18,500,000	15,000,000
304	Department of Meteorology	Overtime and holiday payments, Expenditure related to the exchange rate fluctuation, expenditure for extending the contract with ECMWF	17,000,000	-
104	Ministry of Economic Policies & Plan Implementation			
237	Department of National Planning	Lease installment of vehicles procured under operational leasing	2,087,518	1,762,592
251	Department of Valuation	Settlement for compensation under the Revival of Under Performing Enterprises or underutilized Asset Act No. 43 of 2011	-	566,477,900

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
252	Department of Census and Statistics	Utilization of the foreign grants for the implementation of the project "Child Module to the HIES (UNICEF), and implementation of the projects of the International Comparison Programme for Asia, Pacific (ADB), Global Audit Tobacco Survey, Household Survey of Drinking Water Quality"	-	24,385,000
105	Ministry of Mass Media	Salaries and wages of Sri Lanka Broadcasting Corporation, Sri Lanka Rupavahini Corporation, Sri Lanka Foundation, and Associated Newspapers Ceylon Limited, settlement of capital expenditure of the project "Right to Information and Enhancing Right in Conflict Affected Areas among Marginalized Communities", the establishment of project management unit for the project Digitalization of Terrestrial Television Broadcasting, recurrent and capital expenditure of Media Center for National Development	870,395,000	15,115,000
308	Department of Posts	Account the grant received from Quality of Service Fund	-	750,404
110	Ministry of Justice	Professional fee for the legal services rendered towards X-Press pearl Maritime Disaster, salaries, wages and other allowances of newly appointed Development Officers, building rent, Implementation of the Budget Proposal (No 24) in relation to House of Justice project and (No 33) in relation to Legal Sector Infrastructure Development	221,650,000	1,386,000,000
228	Courts Administration	Implementation of budget proposal (No 24) related to Legal Sector Infrastructure Development (No 24)	-	1,730,000,000
231	Department of Debt Conciliation Board	Implementation of budget proposal (No 24) related to Legal Sector Infrastructure Development (No 24)	17,550,000	5,500,000
234	Registrar of the Supreme Court	Salaries and wages, and other allowances for newly recruited officers and support staffs of Supreme Court and Appeal Court	36,300,000	-
418	State Ministry of Prison Management and Prisoners' Rehabilitation			
232	Department of Prisons	Construction of prefabricated buildings in prisons, development of Correctional Center for Youth Offenders in Pallansena, expenditure for controlling the spread of COVID - 19 among the prisoners	-	145,000,000
326	Department of Community Based Corrections	Partitioning of the newly moved office to Mehewara Piyasa building	-	1,500,000
111	Ministry of Health	Expenditure regarding COVID - 19 controlling measures, treatment centers, Overtime payment, Special allowance, outstanding dues of medical supplies, account for the incurred expenditure, expenditure of the project of Global Fund to Fight Against Aids Tuberculosis and Malaria (GFATM), implementation of the Health Information and Quality Improvement (Global Fund) project, implementation of the research project on the multi-intervention strategy to improve hypertension prevention and management, implementation of the Tobacco and Alcohol Prevention Programmes funded by WHO and programmes of the national symposium on Tobacco & Alcohol Prevention, expenditure under the Health System Enhancement Project, and implementation of the budget proposal (No 07) in relation to People Centered Health Service	6,649,000,000	11,475,911,524
416	State Ministry of Indigenous Medicine Promotion , Rural and Ayurvedic Hospitals Development and Community Health			

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
220	Department of Ayurveda	Payment of allowances, implementation of the project "Distribution of Indigenous Medicines to the people to control Covid -19 disease", implementation of the budget proposal (No 07) in relation to People Centered Health Service	259,600,000	277,000,000
423	State Ministry of Production, Supply and Regulation of Pharmaceuticals	Off-site infrastructure facilities for the proposed Pharmaceutical Zones at Arabokka and Hambantota, provide continuous medical supplies to the Government Hospitals under the prevailing Covid - 19 pandemic situation, settlement of outstanding bills arise due to the Covid 19, Expenditure of vaccine procurement under the responsive Covid 19 vaccines for Vaccination Programme	16,670,000,000	74,150,000,000
441	State Minister of Primary Health Care, Epidemics and COVID Disease Control	Expenditure related to Covid-19 prevention activities, and account the expenditure of the project Emergency Pre-Hospital Treatment Ambulance Service come under the purview of newly established Primary Health care, Epidemics and Covid Disease Control	880,000,000	-
114	Ministry of Transport	Settlement of outstanding bills of the New Rail Line to Matara - Beliatta - Kataragama project, continuation of "Kurunegala - Habarana via Dambulla New Railway Line" project	-	133,770,000
306	Department of Sri Lanka Railways	Account the unaccounted foreign loan disbursement	-	8,442,530,000
115	Ministry of Energy	Foreign travelling, maintenance expenditure, rehabilitation and improvement of capital assets, renovation of the Minister's residence	5,700,000	15,484,317
116	Ministry of Trade	Stationery and office requisites, transport, salaries and wages, other allowances, rents and local taxes, partitioning, acquisition of furniture and office equipment, establishment of a secretariat for the formulation of National Trade Policy, settlement of outstanding loans obtained from the Bank of Ceylon and Peoples Bank by Lanka Sathosa and CWE	154,930,000	1,095,000,000
117	Ministry of Highways	Expenditure for early studies and surveys of the construction project, and settle the outstanding bills of projects	-	8,161,593,656
435	State Ministry of Rural Roads and other Infrastructure	Advance payments for purchasing of construction machinery, equipment & other logistics, and transport vehicles for the use of state own entities, expenditure for supplies, maintenance, personal emoluments and services	11,091,168	5,200,000,000
118	Ministry of Agriculture	Extend the agriculture modernization project at Ampara, Badulla, Kandy, Kilinochchi, and Vavuniya districts with the grant assistance by IFAD, expenditure of dry zone livelihood support partnership programme	-	100,921,469
285	Department of Agriculture	Obtaining required seeds, construction of the drainage system, construction of safety fences to implement the agricultural activities	-	15,000,000
407	State Ministry of Backward rural Areas Development and Promotion of Domestic Animal Husbandry & Minor Economic Crop Cultivation	Providing vehicles for Minister's staffs under the operational leasing method, the continuation of the Goat Farming project, implementation of the project of Additional Crops Cultivation Programme	2,073,000	150,000,000
425	State Ministry of Paddy and Grains, Organic Food, Vegetables, Fruits, Chillies, Onion and Potatoe Cultivation Promotion, Seed Production and Advance Technology Agriculture	Expenditure for the renovation of state ministry office premises and expenditure for personal emoluments of newly recruited Development Officers	60,000,000	3,700,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
426	State Ministry of Production and Supply of Fertilizer and Regulation of Chemical Fertilizer and Insecticide Use	Expenditure for relocating the National Fertilizer Secretariat to Sethsiripaya stage II building and continuation of web server facilities with the Sri Lanka Telecom related to fertilizer database	13,450,000	5,000,000
427	State Ministry of Livestock, Farm Promotion and Dairy and Eggs Related Industries	Settlement of outstanding bills of the National Food Production Programme and expenditure for Rehabilitation of Buildings	-	8,239,746
119	Ministry of Power	Expenditure for partitioning, installation of telephone and internet facilities, transport, rehabilitation and acquisition of capital assets, electricity supply reliability improvement project, account the unaccounted foreign loan of Ceylon Electricity Board, Implementation of the Budget Proposal (No 20) in relation to Rural Electrification	2,930,000	4,751,362,000
406	State Ministry of Solar, Wind and Hydro Power Generation Projects Development	"Providing essential office requisites for the newly established State Ministry, vehicle maintenance of Minister's Office "	2,500,000	7,000,000
122	Ministry of Lands	Manufacturing of organic fertilizer, salaries and other allowances to newly recruited 102 Development Officers	51,518,160	350,000,000
286	Department of Land Commissioner General	Rents and Local Taxes	500,000	-
287	Department of Land Settlement	Salaries and wages, and other allowances for the newly recruited 30 Development officers, salary arrears to two Assistant Commissioners, expenditure to the rehabilitation of buildings	7,800,000	8,000,000
288	Department of Surveyor General	Rents and Local Taxes	35,000,000	-
327	Department of Land Use Policy Planning	Purchase of 350 Tablets for Regional Officers	-	17,500,000
123	Ministry of Urban Development and Housing	Settlement of outstanding bills	-	263,578,097
411	State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness	Settlement of the bills of the newly established State Ministry of Coast Conservation and Low-Land Development, expenditure cost incurred by Marine Environment Protection Authority for the preparedness and response operations pertaining oil spill that occurred from X - Press Perl ship incident, expenditure related to the additional work components of Lunawa Urban Housing project on a repayment basis, expenditure for urgent requirements on the control of flood in Kelaniya area through Oliyamulla and Kolonnawa projects, expenditure of settlement of outstanding bills of Meto Colombo Solid Waste Management, implementation of the budget proposal (No 12) in relation to Walking Paths and common facilities	150,000,000	3,579,489,000
415	State Ministry of Rural Housing, Construction and Building Material Industry Promotion	Complete the construction of 115 stalls affiliated with the Marandhagahamula Rice Store Complex	-	37,150,000
310	Government Factory	Employee allowances, settle the arrears of other allowances, settlement of outstanding bills of contractual services, manufacture and provide 100 organic fertilizer chopping machines	9,000,000	60,000,000
417	State Ministry of Estate Housing and Community Infrastructure	Salaries and wages	29,500,000	-
443	State Ministry of Coast Conservation & Low-Lying Lands Development			

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
291	Department of Coast Conservation and Coastal Resource Management	Settlement of final payment for the regional office building at Negambo	-	1,723,000
126	Ministry of Education	Settlement of the outstanding bills of projects related to upgrading facilities of schools and programme of 13 years of education, settlement of the outstanding bills and continuation of the projects Accelerating Higher Education Expansion & Development and Science and Technology Human Resource Development, procurement of printing machine for State Printing Corporation, settlement of the bills in hands of State Universities	-	8,742,948,000
214	University Grants Commission	Purchase of furniture and office equipment for the newly constructed statistics building of the University of Colombo	-	100,000,000
403	State Ministry of Women and Child Development, Pre-Schools and Primary Education, School Infrastructure and Education Services	Recover the balance funds for the Social Protection of Children Project, expenditure pertaining to setting up/ toll-free helpline for Women and Children in SAARC member states, expenditure of Defence School - Colombo, implementation of the budget proposal (No 30) in relation to Development of rural schools	-	367,010,000
404	State Ministry of Education Reforms, Open University and Distance Learning Promotion	Utilization of the foreign grants for the implementation of the project "Child Module to the HIES (UNICEF)" and implementation of the budget proposal (No 08) in relation to Distance Education	-	1,168,000,000
335	National Education Commission	Salaries and wages, purchase of office equipment, installation of the audiovisual conference system, expenditure related to launching a new website for NEC, rent for the office space in BMICH premises	7,604,000	3,000,000
421	State Ministry of Skills Development, Vocational Education, Research and Innovation	Settlement of outstanding bills of "KIPO/KIPA Appropriate Technology project 2019", implementation of the budget proposal (No 09) in relation to Vocational Education	500,000,000	1,227,690,000
422	State Ministry of Dhamma Schools, Bhikkhu Education, Pirivena and Buddhist Universities	Personal emoluments, maintenance expenditure, rehabilitation of capital assets, to provide shoes for the Pirivena Students	164,500,000	46,000,000
130	Ministry of Public Services, Provincial Councils and Local Government	Provide essential service facilities to Hon. R. Sampanthan, expenditure related to a cadre revision	18,000,000	-
253	Department of Pensions	Pension payments	4,272,000,000	-
420	State Ministry of Provincial Councils and Local Government	Expenditure on General Education Modernization Project, Settlement of outstanding bills of the project "Development of 1000 Km road length in rural areas", settlement of outstanding bills of the project "Urban Project preparatory Facility", Implementation of the budget proposal (No 35) in relation to Waste Management Pradeshiya Sabha and (No 36) in relation to Infrastructure Pradeshiya sabha	-	6,056,000,000
312	Western Provincial Council	Expenditure related to preventing COVID-19 pandemic, activities to increase organic fertilizer production capacity, implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	1,228,000,000	832,800,000
313	Central Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	428,000,000	928,000,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
314	Southern Provincial Council	Account the grant given by KOFIH Korea for the development of preliminary care unit in Base Hospital Tangalle, expenditure related to preventing COVID-19 pandemic, expenditure for urgent repairs and maintenance works of schools re-opening, development of Kebiliyapura irrigation canal in Southern Province, expansion of facilities of the Ridiyagama probation center, activities to increase organic fertilizer production capacity, implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	1,093,000,000	884,338,103
315	Northern Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals, (No 21) Tank Rehabilitation	446,000,000	1,328,400,000
316	North Western Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, and implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	400,000,000	897,400,000
317	North Central Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, expenditure for urgent repairs, maintenance works of schools re-opening and implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	287,150,000	964,600,000
318	Uva Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	440,000,000	699,800,000
319	Sabaragamuwa Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, and implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	574,000,000	1,132,200,000
321	Eastern Provincial Council	Expenditure related to prevent COVID-19 pandemic, activities to increase organic fertilizer production capacity, implementation of the budget proposal (No 07) People-Centered Health Service, (No 13) Rural Sport Development, (No 31) Development of Rural Hospitals	732,000,000	1,633,400,000
135	Ministry of Plantation	Salaries for newly appointed Development Officers, settlement of outstanding bills of essential vehicles repairs, rent and local taxes, implementation of the budget proposal (No 18) in relation to Plantation sector Development	26,500,000	254,628,000
410	State Ministry of Company Estate Reforms, Tea and Rubber Estates Related Crops Cultivation and Factories Modernization and Tea and Rubber Export Promotion	Expenditure related to the establishment of state ministry in the new building, expenditure for Research and Development, Implementation of the Budget Proposal (No 18) in relation to Plantations Sector Development, Budget Proposal (No 32) in relation to Drip Irrigation	-	983,500,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
431	State Ministry of Coconut, Kithul , Palmyrah and Rubber Cultivation Promotion and Related Industrial Product Manufacturing and Export Diversification	Vehicle rent, purchase of furniture and office equipment, utilization of the grant to settle the bills of International Certificate Course for Coconut Development Officers, expenditure for Rehabilitation and Improvement of building and structures, acquisition of vehicles, Plant & Machinery and Equipment, implementation of the budget proposals (No 19) in relation to Drip Irrigation, (No 18) in relation to Plantations Sector Development	3,650,000	1,016,971,000
432	State Ministry of Development of Minor Crops plantation including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion	Payment of salaries, other recurrent expenditure and capital expenditure, accreditation certificate for the newly established National Spices and Allied Products Marketing Board, Providing essential facilities for staff of newly established State ministry, salaries and other expenditure for the employees of Kanthale Sugar Company, compensation pertaining to the case filed in Ampara Labour Tribunal, by and employee of Hingurana Sugar Industries Ltd, expenditure of special programme for self-sufficiency in Minor Corps, expenditure of Agriculture Sector Modernization project, implementation of the Budget Proposals (No 19) in relation to Drip Irrigation and (No 18) Plantations Sector Development	30,000,000	1,810,334,000
149	Ministry of Industries	Continuation of the project "Small & Micro Industries – Leader & Entrepreneur Promotion Project", renovation of office vehicles, completion of the infrastructure development of Industrial zone in Eravur	-	710,350,000
408	State Ministry of Rattan, Brass, Pottery Furniture and Rural Industrial Promotion	Implementation of the Budget Proposal (No 33) in relation to Development of Traditional Villages	-	2,000,000,000
439	State Ministry of Batik, Handloom and Local Apparel Products	Salaries and wages, other recurrent expenditure for Sri Lanka Handicrafts Boards	44,305,000	38,600,000
303	Department of Textile Industries	Compensation for the employees who were terminated from the service in Power Loom factories and payment of monthly allowances to the employees of Power Loom Enterprises privatized during the period of 1980-1982	172,285,000	-
151	Ministry of Fisheries	Compensation for the fisherman who lost their livelihood due to MV X-Press Pearl cargo ship fire incident	353,150,000	-
290	Department of Fisheries and Aquatic Resources	Procurement of fishing nets for fishermen who have been affected by the MV X-Press Perl ship accident, operating lease installment, settlement of the bills in the hand for services, settlement of the interest of BOC of subsidy for Diyawara Diriya Loan scheme, compensation regarding the fisherman who died in an emergency while fishing in the sea, expenditure of renewal of INMARSAT service for Fishing Vessel Monitoring system, reimbursement of expenses incurred by Foreign Ministry for fisherman arrested in foreign countries	51,219,000	-
405	State Ministry of Ornamental Fish, Inland Fish and Prawn Farming, Fishery Harbour Development, Multiday Fishing activities and Fish Export	Settle the outstanding bills of Electricity and Water, renovation of building and structure, reimbursement of the interest recovered from a loan, operating lease installments, research on environmental impact caused by X- press pearl fire incident, implementation of the budget proposal (No 15) in relation to Restructuring Fisheries Corporation and (No 17) Fish Farm Development	60,451,898	241,850,000



Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
160	Ministry of Environment	Salaries of two temporary project officers, project preparation grant for "Sustainable and Efficient Mobility System in Sri Lanka" project, settlement of outstanding of "Construction of Solid Waste Disposal Facilities" project, salaries and other allowances for newly appointed Development Officers, and implementation of the budget proposal (No.25) "Surakimu Ganga" Programme	93,275,280	228,650,000
424	State Ministry of Wildlife Protection, Adoption of Safety Measures Including the Construction of Electrical fences and Trenches and Reforestation and Forest Resource Development			
283	Department of Forests Conservation	Implementation of the Budget Proposal (No 26) in relation to Forest Conservation	-	934,100,000
284	Department of Wildlife Conservation	Implementation of the Budget Proposal (No.34) in relation to Mitigation of human elephant conflict	-	2,370,000,000
161	Ministry of Wildlife and Forest Conservation	Payment for the constructor of Marquee for the "Convention on International Trade on Endangered Species of Wild Fauna and Flora" , rent and local taxes, expenditure for Ecosystem Conservation & Management project	27,004,679	524,545,760
166	Ministry of Water Supply	Salaries and wages for the Minister's office	2,500,000	-
433	State Ministry of Rural and Divisional Drinking Water Supply Projects Development	Vehicle Mainatanance, Salaries and wages	3,600,000	970,000
332	Department of National Community Water Supply	Expenditure for development of water safty plans for community managed water schemes funded by UNICEF, lease rental for the vehicles, salaries and other allowances for newly appointed 122 Development Officers	60,100,000	2,400,000
169	Ministry of Development Co-ordination and Monitoring			
280	Department of Project Management and Monitoring	Expenditure for the newly established Ministry of Development Co-ordination and Monitoring	13,700,000	11,280,000
176	Ministry of Ports and Shipping	Vehicle maintanance of the ministry and expenditure for Sri Lanka Ports Authority- Sooriyawewa International Cricket Stadium	26,160,000	1,500,000
434	State Ministry of Warehouse Facilities, Container Yards, Port Supply Facilities and Boats and Shipping Industry Development	Purchase of Equipment for the Media Unit	-	3,000,000
186	Ministry of Technology	Rent for the office space of newly established ministry, recurrent expenditure of Sri Lanka Institute of Nanotechnology	82,875,440	-
189	Ministry of Public Security	Recurrent and capital expenditure of State Ministry of Community Police Services, vehicle lease rental, purchase of antiseptic liquid for STF officers, expenditure of UN peacekeeping duties, implementation of the budget proposal (No 03) in relation to Public Security	109,579,000	417,070,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2021 to 31.12.2021 Contd...

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
225	Department of Police	Account for the value of vehicles and payment of tax component of the vehicles granted by the Government of Japan, personal emoluments, supplies, services, diets & uniforms, transport allowance, procurement of dogs to Police Kennel, diets for officers who are in quarantine centers, purchase of beds, masks, Office & kitchen equipment, building renovation to facilitate quarantine activities, reorganizing the CID and providing urgent requirements for newly established police stations, implementation of the budget proposal (No 03) in relation to Public Security	1,249,000,000	5,021,490,174
194	Ministry of Youth and Sports	Award cash prizes to the winners of Tokyo 2020 Paralympic Games, Salaries and wages, and other allowances for development officers and implementation of the budget proposals (No 13) in relation to Rural Sport Development and (No 11) Sports Economy	334,203,000	2,000,000,000
328	Department of Manpower and Employment	Account the grant received from ILO for the project of providing assistance to promote inclusion of persons with disabilities in the economic sector through job placement and providing self-employment guidance in the Northern province	-	2,299,500
402	State Ministry of Rural and School Sports Infrastructure Improvement	Renovation of building, Expenditure of Medical Supplies for Sports Medicine Unit, Implementation of the budget proposal (No 13) in relation to Rural sport development	10,000,000	1,111,400,000
198	Ministry of Irrigation	Carry out the activities in the Integrated Watershed and Water Resources Management project, account for the direct payment received by Asian Development Bank, implementation of the budget proposal (No 21) in relation to Tank Rehabilitation	-	4,911,880,000
<b>Total</b>			<b>127,600,464,765</b>	<b>235,915,697,861</b>

### 5.6.3 Directives issued through circulars on Preparation, Execution and Monitoring of the Budget

In 2021, the following circulars have been issued in the area of budget preparation, execution and monitoring activities.

Table 5.5 | Circulars Issued in Relation to the Public Expenditure Management

Circular No.	Date	Subject
NB/01/2021	2021.07.28	Budget Call-2022 Guidelines for the Preparations of Annual Budget Estimates-2022 within the Medium Term Budgetary Framework 2022-2024
NB/02/2021	2021.12.06	Issuance of Quarterly Warrants and Management of Commitments
NB/03/2021	2021.12.21	Authorization of Expenditure for 2022 and Management of Public Expenditure

Source : Department of National Budget

### 5.7. Composition of Government Expenditure

Interest payments and salaries and wages accounted for nearly 70 percent of the total recurrent expenditure. The expenditure on interest payments increased by 6.9 percent to Rs. 1,048.4 billion in 2021 from Rs. 980.3 billion in 2020 absorbing about 38 percent of the total recurrent expenditure. The expenditure on salaries and wages amounted to Rs. 845.7 billion, 31 percent of recurrent expenditure. The expenditure on welfare programmes including pensions, Samurdhi, medical supplies, fertilizer subsidies and interest subsidies was Rs. 684.5 billion.

Table 5.6 | Government expenditure by categories

Expenditure Category	2019*	2020	Rs. Million	
			2021 Revised Estimate	2021 <sup>(a)</sup>
<b>Total Expenditure</b>	<b>3,337,896</b>	<b>3,040,996</b>	<b>3,326,000</b>	<b>3,521,735</b>
<b>Recurrent</b>	<b>2,424,582</b>	<b>2,548,359</b>	<b>2,756,000</b>	<b>2,747,512</b>
Salaries & Wages	686,452	794,158	840,000	845,680
Goods & Services	161,826	180,193	184,000	168,932
Interest	901,352	980,302	1,055,000	1,048,382
Subsidies & Transfers	551,524	717,133	677,000	684,518
Arrears	123,428	(123,428)	-	-
<b>Capital and net lending</b>	<b>913,314</b>	<b>492,638</b>	<b>570,000</b>	<b>774,223</b>
Public Investments	631,235	811,773	582,000	789,636
Arrears	299,178	(299,178)	-	-
Other	(17,099)	(19,957)	(12,000)	(15,413)
<b>As a % of GDP</b>				
<b>Expenditure</b>	<b>22.3</b>	<b>20.2</b>	<b>20.2</b>	<b>21.0</b>
<b>Recurrent Expenditure</b>	<b>16.2</b>	<b>17.0</b>	<b>16.7</b>	<b>16.3</b>
Interest Expenditure	6.0	6.5	6.4	6.2
Capital & Net Lending	6.1	3.3	3.5	4.6
<b>O/w Public Investments</b>	<b>4.2</b>	<b>5.4</b>	<b>3.5</b>	<b>4.7</b>

Source: Department of Fiscal Policy

\* Included arrears

<sup>(a)</sup> Provisional

### 5.7.1. Salaries and Wages

The expenditure on salaries and wages for public servants including those in the Provincial Councils, Armed Forces and Police in 2021 was Rs. 845.7 billion, an increase of 6.5 percent

compared to Rs. 794.2 billion in 2020. This increase was mainly due to the annual salary increase of the public servants and the full impact of the recruitment of Graduate Trainees and Multipurpose Taskforce who were recruited in the latter part of 2020.

Table 5.7 | Expenditure on salaries and wages

Sector	Rs. Million					
	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
Central Government	184,856	197,914	212,481	240,329	270,521	297,349
Provincial Councils *	143,740	149,715	162,086	179,971	239,034	256,142
Defence	180,829	180,998	189,055	189,508	199,474	205,542
Police and Public Security	61,336	59,891	62,423	76,644	85,129	86,646
<b>Total</b>	<b>570,761</b>	<b>588,518</b>	<b>626,045</b>	<b>686,452</b>	<b>794,158</b>	<b>845,680</b>

Sources : Department of Fiscal Policy

(\*Includes only the expenditure of government transfers)

<sup>(a)</sup> Provisional

### Pensions

The total pension payments increased by 4.6 percent to Rs. 269.8 billion in 2021 from Rs. 257.8 billion in 2020. This increase was mainly due to the net increase in the number of pensioners by 1.6 percent from 661,790 in 2020 to 672,196 in 2021. Also, the payments for the new pensioners are considerably higher than that of the existing pensioners and those who are deceased.

In addition to the pension payments, the government incurred Rs. 37.9 billion for the payment of all-inclusive due salaries as compensation for the injured and deceased security personnel in 2021. This was an increase of 1.1 percent compared to Rs. 37.5 billion in 2020. Until April 2021, dependents of the deceased personnel were entitled to this compensation till the deceased personnel completes their age of 55 years. In April 2021, the Government decided to continue to pay this compensation to the dependents of the

deceased members until their lifetime while paying the pensions after the deceased member reached 55 years of age.

### 5.7.2. Fiscal Decentralization

As per the 13th amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka, the Government shall, on the recommendation of and in consultation with the Finance Commission, transfer funds to the Provincial Councils for recurrent and capital expenditure from the Annual Budget.

Accordingly, the Central Government has granted Rs. 311.6 billion directly to the Provincial Councils of which Rs. 284.6 billion was for the recurrent expenditure and Rs. 27.0 billion was for the capital expenditure. In addition, Rs. 6.7 billion has been channelled through the State Ministry of Provincial Councils and Local Government for capital expenditure. Accordingly, a sum of Rs. 33.7 billion has been transferred to Provincial Councils for capital expenditure in 2021. The transfer for recurrent expenditure increased by 7.2 percent in 2021 from Rs. 265.6 billion in 2020. The increase in recurrent expenditure was due to annual salary increments of public servants and expenditure on COVID-19 control activities in 2021.

Table 5.8 | Transfers to Provinces in 2021

Provincial Council	Transfers 2021	
	Recurrent	Capital
Western	46,953	1,956
Central	37,229	3,128
Southern	36,096	3,021
Northern	26,799	3,272
North Western	33,445	2,619
North Central	20,544	3,186
Uva	25,246	3,038
Sabaragamuwa	30,127	2,913
Eastern	28,163	3,826
Projects implemented by the Ministry in Charge of the subject of Provincial Councils	-	6,742
<b>Total</b>	<b>284,602</b>	<b>33,701</b>

Source: Department of National Budget/ Department of State Accounts

(a) Provisional

## 5.8. Sectoral Classification of Government Expenditure

### 5.8.1. Human Resource Management

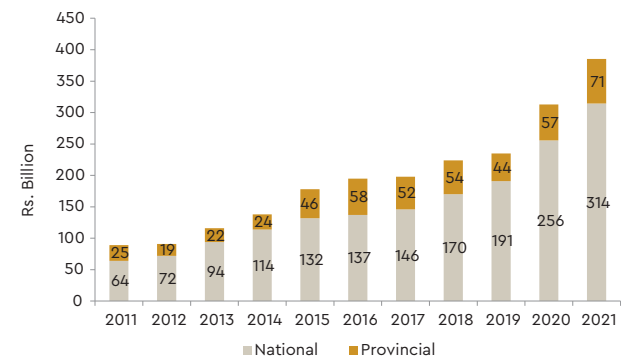
#### Health

#### Investment in Healthcare

In 2021, the Government contribution to the health sector has further strengthened to lessen the impact of the COVID-19 on the society and economy.

Capital expenditure incurred by the Central Government through the Ministry of Health and the Provincial Councils (PCs) in 2021 was Rs. 112.8 Billion, an increase of 140.1 percent from Rs. 46.9 Billion in 2020, mainly due to capitalizing Rs. 69.08 Billion for COVID-19 vaccination programme. Also, the total recurrent expenditure of the health sector, including the PCs, increased by 2.4 percent to Rs. 272.6 Billion in 2021 from Rs. 266.1 Billion in 2020. Hence, the total expenditure, i.e. both the recurrent and capital expenditure, increased by 23.1 percent in 2021.

Figure 5.1 | Central Government Expenditure on Healthcare in 2021



Source : Department of National Budget

The expenditure on salaries and wages of the health sector employees increased from Rs. 144.2 billion to Rs. 160.2 billion, an increase of 11.1 percent compared to that of 2020. Comparatively, overtime payment and extra duty allowances increased to Rs. 32.6 billion in 2021 from Rs. 29.8 billion in 2020, mainly due to the additional workload during the COVID-19 pandemic.

In 2021, the main focus of the health sector was directed to handling the challenges that emerged from the COVID-19 pandemic. A nationwide vaccination drive has been launched with the support of the World Bank (WB) and the Asian Development Bank (ADB). The ADB has provided USD 161.85 million to ensure the access to the COVID-19 vaccines to the eligible population. The WB has also provided USD 180.51 million to enable affordable and equitable access to the COVID-19 vaccine and help ensure effective vaccine deployment in Sri Lanka. Moreover, various controlling measures and arrangements have been taken to fight against the COVID-19 pandemic. Accordingly, Rs. 43.4 billion was incurred for procuring COVID-19 related medicines, personal protective equipment, quarantine facilities, and treatment centres for the COVID-19 patients.

The Government funding support for procuring pharmaceutical, surgical and laboratory items (non-COVID related) declined by 22.2 percent

to Rs. 52.9 billion from Rs. 41.2 billion in 2021. However, the cost of Rs. 69.08 billion for the COVID-19 vaccination programme has been categorized as capital expenditure. Also, the capital investment for the health sector (without COVID-19 Vaccination Programme) fell by 6.9 percent to Rs. 43.7 billion in 2021 from Rs. 46.9 billion in 2020. This includes the expenditure on ongoing projects and settlement of the unpaid bills. Meanwhile, production of Thriposha increased by 9.7 percent in 2021, compared to 2020 benefiting from the investment of Rs. 1,231 million for the production of Thriposha to cater for 1.06 million beneficiaries.

Table 5.9 | Expenditure incurred in relation to COVID-19 pandemic

Description	Rs. million	
		Amount
Ministry Of Health		123,343
Provincial Councils		6,727
<b>Grand Total</b>		<b>130,070</b>

Source : Department of National Budget

<sup>(a)</sup> Provisional

Table 5.10 | Major Capital Investment in Curative Healthcare Services

Investment Area	Rs. Million										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Hospital Development Projects	3,194	7,775	8,117	11,431	15,429	10,373	10,649	14,654	8,196	31,058	18,657
Hospital Rehabilitation & Construction	2,051	1,828	2,754	3,403	4,206	3,735	4,814	6,513	6,381	3,734	5,067
Medical Equipment & Machinery	2,306	1,969	3,880	3,208	5,068	4,093	4,732	4,438	5,481	3,949	4,590
Beds & Furniture	119	114	127	200	224	325	243	352	346	235	229.69
<b>Total</b>	<b>7,690</b>	<b>11,755</b>	<b>15,128</b>	<b>18,242</b>	<b>24,927</b>	<b>18,527</b>	<b>20,438</b>	<b>25,957</b>	<b>24,404</b>	<b>38,976</b>	<b>28,544</b>

Source: Department of National Budget and Department of State Accounts

<sup>(a)</sup> Provisional

Moreover, the expenditure for indigenous medicine sector were Rs. 2,650 million including Rs. 2,214 million for recurrent expenditure and Rs. 436 million for capital investment.

## General Education

In 2021, the total expenditure on school education by the Central Government increased by 3 percent to Rs 265.7 billion of which Rs 186.6 billion for central government transfers to the Provincial Councils and Rs. 79.1 billion for the Ministry of Education. Out of the total expenditure, the recurrent expenditure was Rs 249.8 billion, an increase of 5.6 percent from Rs 236.6 billion in 2020. The capital expenditure amounted to Rs 15.8 billion, a drop

of 26 percent from Rs 21.4 billion in 2020 mainly due to the completion of Nearest School is the Best School Program (NSBS) implemented from 2016. Hence, Rs 1.5 billion was incurred in 2021 for this program to settle the bills of pending works.

With the severe outbreak of the COVID 19 pandemic in 2021, the schools were conducted short period of time during the year by ensuring the adherence of COVID 19 health guidelines. However, the Ministry of Education continued distance education modes through electronic platforms such as television, radio, e-learning management system E-Thaksalawa.

Table 5.11 | Expenditure on School Education in 2020–2021

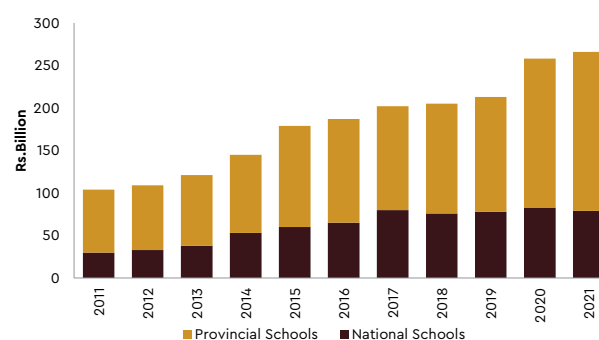
	2020		2021 <sup>(a)</sup>		Rs. Million	
	Recurrent	Capital	Recurrent	Capital	Total	Total
Ministry of Education	64,029	19,180	67,853	11,280	79,133	
Provincial Councils*	172,635	2,205	182,000	4,573	186,573	
<b>Total</b>	<b>236,664</b>	<b>21,385</b>	<b>249,853</b>	<b>15,853</b>	<b>265,706</b>	

Source: Department of State Accounts, Finance Commission

<sup>(a)</sup> Provisional

\*Includes Central Government Transfers to Provincial Councils

Figure 5.2 | Expenditure on School Education (2011–2021)



Source : Department of National Budget

Table 5.12 | Expenditure on General Education by the Central Government in 2020–2021

	2020			2021 <sup>(a)</sup>			Rs. Million
	Recurrent	Capital	Total	Recurrent	Capital	Total	
Ministry of Education	39,780	2,669	42,449	43,368	4,674	48,042	
State Ministry of Women and Child Development, Pre-schools and Primary Education, School Infrastructure and Education Services	19,336	14,745	34,081	19,160	4,489	23,649	
State Ministry of Education Reforms, Open Universities and Distance Learning Promotion	545	1,605	2,150	602	1,891	2,493	
State Ministry of Dhamma Schools, Pirivenas & Bhikku Education	4,368	161	4,529	4,723	226	4,949	
Provincial Councils*	172,635	2,205	174,840	182,000	4,573	186,573	
<b>Total</b>	<b>236,664</b>	<b>21,385</b>	<b>258,049</b>	<b>249,853</b>	<b>15,853</b>	<b>265,706</b>	

Sources : Department of State Accounts, Finance Commission

<sup>(a)</sup> Provisional

\*Includes Central Government Transfers to Provincial Councils

Table 5.13 | Major Projects Implemented under the General Education Sector

	Rs. Million
	<b>2021<sup>(a)</sup></b>
School – based Learning Enhancement Grant	529
General Education Modernization Project	605
Technological Education Development Projects	170
Educational Environment Improvement Project in Kilinocchchi	270
Upgrade facilities of Secondary Schools and Establish 1000 National Schools	985
Develop Child friendly Schools	413
Qualitative Development Reforms in Education	590

Source: Department of State Accounts, Department of National Budget

<sup>(a)</sup> provisional

The student welfare programs were continued to ensure the equity and quality in education by spending Rs. 11.8 billion in 2021, a decrease of 9.3 percent compared to 2020. Despite the COVID 19 inspired health measures impeding school attendance, the Government continued the welfare programs as it is. Due to the reduction of the contract price of the Printing of School Text Books Tender and the delayed submission of bills from the suppliers led to

the reduction in total welfare expenditure. The expenditure on Suraksha Student Insurance Scheme increased by 122 percent compared to 2020 due to the arrears of obligations in previous years and increase in insurance premium.



Table 5.14 | Expenditure on major Welfare Programs

Programme	Rs. Million									
	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>	
School Nutrition Food Program	3,076	3,725	3,938	3,916	4,434	5,325	5,063	2,299	1,685	
Text Books	2,329	2,700	3,896	5,415	4,281	4,161	4,599	4,550	2,609	
Uniforms	1,739	3,574	2,261	2,157	2,479	1,073	3,789	2,877	2,492	
Shoes for Students in Difficult & Very Difficult Schools		299	291	480	640	220	640	492	901	
Scholarships – Year 5 *	268	556	623	613	602	605	607	872	791	
"Suraksha" Insurance Scheme					2,700	33	1,833	1,500	3,331	

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

<sup>(a)</sup> provisional

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

Table 5.15 | Students Benefited by Major Welfare Programs

Programme	Rs. Million									
	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>	
School Nutritional Food Programme	1,048,892	890,404	937,178	973,245	1,105,605	1,089,705	1,067,465	1,079,097	1,082,136	
Text Books	4,194,363	4,076,813	4,277,668	4,345,491	4,355,101	3,628,951	3,642,528	4,180,000	4,500,000	
Uniforms	3,998,890	4,423,202	4,415,099	4,341,581	4,326,951	4,357,797	4,725,445	4,180,000	4,500,000	
Scholarships -Year 5 *	97,308	114,458	122,149	140,297	144,739	130,000 <sup>a</sup>	135,000	130,457	103,800	
"Suraksha" Insurance Scheme						40,978 <sup>b</sup>	74,328	100,000	34,778	
Nutritional Food Package for expectant Mothers			105,874	209,500	210,000	274,511	263,945	237,587	234,335	
Morning Meal for Pre- school Children					51,213	69,523	85,798	85,798	53,778	

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

<sup>(a)</sup> provisional

<sup>(b)</sup> From October 2017 –October 2018

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

## University Education

The university education sector quickly adopted digital learning management systems supported by virtual meeting platforms such as Zoom, Team etc., online courses and tools in response to the COVID -19 pandemic. The total government expenditure on university

education was Rs. 76.6 billion in 2021, an increase of 3.4 percent compared to 2020. Out of the recurrent expenditure of Rs. 54.8 billion, Rs. 46.1 billion was spent on the payment of salaries and wages of 25,689 academic and non-academic staff in the higher education sector.

The annual intake for universities from the

Table 5.16 | Investment on higher education (2016–2021)

Year	Rs. Million					
	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
Recurrent	29,300	31,246	37,457	47,323	51,506	54,768
Capital	20,276	16,176	24,420	23,512	22,615	21,849
Total	49,576	47,422	61,877	70,835	74,121	76,617

Sources : Department of State Accounts, Department of National Budget

<sup>(a)</sup> Provisional

students who sat for the G.C.E. A/L examination in 2020 (2020/2021 intake) increased by around 0.2 percent compared to the intake of 2019/2020.



Table 5.17 | Student intake

Academic Year	No. of Students
2015/2016	29,083
2016/2017	30,668
2017/2018	31,451
2018/2019	31,902
2019/2020	41,669
2020/2021 <sup>(a)</sup>	41,755

Source : University Grants Commission

<sup>(a)</sup> Provisional

The capital expenditure of the sector was Rs. 21.8 billion in 2021, compared to Rs. 22.6 billion in 2020. In 2021, 15 projects including

the establishment of the Faculty of Technology (Rs. 1,961.3 million) and Information & Learning Centre at Faculty of Science of University of Colombo (Rs. 502.5 million) and Faculty of Management Studies & Commerce of University of Jaffna (Rs. 400 million) were reached their completion level.

### Mahapola and Bursary

Mahapola and Bursary continued with the eligibility household income threshold at Rs. 500,000 per annum.

Table 5.18 | Financial assistance to university students

Year	Rs. Million						
	2015	2016	2017	2018	2019	2020	2021
Mahapola	561	940	593	1,304	1,269	1,366	1,138
Bursary	481	650	441	521	695	759	862
<b>Total</b>	<b>1,042</b>	<b>1,590</b>	<b>1,034</b>	<b>1,825</b>	<b>1,964</b>	<b>2,125</b>	<b>2,000</b>

Source : Department of National Budget

Table 5.19 | No. of university students benefited under the financial assistance programmes

Year	2015	2016	2017	2018	2019	2020	2021
Mahapola	45,219	47,595	49,472	51,652	55,491	57,773	62,891
Bursary	20,929	20,265	20,093	22,450	22,923	23,494	29,491
<b>Total</b>	<b>66,148</b>	<b>67,860</b>	<b>69,565</b>	<b>74,102</b>	<b>78,414</b>	<b>81,267</b>	<b>92,382</b>

Source : University Grants Commission

## Establishment of Two New Universities

The Gampaha Wickramarachchi University of Indigenous Medicine of Sri Lanka and University of Vavunia were established as per the provisions of the Universities act. No 16 of 1978 with effect from March 01, 2021 and August 01, 2021, respectively.

## Non State Higher Education

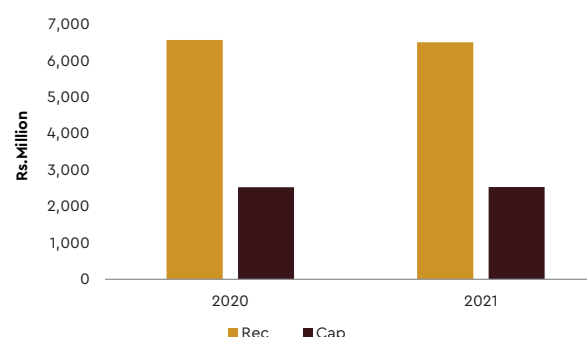
Rs. 386 million was invested in 2021 as support for the educational loan scheme to follow higher education degrees in non-state universities. As such, 3,590 students benefitted to follow 95 degree courses offered by 15 non-state higher education institutes.

## Skills Development

Providing vocational education and skills development is a prerequisite for the creation of a productive labor force particularly, for the

youths. As such, the Government spent Rs. 9,032 million in 2021 for the skill development of which Rs. 6,501 million was for recurrent expenditure and Rs. 2,531 million was for capital expenditure.

Figure 5.3 | Expenditure on Skills Development Sector, 2020 – 2021



Source : Department of National Budget

Table 5.20 | Major projects implemented in 2021 on Skills Development

Description	Rs. Million
	2021
Skills Sector Development Programme (ADB/WB)	641
Upgrading of Katunayake Engineering Technology Institute (Austria)	46
Establishment of Colombo Vocational Training Center and Gampaha Technical College (GOSL- EDCF)	475
Self-Employment Promotion Initiative (SEPI) Programme	6
Vocational Training in the Sri Lanka (Germany)	13
You Lead (USAID)	2
Improve Vocational Education	461
Modernization of 7 Colleges of Technology/ Technical Colleges	359

Source : Department of National Budget

## Technology Development

Total expenditure of Rs. 1,502 million was incurred for technological development, research and innovation activities in 2021, of which Rs. 1,023 million was for recurrent expenditure and the capital investment was Rs. 479 million.

### 5.8.2 Transport

#### Bus Transport

The total expenditure on bus transport was Rs. 12.8 billion in 2021, of which, Rs. 11.5 billion was spent on recurrent expenditure, mainly on the subsidy for school and higher education season tickets, operating Sri Lanka Transport Board (SLTB) buses on unremunerated routes in rural areas, contribution for the socially obligated bus services and Armed Forces bus passes. Rs. 1,345 million was incurred as capital expenditure for the augmentation of the bus fleet.

#### Railways

Sri Lanka Railways (SLR) continued providing passenger and freight transport services with a total expenditure of Rs. 40.4 billion in 2021, of which recurrent expenditure was Rs. 12.9 billion and Rs. 27.4 billion was on capital investment.

Table 5.21 | Major Projects Launched in 2021 on Public Transport

Description	Rs. Million
	2021 Expenditure
Procurement of 140Nos. Passenger Coaches and improvement of Ratmalana Workshop	13,995
Rehabilitation of Railway Track & Installation of signaling from Maho - Omanthai	1,719
Procurement of 02 Nos. AC DMUs and Procurement of Locomotives	1,413
Rehabilitation of 200 Nos. of passenger coaches	654
Rehabilitation of Permanent Way with new Rails & Sleepers	2,136
Colombo Suburban Railway Efficiency Improvement Project	2,224
Subsidy for School & Higher Education Season Tickets ,Armed Forces - Bus Passes	5,442
SLTB , Bus Operating on Unremunerative Routes	5,300

Source : Department of National Budget

## Ports

In 2021, the total investment in the ports and shipping sector amounted Rs. 1.6 billion of which, Rs. 702 million on recurrent expenditure and Rs. 909 million on capital expenditure.

Table 5.22 | Major projects launched by Ports and Shipping in 2021

Description	Rs. Million
	2021 Expenditure
Sri Lanka Ports Authority- Sooriyawewa International Cricket Stadium Project	709
Construction of Workshop Building Complex related Port Access Elevated Highway Project	108
Rehabilitation of Kankasanthurai Harbour	142

Source: Department of National Budget

## Road Development

The Government launched a 100,000 km road development programme and an expressway network expansion programme in 2021 with the completion of around 41 km of expressways. Also, rehabilitation of around 650 km of national roads, 6,064 km of rural roads and 93 bridges were completed while maintaining of around 12,225 km of national roads during the year.

The six-lane bridge across Kelani River was opened to the public on November 24, 2021 connecting Colombo Katunayaka Expressway to Ingurukade Junction and Baseline road

at Orugodawatta. The Central Expressway section II from Meerigama to Kurunegala recorded a progress of around 98 percent by end of 2021. The construction works related to Central Expressway phase I from Kadawatha to Meerigama and phase III from Pothuhera to Galagedara (Pothuhera to Rambukkana section) reached their physical progress to 19 percent and 1 percent, respectively. The physical progress of the Port Access Elevated Highway and Colombo District Road Development Project reached 20 percent and 98 percent, respectively by the end of 2021. The physical progress of Phase I and Phase II of the Integrated Road Development Programme reached 83 percent and 64 percent, respectively by end of 2021.

In addition, rehabilitation and improvement of Bibila to Chenkallady section of Badulla – Chenkallady road was completed last year. Further, construction works of Ruwanpura expressway phase I (Kahathuduwa to Ingiriya), new flyovers at Gatambe, Kohuwala, the railway line at Uththarananada Mawatha near Slave Island and Chiththampalam A Gardiner Mawatha to Baladaksha Mawatha were commenced during 2021. The inclusive Connectivity and Development Project to develop rural infrastructure inclusively was also commenced in 2021.

In 2021, the expenditure on road sector development was Rs. 213 billion compared to Rs. 230 billion in 2020.

Table 5.23 | Major Road Development Projects in 2021

Project Name	Rs. Million 2021 Actual Expenditure
<b>Expressways</b>	
Central Expressway	3,554
Extension of Southern Expressway	13,324
Outer Circular Expressway Phase III (Kadawatha – Kerawalapitiya)	1,066
Port Access Elevated Highway	4,554
Elevated Highway from New Kelani Bridge to Athurugiriya	767
Colombo – Rathnapura – Pelmadulla Expressway	319
<b>Sub Total</b>	<b>23,584</b>
<b>Highways Development</b>	
Integrated Road Investment Programme	48,408
Southern Road Connectivity Project	5,164
Widening and Improvement of roads and bridges in Central and Uva provinces	6,886
Priority Road Project (PRP 3) Phase I	2,527
Priority Road Project (PRP 3) Phase II	2,584
Rehabilitation of Peradeniya – Badulla Road from Badulla to Chenkalady	4,287
Marine Drive Extension up to Panadura	1,421
Colombo District Road Development Project	3,235
Development of an alternative Road Network to Access Main Roads and Expressways and to ease the Traffic Congestion	48,261
<b>Sub Total</b>	<b>122,773</b>
<b>Maintenance</b>	
Widening & Improvement of Roads and Maintenance of Roads	7,311
<b>Sub Total</b>	<b>7,311</b>
<b>Bridges &amp; Flyovers</b>	
Reconstruction of 25 Bridges on National Highways	1,568
Second New Kelani Bridge Project	10,195
Design and Construction of Flyovers in Kohuwala and Gatambe	2,995
Construction of Flyovers over the Railway Line at Uththarananda Mawatha and near the Slave Island Railway Station	2,259
<b>Sub Total</b>	<b>17,017</b>
<b>Total</b>	<b>170,685</b>

Source : Department of National Budget

### 5.8.3 Social Welfare and Social Security

Government expenditure on social welfare and social security amounted to Rs. 609.8 billion in 2021, a decline of 8.2 percent compared with Rs. 664.2 billion in 2020. This drop was mainly due to the fertilizer subsidy reduction emanating from shifting from inorganic to organic farming and the reduction of a cash grant of Rs. 5,000 per family to the most vulnerable and affected people by locked down from the pandemic. The controlling of outbreak of pandemic has helped save expenditure related to medical supplies in 2021.

The Government has spent Rs. 5.2 billion in 2021 for Poshana Malla programme to enhance the nutrition level of pregnant women by providing Rs. 20,000 per woman. Also, expenditure on health insurance cover provided for approximately 2.25 million school children doubled in 2021. In 2021, the Government extended support for the patients affected by the chronic kidney disease of Unknown (CKDU) with the expenditure of Rs. 2.3 billion and Rs. 9.8 billion has been spent on providing financial support for the elderly aged over 100 years and 70 years.

### 5.8.4. Agriculture

The Government incurred Rs. 72.2 billion in 2021 for the agriculture sector with an increase of 10 percent compared to 2020.

Table 5.24 | Expenditure on Agriculture Sector in 2021

Description	Rs. Million
	2021 <sup>(a)</sup> Expenditure
Food Crops	50,743
Plantation Industry	10,038
Livestock Development	4,058
Fisheries and Aquatic Resources	4,514
Land and Land Development	2,884
<b>Total</b>	<b>72,237</b>

Source : Department of National Budget

<sup>(a)</sup> Provisional

#### Food Crops

In 2021, the Government allocated Rs. 50.7 billion on food crops such as paddy, maize, potatoes, big onions, vegetables and fruits including expenditure on organic fertilizer subsidy amounting to Rs. 35 billion. In 2021, several projects and programmes continued

to boost agriculture production through improving agriculture extension, production of seeds and planting materials as well as research and development. Rs. 5 billion was spent for the implementation of the Agriculture Sector Modernization Project and Smallholder Agribusiness Partnership Programme to improve the productivity, commercialization, value addition and market access for selected crops. The Government contribution to the farmer insurance scheme was Rs. 1 billion which is expected to reduce the risk to farmers with crop damages due to natural disasters.

#### Plantation

In 2021, the Government has invested Rs. 10 billion on the cultivation of tea, rubber, coconut and other export crops through the provision of extension services and planting materials at a subsidized rate. In addition, the Government continued the promotion of the value addition of the plantation crops and provision of financial assistance for replanting and new planting activities.

In 2021, Rs. 361 million was incurred through the Department of Export Agriculture to facilitate the production and quality improvements of perennial export crops such as Cinnamon, Pepper, Cardamom, Clove, Nutmeg, Coffee, Cocoa, Vanilla, Betel, Citronella, Lemongrass, Ginger, Turmeric, and Areca-nuts.

#### Fisheries

The government expenditure for the fisheries industry in 2021 amounted to Rs. 4.5 billion, of which, Rs. 2.5 billion was spent for the rehabilitation and improvement of fishery harbours and anchorages to improve infrastructure facilities in the marine fisheries sector. Also, around Rs. 892 million was utilized in 2021 for the development of the inland fisheries sector, particularly through the implementation of projects on the cleaning of lagoons, fish breeding, and stocking of fish fingerlings in freshwater bodies.

#### Livestock

In 2021, Rs. 4 billion was incurred in the livestock sector including breeding farms, animal breeding through artificial insemination, disease control, production of vaccines, livestock research and training programmes.

### 5.8.5. Irrigation

The total government expenditure for the irrigation sector in 2021 amounted to Rs. 52.5 billion. In 2021, priority was placed on the rehabilitation of minor tanks, canals and improvement of existing medium and major irrigation schemes and establishment of new schemes. Rehabilitation of major, medium and minor irrigation schemes continued in 2021 and special focusing on the protection of the upper catchment area to ensure the water sources to down streams and desiltation of reservoirs. In 2021, several ongoing schemes such as Mahaweli Water Security Investment Programme, Uma Oya Diversion Project and Uma Oya downstream development, Kalugal Oya, and Yan Oya projects continued.

### 5.8.6. Housing and Common Amenities Housing Development

Housing spending by the Government was Rs. 15.6 billion in 2021. However, the sector adopted viable financing modalities, such as prepayments on middle-income housing and more middle-income housing projects to improve the financing from other sources. Rs. 3.7 million was spent on the provision of permanent housing for conflict-affected households in the Northern and Eastern Provinces in 2021. In addition, Rs. 722 million was spent on the resettlement process in the Provinces. The Estate Housing Programme with a cost of Rs. 265 million and the Lagging Area

Socio-Economic Development Project with a cost Rs. 263 million continued in 2021. "Obata Geyak – Ratata Hetak" housing program is being implemented to create productive citizens and happy families by enabling every family in Sri Lanka to live in a comfortable home. Out of 12,231 houses approved for the project in 2021, 4,078 have been completed. The "Mihindu Niwahana" housing programme is implemented as a sub programme of the "Obata Geyak – Ratata Hetak" housing programme. Accordingly, the National Housing Development Authority has so far selected 758 beneficiaries and out of this, 201 houses have been completed in 2021. Under Viru Sumithuru Housing Project which provides houses to the families of security personnel who died from the conflict, missing and disabled during the conflict, 673 houses were completed in 2021 at a cost of Rs. 210 million.

### Drinking Water and Sanitation

The total expenditure on the water sector was Rs. 54.2 billion in 2021 of which Rs. 0.6 billion was spent on recurrent expenditure, mainly for personal emoluments. Rs. 53.5 billion was on capital expenditure and devoted mainly to the development projects. In 2021, new water connections of 251,507 have been provided compared to 125,888 such connections in 2020.

Some Major water supply and sanitation projects implemented in 2021

Table 5.25 | Some Major Water Supply and Sanitation Projects Implemented in 2021

Project	Rs. Million
	2021 <sup>(a)</sup> Expenditure
Kandy North & Pathadumbara Integrated Water Supply Project ( GOSL/China)	10,721
"Water for all" All Island Water Supply Programme	7,624
Greater Colombo Water and Waste Water Mgt Improvement Investment Programme – Project 1,2,3 ( GOSL/ADB)	6,135
Water Supply and Sanitation Improvement Project ( GOSL/WB)	5,449
Jaffna Kilinochchi Water Supply and Sanitation Project (GOSL/ADB)	3,964
Greater Matale Water Supply Project ( GOSL/France)	3,250
Kandy City Waste Water Management Project ( GOSL/ JICA)	3,184
Ambathale Water Supply System Improvement & Energy Saving Project ( GOSL/France)	2,375
Dedura Oya Water Supply Project ( GOSL/Korea)	1,960
Anuradhapura North Water Supply Project Phase 1 (GOSL/JICA)	1,614
Anamaduwa Water Supply Project ( GOSL/ Spain/HNB)	1,493
Phase 2 Stage 1 of Rathmalana/Moratuwa Waste Water Disposal Project ( AFD)	1,426
" Praja Jala Abhiman" water Supply Scheme	876
Inter Provincial Projects Programme	199

Source : Department of National Budget

<sup>(a)</sup> Provisional

## Urban Development and Coast Conservation

Due to the constraints in mobility and other factors caused by the pandemic, expenditure on the urban development sector fell by 30 percent to Rs. 29.2 billion in 2021 from Rs. 41.7 billion in 2020. In 2021, recurrent expenditure was Rs. 1.4 billion while capital expenditure was Rs. 27.8 billion. At a cost of Rs. 1.4 billion, the Government also used resources for Ocean Cleanliness Programs and took appropriate steps to avoid sea erosion and ocean-related environmental pollution, as well as beach replenishment projects and coastal zone control mechanisms. Further, 528 Housing Units at Kalinga Mawatha were completed in 2021. The Metro Colombo Urban Development Project to improve the infrastructure aiming at preventing flooding in the Metro Colombo area continued.

### 5.8.7 Environment

Government has placed significant importance on the conservation and protection of the environment through proper waste management and conservation of forests and wildlife while addressing issues such as the human-elephant conflict and depletion of forest cover.

## Forest conservation

Government allocated, Rs. 1,650 million on forest conservation which included the activities such as the expansion of the forest coverage (Rs. 1,284 million), establishment and management of industrial plantations (Rs. 320 million), production of planting materials (Rs.20 million), conversion of Pine plantation to native broad leaf species (Rs. 11 million) and prevention of forest fire (Rs. 16 million). In addition, a sum of Rs. 100 million was spent to protect rivers under the "Surakimu Ganga" river protection program.

## Wildlife conservation

Under the wildlife conservation, priority was given to mitigating human-elephant conflict for which Rs. 278 million was spent in 2021. Further, a sum of Rs. 2.1 billion was allocated to construct electric fences while spending Rs. 133 million to habitat enrichment of wildlife. In addition, Rs. 30 million was allocated to improve the road network in National Parks to facilitate tourists.





# 06

## Cash Flow Management, Deficit Financing and Debt

## 6.1 Overview

In 2021, total cash inflows and outflows amounted to Rs. 1,389.8 billion and Rs. 3,431.1 billion. The overall deficit of Rs. 2,041.3 billion in economic classification was mainly financed by domestic sources. Total foreign debt was Rs. 6.8 billion or 45.7 percent of GDP in 2021. However, foreign exposure reduced to 40.0 percent of the total debt stock.

## Treasury Cash Flow Management

Treasury cash flow management aims to ensure the availability of adequate funds to operationalize government fiscal policy during the fiscal year through various implementing agencies efficiently and effectively. Treasury cash flow management process transforms the Annual Budget approved by the Parliament for a particular financial year into an implementable fund flow. The fund flows include cash inflows in the form of revenue and borrowings and the cash outflows in the form of expenditure including both recurrent and capital payments including debt service payments.

## 6.2 Government Treasury Cash Flow Operations – 2021

Reflecting the economic downturn in the face of Covid 19 Pandemic situation, total inflows to the Treasury cash flow in the form of revenue and other receipts amounted to Rs. 1,389.8 billion with the realization of 91.0 percent from the estimate of Rs. 1,525.4 billion. Meanwhile, the cash outflow for both recurrent and public investment in 2021 amounted to Rs. 3,431.1 billion as against the estimate of Rs. 4,003.4 billion representing 86.0 percent from the estimate.

The net cash deficit was mainly financed through the net borrowings which amounted to Rs. 1,673.9 billion in 2021. In addition, changes in deposits within the Treasury cash flow operations and the bank overdraft were also utilized to finance the deficit. The increase in the year-end negative bank balances up to Rs. 831.6 billion from the opening negative cash balance of 488.2 billion has reflected the utilization of bank overdraft to finance net cash deficit. The cash outflow for debt repayments in 2021 amounted to Rs. 1,315.5 billion as against the estimate of Rs. 1,350.4 billion.

Table 6.1 | Government Treasury Cash Flow Operations – 2021

Item	Rs. Billion			
	2019 Actual	2020 Actual	2021 Estimate Actual	
Opening Cash balance as at 1st January	-274.2	-274.3	-488.2	-488.2
<b>Total cash inflow from revenue and other receipts</b>	<b>1,936.1</b>	<b>1,323.8</b>	<b>1,525.4</b>	<b>1,389.8</b>
Tax Revenue	1,701.1	1,197.6	1,325.0	1,269.4
Non Tax Revenue	109.7	125.4	195.4	120.3
Grant Receipts	4.7	0.8	5.0	0.1
Utilization of Hambantota Proceeds	120.6	-	-	-
<b>Total cash outflow for recurrent payments</b>	<b>-2,221.9</b>	<b>-2,587.4</b>	<b>-2,841.7</b>	<b>-2,713.1</b>
Personal Emoluments	-779.1	-915.9	-973.7	-970.0
Pension payments	-227.2	-254.1	-273.0	-251.6
Samurdhi payments	-44.7	-52.5	-57.5	-55.4
Fertilizer Subsidy	-34.3	-36.2	-35.0	-21.1
Other Recurrent	-258.8	-372.1	-435.3	-363.8
Interest	-877.8	-956.6	-1,067.2	-1051.2
<b>Total cash outflow for capital payments</b>	<b>-556.5</b>	<b>-584.9</b>	<b>-1,161.7</b>	<b>-718.0</b>
Other Capital payments	-544.4	-580.3	-1,140.0	-706.2
Grant payments	-1.9	-1.2	-10.1	-2.3
Advance to Public Officers	-10.2	-3.4	-11.6	-9.5
Net cash surplus / (deficit)	-842.3	-1,848.5	-2478.0	-2041.3
<b>Utilization of gross borrowing</b>	<b>1,959.5</b>	<b>2,530.8</b>	<b>3,397.0</b>	<b>2,989.4</b>
<b>Debt repayment</b>	<b>-1,129.6</b>	<b>-968.8</b>	<b>-1,350.4</b>	<b>-1,315.5</b>
<b>Utilization of Net borrowing</b>	<b>829.9</b>	<b>1,562.0</b>	<b>2,046.6</b>	<b>1,673.9</b>
<b>Balance proceeds of ISB previous year</b>	<b>-</b>	<b>51.40</b>	<b>-</b>	<b>-</b>
Adjustment account balance (Temporary Employed Balance, net deposits, etc.)	12.3	21.2	-	24.0
<b>Closing Cash balance as at 31st December</b>	<b>-274.3</b>	<b>-488.2</b>	<b>-919.6</b>	<b>-831.6</b>

Source : Department of Treasury Operations

### 6.3 Government Borrowing Programme – 2021

Parliament approved the borrowing limit of Rs. 2,997 billion as specified in the Appropriation Act, No. 07 of 2020 and it was subsequently increased up to Rs. 3,397.0 billion for financing the resource gap in the Budget 2021. The Actual gross borrowing in 2021 was Rs. 3,376.0 billion of which Rs. 2,856.5 billion was from domestic sources and the rest of Rs. 519.5 billion, was from foreign sources.

### 6.4 Financing of the Budget

The overall budget deficit of Rs. 2,057.9 billion was financed mainly through domestic sources in 2021. Financing through domestic sources amounted to Rs. 2,071.8 billion or 12.3 percent of GDP in 2021, while net foreign financing accounted a repayment of Rs. 13.9 billion or 0.1 percent of GDP in 2021. The net domestic financing increased by 18.3 percent to Rs. 2,071.8 billion in 2021 from Rs. 1,750.9 billion in 2020 while the net repayment of foreign financing declined significantly by 83.3 percent to Rs. 13.9 billion in 2021 from Rs. 83.2 billion in 2020.

#### Foreign Financing Commitments

The Government has made arrangements to mobilize foreign financing of USD 2,471.4 million by entering into 26 agreements with foreign

development partners and lending agencies from 1st January to 31st December 2021, to support the public investment programme. This consists of USD 1,623.3 million in the form of loans obtained as Official Development Assistance (ODA), together with USD 39.3 million by way of ODA grants and technical assistance. Another USD 808.8 million was raised through term loan facilities extended by the China Development Bank.

The World Bank (WB) leads the ODA commitments during this period amounting to USD 983.3 million, followed by the Asian Development Bank (ADB) – USD 463. million, India – USD 100 million, Hungary – USD 61.7 million, and International Fund for Agricultural Development (IFAD) (USD 42).

The highest amount of commitment was made as a support to the Balance of Payments (BoP) which accounted for USD 808.8 million or 33 percent, followed mainly by sectors including road and bridges (USD 774.3 million or 31.3 percent) and health and social welfare (USD 440.9 million or 17.8 percent).

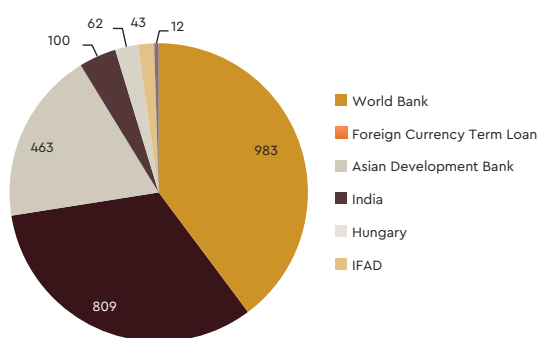
The overall commitment during 2021 was relatively low compared with recent years since the Government has embarked on new strategies to lessen the country's debt burden in the medium term by reducing foreign exposure to government financing.

Table 6.2 | ODA Commitment & Market Borrowings 2021, by Development Partner (USD million)

Creditor Category/ Creditor	Disbursements (USD million)*		
	Loan	Grant	Total
<b>Bilateral – ODA</b>	<b>161.7</b>	<b>12.0</b>	<b>173.7</b>
India	100.0	-	100.0
Hungary	61.7	-	61.7
Korea	-	12.0	12.0
<b>Multilateral – ODA</b>	<b>1461.5</b>	<b>27.3</b>	<b>1489</b>
Asian Development Bank	460.0	3.0	463.0
World Bank	959.8	23.3	983.3
IFAD	41.7	1.0	42.7
<b>Market Borrowing</b>	<b>808.8</b>	<b>-</b>	<b>808.8</b>
Foreign Currency Term Loan	808.8	-	808.8
<b>Total</b>	<b>2,432.1</b>	<b>39.3</b>	<b>2,471.4</b>

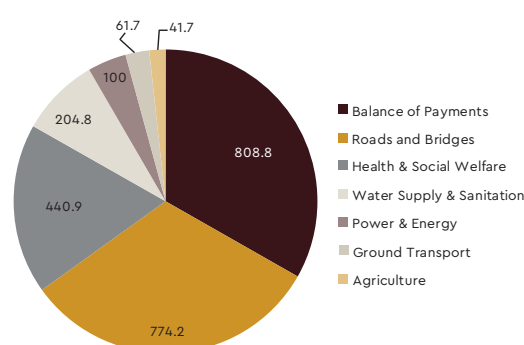
Source: Department of External Resources

Figure 6.1 | Commitments 2021 by Major Development partners (USD Million)



Source : Department of External Resources

Figure 6.2 | Commitments 2021 by Major Economic Sector (USD million)



Source : Department of External Resources

 Annex 6.1 | Foreign financing ODA commitments and market borrowing with forms from 1<sup>st</sup> January to 31<sup>st</sup> December 2021

Development Partner/ Lending Agency	Agreement Date	Project	Currency	Amount Committed (million)			Interest Rate per Annum			Commitment Fee (from the undisbursed balance)	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (Years)
				Original Amount Million	Rs. million	USD million	Interest Type	Rate	Margin (100 basis points)				
Hungary	2021.04.08	Construction of Flyovers at Kohuwela and Getambe	EUR	52	12,340	61	Free	N/A	N/A	N/A	N/A	9	26
India	2021.06.16	Dollar Credit Line for Implementation of Solar Power Project	USD	100	19,972	100	Fixed	1.75%	N/A	0.50%	Management fee USD 500,000	5	20
India	2021.11.30	Enhancement of National Traffic Database and Capacity Building Project	USD	4	808	4				Grant			
India	2021.12.03	Construction Courses in Technical Colleges and Colleges of Technology in Sri Lanka	USD	4	802	4				Grant			
India	2021.12.08	Forensic Drug Analysis in the Criminal Justice System in Sri Lanka	USD	4	806	4				Grant			
IFAD	2021.06.10	Smallholder Agribusiness Resilience Project (SARP)	USD	42	8,327	42	Fixed	1.75%	N/A	N/A	N/A	10	27
IFAD	2021.06.10	Smallholder Agribusiness and Resilience Project (SARP)	USD	1	200	1				Grant			
IFAD	2021.05.28	Second Integrated Road Investment Program – Tranche 3	USD	200	39,912	200	Variable	LIBOR 6 month	0.50%	0.15%	N/A	8	29
IFAD	2021.07.09	Responsive COVID-19 Vaccines for Recovery Project – Rapid Response Component	USD	84	16,792	84	Variable	LIBOR 6 month	0.50%	0.15%	N/A	3	10
IFAD	2021.07.09	Responsive COVID-19 Vaccines for Recovery Project – Project Investment Component	USD	66	13,193	66	Variable	LIBOR 6 month	0.50%	0.15%	N/A	8	29
ADB	2021.10.07	Health System Enhancement Project - Additional Financing	USD	110	22,004	110	Variable	LIBOR 6 month	0.50%	0.15%	N/A	8	29
ADB	2021.10.07	Health System Enhancement Project - Additional financing	USD	3	600	3				Grant			

Annex 6.1 | Foreign financing ODA commitments and market borrowing with forms from 1<sup>st</sup> January to 31<sup>st</sup> December 2021 Contd...

Development Partner/ Lending Agency	Agreement Date	Project	Currency	Amount Committed (million)			Interest Rate per Annum			Commitment Fee (from the undisbursed balance)	Other Payments	Grace Period (Years)	Maturity (Including Grace Period) (Years)
				Original Amount Million	Rs. million	USD million	Interest Type	Rate	Margin (100 basis points)				
CDB	2021.04.12	Term Loan Facility	USD	500	99,955	500	Variable	LIBOR 6 month	2.51%	N/A	Upfront fee USD 6,250,000	3	10
	2021.08.17	Term Loan Facility (RMB)	CNY	2,000	61,723	309	Variable	NIFCPB	0%	N/A	Upfront fee CNY 25,000,000	3	10
	2021.05.13	Second Addy. Financing for the COVID 19 Emergency response & Health Systems Preparedness Project	USD	54	10,773	54	Variable	LIBOR 6 month		0.25%	Up-front fee USD 135000	5	17
	2021.09.17	Climate Resilience Multiphase Programmatic Approach	USD	92	18,400.00	92	Variable	LIBOR 6 month		0.25%	Up-front fee USD 230,000	5	29
	2021.05.13	Second Addy. Financing for the COVID 19 Emergency response & Health Systems Preparedness Project	USD	54	10,773	54	Variable	LIBOR 6 month		0.25%	Up-front fee USD 135000	5	17
World Bank	2021.09.17	Climate Resilience Multiphase Programmatic Approach	USD	92	18,400	92	Variable	LIBOR 6 month		0.25%	Up-front fee USD 230,000	5	29
	2021.09.04	Additional Financing for Water Supply & Sanitation Improvement Project	USD	40	8,294	40	Variable	LIBOR 6 month		0.25%	Up-front fee USD 100,000	5	17
	2021.09.27	Third Addy. Financing for the COVID 19 Emergency Response & Health Systems Preparedness	USD	100	20,000	100	Variable	LIBOR 6 month		0.25%	Upfront fee USD 250,000	5	17
	2021.11.03	Inclusive Connectivity & Development Project	USD	500	101,279	500	Variable	LIBOR 6 month		0.25%	Upfront fee USD 1,250,000	10	27
World Bank	2021.04.22	Sri Lanka Integrated Watershed and Water Resources Management Project-Concessional Loan	XDR	31	8,852	46	Fixed	1.25%	N/A	0.25%	Service fee 0.75%	5	30
	2021.04.23	Sri Lanka Integrated Watershed and Water Resources Management Project-Non Concessional Loan	USD	27	5,126	27	Variable	LIBOR 6 month		0.25%	Upfront fee USD 66,750	5	30
	2021.05.13	Second Addy. Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project	XDR	19	5,362	27	Fixed	1.25%	N/A	0.25%	Service fee 0.75%	5	30
	2021.04.22	Kandy Multimodal Transport Terminal Development Project -Concessional	XDR	47	13,297	69	Fixed	1.25%	N/A	0.25%	N/A	4	29
	2021.04.22	Kandy Multimodal Transport Terminal Development Project - Non Concessional	USD	5	960	5	Variable	LIBOR 6 month		0.25%	Front-end fee USD 12,500	4	9
	2021.05.13	Additional Financing for Agriculture Sector Modernization Project	EUR	3	652	3					Grant		
	2021.01.28	Local Development Support Project Funded by European Union (IBRD/IDA)	USD	20	3,918	20					Grant		
<b>Total</b>					<b>494,346</b>	<b>2,471</b>							

Note: 1. LIBOR = London Interbank Offer Rate

2. EURIBOR = Euro Interbank Offer Rate

3. NIFCPB = National Interbank Funding Center Rate under Peoples Bank of China

4. The conversion rates used for the report were the exchange rates that prevailed at the date of signing of each agreement

5. N/A = Not Applicable

## Foreign Financing Disbursements and Utilization

Total foreign financing disbursements made during the period from 1st January to 31st December, 2021 amounted to USD 2,415.1 million, of which, USD 2,397.8 million was disbursed as loans while USD 17.3 million was disbursed by way of grants.

The majority of the disbursements were made on loan agreements signed with China, which is almost 33.5 percent, followed by ADB (25.5 percent) and WB (18 percent), respectively. Apart from the disbursements made for development projects and programs, the Government has obtained USD 809.1 million from China Development Bank (CDB) in 2021.

Table 6.4 | Disbursements of Foreign Loans and Grants from 1st January to 31st December 2021

Development Partner	Disbursements (USD million)*		
	Loan	Grant	Total
<b>Bilateral</b>	<b>504.7</b>	<b>0.1</b>	<b>504.8</b>
China	137.8	-	138.9
Japan	134.6	-	134.6
France	42.3	0.1	42.4
India	86.5	-	86.5
Netherlands	30.9	-	30.9
United Kingdom	7.2	-	7.5
Kuwait	14.9	-	14.9
Austria	11.7	-	11.7
Korea	10.6	-	10.6
Saudi Arabia	10	-	10.0
Spain	4.7	-	4.7
Germany	0.3	-	0.3
Hungary	13.2	-	13.2
<b>Multilateral</b>	<b>1083.8</b>	<b>17.2</b>	<b>1101</b>
World Bank	428.1	8.4	436.5
Asian Development Bank	610.2	4.6	614.8
United Nations Agencies		4.2	4.2
OPEC Fund	15.9	-	15.9
International Fund for Agriculture Development	7.5	-	7.5
Asian Infrastructure Investment Bank (AIIB)	21.8	-	21.8
<b>Market Borrowing</b>	<b>809.1</b>	<b>-</b>	<b>809.1</b>
China Development Bank	809.1	-	809.1
<b>Total</b>	<b>2,397.7</b>	<b>17.3</b>	<b>2,415.1</b>

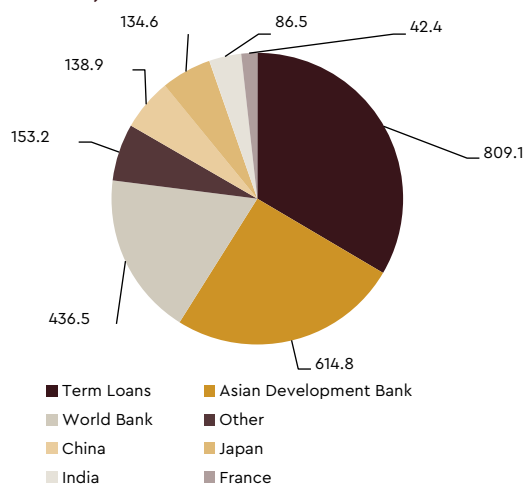
Source: Department of External Resources

Note: For conversion of disbursements made in different currencies into USD and Rupees, the exchange rates as at 31st December 2021 have been used  
\* Provisional

The majority of the disbursements were in lieu of the BoP support accounting for almost 33.5 percent of the total disbursements, followed

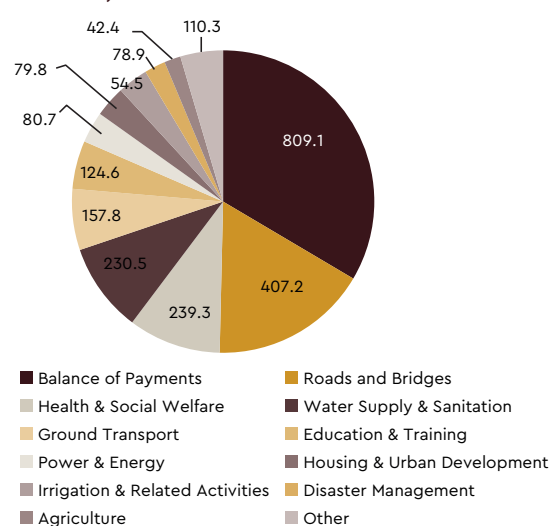
by the sectors covering roads and bridges at 16.8 percent, health and social welfare at 9.9 percent, and ground transport (6.5 percent).

Figure 6.3 | Disbursements 2021 – Lender wise (USD Million)



Source : Department of External Resources

Figure 6.4 | Disbursements 2021 – Sector wise (USD million)



Source : Department of External Resources

### Committed Undisbursed Balance (CUB)

As of 31st December 2021, the total undisbursed loan balance of foreign financing available from the already committed loans that are to be utilized in the next 3–5 years, is estimated as USD 7,947.2 million. The majority of the CUB remains with the recent projects funded by the ADB (23 percent or USD 1,838.7 million), followed mainly by WB (19 percent or USD 1,529.1 million) China (17.2 percent or USD 1,371.2 million) and Japan (15.6 percent or USD 1,240.1 million).

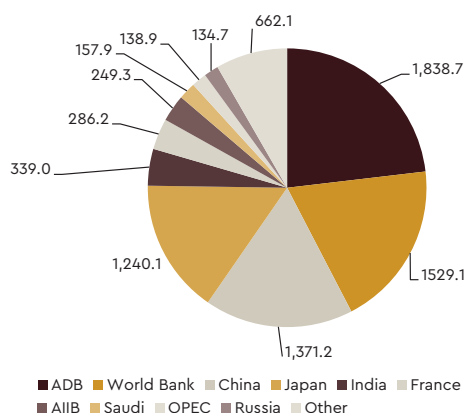
Nearly 24 percent of the foreign financing is expected to be disbursed during the next 2–5 years for the road and bridges sector while the considerable amount is to be disbursed mainly for the sectors such as water supply and sanitation and transport.

Table 6.4 | Committed Undisbursed Balance as at 31st December 2021

Economic sector	CUB ( USD Million)	%
Roads and Bridges	1,906.1	23.9
Water Supply & Sanitation	1,432.4	18.1
Ground Transport	985.1	12.4
Health & Social Welfare	632.7	7.9
Education & Training	537.5	6.7
Power & Energy	398.6	5.1
Irrigation & Related Act	392.2	4.9
Housing & Urban Develop.	313.1	3.9
Agriculture	218.2	2.7
Rural Development	133.3	1.7
Other	998.2	12.6
<b>Total</b>	<b>7,947.1</b>	<b>100.00</b>

Source : Department of Treasury Operations

Figure 6.5 | CUB -2021 by Major Development Partners ( USD Million)



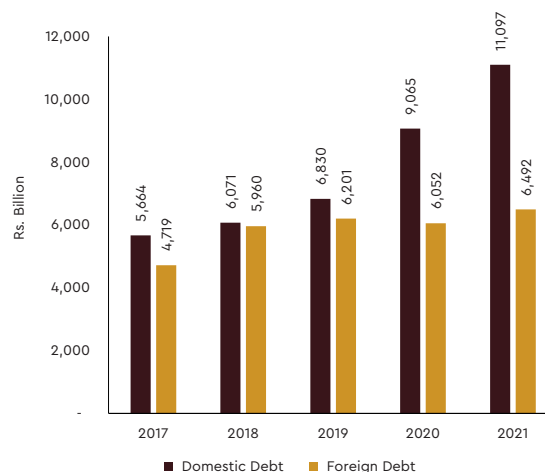
Source : Department of External Resources

### 6.5 Central Government Debt

The total outstanding central government debt, in nominal terms, increased to historic highs by 16.3 percent to Rs. 17,589.4 billion at the end of 2021 compared to Rs. 15,117 billion at the end of 2020. This was mainly due to the expansion of fiscal deficit emanating from the subdued performance of the fiscal operations of the Government that was accelerated by the impact of the pandemic. Also, increased market interest rates, the downgraded sovereign credit ratings and parity variation stemming from exchange rate depreciation led to increase in the debt stock in 2021. The total debt stock as a percentage of GDP increased by 4.0 percentage points to 104.6 at the end of 2021 from 100.6 percent recorded at the end of 2020.

Foreign debt as a percentage of GDP declined to 38.6 percent at the end of 2021 compared to 40.3 percent at the end of 2020 due to the limited global market access emanating both from domestic and external factors. To fill the gap in large finance due to the limited access to foreign finance, the Government relied more on domestic finance. As such, domestic debt as a percentage of GDP increased significantly by 5.7 percentage points to 66.0 percent in 2021 from 60.3 percent at end of 2020.

Figure 6.6 | Central Government debt



Sources: Department of External Resources & Central Bank of Sri Lanka.



Of the total debt, domestic debt increased by 22.4 percent to Rs. 11,097.2 billion at the end of 2021 from Rs. 9,065.1 billion at the end of 2020 while foreign debt increased by 7.3 percent to Rs. 6,492.1 billion at the end of 2021 from Rs. 6,052.2 billion at the end of 2020. The share of domestic debt in the total debt stock increased to 63.1 percent at the end of 2021 from 60.0 percent recorded at the end of 2020. In contrast, of the total debt stock, the share of foreign debt decreased to 36.9 percent at the end of 2021 from 40.0 percent at the end of 2020 due to the heavy reliance on domestic sources with the limited market access and the settlement of International Sovereign Bond (ISB) which matured in 2021.

Short term domestic debt stock significantly increased by 42.9 percent to Rs. 3,139.8 billion by the end of 2021 from Rs. 2,197.6 billion at the end of 2020 due to the enhanced reliance on short term financing. The share of short-term debt in total domestic debt stock increased to 28.3 percent by the end of 2021 from 24.2 percent reported at the end of 2020 mainly due to the increase in the Treasury Bills by 40.1 percent, to Rs. 2,270.5 billion at the end of 2021, compared to Rs. 1,620.7 billion recorded at the end of 2020. Furthermore, the share of Treasury Bills in total domestic debt stock increased to 20.5 percent at the end of 2021 from 17.9 percent at the end of 2020.

The medium and long term domestic debt stock increased by 15.9 percent to Rs. 7,957.4 billion by the end of 2021 from Rs. 6,867.5 billion recorded at the end of 2020. However, the share of medium and long term debt in the total domestic debt stock declined to 71.7 percent from 75.8 percent at the end of 2020 due to the increased dependency on short term instruments for deficit financing in 2021. The share of Treasury Bonds of the total outstanding domestic debt stock declined to 62.8 percent at the end of 2021 from 63.0 percent at the end of 2020.

The banking sector debt increased by 15.5 percent to Rs. 5,467.1 billion at the end of 2021 from Rs. 4,731.7 billion in 2020 due to the increased debt to commercial banks and the Central Bank. Meanwhile, nonbank sector debt also increased by 30 percent to Rs. 5,630.1 billion at the end of 2021 compared to Rs. 4,333.4 billion at the end of 2020. Of the total

domestic debt, the share of the banking sector debt declined to 49.3 percent by the end of 2021 from 52.2 percent at the end of 2020 whereas the share of the non-banking sector debt increased to 50.7 percent by the end of 2021 from 47.8 percent by the end 2020.

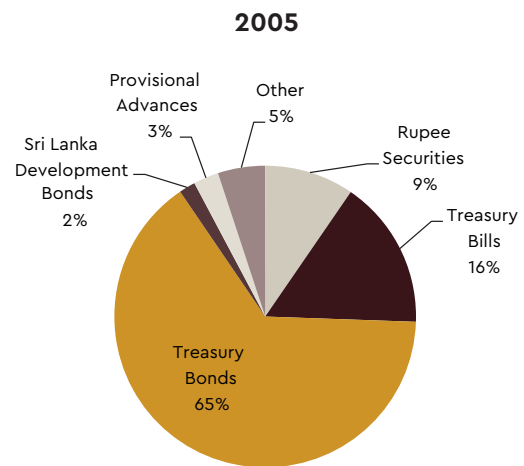
### 6.5.1 Domestic Debt

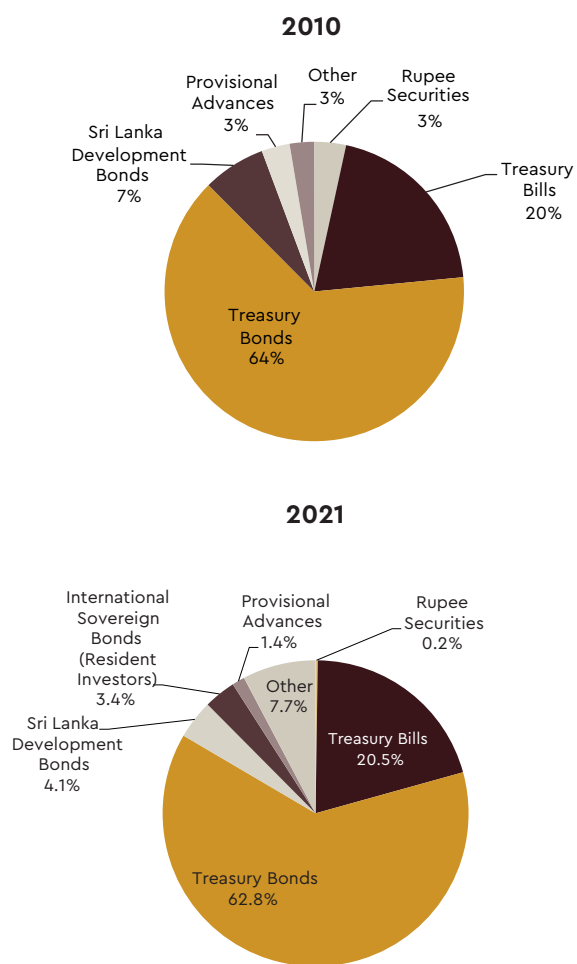
The outstanding domestic debt excluding the rupee denominated Treasury Bills and Bonds issued to non-residents, increased by 22.4 percent to Rs. 11,097.2 billion at end of 2021 from Rs.9,065.1 billion at end of 2020.

### Composition by Type

As at end 2021, Treasury Bonds, Treasury Bills and Sri Lanka Development Bonds (SLDBs) stood at 62.8 percent, 20.5 percent and 4.1 percent, respectively of the outstanding domestic debt. The stock of Treasury Bonds increased by 21.9 percent to Rs.6,966.2 billion in 2021 while the stock of Treasury Bills increased by 40.1 percent to Rs. 2,270.5 billion, compared to 2020. The outstanding stocks of SLDBs declined by 6.5 percent in 2021. The share of provisional advances obtained from the CBSL declined to 1.4 percent in 2021 from 1.7 percent in 2020.

Figure 6.7 | Composition of Domestic Debt by Type





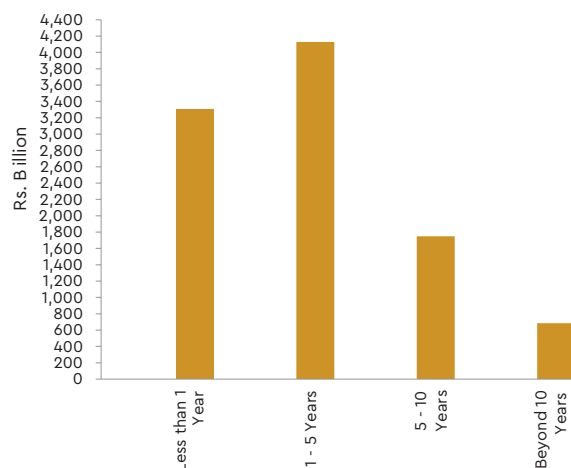
Sources: Central Bank of Sri Lanka & Department of Treasury Operations

## Composition by Maturity Profile

The share of domestic debt matured within a one year of total outstanding domestic debt represented 28.3 percent while the balance of 71.7 percent represented the maturities beyond 2021. The total medium to long-term debt portfolio included 87.5 percent of Treasury Bonds and the remaining 12.5 percent consisted of 5.7 percent of SLDBs, 0.3 percent

of Rupee Loans, and 4.7 percent of ISBs held by the residents and 1.8 percent of other borrowings.

Figure 6.8 | Domestic Debt Maturity Profile



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

## Composition by the Ownership of Domestic Debt

The ownership of government domestic debt in the banking and non-banking sectors increased by 15.5 percent and by 29.9 percent respectively at end 2021. Out of the total outstanding domestic debt, the share of the banking sector declined to 49.3 in 2021 whereas the share of non-banking sector increased to 50.7 at the end of 2021, compared to 2020. However, the domestic debt owned by the Central Bank increased by 78.5 percent due to the significant increase in Treasury Bill holdings while the commercial banks' holdings also increased by 1.2 percent in 2021 particularly due to the increase in Treasury Bonds holdings as against the previous year. Further, Treasury Bill holdings by commercial banks declined to 26.2 percent in 2021.

Table 6.5 | Central Government Domestic Debt

Item	Rs. Million									
	2013	2014	2015	2016	2017	2018	2019 (a) (b)	2020 (a) (b)	2021 (a) (b)	
<b>Total Domestic Debt</b>	<b>3,928,788</b>	<b>4,373,746</b>	<b>5,055,159</b>	<b>5,433,073</b>	<b>5,664,215</b>	<b>6,071,001</b>	<b>6,830,260</b>	<b>9,065,068</b>	<b>11,097,223</b>	
<b>By Debt Instrument</b>										
Rupee Loans	55,518	55,518	24,088	24,088	24,088	24,088	24,088	24,088	24,088	
Treasury Bills (d)	700,137	694,767	658,240	779,581	697,154	746,887	873,943	1,620,705	2,270,508	
Treasury Bonds (e)	2,548,323	2,940,017	3,401,211	3,806,353	3,892,408	4,197,323	4,606,232	5,713,300	6,966,218	
Sri Lanka Development Bonds	369,215	391,083	668,458	572,199	637,886	614,219	559,284	486,870	455,203	
International Sovereign Bonds	-	-	-	-	-	-	202,099	415,756	372,612	

Table 6.5 | Central Government Domestic Debt Contd..

	Rs. Million								
Item	2013	2014	2015	2016	2017	2018	2019 <sup>(a) (b)</sup>	2020 <sup>(a) (b)</sup>	2021 <sup>(a) (b)</sup>
Provisional Advances	109,167	143,898	151,132	83,307	199,801	198,633	236,609	153,079	150,129
Other	146,429	148,463	152,031	167,546	212,879	289,851	328,006	651,269	858,466
<b>By Maturity</b>									
Short term	909,156	941,162	913,291	968,396	1,031,181	1,134,553	1,270,374	2,197,594	3,139,794
Treasury Bills <sup>(d)</sup>	700,137	694,767	658,240	779,581	697,154	746,887	873,943	1,620,705	2,270,508
Provisional Advances	109,167	143,898	151,132	83,307	199,801	198,633	236,609	153,079	150,129
Other	99,852	102,498	103,920	105,508	134,227	189,034	159,822	423,810	719,157
Medium and Long – Term	3,019,632	3,432,584	4,141,868	4,464,677	4,633,033	4,936,447	5,559,887	6,867,473	7,957,430
Treasury Bonds <sup>(e)</sup>	2,548,323	2,940,017	3,401,211	3,806,353	3,892,408	4,197,323	4,606,232	5,713,300	6,966,218
Rupee Loans	55,518	55,518	24,088	24,088	24,088	24,088	24,088	24,088	24,088
Sri Lanka Development Bonds	369,215	391,083	668,458	572,199	637,886	614,219	559,284	486,870	455,203
International Sovereign Bonds	-	-	-	-	-	-	202,099	415,756	372,612
Other	46,577	45,966	48,111	62,038	78,652	100,817	168,184	227,459	139,309
<b>By Marketability</b>									
Marketable	3,617,675	4,025,867	4,727,909	5,158,132	5,227,447	5,558,429	6,039,459	7,820,875	9,691,929
Treasury Bills <sup>(d)</sup>	700,137	694,767	658,240	779,581	697,154	746,887	873,943	1,620,705	2,270,508
Treasury Bonds <sup>(e)</sup>	2,548,323	2,940,017	3,401,211	3,806,353	3,892,408	4,197,323	4,606,232	5,713,300	6,966,218
Sri Lanka Development Bonds	369,215	391,083	668,458	572,199	637,886	614,219	559,284	486,870	455,203
Non – Marketable	311,114	347,879	327,251	274,941	436,768	512,572	790,802	1,244,192	1,405,295
<b>By Ownership <sup>(f)</sup></b>									
<b>Banks</b>	1,524,832	1,756,380	2,007,961	2,181,014	2,361,254	2,321,802	2,887,739	4,731,652	5,467,126
Central Bank	112,396	267,677	256,050	414,950	209,412	244,128	310,910	876,817	1,565,494
Treasury Bills	3,053	123,496	104,754	331,389	9,908	45,797	25,873	654,611	1,391,281
Treasury Bonds <sup>(g)</sup>	-	-	-	-	-	-	48,872	70,574	25,471
Other	109,343	144,180	151,296	83,560	199,504	198,331	236,165	151,632	148,742
Commercial Banks									
<b>By Instrument</b>	1,412,436	1,488,703	1,751,911	1,766,064	2,151,843	2,077,674	2,576,829	3,854,835	3,901,632
Rupee Loans	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870
Treasury Bills	443,951	278,296	340,664	244,139	463,198	489,199	684,680	813,040	600,149
Treasury Bonds	477,457	681,565	601,538	815,950	858,574	698,378	821,908	1,513,286	1,646,838
Sri Lanka Development Bonds	369,215	391,083	668,458	554,303	615,477	584,081	523,831	444,173	406,317
International Sovereign Bonds	-	-	-	-	-	-	202,099	415,756	372,612
Other	105,943	121,890	125,382	135,802	198,723	290,145	328,442	652,710	859,845
<b>By Institution</b>	1,412,436	1,488,703	1,751,911	1,766,064	2,151,843	2,077,674	2,576,829	3,854,835	3,901,632
State Banks	435,111	527,641	507,164	506,647	744,055	835,052	1,078,970	1,535,216	1,658,454
Other	977,325	961,062	1,244,747	1,259,417	1,407,788	1,242,622	1,497,859	2,319,619	2,243,178
Non Bank Sector									
By Instrument	2,403,956	2,617,366	3,047,199	3,252,059	3,302,961	3,749,199	3,942,521	4,333,416	5,630,097
Rupee Loans <sup>(h)</sup>	39,648	39,648	8,218	8,218	8,218	8,218	8,218	8,218	8,218
Treasury Bills	253,133	292,975	212,822	204,052	224,048	211,891	163,390	153,053	279,078
Treasury Bonds	2,070,866	2,258,452	2,799,673	2,990,403	3,033,833	3,498,945	3,735,452	4,129,440	5,293,908
Sri Lanka Development Bonds	-	-	-	17,895	22,409	30,137	35,453	42,697	48,886
Other	40,310	26,292	26,485	31,491	14,453	7	7	7	7
By Institution	2,403,956	2,617,366	3,047,199	3,252,059	3,302,961	3,749,199	3,942,521	4,333,416	5,630,097
National Savings Bank	358,243	379,877	428,236	426,771	447,792	494,976	593,965	710,999	795,869
Savings Institutions & Individuals	350,562	450,571	604,246	600,984	486,181	600,755	405,690	401,785	1,257,103

Table 6.5 | Central Government Domestic Debt Contd..

	Rs. Million								
Item	2013	2014	2015	2016	2017	2018	2019 <sup>(a) (b)</sup>	2020 <sup>(a) (b)</sup>	2021 <sup>(a) (b)</sup>
Employees' Provident Fund	1,393,458	1,474,244	1,612,461	1,778,276	1,930,141	2,147,176	2,390,177	2,612,216	2,903,950
Insurance Institutions	30,849	30,536	50,597	57,944	72,305	67,506	55,309	54,070	69,571
Finance Companies	27,839	59,667	55,599	68,097	64,791	64,756	73,169	75,468	92,380
Other	243,006	222,470	296,060	319,986	301,752	374,029	424,210	478,877	511,225

Sources : Central Bank of Sri Lanka

<sup>(a)</sup> As per the guidelines of compiling government debt statistics in the Manual of Government Finance Statistics published by the IMF in 2014, non resident holdings of outstanding SLDBs have been classified under foreign debt and resident holdings of outstanding ISBs of the Sri Lankan Government have been classified under domestic debt.

<sup>(b)</sup> Revised

<sup>(c)</sup> Provisional

<sup>(d)</sup> Excludes Treasury bills held by non resident investors

<sup>(e)</sup> Excludes Treasury bonds held by non resident investors and includes Government Treasury bonds of Rs. 13,123 million issued to capitalise SriLankan Airlines in March 2013 (matured on 01 June 2018) and Rs. 78,441 million issued for CPC in January 2012 of which Rs. 21,778 million matured on 01 January 2017 and the current outstanding is Rs. 56,662 million

<sup>(f)</sup> The composition of domestic debt held by the banking and non banking sectors was revised from 2016 due to the adjustment for holdings of SLDBs by businesses and individuals.

<sup>(g)</sup> The CBSL introduced outright purchase of Treasury bonds auctions under Open Market Operations w.e.f. 06 September 2019.

<sup>(h)</sup> Includes sinking fund

## 6.5.2 Outstanding Central Government Foreign Debt

At the end of 2021, the total outstanding external debt of the Central Government amounted to USD 34.2<sup>1</sup> billion. Of which, 9.5 percent is to be matured in 5 years, 14.5 percent is to be matured in 6–9 years and almost 76 percent of the outstanding debt to be matured after ten years.

## 6.6 Debt Service payments

In nominal terms, the total debt service payments increased by 22.4 percent to Rs. 2,375.6 billion in 2021 compared to Rs. 1,941.4 billion in 2020. This was due to an increase in debt repayments by 38.1 percent to Rs. 1,327.2 billion in 2021 from Rs. 961.1 billion in 2020 combined with the interest payment by 6.9 percent to Rs. 1,048.4 billion in 2021 from Rs. 980.3 billion in 2020. Total domestic debt service payments which accounted for 66.9 percent of total debt service payments notably increased by 36.0 percent to Rs. 1,590.1 billion in 2021 whereas total foreign debt service payments marginally increased by 1.8 percent to Rs. 785.5 billion in 2021.

Total domestic repayments increased significantly by 74.5 percent to Rs. 795.5 billion in 2021 from Rs. 455.9 billion in 2020 mainly due to the increase in maturing of Treasury Bonds and SLDBs. Foreign debt repayment increased

by 5.3 percent to Rs. 531.7 billion in 2021 from Rs. 505.2 billion in 2020. This was mainly due to the repayment of Rs. 199.9 billion worth of ISB which matured in July 2021 and repayment of Rs. 330.6 billion Foreign Currency Term Financing Facility (FCTFF) in 2021.

Interest payments on domestic debt increased notably by 11.4 percent to Rs. 794.6 billion in 2021 from Rs. 713.6 billion in 2020 due to the increased domestic borrowings owing to limited receivables of foreign financing and the rise in domestic interest rates particularly in the second half of 2021. In contrast, interest payments on foreign debt declined by 4.8 percent to Rs. 253.8 billion in 2021 from Rs. 266.7 billion in 2020 due to the decline in interest payments on ISBs, FCTFF and project loans.

As a percentage of government revenue, total debt service payments increased to 163.0 percent in 2021 from 141.9 percent in 2020. Both debt repayment and interest payment as a percentage of government revenue increased to 91.1 percent and 72 percent, respectively in 2021. Total debt service payments as a percentage of GDP increased to 14.1 percent in 2021 from 12.9 percent in 2020. Debt repayment to GDP ratio increased to 7.9 percent in 2021 from 6.4 percent in 2020. In contrast, interest payments as a percentage of GDP declined to 6.2 percent in 2021 from 6.5 percent in 2020.

<sup>1</sup> Non-residential holdings of Treasury Bills/Bonds and outstanding debt of State Owned Enterprises (SOEs) are not included.

### 6.6.1 Domestic Debt Service Payments

Domestic debt service payments increased by 36.0 percent to Rs. 1,590.1 billion in 2021 reflecting the increase in amortization payments on the domestic debt by 74.5 percent to Rs. 795.5 billion and the increase in interest payments on the domestic debt by 11.4 percent to Rs. 794.6 billion in 2021, compared to Rs. 713.6 billion in 2020.

Domestic debt service payments as a percentage of GDP increased to 9.5 percent in 2021 from 7.8 percent in 2020. Domestic debt service payments recorded 109.1 percent of Government revenue in 2021, compared to 85.5 percent in 2020.

Table 6.6 | Domestic Debt Service Payments

Year	Principal payments	Interest payments	Total
2010	389,672	297,127	686,799
2011	439,894	288,134	728,028
2012	415,441	317,659	733,100
2013	496,042	354,706	850,748
2014	449,554	327,934	777,488
2015	523,824	394,289	918,113
2016	572,442	484,182	1,056,624
2017	642,875	570,623	1,213,498
2018	921,881	639,482	1,561,363
2019	546,315	652,795	1,199,110
2020	455,899	713,623	1,169,522
2021	795,498	794,633	1,590,131

Source : Central Bank of Sri Lanka

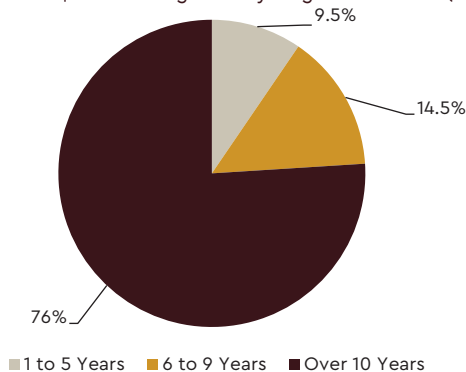
Table 6.7 | Debt Service Forecast for 2022-2027<sup>(1)</sup> Period

Type	Actual 2021	Forecast					
		2022	2023	2024	2025	2026	2027
Principal	2,581.7	3,201.6	3,086.0	3,454.9	4,235.1	3,057.8	3,352.7
Interest	1,280.8	1,233.0	1,155.4	1,061.2	970.6	820.2	671.4
<b>Total</b>	<b>3,862.5</b>	<b>4,434.7</b>	<b>4,241.4</b>	<b>4,516.1</b>	<b>5,205.7</b>	<b>3,878.1</b>	<b>4,024.1</b>

Source : Department of External Resources

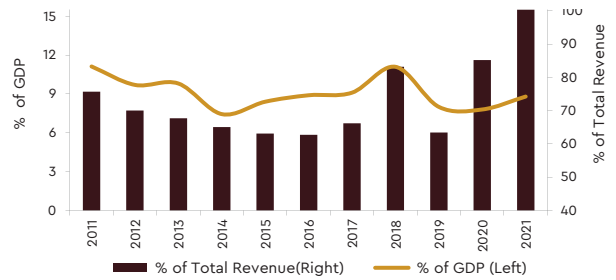
<sup>(1)</sup> USD estimations are based on the average of the exchange rates as at 31st December 2021, Forecast was made based on existing portfolio only, (i.e. debt stock to be accumulated due to new commitments are not included)

Figure 6.10 | Outstanding Debt by Original Maturities (USD Million)



Source : Department of External Resources

Figure 6.9 | Domestic Debt Service Payments as a % of GDP and Total Government Revenue: 2011- 2021



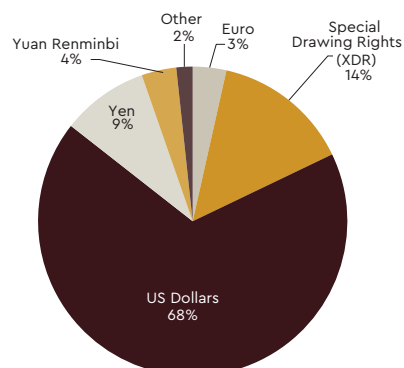
Sources: Central Bank of Sri Lanka and Department of Treasury Operations

### 6.6.2 Foreign Debt Service Payments

Total debt service payments from 1st January to 31st December 2021 amounted to USD 3,862.5 million of which, USD 2,581.7 million was in lieu of principal repayments and the balance USD 1,290.8 million for the payment of interest.

The majority of the outstanding debt was in US dollars accounting for almost 68 percent, followed by the special drawing rights (SDR) at 14 percent, Japanese Yen at 9 percent and Chinese Yuan Renminbi at 4 percent.

Figure 6.11 | Composition of Outstanding Debt by Currency



Source : Department of External Resources

## Annex 6.2 | ODA Disbursements with Financial Terms January- December 2021

Development Partner/ Lending Agency	Project	Currency	Amount Disbursed (million)			Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period)
			In loan currency	Rupees	USD	Interest Type	Rate	Margin			
Agency Francaise De Development (France)	Implementation of Ambatale Water Supply System Improvement and Energy Saving Project	USD	8.4	1693.0	8.4	Variable	LIBOR – 6 Month	1.76%	Commitment Fee 0.5%, Appraisal Fee EUR 110,000	25	20
	Construction of Four Grid Substations Maliboda, Nawalapitiya, Wewalwatta and Ragala	EUR	0.0	11.0	0.1	Variable	EURIBOR – 6 Month	1.31%	Commitment Fee 0.5%, Appraisal Fee EUR 150,000	6	20
	Green Power Development & Energy Efficiency Improvement Investment Program	EUR	8.0	1936.3	9.7	Variable	EURIBOR – 6 Month	1.31%	Commitment Fee 0.5%, Appraisal Fee EUR 110,000	6	20
	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase I	EUR	0.1	26.1	0.1	Variable	EURIBOR – 6 Month	1.31%	Commitment Fee 0.5%, Appraisal Fee EUR 380,000	7	25
	Implementation of Anuradhapura Integrated Urban Development Project	EUR	1.7	406.7	2.0	Variable	EURIBOR – 6 Month	1.25%	Commitment Fee 0.5%, Appraisal Fee EUR 260,000	7	27
	Rathmalana Moratuwa Waste Water Disposal Project Stage 1 Phase II	EUR	6.3	1426.6	7.1	Variable	EURIBOR – 6 Month	1%	Commitment Fee 0.5%, Appraisal Fee EUR 375,000	7	25
	Development of Mini Diary Cooperatives with French Soft Loan	EUR	0.7	155.5	0.8	Fixed	0.0016	NA	NA	9	33
Asian Infrastructure Investment Bank	Reduction of Landslide Vulnerable by Mitigation Measures Projects	USD	2.8	565.7	2.8	Variable	LIBOR – 6 Month	1.30%	Front End Fee USD 200,000, Commitment Fee 0.25%	6	27
	Support to Colombo Urban Regeneration Projects	USD	18.9	3739.7	19.0	Variable	LIBOR – 6 Month	1.40%	Front End Fee USD 500,000, Commitment Fee 0.25%	8	28
Government of India	Dollar Credit Line 318 M of railway Sector	USD	80.7	16175.8	80.7	Fixed	1.75%		Management Fee USD1,590,000, Commitment Fee 0.50%	7	22
	Restoration of Northern Railway Services	USD	1.7	351.3	1.8	Variable	LIBOR – 6 Month	0.50%	Management Fee 0.5%, Commitment Fee 0.50%	6	24
	India Dollar Credit Line Agreement	USD	3.3	672.6	3.4	Variable	LIBOR – 6 Month	0.50%	Management Fee 0.5%, Commitment Fee 0.50%	6	19
	Dollar Credit Line on KKS Harbor	USD	0.7	142.3	0.7	Fixed	1.75%	N/A	Commitment fee 0.5%, Management fee USD 226,350.00	5	35
Government of Japan	Kandy City Wastewater Management Project	JPY	1746.5	3126.2	15.8	Fixed	Tranche 1- 0.65% Tranche 2- 0.01%	N/A	Commitment Fee 0.10%	10	40
	Habarana-Veyangoda Transmission Line Project	JPY	1066.7	1951.8	9.7	Fixed	Tranche 1-0.3% Tranche 2- 0.01%	N/A	Commitment Fee 0.10%	10	40
	Anuradhapura North Water Supply Project (Phase i)	JPY	884.1	1607.4	8.0	Fixed	Tranche 1-1.4% Tranche 2- 0.01%	N/A	Commitment Fee 0.10%	8	25
	New Bridge Construction Project over the Kelani River	JPY	5563.9	10066.0	50.5	Fixed	Tranche 1-0.1% Tranche 2- 0.01%	N/A	-	10	40
	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPY	3773.0	6799.4	33.9	Fixed	0.30%	N/A	Front End Fee Yen 49,860	10	40
	Anuradhapura North Water Supply Project (Phase 2)	JPY	1.6	3.0	0.0	Fixed	1.40%	N/A	Front End Fee Yen 46,274	7	25
	Rural Infrastructure Development Project in Emerging Regions	JPY	1385.6	2542.7	12.8	Fixed	Tranche 1- 1.4% Tranche 2- 0.01%	N/A	Front End Fee Yen 25,914.00	7	25
	Kalu Ganga Water Supply Expansion Project (I)	JPY	201.7	365.1	1.8	Fixed	Tranche 1- 1.4% Tranche 2- 0.01%	N/A	Front End Fee Yen 63,620.00	7	25
	Health and Medical Service Improvement Project	JPY	72.5	130.9	0.7	Fixed	Tranche 1- 0.1% Tranche 2- 0.01%	N/A	Front End Fee Yen 21,278.00	12	40
	Establishment of Light Rail Transit Project System in Colombo	JPY	141.6	264.1	1.4	Fixed	Tranche 1- 0.1% Tranche 2- 0.01%	N/A	Front End Fee Yen 60,080.00	12	40



## Annex 6.2 | ODA Disbursements with Financial Terms January- December 2021

Development Partner/ Lending Agency	Project	Currency	Amount Disbursed (million)			Annual Interest Rate				Grace Period (Years)	Maturity (Including Grace Period)
			In loan currency	Rupees	USD	Interest Type	Rate	Margin	Other Payments		
Kuwait Fund for Arab Economic Development	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	KWD	0.0	54.2	0.3	Fixed	0.50%	N/A	Service Fee 0.5%	7	27
	Reconstruction of 25 Bridges Project	KWD	2.1	1369.9	7.0	Fixed	2.00%	N/A	Service Fee 0.5%	7	27
	Building Complex for The Faculty of Healthcare Sciences, Eastern University, Sri Lanka Project	KWD	2.1	1352.1	6.8	Fixed	1.50%	N/A	-	7	27
	Kalu Ganga Development Project (Supplementary)	KWD	0.1	114.2	0.6	Fixed	1.50%	N/A	Service Fee 0.5%	3	23
Government of Korea	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project in Sri Lanka	KRW	2578.2	454.2	2.3	Fixed	0.08%	N/A	N/A	11	40
	Ruwanwella Water Supply Project	KRW	1005.8	174.2	0.9	Fixed	0.15%	N/A	N/A	10	40
Government of Germany	Construction of the Mahamodara Maternity Hospital, Galle	EUR	0.2	59.7	0.3	Fixed	2.20%	N/A	Commitment fee 0.25%	2	13
Government of Spain	Implementation of Anamaduwa Integrated Water Supply Project	EUR	4.0	941.2	4.7	Fixed	0.15%	N/A	14,750.94, Commitment Fee 0.10%	5	40
Saudi Fund for Arab Economic Development	Road Network Development Project-(Saudi Fund)	SAR	3.8	201.4	1.0	Fixed	2%	N/A	-	5	20
	Improvement of Peradeneiya – Badulla – Chenkaladi Road Project	SAR	27.4	1425.6	7.2	Fixed	2%	N/A	-	5	25
	Wayamba University Township Development Project	SAR	0.2	15.1	0.1	Fixed	2%	N/A	-	5	25
	Kalu -Ganga Development Project - Additional Finance	SAR	5.9	310.5	1.6	Fixed	2%	N/A	-	5	25
	Construction of Faculty of Medicine Project at the Sabaragamuwa University	SAR	0.5	30.1	0.2	Fixed	2%	N/A	-	5	25
	Implementation of Greater Matale Water Supply Project (Syndicated loan with Natixis, BNP Paribas and Unicredit Bank Austria)	EUR	12.1	2821.8	14.1	Variable	EURIBOR -6 Month	1.70%	Commitment Fee 0.75%, Management Fee EUR 618,640.17	3	15
Calyon Credit Agricole CIB (France)	Development of General Hospital Kaluthara	EUR	1.1	269.3	1.3	Variable	EURIBOR -6 Month	1.50%	-	4	13
	Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District.	EUR	1.8	434.2	2.2	Variable	EURIBOR -3 Month up to 30/01/2019 & EURIBOR -6 Month up to 03/01/2031	1.45%	-	3	13
	Reconstruction of Rural Bridges (EUR 44.3)	EUR	4.6	1088.6	5.4	Variable	EURIBOR -6	-	Management Fee EUR 221,507,070 Commitment Fee 0.25%	2	12
Co-op Centrale Raiffeisen-Boerenleen bank (Netherlands)	Construction of Rural Bridges with Financial Assistance from Netherlands	EUR	10.7	2546.3	12.7	Variable	EURIBOR -6	1.45	0.25%, Arrangement fee EUR 104493.2	5	15
Hungary	Reconstruction of Rural Bridges USD 50.9 Mn (UKEF)	USD	7.2	1425.7	7.2	Variable	LIBOR -6 Month for USD	1.50%	Other Payments USD 254,590.24, Commitment Fee 0.25%	3	12
	Construction of Flyovers at Kohuwela and Getambe	EUR	11.1	2636.2	13.2	Fixed	N/A	N/A	N/A	8	26
HSBC (With Guarantee of EKF Denmark)	Establishment of Dairy Processing Plant at Badalgama-	EUR	0.2	57.7	0.3	Variable	LIBOR -6 Month for USD	T1-1.9%, T2-5%	Tranche 1 -Structuring Fee USD 99,759, Tranche 2- Structuring Fee USD 285,759, Upfront Fee USD 2,234,919, T2- Commitment Fee 0.5%	3	13
HSBC Limited (Hong Kong)	Upgrading Health Facilities in Selected Hospitals of Sri Lanka	USD	11.8	2375.3	11.9	Variable	LIBOR -6 Month for USD	1.85%	Other Fee USD 361,250 Commitment fee 0.5%	3	15



## Annex 6.2 | ODA Disbursements with Financial Terms January- December 2021

Development Partner/ Lending Agency	Project	Amount Disbursed (million)			Annual Interest Rate			Margin	Other Payments	Grace Period (Years)	Maturity (Including Grace Period)
		Currency	In loan currency	Rupees	USD	Interest Type	Rate				
Raiffeisen Bank (Austria)	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	EUR	0.1	45.7	0.2	Interest Free	Management Fee 0.45%, Handling Fee EUR 1,440, Guarantee Fee of EUR 59,375 (onetime payment), - Guarantee margin 1%, Commitment Fee 0.45%	8	20	3	15
ING Bank N.V	Strengthening of the Health Delivery Service in the Northern Province under Financial Assistance of the Netherlands (DRIVE)	EUR	7.9	1795.1	9.0	Variable	EURIBOR -06	1%	Other Payment EUR 1,040,760 .93, Management Fee EUR 225,000.00, Commitment Fee 0.36%	4	14
	Construction of Extension of Southern Expressway, Section 2 from Beliatta to Wetiya Project	USD	35.9	7023.9	36.0	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
	Kandy North Pathadumbara integrated Water Supply	CNY	346.7	10721.4	53.8	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
The EXIM Bank of China	Widening and Improvement of 64.31 km of Roads and reconstruction of 13 Bridges	USD	34.1	6788.8	34.1	Variable	LIBOR -6 Month for USD	2.9	Management Fee 0.5%, Insurance premium 1.6% Commitment Fee 0.25%	3	17
	Consultancy Services for Design Review and Construction Supervision of Civil works on Extension of Southern Expressway Project	CNY	14.1	430.2	2.2	Fixed	2%	N/A	Management Fee 0.5%, Commitment Fee 0.25%	6	20
Uni Credit Bank Austria AG	Implementation of Kirama-Katuwana Integrated Water Supply Scheme	EUR	2.1	478.9	2.5	Interest Free	Management Fee EUR 47,185, Handling Fee EUR 1,440, Upfront Fee EUR 58,981, OeKB Guarantee Charge EUR 1,159,098.05, Commitment Fee 0.4%	6	18	4	14
	Supply of Firefighting Vehicles/ Equipment for the Colombo Municipal Council	EUR	7.7	1851.3	9.3	Interest Free	Management Fee EUR 46,426.50, Legal Fee EUR 15,141.75, Upfront Fee EUR 45,136.88, OeKB Guarantee Charge EUR 1359,665.02, Commitment Fee 0.4%, Other Payment 1,440	8	22	4	14
Multilateral ODA	Strengthening of the Health Delivery Service in the Northern Province under Financial Assistance of the Netherlands (DRIVE)	EUR	7.9	1795.1	9.0	Variable	EURIBOR -06	1%	Other Payment EUR 1,040,760 .93, Management Fee EUR 225,000.00, Commitment Fee 0.36%	4	14
	Greater Colombo Wastewater Management Project (OCR)	USD	3.2	656.7	3.3	Variable	LIBOR -6 Month for USD	0.20%	Commitment Fee 0.15%	5	26
Asian Development Bank	Greater Colombo Wastewater Management Project (ADF)	SDR	0.2	73.9	0.4	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32
	Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	USD	0.7	159.2	0.8	Variable	LIBOR -6 Month for USD	0.30%	Commitment Fee 0.15%	6	25
	Jaffna & Kilinochchi Water Supply & Sanitation Project ADF	SDR	2.3	660.7	3.3	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32

## Annex 6.2 | ODA Disbursements with Financial Terms January- December 2021

Development Partner/ Lending Agency	Project	Currency	Amount Disbursed (million)			Annual Interest Rate				Grace Period (Years)	Maturity (Including Grace Period)	
			In loan currency	Rupees	USD	Interest Type	Rate	Margin	Other Payments			
Asian Development Bank	Northern Road Connectivity Project – Add. Financing	SDR	0.0	-3.3	0.0	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	-	8	32	
	Northern Road Connectivity Project – Add. Financing	USD	0.0	-3.9	0.0	Variable	LIBOR -6 Month for USD	0.40%	Commitment Fee 0.15%	5	26	
	Grater Colombo Water Wastewater Management Improvement Project 1	USD	1.5	292.9	1.5	Variable	LIBOR -6 Month for USD	0.40%	Commitment Fee 0.15%	5	25	
	Southern Road Connectivity Project	USD	8.3	1663.8	8.4	Variable	LIBOR -6 Month for USD	0.40%	Commitment Fee 0.15%	5	25	
	Southern Road Connectivity Project	USD	8.3	1663.8	8.4	Variable	LIBOR -6 Month for USD	0.40%	Commitment Fee 0.15%	5	25	
	Greater Colombo Water & Wastewater Management Project-2.	USD	14.7	2988.4	14.8	Variable	LIBOR -6 Month for USD	0.40%	Commitment Fee 0.15%	5	25	
	Green Power Development & Energy Efficiency Improvement Project	SDR	0.6	176.3	0.9	Fixed	2.00%	N/A	-	5	25	
	Green Power development & Energy Efficiency Improvement Project	USD	5.9	1197.5	6.0	Variable	LIBOR -6 Month for USD	N/A	Commitment Fee 0.15%	5	20	
	Integrated Road Investment Program	SDR	7.2	2053.3	10.3	Fixed	2%	N/A	-	5	25	
	Mahaweli Water Security Investment Program – Tranche 1	SDR	7.4	2121.4	10.6	Fixed	2%	N/A	-	5	25	
	Mahaweli Water Security Investment Program – Tranche 1	USD	7.1	1427.0	7.2	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	5	26	
	Integrated Road Investment Program – Tranche 3	USD	5.7	1152.2	5.8	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	5	25	
	Grater Colombo Water and Wastewater Management improvement Investment programme – Project 3	SDR	0.4	114.6	0.6	Fixed	2%	N/A	-	4	24	
	Grater Colombo Water and Wastewater Management Improvement Investment Programme – Project 3 (OCR)	USD	22.2	4511.2	22.3	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	5	25	
	Technical Assistance Loan Agreement – ( Transport Project Preparatory Facility)	SDR	1.3	391.6	2.0	Fixed	2%	N/A	-	5	25	
	Local Government Enhancement Sector Project – Additional Financing	USD	10.7	2130.5	10.7	Fixed	2%	N/A	-	5	25	
	Asian Development Bank	Second Integrated Road Investment Programme Tranche 1	USD	0.0	2.9	0.0	Fixed	2%	N/A	-	5	25
		Second Integrated Road Investment Program- Tranche I	USD	0.0	1.1	0.0	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	7	30
		Jaffna Kilinochchi Water Supply Project – Additional Financing	USD	7.1	1402.0	7.0	Fixed	2%	N/A	-	6	25
		Jaffna Kilinochchi Water Supply Project – Additional Financing	USD	7.1	1402.0	7.0	Fixed	2%	N/A	-	6	25
Integrated Road Investment Program – Tranche 4		USD	33.6	6756.3	33.7	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	8	30	
Mahaweli Water Security Investment Program – Tranche 2		USD	42.4	8541.4	42.5	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	5	20	
Mahaweli Water Security Investment Program – Tranche 2		USD	7.6	1515.9	7.6	Fixed	2.00%	N/A	-	5	25	
Skills Sector Enhancement Program – Additional Financing	USD	13.8	2770.6	13.8	Fixed	2.00%	N/A	-	5	25		

## Annex 6.2 | ODA Disbursements with Financial Terms January- December 2021

Development Partner/ Lending Agency	Project	Amount Disbursed (million)			Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period)		
		Currency	In loan currency	Rupees	USD	Interest Type	Rate				Margin	
Asian Development Bank	Skills Sector Enhancement Program – Additional Financing	USD	9.2	1847.0	9.2	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	5	20	
	Rooftop Solar Power Generation Project	USD	20.3	4050.5	20.3	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	7	29	
	Health System Enhancement Project	USD	6.7	1340.6	6.7	Fixed	2.00%	N/A	-	5	25	
	Technical Assistance Loan Agreement (Urban Project Preparatory Facility)	USD	0.8	159.0	0.8	Fixed	2.00%	N/A	-	5	25	
	South Asia Sub regional Economic Cooperation Port Access Elevated Highway Project (SSADSEC)	USD	23.2	4654.4	23.1	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	8	28	
	Science and Technology Human Resource Development Project	USD	20.3	4058.2	20.4	Fixed	2.00%	N/A	-	5	25	
	Science and Technology Human Resource Development Project	USD	3.0	601.0	3.0	Variable	LIBOR -6 Month for USD	0.70%	Maturity premium USD166,040 and Commitment Fee 0.15%	8	29	
	Railway Efficiency Improvement Project	USD	13.3	2690.9	13.4	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	9	29	
	Second Integrated Road Investment Program - Tranche 2	USD	63.3	12427.4	63.3	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15%	8	29	
	Small and Medium-Sized Enterprises Line of Credit Project- Additional Financing	USD	20.5	4082.8	20.5	Variable	LIBOR -6 Month for USD	0.60%	Commitment Fee 0.15%	10	12	
	Secondary Education Sector Improvement Programme – Results -Based Lending	USD	52.2	10521.5	52.3	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.15% Maturity Premium USD 400,000	5	26	
	Second Integrated Road Investment Program – Tranche 3	USD	122.6	24895.3	122.6	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	8	30	
	Responsive COVID-19 Vaccines for Recovery Project – Rapid Response Component	USD	18.0	3600.0	18.0	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	3	10	
	Responsive COVID-19 Vaccines for Recovery Project – Project Investment Component	USD	0.0	5.4	0.0	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	8	28	
	Health System Enhancement Project – Additional Financing	USD	12.1	2427.9	12.1	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	8	28	
	Integrated Road Investment Program -Tranche 2 (OCR)	USD	0.5	111.3	0.6	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	4	25	
	Responsive COVID-19 Vaccines for Recovery Project – Project Investment Component	USD	0.0	5.4	0.0	Variable	LIBOR -6 Month for USD	0.50%	Commitment Fee 0.15%	8	28	
	Metro Colombo Urban Development Project [MCUDP]	USD	11.0	2187.1	11.0	Variable	LIBOR -6 Month for USD	0.70%	Commitment Fee 0.50%	5	24	
	World Bank (IDA/IBRD)	Primary Health Care System Strengthening Project	USD	41.8	8408.6	41.8	Variable	LIBOR -6 Month for USD		Commitment Fee 0.25%, Frontend Fee USD 500,000	5	25
	World Bank (IDA/IBRD)	COVID 19 Emergency Response & Health Systems Preparedness [ IBRD Funded ]	USD	11.3	2262.4	11.3	Variable	LIBOR -6 Month for USD		Commitment Fee 0.25%, Frontend Fee USD 87,500	5	25
	Accelerating Higher Education Expansion & Development Operation (AHEAD) programme	USD	11.5	2266.5	11.6	Interest Free	Commitment Fee 0.25%, Frontend Fee USD 167,500	10	24	8	28	
	Second Addi. Financing for the COVID 19 Emergency response & Health Systems Preparedness Project	USD	53.9	10877.7	54.0	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.250%, Front End Fee USD 135,000	5	18	
	Climate Resilience Multiphase Programmatic Approach	USD	0.2	46.6	0.2	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.250%, Front End Fee USD 230,000	5	30	
	Additional Financing for Water Supply & Sanitation Improvement Project	USD	0.1	20.0	0.1	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.250%, Front End Fee USD 100,000	5	17	
	Inclusive Connectivity & Development Project	USD	1.2	251.8	1.3	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.250%, Front End Fee USD 1,250,000	10	27	
World Bank (IDA/IBRD)	Sri Lanka Integrated Watershed and Water Resources Management Project-Concessional Loan	SDR	2.1	599.7	3.0	Fixed	2%	N/A	Commitment Fee 0.25%,	4	29	
	Second Addi. Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project-IDA	SDR	18.7	5318.4	26.6	Fixed	2%	N/A	Commitment Fee 0.5%,	5	29	

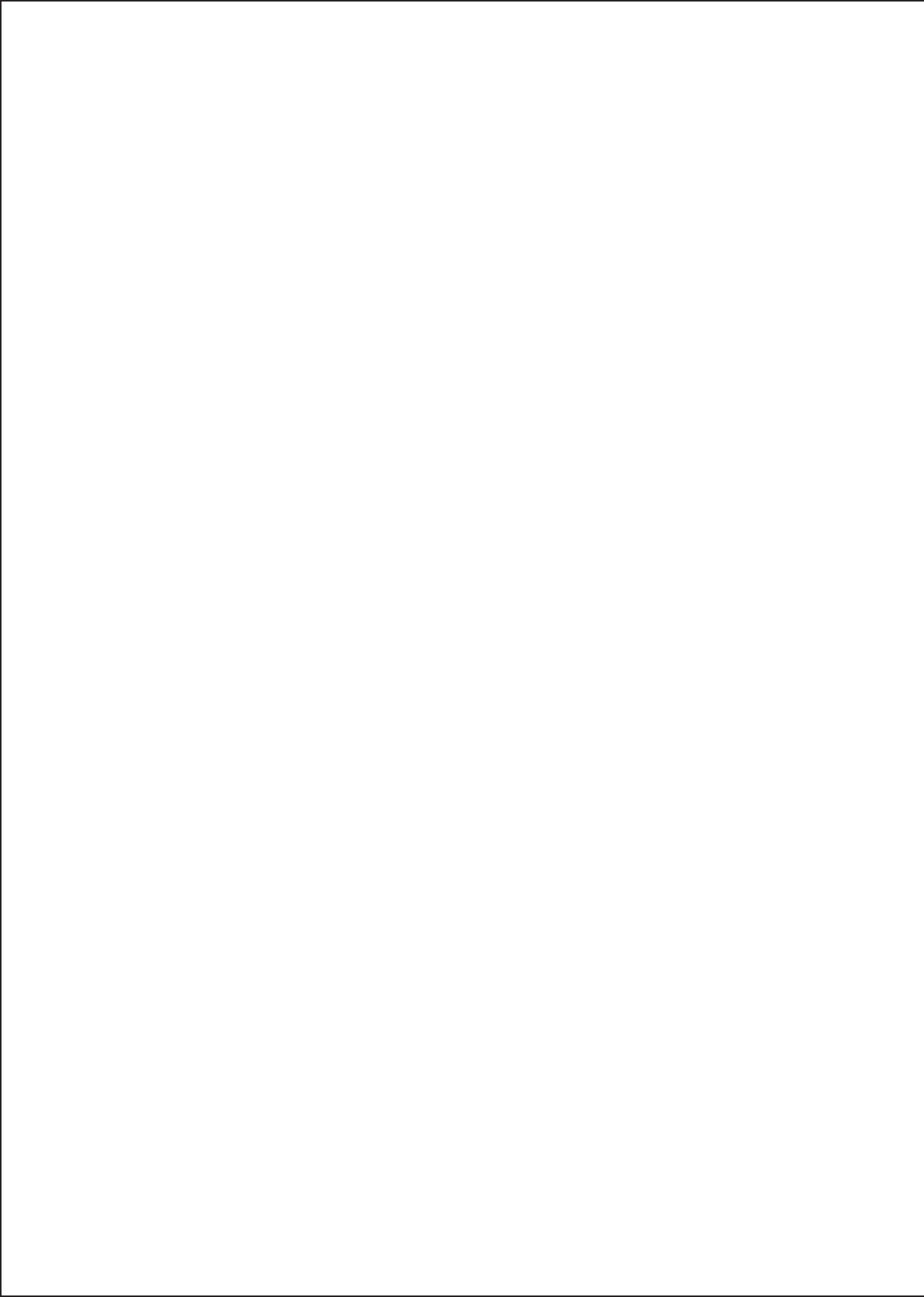
## Annex 6.2 | ODA Disbursements with Financial Terms January- December 2021

Development Partner/ Lending Agency	Project	Currency	Amount Disbursed (million)			Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period)
			In loan currency	Rupees	USD	Interest Type	Rate	Margin			
International Development Association of the World Bank	Climate Resilience Improvement Management- CRIP	SDR	4.8	1326.7	6.9	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%	5	24
	Strategic Cities Development Project	SDR	3.1	848.1	4.4	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Water Supply and Sanitation Improvement Project	SDR	18.8	5344.3	27.0	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Early Childhood Development Project	SDR	2.5	724.2	3.7	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Additional Financing for Strategic Cities Development Project	SDR	8.5	2417.6	12.1	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Additional Financing for Climate Resilience Improvement Project	SDR	1.9	540.4	2.7	Fixed	1.25%	N/A	Service Fee 0.5%	5	25
	Ecosystem Conservation and Management Project	SDR	7.8	1369.3	6.9	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Social Safety Nets Project	SDR	6.2	1737.4	8.9	Fixed	2.68%		Frontend Fee USD 134,250, Commitment Fee 0.25%	5	20
	Agriculture Sector Modernization Project	SDR	9.9	2820.3	14.1	Fixed	1.25%	N/A	Service Fee 0.75%	5	24
	Transport Connectivity and Asset Management Project	SDR	15.4	4369.8	22.1	Fixed	1.25%	N/A	Commitment Fee 0.5%	4	15
	General Education Modernization Project	USD	23.1	4617.3	23.1	Variable	LIBOR -6 Month for USD		Commitment Fee 0.25%	5	20
	Climate Smart Irrigated Agriculture Project	USD	23.1	4588.5	23.1	Variable	LIBOR -6 Month for USD		Frontend Fee USD 312,500, Commitment Fee 0.25%	12	25
	Local Development Support Project	USD	21.3	4267.2	21.4	Variable	LIBOR -6 Month for USD		Frontend Fee USD 175,000, Commitment Fee 0.25%	12	25
	COVID 19 Emergency Response & Health Systems Preparedness	USD	36.3	7262.4	36.3	Variable	LIBOR -6 Month for USD		Frontend Fee USD 234,000, Commitment Fee 0.25%	5	13
	International Fund for Agricultural Development	Addi. Financing for the COVID 19 Emergency Response & health systems	SDR	19.8	5561.8	28.4	Fixed	2.00%		Commitment Fee 0.5%	5
Addi. Financing for the COVID 19 Emergency Response & health systems		USD	25.3	5032.6	25.3	Variable	LIBOR -6 Month for USD		Frontend Fee USD 104,750, Commitment Fee 0.25%	5	30
Financial Sector Modernization Project		SDR	0.7	212.4	1.1	Fixed	3.36%	N/A	Frontend Fee 0.25%, Commitment Fee 0.25%	5	23
Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)		SDR	1.5	431.6	2.2	Fixed	2.00%	N/A	-	5	25
Implementation of Smallholder Agribusiness Partnership(SAP) Program Loan No 2000001843		USD	5.2	1062.8	5.3	Fixed	2.00%	N/A	-	5	25
Road Network Development Project (OPEC Fund)		USD	0.2	52.7	0.3	Fixed	3.10%	N/A	Service Fee 1%	5	20
Colombo National Highways Project		USD	3.3	656.8	3.3	Fixed	4.60%	N/A	-	5	20
Western Province Road Development Project		USD	1.1	215.8	1.1	Fixed	2.60%	N/A	Service Fee 1%	5	20
Kalu Ganga Development Project (Additional Loan)		USD	3.9	771.6	4.0	Fixed	2.50%	N/A	Service Fee 1%	5	20
Technological Education Development Programme		USD	0.7	151.2	0.8	Fixed	2.50%	N/A	Service Fee 1%	5	20
OPEC Fund for International Development	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	USD	6.5	1282.4	6.4	Fixed	2.50%	N/A	Service Fee 1%	5	20
	<b>Market Borrowing</b>										
China development Bank	Term Loan facility	USD	500.0	99955.0	500.0	Variable	LIBOR -6 Month for USD	2.5	Frontend Fee USD 6,250,000	3	10
	Term Loan facility 2021 ( RMB)	CNY	2000.0	64910.4	309.1	Variable	NIFCPB	N/A	Frontend Fee CNY 25,000,000	3	10
<b>Grand Total</b>				<b>482,114.22</b>	<b>2,397.78</b>						

## Annex 3 : Grant Disbursements 2021

Bilateral	Description	Disbursements (million)			
		Currency	Amount	Rupee	USD
<b>Bilateral</b>					
France	Implementation of Sanitation Hygiene Initiative for Towns Project – Phase I	EUR	0.10	23.16	0.12
<b>Multilateral</b>					
UNICEF	Country Programme Action Plan (CPAP) 2018–2022	USD	2.96	594.99	2.96
	Enhancing Biodiversity Conservation and Sustenance of Ecosystem Services in Environmentally Sensitive Areas	USD	0.08	15.14	0.08
UNDP	Strengthening the resilience of smallholder farmers in the Dry Zone to climate variability UaSndD extreme events to water management1	USD	1.16	230.58	1.16
	Climate Mitigation Action Support Project	USD	0.60	117.49	0.60
International Bank for Reconstruction & Development of the World Bank	Additional Financing for Agriculture Sector Modernization Project	EUR	2.59	597.85	2.99
	Local Development Support Project Funded by European Union (IBRD/IDA)	USD	4.82	965.82	4.82
	Supporting Electricity Supply Rehabilitation Improvement Project	USD	0.14	26.88	0.14
Asian Development bank	Supporting Electricity Supply Reliability Improvement Project	USD	0.02	4.45	0.23
	Skills Sector Enhancement Programme – Additional Financing	USD	0.04	8.47	0.04
	Health System Enhancement Project	USD	0.33	63.89	0.33
	Women Entrepreneurs Finance Initiative ("We-Fi")	USD	1.03	205.36	1.03
	COVID-19 Emergency Response Project	USD	2.99	572.95	2.99
	<b>Total</b>			<b>3,427.34</b>	<b>17.29</b>

Source: Department of External Resources



# **PART III**

Development Finances  
for Promoting the  
Economic Growth





**07**

Development  
Finance

## 7.1 Overview

Small and Medium-sized Enterprises (SMEs) play a vital role in the economy and their contribution to the economy is multifaceted: employment and income generation; poverty alleviation; output and export growth; and regional development, etc. Over one million SMEs account for approximately 75 percent of all private businesses and contribute nearly 45 percent of total employment in the country. Hence, the Government has placed priority on the development of the sector by providing required policy assistance and incentives, particularly assisted by various donor agencies during 2021.

SMEs have been made vulnerable and disproportionately impacted by the pandemic that erupted in 2020, due to the lack of dynamism. As such, the Government took immediate action to assist the SMEs overcoming their financial stresses while ensuring financial stability.

In addition, several tax relief and other financial assistance were provided to SMEs to overcome their financial stresses induced by the pandemic: any income tax arrears payable by any SME in relation to the year of assessment 2018/2019 was written off subject to the payment of tax on the return, non-issuance of additional assessments for the year

of assessment 2019/2020 for the SMEs and tax exemption for the importation of medical and pharmaceutical-related supplies and reduction of interest rates on credit card advances have been cushioned the distress of SMEs.

The Government has taken several policy measures to strengthen the SMEs sector while ensuring their sustainability. Accordingly, the implementation of the National Credit Guarantee Institution was about to complete in 2021 and it was considered to implement programmes for reorganize the leasing industry, promote green energy, and revise the Credit Information Bureau (CRIB) by loan repayment patterns and risk.

Various policy measures were taken to stabilize market prices for essential goods to respond to the high inflationary pressure exerted to the foods sector. The Maximum Retail Prices (MRPs), revision of the Special Commodity Levy (SCL), and other subsidy measures have been used. Also, provision of wheat flour subsidies to estate worker families, a special loan scheme for organic fertilizer, herbicides, and pesticide manufacturers to support organic fertilizer usage, the government paddy purchasing programme, government storage facilities for agricultural products, special interest scheme for senior citizens, pension schemes for farmers and fishermen continued in 2021.

### BOX 7.1 : Special Assistance provided to the Micro, Small and Medium-sized Enterprises (MSMEs) during the pandemic

- **Provision of debt moratoriums for MSMEs**
  - Extension of the moratorium period for loans obtained by the business and tourism sector up to 31 March 2022 and 30 June 2022, respectively.
- **Introduction of the new working capital loans schemes through Government funds and foreign funds with the assistance of the Asian Development Bank (ADB) and Asian Infrastructure Investment Bank (AIIB)**
  - Implementation of the "Saubhagya COVID-19 Renaissance Facility" in March 2020 at a concessionary rate of 4 percent. The Government has allocated Rs. 150 billion for this purpose.
  - Implementation of "Emergency Response Facility" with the financial support of USD 100 million of ADB in December, 2020 to provide working capital loans to COVID-19 affected MSMEs at 4 percent – 5 percent interest rates.
  - Implementation of "COVID-19 Crisis Response Facility" in collaboration with the AIIB to provide 5.5 percent interest rate working capital loans to COVID-19-affected MSMEs

## 7.2 Financial Assistance for MSMEs

### 7.2.1 Local Funded Loan Schemes

#### 'Thurunu Diriya' Loan Scheme

"Thurunu Diriya" Loan scheme was implemented in 2021 to support innovative and skilled young entrepreneurs who are keen to start new businesses but lack in finance to embark on a business. This loan scheme is being implemented through the Regional Development Bank and the loan is granted to start their businesses on the successful completion of National Vocational Qualifications (NVQ) Levels three (03) to seven (07). In 2021, Rs. 84 million worth of loan amount has been disbursed among 175 young entrepreneurs.

#### 'Kiri Shakthi' Loan Scheme

"Kiri Shakthi" loan scheme was introduced in 2021 to facilitate 1,000 numbers of small and medium scale dairy farmers to increase the domestic liquid milk production towards

self-sufficiency in milk. This loan scheme is being implemented by the Regional Development Bank and at the end of 2021, Rs. 400 million worth of loans has been granted to 739 farmers.

Table 7.1 | Local Financial Loan Schemes - Progress as at 31.12.2021

Loan Scheme	Registration		Loans Disbursed	
	No of Loans	Amount	No of Loans	Amount
Thurunu Diriya	353	169.3	175	84.2
Kiri Shakthi	739	400.4	739	400.4
<b>Total</b>	<b>1,092</b>	<b>569.7</b>	<b>914</b>	<b>484.6</b>

Source: Regional Development Bank

#### SME Financing Through the Commercial and Specialized Banks

In 2021, nearly Rs. 739,644 million worth of loans has been granted through state and private banks' loan schemes to fulfill the financial needs of the SMEs.

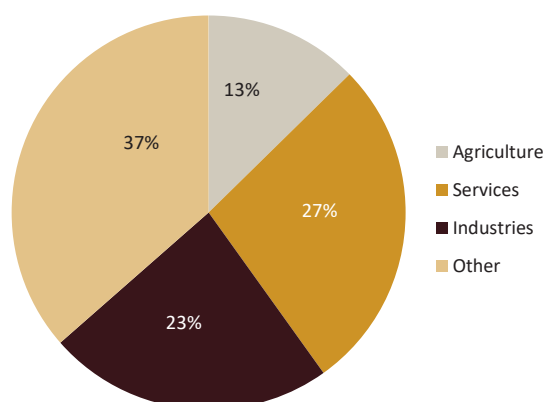
Table 7.2 | Funds Disbursed by Commercial and Specialized Banks to SMEs – 2021

Bank	Agriculture		Services		Industries		Other		Total	
	No of Loans	Total Loan Amount	No of Loans	Total Loan Amount	No of Loans	Total Loan Amount	No of Loans	Total Loan Amount	No of Loans	Total Loan Amount
Bank of Ceylon	1,552	33,297	309	2,730	425	5,362	4,873	24,808	7,159	66,197
People's Bank	327	868	807	1,938	345	5,481	2,521	12,383	4,000	20,670
RDB Bank	6,856	8,147	6,977	9,831	5,227	7,745	-	-	19,060	25,723
Sanasa Dev.Bank	2,474	1,597	3,139	1,383	3,522	3,389	99	92	9,234	6,461
HDFC Bank	-	-	1	10	-	-	-	-	1	10
SLS Bank	1	3	-	-	-	-	1	10	2	13
SMI Bank	19	52	17	60	27	58	-	-	63	170
NDB Bank	252	1,318	331	2,393	1,128	6,147	575	3,125	2,286	12,984
DFCC Bank	1,130	3,303	4,490	12,785	3,192	10,833	2,406	4,994	11,218	31,915
Commercial Bank	3,470	19,890	4,254	29,040	7,531	49,068	41,060	137,101	56,315	235,101
Sampath Bank	2,495	10,812	17,785	74,218	13,004	53,477	3,775	19,412	37,059	157,918
Seylan Bank	360	2,694	327	1,913	858	5,403	3,143	16,263	4,688	26,273
HNB	1,305	6,559	3,869	17,547	2,580	14,497	7,230	32,489	14,984	71,092
Nations Trust Bank	26	356	260	1,645	965	6,848	977	4,234	2,228	13,082
Standard Chartered Bank	6	534	18,028	26,938	16	173	266	1,022	18,316	28,667
Pan Asia Bank	23	458	42	836	54	994	49	1,199	168	3,487
Union Bank	60	518	180	4,405	96	864	1,399	10,803	1,735	16,591
Cargills Bank	131	674	113	934	346	1,201	285	1,775	875	4,584
Amana Bank	624	2,482	3,190	14,447	390	1,777	-	-	4,204	18,706
<b>Total</b>	<b>21,111</b>	<b>93,562</b>	<b>64,119</b>	<b>203,054</b>	<b>39,706</b>	<b>173,318</b>	<b>68,659</b>	<b>269,710</b>	<b>193,595</b>	<b>739,644</b>

Sources : Respective Banks

In 2021, the SME sector has been granted 193,595 numbers of loans by nineteen (19) state and private banks. Out of the total loan amount granted, around 13 percent was allocated to the agriculture sector and around 23 percent and 27 percent were allocated for the industry and services sectors, respectively. While the balance of 37 percent was allocated to other sectors of SMEs.

Figure 7.1 | Sector-wise SME loan disbursements



Sources : Respective Banks

## "Enterprise Sri Lanka" Interest Subsidy Loan Scheme

The "Enterprise Sri Lanka" programme was terminated from the first quarter of 2020 and thereafter no new loans were registered under the programme. However, the liability of interest subsidy payment of ongoing loans is to be borne by the Treasury until 2032. Accordingly, Rs. 3,619 million was paid as an interest subsidy for banks in 2021.

## 7.2.2 Donor Funded Loan Schemes

### Small and Medium-sized Enterprise Line of Credit (SMELoC)

Under the SMELoC scheme, there are three major components namely SME Credit Line attached with Women Entrepreneur Finance Initiative (We-Fi) grant, Emergency Response Component (ERC) to provide permanent working capital loans for COVID affected MSMEs and Tea Smallholder Credit Line attached with Japan Fund for Poverty Reduction (JFPR) grant for tea new planting and replanting.

Around Rs. 1,900 million has been distributed among 192 SMEs as investment loans in 2021 under the SME Credit Line, and Rs. 128 million has been distributed among 112 women entrepreneurs as We-Fi Grant by blending with the investment loans. In addition, around Rs. 11,300 million has been provided for 2,107 COVID affected MSMEs as working capital loans to re-energize their businesses in 2021. Through the SME Credit Line and the ERC facility, Rs. 3,460 million loans have been provided for the agriculture and agro-processing sector while, Rs. 5,365 million and Rs. 723 million worth of loans has been disbursed among SMEs in industry and animal husbandry including fisheries sectors. Moreover, Rs. 630 million worth of loans has been provided to re-energize the tourism sector and Rs. 2,561 million loans have catered for other service-oriented SMEs in 2021.

Table 7.3 | Progress of the SME Credit Line and Emergency Response Component as at 31.12.2021

Name of Participatory Financial Institution (PFI)	Amount Allocated	SME Credit Line			Emergency Response Component			
		Loan Disbursement		% Disbursed	Amount Allocated	Loan Disbursement		% Disbursed
		No. of Loans	Amount			No. of Loans	Amount	
Bank of Ceylon	333.7	20	67.6	20	1,934.3	220	999.7	52
People's Bank	333.7	6	27.7	8	1,936.1	181	755.2	39
Regional Development Bank	333.7	82	270.2	81	1,942.6	490	772.2	40
Nations Trust Bank	300.2	12	279.3	93	1,929.7	192	1,598.6	83
Commercial Bank	318.7	18	255.5	80	1,930.3	217	1,359.7	70
Hatton National Bank	333.7	17	270.5	81	1,930.4	227	1,535.2	80
Seylan Bank	333.7	10	112.3	34	1,930.3	233	1,716.3	89
DFCC Bank	333.7	13	283.6	85	1,942.8	115	926.4	48
Sampath Bank	333.7	3	59.0	18	1,941.1	115	863.3	45
National Development Bank	333.7	11	281.7	84	1,930.8	117	838.7	43
<b>Total</b>	<b>3,288.4</b>	<b>192</b>	<b>1,907.5</b>	<b>58</b>	<b>19,348.4</b>	<b>2,107</b>	<b>11,365.2</b>	<b>59</b>

Source: Department of Development Finance

Table 7.4 | Progress of the We-Fi Grant as at 31.12.2021

Name of PFI	Allocated Amount	No. of Loans	Granted Amount	Rs. Million	
				% Granted	
Bank of Ceylon	34.0	14	4.2	12	
People's Bank	20.0	4	3.8	19	
Regional Development Bank	34.0	48	28.6	84	
Nations Trust Bank	6.0	3	6.0	100	
Commercial Bank	30.0	14	25.6	86	
Hatton National Bank	16.0	9	13.1	82	
Seylan Bank	20.0	6	8.3	41	
DFCC Bank	20.0	7	17.3	87	
Sampath Bank	14.0	1	6.0	43	
National Development Bank	18.0	6	14.8	8	
<b>Total</b>	<b>211.7</b>	<b>112</b>	<b>127.6</b>	<b>60</b>	

Source: Department of Development Finance

Under the Tea Smallholder Credit Line, 330 loans worth Rs. 551 million has been granted to tea smallholders for tea new planting, replanting, infilling, irrigation, nursery development and

mechanization of which, 265 tea smallholders were provided with the JFPR grant for new planting and replanting.

Table 7.5 | Progress of the Tea Smallholder Loan Scheme as at 31.12.2021

Name of PFI	Allocated Amount	Disbursement of Loans			Allocated Amount	JFPR Grant		
		No. of Loans	Amount	% Disbursed		No. of Loans	Granted Amount	% Granted
Bank of Ceylon	79.7	67	78.1	98	6.2	57	5.5	88
People's Bank	79.7	14	30.5	38	3	7	1.1	38
Regional Development Bank	79.7	90	75.7	95	6.2	64	6.2	100
Nations Trust Bank	79.7	4	47.9	60	1	1	0.4	40
Commercial Bank	79.7	57	65.2	82	6.2	48	5.0	80
Hatton National Bank	79.7	27	64.6	81	6.2	24	5.0	80
Seylan Bank	79.7	7	14.7	18	6	6	0.7	13
DFCC Bank	79.7	40	70.9	89	5	37	4.0	81
Sampath Bank	79.7	12	65.3	82	4	10	3.4	86
National Development Bank	79.7	12	38.0	48	6.2	11	3.8	61
<b>Total</b>	<b>796.9</b>	<b>330</b>	<b>550.8</b>	<b>69</b>	<b>50</b>	<b>265</b>	<b>35.1</b>	<b>70</b>

Source: Department of Development Finance

### Rooftop Solar Power Generation Line of Credit (RSPGLoC)

The RSPGLoC project is implemented with the financial assistance of the ADB to shift from fossil fuel to renewable energy sources in order to manage energy sources at low cost with environment friendly resources. Initially, in 2018, ADB provided USD 50 million to supply 50 MW to the national grid by 2021 and agreed to top up the additional funds based on the performance of the current phase of the project.

As of the end of 2021, Rs. 9,415 million has been disbursed among 5,449 beneficiaries supplying 70 MW to the national grid through this project showing a 140 percent achievement of its physical performance target. Considering the emerging energy crisis and the demand that has been created for power generation through solar panels, additional financing has been requested from the ADB and it is expected to start the second phase of this project in mid of 2022.

Table 7.6 | Progress of the RSPGLoC as at 31.12.2021

Name of PFI	Allocated Amount	Loan Disbursement		% Disbursed
		No. of Loans	Amount	
Bank of Ceylon	1,187.3	877	1,187.3	100
People's Bank	1,457.3	830	1,457.3	100
Regional Development Bank	557.9	327	557.9	100
DFCC Bank PLC	553.1	254	553.1	100
Sampath Bank	1,309.6	712	1,309.6	100
Hatton National Bank PLC	1,680.2	893	1,680.2	100
Commercial Bank of Ceylon PLC	1,224.9	780	1,224.9	100
National Development Bank PLC	521.8	248	521.8	100
Seylan Bank PLC	621.3	362	621.3	100
Nations Trust Bank PLC	301.9	166	301.9	100
<b>Total</b>	<b>9,415.3</b>	<b>5,449</b>	<b>9,415.3</b>	<b>100</b>

Source: Department of Development Finance

### 7.2.3 Non-financial Support Programmes - Improving Institutional and Legislative Framework

#### National Credit Guarantee Institution (NCGI)

The Government expects to establish an NCGI as a sustainable solution to the access to finance bottleneck faced by SMEs, who hardly fulfil the collateral requirements. This institution will be established as a Public Limited Company under the Companies Act, No. 7 of 2007 with the equity contribution of the Government, banks and non-bank financial institutions in collaboration with the ADB. Twenty (20) Participatory Financial Institutions (PFIs) were selected as the investors of this institution in 2021. While the shareholder agreement was drafted, actions are being taken to expedite the establishment of NCGI in 2022.

#### GIZ – SME Development Programme

The GIZ –SME development programme was started in 2012 with the financial support of German International Cooperation (GIZ) in collaboration with government and non-government institutions. The programme was to provide financial and non-financial support to SMEs including technical assistance, market assistance and development of innovation and entrepreneurship skills to increase the capacity and the competitiveness of the SMEs. The 1<sup>st</sup> and 2<sup>nd</sup> Phases of this Programme were completed

successfully and Euro 5.2 million has been provided through GIZ grant in the 3<sup>rd</sup> phase for this Programme, which is to be completed in 2023. Total spending on the programme end of 2021 was Rs. 408 million of which Rs. 1 million was borne by the Government.

### 7.3 Support to Enhance the Productivity of the Agriculture Sector

#### 7.3.1. Fertilizer for Paddy

The fertilizer requirement of paddy cultivation for the Maha Season 2021/22 has been managed by the eco-friendly fertilizer. As a measure to implement organic fertilizer usage, the Government has taken initiative to enter into agreement with selected local eco-friendly fertilizer manufacturers to supply fertilizer worth Rs. 9,317 million, in the form of compost, liquid fertilizer and biofertilizer. In line with this initiative, Rs. 787 million was allocated to the Department of Development Finance to make the advance payment to the initially identified 17 new eco-friendly fertilizer producers to assist them in fulfilling the fertilizer requirements of the county. In addition, Potassium Chloride 30,000 mt. and 153,227 litres of Nano-nitrogen were imported to fulfil the potassium and nitrogen requirements of the paddy cultivation during Maha Season 2021/22.

Further, a decision was made to provide Rs. 12,500 per hectare upto a maximum of 2 hectares to farmers to produce fertilizer



required for their cultivation on their own. For this purpose, Rs. 5,800 million has already been released to the Department of Agrarian Development. To popularize the use of organic fertilizer, the Government has decided to provide compensation on harvest reduction to the paddy farmers who utilized green agricultural inputs in their cultivation. Also, Government has announced a minimum price of Rs. 90 per kg of paddy, purchased by the Paddy Marketing Board. However, the organic fertilizer policy has been amended by the GOSL in 2022.

### Fertilizer for Crops other than Paddy

Production-based incentive is proposed by the Government for other field crops, instead of the fertilizer subsidy programme. At the same time, the required fertilizer for other field crops could be purchased by the farmers in the open market at a competitive market price.

### Loan Scheme for Local Organic Fertilizer Manufacturers

As per the Cabinet Decision dated 27.04.2021, the General Treasury was directed to arrange financial support that was required to implement the proposals of the Cabinet Memorandum including the proposal of providing subsidies to the organic fertilizer producers and farmers who are adopting organic fertilizer. Accordingly, a special loan scheme for organic fertilizer, pesticides and herbicides manufacturers was introduced in collaboration with the Bank of Ceylon, People's Bank and Regional Development Bank.

The basic features of the loan scheme are as follows.

Table 7.7 | Special Loan Scheme for Organic Fertilizer, Herbicides and Pesticides Manufactures

Category	Annual Production Capacity	Maximum Loan Amount (Rs. Mn)	Loan Interest			Security
			Borrower	GoSL	Total	
Small - Semi-finished	Less than 1,000 MTs or 1 Mn liters of Semi-finished fertilizer	5	2%	6%	8%	Buy-back Guarantee
Small -finished	Less than 1,000 MTs or 1 Mn liters of finished fertilizer	20	2%	6%	8%	Buy-back Guarantee
Medium	1,000 MTs to 10,000 MTs or 1 Mn to 10 Mn liters	20 - 150	3%	5%	8%	Buy-back Guarantee + other relevant securities, if required.
Large	More than 10,000 MTs or 10 Mn liters	150 - 1,000	4%	4%	8%	Buy-back Guarantee & other suitable collateral

Source: Department of Development Finance

Accordingly, 22 loans amounting to Rs. 137.5 million have been granted by the above three banks to the qualified local organic fertilizer, pesticides and herbicides manufacturers.

### 7.3.2 Encouraging Plantation Sector

#### Assistance to Smallholder Planters

To increase the production of the main export crops by strengthening the capacity of the smallholder planters, Government provides subsidies covering new planting, re-planting, preparation for land, plant protection and other necessities for tea, rubber and coconut

smallholders. Accordingly, Rs. 2,337 million has been distributed among 220,503 tea, rubber and coconut smallholder planters of which Rs. 1,026 million has been provided for 15,845 tea planters in 2021. While Rs. 289 million and Rs. 452 million have been distributed among 64 rubber plantation companies and 6,632 rubber smallholders, respectively. 198,026 coconut growers benefited from this subsidy programme and the total subsidy amount paid was Rs. 859 million.

Table 7.8 | Performance of Smallholder Plantation Sector, 2018–2021

Year	Tea			Rubber			Coconut		
	Extent (Ha)	Total Production (Kg. Mn.)	Total Value of the Production (Rs. Mn.)	Extent (Ha)	Total Production (Kg Mn.)	Total Value of the Production (Rs. Mn.)	Extent (Ha)	Total Production (Nuts. Mn.)	Total Value of the Production (Rs. Mn.)
2018	122,448	228	194,113	137,100	83	22,179	443,538	2,623	118,517
2019	122,900	226	180,959	137,608	75	22,537	443,538	3,086	101,499
2020	157,910	212	169,865	137,834	78	25,815	453,742	2,792	170,228
2021	157,910	223	196,198	138,621	77	33,920	456,137	3,383	209,008

Sources: Ministry of Plantation and State Ministries of Plantation

### 7.3.3 Support to Livestock Developers

#### Dairy Sector

In 2021, the population of cattle and buffalo in the country were recorded as 1.1 million and 0.3 million, respectively. The annual milk production was 513 million litres in 2021. However, the annual domestic milk production of the country in 2021 was far below the total requirement of milk and the deficit was met by imports, mostly in the form of powdered milk. A total quantity of 83,024 mt. of both full cream and skimmed powdered milk was imported in 2021 by spending Rs. 59,157 million and it is almost 1.4 percent of the total import bill.

"Kiri Shakthi", a loan scheme was introduced in the budget 2021 to strengthen the dairy farmers who are facing financial difficulties in

expanding their dairy businesses and encourage interested entrepreneurs in dairy farming. In 2021, Rs. 400.4 million worth of loans among 739 dairy farmers have been distributed.

#### Poultry Sector

Although the country has reached self-sufficiency in poultry production, the main constraint faced by the poultry industry is the lack of domestic production of maize, which is the main ingredient of poultry feed. In the 2020/21 Maha Season, maize has been cultivated in an extent of 97,122 hectares and it was around 11,402 hectares in the 2021 Yala season. The yield in 2020/21 Maha and 2021 Yala Seasons were around 435,159 mt and 45,185 mt, respectively.

Table 7.9 | Maize Cultivation 2015 – 2021

Year	Maha		Yala		Total Production
	Extent (ha)	Production (Mt)	Extent (ha)	Production (Mt)	
2015	60,954	230,871	9,017	30,244	261,115
2016	57,094	207,075	10,536	36,885	243,960
2017	44,515	163,733	8,029	32,011	195,744
2018	63,926	242,935	6,969	27,106	270,041
2019	88,154	250,672	6,114	22,959	273,631
2020	66,486	267,767	11,763	45,754	313,521
2021	97,122	435,159	11,402	45,185	480,344

Sources: Department of Agriculture

Since the annual requirement of maize is around 600,000 mt., maize importation was facilitated each year to fulfil the increased demand arising from the poultry industry and other industrial purposes. Although the Government imposed restrictions on the importation of several crops including maize in 2020, permission has been

granted to import wheat grain instead of maize until the latter part of 2021 to meet the annual maize requirement for the poultry feed. Accordingly, around 120,000 mt. of wheat grain has been imported in 2021 as a supplementary for poultry feed manufacturing purposes. However, considering the reduction in maize

harvest for the upcoming season, 40,000 mt. of maize was allowed in October 2021 of which around 27,000 mt. of maize imported in 2021. At the same time, local maize farming was encouraged by the Government through the dedicated State Ministry formed for this purpose and other institutions and as a result, the maize production increased by more than 50 percent in 2021 compared to 2020.

### 7.3.4 Other Agriculture Supportive Scheme

#### Government Storage Facilities for Agricultural Products

There were 6 Farmer's Grain Preservation Centers (FGPCs) with services for drying, cleaning, and testing for quality of the grains and modern storage facilities located in different districts such as Anuradhapura, Moneragala, Mannar, Kilinochchi, Polonnaruwa and Ratnapura with a total storage capacity of

48,000 mt. The Government has introduced a state-of-the-art technology with an innovative mechanism to assist farmers in selected agricultural districts by providing them with quality storage facilities to store produce such as paddy, maize, soybean, sesame, black gram, pepper, peanut etc. during the harvesting period. The FGPCs are to facilitate farmers to use their productions as collateral to access finance through the electronic and negotiable warehouse receipt finance mechanism. The agreement period between the Government and Regional Development Bank of the Upuldeniya and Buttala FGPCs was expired and extended to another 03 years. In addition, the Cabinet of Ministers has decided to handover of Embilipitiya, Ratnapura Centre to Spices and allied Production Marketing Board with the request of the State Ministry of Development of Minor Crops including sugarcane, maize, cashew, pepper, cinnamon, cloves, betel related industries and export promotion for the optimum utilization of the centre.

Table 7.10 | Progress of Grain Preservation Centers – 2015 -2021

Name of the FGPCs	Time Period	Quantity Stored (Mt)	No. of Registered Farmers	Income Earned (benefits)			Expenditure	
				Incremental income of Farmers (Rs.Mn)	Government income (Rs.Mn)	Total (Rs.Mn)	Total (Rs.Mn)	
Galenbindunuwewa	2015-2021	2,997.3	935	55.8	6.3	62.1	44.0	
Buttala	2016-2021	1,532.9	888	24.0	7.3	31.4	51.1	
Nannatan	2017-2021	3,601.3	282	43.6	11.2	54.8	36.1	
Karachchi	2018-2021	2,908.9	617	46.2	17.6	64.0	36.6	
Medirigiriya	2018-2021	767.4	157	24.9	10.1	35.0	32.0	
Embilipitiya (a)	2018-2021	48.9	28	0.4	0.4	0.8	34.2	

Source: Department of Development Finance, Regional Development Bank

Note: (a) This was given to Spices and allied Production Marketing Board on 15th Oct.2021.

#### Compulsory Crop Insurance

The compulsory crop insurance scheme was introduced to provide extensive insurance coverage for crop damage of paddy and other commercial crops i.e., maize, soya beans, big onions, potatoes and chillies. The scheme covers the losses caused due to the droughts, floods and wild elephants up to the maximum land extent of 5 acres for paddy and 2.5 acres for other commercial crops while the insurance

coverage per acre is Rs. 40,000. During the 2020/21 Maha season, Rs. 1,252 million has been paid to 50,169 farmers as compensation for crop damages in cultivated land areas of 81,030 acres. Rs. 147 million has been distributed among 8,678 farmers as compensation for crop damages in cultivated land areas of 8,351 acres in the 2021 Yala season.

## 7.4 Social Security for Targeted Segments of the Society

### 7.4.1 Special Interest Scheme for Senior Citizens

This scheme was designed to provide a 15 percent special interest rate for senior citizens' fixed deposits to provide them with a stable and secure retirement life and the gap between 15 percent interest and the normal fixed deposit interest rate is borne by the Treasury.

This scheme has created a significant burden on the Treasury due to a hike in the gap between 15 percent interest rate and normal fixed deposit rates. Hence, the Government decided to convert part of the arrears interest subsidy payment into a long-term liability by issuing Treasury Bonds. Accordingly, the outstanding interest gap prevailed from the 3<sup>rd</sup> quarter of 2020 to the 1<sup>st</sup> quarter of 2021 was settled to banks in 2021 by issuing Treasury Bonds and paying cash amounting Rs. 31,322 million and Rs. 10 million, respectively. The total outstanding amount to be paid to banks during the 2<sup>nd</sup> to 4<sup>th</sup> quarters of 2021 is Rs. 50,965 million.

Table 7.11 | Settlement of Interest Subsidy for Senior Citizens' Fixed Deposits, 2015–2021

Year	Total Interest Subsidy Settled	Rs. Million
2015		3,714.5
2016		14,519.1
2017		13,462.2
2018		13,579.4
2019		18,082.7
2020		31,151.8
2021 1 <sup>st</sup> quarter		12,985.8
<b>Total amount settled</b>		<b>107,495.5</b>

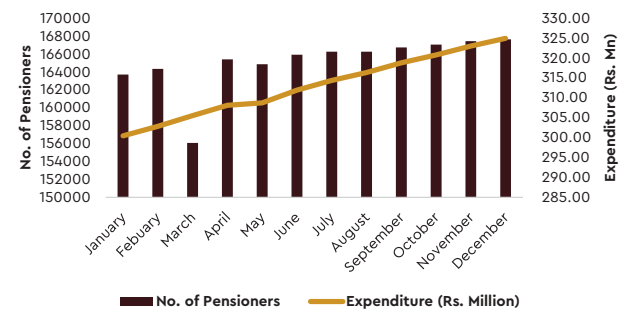
Source: Department of Development Finance

### 7.4.2 Pension Scheme for Farmers

The Agriculture and Agrarian Insurance Board (AAIB) has established farmers' pension scheme to safeguard the adulthood life of elderly farmers who have sacrificed their youth for the agricultural development of the country. Approximately, 959,254 numbers of farmers have been registered under the farmers'

pension scheme and, on average, around 165,127 farmers receive benefits monthly. In 2021, Rs. 3,756 million was distributed among qualified farmers as monthly pension instalments under the scheme. Since the farmers' contribution to the scheme is inadequate to be self-sufficient to pay pensions on time for all qualified farmers, the General Treasury provides the balance funds to AAIB annually. Accordingly, the Treasury has provided Rs. 4,000 million to pay pensions for farmers.

Figure 7.2 | Progress of Farmers' Pension Scheme – 2021

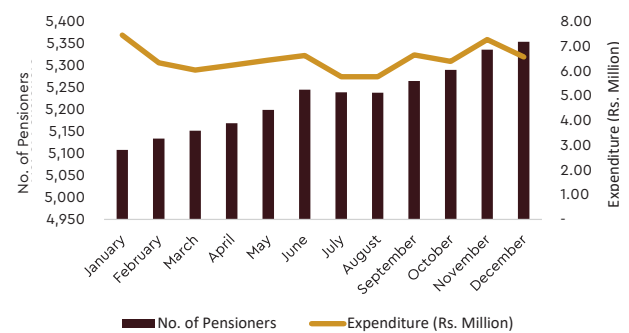


Source: Agriculture and Agrarian Insurance Board (AAIB)

### 7.4.3 Pension Scheme for Fishermen

The fishermen's pension scheme is being implemented by the AAIB as a contributory pension scheme for fishermen and is being operated as a self-sustained scheme without any additional cost to the Treasury. There are 69,049 numbers of registered fishermen under this scheme and, Rs. 78 million was distributed among around 5,200 fishermen under this scheme as their monthly pension during the year 2021.

Figure 7.3 | Progress of Fishermen's Pension Scheme – 2021



Source: Agriculture and Agrarian Insurance Board (AAIB)

Further, considering the recommendations made in the "Report on Introducing a Common Pension Scheme covering all Three Sectors of Agriculture, Plantation and Fisheries", which was prepared by a Cabinet appointed Committee, the Cabinet has granted its approval on 17.05.2021 to implement three (03) independent pension schemes for the three (03) sectors until all 03 schemes become financially self-sustained. Accordingly, the AAIB has already commenced the implementation of the contributory farmers' pension scheme introduced by Gazette No. 1853/49 of 2014 and enrolling new members for this new scheme.

## 7.5 Food Security

### 7.5.1 Government Paddy Purchasing Programme

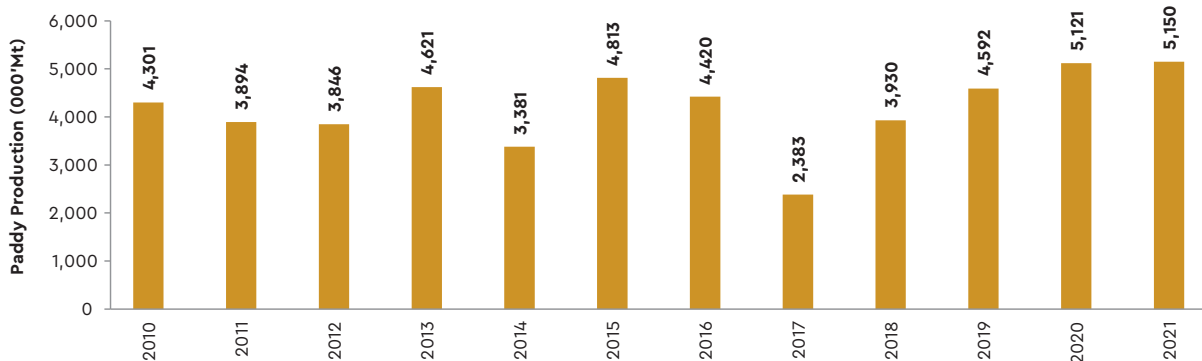
During the COVID-19 pandemic, food security levels of countries have been depleted at a significant level and in particular, agro-food systems have severely been affected throughout the entire value chain due to the restrictions imposed by respective countries. Hence, the importance of managing the food security level of a country has been recognized

as a significant strength for minimizing the impacts of such pandemic situations locally. In Sri Lanka, enhancing the local food production, as well as assuring the affordability of foods to the people, was identified as a prioritized strategy of the Government in 2021 and onwards to assure the food security in the country.

The availability and affordability of rice are most significant in assuring food security in Sri Lanka. In 2021, the Government investments in paddy cultivation were much focused on distributing necessary inputs, developing required infrastructure facilities and awareness and training to ensure this situation. Accordingly, supplying fertilizer, seeds, irrigated water and extension services were used to enhance the paddy production. Further, maintaining guaranteed prices for paddy was also an incentive for encouraging the farmers in paddy cultivation.

Under these circumstances, the total quantity of 5.15 mn mt of paddy production was recorded in 2021 which is slightly higher than that of the production in 2020.

Figure 7.4 | Total Paddy Production 2010 – 2021



Source: Department of Agriculture

The Government has intervened in paddy purchasing in 2021 through Paddy Marketing Board (PMB) and District Secretaries/ Government Agents with the involvement of paddy millers of SMEs, ensuring the reasonable price to the farmers and to the consumers.

In this process, Rs. 823 million was provided directly to the District Secretaries/Government Agents for purchasing paddy from farmers in both the 2020/21 Maha and 2021 Yala seasons and necessary facility arrangements were made by the Government to obtain Rs. 4,000 million worth of loans from the state banks for paddy purchasing by PMB.

Table 7.12 | Paddy Purchased under the Government Paddy Purchasing Programme, 2015 – 2021

Season	Nadu (Mt)	Samba (Mt)	Total (Mt)	Value (Rs. Mn)
2014/15 Maha	126,203	34,366	160,569	7,510
2015 Yala	162,526	12,487	175,013	7,950
<b>Total</b>	<b>288,729</b>	<b>46,853</b>	<b>335,582</b>	<b>15,460</b>
2015/16 Maha	91,785	40,196	131,981	5,139
2016 Yala	11,054	14,384	25,438	1,056
<b>Total</b>	<b>102,839</b>	<b>54,580</b>	<b>157,419</b>	<b>6,195</b>
2016/17 Maha	-	-	-	-
2017 Yala	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2017/18 Maha	4,605	-	4,605	175
2018 Yala	2,077	5	2,082	79
<b>Total</b>	<b>6,682</b>	<b>5</b>	<b>6,687</b>	<b>254</b>
2018/19 Maha	31,522	16,749	48,271	1,886
2019 Yala	-	-	-	-
<b>Total</b>	<b>31,522</b>	<b>16,749</b>	<b>48,271</b>	<b>1,886</b>
2019/20 Maha	34,408	17,844	52,252	2,597
2020 Yala	9,636	37	9,673	512
<b>Total</b>	<b>44,044</b>	<b>17,881</b>	<b>61,925</b>	<b>3,109</b>
2020/21 Maha	51,616	541	52,157	2,447
2021 Yala	13,423	147	13,570	683
<b>Total</b>	<b>65,039</b>	<b>688</b>	<b>65,727</b>	<b>3,130</b>

Source : Paddy Marketing Board and respective District Secretaries

## 7.5.2 Paddy Purchasing by Private Sector and Government Intervention

The Government supported the private sector's paddy purchasing process by providing required funds through the banking sector, and it has been the main source of

funds that utilized by the private sector for paddy purchasing programmes throughout the period. As a result, the total number and the value of loans granted to the private sector by state and private banks to purchase paddy in 2021 have increased by 33 percent and 60 percent, respectively compared to 2020.

Table 7.13 | Progress of Granting Loans for Purchasing Paddy for Private Sector-(2020-2021)

Name of the Bank	2020		2021		Comparison	
	No of Loans	Total loan Amount (Rs.Mn)	No of Loans	Total loan Amount (Rs.Mn)	No of Loans as a %	Total loan Amount as a %
People's Bank	43	732	72	4,218	67	476
Bank of Ceylon	201	16,865	471	19,025	134	13
RDB	13	29	67	211	415	623
<b>Sub-Total-State Banks</b>	<b>257</b>	<b>17,626</b>	<b>610</b>	<b>23,454</b>	<b>137</b>	<b>33</b>
Commercial Bank	689	4,517	851	6,398	24	42
Sampath Bank	258	3,948	279	5,788	8	47
DFCC Bank	81	510	87	618	7	21
Seylan Bank	43	510	94	8,671	119	1,600
Union Bank	31	147	-	-	-100	-100
Amana Bank	622	2,334	818	3,092	32	32
National Development Bank	15	95	22	131	47	38
Nations Trust Bank	117	621	78	1,483	-33	139
Hatton National Bank	151	1,250	176	838	17	-33
Sri Lanka Savings Bank	1	25	-	-	-100	-100
<b>Sub-Total-Private Banks</b>	<b>2,008</b>	<b>13,957</b>	<b>2,405</b>	<b>27,019</b>	<b>20</b>	<b>94</b>
People's Leasing and Finance PLC	-	-	2	3	n.a.	n.a
<b>Sub-Total Financial Institutions</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>3</b>	<b>n.a.</b>	<b>n.a</b>
<b>Grand Total</b>	<b>2,265</b>	<b>31,583</b>	<b>3,017</b>	<b>50,476</b>	<b>33</b>	<b>60</b>

Source : Respective Banks  
n.a. - not applicable



### 7.5.3 Paddy Disposal Programme

As a response to the higher retail prices of rice prevailed in the market in 2021, the Government strived to make available rice in the market at an affordable price under the MRP through the Government paddy disposal programme that has been implemented by District Secretaries/ Government Agents and the PMB in 2021. Under this mechanism, the rice stocks were released to the market through the sales network of Lanka Sathosa Limited and private supermarkets at a price below the prevailed MRPs. By assessing the impact of the COVID-19 pandemic on the local paddy millers, the Government has taken actions to get the involvement of SME paddy millers at the processing stage of paddy stocks as a relief measure for paddy millers to survive in the industry. Accordingly, in 2021, approximately 7,266 mt. and 27,555 mt. of rice were supplied to the selective market channels by District Secretaries/Government Agents with SME paddy millers and PMB, respectively.

### 7.5.4 Developing Other Local Crops

The Government implemented measures to achieve the self-sufficiency in the production of selected 15 local crops including green gram, soya beans, turmeric, cowpea, onions, ginger, peanut, potatoes, and dried chillies etc. and related agro based industries in 2021.

The Government continued the control of imports imposed previously on certain crops which could have been grown locally such as black gram, green gram, tamarind, pepper, cinnamon, cloves, ginger, turmeric etc., in 2021 and made arrangements to purchase farmer production at a considerably higher price for stimulating the local farmers to engaging in the cultivation. As an incentive for protecting local farmers with a high price for their local produces, the Government has increased the Special Commodity Levy for big onion and potato from Rs. 0.25 to Rs. 40.00 per kg and from Rs. 15.00 to Rs. 50.00 per kg, respectively during the local harvesting seasons of these crops.

Moreover, local farmers were encouraged to grow green gram in the intermediate season and steps were taken to purchase local green gram for Rs. 455 per kg. The Government has allocated Rs. 409 million for purchasing 413 mt. of local green gram from farmers in Hambantota, Ampara, Anuradhapura, Polonnaruwa, Moneragala, Puttalam and Ratnapura districts through District Secretaries/ Government Agents.

Table 7.14 | Progress of Green Gram Purchasing by District Secretaries

District	Total Allocation (Rs. Mn)	Quantity Purchased (Mt.)
Hambantota	110.0	250.3
Ampara	10.0	20.6
Anuradhapura	100.0	2.2
Polonnaruwa	30.0	64.5
Moneragala	100.0	9.3
Ratnapura	54.6	60.5
Puttalam	4.6	5.3
<b>Total</b>	<b>409.2</b>	<b>412.7</b>

Source: District Secretariats of Relevant Districts

### 7.5.5 Cost of Living

Due to the COVID -19 Pandemic, the prices of goods and services have escalated globally which has exerted pressure on the rise in price of local commodities. Due to the increased market distortions, consumers and producers were affected adversely. Hence, the protection of consumers and producers was one of the main challenges faced by the Government in 2021. Continuation of Minimum Guaranteed Prices, managing Maximum Retail Prices (MPR) at the desirable level, making adjustments to the Special Commodity Levy (SCL), ensuring the availability of essential foods to the consumers through Government institutions at the subsidized prices and providing subsidy to the targets groups were some of the measures used by the Government to manage those issues in 2021.



Table 7.15 | Several Measures to protect Consumers and Producers 2021/22

Commodity	Description of Special Commodity Levy (SCL) /Maximum Retail Price (MRP)	Effective Date
Big Onion	SCL was increased from 25 cents to Rs 40/- per kg	08.09.2021
	again reduced from Rs. 40/- to Rs. 10/- per kg	01.01.2022
Mysore Dhal	SCL was continued as 25 cents per kg for another 6 month	13.10.2021
Dried Chilli	MRP Rs 385/- per kg were removed	08.02.2021
Maize	SCL was reduced from Rs. 25/- to Rs. 10/- per kg	03.03.2022
Rice	MRPs were removed	02.09.2021
Rice	Maximum Producer/Miller price were removed	29.09.2021
Rice	MRPs were imposed as follows	02.09.2021
Keeri Samba	Rs. 125/- per kg	
Samba	Rs. 103/- per kg	
Nadu	Rs. 98/- per kg	
Raw Rice	Rs. 95/- per kg	
	again MRPs were removed	29.09.2021
Rice	SCL was imposed as Rs. 65/- per kg	11.10.2021
	again reduced from Rs. 65/- to 25 cents	02.11.2021
Cowpea	SCL was continued as Rs. 70/- per kg for one year	02.03.2022
Green gram	SCL was continued as Rs. 40/- per kg for one year	26.04.2021
Sugar	MRP was imposed as follows,	02.09.2021
	White Sugar – Rs. 125/- per kg (Packeted) , Rs. 122/-per kg (Unpacketed)	
	Brown Sugar – Rs. 128/- per kg (Packeted) , Rs. 125/- per kg (Unpacketed)	
	again MRPs were removed	03.11.2021
	SCL was continued as 25 cents per kg for another 6 month	11.01.2022
Potato	MRP Rs 115/- per kg were removed	08.02.2021
	SCL was reduced from Rs 55/- to Rs 15/- per kg	12.02.2021
	again increased from Rs.15/- to Rs.50/- per kg	27.04.2021
	again reduced to Rs. 20/- per kg	01.01.2022
Wheat Flour	MRP Rs 87/- per kg were removed	08.10.2021
Black Gram – whole	SCL was continued as Rs.200/- per kg for one year	03.03.2022

Sources : Consumer Affairs Authority and Department of Trade and Investment Policy

## Selling of Green Gram at the Subsidized Price

With the sharp increase in the price of the imported Dhal in the local market, the Government attempted to make available the local green gram as a substitute in the market at an affordable price to the consumers. The Government facilitated the sale of 363.4 mt. of green gram purchased through the District Secretaries/Government Agents from local farmers to the consumers at an affordable price of Rs. 225.00 per kg through Lanka Sathosa. For this purpose, the Government has borne Rs. 255.00 per kg as the subsidy to Lanka Sathosa.

## Import of Rice

As a response to the increased prices of rice, Special Commodity Levy on rice imports has initially been reduced from Rs. 65.00 per kg to 25 cents on 02.11.2021 to assure the availability of rice in the market by encouraging rice imports. Accordingly, both government institutions and private sector institutions have imported 355,011 mt. of rice in total from November, 2021 to March 2022. A quantity of 68,124 mt. of rice has been imported to the country by STC as at 05.05.2022, and sold to the consumers through Lanka Sathosa outlets and STC Qshops for Rs. 105 per kg of Nadu rice and Rs. 128.00 per kg of GR 11 Ponni Samba rice which is considerably lower than the price of local rice varieties in the market.

## Selling of Vegetables at Concessionary Prices

By assessing the inconveniences caused to the urban consumers to purchase the essential vegetables for their daily food basket, at the beginning of 2021 due to the pandemic impacts, the government implemented a programme on selling selected vegetables at a concessionary price in Colombo, Gampaha and Kalutara districts in collaboration with the respective District Secretaries/ Government Agents and Department of Samurdhi Development by allocating Rs. 3 million to each district for purchasing selected vegetables from the areas where the excess production was recorded.

## Providing Wheat Flour Subsidy for Estate Worker Families

In order to mitigate the negative impacts faced by the estate workers from the increase in cost of living, as a short-term strategy, the Government provided 15 kg of wheat flour monthly at a subsidized price of Rs. 80.00 per kg to estate worker families for the period of one year. This support is provided to those plantation workers already registered with the Employees Provident Fund (EPF). For the Month of January 2022, Government has incurred Rs. 28.9 million as the subsidy for distributing 959,610 kg of wheat flour to 63,974 estate workers' families under this programme.

## Securing Home Economy

By assessing the critical issues faced in assuring the food security among the village level people during the COVID-19 pandemic situation, the Government has allocated Rs. 31,000 million to provide relief to the people under the Home Economy Security Programme as per the Budget 2022. Under this programme, Rs. 1,000 million has been allocated for the provision of a nutrition basket for pregnant mothers for a period of 24 months, whereas Rs. 15,000 million has been allocated for implementing a programme on providing a relief basket for economically poor families at the Grama Niladhari division level to alleviate the pressure of the cost of living. The balance Rs. 15,000 million has been allocated for the establishment of a mini supermarket chain (Home Shop) for women entrepreneurs.

Table 7.16 | The Implementation Progress of the Home Shop Programme

Activity	Physical progress (%)
Selection of women Entrepreneurs	60
Procurement on provision of basic infrastructure facilities for selected home shops	10

Sources: State Ministry of Cooperative Services, Marketing Development and Consumer Protection

It is expected to implement the programme of providing a relief basket for economically poor families by Ministry of Trade after establishing the above mentioned mini supermarket chain.

## 7.6 Facilitating Housing for Low and Middle Income Earners

"Sonduru Kedella", a housing loan scheme was introduced as per the Budget 2021 for supporting the low and middle income earners of the emerging workforce by purchasing a housing unit from the housing complexes constructed by Urban Development Authority (UDA), Urban Settlement Development Authority (USDA) and National Housing Development Authority (NHDA). The General Treasury has issued Operating Guidelines to the Bank of Ceylon (BOC), People's Bank and National Savings Bank (NSB) for implementing the loan scheme at a concessionary interest rate.

Table 7.17 | The Implementation Progress of the Housing Loan Scheme

Name of the Institute	No. of Housing Units to be Constructed	No. of Housing Units Reserved
UDA	2,795	112
NHDA	494	11
USDA	764	356
<b>Total</b>	<b>4,053</b>	<b>479</b>

Sources: UDA, NHDA and USDA

Note: No loans have been granted yet by the banks under "Sonduru Kedella" Housing Loan Scheme, as they are at the processing stage with purchasing.



**08**

Performance of  
State Owned  
Enterprises

## 8.1 Overview

State Owned Enterprises (SOEs) play an important role in socioeconomic development, in employment generation, poverty alleviation, specific sector development such as finance and insurance, power and energy, ports and airports, roads and water among others.

However, the most SOEs in Sri Lanka are inheritance with financial distress, lower productivity, supply of the products or services below the cost, sub-optimal performance and stiff competition diluting scarce resources to the unproductive sectors which have led to an accumulation of debt over 10.9 percent of GDP in 2021. Hence, SOE reforms are warranted at this difficult juncture of the economic turmoil despite the SOE reforms have been initiated over the years. Such reforms included Statement of Corporate Intent (SCI), a tripartite Memorandum of Understanding signed by the respective Enterprise, Line Ministry and Ministry of Finance, amalgamation and consolidation of SOEs and introduction of a regulatory framework for SOEs to provide commercial freedom to lessen the fiscal burden to the General Treasury.

Despite several reforms, the main SOEs particularly the SriLankan Airlines, Ceylon Petroleum Corporation, Ceylon Electricity Board and National Water Supply and Drainage Board have created substantial accumulated losses exerting pressure on the state banking sector. As such, a substantial portion of bank finances has been channeled to the SOE sector to finance their losses crowding-out productive private sector credit which is detrimental to the economic growth.

SOEs are now under a greater pressure exerted by historically high international oil prices and oil being a major input for large scale SOEs, which has led to expanding budgetary transfers and issuance of Treasury Guarantees to SOEs creating further pressure on the fiscal space. In this context, strategic restructuring of underperforming SOEs to improve their business viability has become high at this critical time.

The SOEs faced unprecedented challenges in 2021 and the first 4 months of 2022 due to the foreign exchange pressures, supply chain disruptions and related financial constraints emanating from the cost escalations with the non-adjustment of market prices to reflect their costs for essential commodities and services including electricity, fuel, water, LP Gas etc.

In this background, a total loss of key 52 SOEs was Rs. 86 billion in 2021, a 356 percent deterioration compared to the profit of Rs. 33.7 billion in 2020. In 2021, 32 SOEs recorded a Profit Before Tax of Rs. 200 billion of which 70 percent of profits were derived from the banking sector. The 20 SOEs recorded a net loss of Rs. 286 billion in 2021 of which aviation and energy sectors accounted for losses of 60 percent and 36 percent, respectively. However, the banking and financial sector outperformed in 2021 compared to 2020 with an increase in profits by 44 percent with additional profits of Rs. 43 billion.

The total collection of levies and dividends on SOEs increased to Rs. 30.6 billion compared to Rs. 17.6 billion in 2020. Nonetheless, the Government supported the Corporations and Public Institutions (Including State Universities and Road Development Authority) by way of budgetary transfers for capital and recurrent expenditure of Rs. 274 billion and Rs. 93 billion, respectively in 2021 in order for them to continue their operations.

Inculcating the performance driven culture in every SOE whilst ensuring transparency, accountability, innovation and value for money for the public investments, in 2021 the General Treasury issued two important sets of guidelines i.e., Guidelines on Corporate Governance and Operational Manual for SOEs.

Table 8.1 | Financial Outturn of Key SOEs

Sector	Number of SOBEs	Total Revenue 2021*	Rs. Million	
			PBT/ (LBT) 2020**	PBT/ (LBT) 2021**
Energy	2	819,357	-58,115	-103,658
Water	1	28,935	643	-2,996
Ports	1	45,454	20,328	25,601
Commuter Transportation	1	22,766	-2,105	-3,143
Aviation	2	145,812	-48,963	-171,506
Construction	3	13,538	-1,062	-727
Banking and Finance	7	704,709	97,156	140,054
Insurance	4	87,033	18,360	19,751
Lotteries	2	33,022	4,429	3,957
Livestock	2	16,121	230	488
Plantations	6	5,018	54	267
Non-Renewable Resources	3	3,507	233	1,326
Health	4	92,564	3,890	4,116
Media	3	3,204	-489	-559
Marketing and Distribution	11	71,769	-921	987
<b>Total</b>	<b>52</b>	<b>2,092,809</b>	<b>33,668</b>	<b>-86,042</b>

Sources : SOEs and Department of Public Enterprises

\* Provisional

\*\* Profit Before Tax/(Loss Before Tax) – Provisional

Table 8.2 | Levy/ Dividend Income from SOEs

Levy	Rs. Million				
	2017	2018	2019	2020	2021
<b>Levy</b>	<b>50,447</b>	<b>37,230</b>	<b>22,634</b>	<b>14,769</b>	<b>25,919</b>
National Savings Bank	3,865	500	2,000	1,000	3,500
Bank of Ceylon	12,000	4,500	-	1,250	1,500
People's Bank	5,000	3,200	2,200	2,500	1,977
Telecommunication Regulatory Commission	22,800	21,850	8,950	5,000	8,500
Ceylon Petroleum Corporation	-	-	-	-	-
State Mortgage & Investments Bank	25	-	-	-	-
Regional Development Bank	-	-	169	-	-
State Timber Corporation	100	100	50	-	100
State Pharmaceuticals Manufacturing Corporation	45	50	-	-	100
National Insurance Trust Fund	2,100	2,750	3,268	782	1,824
Geological Survey and Mines Bureau	1,500	1,700	2,300	-	2,000
National Gem and Jewellery Authority	100	25	25	-	15
Sri Lanka Convention Bureau	-	-	-	-	-
Sri Lanka Rupavahini Corporation	-	-	-	-	-
Ceylon Electricity Board	-	-	-	-	-
Board of Investment	220	250	250	156	-
National Lotteries Board	-	-	-	-	900
Securities and Exchange Commission	-	-	53	-	-
Insurance Board of Sri Lanka	-	-	-	-	-
Sri Lanka Standard Institution	-	-	-	-	-
Sri Lanka Export Credit Insurance Corporation	-	15	15	-	25
National Livestock and Development Board	-	-	-	-	-
Central Engineering Consultancy Bureau	25	25	25	-	25
Sri Lanka Tourism promotion Bureau	1,000	1,000	500	-	-
Civil Aviation Authority	800	800	800	-	50
State Pharmaceutical Corporation	222	-	-	-	-

Table 8.2 | Levy/ Dividend Income from SOEs Contd...

Rs. Million

	2017	2018	2019	2020	2021
National Transport Medical Institute	160	165	200	-	110
Sri Lanka Bureau of Foreign Employment	185	200	650	-	-
National Transport Commission	300	100	50	-	-
Sri Lanka Tourism development Authority	-	-	200	-	-
Sri Lanka Land Reclamation and Development Authority	-	-	29	-	-
Sri Lanka Ports Authority	-	-	900	-	-
National Medicine Regulatory Authority	-	-	-	81	147
Road Development Authority	-	-	-	4,000	4,000
Land Reforms Commission	-	-	-	-	1,100
Condominium Management Authority	-	-	-	-	25
National Institute of Business Management	-	-	-	-	16
Sri Lanka Ayurvedic Drugs Corporation	-	-	-	-	5
<b>Dividends</b>	<b>3,550</b>	<b>4,598</b>	<b>5,025</b>	<b>2,854</b>	<b>4,672</b>
National Savings Bank	60	60	60	60	60
Bank of Ceylon	346	346	346	346	346
People's Bank	316	316	316	316	316
Lankaputhra Development Bank	41	41	-	-	-
National Development Bank	2	1	0.8	1	1
Sri Lanka Savings Bank	-	86	-	-	-
Sri Lanka Insurance Corporation Ltd	503	1,856	1,720	695	899
Airport and Aviation Services Ltd	850	300	500	-	-
Lanka Mineral Sands Ltd	-	35	130	-	700
Lanka Phosphate Ltd	8	5	7	-	20
Independence Television Network Ltd	10	12	-	-	-
Lanka Leyland Ltd	35	45	13	2	3
Rakna Arakshaka Lanka Ltd	-	40	37	-	-
Manthai Salt Ltd- (National Salt Company)	-	-	-	2	14.8
Ceylon Fertilizer Ltd	90	21	15	304	29
Colombo Commercial Fertilizer Ltd	12	20	10	-	-
Paranthan Chemicals Company Ltd	8	11	-	10	3
Kahatagaha Graphite Lanka Ltd	-	-	-	-	-
STC General Trading Company	-	-	-	-	-
Sri Lanka Telecom PLC	795	795	947	947	1,331
De La Rue Lanka Ltd	79	106	133	-	345
Lanka Electricity Company Ltd	218	305	501	-	327
Lanka Industrial Estates Ltd	55	78	82	82	82
Skills Development Fund	-	-	-	-	-
Ceylon Agro Industries	12	19	23	77	95
Lanka Sugar Company Ltd	-	-	-	-	-
Lanka Logistics Limited	-	1	-	-	-
Ceylon Petroleum Storage Terminals Ltd	-	-	-	-	-
Plantation Companies	103	95	172	12	98
Others	7	4	12	-	2.2
<b>Total</b>	<b>53,997</b>	<b>41,828</b>	<b>27,659</b>	<b>17,623</b>	<b>30,591</b>

Sources: SOEs and Department of Public Enterprises



Table 8.3 | Asset Base of Key SOEs

Sector	Number of SOEs	Total Assets as at 31.12.2020* (Rs. Million)	Total Assets as at 31.12.2021* (Rs. Million)	Growth (%)
Energy	2	1,282,483	1,425,213	11.13
Water	1	699,281	785,467	12.32
Ports	1	473,583	492,621	4.02
Commuter Transportation	1	16,877	15,875	-5.94
Aviation	2	257,597	300,721	16.74
Construction	3	40,297	42,033	4.31
Banking and Finance	7	7,291,773	8,811,411	20.84
Insurance	4	274,927	313,550	14.05
Lotteries	2	11,950	11,790	-1.34
Livestock	2	27,008	27,126	0.44
Plantations	6	14,712	15,968	8.54
Non-Renewable Resources	3	6,720	6,810	1.34
Health	4	54,872	72,729	32.54
Media	3	7,046	6,543	-7.14
Marketing and Distribution	11	96,313	109,259	13.44
<b>Total</b>	<b>52</b>	<b>10,555,439</b>	<b>12,437,116</b>	<b>17.83</b>

Sources: SOEs and Department of Public Enterprises

\* Provisional

## 8.2 Energy

### 8.2.1 Ceylon Electricity Board

The total electricity generation increased by 6 percent to 17,378 GWh rebounding the electricity demand in 2021 induced by the removal of the island wide lockdown and the gradual recovery of the economy in 2021. As a result, revenue generated from the sale of electricity increased by 4.3 percent to Rs. 249,089 million in 2021 compared to the Rs. 238,911 million in 2020. However, the direct generation cost declined by 14 percent to Rs. 157,354 million owing to the favorable generation mix.

In terms of the generation mix, hydro power generation increased to 33 percent compared to the 24 percent recorded in 2020 supported by the heavy rainfall received in the catchment areas. This has resulted in significantly reducing the high-cost fuel-based generation to 15 percent together with Independent Power Producers (IPPs) and CEB owned fuel-based power plants compared to 26 percent recorded in 2020. Simultaneously, the coal-based power generation also relatively reduced to 35 percent compared to 39 percent in 2020. Meanwhile, power generation through Non-Conventional Renewable Energy (NCRE) sources including mini-hydro generation, recorded an increase trivial a marginal increase in 2021. Overall, the CEB contributed 78 percent to the total power generation in 2021, while IPPs accounted for the remainder.

Table 8.4 | Installed capacity and power generation of CEB – 2019 – 2021

	2019			2020*			2021*		
	Installed capacity MW	Percentage on Total Generation	GWh	Installed capacity MW	Percentage on Total Generation	GWh	Installed capacity MW	Percentage on Total Generation	GWh
Hydro	1,399	23	3,801	1,399	24	3,929	1,383	33	5,658
Thermal – CEB Oil	654	13	2,202	654	9	1,515	654	7	1,279
Thermal – IPP Oil	628	17	2,875	614	16	2,717	433	8	1,400
Thermal – Coal	900	36	5,917	900	39	6,365	900	35	6,111
Wind CEB	0	0	0	31	0	8	104	2	326
NCRE & Wind	635	11	1,761	672	10	1,589	711	13	2,214
Rooftop Solar	0	0	0	275	2	269	416	2	389
<b>Total</b>	<b>4,216</b>	<b>100</b>	<b>16,556</b>	<b>4,545</b>	<b>100</b>	<b>16,392</b>	<b>4,601</b>	<b>100</b>	<b>17,378</b>

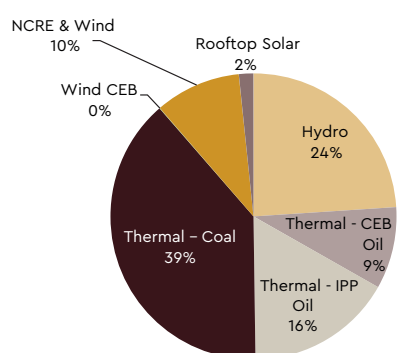
Source : Ceylon Electricity Board

\* Provisional

Benefiting from the favorable generation mix due to the reduced reliance on high-cost fuel oil-based generation, the financial performance of the CEB in 2021 remained comparatively healthy. Accordingly, the average cost of electricity at the selling point dropped to Rs.18.63 per kWh compared to Rs. 21.67 per kWh in 2020. As per unaudited provisional financial data, the CEB recorded a loss of Rs. 21,450 million during 2021, compared to a loss of Rs. 60,486 million in 2020, increasing the accumulating losses to Rs. 189,474 million at the end of 2021. Due to the non-adopting of a cost-reflective tariff structure, the losses are

generally financed through bank borrowings. However, borrowings from banks in 2021 were reduced to Rs. 32,701 million since CEB approached alternative financing arrangements including the issuance of Corporate Bond for its working capital requirement. However, total outstanding obligations to the banks of CEB including project loans stood at Rs. 363,196 million at the end of 2021, compared to almost similar to the 2020. The outstanding dues payable to CPC and IPPs stood at Rs. 140,825 million at the end of 2021 compared to the Rs. 128,883 million at the end of 2020.

Figure 8.1 | Generation Mix – 2020



Source: Ceylon Electricity Board

Figure 8.2 | Generation Mix – 2021

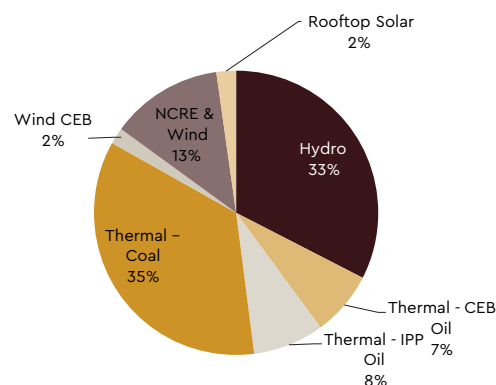


Table 8.5 | Operational Statistics and Financial Outturn of Ceylon Electricity Board

	Rs. Million				
	2017 (Restated)	Actual 2018 (Restated)	2019 (Restated)	Provisional 2020 (Restated)	2021
<b>Operational Statement</b>					
<b>Revenue</b>	<b>226,450</b>	<b>238,946</b>	<b>254,944</b>	<b>240,388</b>	<b>261,409</b>
Sale of Electricity	218,450	229,571	242,950	238,911	249,089
Other Income	9,337	10,917	12,058	10,155	12,824
<b>Expenditure</b>	<b>274,030</b>	<b>270,883</b>	<b>352,367</b>	<b>309,552</b>	<b>283,364</b>
<b>Direct Generation Cost</b>	<b>184,601</b>	<b>164,873</b>	<b>218,469</b>	<b>183,213</b>	<b>157,374</b>
IPP (With NCRE)	89,254	84,497	118,665	110,213	85,690
CEB – Fuel Cost (Oil & Coal)	95,347	80,376	99,803	73,000	71,684
Generation, Transmission & Distribution O&M Cost	45,841	56,902	73,121	67,701	64,368
Corporate Expenses	5,112	5,683	6,969	7,009	8,047
Interest on Borrowings and Delayed Payments	8,415	13,036	22,526	19,522	20,431
Depreciation	30,061	30,388	31,283	32,107	33,144
<b>Operating Profit / (Loss)</b>	<b>-46,242</b>	<b>-30,395</b>	<b>-97,359</b>	<b>-60,486</b>	<b>-21,450</b>
<b>Liquidity Position</b>					
Borrowings from Banks	4,706	68,388	93,796	49,681	32,701
Payments to Banks	11,806	19,695	62,130	20,568	26,938
Outstanding Debt to Banks	224,534	288,606	333,245	363,219	363,196
Purchases from CPC and IPP	149,212	124,104	173,423	137,762	107,503
Payments to CPC and IPP	108,355	128,760	115,181	147,122	96,867
Outstanding to CPC and IPP	78,839	79,365	141,904	128,883	140,825

Source: Ceylon Electricity Board

The existing electricity outage is being experienced due to the delay in timely intervention to diversify the generation mix to a more sustainable composition. Also, the supply chain constraints that emerged due to the foreign exchange shortage have impacted the utilization of the existing thermal capacity for the national grid at an optimal scale. In this context, a more promised and committed power generation plan is a must to ensure uninterrupted power supply which is crucial to maintaining livelihood and investment climate in the country.

As the country moves towards the renewable electricity generation targets by 2030, CEB is required to create an appropriate policy environment, develop innovative financial models and initiate new practices to attract more investments into the sector, especially from the private sector. Hence, in line with the government policy, CEB together with Sri Lanka Sustainable Energy Authority has called Expression of Interest (EOI) from the private sector to develop renewable energy projects in identified locations.

### 8.2.2 Ceylon Petroleum Corporation

The Ceylon Petroleum Corporation (CPC) plays a pivotal role in the energy sector by importing and distributing about 86 percent of the total petroleum product requirement of the country.

Figure 8.3 | Crude Oil (petroleum) Brent Price in 2017-2021 (USD)

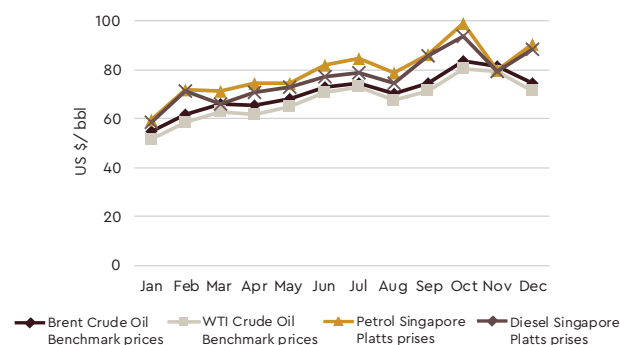


Source: tradingeconomics

The international Brent crude oil prices remained volatile with the range of USD 40/bbl to USD 84/bbl during the last five years except for the historical market collapse from March to July 2020 due to the pandemic. However,

currently, the international oil prices have risen to USD 115/bbl due to the geo-political uncertainty arising from the Russia-Ukraine conflict.

Figure 8.4 | Average Crude Oil Prices 2021



Source: Central Bank

The gradual increase in domestic petroleum prices was limited to petrol by 29 percent per litre, diesel by 16 percent per litre and kerosene by 24 percent per litre in 2021. Thus, compared to a 29 percent year on year increase in the cost of sales to Rs. 588,822 million in 2021, CPC's revenue moderately increased to 12 percent on a year-on-year basis to Rs. 570,268 million in 2021 resulting in enhanced bank exposure of the CPC while recording substantial losses reverting pressure to the two state banks.

To mitigate the implied liquidity risk, a cost-reflective fuel pricing mechanism needs to be adopted, under which retail prices are periodically adjusted in line with world market prices at least level of cost-recovery which is the major option for regaining the financial viability and addressing the high debt and growing currency mismatches on CPC balance sheets.

CPC operated its refinery by importing 1,238,000 MT of crude oil in 2021 and also imported 3,057,000 MT of refined products which mainly include diesel and petrol in 2021 at total cost of USD 2,410 million representing a 57 percent cost increase over 2020.

Table | 8.6 Financial Outturn of Ceylon Petroleum Corporation

	Rs. Million				
	2017	Actual 2018	2019	Provisional 2020	2021
<b>Total Revenue</b>	<b>458,202</b>	<b>605,952</b>	<b>660,646</b>	<b>530,877</b>	<b>598,836</b>
Octane92	103,026	172,088	195,216	178,196	208,402
Octane 95	17,068	28,669	26,580	21,085	22,744
Diesel	179,906	220,922	238,967	188,937	212,769
Super Diesel	8,205	11,589	10,877	8,949	10,497
HF 800cc	39,888	30,456	13,438	-	-
HF 1500cc	5,130	8,774	16,912	18,525	16,803
HF 3500cc/Super Oil	-	-	33,652	49,444	17,050
LSHF	20,055	19,295	10,799	1,852	12,387
Naptha	14,947	14,270	16,803	11,260	15,216
Kerosene	9,054	15,351	17,598	15,162	17,574
JET- A-1	42,828	64,090	58,857	19,401	30,721
Other Products	6,357	6,746	6,892	6,061	15,184
Other Income	11,738	13,702	14,055	12,007	19,490
<b>Total Expenditure</b>	<b>454,873</b>	<b>712,095</b>	<b>672,482</b>	<b>528,507</b>	<b>681,044</b>
Cost of Sales	418,962	579,617	626,599	454,880	588,823
Sales and Distribution	15,498	14,914	17,981	15,782	17,306
Administration	4,036	5,296	4,886	3,683	4,290
Finance Cost	10,531	12,065	14,699	20,911	25,643
Depreciation	924	726	984	2,670	2,684
Other Cost(Excise Duty & NBT)	-	16,760	15,732	8,740	9,079
Exchange Rate Variation	4,922	82,717	-8,398	21,841	33,220
<b>Profit/(Loss) Before Tax</b>	<b>3,329</b>	<b>-106,143</b>	<b>-11,836</b>	<b>2,371</b>	<b>-82,208</b>
Outstanding debts to Banks	338,241	562,457	566,225	529,187	693,040

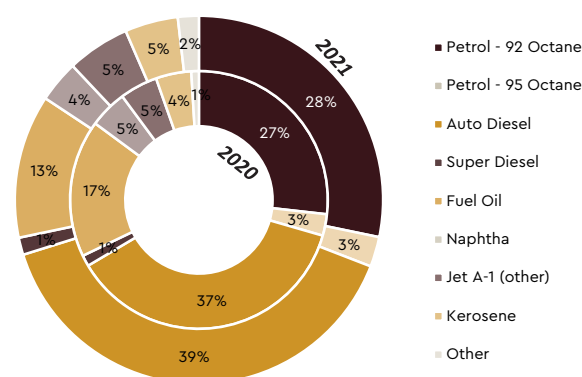
Sources : Ceylon Petroleum Corporation and Department of Public Enterprises

The CPC recorded an operating loss of Rs. 41,714 million in 2021 compared to the operational profit of Rs. 33,935 million in 2020 mainly due to the high cost of world oil prices. Further, the operating loss expanded to a net loss of Rs. 82,208 million with the foreign exchange loss of Rs. 33,220 million and the finance cost of Rs. 25,643 million creating undue pressure on the banking system.

The outstanding dues from several government institutions including CEB, Sri Lankan Airlines etc. amounted to Rs. 157,861 million at the end of 2021 has further affected worsening the liquidity position of CPC. The Government supported the CPC operations by issuing Treasury Guarantee amounting to USD 3,300 million as collateral to secure the credit facilities from the two state banks.

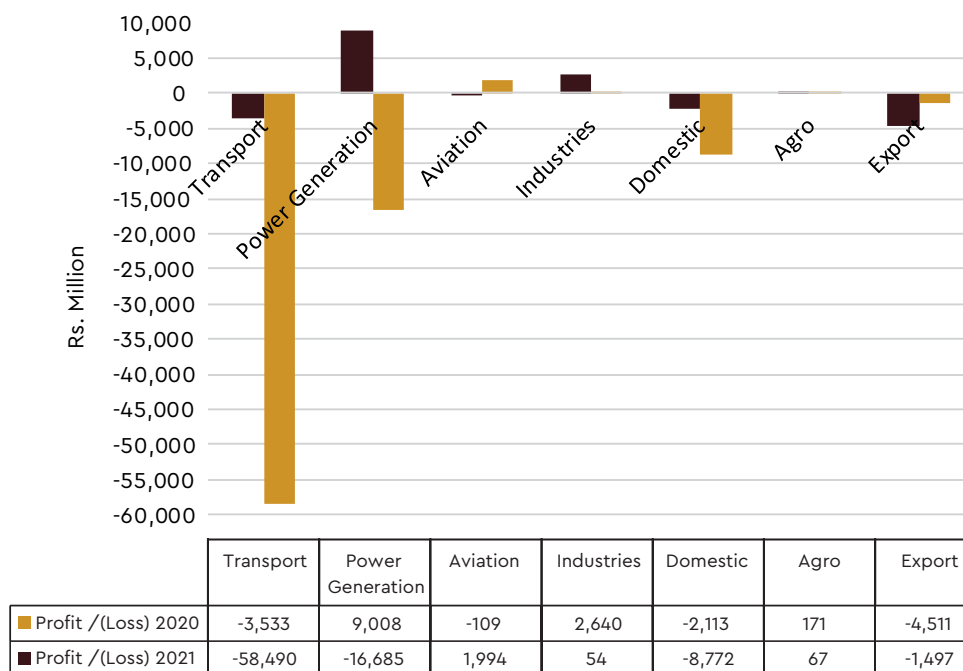
In 2021, demand for petroleum products marginally rose by 2 percent to 5,129 Mn/Ltr compared to 5,029 Mn/Ltr in 2020 due to the slow recovery from the pandemic.

Figure 8.5 | Composition of Product Portfolio



Source: Ceylon Petroleum Corporation

Figure 8.6| Sector wise Profitability



Source: Ceylon Petroleum Corporation

As per the sector wise profit/loss analysis on the petroleum sales, the loss created in the transport sector considerably increased up to Rs. 58,490 million in 2021 compared to Rs. 3,533 million in 2020 while the power generation sector loss also increased to Rs. 16,685 million. Also, the domestic sector loss was Rs. 8,772 million. Having absorbed all operational and financial shocks, the CPC performance in 2021 indicated furtherance of poor financial position adding the year loss of Rs. 82,208 million to the historically accumulated loss of Rs. 419,009 million at the year-end of 2021.

In this context, CPC's balance sheet needs to be restructured by injecting required finance using a more innovative financing strategy to smoothly running of its operational cycle. It is also important to have a competent Treasury management mechanism to deal with the forex market and money market because CPC is highly involved in foreign exchange transactions and suffered from working capital constraints. Further, CPC needs to be adopted a multipronged strategy to increase its efficiency in the refinery operations and fully utilize the storage facilities with new financial models.

As an initial step, in 2021 the Government has taken a decision to expand the storage facilities of CPC by releasing the 24 oil tanks in China Bay, Trincomalee which was controlled by the Lanka Indian Oil company PLC (LIOC). Besides that, the CPC entered into lease agreement for 61 oil tanks with the newly established joint venture company which was incorporated with 51 percent stake of the CPC and 49 percent share ownership of LIOC.

### 8.3 State Banks

Despite 2021 being a challenging year for all sectors of the economy, the banking sector remained resilient owing to the various regulatory measures introduced by the Central Bank of Sri Lanka (CBSL) including the introduction of priority sector lending targets, measures on discretionary payments of licensed banks, foreign exchange related regulatory measures, amending capital requirements under Basel III for licensed banks, among others. In this context, the total profitability of the state-owned banking sector increased considerably by 67 percent to Rs. 105 billion in 2021 compared to the 63 billion in 2020 mainly due to the increase in net interest income. The state banks have contributed to 40 percent

of the profit earned by the banking sector of the country in 2021 which is amounting to Rs. 258.7 billion. The state banks having almost 50 percent of the total asset base of the banking sector (comprising licensed commercial banks and licensed specialized banks) dominate the banking sector of the country in 2021.

The total government owned bank's branch network consists of 1,920 branches in 2021 while almost all the banks adopted digital platforms

to serve their customers. Meanwhile, collective agreements between the state banks and trade unions on the revision of salary and non-salary benefits for the period from 2021-2023 were concluded during the year. With the signature of this agreement, both salary and non-salary benefits of the all permanent employees had been increased with incentive to the total work force of the respective entities.

Table 8.7 | Comparison on the investment in human capita by the major state banks and their peer banks in private sector in 2021

Banks	BoC	PB	NSB	HNB	CB	SB
Gross Income (Rs. Mn.)	290,362	207,250	134,939	115,047	160,886	104,570
Total Assets (Rs. Mn.)	3,803,284	2,647,641	1,579,159	1,538,336	1,949,213	1,199,913
Personal Expenses (Rs. Mn.)	24,982	22,772	12,867	10,758	16,321	9,543
No. of Employees	8,337	7,568	4,616	5,042	5,072	4,013
Cost Per Head (Rs. Mn.)	<b>2.99</b>	<b>3.00</b>	<b>2.78</b>	<b>2.13</b>	<b>3.21</b>	<b>2.37</b>

Source : Annual Reports

BoC – Bank of Ceylon, PB – People’s Bank, NSB – National Savings Bank, HNB – Hatton National Bank, CB – Commercial Bank, SB – Sampath Bank

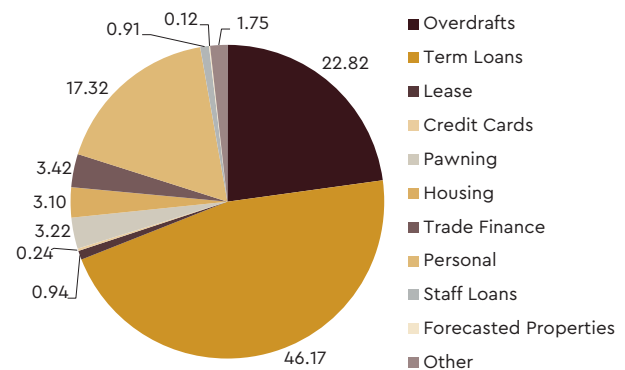
### 8.3.1 Bank of Ceylon

Bank of Ceylon (BoC) continued to be the bank with the largest assets base coupled with a deposit base of Rs. 2,867 billion. Both the total assets and the deposits increased by 27.4 percent and 15.8 percent, respectively which is above the industry average of 15.4 percent and 13.7 percent, respectively.

Moreover, BoC's profitability increased by 83.3 percent to Rs. 43.1 billion in 2021 compared to Rs. 23.5 billion in 2020. The considerable 48.7 percent increase in the net interest income had a significant impact on the surge in profitability. The BoC being the leading commercial bank in the country has enhanced the disbursement of loans and advances to its corporate and individual customers with lower interest rates by adding Rs. 425.3 billion to its total loan portfolio to support both retailers and the corporates in 2021. Accordingly, the total loan and advance portfolio of the BoC increased by 21.3 percent to Rs. 2,413.7 billion at the end of 2021 from 1,988.4 billion in 2020 which is well above the industry average growth of 15.3 percent. Further, the BoC has also reached Rs. 2,866.8 billion worth of deposit base with a 15.8 percent expansion in 2021 against the industry average of 13.7 percent.

Despite pressure on the loan recoveries in the banking industry, BoC maintained its Non-Performing Loan (NPL) ratio of 4.5 per cent in 2021, within the industry average of 4.5 percent due to moratorium extension. BoC network consists of 646 branches (including limited-service branches) and 1,400 Automated Teller Machines (ATMs), Cash Recycling Machines (CRMs) and Cash Deposit Machines (CDMs) across the country. Meanwhile, BoC has been focusing more on expanding the digital and virtual services platforms to cater for the emerging needs of the customers.

Figure 8.7 | Credit Portfolio of the Bank of Ceylon 2021



Source: Bank of Ceylon



Table | 8.8 Financial Outturn of Bank of Ceylon

	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>189,211</b>	<b>221,021</b>	<b>239,116</b>	<b>247,164</b>	<b>290,362</b>
Interest Income	171,344	195,394	220,477	226,311	260,513
Interest Expense	112,988	129,836	145,331	151,535	149,261
Net Interest Income	58,356	65,558	75,146	74,776	111,252
Other Income	17,868	25,627	18,640	20,853	29,848
Total Expenses	45,881	57,769	64,100	72,077	97,911
Personnel Expenses	16,996	17,351	18,365	18,190	24,982
Other Expenses	28,885	40,418	45,736	53,887	72,929
<b>Profit Before Tax</b>	<b>30,343</b>	<b>33,416</b>	<b>29,685</b>	<b>23,552</b>	<b>43,190</b>
<b>Key Performance Indicators</b>					
Investments	582,451	626,078	650,433	785,832	1,125,018
Deposits	1,546,832	1,770,975	2,005,212	2,474,775	2,866,894
Loans and advances	1,163,161	1,429,107	1,549,805	1,988,409	2,413,762
Non Performing Advances	34,261	53,754	77,133	98,564	112,900
ROA (%)	1.7	1.6	1.3	0.9	1.27
ROE (%)	20.9	17.3	16.8	11.9	21.03
NPL Ratio (%)	2.9	3.6	4.8	4.8	4.5

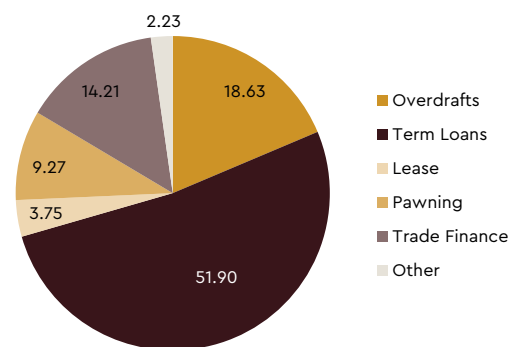
Sources: Bank of Ceylon and Department of Public Enterprises

### 8.3.2 People's Bank

People's Bank's (PB) asset base grew by 18.7 percent to Rs. 2,648 billion in 2021 compared to the industry growth rate of 15.4 percent. Further, the deposit base of the bank increased by 12.9 percent to Rs. 2,072 billion and the lending portfolio increased by 12.2 percent to Rs. 1,836 billion compared to 2020. The industry growth average for both deposit base and lending portfolio stood as 13.7 and 15.3 percent, respectively in 2021.

The net interest income of PB improved by 35.3 percent to Rs. 82 billion in 2021 mainly due to a 9.8 percent increase in the interest income whilst a 3.3 percent decline in the interest expense. The impact of the increase in the loan portfolio and the lower interest rates that prevailed during the year largely contributed to this increase in the net interest income. Having utilized the considerable increase in the net interest income, the bank increased its profit to Rs. 30 billion in 2021, compared to Rs. 21 billion in 2020.

Figure 8.8 | Credit Portfolio of the People's Bank - 2021



Source: People's Bank

The Capital Adequacy Ratio for Tier -1 capital of PB at the end of 2021 has been recorded as 12.6 percent and well above the minimum requirement of 9 percent. The branch network consists of 742 branches (including service centers) and 797 ATMs across the country.



Table 8.9 | Financial Outturn of People's Bank

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>160,835</b>	<b>181,284</b>	<b>199,729</b>	<b>190,982</b>	<b>207,250</b>
Interest Income	149,184	166,441	186,714	179,717	197,330
Interest Expense	98,719	111,035	125,508	118,784	114,869
<b>Net Interest Income</b>	<b>50,466</b>	<b>55,406</b>	<b>61,207</b>	<b>60,934</b>	<b>82,461</b>
Other Income	11,390	14,479	12,588	10,781	9,322
<b>Total Expenses</b>	<b>35,941</b>	<b>45,479</b>	<b>54,129</b>	<b>50,487</b>	<b>57,225</b>
Personnel Expenses	15,227	19,905	19,494	19,722	22,772
Other Expenses	20,714	25,574	34,635	30,765	34,453
<b>Profit Before Tax</b>	<b>25,913</b>	<b>24,406</b>	<b>19,666</b>	<b>21,227</b>	<b>30,387</b>
<b>Key Performance Indicators</b>					
Deposits	1,244,003	1,422,961	1,491,386	1,835,099	2,071,533
Loans and advances (gross)	1,074,248	1,334,420	1,386,481	1,723,466	1,835,697
Non Performing Advances	19,573	31,472	43,569	53,745	685.8
ROA (before tax) (%)	1.9	1.5	1.1	1	1.2
ROE (after tax) (%)	26.6	20.3	13.9	14.4	19.9
NPL Ratio (%)	1.9	2.5	3.3	3.2	3.2

Sources: People's Bank and Department of Public Enterprises

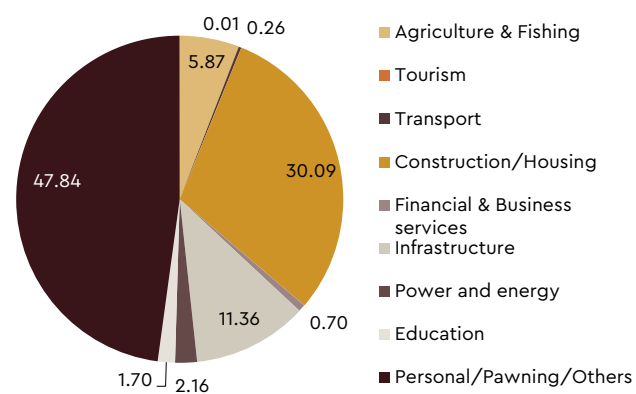
### 8.3.3 National Savings Bank

National Savings Bank (NSB) operates with a strong branch network of 261 branches and 4,064 post offices/sub post offices across the island. At the end of 2021, the NSB's asset base has reached to Rs.1,579 billion with 15.7 percent increase in comparison with the previous year. Moreover, the deposit base and the lending portfolio at Rs. 1,428 billion and Rs. 539 billion, respectively in 2021, have recorded an incline of 15.4 percent and 4.3 percent, respectively over 2020.

In 2021, NSB recorded a profit before tax of Rs. 28.5 billion, with an increase of 82.6 percent compared to 2020 due to the improvement in net interest income by 56.8 percent from 34.8 billion in 2020 to 54.6 billion in 2021 or by Rs. 19.8 billion in 2021 compared to 2020 despite the increase in NPL to 2.97 percent from 2.79 percent in 2020.

Personal/pawning and other category contributed to 47.8 percent of the Bank's loan portfolio whilst construction/housing and agriculture sectors are the other major sectors that contributed to 30.09 percent and 5.87 percent, respectively.

Figure 8.9 | Credit Portfolio of the National Savings Bank 2021



Source: National Savings Bank

Table 8.10 | Financial Outturn of National Savings Bank

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>107,996</b>	<b>111,902</b>	<b>121,929</b>	<b>127,547</b>	<b>134,939</b>
Interest Income	103,579	110,507	118,730	122,512	131,438
Interest Expense	78,445	85,622	89,898	87,622	76,809
<b>Net Interest Income</b>	<b>25,134</b>	<b>24,885</b>	<b>28,832</b>	<b>34,890</b>	<b>54,630</b>
Other Income	4,308	1,254	3,067	4,881	3,293
<b>Total Expenses</b>	<b>15,307</b>	<b>18,197</b>	<b>21,438</b>	<b>24,126</b>	<b>29,368</b>
Personnel Expenses	6,887	9,263	10,158	9,967	12,867
Other Expenses	8,420	8,934	11,280	14,159	16,501
<b>Profit Before Tax</b>	<b>14,135</b>	<b>7,941</b>	<b>10,462</b>	<b>15,645</b>	<b>28,555</b>
<b>Key Performance Indicators</b>					
Number of Branches	253	255	256	259	261
Number of Post Offices/Sub Post Offices	4,062	4,062	4,063	4,063	4,064
Investments	593,333	565,841	647,760	798,811	980,672
Deposits	737,213	839,574	1,016,574	1,237,124	1,428,467
Loans and advances	375,704	422,895	454,395	516,795	538,942
Non Performing Advances	4,996	6,136	7,224	14,532	16,282
ROA (%)	1.47	0.78	0.95	1.24	1.93
ROE (%)	27.24	10.95	14.34	20.67	33.92
NPL Ratio (%)	1.34	1.44	1.57	2.79	2.97

Sources: National Savings Bank and Department of Public Enterprises

### 8.3.4 Housing Development and Finance Corporation Bank

Housing Development Finance Corporation Bank (HDFC), which is primarily engaged in granting credit facilities for housing purposes, is the only state-owned bank listed on the Colombo Stock Exchange.

As at end of 2021, HDFC's asset base amounted to Rs. 63 billion an increase of 3 percent in comparison to Rs. 61 billion in 2020. The deposit base increased by 4 percent to Rs. 49,813 million as at end of 2021.

The loans and advances of the bank slightly increased in 2021. NPL ratio of the bank in 2021 was 32.44 percent which is far above the industry average of 6.5 percent.

In 2021, the profit before tax declined by 8 percent over the year 2020 mainly due to the increase in personal expenses by 13 percent.

The HDFC has 614 employees spread over the 39 branches situated island wide. The net assets per share of the bank reached Rs. 100 at the end of 2021 while the share price at end of 2021 was Rs. 30.5.

Table 8.11 | Financial Outturn of Housing Development and Financial Corporation Bank

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>6,978</b>	<b>7,120</b>	<b>8,090</b>	<b>7,856</b>	<b>6,976</b>
Interest Income	6,614	6,679	7,683	7,456	6,584
Interest Expense	4,742	4,441	4,783	4,475	3,554
<b>Net Interest Income</b>	<b>1,872</b>	<b>2,238</b>	<b>2,900</b>	<b>2,981</b>	<b>3,030</b>
Other Income	365	441	407	400	392
<b>Total Expenses</b>	<b>1,447</b>	<b>1,762</b>	<b>2,062</b>	<b>2,000</b>	<b>2,155</b>
Personnel Expenses	941	1,114	1,164	1,174	1,326
Other Expenses	506	648	898	826	829
<b>Profit Before Tax</b>	<b>789</b>	<b>919</b>	<b>1,244</b>	<b>1,381</b>	<b>1,267</b>
<b>Key Performance Indicators</b>					
Investments	12,859	9,396	12,440	17,406	18,709
Deposits	36,655	37,016	42,504	47,947	49,813
Loans and advances	34,967	37,949	41,216	41,192	41,814
Non Performing Advances	5,708	8,899	11,623	13,134	13,190
ROA (%)	0.87	1.14	0.9	2.36	1.95
ROE (%)	10.29	12.56	9.63	12.99	9.78
NPL Ratio including EPF (%)	16.5	21.31	25.26	33.03	32.44

Sources: Housing Development and Financial Corporation Bank and Department of Public Enterprises

### 8.3.5 State Mortgage and Investment Bank

State Mortgage and Investment Bank (SMIB), a licensed specialized bank, continued to engage predominantly in the housing finance market through 25 branches spread around the country. The housing loans accounted for almost 94 percent of the bank's total loan portfolio at the end of 2021.

The loan portfolio of the bank increased by 3.9 percent to Rs. 38,302 million as at end of

2021, compared to Rs. 36,857 million in 2020. The bank's NPL ratio reached 19.84 percent at the end of 2021 compared to 22.94 percent in 2020, which was also well above the industry average. The bank's deposit base increased to Rs. 45,738 million at end of 2021 recording a growth of 0.8 percent over 2020.

SMIB has recorded a profit before tax of Rs. 845 million in 2021, an increase of 7 percent, compared to 2020.

Table 8.12 | Financial Outturn of State Mortgage and Investment Bank

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>4,916</b>	<b>5,659</b>	<b>6,125</b>	<b>6,260</b>	<b>5419</b>
Interest Income	4,745	5,525	5,982	6,077	5245
Interest Expense	3,102	3,578	3,951	3,960	2951
<b>Net Interest Income</b>	<b>1,643</b>	<b>1,947</b>	<b>2,031</b>	<b>2,117</b>	<b>2294</b>
Other Income	171	134	143	183	174
<b>Total Expenses</b>	<b>1,248</b>	<b>1,349</b>	<b>1,358</b>	<b>1,510</b>	<b>1623</b>
Personnel Expenses	725	824	882	873	1073
Other Expenses	523	525	476	637	550
<b>Profit Before Tax</b>	<b>566</b>	<b>732</b>	<b>816</b>	<b>790</b>	<b>845</b>
<b>Key Performance Indicators</b>					
Investments	8,129	7,172	9,729	14,248	13,792
Deposits	33,620	34,272	38,872	45,388	45,738
Loans and advances	32,987	34,225	35,893	36,857	38,302
Non Performing Advances	8,591	8,602	7,544	8,412	7,595
ROA (%)	0.98	0.99	1.1	1.15	1.14
ROE (%)	3.62	4.9	4.7	6.09	6.39
NPL Ratio (%)	22.93	21.76	21.21	22.94	19.84

Sources: State Mortgage and Investment Bank and Department of Public Enterprises

### 8.3.6 Pradeshiya Sanwardana Bank

Pradeshiya Sanwardana Bank was formed in May 2010 by merging 6 Pradeshiya Sanwardana Banks operated, with the objective of improving the living standards of the rural community by providing them with accessible and affordable credit facilities which in turn will result in strengthening the rural economy. The bank operates with a branch network of 272 branches to serve its customer base of over 6 million.

Gross Loans and Advances of 2021 enhanced by Rs. 22 billion which was a 13 percent growth compared to 2020. The deposit base of the bank grew by nearly Rs.15 billion in 2021 over 2020. Further, the NPL ratio of the bank has declined to 8.7 percent in 2021 from 10 percent in 2020.

The profit before tax of the bank increased by 29 percent in 2021 compared to 2020 mainly due to the reduction in interest expense.

Table 8.13 | Financial Outturn of Pradeshiya Sanwardana Bank

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>22,016</b>	<b>26,070</b>	<b>27,508</b>	<b>24,354</b>	<b>24,273</b>
Interest Income	20,908	24,865	26,357	23,182	23,327
Interest Expense	11,233	12,959	13,904	12,294	10,046
<b>Net Interest Income</b>	<b>9,675</b>	<b>11,906</b>	<b>12,453</b>	<b>10,888</b>	<b>13,281</b>
Other Income	926	946	872	900	444
<b>Total Expenses</b>	<b>7,294</b>	<b>9,246</b>	<b>10,366</b>	<b>9,727</b>	<b>11,074</b>
Personnel Expenses	4,980	5,878	5,932	5,983	7,229
Other Expenses	2,314	3,368	4,434	3,744	3,845
<b>Profit Before Tax</b>	<b>3,307</b>	<b>3,607</b>	<b>2,960</b>	<b>2,061</b>	<b>2,651</b>
<b>Key Performance Indicators</b>					
Investments	37,325	38,709	55,465	55,400	61,345
Deposits	136,582	141,560	149,600	172,883	187,762
Gross Loans and advances	130,325	137,770	144,694	167,099	189,402
Non Performing Advances	4,191	7,263	13,711	16,658	16,321
ROA (%)	2.2	2.08	1.6	0.21	0.27
ROE (%)	16.45	10.7	3.4	2.72	4.17
NPL Ratio (%)	3.27	5.4	9.63	10.11	8.71

Sources: Pradeshiya Sanwardana Bank and Department of Public Enterprises

### 8.3.7 Employees' Trust Fund Board

Employees' Trust Fund Board (ETFBoard) was established to provide social security by way of multiple benefits to its members. The members of the ETFBoard are all employees who are not eligible for a government pension scheme but are employed either in the private sector or the public sector. Unlike Employee's Provident Fund (EPF), 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. At the end of 2021, the number of members of the ETFBoard was 1.59 million. Further, the total contribution received from the employers on behalf of their employees increased by 10.8 percent to Rs. 29.6 billion in 2021, compared to Rs. 26.7 billion in 2020.

There are 8 types of welfare benefit schemes available for Employees' Trust Fund (ETF) members including schemes providing assistance with health care, housing requirements and financial assistance for the education of the children of the members. Since the objective of the fund is the betterment of retired life of the employees who are not having any kind of established pension scheme, special consideration is given to increasing the voluntary membership of self-employed persons and migrant workers.

In 2021, Rs. 440.9 million was paid as benefit claims and Rs. 129 million was paid for grade 5 scholars. Also, members are paid the balance available in the account along with dividends and interest upon termination/retirement.

Accordingly, 196,382 refund claims were processed in 2021 and the total amount paid on refund claims was Rs. 19.7 billion.

The majority of the investments made by ETFB are placed in government securities ensuring a steady stream of secured returns. The investment portfolio grew up to Rs. 410.5

billion by recording an increase of 10.4 percent, compared to the Rs. 371.7 billion in 2020. Moreover, in 2021, ETFB earned a total income of Rs. 35.4 billion which largely consisted of interest income. In 2021, the fund earned a net profit of Rs. 33.1 billion and declared a total dividend plus interest rate of 7.25 percent to all members, which accounted for Rs. 21.1 billion.

Table 8.14 | Financial Outturn of Employees' Trust Fund Board

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Income</b>	<b>29,000</b>	<b>22,885</b>	<b>32,076</b>	<b>34,729</b>	<b>35,490</b>
Investment Income (net)	28,148	22,456	31,647	33,697	35,202
Other Income	852	429	429	1032	288
<b>Total Expenses</b>	<b>1,920</b>	<b>2,315</b>	<b>2,315</b>	<b>2,229</b>	<b>2,330</b>
Operating Expenses	1,251	1,792	1,792	1,776	1,836
Member Expenses	669	523	523	453	494
Profit before tax	27,080	20,570	29,764	32,500	33,159
<b>Profit for Distribution</b>	<b>14,851</b>	<b>15,383</b>	<b>25,411</b>	<b>28,007</b>	<b>28,569</b>
Interest on Member Fund 3%	8,435	9,193	9,423	10,423	11,553
Dividend	16,869	15,322	15,706	17,371	9,627
Total Rate of Interest & Dividend (%)	9	8	8	8	7.25

Sources: Employee's Trust Fund Board and Department of Public Enterprises

## 8.4 Water

### 8.4.1 National Water Supply and Drainage Board

Under the significant responsibility of providing safe water for all as outlined in the Corporate Plan of the National Water Supply and Drainage Board (NWS&DB), the board increased the piped borne water and safe drinking water supply coverage in the country to 54.30 percent and 94.40 percent, respectively in 2021 (including protected dug wells: 36.85 percent, tube wells: 3.2 percent, rainwater harvesting and other: 0.5 percent in addition to the piped water supply).

In 2021, the NWS&DB added 190,000 new connections to the system by completing two local banks funded and one foreign bank funded project. As a result, the total connections increased to 2.8 million in 2021 compared to 2.6 million in 2020. In 2021, 815 million cubic meters (m<sup>3</sup>) of drinking water were produced at

a cost of Rs. 19,163 million and distributed 605 million m<sup>3</sup> with a unit cost of production at a rate of Rs. 60.63 in 2021 against the production cost per unit of Rs. 48.87 in 2020. Therefore, it is an essential requirement of adopting a cost-reflective pricing methodology to enhance the financial position of the NWS&DB which would enable them to pay their loans without a burden to the Government.

Amidst the profit recorded in 2020 of Rs. 509 million, NWS&DB recorded a significant loss of Rs. 3,136 million in 2021 mainly due to the increase in personal emoluments by 18 percent. Moreover, as a result of completing new projects, the total assets base of Rs. 699,427 million in 2020 increased by 13 percent to Rs. 707,328 million in 2021.

Under the "Water for All" National Programme 2021-2024, the NWS&DB initiated 1,080 projects and awarded 303 contracts worth Rs. 46 billion. However, it is reported that the physical progress is about 2 percent out of

the expected progress of 17 percent in 2021. Therefore, the board should take prudent measures to implement the above programs swiftly.

Non-Revenue Water (NRW) percentage increased to 25.82 percent in 2021 from 24.63 percent in 2020.

To strengthen the financial position of the NWS&DB, budgetary support was extended

by way of equity contribution amounting to Rs. 11,820 million in 2021. Moreover, Budget 2022 has also allocated around Rs. 49,653 million to facilitate the expansion of the supply of water in the country in line with the National Policy Framework. Therefore, it is required to take proactive measures to complete the ongoing projects on time and to enhance the capacity and quality of the existing water supply schemes.

Table 8.15 | Financial outturn of National Water Supply and Drainage Board

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>23,860</b>	<b>24,806</b>	<b>26,079</b>	<b>27,761</b>	<b>28,935</b>
<b>Water</b>	<b>21,692</b>	<b>22,744</b>	<b>23,995</b>	<b>25,608</b>	<b>25,735</b>
Water Related Income	2,167	2,062	2,084	2,154	3,200
Cost of Sales	-14,196	-15,821	-16,614	-16,754	-19,163
Gross Profit	9,940	8,985	9,465	11,007	9,772
Other Income	1,724	1,061	1,259	1,482	1,796
Administrative Expenses	-9,935	-10,957	-12,059	-12,035	-13,658
Other Operating Expenses	-714	-906	-765	-839	-998
Operating Profit/ (Loss)	733	-1,817	-2,100	-385	-3,087
Finance Income	1,157	1,574	1,454	1,571	843
Other Expenses + Taxes	-66	-325	-531	-677	-752
Net Profit/ (Loss)	1,823	-569	-1,177	509	-3,136
<b>Key Performance Indicators</b>					
<b>Connections (Nos. Million)</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>	<b>2.6</b>	<b>2.8</b>
Water Production (m3 Million)	679	732	746	782	815
Water Sales (m3 Million)	508	527	590	597	605
Non-Revenue Water (percent)	25.2	24.96	24.88	24.63	25.82
Water Supply Projects (Nos.)	343	343	348	331	
Safe Drinking Water Supply Coverage (Percent)	89	90	92	93	94.4

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

## 8.5 Ports

### 8.5.1 Sri Lanka Ports Authority

Sri Lanka Ports Authority (SLPA) handled around 7.2 million TEU of containerized cargo in 2021. The majority of both international port operations are handled by private businesses, with the SLPA terminal handling about 32 percent of the Colombo port operations'

i.e. 2.2 million container throughput TEUs. In 2021, the East Container Terminal, which was originally decided to be invested by private investors, was returned to SLPA, while the West Container Terminal project was granted to the same investor .

The revenue collection of SLPA increased by 17 percent to Rs. 45.5 billion in 2021 from Rs.38.9 billion in 2020. However, the profit increased by 10 percent to Rs.21 billion in 2021 from Rs. 19 billion in 2020.



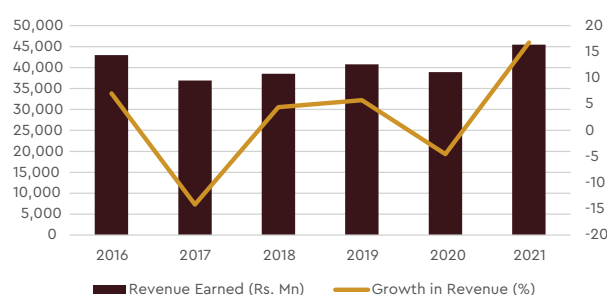
Table 8.16 | Financial outturn of Sri Lanka Ports Authority

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Revenue</b>	<b>36,914</b>	<b>38,546</b>	<b>40,770</b>	<b>38,931</b>	<b>45,454</b>
Navigation	8,502	10,583	11,567	10,957	10,793
Stevedoring	17,487	18,257	18,582	17,847	20,441
Wharf Handling	5,419	5,607	5,910	5,317	6,260
Port Facilities	4,235	3,226	3,696	3,443	6,176
Other	1,270	873	1,015	1,365	1,785
<b>Other Income</b>	<b>7,044</b>	<b>11,577</b>	<b>11,150</b>	<b>11,314</b>	<b>12,310</b>
<b>Total Expenditure</b>	<b>-28,530</b>	<b>-30,241</b>	<b>-37,040</b>	<b>-29,715</b>	<b>-32,899</b>
Operational Expenses	-15,043	-15,276	-16,517	-16,300	-16,812
Repair and Maintenance Expenses	-4,977	-5,837	-5,868	-5,646	-7,048
Administrative Expenses	-8,030	-8,868	-15,025	-7,770	-9,039
<b>Net Finance Cost/Income</b>	<b>481</b>	<b>-131</b>	<b>287</b>	<b>849</b>	<b>2,005</b>
<b>Profit/(Loss) Before Tax and Foreign Exchange Loss</b>	<b>15,428</b>	<b>20,013</b>	<b>17,514</b>	<b>21,379</b>	<b>26,871</b>
Foreign Exchange Gain/(Loss)	-2,206	-11,317	1,359	-1,051	-1,270
Income tax	-	-	-3,486	-2,603	-2,676
Differed tax	-102	-4,449	-423	1,015	-2,230
Contribution to the Consolidated Fund	-	-	600	-	-
<b>Profit / (Loss) for the year</b>	<b>13,324</b>	<b>4,247</b>	<b>11,646</b>	<b>18,738</b>	<b>20,695</b>
Outstanding debts to Banks	12,916	12,884	10,990	9,322	7,355
Outstanding debts to Government/Foreign Loan	60,123	66,335	59,985	55,907	52,896
Interest on Loans	2,082	2,257	2,372	1,532	800
<b>Key Performance Indicators</b>					
TEU's Handling (Nos Million)	6.21	7.05	7.23	6.85	7.25
Ship Arrivals (Nos)	5,781	5,457	5,458	4,762	4,603
Colombo (Nos)	5,109	5,079	5,001	4,335	4,411
Galle (Nos)	150	143	283	248	54
Trincomalee (Nos)	271	235	174	179	138
MRRMP (Nos)	251	-	-	-	-

Sources: Sri Lanka Ports Authority and Department of Public Enterprises

Figure 8.10: Revenue from year 2016 to 2021



Sources: Sri Lanka Ports Authority and Department of Public Enterprises

Table 8.17 | Throughput Container TEU's In 2021

Terminal Name	Domestic	Re-Stowing	Total TEU's
CICT	612,649	117,272	3,212,331
SLPA	321,121	30,949	2,198,334
SAGT	265,285	52,035	1,838,693
<b>Total TEU's</b>			<b>7,249,358</b>

Sources: Sri Lanka Ports Authority and Department of Public Enterprises

## 8.6 Insurance

The insurance industry consists of 27 insurance companies and out of that 6 companies are fully or partly foreign owned. The industry is regulated by the Insurance Regulatory Commission of Sri Lanka (IRCSL). There are 4 state owned insurance companies, i.e. Sri Lanka Insurance Corporation Ltd. (SLIC), National Insurance Trust Fund (NITF), People's Insurance PLC and MBSL Insurance Company Ltd. (MBSLI). The Agricultural & Agrarian Insurance Board (AAIB), the Sri Lanka Export Credit Insurance Corporation (SLECIC) and the Social Security Board are involved in insurance activities. However, in terms of Section 12(3) of the Regulation of Insurance Industry Act, No. 43 of 2000 (RII Act) such entities are exempted from the purview of the IRCSL.



In 2021, the insurance industry grew by 12 percent in the Gross Written Premium (GWP) to Rs. 233.7 billion from 208.2 billion in 2020. The value of total assets of the insurance sector increased by 11 percent to Rs. 879.8 billion in 2021, compared to Rs. 789.7 billion in 2020.

**Note:**

Information for the year 2021 has been extracted from the Quarterly Return information provided by the insurance companies for the year 2021 (Provisional figures) whereas information for the year 2020 has been extracted from the data prepared for IRCSL Statistical Review – 2020 which is already published.

### 8.6.1 Sri Lanka Insurance Corporation Limited

Being the largest state-owned insurance company in the country, Sri Lanka Insurance Corporation Ltd. (SLIC) has an asset base of Rs. 268 billion and the largest life fund in the insurance industry of Rs. 152 billion while it has a stated capital of Rs. 6 billion.

Table 8.18 | Financial Outturn of Sri Lanka Insurance Corporation Ltd.

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>39,400</b>	<b>44,380</b>	<b>48,608</b>	<b>52,614</b>	<b>64,062</b>
Gross written premium	31,438	31,738	33,794	39,421	43,231
Net earned premium	25,938	28,005	29,772	34,206	38,397
Benefit, Losses & Expenses	-26,025	-28,407	-31,270	-34,888	-42,255
Investment income	12,128	13,059	17,671	16,511	23,392
Operating & Administrative Expenses	-7,484	-8,822	-9,134	-9,755	-10,082
<b>Profit from operations</b>	<b>5,890</b>	<b>7,150</b>	<b>8,205</b>	<b>7,972</b>	<b>11,725</b>
<b>Net Profit for the year</b>	<b>4,569</b>	<b>5,245</b>	<b>7,028</b>	<b>5,788</b>	<b>10,041</b>
<b>Key Performance Indicators</b>					
Claims ratio – General (%)	67	67	61	51	60
Capital Adequacy ratio- Life (%)	434	440	434	459	490
Capital Adequacy ratio- – General (%)	188	208	208	223	240
Life Fund	98,580	107,108	118,000	134,013	152,585

Sources: Sri Lanka Insurance Corporation Ltd. and Department of Public Enterprises

SLIC recorded a revenue of Rs. 64,062 million in 2021, an increase of 22 percent, compared to Rs. 52,614 million in 2020. Gross Written Premium (GWP) increased by 10 percent to Rs. 43,231 million in 2021 from Rs. 39,421 million in 2020. The GWP from the life insurance business increased by 14 percent to Rs. 21,976 million in 2021 from Rs. 19,258 million in 2020. SLIC reported a GWP of Rs. 21,255 million for non-life insurance in 2021, an increase of 5 percent, compared to Rs. 20,163 million in 2020. The SLIC is required to focus on the digitalization of service delivery with user-friendly technological approach.

### 8.6.2 National Insurance Trust Fund

National Insurance Trust Fund (NITF) has been established in 2006 by an Act of Parliament and engages in the insurance business by offering several products including, the Agrahara Insurance Scheme, Agricultural Loan Protection Insurance Scheme, Crop Insurance Scheme and General Insurance – Motor and Non – Motors sector policies. Further, NITF acts as a reinsurer of any liability carried by any person in the insurance industry or any insurer in or outside of Sri Lanka since 2007, it maintains the Strike, Riot, Civil Commotion and Terrorism (SRCC&T) Fund.

Table 8.19 | Financial Outturn of National Insurance Trust Fund

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Total Revenue (Rs.Mn)</b>	<b>12,764</b>	<b>15,003</b>	<b>17,717</b>	<b>18,862</b>	<b>18,969</b>
Gross Written Premium	9,071	9,684	12,693	9,818	10,631
Contribution received for Agrahara	2,727	4,017	4,839	5,469	6,283
Crop insurance levy collected	1,878	2,138	1,780	1,627	2,194
Net earned premium income	11,614	13,653	16,448	17,475	17,379
Other income	1,150	1,350	1,269	1,387	1,590
Reinsurance ceded	-1,175	-2,486	-1,191	-1,102	-590
Insurance Claims & Benefits	-9,901	-9,691	-12,079	-7,955	-10,761
Underwriting & acquisition cost	-1,441	-1,609	-2,056	-1,615	-1,864
<b>Total Expenditure</b>	<b>344</b>	<b>415</b>	<b>574</b>	<b>427</b>	<b>408</b>
Staff Related Costs	201	219	240	226	225
Administration & Other Expenses	143	196	334	201	183
<b>Income over Expenditure</b>	<b>1,077</b>	<b>3,289</b>	<b>3,008</b>	<b>8,866</b>	<b>5,936</b>
Agrahara Claims received(Nos)	165,379	185,870	230,029	218,422	226,639
Agrahara Claims paid(Nos)	149,039	166,675	214,381	209,108	212,646
Agrahara premium collected	2,727	4,017	4,839	5,469	6,283
Agrahara Claims paid	2,757	4,033	5,257	4,173	6,380

Sources: National Insurance Trust Fund and Department of Public Enterprises

NITF's revenue has slightly increased from Rs. 18,862 million in 2020 to Rs. 18,969 in 2021. GWP increased by 8 percent to Rs. 10,631 million in 2021, compared to Rs. 9,818 million in 2020. NITF's profit has dropped by 33 percent to Rs. 5,936 million in 2021 from Rs. 8,866 million in 2020 mainly due to the increased cost of Insurance Claims and Benefits led by the pandemic.

restrictions imposed in the country. As a result, revenue generated by SLTB significantly declined by 27 percent to Rs. 22,766 million in 2021 from Rs. 31,128 million in 2020.

The subsidy given by the General Treasury for operating un-economical routes and season tickets amounted to Rs. 10,600 million in 2021 from Rs. 10,700 million in 2020.

The finance cost of the SLTB has reduced up to some extent due to coming end of the finance leasing arrangement of 2,200 buses. SLTB's loss increased by 49 percent to Rs. 3,143 million in 2021.

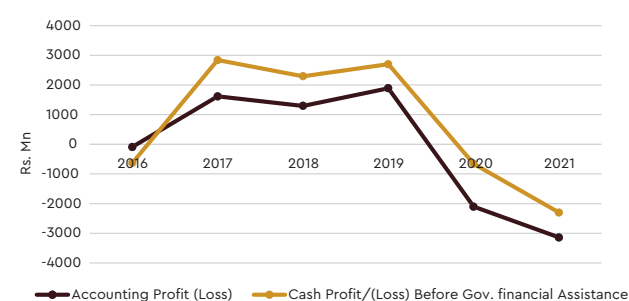
## 8.7 Commuter Transportation

### 8.7.1 Sri Lanka Transport Board

Nearly 38 percent of commuters use public transportation, while the rest of the commuters depend on their own vehicles and other modes. Sri Lanka Transport Board (SLTB) dominates the industry having the biggest bus fleet around 7,000 busses, which operates through 107 bus depots covering the entire country. SLTB caters for uneconomical routes particularly in remote areas through Gami Seriya, night-time services through Nisi Seriya and providing low-cost transportation services to school children through Sisu Seriya.

Kilometers operated by SLTB fell by 30 percent to 215 million kilometers in 2021 from 308 million kilometers in 2020 owing to the travel

Figure 8.11 | Performance of Sri Lanka Transport Board



Source: Sri Lanka Transport Board

Table 8.20 | Financial Outturn of Sri Lanka Transport Board

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>46,243</b>	<b>43,647</b>	<b>42,938</b>	<b>31,128</b>	<b>22,766</b>
Operational Income	33,928	30,914	29,282	17,996	12,101
Other income	12,315	12,733	13,656	13,132	10,665
<b>Expenditure</b>	<b>43,404</b>	<b>41,351</b>	<b>40,237</b>	<b>31,787</b>	<b>25,067</b>
Salary	18,380	19,436	20,143	18,274	15,198
Fuel	13,067	14,634	13,879	9,535	6,850
Other Running Cost	4,261	4,428	4,794	3,085	2,336
Overhead	7,042	2,245	1,037	629	573
Finance Cost	654	608	384	264	110
<b>Cash Profit/(Loss) Before Gov. financial Assistance</b>	<b>2,839</b>	<b>2,296</b>	<b>2701</b>	<b>-659</b>	<b>-2,301</b>
Gov. financial Assistance	964	1,225	1,474	1,127	807
Cash Profit (Loss)	3803	3,521	4,175	468	-1,494
Depreciation	2,120	2,170	2,265	2,507	1,649
Production Loss	67	56	20	66	
<b>Accounting Profit (Loss)</b>	<b>1616</b>	<b>1295</b>	<b>1890</b>	<b>-2,105</b>	<b>-3,143</b>
<b>Key Performance Indicators</b>					
Fuel Cost per km	28.18	31.91	31.7	30.93	31.9
No. of Employees per bus	6	6	6	7	8
Avg. buses operated per day	5,266	5,227	5,079	3,961	3,208
Break – down buses	3,085	3,274	2,808	2,610	1,052
Operated km Mn	448	446	431	308	215
<b>Bus Fleet Age Analysis</b>					
Less than 5 yrs	2,828	2,559	2,423	1,001	740
Less than 10 Yrs	888	968	1,134	2420	2,273
10 > 15	1,598	1786	2109	2,155	1,830
Over 15 Yrs	1,988	1,629	1,608	1,382	951
<b>Total</b>	<b>7,302</b>	<b>6,942</b>	<b>7,274</b>	<b>6,958</b>	<b>5,794</b>

Sources: Sri Lanka Transport Board and Department of Public Enterprises

## 8.8 Aviation

### 8.8.1 Airport and Aviation Services (Sri Lanka) Limited

Airport operation is one of the key industries which facilitates for connecting people, countries, and cultures, providing access to global markets by generating trade and tourism, and forging ties between developed and developing countries. The year 2020 and 2021 proved difficult for the aviation industry's existence due to the global spread the COVID-19 disease. The majority of aircraft operations around the world have been constrained or grounded, with very few flight movements recorded over the years. According to the International Air Transport Association (IATA), net industry losses approximated to USD 51.8 billion in 2021, demand (measured

in RPKs) was around 40 percent of 2019 levels in 2021, total passenger numbers was around 2.3 billion in 2021, and cargo demand was 8 percent higher than pre-COVID levels. During the crisis, financial assistance was a lifeline for many airlines.

In Sri Lankan context, 2021 had a modest improvement over 2020. The number of aircraft movements increased from 38,145 to 47,391, while cargo handling increased from 151,141 MT to 201,680 MT. However, total passenger movements have decreased from 2.4 million to 1.5 million.

Operational revenue of the Airport and Aviation Services (Sri Lanka) Limited (AASL) declined by 5 percent to Rs. 7.4 billion in 2021. The revenue streams of AASL mainly comprise the aeronautical operations and non-aeronautical

activities amounted to Rs. 2.3 billion and Rs. 5.1 billion, respectively in 2021. However, the other operational income of AASL in 2021, has shown a trivial decline to Rs. 3.8 billion compared to Rs. 3.9 billion in 2020. Coupled with the reduction of administrative cost and Net Finance cost, the bottom-line impact of the AASL shows an improvement in 2021 having a reduction of total loss to Rs. 755 million from the loss of Rs. 3,733 million in previous year.

The AASL's total borrowings as of December 31, 2021 were Rs. 64.5 billion, a 38 percent increase over the previous year. AASL has made capital repayments on foreign loans totaling Rs. 4.2 billion, while the loan receipts of Rs. 19.8 billion from Japan International Cooperation Agency (JICA) was utilized for the Bandaranaike International Airport Development Project (BIADP) Phase II Stage 2 which will enable to cater the demand once the country's situation back to normal.

Table 8.21 | Financial Outturn of Airport and Aviation Services (Sri Lanka) Ltd.

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>20,758</b>	<b>28,739</b>	<b>29,857</b>	<b>11,676</b>	<b>11,199</b>
Aeronautical	4,619	5,234	5,431	2,291	2,299
Non Aeronautical	15,876	19,725	20,221	5,486	5,087
Other Income	263	3,780	4,205	3,899	3,813
<b>Expenditure</b>	<b>11,118</b>	<b>18,279</b>	<b>14,635</b>	<b>15,409</b>	<b>11,954</b>
Personal Expenses	6,415	7,458	8,117	7,415	7,305
Admin. & Estab. Expenses	1,575	1,666	2,053	2,088	1,141
Depreciation	2,231	2,694	2,856	2,853	2,648
Repairs and Maintenance Expenses	307	398	463	266	354
Finance Expenses	590	6,063	1,146	2,787	506
<b>Net Profit before tax</b>	<b>9,640</b>	<b>10,460</b>	<b>15,222</b>	<b>-3,733</b>	<b>-755</b>
Total Assets	87,020	100,834	108,274	103,216	125,953
Total Liabilities	63,757	72,356	69,044	66,233	84,433
Total Equity	23,264	28,479	39,231	36,983	46,075
Total Borrowings	42,780	49,208	47,560	46,773	64,458
Borrowings during the year	6,333	1,391	2,150	684	19,833
<b>Key Performance Indicators</b>					
Aircraft Movements (Nos)	62,850	67,308	96,812	38,145	47,391
Passengers Movements (Nos) (Million.)	10	11	10	2.4	1.5
Transits passengers (Nos) (Million.)	1.5	1.5	1.7	1.5	1.7
Cargo Movements (MT)	274,044	279,560	261,367	151,141	201,680

Sources: Airport and Aviation Services (Sri Lanka) Ltd and Department of Public Enterprises

## 8.8.2 SriLankan Airlines Ltd.

Sri Lankan Airlines (SLA) reported a loss of Rs. 171 billion for the fiscal year 2021/22, bringing its accumulated loss to Rs. 542 billion. Historically, these losses were financed through bank loans and delayed payments to suppliers. As a result, SLA's interest-bearing liability has increased to Rs. 372 billion as of March 31, 2022, with SLA also having outstanding payable to trade creditors of Rs. 183 billion including bills payable to CPC amounting to Rs.89 billion, bringing the total liability to a significant level of Rs. 618 billion. In this backdrop, SLA had to incur Rs. 122 billion as finance costs, compared to Rs. 36 billion in the previous year. This scenario has had a significant impact to the banking sector and

the CPC. Furthermore, the capital erosion of SLA has been aggravated by the massive loss experienced in 2021/22, throwing further doubt on SLA's going concern in light of the government's restricted fiscal space and the financial environment of the state banking sector.

However, despite the numerous challenges prevailed in the country, SLA raised its operational income from passenger and cargo operations by 163 percent to Rs. 133,276 million in 2021/22 from Rs. 50,694 million recorded in 2020/21. This was largely owing to an increase in Passenger Carried Kilometers from 748.13 RPK million in 2020/21 to 4,968.59 RPK million in 2021/22 to catch up with the recovery of the

COVID epidemic and considerable focus on promotional activities.

Even though, financing the losses of the SLA at this distressed economic condition cannot be further continued, the Government approved the re-issuance of all Letters of Comfort that expired during the period amounting to USD 205.4 million and Rs. 27.6 billion, in favor of two state banks to continue SLA's operations. The uneconomical operations of the SLA and losses

cannot be absorbed either to the limited fiscal space or state banking sector hindering the productive private sector credit growth.

However, under the prevailing economic conditions, the Government is no longer in a position to finance SLA's losses and therefore SLA requires an immediate transformation to clear up their liabilities through a proper business restructuring by selecting a suitable business partner.

Table 8.22 | Financial Outturn of SriLankan Airlines Ltd.

Description	Rs. Million				
	Actual			Provisional	
	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Total Revenue</b>	<b>167,490</b>	<b>184,653</b>	<b>183,513</b>	<b>71,848</b>	<b>134,613</b>
Passenger	131,494	147,900	147,673	16,328	78,340
Cargo	14,621	15,828	15,745	27,328	43,975
Excess Baggage	1,033	1,074	1,166	197	1,157
Other operational Income	14,285	15,538	15,566	6,841	9,803
Finance income	181	90	317	525	639
Other income and gains	5,876	4,223	3,046	20,629	699
<b>Total Expenditure</b>	<b>184,703</b>	<b>228,676</b>	<b>230,712</b>	<b>117,078</b>	<b>305,364</b>
Aircraft fuel cost	47,038	60,673	55,328	10,569	42,757
Employee cost	19,454	20,368	21,205	16,206	16,568
Airport, aeronaut and passenger expenses	28,659	29,780	29,217	7,440	19,578
Aircraft Maintenance and overhaul costs	22,829	26,333	22,820	13,695	25,619
Rentals on Leased Aircraft	25,726	-	1,394	2,265	-883
Selling, Marketing and advertising expenses	15,634	15,775	14,541	2,034	7,069
Crew Expenses	6,036	6,582	6,557	1,680	3,262
Other Operating Expenses	6,711	14,302	14,127	4,325	7,002
Realized/Unrealized Exchange (Gain)/Loss	2,017	3,414	6,119	6,895	47,718
Depreciation and Amortization	1,779	1,349	19,014	16,296	14,184
Finance Cost	8,820	19,331	40,390	35,673	122,490
Cost of applying SLFRS 16 on operational activities	-	30,769	-	-	-
Compensation for cancellation of aircraft lease agreement	-	-	-	-	-
<b>Profit / (Loss) Before Tax</b>	<b>-17,213</b>	<b>-44,023</b>	<b>-47,199</b>	<b>-45,230</b>	<b>-170,751</b>
Accumulated losses	-181,821	-223,488	-316,477	-326,341	-542,484
Serious loss of Capital	Yes	Yes	Yes	Yes	Yes
<b>Key performance Indicators</b>					
Passenger carried (RPK Million)	15,280.78	15,689.19	14,547.97	748.13	4,968.59
Aircraft Fleet (Nos)	26	27	25	24	24
Passenger Capacity (ASK Million)	18,487.54	18,925.40	18,041.41	3,816.40	10,144.12
% of Fuel Cost on Total Revenue	28%	33%	30%	15%	32%
Passenger Load Factor	82.65	82.9	80.64	19.6	48.98

Sources: SriLankan Airlines Ltd and the Department of Public Enterprises

## 8.9 Construction

The State Engineering Corporation (SEC), Central Engineering Consultancy Bureau (CECB) and State Development & Construction Corporation (SD&CC) are the main three state owned enterprises directly engaged in the construction industry. Despite the unfavorable conditions in the economy, the total turnover of the above SOEs increased by 31 percent to Rs. 13,751 million in 2021 from Rs. 10,521 million in 2020.

All the entities in the construction sector including state owned construction entities have suffered from liquidity constraints due to the increased government dues for the work undertaken by contractors. The total receivable from the government entities to SEC, CECB and SD&CC amounted to nearly Rs. 17,242 million for work undertaken and this is a

5 percent increase over 2020. In the same vein, the private sector construction entities have also been affected due to the unsettlement of dues to the private sector.

### 8.9.1 State Engineering Corporation

Revenue of SEC increased by 36 percent to Rs. 2,961.2 million in 2021 from Rs. 2,182.6 million in 2020 and expenditure has also increased by 23 percent. SEC recorded a loss of Rs. 1,020 million in 2021, a drop of 4 percent compared to 2020. SEC's receivables of Rs. 5,384.9 million in 2020 increased by 10 percent to Rs. 5,928 million in 2021.

The SEC faces a greater liquidity crunch that emerged on not honouring receivables in a timely manner and the significantly enhanced cost for inputs created through the import restrictions as well as currency depreciation.

Table 8.23 | Financial Outturn of State Engineering Corporation

Description	Rs. Million				
	Actual			Provisional	
	2017	2018	2019*	2020*	2021
<b>Revenue</b>	<b>3,822</b>	<b>3,439</b>	<b>3,913</b>	<b>2,183</b>	<b>2,961</b>
Construction	3,624	3,279	3,424	1,763	2,932
Other Income	199	161	490	419	29
<b>Expenditure</b>	<b>5,139</b>	<b>5,197</b>	<b>4,890</b>	<b>3,248</b>	<b>3,981</b>
Operating Expenditure	2,807	2,797	2,678	1,229	1,832
Staff Cost	2,110	2,120	1,846	1,594	1,924
Financial Cost	221	281	366	426	226
<b>Profit/ (loss)</b>	<b>-1,317</b>	<b>-1,758</b>	<b>-976</b>	<b>-1,066</b>	<b>-1,020</b>
<b>Outstanding Debts to Banks</b>	<b>664</b>	<b>2,121</b>	<b>2,030</b>	<b>2,130</b>	<b>2,130</b>
<b>Receivables</b>	<b>5,523</b>	<b>5,268</b>	<b>5,183</b>	<b>5,385</b>	<b>5,928</b>

Sources: State Engineering Corporation and Department of Public Enterprises

\* Without accounts of National Equipment and Machinery Organization

SEC has undertaken projects worth Rs. 5,937.3 million in 2021 and completed a few government construction projects including the building of Civil Aviation Authority, District Court Complex at Wattala, Stage ii of Isurupaya Building Complex, University College at Ratmalana, Peradeniya Children's Hospital etc.

### 8.9.2 Central Engineering Consultancy Bureau

Revenue of CECB marginally declined by 3 percent to Rs. 6,361 million in 2021 and simultaneously the profit also fell by 4 percent

to Rs. 250 million in 2021 compared to the profit of Rs. 261 million in 2020. Total receivables of CECB inclined to Rs. 10,757 million at the end of the year 2021 again creating pressure on its bottom line. During the year, CECB has invested in Agri Engineering as a business diversification strategy and to adhere to the government policy on investing in the agriculture venture in 2021. CECB has been engaged in projects worth Rs. 33,400 million as at end of 2021 including the new government sector projects worth Rs. 2,544 million undertaken during the year 2021.



Table 8.24 | Financial Outturn of Central Engineering Consultancy Bureau

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>13,693</b>	<b>10,128</b>	<b>8,032</b>	<b>6,557</b>	<b>6,361</b>
Construction	10,769	7,033	5,128	4,124	3,947
Consultancy	2,427	2,634	2,420	2,008	2,117
Other Income	180	157	170	162	121
Finance Income	317	304	314	263	176
<b>Total Expenditure</b>	<b>12,936</b>	<b>9,602</b>	<b>7,691</b>	<b>6,296</b>	<b>6,111</b>
Operating Expenditure	11,556	7,987	6,005	4,548	4,441
Staff Cost	1,370	1,602	1,682	1,743	1,665
Financial Cost	10	13	4	5	5
<b>Others</b>	-	-	-	-	-
<b>Profit/ (loss)</b>	<b>757</b>	<b>526</b>	<b>341</b>	<b>261</b>	<b>250</b>
<b>Outstanding Debts to Banks</b>	-	-	-	-	-
<b>Receivables</b>	<b>14,401</b>	<b>11,485</b>	<b>11,741</b>	<b>10,743</b>	<b>10,757</b>

Sources: Central Engineering Consultancy Bureau and Department of Public Enterprises

### 8.9.3 State Development & Construction Corporation

The total revenue of SD&CC increased significantly by 149 percent to Rs. 4,430 million compared to Rs. 1,782 million in 2020. A net profit of Rs. 43 million was reported in 2021 compared to the net loss of Rs. 257 million in 2020. Total receivables of SD & CC stood at Rs. 557 million at the end of 2021.

While expanding the activities in 2021, SD&CC engaged in projects worth Rs. 7,442.35 million as at end of 2021 and to undertake new projects worth of Rs. 5,892.28 million. It has completed government projects worth of Rs. 513.06 million in 2021.

Table 8.25 | Financial Outturn of State Development &amp; Construction Corporation

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>2,531</b>	<b>3,082</b>	<b>4,318</b>	<b>1,782</b>	<b>4,430</b>
Construction	2,348	2,878	4,192	1,449	4,216
Others	182	204	126	333	214
<b>Total Expenditure</b>	<b>2,519</b>	<b>3,064</b>	<b>5,162</b>	<b>2,039</b>	<b>4,386</b>
Operating Expenditure	2,175	2,696	4,584	1,338	3,812
Staff Cost	139	148	177	161	109
Financial Cost	119	145	224	209	259
Others	86	75	177	331	206
<b>Profit/ (loss)</b>	<b>12</b>	<b>19</b>	<b>-844</b>	<b>-257</b>	<b>43</b>
Outstanding Debts to Banks	929	1,497	1,680	1,854	1,989
With Overdraft	21	1,146	1,298	1,429	1,845
Without Overdraft	353	437	560	333	557
Receivables	353	437	560	333	557

Sources: State Development &amp; Construction Corporation and Department of Public Enterprises



## 8.10 Lotteries

In Sri Lanka, there are two entities that engage in lottery draws i.e. National Lotteries Board (NLB) and the Development Lotteries Board (DLB) where both are fully owned by the central Government. Both boards commence drawing various passive and instant (scratch) lotteries over the entire week. In 2021, NLB engaged with 16 types of lotteries (14 passive and 2 instant) while DLB, 9 (8 passive and 1 instant). NLB and DLB have been able to distribute over Rs.16 billion as prize payouts in 2021. However, virtual platforms are required to be introduced to keep pace with new high tech innovations while developing strategies to gain untouched customers such as the high-income earners and Sri Lankans living abroad to increase the market portfolio in the lottery business.

### 8.10.1 National Lotteries Board

The lottery sale income of NLB declined by 4.2 percent to Rs. 17,292 million in 2021 from Rs. 18,041 million in 2020. Prizes declared dropped

by 3.6 percent to Rs. 8,352 million in 2021 from Rs. 8,668 million in 2020. A total contribution of Rs. 2,148 million has been channeled by NLB to the Consolidated Fund in 2021 out of which the agriculture sector Rs. 444 million (Govisetha), Housing Development Rs. 34 million (Sevana), health, medical services along with labour services Rs. 56 million (Jathika Sampatha) and Ranaviru Sewa, Sports services Rs. 45 million (Supiri Vasana). In addition, NLB has remitted Rs. 14 million contributions to the National Kidney Fund using the sales of Neeroga and Sampatha Lagna Warama.

NLB equipped with an island-wide agency network of 111 dealers, 3,004 agents and approximately 17,784 sellers at the end of 2021. Further, NLB has developed a strong product portfolio in the lottery industry by continuously expanding to all segments in line with the core strategy of creating wealth for all stakeholders.

Table 8.26| Financial Outturn of the National Lotteries Board

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>16,015</b>	<b>19,675</b>	<b>21,439</b>	<b>18,034</b>	<b>17,299</b>
Lottery Sale Income	16,747	20,438	22,079	18,041	17,292
Less Direct Taxes – Excise Duty	131	-	-	-	-
Less Indirect Taxes – VAT	742	890	911	430	409
– NBT	236	287	282	-	-
Other Income	377	414	553	423	416
<b>Expenditure</b>	<b>15,414</b>	<b>18,924</b>	<b>20,397</b>	<b>16,333</b>	<b>16,079</b>
Agency Commission	3,103	3,573	4,005	3,383	3,242
Prizes Declared	7,995	9,834	10,608	8,668	8,352
Tickets Printing Cost	453	507	531	443	425
Distribution, Sales & Marketing	1,246	1,534	1,508	893	1,074
Admin Expenses	693	752	809	773	812
Finance Cost	40	43	25	10	12
Contribution to Consolidated Fund and National Kidney Fund	2,016	2,427	2,638	2,205	2,162
<b>Net Profit Before Tax</b>	<b>624</b>	<b>1038</b>	<b>1323</b>	<b>1,435</b>	<b>1,003</b>
Income Tax	484	N/A	717	352	43
Net Profit After Tax	139	-38	606	1,083	960
<b>Key performance indicators</b>					
Agency, Dealers and Sub Dealers Network	3,000	3,100	4,279	3,607	3,257
<b>Contribution to consolidated fund as a % of revenue</b>	<b>12.12</b>	<b>12.34</b>	<b>12.3</b>	<b>12</b>	<b>12.06</b>

Sources: National Lotteries Board and Department of Public Enterprises

## 8.10.2 Development Lotteries Board

The revenue collection of DLB increased by 2.2 percent to Rs. 15,364 million in 2021 from Rs.15,033 million in 2020. Price payouts increased by 2 percent to Rs. 7,866 million in 2021 compared to Rs. 7,703 million in 2020. The Board produced 64 super jackpot winners in the year 2021 totaling Rs. 939 million. The DLB provides scholarships for university students through the Mahapola Trust Fund. Similarly, the health sector is also supported by the funds

generated by DLB through assisting patients with financial hardship. This contribution for the year 2021 has fallen by 17 percent amounting to Rs. 2,305 million compared to the Rs. 2,775 million in 2020.

At the end of 2021, DLB operated with an agency network of 89 distributors, 2,591 agents and approximately 19,056 sales assistants in island wide. DLB launched "DLB Sweep App" enabling locals to buy lotteries using the digital platform.

Table 8.27 | Financial Outturn of Development Lotteries Board

Description	Actual			Provisional		Rs. Million
	2017	2018	2019	2020	2021	
<b>Revenue</b>	<b>14,068</b>	<b>19,675</b>	<b>17,361</b>	<b>18,034</b>	<b>17,299</b>	
Lottery sale income	14,628	16,583	17,805	15,400	15,730	
Less Indirect Taxes – VAT	647	722	734	367	366	
– NBT	229	259	251	-	-	
– Excise	111	-	-	-	-	
Other Income	130	202	194	158	110	
Prize Write back	297	367	347	331	342	
<b>Expenditure</b>	<b>11,569</b>	<b>13,225</b>	<b>14,237</b>	<b>12,339</b>	<b>12,667</b>	
Agency Commission	2,529	2,899	3,209	2884	2,947	
Prizes Declared	7,263	8,296	8,903	7,703	7,866	
Draw Cost	466	575	584	510	542	
Tickets Printing Cost	387	402	460	451	434	
Distribution, Sales & Marketing	494	589	539	284	341	
Admin Expenses	419	464	542	507	537	
<b>Net Profit Before Tax</b>	<b>2,331</b>	<b>2,735</b>	<b>2,897</b>	<b>2,994</b>	<b>2,954</b>	
Income Tax	1,819	553	235	11	83	
<b>Net Profit After Tax</b>	<b>511</b>	<b>2,182</b>	<b>2,662</b>	<b>2,983</b>	<b>2,870</b>	
<b>Contribution to President Fund</b>	<b>507</b>	<b>2,058</b>	<b>2,428</b>	<b>2,297</b>	<b>2,305</b>	
Agency, Dealers and Sub Dealers Network	2,854	2,900	3,000	2,810	2,946	
Contribution to President fund as a % of revenue	3.43	12.73	14	17.9	15	

Sources: Development Lotteries Board and Department of Public Enterprises

## 8.11 Livestock and Dairy

The Sri Lankan Livestock Industry is highly fragmented where National Livestock Development Board (NLDB) and Milco (Pvt) Limited (MILCO) play a vital role in manufacturing and marketing livestock products and dairy products.

According to the contemporary data, only around 45 percent of the total milk requirement is met by domestic production despite the increased annual milk production by 4.5 percent in 2021. Based on the recommended daily level of milk consumption per person, Sri Lanka requires 1,631.55 million liters of milk per year to achieve self-sufficiency level. Introducing intensive farming with improved breeds, enhancing the quality of feed supply and preservation of cattle feed have been identified as measures to increase local production.

### 8.11.1 Milco (Pvt) Ltd

MILCO was established with the view of achieving growth in fresh milk production while strengthening the local dairy farmers. In

2021, MILCO has collected 13.25 percent of the total milk production of the country.

MILCO's net profit increased by 43 percent to Rs. 330 million in 2021 from Rs. 230 million in 2020. This was the highest-ever profitability reported by the MILCO over the last 6 years which has resulted to increase in earnings per share from Rs. 7.19 in 2020 to Rs. 10.31 in 2021. The considerable drop in debt to the Bank to Rs. 191 million in 2021 coupled with a 75.8 percent decline in finance cost driven by debt equity conversion by the Government has resulted to strengthen the financial position of the MILCO.

MILCO has produced 3.6 MT of Milk powder in 2021 which is far below the domestic requirement even Ambewela factory has a capacity to produce around 12,960 MT per year. However, the company should seek the ability to increase milk powder production by identifying new supply chains of raw milk to meet the market requirement while ensuring the sustainability of profit-making trends.

Table 8.28 | Financial Outturn of Milco (Pvt) Ltd.

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>10,593</b>	<b>12,025</b>	<b>10,393</b>	<b>11,190</b>	<b>12,473</b>
Sale of Milk Production	10,161	11,612	10,313	11,104	12,393
Other Income	432	412	80	86	80
<b>Expenditure</b>	<b>11,199</b>	<b>12,708</b>	<b>11,256</b>	<b>10,960</b>	<b>12,143</b>
Direct Expenses	9,817	11,385	9,918	9,790	10,944
Selling & Distribution	351	475	399	349	412
Administration	676	641	688	684	742
Finance cost	99	189	196	120	29
Other Expenditure	256	18	55	17	17
<b>Profit/(Loss) Before Tax</b>	<b>-606</b>	<b>-683</b>	<b>-863</b>	<b>230</b>	<b>330</b>
Outstanding Debt to Banks	1418	1657	1,678	753	191
<b>Key Performance Indicators</b>					
Milk Collection (Itrs. Million)	96	91	67	67	68
Earnings per share Rs.	-18.98	-15.08	-27.30	7.19	10.31

Sources: Milco Pvt. Ltd and Department of Public Enterprises

## 8.11.2 National Livestock Development Board

Being one of the leading suppliers of livestock and dairy products, NLDB is committed to fostering the livestock and dairy industry by developing quality breeding material, livestock and agricultural products infusing new technology and innovations in due recognition of the national effort of making the country self-sufficient in livestock and dairy products. The total annual milk production is 10.36 million liters and the overall contribution of NLDB to the national production is around 2.3 percent by end of 2021.

The NLDB is currently managing 32 livestock and coconut integrated farms with a network of 41 NLDB milk outlets and farm based 16 sales centers.

Out of the total land extent of 12,204 hectares, the NLDB utilized around 3,908 hectares for coconut cultivation including 10 farms located in the coconut triangle with the production of 17 million nuts in 2021 and part of the production is converted to coconut oil for local consumers. The board produced 2,400 metric tons of organic fertilizer in all the farms of NLDB in 2021. The Sri Lanka Poultry Development Company (Pvt) Ltd. is a subsidiary and the Mahaweli Livestock Enterprises Limited becomes an associate of NLDB.

Due to 12.87 percent increase of revenue earned in 2021 compared to the previous year, the NLDB was able to record a significant increase in profit amounting to Rs.158 million even the cost of production in dairy industry has been drastically increased with the price increase of animal feed.

Table 8.29 | Financial Outturn of National Livestock Development Board

Description	Actual			Provisional		Rs. Million
	2017	2018	2019	2020	2021	
<b>Revenue</b>	<b>2,844</b>	<b>2,742</b>	<b>2,807</b>	<b>3,232</b>	<b>3,648</b>	
<b>Expenditure</b>	<b>3,714</b>	<b>3,331</b>	<b>3,170</b>	<b>3,328</b>	<b>3,558</b>	
Direct Expenditure	2620	2,254	2,099	2,230	2,454	
Administrative Expenditure	892	843	983	1030	1043	
Distribution Expenditure	15	2	15	26	27	
Other Expenditure	9	52	18	16	18	
Finance Expenditure	178	181	55	26	16	
<b>Profit/(Loss) Before Tax</b>	<b>-870</b>	<b>-589</b>	<b>-362</b>	<b>0.3</b>	<b>158</b>	
<b>Outstanding Debt to Banks</b>	<b>249</b>	<b>202</b>	<b>257</b>	<b>215</b>	<b>195</b>	
<b>Key Performance Indicators</b>						
Neat Cattle Milk (lt,'000)	14,368	15,834	12,432	12,000	9,774	
Buffaloes Milk (lt,'000)	635	715	649	580	587	
Goat Milk (lt,'000)	12.8	13.5	14.8	15	13	
Curd Production (lt,'000)	482	515	533	420	431	
Yoghurt (80ml Cups) (Nos,'000)	370	415	350	410	644	

Sources: National Livestock Development Board and Department of Public Enterprises

## 8.12 Marketing and Distribution

### 8.12.1 Lanka Sathosa Ltd

Lanka Sathosa Limited (LSL) is a state-owned largest retail network business in Sri Lanka with 437 outlets island-wide and over 4,500 employees. LSL net losses declined by 36 percent to Rs. 880 million in 2021. Though

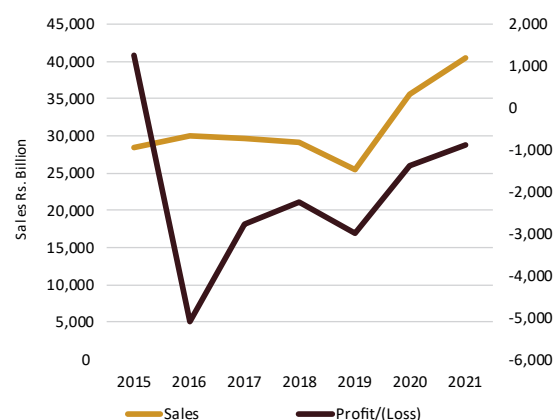
the company's gross profit ratio remained at 10.5 percent in 2021, total sales increased by 14 percent from Rs. 35,579 million in 2020 to Rs.40,473 million in 2021. This is mainly due to the growth in sales in LSL during the pandemic. LSL faced with a massive trade payable over Rs. 8 billion by the end of 2021. This was due to poor credit settlement plans which LSL has in past and it is necessary to settle these amounts

to obtain stocks of goods without interruption and secure attractive discounts from the suppliers. This was mainly due to loss being financed through supplier credit over the years as there was no internally generated surplus to reduce the trade payable.

The General Treasury continuously supports LSL to maintain its financial stability, at such grounds where its liabilities increased over assets. In 2021, as a part of restructuring LSL's balance sheet, the General Treasury has undertaken debt servicing obligations on behalf of LSL for an amount of Rs. 11.47 billion. Further, the General Treasury has given a Letter of Comfort for an amount of Rs. 3 billion and another two-Treasury guarantees for a total of Rs. 3.24 billion for the People's Bank on behalf of LSL. Therefore, required a better strategic plan to improve its financial position, market position and performance in line with the industry players' strategy.

Though LSL was able to increase its sales and decrease its losses, still they could not reach the break-even point of its operations despite the continuous financing support of the General Treasury. They should further focus on doing business while reducing the intermediaries, direct importation of essential items and try to gain profit from the economies of scale.

Figure 8.12 | Sales Vs Profit/Loss



Sources: Lanka Sathosa Ltd and Department of Public Enterprises

Table 8.30 | Financial Outturn of Lanka Sathosa Ltd.

Description	Actual		Provisional		
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>30,377</b>	<b>30,070</b>	<b>26,242</b>	<b>36,799</b>	<b>41,458</b>
Sales	29,663	29,166	25,492	35,579	40,473
Indirect Income	713	904	750	1,220	985
<b>Operational Expenses</b>	<b>31,810</b>	<b>31,387</b>	<b>27,885</b>	<b>37,682</b>	<b>41,936</b>
Cost of Sales	27,102	25,518	22,263	31,806	36,217
Other Expenditure	4,708	5,869	5,622	5,876	5,719
<b>Operational Profit/Loss</b>	<b>-1,433</b>	<b>-1,317</b>	<b>-1,643</b>	<b>-883</b>	<b>-478</b>
Financial Expenses (Net)	1,344	933	1,339	503	403
<b>Profit/ (Loss) Before Tax</b>	<b>-2,777</b>	<b>-2,250</b>	<b>-2,982</b>	<b>-1,386</b>	<b>-880</b>
No. of Outlets	320	403	423	416	437

Sources: Lanka Sathosa Ltd and Department of Public Enterprises

### 8.13 Plantation

The Sri Lanka State Plantation Corporation (SLSPC) and Janatha Estate Development Board (JEDB) were established as fully government owned entities and the majority of estates under their ownership have been leased out to 23 Regional Plantation Companies (RPCs) while allotting the Golden Share of each RPC to the Government. Among those RPCs, the government has kept the full ownership of Kurunegala Plantations Limited (KPL), Chilaw Plantation Limited (CPL), Elkaduwa Plantation

Limited (EPL) and Kalubovitiyana Tea Factory Limited (KTFT) in order to strengthen the contribution of the State Plantation Sector towards the national economy.

CPL and KPL have recorded profit before tax of Rs. 511 million and Rs. 468 million, respectively in 2021 compared to Rs.283 million and Rs.214 million, respectively in 2020.

Although, EPL has recorded continuous losses from 2014 except 2017, it has moved into significantly profitable venture in 2021 by recording a profit after tax of Rs. 318 million.

Even if the KTFL has reported a turnover of 1,175 million in 2021 compared to Rs. 937 million in the preceding year, the company has recorded a loss of Rs. 15 million mainly due to a 37 percent increase of production cost.

The JEDB, SLSPC and KFTL have recorded losses in 2021 and the overall losses of plantation sector companies should be scrutinized with strategic movements in an attempt to improve their profitability and long-term viability by increasing their productivity.

During the year 2021, a wage increment has been awarded to estate workers as a policy directive. Further all the regional plantation

companies have taken steps for the production of organic fertilizer in order to cater their own requirements. However, substantial restructuring programs need to be implemented with state-owned plantation entities in order to ensure commercial, social and environmental sustainability of the plantation industry on the way forward. In addition, getting the private sector involvement focusing strategies including eco-tourism, crop diversification, investment for value addition, export earning etc. shall be explored in order to get the maximum return out of the government lands.

Table 8.31 | Financial Outturn of State Owned Plantation Enterprises

	Actual			Provisional		
	2017	2018	2019	2020	2021 <sup>(a)</sup>	
<b>Kurunegala Plantations Ltd (KPL)</b>	<b>Operational Performance</b>					
	Coconut Production (Nuts Mn)	11	13	16	11	15
	Rubber Production (Kg)	119,486	113	107	107	91
	Yield per Ha. – Coconut (Nuts)	3,426	4,018	5,212	4,084	5,142
	– Rubber (Kg)	689	652	677	653	575
	<b>Financial Performance</b>					
	Total Revenue (Rs Mn)	553	613	499	685	932
	Coconut Sales (Rs Mn)	459	532	403	583	798
	Rubber Sales (Rs Mn)	35	27	29	30	37
	Total Cost of Sales (Rs Mn)	316	356	386	409	412
	Net Profit/ (Loss) Before Tax (Rs. Mn)	248	211	120	214	468
Dividends	38	50	15	50	-	
<b>Chilaw Plantations Ltd (CPL)</b>	<b>Operational Performance</b>					
	Coconut Production (Nuts Mn)	12	8	15	12	15
	Yield per Ha (Nuts)	4,148	2,823	5,025	3,854	4,454
	<b>Financial Performance</b>					
	Total Revenue (Rs. Mn)	557	350	446	673	1,050
	Coconut Sales (Rs. Mn)	516	291	348	592	802
	Total Cost of Sales (Rs. Mn)	362	350	356	398	521
	Net Profit/ (Loss) Before Tax (Rs. Mn)	126	-35	64	283	511
Dividends	10	-	10	50	-	
<b>Elkaduwa Plantations Ltd. (EPL)</b>	<b>Operational Performance</b>					
	Green Leafs (MT)	2,711	3,144	2,530	2,391	2,108
	Coconut Production (Nuts Mn)	1	1	1	1	1
	Rubber Production (Kg)	77,348	98,978	87,582	104,231	124,590
	Yield per Ha. – Green Leaf(Kg)	500	590	664	654	523
	– Coconut (Nuts)	2,837	3,099	4,445	2,952	3,770
	– Rubber (Kg)	356	456	274	386	424
	<b>Financial Performance</b>					
	Total Revenue	327	333	260	305	324
	Tea Sales	247	273	201	222	210
	Coconut Sales	24	26	23	40	53
Rubber Sales	34	32	28	31	55	
Total Cost of Sales	355	399	380	334	367	
Net Profit/ (Loss) Before Tax (Rs. Mn)	37	-34	-61	-30	318	
Treasury Grants- Recurrent	173	95	-	-	-	



Table 8.31 | Financial outturn of State Owned Plantation Enterprises Contd...

	2017	2018	2019	2020	2021 <sup>(a)</sup>	
<b>Sri Lanka Cashew Corporation (SLCC)</b>	<b>Operational Performance</b>					
	Yield per Ha	152	150	190	160	140
	Average Price Rs/Kg	350	400	390	280	360
	<b>Financial Performance</b>					
	Total Revenue	101	119	107	95	133
	Net cashew sale	90	100	84	68	90
	Net Profit/ (Loss) Before Tax	16	18	43	15	16
Treasury Grants – Recurrent	58	50	60	60	65	
– Capital	80	55	70	85	64	
<b>Janatha Estate Development Board (JEDB)</b>	<b>Operational Performance</b>					
	Tea Production (MT)	1,428	1,435	1,371	1,486	1,636
	Rubber Production (MT)	379	389	363	444	404
	Yield per Ha. – Tea (Kg)	487	507	487	535	583
	– Rubber (Kg)	752	682	601	826	793
	<b>Financial Performance</b>					
	Total Revenue	1,181	896	969	1,134	883
	Cost of Production	1,562	1,374	1,726	1,485	1,365
	Net Profit/ (Loss) Before Tax	-381	-478	-758	-351	-481
	Treasury Grants – Recurrent	679	425	468	0	30
– Capital	-	-	-	-	-	
<b>Sri Lanka State Plantation Corporation (SLSPC)</b>	<b>Operational Performance</b>					
	Tea Production (MT)	1,532	1,576	1,405	1,742	1,803
	Rubber Production (MT)	42	33	28	29	19
	Yield per Ha. – Tea (Kg)	532	546	478	601	634
	– Rubber (Kg)	649	510	432	474	272
	<b>Financial Performance</b>					
	Total Revenue	663	598	536	767	845
	Cost of Production	740	721	787	865	1,028
	Net Profit/ (Loss) Before Tax	-95	-148	-330	-150	-232
	Treasury Grants – Recurrent	58	50	60	60	65
Treasury Grants – Capital	80	55	70	85	64	
<b>Kalubowitiyana Tea Factory Ltd (KTF)</b>	<b>Operational Performance</b>					
	Made Tea Production (MT)	1,703	1,474	1,460	1,454	1,715
	Sales Quantity (MT)	1,632	1,377	1,431	1,347	1,628
	<b>Financial Performance (Rs. Mn)</b>					
	Total Revenue (Rs. Mn)	935	1,004	971	937	1,175
	Cost of Production (Rs. Mn)	881	983	985	846	1,159
Net Profit/ (Loss) Before Tax (Rs. Mn)	31	-7	-53	43	-15	
<b>Lanka Sugar Company Ltd (LSCL)</b>	<b>Operational Performance</b>					
	Sugar Production (MT)	42,822	42,770	41,175	39,696	48,177
	Sprit Production (000 Liters)	7,045	9,787	5,210	8,848	13,037
	<b>Financial Performance</b>					
	Total Revenue	7,616	6,243	7,546	8,978	12,313
	Sugar Sale	4,637	3,149	5,458	3,882	5,994
	Sprit Sales	2,978	3,094	2,065	4,739	6,272
<b>Net Profit/ (Loss) Before Tax</b>	402	144	-1,312	1,171	1,577	

Sources : SOBEs and Department of Public Enterprises

## 8.14. Health

### 8.14.1 State Pharmaceuticals Corporation

SPC imports over 780 varieties of pharmaceuticals in the generic form and supplies to the Medical Supply Division (MSD) while open market operations are carried out through 50 Osusala Outlets, 94 Franchised

Osusala Outlets, 05 Authorized Retailers and 51 distributors, throughout the country. Further, the SPC's contribution to importing and managing the Covid Vaccine is notable.

SPC's income increased by 27 percent to Rs 80,257 million in 2021 compared to Rs. 63,122 million in 2020. The MSD is the key customer of the SPC representing 88 percent of the total



revenue of the SPC in 2021. Besides, coupled with the declined finance cost from Rs. 697 million in 2020 to Rs. 580 million in 2021, the SPC's bottom line ends up with a profit before tax of Rs. 3,157 million with 24 percent increase compared to Rs. 2,546 million recorded last year.

Meantime, SPC has a challenge to maintain liquidity position as receivables from MSD has considerably increased to Rs. 52,850 million at the end of 2021 from Rs. 34,425 million in 2020. However, the General Treasury has made the required guarantee for arranging bank finance in order to maintain the required liquidity position for SPC ensuring a smooth supply of pharmaceutical items to the hospital network. Further, the government has taken steps to enhance budgetary allocation to cope with the enhancing demand for pharmaceuticals under the free health policy.

The effectiveness of the SPC's operations is largely dependent on the success of the coordination between SPC and the system improvement in the procurement arrangement by MSD, which should upgrade a management information system to facilitate the annual requirement of medicine on a transparent basis considering the large and rising expenditure on pharmaceutical procurement. The introduction of measures for reduction in waste of drugs is also important. SPC should adopt strategies to develop the Osusala outlets by making them profitable and expanding the distribution network. In addition, it is advisable SPC to improve its procurement practices using modern approaches including E-procurement etc. in order to ensure Value for Money and transparency.

Table 8.32 | Financial Outturn of State Pharmaceuticals Corporation

Rs. Million

Description	Actual			Provisional	
	2017	2018	2019	2020	2021
<b>Revenue</b>	<b>32,564</b>	<b>38,895</b>	<b>51,885</b>	<b>63,122</b>	<b>80,257</b>
MSD	25,970	31,437	42,960	54,324	70,811
SPC	6,593	7,458	8,925	8,798	9,446
<b>Expenditure</b>	<b>31,025</b>	<b>37,222</b>	<b>49,479</b>	<b>60,173</b>	<b>76,616</b>
Operational	28,996	34,998	46,888	57,457	73,491
Administration	1,288	1,532	1,620	1,754	1,967
Other	741	692	971	962	1,158
<b>Other Income</b>	<b>53</b>	<b>74</b>	<b>91</b>	<b>287</b>	<b>89</b>
<b>Net Finance Income</b>	<b>-31</b>	<b>-62</b>	<b>-321</b>	<b>-690</b>	<b>-573</b>
<b>Profit before tax</b>	<b>1,560</b>	<b>1,685</b>	<b>2,176</b>	<b>2,546</b>	<b>3,157</b>
<b>Key Performance Indicators</b>					
No of Procurement	5,983	7,901	7,773	7,269	5,336
No of Osusala Outlet	37	40	45	45	50
No of Distributors	48	48	49	53	51
No of Authorized Dealers	4	4	4	4	5
No of Franchised Osusala	102	102	103	104	94

Sources: State Pharmaceuticals Corporation and Department of Public Enterprises

### 8.14.2 State Pharmaceuticals Manufacturing Corporation

SPMC has developed formulas for 90 pharmaceutical items applying the international quality standards of British Pharmacopoeia (BP) and the United States Pharmacopoeia (USP).

SPMC increased its revenue coming from MSD to Rs. 6,963 million in 2021 compared with Rs. 6,639 million in 2020.

SPMC's total revenue increased by 12 percent to Rs. 8,539 million in 2021 from Rs. 7,648 million in 2020 and as a result, its profit has increased to Rs. 1,238 million in 2021 compared to Rs. 1,161 million in 2020.

However, in line with the government policy directions and priority, SPMC has planned to establish the new pharma Zone to manufacture high demanded and high-priced

pharmaceuticals to reduce the dependency on the importation of pharmaceuticals while ensuring the international standards.

Table 8.33 | Financial Outturn of State Pharmaceutical Manufacturing Corporation

Rs. Million

Description	Actual			Provisional	
	2016	2017	2018	2019	2021
<b>Revenue</b>	<b>3,175</b>	<b>4,622</b>	<b>5,647</b>	<b>7,648</b>	<b>8,539</b>
MSD	2,484	3,929	4,693	6,639	6,963
SPC	11	24	6	7	94
Other	680	669	948	1,002	1,482
<b>Operating Expenditure</b>	<b>2,952</b>	<b>4,319</b>	<b>5,090</b>	<b>6,588</b>	<b>7,471</b>
Cost of Sales	2,667	3,991	4,743	6,281	7,099
Administration	205	242	238	247	244
Selling & Distribution	68	76	99	49	109
Other Operating	12	10	10	11	19
<b>Other Income</b>	<b>21</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>14</b>
Net Finance Income	78	51	28	94	157
<b>Profit before tax</b>	<b>322</b>	<b>360</b>	<b>592</b>	<b>1,161</b>	<b>1,238</b>
<b>Key Performance Indicators</b>					
No of Production (no of tablet & capsule)	1,523	1,897	2,400	3,015	3,043

Sources: State Pharmaceuticals Manufacturing Corporation and Department of Public Enterprises

TABLE 8.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
<b>Insurance</b>			
Sri Lanka Export Credit Insurance Corporation (SLECIC)	Provide support services to the export sector through the provision of export credit insurance and credit guarantee services to the exporters.	The total operating income has increased by 24.2 percent to Rs. 272 million in 2021 from Rs. 219 million in 2020. The profit before tax of SLECIC increased by 16.8 percent in 2021 to Rs. 309.9 million from Rs. 265.2 million in 2020, mainly due to the considerable increase in both operating income and other incomes.	SLECIC should focus on new normal strategies to help the export industry in the backdrop of slowdown in the global and local economy and the fluctuations in the foreign exchange rate.
Agricultural & Agrarian Insurance Board (AAIB)	Operate Agricultural Insurance Scheme, Farmers Pension Scheme and Fishermen Pension Scheme	The net surplus of AAIB has increased by 100.5 percent to Rs. 1,779.6 million from Rs. 1,257 million in 2020 mainly due to the increase in operating profit in Agricultural Insurance Scheme.	High dependency on National Budget due to mismatch in the inflows and outflows of insurance premium and insurance payments.
<b>Non Renewable Resources</b>			
Lanka Mineral Sands Ltd (LMSL)	Mining, processing and marketing of heavy mineral sands.  Manufacture and sell any by product which may be produced as a result of refining and processing mineral sands.	LMSL's revenue has increased significantly to Rs.2,720 million in 2021 from Rs.697 million in 2020. As a result, the profit also has increased to Rs. 1,205 million in 2021 from Rs. 69 million in 2020.	LMSL needs to seek the possibilities of value addition within the country.

TABLE 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Lanka Phosphate Ltd (LPL)	Excavate, process and sell rock phosphate which is used as a fertilizer for perennial agricultural crops such as Tea, Rubber and Coconut.	LPL's revenue has decreased to Rs. 661 million in 2021/22 from Rs. 750 million 2020/2021. Consequently, LPL's profit has decreased by 22 percent to Rs. 117 million in 2021/2022, from Rs. 150 million in 2020/2021.	LPL needs to explore the possibilities of new product and facilitate the production of better quality fertilizer locally.
Kahatagaha Graphite Lanka Ltd (KGLL)	Excavate, process and sell Graphite as industrial raw material	KGLL's revenue in the year 2021/2022 declined to Rs. 88 million by 38 percent compared to preceding year. As a results, KGL's profit has declined to Rs. 4 million compared to Rs. 14 million in 2020/21.	KGLL should explore the possibilities of value adding to the end product.
<b>Health</b>			
Sri Lanka Ayurvedic Drugs Corporation (SLADC)	Operates with the prime objective of manufacturing and distributing quality Ayurvedic drugs. It manufactures 65 varieties of drugs and supplies to government hospitals, Ayurvedic physicians and to the private sector.	SLADC revenue increased by 18 percent to Rs. 800 million in 2021 with compared to Rs. 676 million in 2020 due to the introducing the new marketable product varieties. However, 12 percent increase of administration and 18 percent increase of selling & distribution cost led to have a loss of Rs. 21 million in 2021 compared to the profit of Rs. 9 million had in last year.	Demand for the Ayurvedic Drug Production is drastically increased as a result of the introducing new product in parallel with Covid pandemic situation. However, scarcity of herbs as raw material has been a major challenge for SLADC.  Hence, SLADC should expand its herbal cultivation to ensure smooth flow of raw materials while using modern processing method to improve productivity.
Sri Jayawardenapura General Hospital (SJGH)	SJGH is the only fee levying government owned General Hospital which offers a comprehensive range of clinical and Para-clinical services in the country. SJGH also plays a vital role as a teaching hospital, in training undergraduate and postgraduate medical students and nurses.	Hospital care income has increased by almost 26 percent to Rs. 2,968 million in 2021 compared to Rs. 2,353 million in 2020.  However, despite the budgetary support of Rs.1,969 million in 2021, SJGH has recorded a loss of Rs. 258 million for the year 2021.	SJGH should consider to increase OPD facilities and laboratory facilities with modern technology.  SJGH needs to enhance reputable brand by providing the best international quality care to patients, enabling SJGH can compete with the private sector.
<b>Media</b>			
Independent Television Network (ITN)	ITN group is the pioneer television station in Sri Lanka, broadcasts and produces a variety of programs in Sinhala, Tamil, and English languages including news, teledramas, documentaries, educational programmes, children entertainment, reality TV, religious programmes etc. through ITN, Vasantham TV, ITN FM, , Vasantham FM	Total income increased by 22 percent to Rs. 1,408 million in 2021 compared with year 2020.  Cost of sales increased by 23 percent and other expenses increased by 26 percent in 2021 to Rs.503 million and Rs. 1,247 million respectively.  As a result of this, the net loss has been increased by 37 percent to Rs. 344 million in 2021.	ITN should implement strategies to improve the quality of their programmes to attract more viewers and improve its ratings.  ITN should implement strategies, identified on their Business Plan effectively in order to reach to break-even point.

TABLE 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Sri Lanka Rupavahini Corporation (SLRC)	Produces and broadcast informative, educational and entertaining programmes through channels namely Rupavahini, channel Eye and Nethra TV.	<p>Revenue increased by 9 percent to Rs. 1,165 million and total expenditure decreased by 5 percent to Rs. 1,882 million in year 2021 in comparison to 2020.</p> <p>Consequently, SLRC has been able to reduce their net loss by 5 percent to Rs. 224 million in 2021.</p> <p>SLRC was granted budgetary support of Rs. 164 million by General Treasury in 2021 compared to Rs. 310 million in 2020. Rs.198 million was granted as equity in 2021.</p>	<p>SLRC should adopt strategies to improve the quality of their programmes and to expand the coverage and improve its ratings.</p> <p>SLRC should implement strategies, identified on their Business Plan effectively in order to reach to break-even point.</p>
Sri Lanka Broadcasting Corporation (SLBC)	As the oldest radio station in Sri Lanka it is engaged in broadcasting activities through 6 National channels, (Sinhala National Service, Tamil National Service, Commercial Service, City FM, Thendral Service, English Service) 6 Reginal channels(Raja Rata FM, Ruhunu FM, Kandurata FM,Pierei FM,Yal FM, Wayabha Service and 1 community radio channels (Dambhana) with a view to providing its service as the pioneer radio broadcasting network in Sri Lanka.	<p>Revenue increased by 16 percent to Rs. 631 million and administration expenses reduced by 11 percent in 2021 compared to the year 2020. As a result of this, SLBC has recorded a net profit of Rs. 9 million in 2021.</p> <p>SLBC was granted budgetary support of Rs. 345 million by General Treasury in 2021 compared to Rs. 440 million in 2020. Rs. Rs.42.85 Mn was granted for capital expenditure and Rs. 90 million as equity in 2021.</p>	<p>SLBC should adopt strategies to improve the quality of their programmes and to expand the coverage and improve its ratings.</p> <p>SLBC should implement strategies identified on their Business Plan effectively in order to reach to break-even point.</p>
<b>Marketing &amp; Distribution</b>			
Sri Lanka Handicraft Board (SLHB)	SLHB aims to improve the traditional Handicraft industry by marketing gift and souvenir items both locally and in export markets. Further, it tries to broaden the network of the production of handicraft items through preserving and developing the traditional skills of Sri Lankan craftsmen. Currently, there are 11 branches located island wide trading gifts & souvenir boutique.	<p>SLHB continue to lose its sales annually for the past few years and it ends up at Rs. 124 million in 2021. It is a 37 percent decrease compared to the year 2020 with the value of Rs. 195 million. Continuation of the COVID-19 outbreak and related factors reasoned behind the aforementioned business shrinkage over the years. However, compared to the 2020, SLHB has been able to reduce its net loss from 67 percent in 2021 where the net loss in 2021 is Rs. 35 million and Rs.106 million in 2020.</p>	<p>SLHB should try to diversify its target customers both local and foreign using strategic approaches and new technology. They should move ahead with online marketing and off shore marketing more than before.</p>

TABLE 8.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
State Timber Corporation (STC)	<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>Revenue Increased by 43 percent to Rs. 5,696 million in 2021 compared to Rs. 3,982 million in 2020.</p> <p>Moreover, net profit increased by 166 percent to Rs.1,236 million in 2021 compared to Rs. 464 million in 2020.</p> <p>STC paid a Levy amounting to Rs. 100 million in 2021.</p>	<p>STC should focus to gain competitive advantage through the infusion of technology is required to ensure sustainability of the entity.</p> <p>Regular training of skilled labour is a key factor of the STC to cater the changing market patterns (Eg. furniture).</p>
STC General Trading (STC)	<p>As the state supply arm that caters to leading public and private sector institutions, STC provides a wide range of products and services including Office Stationery &amp; Equipment, Construction and hardware, Office Furniture &amp; Interior Designs, Household &amp; Recreational Items, Sports Goods, ICT Products &amp; Services, Electrical &amp; Electronics, FMCG, Automotive Products (Battery &amp; tyre), Agricultural Machinery &amp; Equipment, Chemical products etc.</p>	<p>Year 2021 has been a financially better year for STC and they have recorded a net profit of Rs. 67 million in 2021 and it is a 157 percent increase compared to the Rs.120 million loss in 2020. They have improved managing distribution and administration expenses in 2021 compared to 2020. Government support to improve the competency against the market competitors during the COVID pandemic and better management strategies reasoned behind the success story of STC in 2021.</p>	<p>STC has to continue its business improvement strategies and try to enhance its product range according to the present requirements.</p>
State Printing Corporation (SPC)	<p>SPC engages with primarily the printing of school text books, exercise books and lottery tickets</p>	<p>Revenue Decreased by 10 percent to Rs. 1,633 million in 2021 from Rs.1,821 million in 2020.</p> <p>Further, net loss increased by 539 percent to Rs.281 million in 2021 compared to Rs. 44 million in 2020, mainly due to the increase in the cost of raw materials, labour and loss increased from the disposal of a land in 2021.</p>	<p>SPC needs re-engineer its business process to be a profitable entity.</p>
Hotel Developers Lanka Ltd (HDL)	<p>Company engages in the hospitality trading business.</p>	<p>In terms of the directives of the Cabinet of Ministers, the hospitality business sector of the government has been initiated the restructuring process in year 2020 and continued in the year 2021 including Hotel Developers Lanka PLC (HDL).</p> <p>A holding Company namely Selandiva Investment Ltd was established to carry out the restructuring process of this hospitality sector.</p> <p>HDL recorded a loss of Rs. 947 million in 2021 compared to Rs. 877 million loss for the last year mainly due to decrease in sales in the year under review.</p>	<p>Restructuring process should be expedited to achieve government objectives.</p>

TABLE 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
<b>Fisheries</b>			
Ceylon Fishery Harbours Corporation (CFHC)	Provides fishery harbor related services and supporting infrastructure facilities to the fishing communities through its harbors situated around the country.	CFHC recorded a loss of Rs. 140 million in 2021 compared to Rs.236 million loss accounted in 2020 as a result of reduction of revenue and reduction in administrative cost.	The existing contribution to the Gross Domestic Production is required to enhance by optimal utilization of available resources in the fishery harbors. Further, improving the standard of fishing, revision of existing fees and charges and adopting scanning facilities for harboring activities are vital factors in increasing revenue of the entity at the future.
Ceylon Fisheries Corporation (CFC)	Engages in procurement of fish from fishermen and supply to the market in order to maintain a stable fish price in the market.	CFC recorded a loss of Rs. 63 million in 2021 compared to Rs. 48 million loss for the last year mainly due to decrease in sales in the year under review.	Restructuring and relocating the outlets considering the potential demand, deciding price by the pricing committee and encouraging to purchase fish at the beach, Establishing centralized management information system and introducing centralized banking system are crucial factors in increasing the revenue of the entity at the future.
<b>Fertilizer</b>			
Colombo Commercial Fertilizer Co. Ltd (CCFL)	CCFL primarily involved in importing, blending and marketing fertilizer required for paddy, tea, coconut, rubber and other crops.	With the government initiative to use organic fertilizer instead of chemical fertilizer CCFL being one of the government owned companies, engage with such business activities which related to organic fertilizer.  Revenue has increased by 15.9 percent from Rs. Rs. 1,331 million in 2019/20 to Rs.1,542 million in 2020/21. This is due to the increased demand for fertilizer in other crops. Similarly, profit has increased by 60 percent to Rs. 260 million in 2020/21 from Rs. 163 million in 2019/20.	A Cabinet approval has been granted to merge the both Ceylon Fertilizer Company Ltd and Colombo Commercial Fertilizer Company Ltd and it is expected to form a one entity dealing with fertilizer (organic/ inorganic) instead of two considering the government policy of moving into Socio-Economic order having sustainable solutions for the climate changes
Ceylon Fertilizer Co. Ltd. (CFC)	Out of two state owned entities, Ceylon Fertilizer Company (CFC), considered as the largest organization engaged in the fertilizer importation, mixing, packing, and distribution in the country.	Revenue increased by 7 percent from Rs. 2,101 million in 2019/20 to Rs. 2,258 million in 2020/21 mainly due to sale of fertilizer in other crops. Similarly, net profit has increased by 27 percent to Rs.124 million in 2020/21 from Rs. 98 million in 2019/20.	

Sources: SOEs and Department of Public Enterprises



## Annex I | Profitability of Key 52 State Owned Enterprises

Rs. Million

	Enterprise	Profit/(Loss) Before Tax			Business Turnover 2021*	Budgetary Support 2021	
		2019	2020*	2021*		Recurrent	Capital
1	Bank of Ceylon	29,685	23,552	43,190	290,362	-	-
2	People's Bank	19,666	21,227	30,387	207,250	-	-
3	National Savings Bank	10,462	15,645	28,555	134,939	-	-
4	State Mortgage & Investment Bank	816	790	845	5,419	-	-
5	HDFC Bank	1,244	1,381	1,267	6,976	-	-
6	Pradeshya Sanwardena Bank	2,960	2,061	2,651	24,273	-	-
7	Employee's Trust Fund Board	29,764	32,500	33,159	35,490	-	-
8	Sri Lanka Insurance Corporation <sup>(b)</sup>	8,205	7,972	11,725	64,062	-	-
9	National Insurance Trust Fund	3,008	8,866	5,936	18,969	-	-
10	Sri Lanka Export Credit Insurance Corporation	253	265	310	272	-	-
11	Agriculture and Agrarian Insurance Board	627	1,257	1,780	3,730	4,000	-
12	Ceylon Electricity Board	-97,359	-60,486	-21,450	249,089	-	-
13	Ceylon Petroleum Corporation	-11,836	2,371	-82,208	570,268	-	-
14	Sri Lanka Ports Authority	18,873	20,328	25,601	45,454	-	-
15	National Water Supply and Drainage Board	-1,111	643	-2,996	28,935	-	45,119
16	Airport and Aviation Services (Sri Lanka) Ltd	15,222	-3,733	-755	11,199	-	-
17	Sri Lankan Airlines Ltd <sup>(a)</sup>	-47,198	-45,230	-170,751	134,613	-	18,000
18	Sri Lanka Transport Board	1,890	-2,105	-3,143	22,766	11,471	1,311
19	State Engineering Corporation	-976	-1,066	-1,020	2,961	228	-
20	Central Engineering Consultancy Bureau	341	261	250	6,361	-	-
21	State Development and Construction Corp.	-844	-257	43	4,216	53	-
22	Milco (Pvt) Ltd	-863	230	330	12,473	-	-
23	National Livestock Development Board	-362	0	158	3,648	-	-
24	Sri Lanka State Plantations Corporation	-330	-150	-232	845	-	-
25	Janatha Estates Development Board	-758	-351	-481	883	-	-
26	Kurunegala Plantations Ltd	120	214	468	932	-	-
27	Chilaw Plantations Ltd	64	283	511	1,050	-	-
28	Kalubovitiyana Tea Factory Ltd	-53	43	-15	1,175	-	-
29	Sri Lanka Cashew Corporation	43	15	16	133	65	64
30	Lanka Mineral Sands Ltd	1,982	69	1,205	2,720	-	-
31	Lanka Phosphate Ltd. <sup>(a)</sup>	21	150	117	661	-	-
32	Kahatagaha Graphite Lanka Ltd	21	14	4	126	-	-
33	Development Lotteries Board	2,897	2,994	2,954	15,730	-	-
34	National Lotteries Board	1,323	1,435	1,003	17,292	-	-
35	State Pharmaceuticals Manufacturing Corp.	592	1,161	1,238	8,539	-	-
36	Sri Lanka Ayurvedic Drugs Corporation	3	9	-21	800	-	24
37	State Pharmaceuticals Corporation	2,176	2,546	3,157	80,257	-	-
38	Sri Jayawardenepura General Hospital	-94	174	-258	2,968	1,965	316
39	Independent Television Network Ltd	-571	-251	-344	1,408	-	-
40	Sri Lanka Rupavahini Corporation	-501	-236	-224	1,165	164	198
41	Sri Lanka Broadcasting Corporation	-101	-2	9	631	345	133
42	Sri Lanka Handicraft Board	99	-106	-35	124	-	-
43	State Timber Corporation	317	464	1,236	5,696	-	-
44	STC General Trading Company <sup>(a)</sup>	-27	-120	63	2,677	-	-
45	Lanka Sathosa Ltd	-2,982	-1,386	-880	40,473	-	-
46	State Printing Corporation	-169	-44	-208	1,633	-	-
47	Ceylon Fisheries Corporation	-100	-48	-63	3,121	-	-
48	Ceylon Fishery Harbour Corporation	-71	-236	-140	476	490	195
49	Ceylon Fertilizer Company Ltd	189	98	124	2,258	-	-
50	Colombo Commercial Fertilizer Company Ltd	306	163	260	1,830	-	-
51	Hotel Developers Lanka PLC	-312	-877	-947	1,168	-	-
52	Lanka Sugar Company Ltd	-1,312	1,171	1,577	12,313	-	-
	<b>Total</b>	<b>-14,761</b>	<b>33,668</b>	<b>-86,042</b>	<b>2,092,809</b>	<b>18,781</b>	<b>65,360</b>

Sources: SOEs and Department of Public Enterprises

\* Provisional

<sup>(a)</sup> Financial Year end 31 March – (as such 2021 – 2021/22)

<sup>(b)</sup> Profit for Shareholders



## Annex II | Submission of Annual Reports - SOEs

	2016	2017	2018	2019	2020
1 Bank of Ceylon	✓	✓	✓	✓	✓
2 People's Bank	✓	✓	✓	✓	✓
3 National Savings Bank	✓	✓	✓	✓	✓
4 State Mortgage & Investment Bank	✓	✓	✓	✓	✓
5 HDFC Bank	✓	✓	✓	✓	✓
6 Regional Development Bank (RDB)	✓	✓	✓	✓	✓
7 Employee's Trust Fund Board	✓	✓	✓	✓	✓
8 Sri Lanka Insurance Corporation	✓	✓	✓	✓	✓
9 National Insurance Trust Fund	✓	✓	X	X	X
10 Ceylon Electricity Board	✓	✓	✓	✓	✓
11 Ceylon Petroleum Corporation	✓	✓	✓	✓	X
12 Sri Lanka Ports Authority	✓	✓	✓	✓	✓
13 National Water Supply and Drainage Board	✓	✓	✓	✓	✓
14 Airport and Aviation Services (Sri Lanka) Ltd	✓	✓	✓	✓	X
15 Sri Lankan Airlines Ltd	✓	✓	✓	✓	✓
16 Sri Lanka Transport Board	✓	✓	X	X	X
17 State Engineering Corporation of Sri Lanka	✓	✓	X	X	X
18 Central Engineering Consultancy Bureau	✓	✓	✓	✓	X
19 State Development and Construction Corporation	✓	✓	✓	✓	X
20 Milco (Pvt) Ltd	✓	X	X	X	X
21 National Livestock Development Board	✓	X	X	X	X
22 Ceylon Fisheries Corporation	✓	X	X	X	X
23 Ceylon Fishery Harbour Corporation	✓	✓	✓	X	X
24 State Pharmaceuticals Manufacturing Corporation	✓	✓	✓	✓	X
25 Sri Lanka Ayurvedic Drugs Corporation	✓	✓	✓	✓	X
26 State Pharmaceuticals Corporation	✓	✓	X	X	X
27 Sri Jayawardenapura General hospital	✓	✓	✓	✓	X
28 Independent Television Network Ltd	✓	✓	✓	✓	✓
29 Sri Lanka Rupavahini Corporation	✓	✓	✓	X	X
30 Sri Lanka Broadcasting Corporation	✓	✓	✓	X	X
31 Ceylon Fertilizer Company Ltd	✓	✓	✓	✓	✓
32 Colombo Commercial Fertilizer Company Ltd.	✓	✓	✓	✓	✓
33 State Timber Corporation	✓	✓	✓	✓	✓
34 STC General Trading Company	✓	✓	✓	✓	X
35 Hotel Developers Lanka PLC	✓	✓	✓	✓	X
36 Lanka Sugar Company Ltd	X	X	X	X	X
37 Lanka Sathosa Ltd	✓	X	X	X	X
38 Development Lotteries Board	✓	✓	✓	✓	X
39 National Lotteries Board	✓	✓	✓	✓	X
40 Lanka Mineral Sands Ltd	✓	✓	✓	✓	X
41 Lanka Phosphate Ltd	✓	✓	✓	✓	✓
42 State Printing Corporation	✓	✓	✓	X	X
43 Sri Lanka Export Credit Insurance Corporation	✓	✓	X	X	X
44 Agriculture and Agrarian Insurance Board	✓	✓	X	X	X
45 Sri Lanka State Plantations Corporation	✓	X	X	X	X
46 Kurunegala Plantations Ltd	✓	✓	✓	✓	X
47 Janatha Estates Development Board	X	X	X	X	X
48 Chilaw Plantations Ltd	✓	✓	✓	✓	X
49 Kalubovitiyana Tea Factory Ltd	✓	✓	✓	✓	X
50 Sri Lanka Cashew Corporation	✓	✓	✓	X	X
51 Sri Lanka Handicraft Board	X	X	X	X	X
52 Kahatagaha Graphite Lanka Ltd	✓	✓	X	X	X

Sources : SOEs and the Department of Public Enterprises

**09**

Public Finance  
Management

## 9.1 Overview

The importance of the public procurement reform has been pressing more than ever before with the economic crisis now being witnessed in Sri Lanka which was further triggered by the pandemic. Hence, reforms in procurement to usher in good governance, accountability, and Value for Money (VFM) have become the cornerstone of the priority setting to improve productivity in public outlays.

The public procurement process has been depleted over the years despite many attempts being done to improve its effectiveness. Lack of procurement planning, meagre competitiveness in the selection procedure, poor contract management, lack of knowledge and capacity of the officials in procurement, and absence of ensuring key principles in procurement have been responsible for the waste of scarce resources of the Government exerting pressure on the fiscal space.

Technology infusion into the procurement process has been identified as a key to improving service delivery and accountability. As such, the e-Government Procurement (e-GP) system and Public-Private Partnership (PPP) have already been developed and further improvements in such endeavours are warranted. Also, guidelines for the COVID-19 Emergency Procurement Process (CEPP) were issued in May 2021 to purchase vaccines and other medical requirements to respond swiftly to pandemic related procurements.

In 2021, authority limits of the Procurement Committees as stipulated in supplement to the procurement manual -2006 were amended for several ministries to provide immediate relief to the public. Authority limits were also amended in order to expedite the procurement processes related to tourism promotion programmes. Circulars and supplementary were issued to the Procurement Guidelines-2006 to facilitate Government institutions to carry out their procurements smoothly.

### Public Finance Circular No. 1/2021 Scheme for Awarding Direct Contracts to Community Based Organizations

The Circular has been issued to support Community Based Organizations by awarding direct contract of construction work.

**Date of Issue: 29.09.2021**

### Supplement-39 supersedes Supplement -9 (Section 5.3.5) CIDA Registration as Equivalent Post Qualification Criteria

Construction Industry Development Authority (CIDA) Registration as Equivalent Post Qualification criteria has been changed as per the grading published by CIDA.

**Date of Issue: 10.06.2021**

## 9.2 Management of Statutory Funds, Trust Funds and Departmental Funds

Annual budgets, financial statements and annual performance reports of funds are prepared in terms of Guideline 04 and 05 of the Public Finance Circular No. 01/2020 in which formats are explained related to the preparation and submission of financial statements and annual reports of statutory funds and trust funds. Accordingly, monitoring and evaluation of the funds were carried out. Also, follow-up actions

were taken regarding the audit queries and audit reports issued by the Auditor General on the funds.

As per the recommendation of the committee appointed for the evaluation of statutory and non-statutory funds under the Budget Proposal No. 425 and 426 of 2016, the Cabinet approval has been granted to close down 13 funds of which 10 funds have been wound up by the end of 2021, subsequent to the settlement of assets and liabilities and crediting the remaining funds to the Consolidated Fund.

### 9.3 Parliamentary Control over public Finance

The Parliamentary Committee on Public Accounts (COPA) has been established in terms of Article 74 of the Constitution and the Parliamentary Standing Order No. 119 for supervising the performance of public institutions. In 2021, the Chief Accounting Officers and Accounting Officers of relevant Ministries, Departments and Institutions were assisted with regard to taking corrective measures over the shortcomings in public financial management, based on the audit queries and audit reports issued by the Auditor General to the relevant public institutions.

### 9.4 Financial Regulation and Public Finance Circulars

To implement Public Finance Regulations effectively, the guidance in clarifying the issues and matters were provided particularly in the areas such as payments to government institutions and payments by government institutions through electronic media, communication facilities, emergency payment for special tasks, disposal of condemned vehicles, upgrade the fees and charges and previous Public Finance Circulars to government institutions (all Cabinet Ministries, State Ministries, Provincial Councils, Departments, District Secretariats, Local Government Authorities, Statutory Boards, State Banks, Universities and Higher Educational Institutions and State Corporations & State-owned Enterprises). Sixty-one clarifications on Public Finance Circulars and twelve clarifications on Financial Regulations were issued in 2021.



**10**

Human Resource  
Management

## 10.1 Human resource management in the public sector

The COVID-19 pandemic has plunged unprecedented challenges, particularly to developing and emerging countries and significantly impacted the economy, employees, societies and both private and public institutions. As such, managing public sector human resources has become more challenging than ever before mainly due to the limited fiscal space in Sri Lanka while managing expenditure on salaries and wages has become a daunting task. However, in 2021 the aggressive vaccination drive combined with other pharmaceutical and non-pharmaceutical measures helped managing the pandemic where sectors such as health and education, national security, public administration and law and order, among others played an important role in managing the pandemic.

The pandemic has created an opportunity for far-reaching reforms to be introduced in all the sectors of the economy including human resource management in Sri Lanka to improve service delivery by using induced technology while ensuring transparency and accountability in the public sector with the optimum cadre management.

The importance of expenditure reduction and rationalization have been recognized as the policy to strengthen the fiscal consolidation process. As such, the necessary adjustments have been made to curtail the public expenditure on transportation, communication and additional allowances provided to the government officials along with a policy decision to halt the new recruitments to the public sector. Budget Circular No. 03/2022 has been issued for prudent management of government expenditure to overcome the present economic crisis.

Expenditure on salaries and wages together with the payment for pensions accounts for more than four-thirds of the government revenue to cater for about 1.5 million public servants and 672,196 pensioners. Expenditure on salaries and wages increased by 6.7 percent to Rs. 845.7 billion in 2021 from Rs. 794.1 billion in 2020 while pension bill increased nearly by 5 percent to Rs. 269.8 billion in 2021 from Rs. 257.8 billion in 2020. The Government revenue was a mere excess of Rs. 348 billion after the payment of salary and pension bill of Rs. 1,115.5 billion in 2021 which requires reforms, particularly in human resource management in the public sector, among other sectors.

Table 10.1 | Public Sector Cadre Composition 2013–2021

Administrative level		2013	2014	2015	2016	2017	2018	2019	2020	2021	Increase/ Decrease % 20/21
National	App	796,266	844,948	858,680	874,046	880,971	892,509	906,264	1,006,276	1,013,419	0.7
	Act	683,719	703,600	722,950	754,548	756,339	742,960	740,574	805,802	792,317	-1.7
Provincial Councils and Local Authorities	App	391,647	392,698	394,812	412,560	428,433	440,560	444,348	444,174	446,025	0.4
	Act	375,752	377,445	374,330	372,033	385,311	392,528	400,897	390,061	389,105	-0.2
<b>Total Public Service</b>	<b>App</b>	<b>1,187,913</b>	<b>1,227,646</b>	<b>1,253,492</b>	<b>1,286,606</b>	<b>1,309,404</b>	<b>1,333,069</b>	<b>1,350,612</b>	<b>1,450,450</b>	<b>1,459,444</b>	<b>0.6</b>
	<b>Act</b>	<b>1,059,471</b>	<b>1,081,045</b>	<b>1,097,280</b>	<b>1,126,581</b>	<b>1,141,650</b>	<b>1,135,488</b>	<b>1,141,471</b>	<b>1,195,863</b>	<b>1,181,422</b>	<b>-1.2</b>
State Owned Enterprises	App	245,687	245,339	244,800	234,220	242,194	248,625	251,419	251,440	255,545*	0.5
	Act	239,058	221,213	219,583	226,695	233,849	235,145	236,293	227,253	219,838	-3.3
<b>Total Public Sector</b>	<b>App</b>	<b>1,433,600</b>	<b>1,482,985</b>	<b>1,498,292</b>	<b>1,520,826</b>	<b>1,551,598</b>	<b>1,581,694</b>	<b>1,602,031</b>	<b>1,701,890</b>	<b>1,714,989*</b>	<b>0.6</b>
	<b>Act</b>	<b>1,298,529</b>	<b>1,302,258</b>	<b>1,316,863</b>	<b>1,353,276</b>	<b>1,375,499</b>	<b>1,370,633</b>	<b>1,377,764</b>	<b>1,423,116</b>	<b>1,401,260</b>	<b>-1.5</b>
Rate of Utilization of the Approved Cadre (%)		91	88	88	88	88	87	86	84	82	
Cumulative Number of Pensioners		521,699	246,379	564,472	579,414	585,670	617,386	639,984	660,934	672,196	1.7

Sources: Department of Management Services, Department of Pensions

App – Approved Cadre

Act – Actual Number of Employees

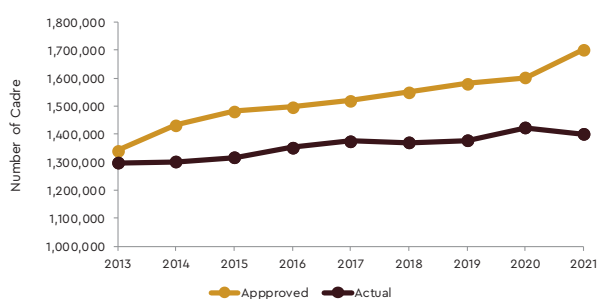
\* Adjustment – 2,776 employees who belong to the previous years



## 10.2 Cadre management in 2021

At the end of 2021, the total deployed employees in the public sector were 1,401,260 a drop of 21,856 compared to 1,423,116 employees in 2020 mainly due to the suspension of new recruitments, the reduction of new approved cadre positions and retirements. As such, the cadre utilization rate against the total number of approved cadre positions was 82 percent at the end of 2021, a 2 percent decline from 84 percent in 2020.

Figure 10.1 | The Total Cadre of Public Sector (2013-2021)



Source: Department of Management Services

Table 10.2 | Public Sector Cadre Utilization (Including Tri-forces) – 2021

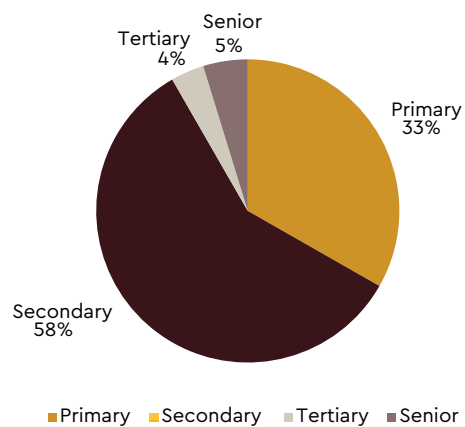
Institutional Category	Approved Cadre	Existing Cadre	Rate of utilization of the approved Cadre
Ministries & Departments	995,377	782,622	79%
Special Spending Units	18,042	9,695	54%
Provincial Councils	446,025	389,105	87%
State Owned Enterprises	255,545	219,838	86%
Total	1,714,989	1,401,260	82%

Source: Department of Management Services

### 10.3 Distribution of Public Service Cadre by Service Level-(excluding Tri-forces and SOEs)

The public service can be categorized into four service levels i.e. primary, secondary, tertiary, and senior, depending on the nature of the services provided. These service levels comprise professions related to unskilled, skilled professional, managerial and administrative employment categories.

Figure 10.2 | Distribution of Public Service Cadre



Source: Department of Management Services

The analysis of the service level distribution of the public sector cadre reveals that 58 percent of the public sector employees are concentrated on the secondary level including around 243,934 teachers and 82,915 health care workers. The distribution of public sector employment categories has significantly departed from the traditional pyramid style of employment categories within the institutions due to the excessive growth of the secondary level of the public sector. The large size and uneven distribution of the above category with disproportionate supervisory levels have caused widespread underutilization of the middle-level workforce in the government sector. Hence, a decision has been taken to disperse the newly recruited graduates to the peripheral areas in regions to implement the new policy proposals of the Government with proper supervision.

### 10.4 The unequal geographical distribution of the public sector employees

Despite the high ratio of public servants to the population, the majority is concentrated in urban areas making an unequal distribution of workforce within the institutions. This phenomenon has been demonstrated in the frequent requests for the creation of new cadre positions, particularly from the health and education sectors and Provincial Councils. Hence, there is a timely need to assess the physical capacities of such institutions, additional financial support, number of staff available for service delivery in order to redistribute the human resources for better

quality and equal service delivery. Accordingly, the initial steps are now underway to conduct a comprehensive cadre review for the health and education sector institutions.

Although the health and education sectors have private sector counterparts for providing services, higher concentration of public sector employees are also observed within the areas where private sector is well established. Therefore, taking into the account that the contribution and mobilized resources by private sector, a review of the above sectors of the government would be a necessity to set norms and benchmarks for quality service delivery.

Table 10.3 | Comparison of Population and Number of Employees – 2021

Province	Mid year Population Estimates <sup>(a)</sup>	Number of Employees in Health Sector
Central	2,811,000	23,781
Northern	1,165,000	11,419
Sabaragamuwa	2,088,000	13,757
Southern	2,696,000	20,406
Uva	1,400,000	10,264
Western	6,219,000	50,337
Eastern	1,783,000	15,284
North Central	1,402,000	11,150
North Western	2,592,000	15,172
Total	22,156,000	171,570

Sources: Department of Management Services, Registrar General's Department

<sup>(a)</sup> Provisional

Addressing the above need in the education sector, Education Circular No. 06/2021 has been issued to create school-based cadre positions and recruit curriculum specific staff. Also, the recruitment of 22,000 graduate trainees as teachers was planned under the above arrangement.

In line with the government policy to increase the intake of students to universities, 10,049 more students were admitted to national universities in 2021. To support additional intake, the university cadre was expanded by 70 temporary academic cadre positions to ensure the smooth functions of the academic programs.

In addition, 79 cadre positions were approved to achieve the Government vision for unearthing talents of Arts/Humanities/Social Sciences graduates in the state universities to enhance the employability of the undergraduates.

## 10.5 Facilitating implementation of development projects

For efficient and effective implementation of development projects, while achieving the desired project objectives within the given timeframe, Management Services Department (MSD) has issued MSD Circular 1/2019 which provides guidance for all administrative matters relating to Project Management Units (PMUs). However, given the guidelines issued in the Budget Circular No. 5/2020 on the PMUs, MSD has taken several measures to streamline the approval process of the PMUs. Accordingly, PMUs are approved on a case-by-case basis depending on the nature and magnitude of the works to be carried out under such projects. Projects which can be implemented using existing resources of project implementing agencies are directed to implement such projects by utilizing the existing staff of the respective institutions.

With the implementation of many local and foreign-funded development projects over the last two decades, implementing agencies are in possession of substantial expertise, knowledge and experience through knowledge transfer to carry out works in-house with in-house resources. Further, development partners such as the World Bank, Asian Development Bank (ADB) and Japan International Cooperation Agency (JICA) usually include a component in projects to facilitate and provide expert knowledge for process re-engineering, and formulation of policies in the relevant sector and capacity development of local staff. Though these interventions to project implementing agencies have been strengthened to carry out their works in-house without external advisors, consultants or separate PMUs as most of the activities under these development projects are mandated works of such organizations.

Actions have been taken by the Department of Management Services to further strengthen project implementing agencies instead of approving separate PMUs. For this purpose,

an additional cadre has been approved on a permanent as well as on a contract basis to carry out project works in-house. Thus, the need for separate PMUs is being continuously reviewed and monitored by the Department of Management Services to streamline the approval process and ascertain the necessity.

## Highlights - 2021

### Strengthening the health sector for the COVID-19 vaccination programme

Required human resources for the vaccination programme have been provided in 2021. Sri Lanka COVID-19 Emergency Response and Health Systems Preparation Project and Asia Pacific Vaccine Access Facility (Apvax) Recovery Project were provided an additional cadre of 84 medical laboratory technologist positions to conduct PCR Tests islandwide to complete the vaccination programme within the expected timeline.

### Strengthening the law and order/national security by providing necessary human resources for Sri Lanka Police

Sri Lanka Police was provided 17 new senior cadre positions including 04 Deputy Inspector General of Police positions for women officers, 46 positions of Assistant Police Superintendents and 05 positions for State Intelligence Service to strengthen the police service. In addition, it has been agreed in 2021 to increase the number of police constable posts from 45,000 to 60,000 and 8,000 Women Police Constables (WPCs) positions up to 10,000, respectively by 2023 to strengthen the law and order within the country.

### Child protection

The rising level of cybercrimes is a major threat to the most vulnerable such as children and women in Sri Lanka. Minimizing inconveniences encountered by the victimized children when providing evidence before the court, 63 cadre positions have been created for Child Protection Authority (CPA) to establish 9 video evidence recording units at the Provincial level to record evidence of child abuse victims.

In addition, considering the increased incidences of cybercrimes against children, 10 cadre positions have been created to strengthen the Law Enforcement Unit of the CPA.

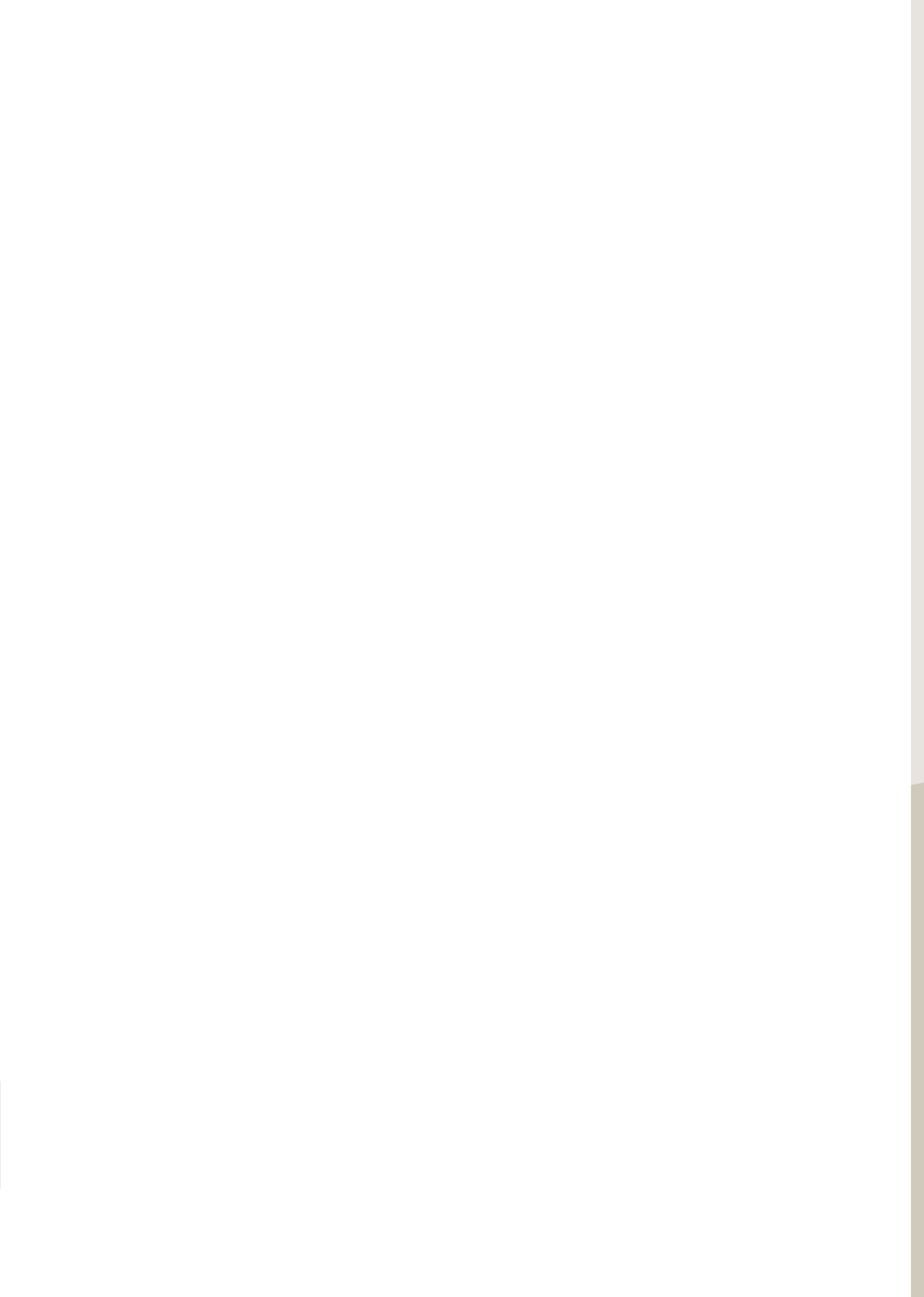
### Extending the compulsory age of retirement of public servants up to 65 years

Parliament has granted the approval in terms of provisions made by the Appropriation Bill for 2022 to extend the compulsory age of retirement of all civil public servants other than the officers whose compulsory age of retirement is specifically defined by the Constitution or any other law from 60 years to 65 years. In line with the above decision, instructions have been issued by the Public Administration Circular No. 02/2022 to implement the policy.



# **PART IV**

## Financial Statements





# Financial Statements



## Note to Readers

Financial Statements of the Government for the year ended 31st December 2021 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flow, Statement of Changes in Net Assets / Equity, applied Accounting Policies and Notes thereto are forwarded herewith.

The Statement of Financial Position shows the assets and liabilities of the Government whereas Statement of Financial Performance shows government's affairs in relation to revenue collection and use of resources as provided by Appropriation Act No. 07 of 10th December 2020 for 2021 as amended by Act No. 26 of 12th November 2021, of twenty one (21) Special Spending Units, thirty (30) Government Ministries, forty one (41) State Ministries, ninety eight (98) Government Departments and twenty five (25) District Secretariats and the way that fiscal deficit could be financed. Further, in the Financial Statements, it is reflected the financial support provided to Forty Nine (49) Commercial Public Corporations, ninety four (94) Government Owned Companies / Plantation Companies / US Dollar Denominated Companies, one (01) Development Bank in the form of capital contribution or shareholding and also information relating to allocation of financial resources to nine (09) Provincial Councils by the Government.

As per the provisions provided under the Fiscal Management (Responsibility) Act No. 03 of 2003, Financial Statements should be prepared to reflect financial results and Financial Position of the Democratic Socialist Republic of Sri Lanka. Since these Financial Statements should be prepared in accordance with the Article 149 and 150 of the Constitution of Democratic Socialist Republic of Sri Lanka, in addition, Generally Accepted Accounting Principles could not be followed in all the time. However, in such deviations, reasons for deviation and the relevant alternate accounting policies are disclosed in the Financial Statements.

Modified cash basis accounting method is used to prepare the Financial Statements and actions are taken to include the assets and liabilities generated through the cash basis transactions in the Financial Statements whenever possible.

The Computerized Integrated Government Accounting System (CIGAS) has been further developed enabling non-financial assets are recorded in the Financial Statements, starting from the year 2015.

## Statement of Responsibility

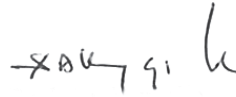
These Financial Statements have been prepared in keeping with the provisions of the Article 149 and 150 of the Constitution of Democratic Socialist Republic of Sri Lanka, Fiscal Management (Responsibility) Act No 03 of 2003 and National Audit Act No. 19 of 2018. The Financial Statements are in compliance with Generally Accepted Accounting Principles and relevant Treasury Circulars, whereas most appropriate accounting policies are used as disclosed in the Notes to the Financial Statements.

The General Treasury is responsible for establishing and maintaining a system of internal control to provide reasonable assurance that the transactions are effected within statutory authority and use of allocations provided by Appropriation Act or any other Law are properly recorded.

The accompanying "Statement of Accounting Policies" and "Notes to the Financial Statements" form an integral part of these Financial Statements. The designated authority in preparation and presentation of these Financial Statements is Department of State Accounts.



W.A. Samantha Upananda  
Director General  
Department of State Accounts



S.R. Attygalle  
Secretary, Ministry of Finance, and Secretary to  
the Treasury

General Treasury  
Colombo - 01  
25<sup>th</sup> March, 2022

## Statement of Financial Performance

for the Year ended 31st December 2021

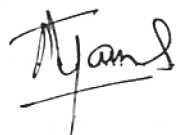
	Note	Actual 2021 Rs.	Actual 2020 Rs.
<b>REVENUE</b>			
<b>Tax Revenue</b>		<b>1,298,019,059,952</b>	<b>1,216,542,212,179</b>
Income Tax	1	302,115,199,047	268,249,209,464
Taxes on Domestic Goods & Services	2	643,085,821,017	584,528,022,877
Taxes on International Trade	3	352,818,039,888	363,764,979,839
<b>Non Tax Revenue &amp; Others</b>	<b>4</b>	<b>168,882,688,007</b>	<b>162,344,709,871</b>
<b>TOTAL REVENUE (a)</b>		<b>1,466,901,747,959</b>	<b>1,378,886,922,050</b>
<b>LESS : EXPENDITURE</b>			
Salaries, Wages and Other Employment Benefits	5	611,993,870,409	578,607,175,229
Other Goods & Services	6	218,380,545,886	221,067,351,945
Subsidies, Grants and Transfers	7	878,372,338,301	881,469,192,145
Interest Payments	8	1,048,382,440,515	975,433,945,096
Other Recurrent Expenditure	9	213,890,682	26,135,743,017
<b>Total Recurrent Expenditure (b)</b>		<b>2,757,343,085,792</b>	<b>2,682,713,407,433</b>
<b>REVENUE DEFICIT (a) - (b)</b>		<b>1,290,441,337,833</b>	<b>1,303,826,485,383</b>
<b>Public Investments</b>	<b>10</b>	<b>789,636,210,652</b>	<b>811,772,950,114</b>
<b>BUDGET DEFICIT</b>		<b>2,080,077,548,485</b>	<b>2,115,599,435,497</b>
<b>FINANCING THE BUDGET DEFICIT</b>			
Foreign Borrowings	11	516,606,370,092	600,888,442,365
Foreign Debt Repayments		(530,507,831,086)	(504,209,483,237)
<b>NET FOREIGN BORROWINGS</b>		<b>(13,901,460,995)</b>	<b>96,678,959,128</b>
Foreign Grants	12	6,739,545,252	5,348,418,756
<b>TOTAL FOREIGN FINANCING</b>		<b>(7,161,915,743)</b>	<b>102,027,377,884</b>
Domestic Borrowings	13	2,519,420,543,584	2,253,903,354,767
Domestic Debt Repayments	14	(801,708,208,303)	(458,694,003,212)
<b>NET DOMESTIC BORROWINGS</b>		<b>1,717,712,335,281</b>	<b>1,795,209,351,557</b>
Recoveries from On-lending	15	15,155,729,205	19,428,812,810
Sale of Capital Assets		188,384,750	256,998,608
Net Change in Deposit Accounts and Liabilities		19,598,069,646	(70,674,363,941)
(Increase)/ Decrease in Cash & Cash Equivalents		334,584,945,346	269,351,258,579
<b>TOTAL FINANCING</b>		<b>2,080,077,548,485</b>	<b>2,115,599,435,497</b>

## Statement of Financial Position

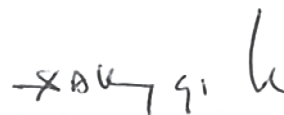
as at 31st December 2021

	Note	Actual 2021 Rs.	Actual 2020 Rs.
<b>Non Financial Assets (a)</b>	<b>16</b>	<b>1,850,007,342,256</b>	<b>1,776,368,275,783</b>
Lands		992,116,029,261	919,631,402,791
Buildings		348,232,804,726	367,766,651,567
Other Assets		509,658,508,269	488,970,221,425
<b>Financial Assets (b)</b>		<b>988,010,842,020</b>	<b>895,097,001,604</b>
Advances to Public Officers	<b>17</b>	31,356,235,383	31,613,724,223
Advances to Government Departments	<b>18</b>	15,727,677,353	15,783,074,603
Membership Fees	<b>19</b>	2,900,368,322	2,900,368,322
On Lending	<b>20</b>	173,491,458,394	171,622,550,455
Capital Contributions to State Owned Enterprises	<b>21</b>	760,777,405,378	669,647,680,913
Rent & Work Advance	<b>22</b>	2,256,451,263	2,190,967,323
Stamps Stock Account		1,501,245,927	1,338,635,765
<b>Total Assets (c)=(a)+(b)</b>		<b>2,838,018,184,276</b>	<b>2,671,465,277,387</b>
<b>Statutory &amp; Other Funds (d)</b>		<b>(14,979,010,260,682)</b>	<b>(12,650,186,576,053)</b>
Consolidated Fund	<b>23</b>	(990,490,932,444)	(636,307,917,452)
Contingency Fund		500,000,000	500,000,000
Foreign Loan Revolving Funds	<b>24</b>	48,852,791,091	56,239,421,786
Miscellaneous Funds	<b>25</b>	2,426,012,245	2,044,322,296
Net Assets Adjustment Account	<b>26</b>	(14,040,298,131,574)	(12,072,662,402,683)
<b>Liabilities (e)</b>		<b>17,817,028,444,958</b>	<b>15,321,651,853,441</b>
Bank Balance	<b>27</b>	798,453,585,243	463,868,639,897
Advance from the Central Bank	<b>28</b>	150,128,800,400	153,079,071,400
Government Borrowings	<b>29</b>	16,826,830,788,866	14,692,491,877,158
Deposits	<b>30</b>	82,313,142,224	78,253,278,083
Accounts Operating with Government Departments	<b>31</b>	(14,137,207,250)	(39,395,854,262)
Sundry Accounts	<b>32</b>	(26,560,664,524)	(26,645,158,835)
<b>Total Funds and Liabilities (f)=(d)+(e)</b>		<b>2,838,018,184,276</b>	<b>2,671,465,277,387</b>

The Financial Statements are in compliance with Generally Accepted Accounting Principles and relevant Treasury Circulars, whereas most appropriate accounting policies are used as disclosed in the Notes to the Financial Statements.



W.A. Samantha Upananda  
Director General  
Department of State Accounts



S.R. Attygalle  
Secretary, Ministry of Finance,  
and Secretary to the Treasury

## Statement of Cash Flow

for the Year ended 31<sup>st</sup> December 2021

Budget Estimate 2021		Actual 2021	Restated Actual 2020
Rs.		Rs.	Rs.
<b>Cash Flow from Operating Activities</b>			
1,325,000,000,000	Tax Receipts	1,298,019,059,952	1,216,542,212,179
30,990,000,000	Fees, Fines, Penalties and Licenses	39,199,989,240	26,619,272,655
34,000,000,000	Profits	25,918,973,952	14,768,452,766
101,950,000,000	Other Receipts	92,625,878,430	110,804,741,847
	- Advances to Public Officers	257,488,840	528,516,811
	- Advances to Government Departments	55,397,250	19,160,616
	- Deposits	4,059,864,141	-
	- Stamps Stock Account	-	114,865,022
	- Accounts Operating with Government Departments	25,258,647,012	45,979,251,714
	- Sundry Accounts	84,494,311	-
<b>1,491,940,000,000</b>	<b>Total Cash flow from Operating Activities (a)</b>	<b>1,485,479,793,128</b>	<b>1,415,376,473,613</b>
<b>Less - Cash disbursed for:</b>			
887,256,574,398	Personal Emoluments & Operating Payments	830,374,416,294	799,674,527,175
927,464,555,500	Subsidies & Transfer Payments	878,372,338,301	881,469,192,145
1,059,471,099,682	Finance Costs	1,048,596,331,197	1,001,569,688,113
	- Deposits	-	3,318,485,591
	- Stamps Stock Account	162,610,162	-
	- Sundry Accounts	-	26,665,709,557
<b>2,874,192,229,579</b>	<b>Total Cash disbursed for Operating Activities (b)</b>	<b>2,757,505,695,954</b>	<b>2,712,697,602,580</b>
<b>(1,382,252,229,579)</b>	<b>NET CASH FLOWS FROM OPERATING ACTIVITIES (c)=(a)-( b)</b>	<b>(1,272,025,902,826)</b>	<b>(1,297,321,128,968)</b>
<b>Cash Flows from Investing Activities</b>			
7,000,000,000	Interest	6,465,927,143	7,296,743,428
6,000,000,000	Dividends	4,671,919,242	2,855,499,175
400,000,000	Divestiture Proceeds & Sale of Physical Assets	188,384,750	256,998,608
14,000,000,000	Recoveries from On Lending	15,155,729,205	19,428,812,810
<b>27,400,000,000</b>	<b>Total Cash flow from Investing Activities (d)</b>	<b>26,481,960,340</b>	<b>29,838,054,021</b>
<b>Less - Cash disbursed for:</b>			
1,201,352,630,421	Purchase or Construction of Physical Assets & Acquisition of Other Investment	789,636,210,652	811,772,950,114
<b>1,201,352,630,421</b>	<b>Total Cash disbursed for Investing Activities (e)</b>	<b>789,636,210,652</b>	<b>811,772,950,114</b>
<b>(1,173,952,630,421)</b>	<b>NET CASH FLOW FROM INVESTING ACTIVITIES (f)=(d) - (e)</b>	<b>(763,154,250,312)</b>	<b>(781,934,896,093)</b>
<b>(2,556,204,860,000)</b>	<b>NET CASH FLOW FROM OPERATING &amp; INVESTMENT ACTIVITIES (g)=(c) + (f)</b>	<b>(2,035,180,153,138)</b>	<b>(2,079,256,025,060)</b>
<b>Cash Flow from Financing Activities</b>			
2,583,290,664,902	Local Borrowings	2,519,420,543,584	2,253,903,354,767
383,185,425,692	Foreign Borrowings	516,606,370,092	600,888,442,365
5,000,000,000	Grants Received	6,739,545,252	5,348,418,756
	- Miscellaneous Funds	381,689,949	1,002,881,084
<b>2,971,476,090,594</b>	<b>Total Cash flow from Financing Activities (h)</b>	<b>3,043,148,148,877</b>	<b>2,861,143,096,972</b>
<b>Less - Cash disbursed for:</b>			
809,070,000,000	Repayment of Local Borrowings	801,708,208,303	458,694,003,212
536,297,000,000	Repayment of Foreign Borrowings	530,507,831,086	504,209,483,237
	- Foreign Loan Revolving Funds	7,386,630,695	4,804,944,043
	- Advance from the Central Bank	2,950,271,000	83,529,900,000
<b>1,345,367,000,000</b>	<b>Total Cash disbursed for Financing Activities (i)</b>	<b>1,342,552,941,085</b>	<b>1,051,238,330,492</b>
<b>1,626,109,090,594</b>	<b>NET CASH FLOW FROM FINANCING ACTIVITIES (j)=(h) - (i)</b>	<b>1,700,595,207,792</b>	<b>1,809,904,766,481</b>
<b>(930,095,769,406)</b>	<b>Net movement in Cash (k)=(g) + (j)</b>	<b>(334,584,945,346)</b>	<b>(269,351,258,580)</b>
	<b>Opening Cash Balance as at 01st January</b>	<b>(463,868,639,897)</b>	<b>(194,517,381,317)</b>
	<b>Closing Cash Balance as at 31st December</b>	<b>(798,453,585,243)</b>	<b>(463,868,639,897)</b>

## Statement of Changes in Net Assets / Equity

for the Year ended 31<sup>st</sup> December 2021

Rs.

Description	Attributable to Government Entities				Total Net Assets /Equity
	Consolidated Fund	Contingency Fund	Foreign Loan Revolving Fund	Miscellaneous Funds	
<b>Balance as at 31st December 2019</b>	(437,631,022,814)	500,000,000	61,044,365,828	1,041,441,212	(375,045,215,774)
	<b>(437,631,022,814)</b>	<b>500,000,000</b>	<b>61,044,365,828</b>	<b>1,041,441,212</b>	<b>(375,045,215,774)</b>
<b>Changes in Net Assets/Equity for 2020</b>					
Net Change in Consolidated Fund	(198,676,894,639)				(198,676,894,639)
Net Change in Contingency Fund		-			-
Net Change in Foreign Loan Revolving Fund			(4,804,944,043)		(4,804,944,043)
Net Change in Miscellaneous Funds				1,002,881,084	1,002,881,084
<b>Balance as at 31st December 2020</b>	<b>(636,307,917,453)</b>	<b>500,000,000</b>	<b>56,239,421,786</b>	<b>2,044,322,296</b>	<b>(577,524,173,371)</b>
<b>Changes in Net Assets/Equity for 2021</b>					
Net Change in Consolidated Fund	(354,183,014,992)				(354,183,014,992)
Net Change in Contingency Fund		-			-
Net Change in Foreign Loan Revolving Fund			(7,386,630,695)		(7,386,630,695)
Net Change in Miscellaneous Funds				381,689,949	381,689,949
<b>Balance as at 31st December 2021</b>	<b>(990,490,932,444)</b>	<b>500,000,000</b>	<b>48,852,791,091</b>	<b>2,426,012,245</b>	<b>(938,712,129,108)</b>

## Current year Actual vs Budget

	Original Budget	Revised Budget	Actual	Variance	%
<b>Rs.000</b>					
<b>Revenue</b>					
<b>Tax Revenue</b>	<b>1,724,000,000</b>	<b>1,325,000,000</b>	<b>1,298,019,060</b>	<b>26,980,940</b>	<b>2</b>
Income Tax	371,000,000	295,000,000	302,115,199	(7,115,199)	-2
Taxes on Domestic Goods & Services	821,250,000	647,136,000	643,085,821	4,050,179	1
Taxes on International Trade	531,750,000	382,864,000	352,818,040	30,045,960	8
<b>Non Tax Revenue &amp; Others</b>	<b>245,000,000</b>	<b>181,000,000</b>	<b>168,882,688</b>	<b>12,117,312</b>	<b>7</b>
<b>Foreign Grants</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>6,739,545</b>	<b>(1,739,545)</b>	<b>-35</b>
<b>Recoveries from On-lending</b>	<b>15,000,000</b>	<b>14,000,000</b>	<b>15,155,729</b>	<b>(1,155,729)</b>	<b>-8</b>
<b>Sale of Capital Assets</b>	<b>400,000</b>	<b>400,000</b>	<b>188,385</b>	<b>211,615,250</b>	<b>53</b>
<b>Total Revenue</b>	<b>1,994,400,000</b>	<b>1,525,400,000</b>	<b>1,488,985,407</b>	<b>36,414,593</b>	<b>2</b>
<b>Expenditure</b>					
Salaries, Wages and Other Employment Benefits	634,713,459	645,624,883	611,993,870	33,631,013	5
Other Goods & Services	217,574,405	241,631,691	218,380,546	23,251,145	10
Subsidies, Grants and Transfers	834,862,119	927,464,555	878,372,338	49,092,217	5
Interest Payments	977,000,000	1,059,200,000	1,048,382,441	10,817,559	1
Other Recurrent Expenditure	30,002,195	271,100	213,891	57,209	21
<b>Total Recurrent Expenditure</b>	<b>2,694,152,178</b>	<b>2,874,192,230</b>	<b>2,757,343,086</b>	<b>116,849,144</b>	<b>4</b>
<b>Public Investments</b>	<b>1,095,018,822</b>	<b>1,201,352,630</b>	<b>789,636,211</b>	<b>411,716,420</b>	<b>34</b>
<b>Foreign Debt Repayments</b>	<b>502,297,000</b>	<b>536,297,000</b>	<b>530,507,831</b>	<b>5,789,169</b>	<b>1</b>
<b>Domestic Debt Repayments</b>	<b>755,070,000</b>	<b>809,070,000</b>	<b>801,708,208</b>	<b>7,361,792</b>	<b>1</b>
<b>Total Expenditure</b>	<b>5,046,538,000</b>	<b>5,420,911,860</b>	<b>4,879,195,336</b>	<b>541,716,524</b>	<b>10</b>



## Significant Accounting Policies

### Reporting Entity

These Financial Statements of the Government encompass the Reporting Entity of the 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 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 Government over the financial and operating activities of Provincial Councils.

The Financial Statements of the Government for the year ended 31 December 2021 were authorized for issue by the Department of State Accounts.

### 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.

The Cash Flow Statement is prepared using the direct method.

All financial information presented in Sri Lankan Rupees has been rounded to the nearest rupee, except where indicated otherwise.

### Reporting Period

The reporting period of these Financial Statements is from 1st of January 2021 to 31st December 2021.

## 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 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.

### 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 through corresponding main ledger accounts.

### 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 Government for their recurrent and capital expenditure requirements similar to those of the other Government Departments.

## Borrowings

In the Statement of Financial Position, all local borrowings are recorded at cost. Since foreign borrowings are subject to change in exchange rates, foreign monetary liabilities are converted to Sri Lanka Rupees using exchange rates prevailed at the end of the reporting period. Statement of individual loan details are shown in the Note - 29(I) and 29(II).

## Employee Entitlements

Employee entitlements to salaries and wages, pre-retirement leave and other similar benefits have been recorded when they actually accrue to or utilized by the employees. Retired Government employee entitlements for pension payments are also recorded on the same basis.

## Contingent Liabilities & Commitments

Contingent Liabilities and Commitments are recorded at the point of contingency or commitment is evident. Rs. 1,583,335,901,659 was recorded in 2021 and Rs. 1,058,914,844,058 was recorded in 2020. (Schedule I)

## 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. When there is an Over Draft, it is considered for the Borrowing Limit of the respective year.

## Non-Financial Assets

All non-financial assets i.e. Property, Plant and Equipment is recognized at cost or grant value. The cost includes expenditure that is directly attributable to the acquisition of the items.

In a situation, where an assets is acquired in a non-exchange transaction on free of charge or nominal consideration, the asset is initially measured at its grant value or cost. The corresponding credit is recognized as income in the statements of Financial Performance unless there are conditions on the assets' use.

Capital work in progress includes cost of buildings under development as at the Balance Sheet date.

The Government derecognizes items of Property, Plant and Equipment upon disposal. The sales proceeds received upon disposal of non-financial assets is recognized as revenue.

## Leases

The Government as a lessee, finance lease are leases that transfer substantially all the risk and benefits incidental to ownership of the leased asset to the Government. Assets held under a finance lease are capitalized at the commencement of the lease at the value of the leased asset. The Government also recognizes the associated lease liability at the inception of the lease.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Government. Operating lease made during the year are recognized as an operating expense in the Financial Performance Statement on cash basis over the lease term.

## **Intangible Assets**

Intangible assets which are acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is considered at their cost or grant value at the date of exchange and subsequently such intangible assets are carried at cost.

## **Advances**

Advances consist of advances to Public Officers of the Government and provincial councils and to Government Departments through the treasury authorized advance account which is recognized on cash basis.

## **Sundry Accounts**

Sundry Accounts consist of main ledger accounts operated for special purposes.

## **Advances from the Central Bank**

Advances from the Central Bank are consist of advances held by the Government under the Monetary Law Act.

## Time of Recording and Measurement for Presenting the Financial Statements of Government

### Statement of Financial Performance

Accounting Caption	Presented	Time of Recording	Measurement
Revenue (for current and past years)	Yes	Cash Accounting	Historical Cost Method
Expenditure (for current and past year)	Yes	Cash Accounting	Historical Cost Method
Surplus or Deficit (for current and past year)	Yes	Cash Accounting	Historical Cost Method
Depreciation	N/A	N/A	N/A

### Statement of Financial Position

Accounting Caption	Presented	Time of Recording	Measurement
Property, Plant and Equipment	Yes	Modify Cash	Historical Cost Method
Investment Property	N/A	N/A	N/A
Intangible Assets	Yes	Modify Cash	Historical Cost Method
Financial Assets	Yes	Modify Cash	Historical Cost Method
Investment Recognized Using the Equity Method	Yes	Modify Cash	Historical Cost Method
Recoverable	N/A	N/A	N/A
Cash & Cash Equivalents	Yes	Cash Accounting	Historical Cost Method
Financial Liabilities	Yes	Modify Cash	Historical Cost Method
Provisions	N/A	N/A	N/A
Contingent Liabilities	N/A	N/A	N/A
Net Asset/Equity	Yes	Modify Cash	Historical Cost Method

## Notes to the Financial Statements

Total Budget Estimate	Revenue Code	Revenue Title	Actual Revenue	
			2021	2020
			Rs.	Rs.
	<b>NOTE – 1</b>	<b>INCOME TAX</b>		
243,000,000,000	1004.01.01	Income Tax	249,836,958,394	206,816,226,197
5,000,000,000	1004.01.02	Dividend Tax	483,446,628	4,311,234,893
4,000,000,000	1004.01.03	Remittance Tax	1,510,442,259	3,333,736,698
<b>252,000,000,000</b>	<b>1004.01.00</b>	<b>Total Corporate Tax (a)</b>	<b>251,830,847,280</b>	<b>214,461,197,788</b>
<b>15,000,000,000</b>	<b>1004.02.01</b>	<b>PAYE</b>	<b>15,352,750,512</b>	<b>14,973,453,653</b>
<b>15,000,000,000</b>	<b>1004.02.99</b>	<b>Other</b>	<b>20,950,495,642</b>	<b>13,517,490,294</b>
<b>11,000,000,000</b>	<b>1004.03.00</b>	<b>Withholding Tax</b>	<b>12,410,497,839</b>	<b>9,989,431,167</b>
2,750,000,000	1004.03.01	On Interest	355,769,899	2,712,017,866
8,250,000,000	1004.03.99	On Fees & Other	12,054,727,940	7,277,413,301
<b>1,000,000,000</b>	<b>1004.04.00</b>	<b>Economic Service Charge</b>	<b>728,114,581</b>	<b>14,950,042,437</b>
980,000,000	1004.04.01	Domestic	685,452,346	14,905,113,615
20,000,000	1004.04.02	Imports	42,662,235	44,928,822
<b>500,000,000</b>	<b>1004.05.00</b>	<b>Capital Gain Tax</b>	<b>667,876,234</b>	<b>357,594,125</b>
<b>500,000,000</b>	<b>1004.06.00</b>	<b>Tax on Voluntary Disclosure</b>	<b>174,616,959</b>	<b>-</b>
<b>43,000,000,000</b>	<b>1004.02.00</b>	<b>Total Non-Corporate Tax (b)</b>	<b>50,284,351,766</b>	<b>53,788,011,676</b>
<b>295,000,000,000</b>		<b>Total Income Tax (a+b)</b>	<b>302,115,199,047</b>	<b>268,249,209,464</b>
	<b>NOTE – 2</b>	<b>TAXES ON DOMESTIC GOODS &amp; SERVICES</b>		
<b>310,000,000,000</b>	<b>1002.01.00</b>	<b>Value Added Tax</b>	<b>308,213,044,594</b>	<b>233,786,120,184</b>
55,000,000,000	1002.01.01	Financial Services	67,317,686,840	42,451,850,832
78,000,000,000	1002.01.02	Other Services	78,509,090,906	63,100,659,321
52,000,000,000	1002.01.03	Manufacturing	39,635,391,764	42,508,495,632
125,000,000,000	1002.01.04	Imports	122,750,875,084	85,725,114,398
-	<b>1002.02.00</b>	<b>Goods and Services Tax</b>	<b>244,534</b>	<b>226,221</b>
-	1002.02.01	Services	226,963	113,111
-	1002.02.02	Manufacturing	17,571	113,111
-	<b>1002.03.00</b>	<b>National Security Levy</b>	<b>322,006</b>	<b>2,399,368</b>
-	1002.03.01	Services	322,006	2,399,368
<b>140,000,000,000</b>	<b>1002.04.00</b>	<b>Excise (Ordinance) Duty</b>	<b>138,637,149,955</b>	<b>120,989,956,654</b>
140,000,000,000	1002.04.01	Liquor	138,637,149,955	120,989,956,654
<b>171,000,000,000</b>	<b>1002.05.00</b>	<b>Excise (Special Provisions) Duty</b>	<b>168,224,272,972</b>	<b>200,942,505,643</b>
90,000,000,000	1002.05.01	Cigarettes	88,538,841,088	94,344,544,119
55,000,000,000	1002.05.03	Petroleum Products	55,339,152,821	53,111,075,294
20,000,000,000	1002.05.04	Motor Vehicles	18,112,683,180	48,759,937,998
6,000,000,000	1002.05.99	Other	6,233,595,883	4,726,948,232
<b>35,000,000</b>	<b>1002.06.00</b>	<b>Tobacco Tax</b>	<b>37,023,211</b>	<b>38,565,392</b>
-	<b>1002.09.00</b>	<b>Turnover Tax</b>	<b>18,742,858</b>	<b>16,257,541</b>
-	<b>1002.10.00</b>	<b>Social Responsibility Levy</b>	<b>5,820</b>	<b>15,838</b>
<b>13,000,000,000</b>	<b>1002.11.00</b>	<b>Telecommunication Levy</b>	<b>12,839,826,732</b>	<b>13,129,921,947</b>
<b>300,000,000</b>	<b>1002.12.00</b>	<b>Nation Building Tax</b>	<b>433,734,254</b>	<b>2,351,177,165</b>

## Notes to the Financial Statements contd...

Total Budget Estimate	Revenue Code	Revenue Title	Actual Revenue	
			2021	2020
			Rs.	Rs.
178,000,000	1002.12.01	Services	273,030,817	1,293,158,109
102,000,000	1002.12.02	Manufacturing	81,590,738	742,928,196
20,000,000	1002.12.03	Imports	79,112,699	315,090,860
<b>520,000,000</b>	<b>1002.13.00</b>	<b>Tele Dramas, Films and Commercials Levy</b>	<b>438,470,000</b>	<b>158,527,000</b>
<b>1,450,000,000</b>	<b>1002.14.00</b>	<b>Cellular Tower Levy</b>	<b>1,432,520,834</b>	<b>1,432,714,167</b>
<b>500,000,000</b>	<b>1002.15.00</b>	<b>SMS Advertising Levy</b>	<b>430,294,304</b>	<b>429,233,536</b>
<b>8,300,000,000</b>	<b>1003.00.00</b>	<b>License Taxes and Other</b>	<b>10,122,059,935</b>	<b>5,390,902,543</b>
1,000,000,000	1003.01.00	Luxury Motor Vehicle Tax	1,217,807,846	1,614,916,915
2,200,000,000	1003.03.00	Betting & Gaming Levy	1,939,352,796	1,428,071,291
5,100,000,000	1003.04.00	Share Transaction Levy	6,964,477,149	2,347,277,682
-	1003.05.00	Construction Industry Guarantee Fund Levy	422,144	636,657
<b>2,012,300,000</b>	<b>1003.07.00</b>	<b>Other Licenses</b>	<b>2,230,320,811</b>	<b>5,848,832,722</b>
1,530,000,000	1003.07.02	Registration Fees Relevant to the Department of Registrar General	1,707,162,817	1,399,877,263
120,000,000	1003.07.03	Private Timber Transport	126,523,836	103,722,883
77,000,000	1003.07.04	Tax on Sale of Motor Vehicles	56,288,899	65,617,488
20,040,000	1003.07.05	License Fees Relevant to the Ministry of Defence	24,085,658	21,023,630
43,160,000	1003.07.06	License Fees Relevant to the Dept. of Fisheries & Aquatic Resources	64,606,538	43,562,801
-	1003.07.08	Company Registration Levy	330,000	247,890,000
10,600,000	1003.07.09	Carbon Tax	16,795,744	102,775,391
95,000,000	1003.07.10	Vehicle Entitlement Levy	75,703,249	707,521,854
-	1003.07.11	Debt Repayment Levy	7,565,402	3,002,271,834
116,500,000	1003.07.99	Other	151,258,669	154,569,577
<b>4,200,000</b>	<b>1003.08.00</b>	<b>Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court</b>	<b>5,540,875</b>	<b>4,813,771</b>
<b>13,500,000</b>	<b>1003.10.00</b>	<b>Migrating Tax</b>	<b>17,032,375</b>	<b>5,853,185</b>
<b>1,000,000</b>	<b>1003.11.00</b>	<b>Remittance Fee</b>	<b>5,214,948</b>	-
<b>647,136,000,000</b>		<b>Total Taxes on Domestic Goods &amp; Services</b>	<b>643,085,821,017</b>	<b>584,528,022,877</b>
	<b>NOTE - 3</b>	<b>TAXES ON INTERNATIONAL TRADE</b>		
<b>100,000,000,000</b>	<b>1001.01.00</b>	<b>Import Duties</b>	<b>64,339,318,422</b>	<b>114,182,592,403</b>
<b>64,000,000</b>	<b>1001.02.00</b>	<b>Export Duties</b>	<b>47,422,019</b>	<b>96,346,973</b>
<b>2,800,000,000</b>	<b>1001.03.00</b>	<b>Import &amp; Export Licenses Fees</b>	<b>2,934,678,721</b>	<b>2,025,977,883</b>
<b>140,000,000,000</b>	<b>1001.04.00</b>	<b>Ports &amp; Airports Development Levy</b>	<b>154,125,248,777</b>	<b>115,442,010,555</b>
<b>80,000,000,000</b>	<b>1001.05.00</b>	<b>Cess Levy</b>	<b>75,543,498,942</b>	<b>49,309,099,057</b>
77,000,000,000	1001.05.01	Import Cess Levy	73,320,213,280	47,295,124,841
3,000,000,000	1001.05.02	Export Cess Levy	2,223,285,662	2,013,974,216
<b>60,000,000,000</b>	<b>1001.08.00</b>	<b>Special Commodity Levy</b>	<b>55,827,873,007</b>	<b>82,708,952,968</b>
<b>382,864,000,000</b>		<b>Total Revenue from Taxes on International Trade</b>	<b>352,818,039,888</b>	<b>363,764,979,839</b>
<b>1,325,000,000,000</b>		<b>Total Tax Revenue</b>	<b>1,298,019,059,952</b>	<b>1,216,542,212,179</b>

## Notes to the Financial Statements contd...

Total Budget Estimate	Revenue Code	Revenue Title	Actual Revenue	
			2021	2020
			Rs.	Rs.
	<b>NOTE - 4</b>	<b>NON-TAX REVENUE AND OTHERS</b>		
<b>11,200,000,000</b>	<b>2001.00.00</b>	<b>Revenue from Departmental Enterprises (a)</b>	<b>10,014,652,890</b>	<b>11,128,660,980</b>
4,000,000,000	2001.01.00	Railways	2,678,724,988	4,566,646,433
7,000,000,000	2001.02.00	Postal	7,152,220,923	6,360,685,035
130,000,000	2001.03.00	Stores Advance Accounts (Explosive Items )	110,000,000	130,000,000
70,000,000	2001.04.00	Prisons Industrial and Agricultural Advance Account	73,706,979	71,329,511
<b>52,000,000,000</b>	<b>2002.00.00</b>	<b>Return on Government Assets (b)</b>	<b>42,146,717,771</b>	<b>36,975,372,693</b>
<b>5,000,000,000</b>	<b>2002.01.00</b>	<b>Rent</b>	<b>5,089,897,433</b>	<b>12,054,677,324</b>
1,200,000,000	2002.01.01	Rent on Government Building & Housing	1,288,512,491	1,152,983,938
1,500,000,000	2002.01.02	Rent on Crown Forests	1,183,922,361	1,290,279,391
70,000,000	2002.01.03	Rent from Land and Other	105,312,901	105,011,391
1,420,000,000	2002.01.04	Lease Rental from Regional Plantation Companies	1,096,941,065	951,725,623
810,000,000	2002.01.99	Other Rental	1,415,208,615	8,554,676,982
<b>7,000,000,000</b>	<b>2002.02.00</b>	<b>Interest</b>	<b>6,465,927,143</b>	<b>7,296,743,428</b>
5,500,000,000	2002.02.01	On-Lending	5,019,894,636	5,783,027,204
1,500,000,000	2002.02.99	Other	1,446,032,507	1,513,716,224
<b>34,000,000,000</b>	<b>2002.03.00</b>	<b>Profits</b>	<b>25,918,973,952</b>	<b>14,768,452,766</b>
<b>6,000,000,000</b>	<b>2002.04.00</b>	<b>Dividends</b>	<b>4,671,919,242</b>	<b>2,855,499,175</b>
<b>53,800,000,000</b>	<b>2003.00.00</b>	<b>Sale Proceeds &amp; Charges (c)</b>	<b>63,807,299,246</b>	<b>54,855,827,884</b>
<b>90,000,000</b>	<b>2003.01.00</b>	<b>Departmental Sales</b>	<b>97,730,681</b>	<b>87,989,671</b>
<b>25,419,000,000</b>	<b>2003.02.00</b>	<b>Administrative Fees &amp; Charges</b>	<b>28,175,701,055</b>	<b>29,711,857,927</b>
300,000,000	2003.02.01	Audit Fees	348,678,099	302,494,749
200,000,000	2003.02.03	Fees Under Registration of Persons	198,886,160	323,945,765
400,000,000	2003.02.04	Fees of Department of Survey	408,123,680	327,820,232
500,000,000	2003.02.05	Service Charges of Government Press	756,670,731	1,040,558,609
15,000,000	2003.02.06	Fees Under the Fauna & Flora Protection Ordinance	17,417,277	18,813,594
5,700,000,000	2003.02.07	Fees of Passports, Visas & Dual Citizenship	8,663,181,641	5,532,660,512
4,850,000,000	2003.02.08	Embarkation Levy	3,350,052,053	7,548,000,772
82,000,000	2003.02.09	Fees of Department of Valuation	115,316,600	68,164,750
230,000,000	2003.02.10	Fees of Registrar of Companies	119,840,939	99,288,869
60,000,000	2003.02.11	Legal Fees from Corporations & Statutory Bodies	143,779,404	62,764,949
45,000,000	2003.02.12	Fees Recovered Under the Public Contract Act	50,344,000	44,608,336
200,000,000	2003.02.13	Examinations & Other Fees	281,757,367	311,718,845
6,000,000,000	2003.02.14	Fees Under the Motor Traffic Act & Other Receipts	6,417,147,456	7,237,056,753
2,000,000	2003.02.15	Registration Fees on Motor Vehicle Transfers Under the Issuing Motor Vehicle Permits on Concessionary Terms	1,071,398	6,692,438
10,000,000	2003.02.16	Air craft Rentals	10,574,308	20,517,051
163,000,000	2003.02.17	Fee on Local Sale of Garments	144,681,585	184,677,874
400,000,000	2003.02.18	Fees Relevant to the Department of Agriculture	567,969,837	488,134,207
100,000,000	2003.02.19	Fees Relevant to the Botanical Gardens	135,038,572	286,772,138
162,000,000	2003.02.21	Fees Relevant to the Ministry of Petroleum Industries	225,267,081	113,595,168



## Notes to the Financial Statements contd...

Total Budget Estimate	Revenue Code	Revenue Title	Actual Revenue	
			2021	2020
			Rs.	Rs.
6,000,000,000	2003.02.99	Sundries	6,219,902,866	5,693,572,316
<b>2,931,000,000</b>	<b>2003.03.00</b>	<b>Fines and Forfeits</b>	<b>5,749,186,542</b>	<b>4,633,067,081</b>
1,731,000,000	2003.03.01	Fines and Forfeits – Customs	4,091,286,910	2,889,218,648
1,200,000,000	2003.03.02	Fines and Forfeits – Other	1,657,899,632	1,743,848,432
–	<b>2003.04.00</b>	<b>Public Officer's Motor Cycle Premium</b>	<b>2,910,000</b>	<b>509,454</b>
<b>13,500,000,000</b>	<b>2003.05.00</b>	<b>Treasury Bonds Premium</b>	<b>14,852,720,870</b>	<b>5,535,928,332</b>
<b>4,300,000,000</b>	<b>2003.06.00</b>	<b>Revenue from the United Nations' Peacekeeping Operations</b>	<b>6,309,683,670</b>	<b>1,949,850,171</b>
<b>300,000,000</b>	<b>2003.07.00</b>	<b>Programme for Purchasing of Paddy</b>	<b>453,206,587</b>	<b>1,235,912,505</b>
<b>1,060,000,000</b>	<b>2003.08.00</b>	<b>Sale of Hydro Power</b>	<b>538,063,129</b>	
<b>6,200,000,000</b>	<b>2003.99.00</b>	<b>Other Receipts</b>	<b>7,628,096,711</b>	<b>11,700,712,742</b>
<b>36,000,000,000</b>	<b>2004.00.00</b>	<b>Social Security Contributions (d)</b>	<b>34,618,641,924</b>	<b>32,417,052,244</b>
23,500,000,000	2004.01.00	Central Government	22,574,815,424	21,394,267,775
12,500,000,000	2004.02.00	Provincial Councils	12,043,826,499	11,022,784,468
<b>28,000,000,000</b>	<b>2005.00.00</b>	<b>Current Transfers (e)</b>	<b>18,295,376,177</b>	<b>26,967,796,071</b>
25,000,000,000	2005.01.00	Central Bank Profits	15,011,741,716	24,008,976,988
3,000,000,000	2005.99.00	National Lotteries Board and Other Transfers	3,283,634,461	2,958,819,083
<b>181,000,000,000</b>		<b>Total Non – Tax Revenue &amp; Other Revenue (a)+(b)+(c)+(d)+(e )</b>	<b>168,882,688,007</b>	<b>162,344,709,871</b>
<b>1,506,000,000,000</b>		<b>Total Revenue (Note 1 – 4)</b>	<b>1,466,901,747,959</b>	<b>1,378,886,922,050</b>

## Notes to the Financial Statements contd...

Budget Estimate 2021 Rs.	Object Code	Object Title	Actual	
			2021 Rs.	2020 Rs.
	<b>NOTE-5</b>	<b>OBJECT CODE WISE CLASSIFICATION OF SALARIES, WAGES &amp; OTHER EMPLOYMENT BENEFITS</b>		
		<b>Personal Emoluments</b>		
370,107,845,300	1001	Salaries and Wages	347,402,903,157	333,674,216,242
41,955,506,414	1002	Overtime and Holiday Payments	40,738,553,697	37,725,389,656
233,561,531,524	1003	Other Allowances	223,852,413,555	207,207,569,331
<b>645,624,883,238</b>		<b>Total</b>	<b>611,993,870,409</b>	<b>578,607,175,229</b>
	<b>NOTE - 6</b>	<b>OBJECT CODE WISE CLASSIFICATION OF OTHER GOODS AND SERVICES</b>		
		<b>Travelling Expenditure</b>		
15,881,990,028	1101	Domestic	14,590,629,171	14,323,022,456
1,800,585,251	1102	Foreign	1,306,253,451	513,433,014
<b>17,682,575,279</b>		<b>Total (a)</b>	<b>15,896,882,622</b>	<b>14,836,455,470</b>
		<b>Supplies</b>		
3,880,250,425	1201	Stationery and Office Requisites	3,469,940,660	2,770,960,279
17,476,156,057	1202	Fuel	16,596,193,633	15,310,213,864
37,260,797,045	1203	Diets and Uniforms	33,485,959,263	31,118,349,270
80,497,479,324	1204	Medical Supplies	77,001,042,894	86,729,240,207
11,091,573,216	1205	Other	9,165,243,715	6,700,528,108
<b>150,206,256,067</b>		<b>Total (b)</b>	<b>139,718,380,165</b>	<b>142,629,291,728</b>
		<b>Maintenance Expenditure</b>		
4,848,234,598	1301	Vehicles	3,893,572,071	3,396,901,136
3,767,176,901	1302	Plant and Machinery	2,725,800,792	2,762,157,664
1,718,599,030	1303	Buildings and Structures	1,316,166,048	1,231,513,744
<b>10,334,010,528</b>		<b>Total (c)</b>	<b>7,935,538,911</b>	<b>7,390,572,544</b>
		<b>Services</b>		
7,637,357,660	1401	Transport	6,984,155,505	5,593,597,306
4,224,324,789	1402	Postal and Communication	3,787,266,034	3,532,801,124
12,443,704,083	1403	Electricity and Water	11,370,501,844	11,261,515,968
8,565,506,271	1404	Rents and Local Taxes	7,519,294,866	6,191,905,974
166,466,308	1406	Interest Payment for Leased Vehicles	117,779,962	237,956,050
842,295,275	1408	Lease Rental for Vehicles Procured Under Operational Leasing	774,305,568	746,568,640
29,529,194,902	1409	Other	24,276,440,408	28,646,687,141
<b>63,408,849,286</b>		<b>Total (d)</b>	<b>54,829,744,188</b>	<b>56,211,032,203</b>
<b>241,631,691,160</b>		<b>TOTAL EXPENDITURE ON OTHER GOODS AND SERVICES (a+b+c+d)</b>	<b>218,380,545,886</b>	<b>221,067,351,945</b>
	<b>NOTE - 7</b>	<b>OBJECT CODE WISE CLASSIFICATION OF TRANSFERS, GRANTS &amp; SUBSIDIES</b>		
		<b>Transfers</b>		
		Transfers		
185,946,015,845	1501	Welfare Programmes	164,623,427,265	155,607,945,711
274,186,976,028	1502	Retirement Benefits	270,695,746,359	258,621,364,119
74,201,619,822	1503	Public Institutions	71,712,135,627	88,935,634,945
71,587,714,740	1504	Development Subsidies	56,784,628,730	105,185,376,653
2,474,771,464	1505	Subscriptions and Contributions Fee	2,185,689,735	2,017,626,722
2,717,789,200	1506	Property Loan Interest to Public Servants	2,325,596,612	2,637,500,298

## Notes to the Financial Statements contd...

Budget Estimate 2021 Rs.	Object Code	Object Title	Actual	
			2021 Rs.	2020 Rs.
284,628,150,000	1507	Grants to Provincial Councils	284,602,350,000	265,593,000,000
4,187,135,636	1508	Other	3,257,605,473	2,870,743,697
27,534,382,765	1509	Contribution to Contingencies Fund	22,185,158,500	-
<b>927,464,555,500</b>		<b>Total</b>	<b>878,372,338,301</b>	<b>881,469,192,145</b>
	<b>NOTE - 8</b>	<b>OBJECT CODE WISE CLASSIFICATION OF INTEREST PAYMENTS AND DISCOUNTS</b>		
684,507,991,000	1601	Domestic Debt	679,380,661,872	585,019,363,745
255,692,009,000	1602	Foreign Debt	253,749,688,761	266,678,644,470
119,000,000,000	1603	Discounts on Treasury Bills and Treasury Bonds	115,252,089,883	123,735,936,881
<b>1,059,200,000,000</b>		<b>Total</b>	<b>1,048,382,440,515</b>	<b>975,433,945,096</b>
	<b>NOTE - 9</b>	<b>OBJECT CODE WISE CLASSIFICATION OF OTHER RECURRENT EXPENDITURE</b>		
217,980,682	1701	Losses and Write off	180,505,867	307,066,741
175,500	1702	Contingency Services	175,498	25,797,464,837
52,943,500	1703	Implementation of the Official Languages Policy	33,209,317	31,211,440
<b>271,099,682</b>		<b>Total</b>	<b>213,890,682</b>	<b>26,135,743,017</b>
<b>2,874,192,229,579</b>		<b>Grand Total (Notes 5 to 9) Total Recurrent Expenditure</b>	<b>2,757,343,085,792</b>	<b>2,682,713,407,433</b>
	<b>NOTE - 10</b>	<b>OBJECT CODE WISE CLASSIFICATION OF PUBLIC INVESTMENT</b>		
		<b>Rehabilitation and Improvements of Capital Assets</b>		
19,661,031,799	2001	Buildings and Structures	14,017,365,584	10,232,518,040
13,024,780,400	2002	Plant, Machinery and Equipment	9,490,969,326	6,175,489,486
7,003,086,288	2003	Vehicles	5,374,090,903	4,460,272,763
<b>39,688,898,487</b>		<b>Total (a)</b>	<b>28,882,425,813</b>	<b>20,868,280,290</b>
		<b>Acquisition of Capital Assets</b>		
23,110,654,229	2101	Vehicles	18,165,290,387	24,464,934,275
8,988,356,460	2102	Furniture and Office Equipment	6,167,474,182	7,428,295,620
29,969,572,241	2103	Plant, Machinery and Equipment	16,036,726,085	10,170,536,496
78,175,837,919	2104	Buildings and Structures	53,386,935,638	66,100,277,968
55,686,681,300	2105	Lands and Land Improvements	28,443,319,941	30,518,124,021
2,987,154,101	2106	Software Development	1,460,965,545	840,238,283
731,769,592	2108	Capital Payment for Leased Vehicles	519,821,269	2,320,928,214
<b>199,650,025,842</b>		<b>Total (b)</b>	<b>124,180,533,046</b>	<b>141,843,334,878</b>
		<b>Capital Transfers</b>		
131,258,178,870	2201	Public Institutions	76,643,701,439	147,244,756,459
31,302,711,192	2202	Development Assistance	23,832,738,423	19,135,466,441
30,532,000,000	2203	Contribution to Provincial Councils	15,190,994,800	12,755,954,000
890,600,000	2204	Transfers Abroad	858,433,726	796,699,876
5,754,296,000	2205	Capital Grants to Non-Public Institution	2,274,706,069	3,907,449,993
<b>199,737,786,062</b>		<b>Total (c)</b>	<b>118,800,574,457</b>	<b>183,840,326,769</b>
		<b>Acquisition of Financial Assets</b>		
60,561,301,995	2301	Equity Contribution	56,531,143,957	52,201,407,751
23,524,197,283	2302	On-Lending	22,030,171,923	16,405,065,552
<b>84,085,499,278</b>		<b>Total (d)</b>	<b>78,561,315,880</b>	<b>68,606,473,303</b>

## Notes to the Financial Statements contd...

Budget Estimate 2021 Rs.	Object Code	Object Title	Actual	
			2021 Rs.	2020 Rs.
		<b>Capacity Building</b>		
8,454,374,695	2401	Staff Training	5,774,359,511	3,448,355,253
<b>8,454,374,695</b>		<b>Total (e)</b>	<b>5,774,359,511</b>	<b>3,448,355,253</b>
		<b>Other Capital Expenditure</b>		
3,580,171,900	2501	Restructuring	914,495,324	403,825,006
921,469	2502	Investments	921,469	-
7,000,000	2503	Contingency Services	6,720,641	5,355,778
26,250,938,103	2504	Contribution to Provincial Councils	18,512,921,205	6,412,158,600
60,311,019	2505	Procurement Preparedness	49,881,676	12,817,005
480,610,928,042	2506	Infrastructure Development	295,832,081,354	350,899,390,490
13,815,092,650	2507	Research and Development	7,284,926,576	5,455,104,946
145,410,682,875	2509	Other	110,835,053,700	29,977,527,798
<b>669,736,046,057</b>		<b>Total (f)</b>	<b>433,437,001,945</b>	<b>393,166,179,621</b>
<b>1,201,352,630,421</b>		<b>TOTAL EXPENDITURE ON PUBLIC INVESTMENTS (a+b+c+d+e+f)</b>	<b>789,636,210,652</b>	<b>811,772,950,114</b>
<b>4,075,544,860,000</b>		<b>Total Expenditure (Notes 5 to 10)</b>	<b>3,546,979,296,444</b>	<b>3,494,486,357,546</b>

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
<b>ASIAN DEVELOPMENT BANK (ADB)</b>				<b>155,171,878,361</b>		<b>133,062,425,491</b>	
1	ADB Funded Fiscal Management Efficiency Project	2010019	USD	-	-	1,547,588	278,500,265
2	Clean Energy and Access Improvement Project	2009006	USD	-	-	4,186,583	629,578,693
3	Clean Energy and Access Improvement Project	2009007	USD	-	-	1,108,571	229,060,384
4	Clean Energy and Network Efficiency Improvement Project	2013015	USD	33,457	6,065,809	47,274,548	7,571,385,749
5	Clean Energy and Network Efficiency Improvement project	2013017	XDR	-	-	12,572,127	2,816,624,364
6	Dry Zone Urban Water and Sanitation Project (ADF)	2013021	XDR	-	-	1,487,501	369,368,752
7	Greater Colombo Wastewater Management Project (ADF)	2009029	XDR	323,143	91,201,341	851,937	223,625,762
8	Greater Colombo Wastewater Management Project (OCR)	2009028	USD	4,065,373	802,623,845	10,153,867	1,847,674,856
9	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016033	XDR	403,598	115,143,695	84,661	21,673,208
10	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016034	USD	22,558,032	4,545,623,309	8,718,613	1,593,578,027
11	Greater Colombo Water and Wastewater Management Programme-2	2014029	USD	16,783,543	3,359,432,919	10,597,641	1,945,762,468
12	Greater Colombo Water and Wastewater Management Programme-3	2014030	XDR	1,159,652	327,784,926	1,045,121	266,274,092
13	Greater Colombo Water & Wastewater Management Improvement Project	2013042	USD	4,060,803	767,931,119	19,998,595	3,669,074,203
14	Greater Colombo Water & Wastewater Management Improvement Project	2013043	XDR	2,264,569	638,721,630	1,930,840	494,596,496
15	Green Power Development & Energy Efficiency Improvement Programme	2014036	XDR	408,140	106,108,647	6,830,709	1,564,411,688
16	Green Power Development & Energy Efficiency Improvement Programme	2014037	USD	2,390,044	440,510,389	20,643,092	3,437,786,780
17	Health System Enhancement Project	2018045	USD	6,701,478	1,340,560,458	11,064,094	2,058,233,273
18	Health System Enhancement Project - Additional Financing	2021029	USD	12,059,376	2,434,462,405	-	-
19	Integrated Road Investment Programme	2014041	XDR	7,239,926	2,051,171,118	1,643,782	407,130,496
20	Integrated Road Investment Programme - Tranch 3	2015036	USD	18,553,345	3,554,165,252	15,053,684	2,784,252,863
21	Integrated Road Investment Programme - Tranch 4	2017040	USD	34,338,319	6,895,597,297	21,154,398	3,871,672,157
22	Integrated Road Investment Programme -Tranch 2 (OCR)	2015010		564,959	111,274,678	-	-
23	Jaffna & Kilinochchi Water Supply Project - Additional Financing	2017038	USD	7,225,870	1,438,828,119	2,174,772	399,199,185
24	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR	3,022,322	851,922,930	4,620,931	1,093,740,696
25	Jaffna & Kilinochchi Water Supply & Sanitation Project (OCR)	2011001	USD	794,723	159,652,369	1,640,202	299,508,005
26	Jaffna-Kilinochchi Water Supply Project - Additional Financing	2017039	USD	6,819,203	1,366,290,396	221,750	40,867,665
27	Local Government Enhancement Sector Project - Additional Financing	2016036	USD	13,543,242	2,664,605,473	13,869,787	2,528,376,562
28	Mahaweli Water Security Investment Programme - Tranch 2	2018018	USD	56,962,131	11,238,660,936	484,354	89,026,004

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
29	Mahaweli Water Security Investment Programme - Tranch 2	2018019	USD	8,469,115	1,673,046,980	7,301,687	1,331,670,913
30	Mahaweli Water Security Investment Programme	2015025	USD	11,444,924	2,219,342,949	10,629,179	2,696,918,181
31	Mahaweli Water Security Investment Programme	2015024	XDR	10,081,557	2,815,417,581	9,405,223	1,727,419,715
32	Northern Road Connectivity Project (ADF)	2012029	XDR	339,917	87,698,035	1,611,543	408,455,895
33	Northern Road Connectivity Project (ADF)	2012030	USD	519,196	97,086,390	2,323,480	426,353,685
34	Project Design Advance for Northern Province Sustainable Fisheries Development Project	2017010	USD	-	-	237,852	43,399,817
35	Railway Efficiency Improvement Project	2019040	USD	14,304,234	2,858,697,734	2,146,610	394,510,395
36	Responsive COVID-19 Vaccines for Recovery Project - Rapid Response Component	2021027	USD	18,000,000	3,600,000,000	-	-
37	Rooftop Solar Power Generation Project	2018037	USD	20,308,790	4,099,542,192	29,691,210	5,315,709,974
38	Science & Technology Human Resource Development Project	2019030	USD	3,420,141	682,151,578	2,545,016	469,323,033
39	Science & Technology Human Resource Development Project	2019029	USD	23,868,685	4,720,543,670	7,406,943	1,373,156,820
40	Second Integrated Road Investment Programme - Tranch 2	2019048	XDR	88,210,468	17,066,335,737	61,789,532	11,440,606,074
41	Second Integrated Road Investment Programme - Tranch 3	2021009	USD	122,601,609	24,899,663,997	-	-
42	Second Integrated Road Investment Programme- Tranch I	2017037	USD	59,362	11,084,530	56,795,568	10,486,226,337
43	Second Integrated Road Investment Programme-Tranch 01	2017036	USD	14,456	2,884,981	49,219,157	10,008,381,193
44	Secondary Education Sector Improvement Programme-Results-Based Lending	2020018	USD	52,260,000	10,521,490,122	120,000,000	22,379,384,000
45	Skills Sector Enhancement Programme - Additional Financing	2018020	USD	13,800,000	2,770,552,440	27,720,000	5,169,797,816
46	Skills Sector Enhancement Programme -Additional Financing	2018021	USD	9,200,000	1,847,034,960	-	-
47	Small and Medium Enterprises Line of Credit - Additional Financing	2018005	USD	-	-	50,000,000	9,043,750,000
48	Small and Medium-Sized Enterprises Line of Credit Project-Additional Financing	2020017	USD	120,500,000	22,702,220,700	-	-
49	Southern Road Connectivity Project	2014017	USD	8,875,207	1,756,451,312	14,952,224	2,749,630,307
50	Southern Road Connectivity Project	2014018	XDR	-	-	205,474	50,452,728
51	South Asia Sub Regional Economic Cooperation Port Access Elevated Highway Project (SASEC)	2019012	USD	23,567,647	4,719,585,974	31,841,000	5,815,817,390
52	Sustainable Power Sector Support Project	2011012	USD	-	-	1,238,250	186,128,690
53	Sustainable Power Sector Support Project ADF	2011013	USD	-	-	49,849	10,110,063
54	Technical Assistance Loan Agreement	2019007	USD	856,870	168,250,871	1,198,336	220,596,437
55	Transport Project Preparatory Facility	2016035	XDR	1,957,408	544,456,568	3,107,247	783,643,337
<b>ASIAN INFRASTRUCTURE INVESTMENT BANK</b>					<b>4,324,621,136</b>		<b>1,638,886,494</b>
56	Reduction of Landslide Vulnerable by Mitigation Measures Projects	2019019	USD	2,822,477	566,639,849	2,372,736	438,152,703
57	Support to Colombo Urban Regeneration Project	2019020	USD	18,986,277	3,757,981,287	6,529,192	1,200,733,791

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
<b>BOERENLEEN BANK</b>					<b>3,904,219,259</b>		<b>10,580,714,427</b>
58	Construction of Rural Bridges with Financial Assistance from Netherlands	2019047	EUR	10,792,599	2,546,307,595	-	-
59	Development of General Hospital - Kaluthara	2016012	EUR	1,181,252	269,320,528	6,402,255	1,274,099,168
60	Reconstruction Rural Bridges (EUR 44.3)	2018040	EUR	4,660,481	1,088,591,135	38,182,694	7,693,666,737
61	Reconstruction of Rural Bridges (EUR 7.8Mn)	2018041	EUR	-	-	7,817,896	1,612,948,522
<b>HSBC BANK PLC (UK)</b>					<b>2,100,000,000</b>		<b>7,393,088,080</b>
62	Modernization of Processing Factories of MILCO (Pvt) Ltd	2013012	USD	-	-	644,422	93,024,849
63	Upgrading Health Facilities in Selected Hospitals of Sri Lanka	2019018	USD	10,396,537	2,100,000,000	39,748,640	7,300,063,232
<b>HSBC (WITH GUARANTEE OF EKF DENMARK)</b>					<b>57,678,570</b>		<b>155,405,190</b>
64	Establishment of Dairy Processing Plant at Badalgama	2015019	EUR	245,863	57,678,570	766,266	155,405,190
<b>HSBC LIMITED (HONGKONG)</b>					<b>-</b>		<b>12,076,984,244</b>
65	Procurement of 09 Nos Diesel Multiple Units for Upcountry Line Operation of Sri Lanka Railways	2018015	USD	-	-	65,707,606	12,076,984,244
<b>INTERNATIONAL DEVELOPMENT ASSOCIATION</b>					<b>57,146,366,595</b>		<b>60,462,418,395</b>
66	Early Childhood Development Project	2015030	XDR	2,555,975	724,076,822	8,220,746	2,114,882,250
67	Water Supply and Sanitation Improvement Project	2015028	XDR	18,854,640	5,354,743,200	35,884,857	9,053,703,800
68	Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017017	XDR	-	-	6,400,000	1,616,996,386
69	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan	2020016	USD	25,304,692	5,017,694,028	23,391,593	5,325,402,000
70	Additional Financing for the COVID 19 Emergency Response and Health Systems Preparedness - Concessional Loan	2020015	USD	19,857,110	5,561,771,916	-	-
71	Additional Financing for Climate Resilience Improvement Project	2016028	XDR	1,917,039	542,000,800	15,211,744	3,855,630,987
72	Additional Financing for Strategic Cities Development Project	2016027	XDR	8,505,799	2,399,944,450	707,319	185,212,500
73	Agriculture Sector Modernization Project	2017001	XDR	9,952,150	2,816,447,968	19,545,020	4,999,548,329
74	Climate Resilience Improvement Management Program	2014010	XDR	4,808,905	1,332,803,200	16,764,284	4,243,417,320
75	Climate Smart Irrigated Agriculture Project	2019021	USD	23,116,565	4,594,464,427	4,312,500	792,262,544
76	Covid 19 Emergency Response & Health Systems Preparedness Project	2020009	USD	27,705,270	5,528,850,437	53,671,786	10,089,957,828
77	Ecosystem Conservation and Management Project	2016029	XDR	4,850,736	1,369,570,400	5,721,356	1,474,835,180
78	Financial Sector Modernization Project	2017024	XDR	750,000	211,388,265	576,425	143,401,104
79	General Education Modernization Project	2018033	USD	23,256,750	4,613,669,968	15,684,980	2,892,531,044
80	Local Development Support Project	2019027	USD	24,209,868	4,798,042,224	2,403,360	407,819,176
81	Second Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project-IDA	2021013	XDR	18,712,080	5,318,401,526	-	-
82	Social Safety Nets Project	2016043	XDR	6,233,048	1,735,513,517	36,967,479	9,481,799,846



## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
83	Strategic Cities Development Project	2014019	XDR	3,018,210	847,553,074	12,012,674	3,084,258,710
84	Transport Connectivity & Asset Management Project	2017023	XDR	15,477,098	4,379,430,373	2,718,090	700,759,390
	<b>INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT</b>				<b>24,541,856,304</b>		<b>22,953,551,711</b>
85	Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017019	USD	12,077,500	2,364,062,520	18,400,000	3,381,291,370
86	Additional Financing for Water Supply & Sanitation Improvement Project	2021030	USD	100,000	19,998,150	-	-
87	Covid 19 Emergency Response and Health System Preparedness Project	2020010	USD	1,288,332	258,849,004	87,500	16,712,500
88	Framework Development & Infrastructure Financing to Support Public Partnership Project	2019022	USD	-	-	319,603	30,375,428
89	Inclusive Connectivity & Development Project	2021032	USD	1,250,000	251,768,125	-	-
90	Metro Colombo Urban Development Project	2012011	USD	11,000,000	2,185,849,800	52,000,000	9,543,394,800
91	Primary Health Care System Strengthening Project	2019001	USD	42,918,058	8,606,637,669	55,022,235	9,981,777,614
92	Second Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project	2021012	USD	53,968,671	10,854,691,036	-	-
	<b>INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT</b>				<b>1,791,819,251</b>		<b>7,654,612,531</b>
93	Construction of Four Grid Substations Maliboda, Nawalapitiya, Wewalwatta and Ragala	2015021	EUR	407,445	83,712,714	22,637,302	4,348,820,279
94	Implementation of Smallholder Agribusiness Partnership (SAP) Programme	2017014	USD	6,445,214	1,276,753,197	9,829,346	1,772,734,550
95	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	2016016	XDR	1,522,044	431,353,340	6,050,963	1,533,057,702
	<b>NORDEA BANK FINLAND</b>				<b>2,356,624,048</b>		<b>3,116,644,721</b>
96	Strengthening of Health Delivery Service in the Northern Province Under Financial Assistance of the Netherland	2019038	EUR	10,179,414	2,356,624,048	15,233,087	3,116,644,721
	<b>ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)</b>				<b>3,617,374,853</b>		<b>3,934,259,469</b>
97	Colombo National Highways Project	2013023	USD	4,671,219	904,747,332	7,438,975	1,355,737,209
98	Kalu Ganga Development Project (Additional Loan)	2017030	USD	3,975,985	771,640,215	1,666,234	297,759,515
99	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	2015015	USD	6,791,753	1,334,824,429	9,368,533	1,692,605,709
100	Road Network Development Project	2012024	USD	388,497	75,465,382	615,759	111,895,813
101	Technological Education Development Programme	2018023	USD	761,310	151,210,318	-	-
102	Western Province Road Development Project	2015014	USD	1,975,082	379,487,177	2,612,907	476,261,223
	<b>RAIFFISEN ZENTRAL BANK</b>				<b>45,712,943</b>		<b>1,449,381,056</b>
103	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	2017025	EUR	193,742	45,712,943	4,457,339	915,476,420
104	Obtaining 100 Ambulance Cars for Government Hospitals	2017029	EUR	-	-	2,659,876	533,904,637
	<b>UNICREDIT BANK AUSTRIA AG</b>				<b>2,330,178,045</b>		<b>1,640,455,036</b>
105	Implementation of Kirama Katuwana Integrated Water Supply Scheme	2018003	EUR	2,084,663	478,873,366	5,136,215	1,060,423,521

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
106	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Higher Education and Highways in Sri Lanka	2018017	EUR	-	-	528,800	106,267,447
107	Supply of Freighting Vehicles Equipment for the Colombo Municipal Council	2019008	EUR	7,737,750	1,851,304,679	2,063,400	473,764,068
	<b>CALYON CREDIT AGRICOLE CIB</b>				<b>2,821,778,423</b>		<b>21,476,611,620</b>
108	Implementation of Greater Matale Water Supply Project	2016019	EUR	12,070,810	2,821,778,423	68,116,990	14,034,832,796
109	Implementation of Kelani Right Water Supply Project - Phase II	2016020	EUR	-	-	34,996,545	7,441,778,825
	<b>CO-OP CENTRALE RAIFFEISEN-BOERENLEENBANK</b>				<b>434,158,233</b>		<b>2,714,776,045</b>
110	Construction of 463 Rural Bridges	2014035	USD	-	-	9,923,291	1,960,550,579
111	Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District	2017034	EUR	1,857,680	434,158,233	3,750,895	754,225,466
	<b>CHINA DEVELOPMENT BANK CORPORATION</b>				<b>5,110,480,941</b>		<b>3,548,449,320</b>
112	Improvement and Rehabilitation of Priority Roads Project 3 (Phase i)	2014001	USD	13,533,826	2,526,580,831	8,138,925	1,475,064,961
113	Improvement and Rehabilitation of Priority Roads Project 3 (Phase ii)	2014034	USD	13,834,687	2,583,900,110	6,457,228	1,172,786,084
114	Moragahakanda Development Project	2012017	USD	-	-	5,104,550	900,598,275
	<b>GOVERNMENT OF FRANCE</b>				<b>7,016,564,514</b>		<b>5,504,908,614</b>
115	Development of Mini Dairy Cooperatives with French Soft Loan	2018047	EUR	8,289,186	1,710,902,237	2,678,374	534,744,521
116	Green Power Development & Energy Efficiency Improvement Investment Programme	2015023	EUR	-	-	17,143,103	3,128,335,890
117	Implementation of Ambathale Water Supply System Improvement & Energy Savings Project	2014027	USD	11,282,930	2,240,741,427	5,996,447	1,088,217,014
118	Implementation of Anuradhapura Integrated Urban Development Project	2016039	EUR	2,361,564	539,678,085	-	-
119	Implementation of Green Power Development & Energy Efficient Improvement Investment Programme -Tranch 2	2018046	EUR	4,577,727	915,794,231	3,418,126	679,090,707
120	Implementation of Sanitation Hygiene Initiative for Towns Project Phase I	2016021	EUR	817,642	182,829,997	371,655	74,520,482
121	Rathmalana-Moratuwa Wastewater Disposal Project- Stage I - Phase II	2019010	EUR	6,332,306	1,426,618,536	-	-
	<b>GOVERNMENT OF GERMANY</b>				<b>480,401,365</b>		<b>702,112,079</b>
122	Construction of the Mahamodara Maternity Hospital - Galle	2012022	EUR	2,160,690	480,401,365	3,525,281	702,112,079
	<b>GOVERNMENT OF INDIA</b>				<b>2,316,585,956</b>		<b>8,610,599,407</b>
123	Dollar Credit Line on KKS Harbour	2018002	USD	743,245	142,288,972	-	-
124	India Dollar Credit Line Agreement	2008006	USD	3,832,617	760,839,570	426,076	79,317,341
125	Restoration of Northern Railway Services	2012003	USD	7,359,219	1,413,457,414	46,616,564	8,531,282,066
	<b>GOVERNMENT OF KUWAIT</b>				<b>3,197,225,708</b>		<b>3,079,637,462</b>
126	Building Complex for the Faculty of Healthcare Sciences, Eastern University, Sri Lanka	2016017	KWD	2,322,931	1,496,267,030	1,873,028	1,115,030,881
127	Kalu Ganga Development Project (Supplementary)	2017033	KWD	183,847	114,190,989	1,358,042	816,467,454
128	Reconstruction of 25 Bridges Project	2014002	KWD	2,341,922	1,496,885,475	1,833,848	1,091,095,629

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

	Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
129	South Eastern University of Sri Lanka	Development Project Phase 1 "B"	2011030	KWD	55,903	35,634,934	-	-
130	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas		2005048	KWD	83,405	54,247,280	95,874	57,043,499
<b>SAUDI FUND FOR ARAB ECONOMIC DEVELOPMENT</b>						<b>3,398,454,668</b>		<b>2,702,471,056</b>
131	Construction of Faculty of Medicine Project at the Sabaragamuwa University		2019043	SAR	561,937	30,137,311	-	-
132	Improvement of Peradeniya-Badulla - Chenkaladi Road Project		2015026	SAR	50,757,738	2,536,570,983	31,103,599	1,462,518,110
133	Kalu Ganga Development Project		2010028	SAR	-	-	2,431,870	115,744,033
134	Kalu Ganga Development Project (Additional Finance)		2018024	SAR	5,908,213	310,486,242	15,535,410	727,767,574
135	Road Network Development Project		2012025	SAR	9,717,579	480,187,980	7,853,585	368,749,244
136	Wayaba University Town Ship Development Project		2017032	SAR	828,769	41,072,152	589,471	27,692,094
<b>GOVERNMENT OF JAPAN</b>						<b>20,370,190,477</b>		<b>64,274,890,880</b>
137	Anuradhapura North Water Supply Project		2013020	JPK	884,110	1,607,388,679	1,256,820	2,170,158,682
138	Anuradhapura North Water Supply Project (Phase 2)		2016037	JPK	1,687	3,038,678	14,402	25,147,262
139	Establishment of Light Rail Transit Project System in Colombo (i)		2019011	JPK	141,811	264,297,437	2,027,963	3,445,869,008
140	Greater Colombo Transmission and Distribution Loss Reduction Project		2013016	JPK	-	-	12,909,522	18,958,385,565
141	Habarana Veyangoda Transmission Line		2012006	JPK	306,441	539,982,109	6,361,929	10,051,191,481
142	Health and Medical Service Improvement Project		2018032	JPK	72,588	131,399,624	78,105	136,794,409
143	Improvement of Basic Social Services Targeting Emerging Region		2012007	JPK	-	-	83,735	141,476,031
144	Kalu Ganga Water Supply Expansion Project		2017016	JPK	201,774	365,129,163	48,729	86,610,743
145	Kandy City Wastewater Management Project		2010016	JPK	1,746,519	3,126,185,075	3,319,100	5,632,860,834
146	Landslide Disaster Protection Project		2013019	JPK	-	-	1,690,045	2,859,606,887
147	Major Bridges Construction Project		2013018	JPK	-	-	84,800	143,379,903
148	National Transmission and Distribution Network Development and Efficiency Improvement Project		2015018	JPK	923,183	1,626,095,316	2,628,698	4,368,999,669
149	New Bridges Construction Project Over the Kelani River		2014003	JPK	5,563,941	10,066,027,765	8,866,027	15,228,451,419
150	Rural Infrastructure Development Project in Emerging Regions		2017015	JPK	1,443,970	2,640,646,629	591,930	1,025,958,988
<b>GOVERNMENT OF THE REPUBLIC OF KOREA</b>						<b>2,618,053,385</b>		<b>4,770,550,945</b>
151	Deduru Oya Water Supply Project		2014038	KRK	11,015,067	1,886,395,576	22,802,597	3,512,708,233
152	Establishment of Colombo Central Vocational Training Center and Gampaha Collage of Technology Project in Sri Lanka		2013033	KRK	2,578,250	454,207,335	1,343,310	205,670,588
153	Ruwanwella Water Supply Project		2014039	KRK	1,670,820	277,450,474	6,876,942	1,052,172,124
<b>THE EXPORT - IMPORT BANK OF CHINA</b>						<b>24,964,230,106</b>		<b>106,689,956,880</b>
154	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatttha		2014025	CNY	-	-	291,646,397	7,840,420,270
155	Construction Extension of Southern Expressway Section 1 from Matthala to Beliatttha		2014040	USD	-	-	187,274,123	34,066,141,311
156	Construction Extension of Southern Expressway Section 2 from Beliatttha to Wetiya Project		2016015	USD	35,980,703	7,023,874,607	64,733,078	11,887,164,217

## Notes to the Financial Statements contd...

### NOTE - 11 - FOREIGN BORROWINGS - 2021

Funding Agency	Project	Loan Key	Loan Currency	2021		2020	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
157	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	2014024	USD	-	-	86,161,576	15,620,047,411
158	Consultancy Services for Design Review and Construction Supervision of Civil Works on Extension of Southern Expressway Project	2017042	CNY	14,013,487	430,153,878	170,176,661	4,485,329,687
159	Hambantota Hub Development Project	2014026	CNY	-	-	452,781,436	12,070,844,619
160	Kandy North Pathadumbara Integrated Water Supply	2017041	EUR	346,713,167	10,721,379,576	349,089,845	9,010,198,093
161	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013005	USD	-	-	15,890,126	3,171,341,404
162	Matara Beliatta Section of Matara Kataragama Railway Line Extension	2013022	CNY	-	-	118,854,502	3,305,729,218
163	Widening & Improvement of 64.31Km of Roads and Reconstruction of 13 Bridges in Central & Uva Provinces in Sri Lanka	2018022	USD	34,053,908	6,788,822,045	28,337,512	5,232,740,650
	<b>DEUTSCHE BANK AG</b>				<b>2,127,084,766</b>		<b>9,226,333,713</b>
164	Construction of 537 Steel Beam Bridges	2014028	USD	-	-	3,794,147	687,269,743
165	Reconstruction of Rural Bridges USD 12.7Mn (Commercial Facility)	2019005	USD	-	-	12,729,512	2,285,689,558
166	Reconstruction of Rural Bridges USD 50.9Mn (UKEF)	2019006	USD	11,006,881	2,127,084,766	34,664,073	6,253,374,412
	<b>THE EXPORT - IMPORT BANK OF INDIA</b>				<b>15,882,530,000</b>		<b>4,842,265,567</b>
167	Dollar Credit Line 318M of the Development of Railway Sector	2017013	USD	79,254,804	15,882,530,000	26,297,084	4,842,265,567
	<b>KINGDOM OF SPAIN</b>				<b>1,074,828,567</b>		<b>437,888,476</b>
168	Implementation of Anamaduwa Integrated Water Supply Project	2016023	EUR	4,576,929	1,074,828,567	2,118,640	437,888,476
	<b>STANDARD CHARTED BANK (UNITED KINGDOM)</b>				-		<b>934,596,367</b>
169	Establishment of Neonatal and Obstetrics Reference Center for the De Soyza Maternity Hospital Project	2019032	EUR	-	-	4,497,663	934,596,367
	<b>GOVERNMENT OF PAKISTAN</b>				<b>9,950,164</b>		<b>18,829,096</b>
170	Pakistan Line of Credit	2006071	USD	55,860	9,950,164	122,800	18,829,096
	<b>ERSTE BANK- AUSTRIA</b>				-		<b>1,734,737,991</b>
171	Upgrading of Operation Theatres ICU Equipment Under a strain Soft Scheme	2018016	EUR	-	-	8,620,618	1,734,737,991
	<b>EXPORT &amp; IMPORT BANK OF HUNGARY</b>				<b>2,636,192,865</b>		-
172	Construction of Flyovers at Kohuwela and Getambe	2021001	EUR	11,199,656	2,636,192,865	-	-
	<b>REFUNDS</b>						
	<b>ASIAN DEVELOPMENT BANK (ADB)</b>				<b>(134,514,411)</b>		-
173	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR	(428,337)	(120,291,646)	-	-
174	Northern Road Connectivity Project (ADF)	2012029	USD	(51,466)	(10,288,069)	-	-
175	Northern Road Connectivity Project (ADF)	2012030	USD	(19,683)	(3,934,696)	-	-
	<b>INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT</b>				<b>(89,955,000)</b>		-
176	Primary Health Care System Strengthening Project	2019001	USD	(450,000)	(89,955,000)	-	-
	<b>Total</b>				<b>351,622,570,092</b>		<b>507,388,442,365</b>
	<b>Note:</b>						
	Project Loans (8343)				351,622,570,092		507,388,442,365
	Foreign Currency Term Financing Facility (9190)				164,983,800,000		93,500,000,000
					<b>516,606,370,092</b>		<b>600,888,442,365</b>

## Notes to the Financial Statements contd...

### NOTE – 12 – FOREIGN GRANTS

Donor	Actual	
	2021 Rs.	2020 Rs.
<b>Grands Received in the form of Cash for Projects</b>		
<b>DONOR</b>		
Asian Development Bank (ADB)	1,572,058	3,352,927
The Government of Japan (JICA)	18,008,980	21,927,407
International Labour Organization (ILO)	1,777,871	-
United States Agency for International Development (USAID)	4,454,769	-
United Nations Industrial Development Organization (UNIDO)	69,566,968	11,239,973
United Kingdom (UK)	144,572,867	65,501,966
United Nations Development Programme (UNDP)	151,261,902	229,575,364
United Nations Educational, Scientific Cultural Organization (UNESCO)	1,431,550	4,776,222
United Nations Fund for Population (UNFPA)	28,002,754	27,629,176
United Nations Children's Fund (UNICEF)	98,787,537	146,288,530
World Health Organization (WHO)	208,619,537	17,012,853
World Food Programme (WFP)	518,707,345	256,721,132
World Bank (WB)	491,638,875	352,007,582
United Nations Environment Programme (UNEP)	15,163,354	1,018,839
GAVI	7,162,349	-
South Asian Association for Regional Cooperation (SAARC)	60,850,331	7,358,766
Food and Agricultural Organization (FAO)	975,749	2,765,640
Government of Korea	6,021,503	-
Government of Norway (NORAD)	3,300,780	21,449,368
European Union (EU)	54,273,602	-
Government of China	10	-
Universal Postal Union Head Office	618,120	-
United Nations High Commissioner for Refugees (UNHCR)	1,340,901	1,555,931
UN Habitat	1,188,296	-
Sri Lanka	13,689,620	-
Government of India	4,467,117	866,046
Switzerland (Swiss Confederation)	786,480	3,349,524
International Fund for Agricultural Development (IFAD)	1,927,922	-
Asia – Pacific Coconut Community	3,938,482	2
Canada	-	256,880
<b>Total (a)</b>	<b>1,914,107,629</b>	<b>1,174,654,127</b>
<b>Grant Received through Special Foreign Currency Accounts</b>		
International Development Association (IDA)	656,231,800	169,292,088
Asian Development Bank (ADB)	671,351,513	1,037,913,891
<b>Total (b)</b>	<b>1,327,583,313</b>	<b>1,207,205,979</b>

## Notes to the Financial Statements contd...

### NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2021 Rs.	2020 Rs.
<b>Grants Received in Materials &amp; Equipments</b>		
The Government of Japan (JICA)	730,435,706	-
World Food Programme (WFP)	17,429,504	114,509,464
United States Department of Agriculture USDA (USA)	865,631,198	467,000,000
<b>Total (c)</b>	<b>1,613,496,408</b>	<b>581,509,464</b>
<b>Direct Payments</b>		
Government of Japan (JICA)	592,594,184	1,807,108,802
Government of India	77,968,930	107,587,482
Government of German (GIZ)	406,662,450	309,403,052
Government of China	-	26,007,052
Government of Korea	299,664,335	-
United States Agency for International Development (USAID)	149,501,759	-
Asian Development Bank (ADB)	257,496,620	134,942,799
France	100,469,625	-
<b>Total (d)</b>	<b>1,884,357,902</b>	<b>2,385,049,187</b>
<b>Grand Total = (a)+(b)+( c)+(d)</b>	<b>6,739,545,252</b>	<b>5,348,418,756</b>

## Notes to the Financial Statements contd...

	Actual	
	2021 Rs.	2020 Rs.
<b>NOTE – 13 – DOMESTIC NON BANK BORROWINGS</b>		
Net Borrowings through Treasury Bills – 8085	649,336,272,156	723,705,514,684
Treasury Bonds – 9093	1,761,978,900,000	1,332,069,100,000
Net Borrowings through Foreign Currency Banking Unit (Non Project) – 9107	(102,351,724,827)	50,634,567,200
Sri Lanka Development Bonds – 9105	207,504,403,894	93,678,645,363
Foreign Currency Banking Unit (Project) 9196 – <b>Note 29(I)</b>	2,952,692,361	3,815,527,520
Domestic Term Loan Facility – 9210	–	50,000,000,000
	<b>2,519,420,543,584</b>	<b>2,253,903,354,767</b>
<b>Net Borrowings through Treasury Bills – 8085</b>		
Borrowings through Treasury Bills	3,821,418,520,000	2,590,538,620,000
Less: Total Repayments	3,172,082,247,844	1,866,833,105,316
Net of Borrowings/Repayment	<b>649,336,272,156</b>	<b>723,705,514,684</b>
<b>Net Borrowings through Foreign Currency Banking Unit (Non Project) – 9107</b>		
Borrowings through Foreign Currency Banking Unit	29,509,453,492	131,710,842,200
Less: Total Repayments	131,861,178,319	81,076,275,000
Net of Borrowings/Repayment	<b>(102,351,724,827)</b>	<b>50,634,567,200</b>
<b>NOTE – 14 – DOMESTIC DEBT REPAYMENTS</b>		
Treasury Bonds – 9093	513,555,150,000	272,010,845,304
Sri Lanka Development Bonds – 9105	275,827,931,188	177,449,312,570
Foreign Currency Banking Unit (Project) – 9196	2,685,790,944	2,755,343,356
Ministry of Defence -Suhurupaya Loan – 9198	568,919,602	568,919,602
Retirement Gratuity Loan Account – 9207	4,070,416,569	4,077,470,278
Domestic Term Loan Facility – 9210	5,000,000,000	1,832,112,103
	<b>801,708,208,303</b>	<b>458,694,003,212</b>
<b>Note :-</b> (1) Net Borrowings through Treasury Bills and Foreign Currency Banking Units reflect the difference between borrowings through Treasury Bills and Foreign Currency Banking Units their settlements on maturity taken place during the year.		

	Actual	
	2021 Rs.	2020 Rs.
<b>NOTE – 15- RECOVERIES FROM ON-LENDING</b>		
National Development Bank	224,913,298	284,821,767
Sri Lanka Ports Authority	6,107,132,237	6,213,584,333
Development Finance Corporation of Ceylon	2,127,772,038	2,740,258,418
Hatton National Bank	282,007,146	213,655,804
Colombo Municipal Council	248,471,672	93,678,196
Sampath Bank	397,371,465	385,007,935
Commercial Bank	733,268,082	589,754,315
Seylan Bank	54,522,625	23,558,240
Regional Development Bank	300,291,044	288,201,023
Nations Trust Bank	26,072,383	7,284,786
Ceylon Petroleum Corporation	37,979,695	75,959,390
Sri Lanka Savings Bank	254,165,067	–
Local Loan Development Fund	237,588,591	211,313,840
Bank of Ceylon	127,599,362	67,339,565
People's Bank	140,154,424	123,700,583
Revolving Funds of Central Bank with Regional Development Banks	2,461,326,344	5,911,656,571
Airport & Aviation Service (Ltd)	1,092,575,727	1,004,789,139
Sarvodaya Economic & Enterprises Dev. Service	13,000,000	–
Other Institutions	30,755,712	1,013,546,124
<b>Sub Total (a)</b>	<b>14,896,966,910</b>	<b>19,248,110,028</b>
<b>Treasury Funded Lending</b>		
AHF Loan Scheme	35,639,586	64,623,891
Other Loans	223,122,708	116,078,891
<b>Sub Total (b)</b>	<b>258,762,295</b>	<b>180,702,782</b>
<b>Grand Total (a+b)</b>	<b>15,155,729,205</b>	<b>19,428,812,810</b>



## Notes to the Financial Statements contd...

### NOTE 16 – STATEMENT OF NON-FINANCIAL ASSETS 2021

<b>Building – 9151:</b>	348,232,804,726
<b>Machinery – 9152:</b>	349,367,419,110
<b>Land – 9153:</b>	992,116,029,261
<b>Intangible – 9154:</b>	2,060,785,092
<b>Biological – 9155:</b>	121,170,370
<b>WIP – 9160:</b>	156,940,474,795
<b>Lease – 9180:</b>	1,168,658,903
<b>Grand Total:</b>	<b>1,850,007,342,256</b>

Ledger	Category	Item	Code	Closing Balance 2020	Opening Balance Addition During the Year	Opening Balance 2021	Transfer In	Purchases	Disposals	Closing Balance 2021
9151->	1.1-Dwellings		61111	35,414,872,260	3,178,328,920	38,593,201,180	-	387,949,669	897,255,413	38,083,895,436
		House Boats	****6111101	17,743,230	12,447,494	30,190,724	-	-	-	30,190,724
		Garages	****6111102	138,278,605	126,052,877	264,331,482	-	2,119,430	10,105,342	256,345,569
		Mobile Home	****6111103	2,524,368	9,048,918	11,573,287	-	2,317,583	8,708,804	5,182,067
		Housing Schemes/ Flats	****6111104	8,635,409,881	1,242,666,972	9,878,076,853	-	147,156,731	-	10,025,233,584
		Rest Houses	****6111105	1,202,425,593	57,544,227	1,259,969,820	-	414,612	4,552,731	1,255,831,701
		Hotels & Restaurants	****6111106	445,932,469	7,742,467	453,674,936	-	35,757,353	-	489,432,289
		Quarters	****6111107	21,778,764,728	1,619,279,539	23,398,044,268	-	148,005,252	872,894,381	22,673,155,138
		Circuit Bungalows	****6111108	3,193,793,386	103,546,427	3,297,339,812	-	52,178,708	994,155	3,348,524,365
9151->	1.2-Non Residential Building		61112	329,941,680,023	17,450,668,541	347,392,348,564	5,878,736	5,573,006,144	45,533,702,069	307,437,531,375
		Office Building	****6111201	164,801,382,491	10,295,520,142	175,096,902,632	5,878,736	3,470,015,121	7,479,476,080	171,093,320,409
		Schools	****6111202	47,348,900,239	6,491,245,928	53,840,146,167	-	1,014,062,705	5,143,554,724	49,710,654,149
		Hospitals	****6111203	101,874,429,747	-	101,874,429,747	-	48,998,902	32,202,371,406	69,721,057,243
		Building for Public Entertainment	****6111204	2,672,814,665	176,524,522	2,849,339,187	-	359,074,651	80,084,085	3,128,329,753
		Warehouse	****6111205	5,392,602,337	448,932,377	5,841,534,714	-	274,859,377	142,402,750	5,973,991,341
		Airport	****6111206	98,705,486	87,575	98,793,061	-	380,721,537	479,427,024	87,575
		Markets	****6111208	196,932,600	9,442,625	206,375,225	-	21,766,516	-	228,141,741
		Laboratories & Research Stations	****6111209	3,385,097,396	2,382,071	3,387,479,467	-	-	-	3,387,479,467
		Factories	****6111210	4,170,815,062	26,533,302	4,197,348,363	-	3,507,333	6,386,000	4,194,469,697
9151->	1.3-Other Structure		61113	2,410,099,284	231,050,600	2,641,149,884	-	78,099,692	7,871,660	2,711,377,916
		Highways Street Road	****6111301	51,026,027	2,958,589	53,984,616	-	8,354,058	-	62,338,674
		Bridges	****6111302	-	-	-	-	7,636,394	-	7,636,394
		Tunnel	****6111303	4,450,002	-	4,450,002	-	-	-	4,450,002
		Railways Subways	****6111304	-	-	-	-	8,393,205	-	8,393,205
		Air Field Runways	****6111305	134,000	-	134,000	-	3,352,000	3,352,000	134,000
		Harbors Dams & Other Water Works	****6111306	29,832,810	114,227,607	144,060,417	-	-	600,000	143,460,417
		Structures Associated with Mining Subsoil Assets	****6111307	47,097,740	-	47,097,740	-	-	-	47,097,740
		Communication Line Power Line & Pipelines	****6111308	1,209,442,612	38,700	1,209,481,312	-	23,358,963	-	1,232,840,275

**Notes to the Financial Statements contd...**

Ledger	Category	Item	Code	Closing Balance 2020	Opening Balance Addition During the Year	Opening Balance 2021	Transfer In	Purchases	Disposals	Closing Balance 2021
		Outdoor Sport & Recreation Facilities	****6111309	452,725,498	70,164,671	522,890,170		157,094	-	523,047,264
		Sewerage Treatment Complex	****6111310	249,717,489	21,336,712	271,054,201		26,742,977	998,660	296,798,518
		Pumping Station	****6111311	251,170,489	1,954,480	253,124,968		-	5,000	253,119,968
		Farms and Agriculture Related Assets	****6111312	114,502,617	20,369,841	134,872,458		105,000	2,916,000	132,061,458
	<b>9151-Sub Total</b>			<b>367,766,651,567</b>	<b>20,860,048,062</b>	<b>388,626,699,628</b>	<b>5,878,736</b>	<b>6,039,055,504</b>	<b>46,438,829,142</b>	<b>348,232,804,726</b>
9152->	2.1-Transport Equipment		61121	244,136,525,756	1,244,820,266	245,381,346,022	708,608,816	2,163,250,463	11,316,674,330	236,936,530,970
		Passenger vehicle	****6112101	87,978,738,680	-	87,978,738,680	447,347,816	1,792,103,873	5,905,315,926	84,312,874,443
		Cargo vehicle	****6112102	19,930,483,224	-	19,930,483,224	-	28,101,699	5,387,607,617	14,570,977,306
		Agricultural vehicle	****6112103	2,240,043,636	144,614,865	2,384,658,501	-	14,287,181	7,387,237	2,391,558,446
		Industrial Vehicle	****6112104	4,723,662,200	181,073,465	4,904,735,665	-	165,575,770	-	5,070,311,435
		Ambulance	****6112105	5,104,430,601	156,578,840	5,261,009,441	-	161,892,000	-	5,422,901,441
		Ships	****6112106	29,251,932,643	873,415	29,252,806,058	-	19,945	-	29,252,826,003
		Railway locomotives	****6112107	38,448,200,000	-	38,448,200,000	-	-	-	38,448,200,000
		Aircraft	****6112108	53,501,406,740	761,679,680	54,263,086,420	-	834,460	-	54,263,920,881
		Motor cycle	****6112109	2,957,628,032	-	2,957,628,032	261,261,000	435,534	16,363,550	3,202,961,015
9152->	2.2-Other Machinery & Equipment		61122	96,584,129,242	7,803,585,439	104,387,714,681	306,732,611	11,746,241,120	4,009,800,271	112,430,888,140
		Office Equipment	****6112201	7,662,785,287	188,325,853	7,851,111,141	31,673,368	3,365,163,124	517,515,798	10,730,431,835
		Computer Equipment	****6112202	10,717,479,212	801,464,148	11,518,943,360	58,608,651	1,908,895,612	198,509,477	13,287,938,146
		Electrical Equipment	****6112203	8,512,878,577	-	8,512,878,577	11,367,767	1,392,809,458	603,747,495	9,313,308,307
		Communication Equipment	****6112204	3,590,254,271	14,303,060	3,604,557,331	11,284,375	423,806,211	8,413,290	4,031,234,627
		Furniture	****6112205	16,895,136,771	-	16,895,136,771	75,622,320	1,487,964,287	1,064,197,248	17,394,526,131
		Musical Instruments	****6112206	663,307,171	-	663,307,171	15,848,100	57,261,978	31,759,524	704,657,726
		Medical Equipment	****6112207	26,363,982,771	4,578,227,204	30,942,209,975	73,011,398	1,120,097,523	488,890	32,134,830,006
		Sports Equipment	****6112208	384,811,586	22,195,438	407,007,025	11,802,405	65,895,717	8,176,320	476,528,827
		Paintings Sculptures & Other Antiques	****6112209	7,476,274	902,156	8,378,430	-	3,387,095	7,000	11,758,525
		Books Periodical & Journals	****6112210	57,754,548	3,041,506	60,796,055	-	4,023,608	1,600	64,818,063
		Laboratory Instruments	****6112211	6,692,063,152	746,970,805	7,439,033,957	14,827,817	444,656,140	1,005,570	7,897,512,344
		Industrial & Manufacturing Equipment	****6112212	3,296,548,390	1,220,210,383	4,516,758,773	926,720	570,975,607	5,367,024	5,083,294,076
		Construction Equipment	****6112213	1,931,760,355	183,670,110	2,115,430,465	-	92,352,310	201,900	2,207,580,875
		Broadcasting Equipment	****6112214	368,397,458	5,991,272	374,388,730	69,600	8,912,054	359,650	383,010,734
		Defence Equipment	****6112215	7,314,772,413	-	7,314,772,413	-	426,172,158	82,740,986	7,658,203,584

## Notes to the Financial Statements contd...

Ledger	Category	Item	Code	Closing Balance 2020	Opening Balance Addition During the Year	Opening Balance 2021	Transfer In	Purchases	Disposals	Closing Balance 2021
		Agricultural & Dairy Farm Equipment	****6112216	388,756,901	38,283,503	427,040,404	1,690,090	34,232,365	225,750	462,737,109
		Fire Protection Equipment	****6112217	1,735,964,105	-	1,735,964,105		339,635,869	1,487,082,749	588,517,225
		<b>9152-Sub Total</b>		<b>340,720,654,998</b>	<b>9,048,405,705</b>	<b>349,769,060,703</b>	<b>1,015,341,427</b>	<b>13,909,491,582</b>	<b>15,326,474,602</b>	<b>349,367,419,110</b>
9153->	4.1-Land		61410	383,160,824,851	71,834,976,452	454,995,801,302	1,249,774,923	1,704,920,999	20,330,329,141	437,620,168,083
		Land	****614100	383,160,824,851	71,834,976,452	454,995,801,302	1,249,774,923	1,704,920,999	20,330,329,141	437,620,168,083
9153->	4.1-Urban or Built-Up Land		61411	455,212,973,462	21,601,031,053	476,814,004,515	-	36,450	10,297,986,500	466,516,054,465
		Commercial and Services	****6141101	2,975,360,400	76,200,000	3,051,560,400	-	36,450	-	3,051,596,850
		Industrial	****6141102	-	-	-	-	-	-	-
		Transportation, Communication and Utilities	****6141103	407,396,141,500	-	407,396,141,500	-	-	-	407,396,141,500
		Mixed Urban	****6141104	44,841,471,562	21,524,831,053	66,366,302,615	-	-	10,297,986,500	56,068,316,115
9153->	Water		61414	81,097,169,479	3,118,038,467	84,215,207,946	-	3,423,533,735	54,149,969	87,584,591,712
		Streams and Canals	****6141401	15,737,392,071	398,000	15,737,790,071		1,000,000	-	15,738,790,071
		Lakes	****6141402	617,000,000	-	617,000,000		-	-	617,000,000
		Reservoirs	****6141403	64,742,183,265	3,117,528,808	67,859,712,074		3,370,929,989	2,850,000	71,227,792,063
		Bays and Estuaries	****6141404	594,142	111,659	705,801		51,603,745	51,299,969	1,009,578
9153->	Barren Land		61416	160,435,000	234,780,000	395,215,000	-	-	-	395,215,000
		Sandy Areas Other than Beaches	****6141603	160,435,000	234,780,000	395,215,000		-	-	395,215,000
		<b>9153-Sub Total</b>		<b>919,631,402,791</b>	<b>96,788,825,972</b>	<b>1,016,420,228,763</b>	<b>1,249,774,923</b>	<b>5,128,491,184</b>	<b>30,682,465,610</b>	<b>992,116,029,261</b>
9154->	5.3 Other Non Financial-Intangible		61133	751,335,286	85,545,348	836,880,634	258,000	1,245,887,675	22,241,217	2,060,785,092
		Computer Software	****6113301	745,967,491	82,590,098	828,557,589	258,000	1,182,644,734	22,141,217	1,989,319,106
		Licenses	****6113302	1,283,485	2,245,000	3,528,485	-	4,524,118	-	8,052,603
		Patents & Copyrights	****6113303	-	-	-	-	-	-	-
		Broadcast Rights	****6113305	810,649	107,000	917,649	-	-	-	917,649
		Service Contracts	****6113306	3,273,661	603,250	3,876,911	-	58,718,823	100,000	62,495,734
		<b>9154-Sub Total</b>		<b>751,335,286</b>	<b>85,545,348</b>	<b>836,880,634</b>	<b>258,000</b>	<b>1,245,887,675</b>	<b>22,241,217</b>	<b>2,060,785,092</b>
9155->	5.2 Other Non Financial-Biological		61132	60,458,670	60,711,700	121,170,370	-	-	-	121,170,370
		Biological Assets	****6113201	60,458,670	-	60,458,670		-	-	60,458,670
		Plant for Harvest	****6113202	-	44,500	44,500		-	-	44,500
		Plants for Timber	****6113203	-	189,000	189,000		-	-	189,000
		Animal for Dairy	****6113210	-	60,478,200	60,478,200		-	-	60,478,200
		<b>9155-Sub Total</b>		<b>60,458,670</b>	<b>60,711,700</b>	<b>121,170,370</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>121,170,370</b>
9160->	1.4-WIP-Building & Structure		61114	125,005,204,092	93,487,540,769	218,492,744,862	2,847,585,828	18,609,927,921	83,009,783,816	156,940,474,795
		WIP-Building & Structure	****611140	41,112,186,612	10,700,757,542	51,812,944,154	2,743,685,828	11,323,049,039	1,056,392,579	64,823,286,441
		House Boats	****611141	3,733,820	-	3,733,820		-	-	3,733,820

**Notes to the Financial Statements contd...**

Ledger	Category	Item	Code	Closing Balance 2020	Opening Balance Addition During the Year	Opening Balance 2021	Transfer In	Purchases	Disposals	Closing Balance 2021
		Hospitals	****6111410	1,778,629,886	-	1,778,629,886		817,761,363	27,941,621	2,568,449,628
		Building for Public Entertainment	****6111411	622,271,952	-	622,271,952		90,965,823	24,523,591	688,714,183
		Warehouse	****6111412	1,782,043,503	-	1,782,043,503		76,828,893	1,931,341	1,856,941,056
		Airport	****6111413	380,721,537	-	380,721,537		-	380,638,530	83,007
		Crematorium	****6111414	83,007	7,369,236	7,452,243		-	-	7,452,243
		Markets	****6111415	6,972,208	-	6,972,208		480,035	3,151,341	4,300,901
		Laboratories & Research Stations	****6111416	2,519,204	10,927,272	13,446,476		1,781,698	-	15,228,173
		Factories	****6111417	12,575,004	-	12,575,004		2,653,170	1,665,392	13,562,782
		Highways Street Road	****6111418	9,430,137	-	9,430,137		2,774,183	11,901,987	302,334
		Bridges	****6111419	302,334	24,441,987	24,744,321		-	-	24,744,321
		Garages	****611142	24,152,157	43,015,009,766	43,039,161,923		592,164	-	43,039,754,087
		Railways	****6111421	43,003,814,082	-	43,003,814,082		35,940,005	43,039,117,707	636,380
		Subways								
		Air Field Runways	****6111422	3,953,580	-	3,953,580		34,800	997,121	2,991,260
		Harbors Dams & Other Water Works	****6111423	255,670	1,032,381	1,288,051		2,735,589	-	4,023,641
		Structures Associated with Mining Subsoil Assets	****6111424	4,023,641	44,283,623	48,307,264		-	-	48,307,264
		Communication Line Power Line & Pipelines	****6111425	40,161,000	896,009,270	936,170,270		8,146,264	-	944,316,534
		Outdoor Sport & Recreation Facilities	****6111426	720,243,211	-	720,243,211		274,535,604	975,477,284	19,301,531
		Sewerage Treatment Complex	****6111427	19,905	156,614,889	156,634,794		-	-	156,634,794
		Pumping Station	****6111428	153,562,927	-	153,562,927		3,071,867	153,365,952	3,268,841
		Farms and Agriculture Related Assets	****6111429	3,268,841	57,678,854	60,947,696		-	-	60,947,696
		Mobile Home	****611143	2,587,684	-	2,587,684		58,360,011	58,458,740	2,488,956
		Rest Houses	****6111430	2,488,956	734,657	3,223,613		-	-	3,223,613
		Housing Schemes/ Flats	****611144	590,589	5,724,544	6,315,133		480,387	-	6,795,520
		Hotels & Restaurants	****611145	5,054,314	5,182,680,356	5,187,734,669		1,741,206	-	5,189,475,876
		Quarters	****611146	3,691,903,355	-	3,691,903,355		1,255,291,478	4,777,303,130	169,891,702
		Circuit Bungalows	****611147	163,218,132	33,115,678,949	33,278,897,081		6,673,571	-	33,285,570,651
		Office Building	****611148	28,038,953,801	-	28,038,953,801	103,900,000	4,362,178,934	32,496,917,500	8,115,235
		Schools	****611149	3,435,483,044	268,597,444	3,704,080,488		283,851,838	-	3,987,932,326
		<b>9160-Sub Total</b>		<b>125,005,204,092</b>	<b>93,487,540,769</b>	<b>218,492,744,862</b>	<b>2,847,585,828</b>	<b>18,609,927,921</b>	<b>83,009,783,816</b>	<b>156,940,474,795</b>
9180->	2.3-Lease Asset		61123	22,432,568,379	139,061,259	22,571,629,638	-	236,447,929	21,639,418,664	1,168,658,903
		Lease-Passenger Vehicle	****6112301	4,847,927,193	139,061,259	4,986,988,453		236,447,929	4,229,677,479	993,758,903
		Lease- Cargo Vehicle	****6112302	174,900,000	-	174,900,000		-	-	174,900,000
		Lease-Motor Cycle	****6112309	17,409,741,185	-	17,409,741,185		-	17,409,741,185	-
		<b>9180-Sub Total</b>		<b>22,432,568,379</b>	<b>139,061,259</b>	<b>22,571,629,638</b>	<b>-</b>	<b>236,447,929</b>	<b>21,639,418,664</b>	<b>1,168,658,903</b>
		<b>Grand Total</b>		<b>1,776,368,275,783</b>	<b>220,470,138,816</b>	<b>1,996,838,414,598</b>	<b>5,118,838,913</b>	<b>45,169,301,795</b>	<b>197,119,213,050</b>	<b>1,850,007,342,257</b>

## Notes to the Financial Statements contd...

	Actual	
	2021 Rs.	2020 Rs.
<b>NOTE - 17 ADVANCES TO PUBLIC OFFICERS</b>		
Advances to Public Officers Transferred to Provincial Councils (7004)	191,466,910	191,466,910
Advances to Public Officers of the Central Government (8493)	31,164,768,473	31,422,257,313
	<b>31,356,235,383</b>	<b>31,613,724,223</b>
<b>NOTE - 18 ADVANCES TO GOVERNMENT DEPARTMENTS</b>		
Treasury Authorized Advance Account (7000 )	15,727,677,353	15,783,074,603
	<b>15,727,677,353</b>	<b>15,783,074,603</b>
<b>NOTE - 19 MEMBERSHIP FEES PAID</b>		
International Monetary Institutions Membership Fees (8234)	1,268,673,389	1,268,673,389
Foreign Aid Counterpart Fund - Grants (8317)	1,631,694,933	1,631,694,933
	<b>2,900,368,322</b>	<b>2,900,368,322</b>

## Notes to the Financial Statements contd...

### NOTE - 20 - ON LENDING

	Name of the Institution	Balance as at	New Loan	Amount Settled	Balance as at
		01.01.2021	During 2021	During 2021	31.12.2021
		Rs.	Rs.	Rs.	Rs.
1	Sri Lanka Ports Authority	53,263,196,891	142,288,972	6,107,132,237	49,691,147,097
	<b>Add / (Less) : Parity Variance</b>	2,392,793,471			3,015,449,651
	<b>Balance</b>	<b>55,655,990,362</b>	<b>142,288,972</b>	<b>6,107,132,237</b>	<b>52,706,596,748</b>
2	Development Finance Corporation of Ceylon	20,309,926,557	1,841,664,715	2,127,772,038	19,564,210,260
	<b>Add / (Less) : Parity Variance</b>	28,296,824			106,946,330
	<b>Add / (Less) : Adjustment</b>	(4,800,001)			-
	<b>Less: Revolving Recovaries/ Disbursement</b>	(483,105,798)			(247,608,150)
	<b>Balance</b>	<b>19,850,317,583</b>	<b>1,841,664,715</b>	<b>2,127,772,038</b>	<b>19,423,548,439</b>
3	Regional Development Bank (Lankaputhra Dev. Bank)	2,808,242,799	-	193,774,876	2,701,986,562
	<b>Add / (Less) : Parity Variance</b>	87,518,639			195,395,762
	<b>Balance</b>	<b>2,895,761,437</b>	<b>-</b>	<b>193,774,876</b>	<b>2,897,382,324</b>
4	People's Bank	3,676,463,885	2,201,203,000	140,154,424	5,663,436,834
	<b>Add / (Less) : Parity Variance/Adjustment</b>	(2)			0
	<b>Less: Revolving Recovaries/ Disbursement</b>	(74,075,626)			(66,827,399)
	<b>Balance</b>	<b>3,602,388,258</b>	<b>2,201,203,000</b>	<b>140,154,424</b>	<b>5,596,609,435</b>
5	National Development Bank	8,962,107,381	1,796,446,816	224,913,298	10,326,189,612
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-			-
	<b>Less: Revolving Recovaries/ Disbursement</b>	(207,451,288)			(266,325,038)
	<b>Balance</b>	<b>8,754,656,094</b>	<b>1,796,446,816</b>	<b>224,913,298</b>	<b>10,059,864,574</b>
6	Colombo Municipal Council	1,994,437,072	359,318,164	248,471,672	2,105,283,566
	<b>Add / (Less) : Parity Variance/Adjustment</b>	2			-
	<b>Balance</b>	<b>1,994,437,074</b>	<b>359,318,164</b>	<b>248,471,672</b>	<b>2,105,283,566</b>
7	National Water Supply & Drainage Board	42,009,970	1,153,824,576	-	1,195,834,546
	<b>Add / (Less) : Parity Variance/Adjustment</b>	0			-
	<b>Balance</b>	<b>42,009,970</b>	<b>1,153,824,576</b>	<b>-</b>	<b>1,195,834,546</b>
8	MILCO (Pvt) Ltd	8,009,448,556	-	-	8,169,034,184
	<b>Add / (Less) : Parity Variance</b>	252,610,477			-
	<b>Add / (Less) : Adjustment</b>	(93,024,849)			-
	<b>Less : Equity Conversion</b>				(8,169,034,183)
	<b>Balance</b>	<b>8,169,034,184</b>	<b>-</b>	<b>-</b>	<b>0</b>
9	Sampath Bank Ltd.	6,077,275,916	2,162,725,798	397,371,465	7,605,510,127
	<b>Add / (Less) : Parity Variance/Adjustment</b>	(0)			0
	<b>Less: Revolving Recovaries/ Disbursement</b>	(237,120,122)			(391,686,073)
	<b>Balance</b>	<b>5,840,155,794</b>	<b>2,162,725,798</b>	<b>397,371,465</b>	<b>7,213,824,054</b>

## Notes to the Financial Statements contd...

### NOTE - 20 - ON LENDING

	Name of the Institution	Balance as at	New Loan	Amount Settled	Balance as at
		01.01.2021	During 2021	During 2021	31.12.2021
		Rs.	Rs.	Rs.	Rs.
10	Hatton National Bank PLC	5,944,831,724	2,392,008,613	282,007,146	7,885,280,991
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-			-
	<b>Less: Revolving Recoveries/ Disbursement</b>	(169,552,200)			(210,904,160)
	<b>Balance</b>	<b>5,775,279,524</b>	<b>2,392,008,613</b>	<b>282,007,146</b>	<b>7,674,376,831</b>
11	Commercial Bank of Ceylon PLC	8,644,498,312	1,837,460,868	733,268,082	9,559,341,974
	<b>Add / (Less) : Parity Variance/Adjustment</b>	8,314,548	-	-	18,472,778
	<b>Less: Revolving Recoveries/ Disbursement</b>	(197,663,671)			(369,489,436)
	<b>Balance</b>	<b>8,455,149,188</b>	<b>1,837,460,868</b>	<b>733,268,082</b>	<b>9,208,325,316</b>
12	Nations Trust Bank	3,079,303,802	1,451,887,640	26,072,383	4,505,119,058
	<b>Less: Revolving Recoveries/ Disbursement</b>	-			-
	<b>Balance</b>	<b>3,079,303,802</b>	<b>1,451,887,640</b>	<b>26,072,383</b>	<b>4,505,119,058</b>
13	Seylan Bank PLC	3,830,785,216	1,623,697,450	54,522,625	5,289,499,151
	<b>Less: Revolving Recoveries/ Disbursement</b>	(110,460,890)			(224,216,096)
	<b>Balance</b>	<b>3,720,324,326</b>	<b>1,623,697,450</b>	<b>54,522,625</b>	<b>5,065,283,055</b>
14	Sri Lanka Savings Bank	508,274,059	-	254,165,067	254,108,992
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-			1
	<b>Balance</b>	<b>508,274,059</b>	<b>-</b>	<b>254,165,067</b>	<b>254,108,993</b>
15	Ceylon Petroleum Corporation	37,979,695	-	37,979,695	0
16	Sarvodaya Economic & Enterprises Dev. Service	633,395,760	-	13,000,000	620,395,760
17	Local Loan Development Fund	4,675,931,165	-	237,588,591	4,438,342,575
18	Bank of Ceylon	4,504,223,153	1,861,965,940	127,599,362	6,177,437,792
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-	-	-	-
	<b>Less: Revolving Recoveries/ Disbursement</b>	(61,151,939)			(63,093,249)
	<b>Balance</b>	<b>4,443,071,214</b>	<b>1,861,965,940</b>	<b>127,599,362</b>	<b>6,114,344,544</b>
19	Regional Development Bank (Kandurata)	8,991,648	-	-	1,350,657
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-	-	-	-
	<b>Less: Revolving Recoveries/ Disbursement</b>	(7,640,991)			(1,099,657)
	<b>Balance</b>	<b>1,350,657</b>	<b>-</b>	<b>-</b>	<b>251,000</b>
20	Sanasa Development Bank (IFAD 283)	11,114,479	-	-	11,114,479
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-			-
	<b>Balance</b>	<b>11,114,479</b>	<b>-</b>	<b>-</b>	<b>11,114,479</b>
21	Sanasa Development Bank	495,740,700	54,615,000	-	483,267,400
	<b>Add / (Less) : Parity Variance/Adjustment</b>	-			-
	<b>Less: Revolving Recoveries/ Disbursement</b>	(67,088,300)			(73,460,450)
	<b>Balance</b>	<b>428,652,400</b>	<b>54,615,000</b>	<b>-</b>	<b>409,806,950</b>



## Notes to the Financial Statements contd...

### NOTE - 20 - ON LENDING

	Name of the Institution	Balance as at	New Loan	Amount Settled	Balance as at
		01.01.2021	During 2021	During 2021	31.12.2021
		Rs.	Rs.	Rs.	Rs.
22	Regional Development Bank	5,075,766,892	2,002,720,167	106,516,168	6,836,000,832
	<b>Less:</b> Revolving Recovaries/Disbursement	(135,970,059)			(209,916,660)
	<b>Balance</b>	<b>4,939,796,833</b>	<b>2,002,720,167</b>	<b>106,516,168</b>	<b>6,626,084,173</b>
23	Min.of Agricultural Dev. Agrarian Services	2,268,179,400	-	260,494	2,267,918,905
24	Alliance Finance Company Ltd.	46,376,683	-	15,509,909	30,866,774
	<b>Add / (Less) :</b> Parity Variance/Adjustment	-			-
	<b>Balance</b>	<b>46,376,683</b>	<b>-</b>	<b>15,509,909</b>	<b>30,866,774</b>
25	Revolving Funds with Central Bank of Sri Lanka	10,979,038,661	1,017,482,072	2,461,326,344	11,528,816,370
	<b>Add:</b> Parity Variance/ Adjustment	237,974,590		-	260,943,138
	<b>Add:</b> Revolving Recovaries/ Disbursement	1,755,647,390			2,124,626,368
	<b>Balance</b>	<b>12,972,660,641</b>	<b>1,017,482,072</b>	<b>2,461,326,344</b>	<b>13,914,385,875</b>
26	HDFC / NHDA	120,707,620	-	14,985,309	102,311,881
	<b>Add / (Less) :</b> Parity Variance/Adjustment	(3,410,430)			(0)
	<b>Balance</b>	<b>117,297,190</b>	<b>-</b>	<b>14,985,309</b>	<b>102,311,881</b>
27	Airport & Aviation Services (Sri Lanka) Ltd	9,436,414,158	-	1,092,575,727	9,159,661,099
	<b>Add / (Less) :</b> Parity Variance/Adjustment	815,822,667	-	-	(308,692,125)
	<b>Balance</b>	<b>10,252,236,826</b>	<b>-</b>	<b>1,092,575,727</b>	<b>8,850,968,975</b>
	<b>On Lending Based on Foreign Aids</b>	<b>169,171,124,598</b>	<b>21,899,309,792</b>	<b>14,896,966,910</b>	<b>171,292,948,831</b>
28	Central Bank – SEPI Loan Scheme	242,469,077	5,846,132	88,168,521	160,242,106
	<b>Add / (Less) :</b> Parity Variance/Adjustment	95,419			(132)
	<b>Balance</b>	<b>242,564,496</b>	<b>5,846,132</b>	<b>88,168,521</b>	<b>160,241,975</b>
29	Local Loans & Development Fund	108,580,057	-	18,360,537	90,219,520
30	Sri Lanka Rubber Manufacture & Dev. Corporation	773,340,000	-	-	773,340,000
31	AHF Loan Scheme 2004/2005	50,427,744	-	35,639,586	14,788,157
32	Min. of Petroleum & Pet. Resos. Dev.	248,682,561	-	4,993,650	243,688,911
33	Department of Treasury Operations – (PLGF)	916,231,000	-	-	916,231,000
34	Ceylon Fisheries Corporations	50,000,000	-	50,000,000	-
35	Ceylon Fisheries Corporations	11,600,000	-	11,600,000	-
36	Ceylon Fisheries Corporations	50,000,000	-	50,000,000	-
	<b>On Lending Based on Domestic Funds</b>	<b>2,451,425,858</b>	<b>5,846,132</b>	<b>258,762,295</b>	<b>2,198,509,563</b>
	<b>Total (Before Parity Variance/Adjustment)</b>	<b>168,037,193,830</b>	<b>21,905,155,923</b>	<b>15,155,729,205</b>	<b>170,463,885,998</b>
	<b>Total Parity Variance</b>	<b>3,585,356,626</b>	<b>-</b>	<b>-</b>	<b>3,027,572,396</b>
	<b>Total (After Parity Variance/Adjustment)</b>	<b>171,622,550,456</b>	<b>21,905,155,923</b>	<b>15,155,729,205</b>	<b>173,491,458,394</b>

## Notes to the Financial Statements contd...

### NOTE - 21 : CAPITAL CONTRIBUTION OR SHAREHOLDINGS IN THE COMMERCIAL PUBLIC CORPORATIONS / STATE OWNED COMPANIES / OTHER COMPANIES / PLANTATION COMPANIES / DEVELOPMENT BANKS (8468 / 8548)

	Balance as at 01.01.2021	Additions/ Adjustments in 2021	Reductions/ Adjustments in 2021	Balance as at 31.12.2021
	Rs.	Rs.	Rs.	Rs.
Note - 21.1 (a) Capital Contribution in Commercial Public Corporations	518,151,035,712	38,122,962,567	10,000,000	556,263,998,278
Note - 21.1 (b) Contribution to the Central Bank of Sri Lanka	15,000,000	-	-	15,000,000
Note - 21.2 Shareholdings in Government Owned or Other Companies	140,651,085,702	52,912,264,183	-	193,563,349,885
Note - 21-3 Shareholdings in Plantation Companies	1,696,237,450	-	-	1,696,237,450
Note - 21.4 Shareholdings in Companies in Dollar Denomination	1,580,582,340	104,497,715	-	1,685,080,055
Note - 21.5 Shareholdings in Development Banks	7,553,739,709	-	-	7,553,739,709
<b>Total</b>	<b>669,647,680,913</b>	<b>91,139,724,465</b>	<b>10,000,000</b>	<b>760,777,405,378</b>

### NOTE - 21.1 (a) - CAPITAL CONTRIBUTION IN COMMERCIAL PUBLIC CORPORATION

Name	Balance as at 01.01.2021	Additions/ Adjustment in 2021	Deduction/ Adjustment in 2021	Balance as at 31.12.2021
	Rs.	Rs.	Rs.	Rs.
1 Agriculture and Agrarian Insurance Board	50,000,000	-	-	50,000,000
2 Bank of Ceylon	25,000,000,000	-	-	25,000,000,000
3 Central Engineering Consultancy Bureau	500,000	-	-	500,000
4 Ceylon Ceramic Corporation	2,640,000	-	-	2,640,000
5 Ceylon Electricity Board	343,730,584,336	21,323,984,313	-	365,054,568,649
6 Ceylon Fisheries Corporation	326,609,805	-	-	326,609,805
7 Ceylon Fishery Harbours Corporation	350,099,843	-	-	350,099,843
8 Ceylon Petroleum Corporation	28,487,125,000	-	-	28,487,125,000
9 Coconut Development Authority	88,943,221	-	-	88,943,221
10 Condominium Management Authority	500,000	-	-	500,000
11 Co-operative Wholesale Establishment	4,398,056,590	1,090,753,660	-	5,488,810,250
12 Export Development Board	10,014,284	-	-	10,014,284
13 Geological Survey and Mines Bureau	98,316,264	-	-	98,316,264
14 Janatha Estates Development Board	3,670,000,000	-	-	3,670,000,000
15 National Gem & Jewelry Authority	30,000,000	-	-	30,000,000
16 National Transport Medical Institute	62,099,697	-	-	62,099,697
17 National Films Corporation of Sri Lanka	10,000,000	-	-	10,000,000
18 National Institute of Business Management	57,175,766	-	-	57,175,766
19 National Livestock Development Board	6,801,995,542	-	-	6,801,995,542
20 National Lotteries Board	21,263,100	-	-	21,263,100
21 National Savings Bank	9,400,000,000	-	-	9,400,000,000
22 National Water Supply & Drainage Board	62,415,763,523	12,973,121,399	-	75,388,884,922
23 National Housing Development Authority	40,000,000	-	-	40,000,000
24 Peoples' Bank	12,198,133,000	-	-	12,198,133,000
25 Paddy Marketing Board	631,484,518	2,176,250,195	-	2,807,734,713
26 Sri Jayewardanapura General Hospital	1,016,825,162	-	-	1,016,825,162
27 Sri Lanka Bureau of Foreign Employment	691,161,789	-	-	691,161,789
28 Sri Lanka Institute of Hotel Management	454,850,952	-	-	454,850,952
29 Sri Lanka Ayurvedic Drugs Corporation	5,000,000	-	-	5,000,000
30 Sri Lanka Broadcasting Corporation	307,386,085	132,853,000	-	440,239,085
31 Sri Lanka Cashew Corporation	427,287,074	-	-	427,287,074
32 Sri Lanka Cement Corporation	966,971,844	-	-	966,971,844
33 Sri Lanka Transport Board	3,944,890,550	-	-	3,944,890,550
34 Sri Lanka Export Credit Insurance Corporation	40,000,000	-	10,000,000	30,000,000
35 Sri Lanka Handicraft Board	69,629,000	-	-	69,629,000
36 Sri Lanka Land Reclamation & Development Corporation	1,000,000	-	-	1,000,000
37 Sri Lanka Ports Authority	7,535,916,027	-	-	7,535,916,027
38 Sri Lanka Rupavahini Corporation	537,743,000	198,000,000	-	735,743,000

Name	Balance as at	Additions/	Deduction/	Balance as at
	01.01.2021	Adjustment in	Adjustment in	31.12.2021
	Rs.	2021	2021	Rs.
		Rs.	Rs.	
39 Sri Lanka Tourism Promotion Bureau	33,069,157	-	-	33,069,157
40 Sri Lanka Tea Board	672,012,202	-	-	672,012,202
41 State Development & Construction Corporation	16,671,650	-	-	16,671,650
42 State Engineering Corporation of Sri Lanka	70,000,000	228,000,000	-	298,000,000
43 State Mortgage & Investment Bank	889,813,000	-	-	889,813,000
44 State Pharmaceuticals Corporation of Sri Lanka	59,055,258	-	-	59,055,258
45 State Pharmaceuticals Manufacturing Corporation	690,079,000	-	-	690,079,000
46 State Printing Corporation	15,000,000	-	-	15,000,000
47 State Timber Corporation	41,503,668	-	-	41,503,668
48 Telecommunication Regulatory Commission	526,214,744	-	-	526,214,744
49 Urban Development Authority	1,257,651,060	-	-	1,257,651,060
<b>Total (21.1)</b>	<b>518,151,035,712</b>	<b>38,122,962,567</b>	<b>10,000,000</b>	<b>556,263,998,278</b>

**NOTE - 21.1 (b) - CENTRAL BANK OF SRI LANKA**

Name	Balance as at	Additions/	Reduction/	Balance as at
	01.01.2021	Adjustment in	Adjustment in	31.12.2021
	Rs.	2021	2021	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			As at 31.12.2021	Nominal Value per Share	Value of the Investment as at 01.01.2021	Value of the Investment as at 31.12.2021	Percentage of Share holdings by the Treasury
	As at 01.01.2021	Additions/ Adjustments	Deductions/ Adjustments					
					Rs.	Rs.	Rs.	
1 Airport & Aviation Services (Sri Lanka) Ltd	200,000	-	-	200,000	100.00	20,000,000	20,000,000	98.00
2 BCC Lanka Ltd.	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	100.00
3 Bogala Graphite Lanka PLC	254,500	-	-	254,500	10.00	2,545,000	2,545,000	0.54
4 Lanka Building Materials Corporation Ltd.	1,000,000	-	-	1,000,000	0.46	118,331	118,331	
5 Ceylon Agro-Industries Ltd.	1,000,000	-	-	1,000,000	10.00	10,000,000	10,000,000	100.00
6 Ceylon Fertilizer Co. Ltd.	11,903,402	-	-	11,903,402	5.00	59,517,010	59,517,010	5.62
7 Ceylon Hotels Corporation PLC (Preference Shares Only)	50,245,608	-	-	50,245,608	10.00	502,456,080	502,456,080	100.00
8 Ceylon Shipping Corporation Ltd.	1,200,000	-	-	1,200,000	2.00	2,400,000	2,400,000	2.00
9 Ceylon Shipping Lines Ltd	5,000,000	-	-	5,000,000	10.00	50,000,000	50,000,000	100.00
10 Cey-Nor Foundation Ltd.	4,000,000	-	-	4,000,000	10.00	40,000,000	40,000,000	100.00
11 Colombo Commercial Fertilizer Ltd.	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	100.00
12 Commercial Bank of Ceylon PLC	32,655	-	-	32,655	5.00	163,275	163,275	0.0037
13 Cultural Publication Company Ltd.	3,164	-	-	3,164	113.60	359,430	359,430	
14 CWG Hambanthota 2018	600	-	-	600	100.00	60,000	60,000	-
15 Distance Learning Center Ltd	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	79.00
16 Galadari Hotels (Lanka) PLC	14,206,509	-	-	14,206,509	10.00	142,065,090	142,065,090	99.99
17 Hotel Developers (Lanka) PLC	292,200	-	-	292,200	10.00	2,922,000	2,922,000	0.058
	2,046,645,686	-	-	2,046,645,686	10.00	20,466,456,860	20,466,456,860	100.00

## Notes to the Financial Statements contd...

### NOTE - 21.2 - SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

Company	Number of Shares			As at 31.12.2021	Nominal Value per Share Rs.	Value of the Investment as at 01.01.2021 Rs.	Value of the Investment as at 31.12.2021 Rs.	Percentage of Share holdings by the Treasury
	As at 01.01.2021	Additions/ Adjustments	Deductions/ Adjustments					
18 Human Resources Services Agency (Guarantee) Ltd.	-	-	-	-		5,000,000	5,000,000	100.00
19 Kigsbury PLC (Hotel Services Ltd)	2,263	-	-	2,263	10.00	22,630	22,630	0.0128
20 Hunas Falls Hotels PLC	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 Technology Agency of Sri Lanka (Pvt) Ltd.	2	-	-	2	10.00	20	20	100.00
23 Kahatagaha Grafite Lanka Ltd.	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 PLC - (Elephant Lite Corporation Ltd) (5% Cumulative Preference Shares)	1,000	-	-	1,000	10.00	10,000	10,000	5.00
28 Lanka Canneries Ltd.	40,002	-	-	40,002	100.00	4,000,200	4,000,200	9.09
29 Lanka Cement Ltd.	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	20.00
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	20	100.00
33 Lanka Fabrics Ltd.	210,000	-	-	210,000	10.00	2,100,000	2,100,000	93.30
34 Lanka Hydraulic Institute Ltd.	50,000	-	-	50,000	10.00	500,000	500,000	4.54
35 Lanka Industrial Estates Ltd.	7,800,000	-	-	7,800,000	10.00	78,000,000	78,000,000	48.84
36 Lanka Layland (Pvt) Ltd	1,289,900	-	-	1,289,900	6.94	8,951,906	8,951,906	100.00
	860,000	-	-	860,000	0.01	8,600	8,600	
37 Lanka Logistics and Technologies Ltd.	800,205	-	-	800,205	10.00	80,002,050	80,002,050	100.00
38 Lanka Mineral Sands Ltd.	80,000,000	-	-	80,000,000	10.00	800,000,000	800,000,000	100.00
39 Lanka Phosphate Limited	7,251,000	-	-	7,251,000	10.00	72,510,000	72,510,000	100.00
40 Lanka STC General Trading Co. Ltd.	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	100.00
41 Lanka Textile Mills Emporium Ltd.	700,000	-	-	700,000	10.00	7,000,000	7,000,000	-
42 Lanka Sathosa Ltd.	87,095,381	-	-	87,095,381	10.00	870,953,810	870,953,810	98.00
43 Mantai Salt Ltd.	300,000	-	-	300,000	100.00	30,000,000	30,000,000	100.00
44 Mihin Lanka (Private) Ltd.	51,406,108	-	-	51,406,108	100.00	14,476,251,900	14,476,251,900	100.00
45 MILCO (Pvt) Ltd.- Kiriya	31,945,403	-	-	31,945,403	10.00	319,454,030		99.99
Milk Industries		8,169,034,183		8,169,034,183	1.00	-	8,488,488,213	

## Notes to the Financial Statements contd...

### NOTE - 21.2 - SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

Company	Number of Shares			As at 31.12.2021	Nominal Value per Share Rs.	Value of the Investment as at 01.01.2021 Rs.	Value of the Investment as at 31.12.2021 Rs.	Percentage of Share holdings by the Treasury
	As at 01.01.2021	Additions/ Adjustments	Deductions/ Adjustments					
46 National Paper Company Ltd	32,300,000	-	-	32,300,000	10.00	323,000,000	323,000,000.00	100.00
47 National Development Bank PLC	571,433	-	-	571,433	10.00	5,714,330	5,714,330	0.27
48 Dufry Shops Colombo Ltd. (World Duty Free Group Lanka Ltd.)	1,048	-	-	1,048	10.00	10,480	10,480	0.035
49 Paranthan Chemicals Company Ltd.	4,000,000	-	-	4,000,000	10.00	40,000,000	40,000,000	100.00
50 Rakna Arashana Lanka Ltd.	500,205	-	-	500,205	10.00	5,002,050	5,002,050	100.00
51 Rajarata Food Grain Ltd.	386,249	-	-	386,249	10.00	3,862,490	3,862,490	-
52 Skills Development Fund Ltd.	10,000,001	-	-	10,000,001	10.00	100,000,010	100,000,010	98.00
53 Sri Lanka Insurance Corporation Ltd.	599,568,144	-	-	599,568,144	10.00	5,995,681,440	5,995,681,440	99.93
54 Sri Lanka Rubber Manufacturing & Export Corporation Ltd.	7,798,000	-	-	7,798,000	10.00	77,980,000	77,980,000	100.00
55 Sri Lanka Savings Bank Ltd.	-	-	-	-	-	-	-	-
56 Sri Lanka Telecom PLC	893,405,709	-	-	893,405,709	10.00	8,934,057,090	8,934,057,090	49.50
57 Sri Lankan Airlines Ltd.	788,924,024	447,432,300	-	1,236,356,324	100.00	78,892,402,410	123,635,632,410	99.11
58 State Resource Management Corporation Ltd.	4,100,000	-	-	4,100,000	10.00	41,000,000	41,000,000	100.00
59 Sri Lanka Thripasha Ltd.	30,460,000	-	-	30,460,000	10.00	304,600,000	304,600,000	100.00
60 Selinsing PLC (The Selinsing Company Ltd.)	615	-	-	615	10.00	6,150	6,150	0.0108
61 De La Rue Lanka Currency & Security Print (Pvt) Ltd.	2,800,000	-	-	2,800,000	10.00	28,000,000	28,000,000	40.00
62 Wakers & Greig Limited	2,850	-	-	2,850	2.00	5,700	5,700	-
	100	-	-	100	10.00	1,000	1,000	-
63 West Coast Power (Pvt) Ltd. (Ordinary)	55,000,000	-	-	55,000,000	112.95	6,212,500,000	6,212,500,000	50.00
64 Sri Lanka Institute of Biotechnology (Pvt) Ltd.	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
65 Sahasya Investments Limited	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
66 Selendiva Investments Limited	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
67 Center of Excellence Robotics Applications (Pvt) Ltd.	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
<b>Total</b>	<b>4,966,741,962</b>	<b>8,616,466,483</b>	<b>-</b>	<b>13,583,208,445</b>		<b>140,651,085,702</b>	<b>193,563,349,885</b>	

## Notes to the Financial Statements contd...

### NOTE – 21.3 – SHAREHOLDING IN PLANTATION COMPANIES

Company	Number of Shares			As at 31.12.2021	Nominal Value Per Share (Rs.)	Value of the Investment as at 01.01.2021 (Rs.)	Value of the Investment as at 31.12.2021 (Rs.)	Percentage of Share holdings by the Treasury
	As at 01.01.2021	Additions/ Adjustments	Deductions/ Adjustments					
1 Agaraptana Plantations Ltd.	23,284,645	-	-	23,284,645	10.00	232,846,450	232,846,450	9.91
2 Agalawatta Plantations PLC	742	-	-	742	10.00	7,420	7,420	0.003
3 Bogawantalawa Tea Estates PLC	21,664	-	-	21,664	6.67	144,430	144,430	0.026
4 Balangoda Plantations PLC	4,761	-	-	4,761	10.00	47,610	47,610	0.02
5 Chilaw Plantations Ltd.	20,000,001	-	-	20,000,001	10.00	200,000,010	200,000,010	100.00
6 Elkaduwa Plantations Ltd.	18,000,001	-	-	18,000,001	10.00	180,000,010	180,000,010	100.00
7 Elpitiya Plantations PLC	15,613,092	-	-	15,613,092	5.00	78,065,460	78,065,460	21.43
8 Gal-Oya Plantations (Pvt) Ltd.	51,600,000	-	-	51,600,000	10.00	516,000,000	516,000,000	51.00
9 Hapugastenne Plantations PLC	1	-	-	1	10.00	10	10	-
10 Horana Plantations PLC	5,889	-	-	5,889	10.00	58,890	58,890	0.023
11 Kahawatte Plantations PLC	1	-	-	1	10.00	10	10	-
12 Kegalle Plantations PLC	4,387	-	-	4,387	10.00	43,870	43,870	0.02
13 Kelani Valley Plantations PLC	1	-	-	1	10.00	10	10	-
14 Kotagala Plantations PLC	5,700,833	-	-	5,700,833	10.00	57,008,330	57,008,330	7.58
15 Kurunegala Plantations Ltd.	20,000,001	-	-	20,000,001	10.00	200,000,010	200,000,010	100.00
16 Madulsima Plantations PLC	3,805,653	-	-	3,805,653	10.00	38,056,530	38,056,530	2.25
17 Malwalta Valley Plantations PLC	2	-	-	2	10.00	20	20	-
18 Maskeliya Plantations PLC	9,008	-	-	9,008	10.00	90,080	90,080	0.017
19 Maturata Plantations Ltd.	7,806,021	-	-	7,806,021	10.00	78,060,210	78,060,210	22.30
20 Namunukula Plantations PLC	3,763,301	-	-	3,763,301	10.00	37,633,010	37,633,010	15.85
21 Pussellawa Plantations Ltd.	7,816,790	-	-	7,816,790	10.00	78,171,230	78,171,230	32.80
22 Talawakelle Tea Estates PLC	368	-	-	368	10.00	3,680	3,680	0.0015
23 Udapussellawa Plantations PLC	1	-	-	1	10.00	10	10	-
24 Watawala Plantations PLC	151	-	-	151	10.00	160	160	-
<b>Total</b>	<b>177,437,314</b>	<b>-</b>	<b>-</b>	<b>177,437,314</b>		<b>1,696,237,450</b>	<b>1,696,237,450</b>	

### NOTE – 21.4 – SHAREHOLDING IN COMPANIES IN US DOLLAR DENOMINATION

Company	Number of Shares			As at 31.12.2021	Nominal Value per Share (Rs)	Value of the Investment as at 01.01.2021 (Rs)	Value of the Investment as at 31.12.2021 (Rs)	Percentage of Share holdings by the Treasury (Rs)
	As at 01.01.2021	Additions/ Adjustments	Deductions/ Adjustments					
1 Asian Reinsurance Corporation	980	-	-	980	US\$1000	182,456,400	194,530,000	
2 Ceylon Shipping Agency	24,500	-	-	24,500	1 (Singapore Dollar)	3,451,560	3,586,555	99.00
3 International Finance Corporation	7,491	-	-	7,491	US\$1000	1,394,674,380	1,486,963,500	
<b>Total</b>	<b>32,971</b>	<b>-</b>	<b>-</b>	<b>32,971</b>		<b>1,580,582,340</b>	<b>1,685,080,055</b>	

### Exchange Rate (Buying Rate) as at 01.01.2021/ 31.12.2021

Currency	Exchange Rate	
	01.01.2021 Rate	31.12.2021 Rate
US Dollar	186.18	198.50
Singapore Dollar	140.88	146.39

## Notes to the Financial Statements contd...

### NOTE - 21.5 - SHAREHOLDING IN DEVELOPMENT BANKS

Company	Number of Shares			Nominal Value per Share (Rs.)	Value of the Investment as at 01-01-2021 (Rs.)	Value of the Investment as at 31.12.2021 (Rs.)	Percentage of Share holdings by the Treasury
	As at 01.01.2021	Additions/ Adjustments	Deductions/ Adjustments				
1 Pradeshiya Sanwardhana Bank	337,744,671	-	-	337,744,671	10.00	3,377,446,710	87.00
	158,013,356			158,013,356	26.43	4,176,292,999	
<b>Total</b>	<b>495,758,027</b>	<b>-</b>	<b>-</b>	<b>495,758,027</b>		<b>7,553,739,709</b>	

### NOTES - 21.2, 21.3, 21.4, 21.5 - SUMMARY

Company	Number of Shares	Nominal Value of Shares as at 31.12.2021 (Rs.)
1 General	13,583,208,445	193,563,349,885
2 Plantation	177,437,314	1,696,237,450
3 Shares in Dollar Value	32,971	1,685,080,055
4 Development Banks	495,758,027	7,553,739,709
<b>Total</b>	<b>14,256,436,757</b>	<b>204,498,407,099</b>



**Notes to the Financial Statements contd...**

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
	Ministry of Justice	9188/110/0/2/0/2/0	Mobilization	-	185,185,185	-	185,185,185
	Ministry of Justice	9188/110/0/2/0/1/0	Mobilization	-	87,565,489	10,788,073	76,777,416
	Ministry of Justice	9188/110/0/1/0/4/0	Rent	-	6,448,000	-	6,448,000
	Ministry of Justice	9188/110/0/1/0/3/0	Rent	-	6,760,000	-	6,760,000
	Ministry of Justice	9188/110/0/1/0/6/0	Rent	-	2,162,160	-	2,162,160
	Ministry of Justice	9188/110/0/2/0/4/0	Mobilization	-	46,296,296	11,725,645	34,570,651
110	Ministry of Justice	9188/110/0/2/0/5/0	Mobilization	-	5,893,413	-	5,893,413
	Ministry of Justice	9188/110/0/1/0/7/0	Rent	-	236,964	-	236,964
	Ministry of Justice	9188/110/0/2/0/6/0	Mobilization	-	56,373,205	-	56,373,205
	Ministry of Justice	9188/110/0/2/0/3/0	Mobilization	-	55,725,926	-	55,725,926
	Ministry of Justice	9188/110/0/1/0/5/0	Rent	-	6,515,600	-	6,515,600
	Ministry of Justice	9188/110/0/1/0/1/0	Rent	7,929,180	-	-	7,929,180
	Ministry of Justice	9188/110/0/1/0/2/0	Rent	795,000	-	-	795,000
111	Ministry of Health	9188/111/0/2/0/1/0	Mobilization	-	-	-	-
118	Ministry of Agriculture	9188/118/0/1/0/1/0	Rent	132,930,000	-	69,930,000	63,000,000
	Ministry of Power	9188/119/0/1/0/3/0	Rent	-	9,550,000	-	9,550,000
119	Ministry of Power	9188/119/0/1/0/2/0	Rent	5,101,392	-	5,101,392	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/10/0	Mobilization	(0.01)	0.01	-	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/11/0	Mobilization	9,915,527	-	9,915,527	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/13/0	Mobilization	6,637,652	-	6,637,652	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/14/0	Mobilization	3,966,211	1,929,175	5,895,386	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/15/0	Mobilization	5,949,316	-	5,949,316	-
130	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/16/0	Mobilization	17,582,984	-	11,128,188	6,454,796
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/17/0	Mobilization	21,292,213	-	-	21,292,213
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/4/0	Mobilization	10,995,836	-	10,995,836	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/8/0	Mobilization	48,969,787	-	-	48,969,787
136	Ministry of Sports	9188/136/0/2/0/1/0	Mobilization	(12,440,051)	12,440,051	-	-
194	Ministry of Youth and Sports	9188/194/0/2/0/1/0	Mobilization	-	7,190,363	-	-

**Notes to the Financial Statements contd...**

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
	Department of Sports Development	9188/219/0/2/0/11/0	Mobilization	287,894	-	287,894	-
	Department of Sports Development	9188/219/0/2/0/14/0	Mobilization	3,449,801	-	3,449,801	0
	Department of Sports Development	9188/219/0/2/0/18/0	Mobilization	11,005,447	843,193	4,661,767	7,186,874
	Department of Sports Development	9188/219/0/2/0/19/0	Mobilization	4,132,418	-	4,132,418	-
	Department of Sports Development	9188/219/0/2/0/2/0	Mobilization	4,005,736	-	4,005,736	-
	Department of Sports Development	9188/219/0/2/0/21/0	Mobilization	50	-	50	-
	Department of Sports Development	9188/219/0/2/0/22/0	Mobilization	9,325,135	-	2,508,905	6,816,230
	Department of Sports Development	9188/219/0/2/0/23/0	Mobilization	25,000,000	588,306	15,068,778	10,519,528
	Department of Sports Development	9188/219/0/2/0/24/0	Mobilization	5,000,000	-	-	5,000,000
	Department of Sports Development	9188/219/0/2/0/25/0	Mobilization	3,623,390	-	2,225,090	1,398,300
	Department of Sports Development	9188/219/0/2/0/26/0	Mobilization	2,013,781	-	2,013,781	-
	Department of Sports Development	9188/219/0/2/0/27/0	Mobilization	5,000,000	-	-	5,000,000
	Department of Sports Development	9188/219/0/2/0/28/0	Mobilization	5,295,225	-	3,672,071	1,623,155
	Department of Sports Development	9188/219/0/2/0/3/0	Mobilization	3,878,284	-	3,878,284	-
	Department of Sports Development	9188/219/0/2/0/30/0	Mobilization	1,835,944	-	1,835,944	-
	Department of Sports Development	9188/219/0/2/0/31/0	Mobilization	39,236,589	-	39,236,589	-
	Department of Sports Development	9188/219/0/2/0/32/0	Mobilization	5,000,000	-	1,723,769	3,276,231
	Department of Sports Development	9188/219/0/2/0/33/0	Mobilization	28,529,654	-	-	28,529,654
	Department of Sports Development	9188/219/0/2/0/34/0	Mobilization	36,983,286	-	36,983,286	-
	Department of Sports Development	9188/219/0/2/0/9/0	Mobilization	20,577,815	0.31	20,577,815	-
	Sri Lanka Army	9188/222/0/1/0/17/0	Rent	14,850,000	-	850,000	14,000,000
	Sri Lanka Army	9188/222/0/1/0/19/0	Rent	(8,800,000)	800,000	-	(8,000,000)
	Sri Lanka Army	9188/222/0/1/0/20/0	Rent	10,875,000	-	875,000	10,000,000
	Sri Lanka Army	9188/222/0/1/0/22/0	Rent	1,023,750	-	23,750	1,000,000
	Sri Lanka Army	9188/222/0/2/0/3/0	Mobilization	244,306	-	244,306	-
	Sri Lanka Army	9188/222/0/2/0/4/0	Mobilization	779,400	-	779,400	-
	Sri Lanka Army	9188/222/0/2/0/5/0	Mobilization	714,888	-	714,888	-
	Department of Police	9188/225/0/2/0/1/0	Mobilization	-	9,444,469	-	9,444,469
	Courts Administration	9188/228/0/2/0/55/0	Mobilization	-	8,202,009	3,981,978	4,220,031
	Courts Administration	9188/228/0/2/0/56/0	Mobilization	-	4,135,000	1,434,444	2,700,556
	Courts Administration	9188/228/0/2/0/58/0	Mobilization	-	9,257,126	-	9,257,126
	Courts Administration	9188/228/0/2/0/50/0	Mobilization	-	30,000,000	-	30,000,000
	Courts Administration	9188/228/0/2/0/64/0	Mobilization	-	10,837,080	2,452,187	8,384,893
	Courts Administration	9188/228/0/2/0/1/0	Mobilization	7,635,583	-	1,131,594	6,503,989
	Courts Administration	9188/228/0/2/0/11/0	Mobilization	2,213,407	-	-	2,213,407
	Courts Administration	9188/228/0/2/0/13/0	Mobilization	1,654,708	-	-	1,654,708
	Courts Administration	9188/228/0/2/0/54/0	Mobilization	-	9,990,189	1,239,795	8,750,394
	Courts Administration	9188/228/0/2/0/52/0	Mobilization	-	9,309,559	657,441	8,652,118
	Courts Administration	9188/228/0/2/0/53/0	Mobilization	-	9,404,981	3,058,841	6,346,140
	Courts Administration	9188/228/0/2/0/61/0	Mobilization	-	6,315,171	-	6,315,171
	Courts Administration	9188/228/0/2/0/63/0	Mobilization	-	5,503,350	-	5,503,350

NOTE - 22 - RENT AND WORK ADVANCE ACCOUNT - 2021

Notes to the Financial Statements contd...

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
	Courts Administration	9188/228/0/2/0/62/0	Mobilization	-	8,862,025	-	8,862,025
	Courts Administration	9188/228/0/2/0/67/0	Mobilization	-	14,069,452	-	14,069,452
	Courts Administration	9188/228/0/2/0/65/0	Mobilization	-	42,597,983	-	42,597,983
	Courts Administration	9188/228/0/2/0/66/0	Mobilization	-	11,372,296	-	11,372,296
	Courts Administration	9188/228/0/2/0/68/0	Mobilization	-	11,372,296	-	11,372,296
	Courts Administration	9188/228/0/2/0/70/0	Mobilization	-	11,163,922	-	11,163,922
	Courts Administration	9188/228/0/2/0/69/0	Mobilization	-	9,922,870	-	9,922,870
	Courts Administration	9188/228/0/2/0/57/0	Mobilization	-	5,950,606	640,218	5,310,388
	Courts Administration	9188/228/0/2/0/59/0	Mobilization	-	6,767,565	-	6,767,565
	Courts Administration	9188/228/0/2/0/60/0	Mobilization	-	4,135,000	-	4,135,000
	Courts Administration	9188/228/0/2/0/51/0	Mobilization	-	92,440,650	-	92,440,650
	Courts Administration	9188/228/0/2/0/15/0	Mobilization	23,970,167	-	19,743,451	4,226,716
	Courts Administration	9188/228/0/2/0/16/0	Mobilization	50,000,000	-	24,752,751	25,247,249
	Courts Administration	9188/228/0/2/0/18/0	Mobilization	(145,395)	2,993,189	2,847,794	-
	Courts Administration	9188/228/0/2/0/20/0	Mobilization	1,565,939	-	1,424,267	141,672
	Courts Administration	9188/228/0/2/0/21/0	Mobilization	20,879,278	-	6,820,179	14,059,099
	Courts Administration	9188/228/0/2/0/22/0	Mobilization	10,513,982	-	10,513,982	-
	Courts Administration	9188/228/0/2/0/23/0	Mobilization	26,816,440	2,993,189	15,255,971	14,553,658
	Courts Administration	9188/228/0/2/0/24/0	Mobilization	30,000,000	-	-	30,000,000
	Courts Administration	9188/228/0/2/0/25/0	Mobilization	19,753,363	-	-	19,753,363
	Courts Administration	9188/228/0/2/0/26/0	Mobilization	48,919,200	-	-	48,919,200
	Courts Administration	9188/228/0/2/0/27/0	Mobilization	22,910,036	-	-	22,910,036
	Courts Administration	9188/228/0/2/0/28/0	Mobilization	42,421,114	-	6,312,359	36,108,755
	Courts Administration	9188/228/0/2/0/29/0	Mobilization	82,660,986	-	-	82,660,986
	Courts Administration	9188/228/0/2/0/30/0	Mobilization	12,095,935	-	-	12,095,935
	Courts Administration	9188/228/0/2/0/31/0	Mobilization	(1)	1	-	-
	Courts Administration	9188/228/0/2/0/32/0	Mobilization	25,000,000	-	-	25,000,000
	Courts Administration	9188/228/0/2/0/34/0	Mobilization	3,470,229	-	3,470,229	-
	Courts Administration	9188/228/0/2/0/35/0	Mobilization	2,500,841	-	2,500,841	-
	Courts Administration	9188/228/0/2/0/37/0	Mobilization	4,774,795	-	4,030,339	744,455
	Courts Administration	9188/228/0/2/0/38/0	Mobilization	21,262,769	-	2,042,955	19,219,814
	Courts Administration	9188/228/0/2/0/39/0	Mobilization	2,954,506	-	2,863,546	90,960
	Courts Administration	9188/228/0/2/0/4/0	Mobilization	24,620,718	-	9,737,961	14,882,757
	Courts Administration	9188/228/0/2/0/40/0	Mobilization	2,008,500	-	1,454,693	553,807
	Courts Administration	9188/228/0/2/0/41/0	Mobilization	2,577,337	-	1,579,020	998,317
	Courts Administration	9188/228/0/2/0/42/0	Mobilization	500,000	-	500,000	-
	Courts Administration	9188/228/0/2/0/43/0	Mobilization	432,807	-	432,807	-
	Courts Administration	9188/228/0/2/0/44/0	Mobilization	2,371,733	932,807	3,304,540	-
	Courts Administration	9188/228/0/2/0/45/0	Mobilization	1,905,727	-	-	1,905,727
	Courts Administration	9188/228/0/2/0/46/0	Mobilization	8,084,705	-	3,180,427	4,904,278
	Courts Administration	9188/228/0/2/0/47/0	Mobilization	150,000,000	-	30,348,187	119,651,813
	Courts Administration	9188/228/0/2/0/48/0	Mobilization	7,913,330	-	4,444,280	3,469,050
	Courts Administration	9188/228/0/2/0/49/0	Mobilization	6,901,296	-	3,850,840	3,050,456

NOTE - 22 - RENT AND WORK ADVANCE ACCOUNT - 2021

**Notes to the Financial Statements contd...**

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
247	Sri Lanka Customs	9188/247/0/1/0/1/0	Rent	780,000	-	-	780,000
	District Secretariat, Gampaha	9188/256/0/2/0/3/0	Mobilization	30,273,501	-	30,273,501	-
	District Secretariat, Gampaha	9188/256/0/2/0/4/0	Mobilization	38,973,645	-	38,973,645	-
256	District Secretariat, Gampaha	9188/256/0/2/0/5/0	Mobilization	298,797,943	-	117,037,107	181,760,836
	District Secretariat, Gampaha	9188/256/0/2/0/6/0	Mobilization	7,000,000	-	7,000,000	-
	District Secretariat, Gampaha	9188/256/0/2/0/7/0	Mobilization	23,630,706	-	8,355,292	15,275,415
	District Secretariat, Gampaha	9188/256/0/2/0/8/0	Mobilization	-	11,910,351	-	11,910,351
260	District Secretariat, Nuwara-Eliya	9188/260/0/2/0/3/0	Mobilization	-	619,008	619,008	-
	District Secretariat, Galle	9188/261/0/2/0/10/0	Mobilization	62,907,171	-	-	62,907,171
	District Secretariat, Galle	9188/261/0/2/0/11/0	Mobilization	30,393,751	-	-	30,393,751
261	District Secretariat, Galle	9188/261/0/2/0/12/0	Mobilization	106,648,467	-	-	106,648,467
	District Secretariat, Galle	9188/261/0/2/0/6/0	Mobilization	100,000,000	-	-	100,000,000
	District Secretariat, Galle	9188/261/0/2/0/7/0	Mobilization	30,000,000	-	-	30,000,000
	District Secretariat, Galle	9188/261/0/2/0/9/0	Mobilization	5,139,892	-	-	5,139,892
276	District Secretariat - Badulla	9188/276/0/2/0/7/0	Mobilization	5,913,253	-	5,235,264	677,989
290	Department of Fisheries and Aquatic Resources	9188/290/0/2/0/1/0	Mobilization	8,518,925	-	-	8,518,925
408	State Ministry of Rattan, Brass, Pottery Furniture and Rural Industrial Promotion	9188/408/0/1/0/1/0	Rent	15,398,840	-	-	15,398,840
	State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness	9188/411/0/2/0/1/0	Mobilization	75,741,367	-	75,741,367	-
411	State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness	9188/411/0/2/0/2/0	Mobilization	136,212,990	-	13,271,733	122,941,256
	State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness	9188/411/0/2/0/3/0	Mobilization	50,000,000	-	-	50,000,000
<b>Total</b>				<b>2,190,967,323</b>	<b>843,005,471</b>	<b>777,521,531</b>	<b>2,256,451,263</b>

## Notes to the Financial Statements contd...

	2021 Rs	2020 Rs
<b>NOTE – 23 – CONSOLIDATED FUND</b>		
Opening Balance of the Consolidated Fund as at 1st January	(636,307,917,452)	(437,631,022,813)
<b>Add Receipts to the Consolidated Fund</b>		
Total Cash flow from Operating Activities	1,485,479,793,128	1,415,376,473,613
Total Cash flow from Investing Activities	26,481,960,340	29,838,054,021
Total Cash flow from Financing Activities	3,043,148,148,877	2,861,143,096,972
<b>Total Cash Receipts (a)</b>	<b>4,555,109,902,345</b>	<b>4,306,357,624,606</b>
<b>Less Total Payments of the Consolidated Fund</b>		
Total Cash Disbursement for Operating Activities	2,757,505,695,954	2,712,697,602,580
Total Cash Disbursement for Investing Activities	789,636,210,652	811,772,950,114
Total Cash Disbursement for Financing Activities	1,342,552,941,085	1,051,238,330,492
<b>Total Cash Payments (b)</b>	<b>4,889,694,847,691</b>	<b>4,575,708,883,186</b>
<b>Net Cash Flow (a) – (b)</b>	<b>(334,584,945,346)</b>	<b>(269,351,258,580)</b>
<b>Net Change in Deposit Accounts and Liabilities</b>	<b>(19,598,069,646)</b>	<b>70,674,363,941</b>
<b>Closing Balance of the Consolidated Fund as at 31st December</b>	<b>(990,490,932,444)</b>	<b>(636,307,917,452)</b>
<b>NOTE – 24 – FOREIGN LOAN REVOLVING FUNDS</b>		
Reimbursable Foreign Aid Revolving Fund (8760 )	2,512,164,731	2,476,572,607
IDA Revolving Fund (8814)	37,822,770,445	13,768,135,208
ADB Special Dolor Revolving Fund (8919)	3,529,991,278	32,157,209,572
CBSL Special Dollar Account (International Fund for Agr. Dev. Revolving Fund) (8974)	1,191,797,328	642,084,728
CBSL Revolving Fund (Yen ) (9095)	2,312,951,750	3,035,867,648
Special Rupee Revolving Fund (9120)	–	(476,985)
Special Foreign Currency Revolving Fund (Euro Italy) (9121)	–	2,573,887,625
Special Rupee Revolving Fund (9122)	–	–
Special Foreign Currency Revolving Fund (9126)	1,415,898,108	1,581,759,303
Revolving Fund Account for Asian Infrastructures Investment Bank (9201)	67,217,451	4,382,080
	<b>48,852,791,091</b>	<b>56,239,421,786</b>
<b>NOTE – 25 – MISCELLANEOUS FUNDS</b>		
Public Service Provident Fund Account (8098)	(4,785,918)	(4,867,039)
Teachers' Widows & Orphans Pension Fund (8186)	2,430,798,164	2,049,189,335
	<b>2,426,012,245</b>	<b>2,044,322,296</b>
<b>NOTE – 26 – NET ASSETS ADJUSTMENTS 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)	(3,779,702,051,390)	(3,576,768,529,863)
Treasury Bond Repayment Account (9103)	(6,937,927,735,500)	(5,689,503,985,500)
SL Development Bond Investment Account (9106)	(460,077,748,858)	(491,856,676,520)
Foreign Currency Banking Unit Investment Account (9108)	(139,301,491,000)	(227,418,004,000)
Treasury Bills Utilization Account (9109)	(2,270,711,562,156)	(1,621,375,290,000)
Lease Asset Investment Account (9183)	(478,415,689)	(731,947,865)
Foreign Currency Term Financing Facility (9191)	(445,520,567,580)	(279,612,300,000)
International Sovereign Bond Investment Account (9195)	(2,615,661,090,000)	(2,619,035,210,000)
Foreign Currency Banking Unit (Project) Investment Account (9197)	(20,247,148,867)	(19,347,619,413)
Suhurupaya Investment Account of Ministry of Defence (9199)	(5,120,276,421)	(5,689,196,024)
Treasury Bond Investment Account (Active Liability Management Act) (9203)	(30,000,000,000)	(30,000,000,000)
Retirement Gratuity Investment Account (9208)	(52,994,701,403)	(57,065,117,972)
Domestic Term Loan Facility Investment Account (9211)	(45,000,000,000)	(50,000,000,000)
	<b>(16,826,830,788,865)</b>	<b>(14,692,491,877,157)</b>

## Notes to the Financial Statements contd...

	2021 Rs	2020 Rs
<b>Impact on Acquisition of Financial &amp; Non Financial Assets</b>		
Government Corporations Capital Fund (8467)	556,278,998,278	518,166,035,712
Government Shares Account (8547)	204,498,407,100	151,481,645,201
On-lent Loan Investment Account (9117)	173,491,458,394	171,622,550,455
Property Plant & Equipment Reserve Fund Account (9165)	1,691,898,208,559	1,628,930,503,312
Work in Progress Reserve Fund Account (9166)	156,940,474,795	125,005,204,092
Lease Asset Reserve Fund Account (9182)	1,168,658,903	22,432,568,379
Rental & Work Advance Reserve (9189)	2,256,451,263	2,190,967,323
	<b>2,786,532,657,291</b>	<b>2,619,829,474,474</b>
<b>Balance as at 31st December</b>	<b>(14,040,298,131,574)</b>	<b>(12,072,662,402,683)</b>

**Note:** In accordance with Article No. 149 & 150 of the Constitution of the Democratic Socialist Republic of Sri Lanka, acquisition of financial & non-financial assets and domestic & foreign borrowings are accounted as payments and receipts to the consolidated fund.

Assets & liabilities corresponding to those receipts and payments are included in the Financial Position Report and its impact on net assets are adjusted through Net Asset Adjustment Account.

### NOTE - 27 - BANK BALANCE

Treasury Authorized Imprest Account (7002)	4,277,980,931	3,339,253,119
Treasury Authorized Imprest Account- (RFA) (7003)	21,320,166	20,643,897
DST Cash Account (8020) Note - 27(i)	(821,576,593,794)	(481,135,265,917)
Crown Agent Current Account (8030)	42,329,765	38,372,439
Temporary Employed Balances of CBSL (8192)	(18,901,949,309)	(19,400,362,608)
Central Bank of Sri Lanka - IDA Special Dollar Accounts (8813)	20,019,713,552	12,456,065,939
ADB Loan SLCB Special Dollar Account (8918)	15,384,284,098	18,736,972,263
International Fund for Agriculture Development Special Dollar Account (8973)	1,085,976,249	1,125,133,392
Central Bank Special Yen Account (9094)	41,322,645	188,985,871
Special Foreign Currency French Development Agency Account (9125)	379,389,946	508,097,722
Central Bank Special Dollar Account for Asian Infrastructures Investment Bank (9200)	772,640,508	253,463,987
	<b>(798,453,585,243)</b>	<b>(463,868,639,897)</b>

### NOTE - 27(i)

#### Sub Accounts of DST Accounts - (8020)

Bank of Ceylon - 0002026450	(494,982,952,726)	(264,222,911,396)
Peoples Bank - 014100130110432	(337,159,872,907)	(224,557,427,240)
Central Bank of Sri Lanka - 50516	182,917	140,995
Central Bank of Sri Lanka - 45013	1,484,824,288	-
Central Bank of Sri Lanka - 50549	1.17	1.17
Central Bank of Sri Lanka - 50550	2,160,562,470	2,578,846,590
Central Bank of Sri Lanka - 50551	84,142,350	0.01
Central Bank of Sri Lanka - 50552	-	1,480,416,092
Central Bank of Sri Lanka - 50556	1,440,890,450	-
Central Bank of Sri Lanka - 50557	263,530,096	-
Central Bank of Sri Lanka - 50558	15,190,432	-
Central Bank of Sri Lanka - 73138	4,489,576,621	-
Central Bank of Sri Lanka - 73139	55,296,115	-
Bank of Ceylon - 0007041570	571,216,724	571,216,724
Bank of Ceylon - 0007041571	819,374	819,374
Bank of Ceylon - 0007041573	-	-
Bank of Ceylon - 0007041579	-	3,013,632,944
	<b>(821,576,593,794)</b>	<b>(481,135,265,917)</b>

## Notes to the Financial Statements contd...

	2021 Rs	2020 Rs
<b>NOTE – 28 – ADVANCES FROM CENTRAL BANK OF SRI LANKA</b>	150,128,800,400	153,079,071,400
	<b>150,128,800,400</b>	<b>153,079,071,400</b>
<b>NOTE – 29 – GOVERNMENT BORROWINGS</b>		
<b>Domestic</b>		
Treasury Bills (8085)	2,270,711,562,156	1,621,375,290,000
Treasury Bonds (9093)	6,937,927,735,500	5,689,503,985,500
Rupee Loans (8249)	24,088,000,000	24,088,000,000
Sri Lanka Development Bonds (9105)	460,077,748,858	491,856,676,520
Local Loans in Foreign Currency (9107)	139,301,491,000	227,418,004,000
Foreign Currency Banking Units (Projects) (9196) <b>Note 29(I)</b>	20,247,148,867	19,347,619,413
Suhurupaya Loan Account of Ministry of Defence (9198)	5,120,276,421	5,689,196,024
Treasury Bond Account (Active Liability Management Act) (9202)	30,000,000,000	30,000,000,000
Retirement Gratuity Loan Account (9207)	52,994,701,403	57,065,117,972
Domestic Term Loan Facility (9210)	45,000,000,000	50,000,000,000
Lease Creditors (9181)	478,415,689	731,947,865
<b>Total Borrowings – Domestic (a)</b>	<b>9,985,947,079,895</b>	<b>8,217,075,837,294</b>
<b>Foreign</b>		
Foreign (Projects) (8343) <b>Note 29(II)</b>	3,779,702,051,391	3,576,768,529,864
Foreign Currency Term Financing Facility (9190) <b>Note 29(III)</b>	445,520,567,580	279,612,300,000
International Sovereign Bond (9194) <b>Note 29(IV)</b>	2,615,661,090,000	2,619,035,210,000
<b>Total Foreign Borrowings (b)</b>	<b>6,840,883,708,971</b>	<b>6,475,416,039,864</b>
<b>Total Borrowings = (a)+(b)</b>	<b>16,826,830,788,866</b>	<b>14,692,491,877,158</b>
<b>NOTE – 30 – DEPOSITS</b>		
Treasury General Deposit Account (6000)	82,323,142,224	78,263,281,053
Treasury Deposit Account for District Secretaries (6003)	(10,000,000)	(10,002,970)
	<b>82,313,142,224</b>	<b>78,253,278,083</b>
<b>NOTE – 31- ACCOUNTS OPERATING WITH GOVERNMENT DEPARTMENTS</b>		
General Manager – Railway Department (8003)	(1,000,515,781)	(1,000,515,781)
Director General of Customs (8005)	3,292,129	(1,121,266)
Cheques Return from Banks (8657)	(3,995,094)	(3,995,094)
Treasury Operations Department (9092)	309,808,730	310,479,000
Collection of GST (9098)	–	(37,953,565)
Non Operating Accounts (9100)	4,809,582,723	2,275,996,385
Agency Transaction in Postal Department (9184)	456,868,825	942,811,404
Value Added Control Account (9185)	195,044,111	185,316,868
Treasury Bond Premium Account (9186)	79,658,360,719	51,146,978,290
Treasury Bill Discount Account (9187)	(70,428,050,061)	(67,917,668,233)
Accrued Interest on Treasury Bond (9192)	14,767,541,757	11,446,802,869
Discount on Treasury Bill Issuance (9193)	(42,905,145,308)	(36,742,985,139)
	<b>(14,137,207,250)</b>	<b>(39,395,854,262)</b>
<b>NOTE – 32 – SUNDRY ACCOUNTS</b>		
Parity Variance Account on Crown Agent Account (8029)	112,162,211	109,673,446
Foreign Aid Expenditure Account (8301)	–	(80,558,007)
Stock Certificates received from Inland Revenue Commissioner as Capital Tax (8491)	–	(88,589)
Investment Account for National Housing Bonds (8859)	–	(1,284,200)
Public Service Mutual Guarantee Association (8013)	370,023	295,273
Fuel Price Stabilization Account (9209)	(26,673,196,758)	(26,673,196,758)
	<b>(26,560,664,524)</b>	<b>(26,645,158,835)</b>



## Notes to the Financial Statements contd...

Note – 29(i) FOREIGN CURRENCY BANKING UNIT LOAN (PROJECT) BALANCES (9196)

Loan Key	Project Name	Loan Currency	Balance as at 01.01.2021		Accounted during the year		Repayments		Closing Balance as at 31.12.2021		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
1	2013013 Greater Rathnapura Water Supply Project Phase 1	USD	181,008	33,711,376	-	-	181,008	35,870,446	2,129,070	-	
2	2013011 Construction of 210 Steel Bridges Project	USD	3,106,490	579,074,912	-	-	1,242,595	249,065,664	43,578,234	1,863,895	
3	2013028 Upgrading of Peripheral Blood Bank -National Transfusion Service	USD	776,126	144,676,082	-	-	776,125	152,979,147	8,303,065	1	
4	2013044 Implementation of Badulla, Haliela & Ella Integrated Water Supply Project	USD	1,683,637	313,843,623	-	-	1,683,629	337,466,506	23,622,883	8	
5	2014014 Monaragala - Buttala Integrated Water Supply Scheme	LKR	997,368,042	997,368,042	-	-	117,337,417	117,337,417	-	880,030,625	
6	2015035 Establishment of Clinical Waste Management Systems in the Needy Hospitals Project	LKR	267,681,514	267,681,514	-	-	28,177,002	28,177,002	-	239,504,513	
7	2016002 Anamaduwuwa Integrated Water Supply Project	LKR	533,786,974	533,786,974	419,072,469	419,072,469	90,568,650	90,568,650	-	862,290,793	
8	2016042 Southern Expressway Sec 02 Beliatta to Wetiya	LKR	4,547,766,078	4,547,766,078	1,708,674,302	1,708,674,302	580,112,800	580,112,800	-	5,676,327,579	
9	2017044 Pilot Project on Establishment of a Ground Water Monitoring Network in 03 Selected Districts	LKR	603,425,195	603,425,195	-	-	48,274,016	48,274,016	-	555,151,180	
10	2017045 Procuring of 09 no Diesel Multiple Units	USD	13,608,374	2,536,712,622	-	-	869,363	174,538,174	191,154,091	12,739,011	
11	2011034 Kolonna - Balangoda Water Supply Project	EUR	5,206,671	1,194,524,280	-	-	924,464	213,952,263	(9,106,323)	4,282,207	
12	2012005 Greater Dambulla Water supply Project I	USD	7,842,084	1,461,828,614	-	-	1,425,833	285,102,506	109,307,353	6,416,250	
13	2012013 Development of Hambantota General Hospital	EUR	3,220,399	738,823,824	-	-	585,527	136,634,365	(4,439,762)	2,634,872	
14	2015020 Kolonna - Balangoda Water Supply Project - Additional Financing	LKR	244,490,827	244,490,827	-	-	29,127,500	29,127,500	-	215,363,327	
15	2012014 Development of Nuwara Eliya District General Hospital	EUR	2,704,958	620,571,373	-	-	491,810	114,765,325	(3,729,162)	2,213,148	
16	2018034 Widening & Improvement of 64.31 Km roads & Reconstruction of 13 Bridges in the Central & Uva Province of SL	USD	11,235,189	2,094,331,426	-	-	-	91,819,167	249,399,501	11,235,189	
17	2019031 Upgrading Health Facilities in selected Hospitals in Sri Lanka	LKR	2,241,006,300	2,241,006,300	-	-	-	-	-	2,241,006,300	
18	2019037 Establishment of National and the Obstetrics Reference Center for the De Soysa Maternity National Hospital Project	EUR	845,464	193,966,351	3,744,664	824,945,590	-	-	22,409,087	4,590,128	
	<b>Total</b>			<b>19,347,619,413</b>		<b>2,952,692,361</b>		<b>2,685,790,944</b>	<b>632,628,037</b>		<b>20,247,148,867</b>

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.	
<b>AB Svensk Ex.Credit</b>												
1	Ratmalana & Ja-Ela Wastewater Treatment Facilities Project (Sweden)	USD	46,233,465	8,618,296,892			11,550,682	2,318,184,987	651,489,909	34,682,783	6,951,601,814	
<b>Asian Development Bank (ADB)</b>												
2	1st Small & Medium Industries Project	XDR	3,013,199	808,977,977			430,400	123,036,081	38,598,088	2,582,799	724,539,984	
3	2nd Development Financing Project	XDR	9,641,647	2,588,571,110			1,134,400	322,330,844	120,256,094	8,507,247	2,386,496,360	
4	2nd DFCC Project	XDR	(3,230)	(867,077)			-	-	867,077	-	-	
5	2nd Small & Medium Industries Project	XDR	8,223,422	2,207,808,606			783,200	223,889,077	103,249,378	7,440,222	2,087,168,907	
6	2nd Technical Education Project	XDR	4,982,986	1,337,822,606			711,600	203,595,817	64,004,188	4,271,386	1,198,230,977	
7	3rd Development Financing Project	XDR	14,228,685	3,820,090,183			1,293,400	367,743,457	176,325,255	12,935,285	3,628,671,981	
8	3rd Water Supply & Sanitation Sector	XDR	37,852,659	10,162,610,091			2,226,600	633,004,666	464,398,467	35,626,059	9,994,003,892	
9	ADB Funded Fiscal Management Efficiency Project	USD	25,341,761	4,723,912,071			833,574	165,084,497	353,444,450	24,508,187	4,912,269,024	
10	Agricultural Inputs Programme	XDR	6,206,742	1,666,374,302			1,034,600	295,755,411	80,296,763	5,172,142	1,450,915,654	
11	1989068 Agriculture Programme	XDR	24,337,524	6,534,092,095			2,704,200	773,698,435	308,296,606	21,633,324	6,068,690,266	
12	1989067 Agriculture Rehabilitation Project	XDR	5,159,833	1,385,302,286			607,200	172,531,108	64,356,781	4,552,633	1,277,127,959	
13	1983071 Aquaculture Development Project	XDR	1,588,952	426,598,795			635,800	181,826,671	22,610,916	953,152	267,383,040	
14	2002007 Aquatic Resource & Quality Improvement	XDR	5,554,217	1,491,185,611			411,422	117,981,961	69,479,415	5,142,795	1,442,683,065	
15	2003003 Aquatic Resource Dev. & Quality Improvement	JPK	336,813	608,991,661			39,010	69,956,149	(20,411,961)	297,803	518,623,551	
16	2016038 Capital Market Development Programme	USD	109,375,000	20,388,396,877			10,416,667	2,088,458,332	1,534,656,250	98,958,333	19,834,594,795	
17	2009006 Clean Energy and Access Improvement Project	USD	98,287,400	18,321,577,419			3,941,998	790,427,768	1,378,857,885	94,345,402	18,910,007,536	
18	2009007 Clean Energy and Access Improvement Project	XDR	13,798,566	3,704,612,603			701,792	200,789,650	170,150,696	13,096,774	3,673,973,649	
19	2013015 Clean Energy and Network Efficiency Improvement Project	USD	74,016,423	13,797,268,347	33,457	6,065,809	6,170,809	1,221,790,898	1,023,716,929	67,879,071	13,605,260,187	

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
20	2013017	XDR	17,324,144	4,651,153,104		721,840	204,730,918	210,940,635	16,602,304	4,657,362,821	
	Clean Energy and Network Efficiency Improvement Project										
21	1999002	XDR	12,173,351	3,268,278,117		1,106,670	314,651,812	150,855,458	11,066,681	3,104,481,763	
	Coastal Resource Management Project										
22	2010116	XDR	52,517	14,099,625		52,517	15,094,087	994,462	-	-	
	Coconut Development Project										
23	2001003	XDR	3,123,177	838,504,734		240,244	68,138,886	38,369,332	2,882,933	808,735,180	
	Colombo Fort Efficiency and Expansion Project										
24	2007007	USD	236,228,790	44,034,983,452		11,691,221	2,307,048,653	3,276,983,255	224,537,569	45,004,918,054	
	Colombo Port Expansion Project										
25	2010118	XDR	342,500	91,953,698		342,500	98,104,775	6,151,077	-	-	
	Community Forestry Project										
26	2004004	XDR	29,119,061	7,817,830,278		677,200	187,398,294	348,224,029	28,441,861	7,978,656,013	
	Conflict Affected Areas Rehabilitation Project										
27	2004012	USD	22,006,116	4,102,120,387		678,226	131,303,070	304,012,558	21,327,890	4,274,829,875	
	Conflict Affected Areas Rehabilitation Project										
28	2010021	USD	133,173,906	24,824,708,037		2,018,806	404,900,658	1,868,107,651	131,155,100	26,287,915,030	
	Conflict Affected Region Emergency Project										
29	1985004	XDR	3,698,465	992,956,821		740,000	211,539,730	48,506,562	2,958,465	829,923,653	
	Development Financing Project										
30	2003005	XDR	14,420,175	3,871,501,186		994,496	282,727,301	177,466,059	13,425,679	3,766,239,944	
	Distance Education Modernization Project										
31	2009008	XDR	25,360,997	6,808,872,188		1,268,050	362,801,683	312,605,756	24,092,947	6,758,676,261	
	Dry zone Urban Water and Sanitation Project										
32	2013021	XDR	25,844,557	6,938,697,620		1,076,856	308,806,000	318,070,244	24,767,701	6,947,961,864	
	Dry Zone Urban Water and Sanitation Project (ADF)										
33	2009018	XDR	36,791,970	9,877,838,328		1,751,998	497,816,466	449,569,920	35,039,972	9,829,591,782	
	Eastern & North Central Provincial Road Project										
34	2007031	XDR	32,721,801	8,785,086,856		1,722,200	492,738,497	403,817,702	30,999,601	8,696,166,061	
	Education for Knowledge Society Project										
35	2013034	USD	79,296,458	14,781,509,913		4,286,295	859,596,325	1,112,658,316	75,010,163	15,034,571,904	
	Education Sector Development Programme (OCR)										
36	2013035	XDR	52,437,875	14,078,421,048		2,996,450	851,343,780	642,483,424	49,441,425	13,869,560,692	
	Education Sector Development Programme (ADF)										
37	1996028	XDR	10,534,129	2,828,183,052		702,400	199,564,107	129,427,934	9,831,729	2,758,046,879	
	Emergency Rehabilitation Petroleum Facilities										
38	1988003	XDR	1,645,668	441,825,807		253,400	71,995,364	20,735,666	1,392,268	390,566,109	
	Emergency Road Restoration Project										

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
39	Emergency Schools Restoration Project	XDR	3,213,114	862,650,672			428,600	121,783,323	40,258,646	2,784,514	781,125,995	
40	Financial Management Training Project	XDR	4,227,363	1,134,954,255			325,200	89,679,200	49,379,473	3,902,163	1,094,654,528	
41	Financial Sector Programme	XDR	24,416,525	6,555,302,308			2,441,800	698,623,194	307,782,884	21,974,725	6,164,461,998	
42	Fisheries Sector Project	XDR	8,543,034	2,293,617,443			712,000	202,415,935	105,599,991	7,831,034	2,196,801,499	
43	Forest Resources Management Sector Project	XDR	8,058,396	2,163,502,871			700,732	199,090,199	99,596,782	7,357,664	2,064,009,454	
44	Fourth Development Financing Project	XDR	27,940,879	7,501,514,179			2,069,800	572,765,785	328,738,705	25,871,079	7,257,487,099	
45	Greater Colombo Wastewater Management Project (ADF)	XDR	10,840,741	2,900,564,398	323,143	91,201,341	531,666	151,068,715	141,906,992	10,632,218	2,982,604,016	
46	Greater Colombo Wastewater Management Project (OCR)	USD	61,013,656	11,373,555,574	4,065,373	802,623,845	2,190,826	432,415,466	861,157,764	62,888,203	12,604,921,717	
47	Greater Colombo Water and Wastewater Management Improvement Investment Programme-3	XDR	321,397	86,288,618	403,598	115,143,695	179,547	51,370,512	2,949,907	545,447	153,011,708	
48	Greater Colombo Water and Waste Water Management Imp. Inv. Programme-3 (OCR)	USD	18,352,150	3,421,024,205	22,558,032	4,545,623,309	1,253,705	251,672,782	233,523,516	39,656,476	7,948,498,247	
49	Greater Colombo Water Wastewater Management Improvement Project 1	USD	59,083,024	11,013,560,184	4,060,803	767,931,119	3,492,369	698,255,506	872,932,618	59,651,458	11,956,168,415	
50	Greater Colombo Water Wastewater Management Improvement Project 1	XDR	6,794,152	1,824,059,993	2,264,569	638,721,630	382,666	109,390,625	80,460,599	8,676,056	2,433,851,598	
51	Greater Colombo Water & Waste Water Management Pro-2	USD	35,898,177	6,691,714,420	16,783,543	3,359,432,919	2,276,343	455,137,888	506,931,622	50,405,376	10,102,941,072	
52	Greater Colombo Water & Waste Water Management Pro-2	XDR	2,233,546	599,658,256	1,159,652	327,784,926	592,437	169,358,857	27,599,485	2,800,761	785,683,810	

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (83343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021		
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.	
53	Green Power Development & Energy Efficiency Improvement Programme	XDR	6,553,914	1,759,594,941	408,140	106,108,647	938,400	266,615,829	90,698,635	6,023,655	1,689,786,393
54	Green Power Development & Energy Efficiency Improvement Programme	USD	20,494,422	3,820,365,296	2,390,044	440,510,389	1,963,391	393,845,143	326,260,104	20,921,075	4,193,290,647
55	Health & Population Project	XDR	403,443	108,315,720	269,400	77,043,261	6,329,967	134,043	37,602,426		
56	Health System Enhancement Project	USD	13,849,094	2,581,584,602	6,701,478	1,340,560,458	-	-	196,884,070	20,550,571	4,119,029,130
57	Health System Enhancement Project - Additional Financing	USD	12,059,376	2,434,462,405	-	-	-	-	(17,355,854)	12,059,376	2,417,106,551
58	Integrated Road Investment Programme	XDR	54,288,724	14,575,333,337	7,239,926	2,051,171,118	3,238,350	896,132,997	621,520,554	58,290,299	16,351,892,012
59	Integrated Road Investment Programme - Tranche - 4	USD	64,201,337	11,967,655,597	34,338,319	6,895,597,297	-	-	887,424,711	98,539,656	19,750,677,605
60	Integrated Road Investment Programme- Tranch 2(ADF)	XDR	5,835,850	1,566,797,813	307,150	84,996,139	69,137,340	5,528,700	1,550,939,014		
61	Integrated Road Investment Programme- Tranch 2(OCR)	USD	92,795,255	17,297,796,455	564,959	111,274,678	4,654,195	900,447,109	1,271,060,433	88,706,018	17,779,684,457
62	Integrated Road Investment Programme- Tranch 3	USD	156,446,655	29,162,939,265	18,553,345	3,554,165,252	7,751,485	1,501,820,691	2,306,971,636	167,248,515	33,522,255,462
63	Integrated Road Investment Programme- Tranch 3	XDR	17,710,000	4,754,747,151	885,500	245,040,151	209,987,545	16,824,500	4,719,694,545		
64	Jaffna & Kilinochchi Water Supply Project Additional Financing	USD	2,174,772	405,395,326	7,225,870	1,438,828,119	-	-	39,983,018	9,400,642	1,884,206,463
65	Jaffna & Kilinochchi Water Supply Project Additional Financing	USD	403,058	75,133,290	6,819,203	1,366,290,396	-	-	6,161,581	7,222,261	1,447,585,267
66	Jaffna & Kilinochchi Water Supply & Sanitation Project ADF	XDR	36,878,649	9,901,109,689	2,593,985	731,631,284	1,845,250	527,944,324	450,629,052	37,627,384	10,555,425,701
67	Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	USD	5,448,039	1,015,559,149	794,723	159,652,369	175,209	35,138,295	76,069,632	6,067,553	1,216,142,855
68	Kirindioya Irrigation & Settlement Project	XDR	2,991,878	803,253,756	498,800	142,589,213	38,706,449	2,493,078	699,370,992		

Notes to the Financial Statements contd...

NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (83343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
69	Kirindioya Irrigation & Settlement Project	XDR	780,291	209,491,172			392,451	111,562,691	10,870,379	387,840	108,798,860
70	Land Use Planning Project	XDR	1,441,663	387,054,930			240,200	68,126,407	18,111,992	1,201,463	337,040,515
71	Livestock Development Project	XDR	985,845	264,677,793			495,481	140,851,232	13,732,873	490,364	137,559,434
72	Local Government Infrastructure Improvement Project	XDR	18,200,210	4,886,357,851			1,070,602	306,309,850	225,237,049	17,129,608	4,805,285,050
73	Local Government Enhancement Sector Project	XDR	33,982,147	9,123,462,419			1,510,318	432,116,957	417,817,781	32,471,829	9,109,163,243
74	Local Government Enhancement Sector Project (ADF)	USD	32,945,848	6,141,435,490	13,543,242	2,664,605,473	1,500,000	302,121,750	513,415,074	44,989,090	9,017,334,287
75	Low-income Housing Development Project	XDR	5,805,851	1,558,743,856			553,000	153,029,027	67,841,734	5,252,851	1,473,556,563
76	Mahaweli Water Security Investment Programme – Tranche 2	USD	909,127	169,468,802	56,962,131	11,238,660,936	-	-	191,226,574	57,871,259	11,599,356,312
77	Mahaweli Water Security Investment Programme – Tranche 2	USD	16,792,839	3,130,322,900	8,469,115	1,673,046,980	-	-	259,979,596	25,261,954	5,063,349,476
78	Mahaweli Water Security Investment Programme-Tranch 1	XDR	28,807,100	7,734,075,507	10,081,557	2,815,417,581	2,679,400	761,264,336	369,376,840	36,209,258	10,157,605,592
79	Mahaweli Water Security Investment Programme-Tranch 1	USD	27,065,092	5,045,155,193	11,444,924	2,219,342,949	1,746,420	350,345,321	454,514,537	36,763,597	7,368,667,358
80	Modernization of Revenue Administration	USD	7,987,837	1,488,998,235			581,701	116,740,018	112,181,634	7,406,136	1,484,439,851
81	National Development Bank of Sri Lanka	XDR	229,039	61,492,087			229,039	60,855,277	(636,810)	-	-
82	National Highways Sector Project AF	USD	110,040,692	20,512,487,526			6,833,979	1,370,311,816	1,543,938,247	103,206,713	20,686,113,957
83	National Highways Sector Project AF OCR	USD	72,651,596	13,542,853,165			1,977,929	390,314,598	1,012,853,062	70,673,667	14,165,391,629
84	NCP Rural Development Project	XDR	7,461,646	2,003,288,458			481,400	136,774,147	91,619,809	6,980,246	1,958,134,120
85	N-E Community Restoration & Dev. Project II Supplementary	XDR	7,537,442	2,023,638,128			152,200	43,269,250	91,376,894	7,385,242	2,071,745,772
86	North East Coastal Community Div. Project	XDR	7,987,386	2,144,438,223			532,492	147,353,947	94,200,615	7,454,894	2,091,284,891





Notes to the Financial Statements contd...

NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
104	USD	Project Design Advance for Northern Province Sustainable Fisheries Development Project	784,181	146,177,791	-	-	174,262	34,938,137	11,008,753	609,919	122,248,407
105	XDR	Protected Area Mgt. & Wildlife Conserve. Project	3,963,684	1,064,162,384	-	-	344,668	98,050,488	49,112,965	3,619,016	1,015,224,861
106	USD	Railway Efficiency Improvement Project	2,146,610	400,145,643	14,304,234	2,858,697,734	-	-	38,461,677	16,450,843	3,297,305,054
107	USD	Responsive COVID-19 Vaccines for Recovery Project – Project Investment Component	-	-	-	-	-	-	-	-	-
108	USD	Responsive COVID-19 Vaccines for Recovery Project – Rapid Response Component	-	-	18,000,000	3,600,000,000	-	-	7,808,400	18,000,000	3,607,808,400
109	XDR	Road Network Improvement Project	45,861,811	12,312,891,904	-	-	2,547,800	724,398,317	562,173,705	43,314,011	12,150,667,292
110	XDR	Road Sector Development	23,524,270	6,315,751,265	-	-	1,680,304	476,574,001	288,603,432	21,843,966	6,127,780,696
111	USD	Rooftop Solar Power Generation Project	29,691,210	5,534,684,930	20,308,790	4,099,542,192	-	-	387,462,878	50,000,000	10,021,690,000
112	USD	Rural Finance Sector Development Programme	5,288,328	985,787,765	-	-	458,071	88,683,974	71,043,122	4,830,257	968,146,914
113	XDR	Rural Finance Sector Development Programme	2,308,106	619,675,822	-	-	207,223	41,526,489	11,200,999	2,100,883	589,350,332
114	USD	Science & Technology Human Resource Development Project	5,668,504	1,056,655,603	3,420,141	682,151,578	-	-	82,864,365	9,088,644	1,821,671,546
115	USD	Science & Technology Human Resource Development Project	7,406,943	1,380,714,912	23,868,685	4,720,543,670	-	-	167,434,397	31,275,628	6,268,692,979
116	XDR	Science & Technology Personals Development Project	9,123,577	2,449,480,639	-	-	553,000	157,316,376	112,097,729	8,570,577	2,404,261,992
117	XDR	Second Agriculture Programme	8,445,168	2,267,342,788	-	-	767,800	212,469,596	98,821,369	7,677,368	2,153,694,561
118	XDR	Second Fisheries Development Project	35,193	9,448,605	-	-	35,193	10,115,025	666,420	-	(0)
119	XDR	Second Health & Population Project	7,141,821	1,977,422,503	-	-	621,000	176,436,947	88,268,376	6,520,821	1,829,253,932

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
120	2017036	USD	59,845,782	11,155,744,541	14,456	2,884,981	-	-	839,385,498	59,860,238	11,998,015,020
	Second Integrated Road Investment Programme Tranche 1										
121	2017037	USD	89,940,638	16,765,672,390	59,362	11,084,530	-	-	1,262,285,080	90,000,000	18,039,042,000
	Second Integrated Road Investment Programme Tranche 1										
122	2019048	USD	61,789,532	11,518,075,400	88,210,468	17,066,335,737	-	-	1,480,658,863	150,000,000	30,065,070,000
	Second Integrated Road Investment Programme Tranche 2										
123	2021009	USD			122,601,609	24,899,663,997	-	-	(326,157,581)	122,601,609	24,573,506,416
	Second Integrated Road Investment Programme										
124	1998018	XDR	8,735,758	2,345,359,753			514,000	142,236,744	103,286,521	8,221,758	2,306,409,530
	Second Perennial Crops Development Project										
125	1996002	XDR	31,857,493	8,553,039,229			2,123,800	603,408,674	391,416,686	29,733,693	8,341,047,241
	Second Power System Expansion Project										
126	1988005	XDR	7,274,557	1,953,059,141			1,119,000	317,927,445	91,656,442	6,155,557	1,726,788,138
	Second Road Improvement Project										
127	1990046	XDR	7,917,649	2,125,715,365			833,600	238,501,227	100,039,421	7,084,049	1,987,253,559
	Second Telecommunication Project										
128	1993029	XDR	14,152,990	3,799,767,873			1,132,400	321,932,311	174,766,758	13,020,590	3,652,602,320
	Second Water Supply & Sanitation Project										
129	1993030	XDR	11,543,611	3,099,206,700			888,000	244,880,473	134,840,063	10,655,611	2,989,166,290
	Secondary Education Development Project										
130	2004008	XDR	14,964,427	4,017,620,851			965,446	274,648,220	184,092,832	13,998,981	3,927,065,463
	Secondary Education Modernization II										
131	2000044	XDR	18,123,515	4,865,766,902			1,575,958	448,325,500	224,563,711	16,547,557	4,642,005,113
	Secondary Education Modernization Project										
132	2020018	USD	120,000,000	22,368,984,000	52,260,000	10,521,490,122	-	-	1,636,252,266	172,260,000	34,526,726,388
	Secondary Education Sector Improvement Programme										
133	2011016	XDR	6,155,738	1,652,677,805			273,588	78,276,239	75,689,112	5,882,150	1,650,090,678
	Secondary Towns & Rural Com/Based Water Supply Add (XDR)										
134	2011015	USD	3,472,188	647,244,405			100,592	20,170,193	48,707,645	3,371,596	675,781,857
	Secondary Towns & Rural Com/Based Water Supply Add.										
135	2003004	XDR	26,612,842	7,144,965,156			1,900,916	543,870,918	331,221,170	24,711,926	6,932,315,408
	Secondary Towns & Rural Community Water /Sanitation										
136	2007012	USD	9,302,010	1,733,970,892			494,814	99,217,348	130,506,254	8,807,196	1,765,259,798
	Secondary Towns & Rural Community Water /Sanitation (OCR)										
137	2006004	XDR	23,610,752	6,338,969,837			1,311,708	375,292,664	291,764,376	22,299,044	6,255,441,549
	Secondary Towns & Rural Community Water /Sanitation Supp.1										

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Amount	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	
138	1985002	XDR	2,133,852	572,892,399			533,600	152,668,252	28,686,699	1,600,252	448,910,846
139	1988004	XDR	7,701,218	2,067,608,301			1,100,000	314,720,908	98,919,868	6,601,218	1,851,807,261
140	2018020	USD	39,430,000	7,350,075,326	13,800,000	2,770,552,440	-	-	548,463,408	53,230,000	10,669,091,174
141	2018021	USD	26,290,000	4,900,789,874	9,200,000	1,847,034,960	-	-	365,570,728	35,490,000	7,113,395,562
142	1999045	XDR	5,959,866	1,600,093,438			541,804	154,047,375	73,856,257	5,418,062	1,519,902,320
143	2014006	XDR	29,340,000	7,877,147,454			1,630,000	464,487,072	360,690,139	27,710,000	7,773,350,521
144	2014005	USD	45,238,096	8,432,751,905			2,380,952	477,361,905	634,630,000	42,857,144	8,590,020,000
145	2002002	XDR	4,801,346	1,289,056,176			960,268	274,742,199	63,204,734	3,841,078	1,077,518,711
146	2020017	USD			120,500,000	22,702,220,700	-	-	1,450,052,200	120,500,000	24,152,272,900
147	2016014	USD	100,000,000	18,640,820,000			-	-	1,402,560,000	100,000,000	20,043,380,000
148	2018005	USD	75,000,000	13,980,615,000			-	-	1,051,920,000	75,000,000	15,032,535,000
149	1989011	XDR	3,910,066	1,049,767,002			489,000	138,691,980	48,619,767	3,421,066	959,694,789
150	2007030	XDR	20,596,053	5,529,589,300			1,084,004	310,144,294	254,174,619	19,512,049	5,473,619,625
151	2002003	XDR	609,178	163,550,944			46,860	13,407,110	7,600,471	562,318	157,744,305
152	2019012	USD	32,230,275	6,007,987,571	23,567,647	4,719,585,974	-	-	456,215,951	55,797,922	11,183,789,496
153	1991056	XDR	12,493,529	3,354,238,829			1,189,800	338,042,961	154,783,736	11,303,729	3,170,979,604

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
154	2002001	XDR	10,121,271	2,717,339,895			778,558	220,817,485	124,343,451	9,342,713	2,620,865,861
155	1998006	XDR	14,326,077	3,846,238,009			842,800	239,601,336	175,761,035	13,483,277	3,782,397,708
156	2014017	USD	48,442,124	9,030,009,059	8,875,207	1,756,451,312	2,851,737	571,855,397	702,140,877	54,465,594	10,916,745,852
157	2014018	XDR	2,857,114	767,072,562			163,200	46,505,700	35,143,657	2,693,914	755,710,519
158	1999057	XDR	29,521,708	7,925,931,981			2,683,790	761,186,392	363,963,946	26,837,918	7,528,709,535
159	2008003	USD	72,508,601	13,516,197,937			3,340,133	669,745,166	1,017,246,193	69,168,468	13,863,698,964
160	1983006	XDR	1,630,057	437,634,523			651,600	186,345,167	23,192,388	978,457	274,481,744
161	1991061	XDR	252,657	67,832,995			26,800	7,664,290	3,189,852	225,857	63,358,557
162	2004010	XDR	3,101,955	832,806,853			193,872	55,152,335	38,135,619	2,908,083	815,790,137
163	2011013	XDR	5,154,509	1,383,872,863			234,296	67,034,409	63,404,908	4,920,213	1,380,243,362
164	2011012	USD	76,995,547	14,352,601,231			2,375,731	476,368,505	1,080,100,458	74,619,816	14,956,333,184
165	2004013	XDR	197,895	53,130,460			12,368	3,422,539	2,337,060	185,527	52,044,981
166	2004006	XDR	6,247,228	1,677,244,011			416,482	119,057,420	77,484,126	5,830,746	1,635,670,717
167	1999005	XDR	16,798,267	4,509,966,853			960,000	274,541,684	207,606,313	15,838,267	4,443,031,482
168	2016035	XDR	7,100,601	1,906,369,284	1,957,408	544,456,568	-	-	90,172,944	9,058,009	2,540,998,796
169	2019007	USD	2,198,336	409,791,836	856,870	168,250,871	-	-	34,323,767	3,055,206	612,366,474
170	2006002	XDR	9,167,137	2,461,175,605			539,242	154,282,484	113,448,071	8,627,895	2,420,341,192
171	2010120	XDR	829,208	222,624,123			552,800	158,524,405	13,439,664	276,408	77,539,382
172	1995006	XDR	20,118,529	5,401,384,360			1,437,200	397,709,433	236,906,674	18,681,329	5,240,581,601

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
173	1985003	XDR	4,029,685	1,081,882,264		805,800	228,543,961	51,042,454	3,223,885	904,380,757	
	Trunk Roads Improvement Project										
174	2005001	XDR	3,819,965	1,025,577,061		85,800	24,394,918	46,344,988	3,734,165	1,047,527,131	
	Tsunami-Affected Areas Rebuilding Project										
175	1998004	XDR	5,250,855	1,409,739,579		318,200	90,461,729	64,455,693	4,932,655	1,383,733,543	
	Upper Watershed Management Project										
176	1998059	XDR	32,633,967	8,761,504,192		1,864,798	530,494,146	400,514,165	30,769,169	8,631,524,211	
	Urban Development & Low-Income Housing Sector										
177	1993003	XDR	8,991,929	2,414,135,976		749,200	213,130,973	111,287,335	8,242,729	2,312,292,338	
	Urban Development Sector Project										
178	2010107	XDR	871	233,844		-	-	(233,844)	-	-	
	Urea Fertilizer (Supplementary) Project										
179	1984018	XDR	1,643,782	441,319,366		469,600	134,357,217	22,425,369	1,174,182	329,387,518	
	Walawe Irrigation Improvement Project										
180	2000045	XDR	615,049	165,127,208		53,484	15,195,738	7,601,629	561,565	157,533,099	
	Water Resources Management Project										
181	1987002	XDR	5,944,177	1,595,881,347		990,800	281,014,342	74,679,573	4,953,377	1,389,546,578	
	Water Supply Sector Project										
<b>Agence Francaise De Development</b>											
182	2015021	EUR	22,637,302	5,193,449,834	407,445	1,541,305	364,658,972	(34,211,250)	21,503,442	4,878,292,326	
	Construction of Four Grid Substations Maliboda, Nawalapiitiya, Wewelwatta and Ragala										
183	2007040	EUR	6,000,000	1,376,531,400		1,000,000	232,784,900	(9,441,500)	5,000,000	1,134,305,000	
	Construction Sector Support Project (for Post Tsunami Reconstruction)										
184	2015023	EUR	19,205,287	4,406,113,401		1,375,019	325,317,149	(35,803,855)	17,830,268	4,044,992,397	
	Green Power Development & Energy Efficiency Improvement Investment Programme										
185	2014027	USD	16,861,861	3,143,219,434	11,282,930	-	2,240,741,427	257,206,440	28,144,790	5,641,167,302	
	Implementation of Ambatale Water Supply System Improvement & Energy Saving Project										
186	2016039	EUR	1,242,149	284,973,801	2,361,564	-	539,678,085	(7,109,949)	3,603,713	817,541,937	
	Implementation of Anuradhapura Integrated Urban Development Project										
187	2016021	EUR	2,050,417	470,410,651	817,642	-	182,829,997	(2,589,843)	2,868,059	650,650,805	
	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase 1										

**Notes to the Financial Statements contd...**
**NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
188	2008030	EUR	10,178,374	2,335,142,269			1,454,054	341,394,351	(14,539,518)	8,724,320	1,979,208,400
	Trincomalee Integrated Infrastructure Project										
189	2005049	EUR	31,214,177	7,161,216,052			6,242,836	1,481,233,573	(14,958,771)	24,971,341	5,665,023,708
	Trincomalee Integrated Infrastructure Project (TIIP)										
	<b>Aust. &amp; New Zealand Inv. Bank</b>										
	Integrated Water Supply Scheme for the Unserved Areas of Ampara District-Phase III (Australia)	USD	29,386,168	5,477,822,938			11,312,564	2,273,047,541	417,786,092	18,073,604	3,622,561,489
	<b>Asian Infrastructure Investment Bank (AIIB)</b>										
191	2019019	USD	2,372,736	442,297,447	2,822,477	566,639,849	-	-	32,358,921	5,195,213	1,041,296,217
	Reduction of Landslide Vulnerable by Mitigation Measures Projects										
192	2019020	USD	6,529,192	1,217,094,926	18,986,277	3,757,981,287	-	-	139,086,195	25,515,469	5,114,162,408
	Support to Colombo Urban Regeneration Project										
	<b>Banco Bilbao Vizcaya Argentaria S.A.</b>										
193	2013003	EUR	10,965,000	2,515,611,134			2,193,000	517,654,361	(7,932,081)	8,772,000	1,990,024,693
	Implementation of the Greater Rathnapura Water Supply Scheme										
194	2015033	EUR	11,325,432	2,598,302,443			1,611,285	376,206,677	(18,334,284)	9,714,147	2,203,761,482
	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)										
195	2012015	EUR	1,509,638	346,343,900			1,006,425	238,682,037	6,497,517	503,213	114,159,380
	Veyangoda Railway Crossing Flyover Project (Spain)										
	<b>Bank Austria</b>										
196	2006089	EUR	5,275,000	1,210,200,520			879,167	205,493,118	(7,464,258)	4,395,833	997,243,144
	Enhancement & Strengthening of the Road Infrastructure by Construction of Five Bridges (Austria)										
197	2007003	EUR	4,735,347	1,086,392,168			789,224	186,723,390	(4,447,323)	3,946,123	895,221,455
	Greater Colombo Sewerage Rehabilitation System II (Austria)										
198	2008021	EUR	3,339,922	766,251,113			1,335,968	312,264,244	632,185	2,003,954	454,619,054
	Rehabilitation & Augmentation of Kirindi Oya Water Supply Project (Austria)										

**Notes to the Financial Statements contd...**
**NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
199	Supply of Modern Medical Equipments for Teaching Hospital Kurunegala (Austria)	EUR	1,500,000	344,132,845			1,000,000	233,152,800	2,450,450	500,000	113,430,495
200	Water Supply Weligama, Ambalantota, Kataragama (Austria)	EUR	476,465	109,311,542			476,465	116,222,050	6,910,508	-	-
<b>BNP Paribas</b>											
201	Reconstruction of (7) Railway Steel Bridges Project	EUR	2,753,384	631,686,703			305,932	72,033,803	(4,421,585)	2,447,452	555,231,315
<b>Boerenleen Bank</b>											
202	Construction of 463 Rural Bridges	EUR	54,599,999	12,526,435,676			8,400,000	1,985,762,100	(59,695,439)	46,199,999	10,480,978,137
203	Development of General Hospital – Kalutara	EUR	10,040,209	2,303,443,871	1,181,252	269,320,528	2,446,551	574,420,722	(7,658,732)	8,774,910	1,990,684,945
204	Development of Hambantota District General Hospital (Netherlands)	EUR	21,102,392	4,841,350,788			4,220,478	979,911,505	(31,591,548)	16,881,914	3,829,847,735
205	Extension of a Disaster Management and Emergency Response System (Netherlands)	EUR	3,180,549	729,687,719			2,120,366	496,615,918	7,442,384	1,060,183	240,514,185
206	Implementation of Importation of 20,000 Dairy Animals Project	USD	8,641,178	1,610,786,647			3,173,862	637,101,125	122,149,720	5,467,316	1,095,835,242
207	Implementation of Importation of 20,000 Dairy Animals Project	USD	8,319,830	1,550,884,753			8,319,830	1,672,884,263	121,999,510	-	-
208	Importation of Dairy Animals (Netherlands & Australia)	USD	2,504,516	466,862,058			834,838	168,059,066	35,856,834	1,669,678	334,659,826
209	Pilot Project on Establishment of a Groundwater Monitoring Network in three Selected District	EUR	14,065,855	3,227,015,262	1,857,680	434,158,233	876,772	205,709,392	(41,940,336)	15,046,763	3,413,523,767
210	Reconstruction Rural Bridges (EUR 44.3)	EUR	38,182,694	8,759,946,189	4,660,481	1,088,591,135	4,430,141	1,050,248,730	(83,869,471)	38,413,034	8,714,419,123
211	Reconstruction of Rural Bridges (EUR 78Mn)	EUR	7,817,896	1,793,596,655			7,817,896	1,823,036,508	29,439,853	-	-



**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.	
212	2014032	Sri Lankan Dairy Development Project- Ph II	USD	8,810,903	1,642,424,724			1,763,520	355,347,857	125,457,068	7,047,383	1,412,533,935
213	2013024	Upgrading of Peripheral Blood Bank Coming under the National Blood Transfusion Services	EUR	9,251,478	2,122,491,836			1,850,296	448,749,825	5,297,768	7,401,182	1,679,039,779
214	2013001	Upgrading of the National Blood Transfusion Services of SL	USD	12,482,879	2,326,911,135			2,773,973	558,714,970	177,796,845	9,708,906	1,945,993,010
<b>Calyon Credit Agricole CIB</b>												
215	2019047	Constriction of Rural Bridges with Financial Assistance from Netheland	USD			10,792,599	2,546,307,595	-	-	(383,105,966)	10,792,599	2,163,201,629
216	2016019	Implementation of Greater Matale Water Supply Project	EUR	85,789,907	19,682,083,169	12,070,810	2,821,778,423	10,685,219	2,485,469,673	(241,671,641)	87,175,497	19,776,720,278
217	2016020	Implementation of Kelani Right Bank Water Supply Project	EUR	83,741,625	19,212,162,657			7,975,393	1,888,718,571	(135,040,947)	75,766,232	17,188,403,139
218	2008042	Rehabilitation of Wimalasurendra and New Laxapana Power Stations (France)	USD	13,631,158	2,540,959,707			5,452,463	1,094,718,335	193,045,558	8,178,695	1,639,286,930
<b>China Development Bank (CDB)</b>												
219	2014001	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	USD	194,065,682	36,175,434,413	13,533,826	2,526,580,831	23,100,000	4,602,611,475	2,880,533,645	184,499,508	36,979,937,414
220	2011007	Improvement and Rehabilitation of Priority Roads Ph II	USD	230,780,000	43,019,284,379			38,460,000	7,663,049,235	3,191,193,254	192,320,000	38,547,428,398
221	2014034	Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	USD	59,132,499	11,022,782,644	13,834,687	2,583,900,110	7,700,000	1,534,203,825	1,009,271,124	65,267,186	13,081,750,053
222	2012017	Moragahakanda Development Project	USD	110,674,900	20,630,708,881			20,000,000	3,984,945,000	1,528,550,876	90,674,900	18,174,314,757
223	2010051	Rehabilitation and Improvement of Priority Road Project Ph I	USD	58,785,770	10,958,149,590			11,750,000	2,350,000,000	819,408,547	47,035,770	9,427,558,137
<b>Deutsche Bank AG</b>												
224	2014028	Construction of 537 Steel Beam Bridges	USD	97,798,100	18,230,367,784			20,638,100	4,150,611,231	1,385,715,454	77,160,000	15,465,472,007

**Notes to the Financial Statements contd...**
**NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
225	2019005	Reconstruction of Rural Bridges USD 12.7Mn (Commercial Facility)	USD	12,729,512	2,372,885,443	-	-	-	-	178,539,045	12,729,512	2,551,424,488
226	2019006	Reconstruction of Rural Bridges USD 50.9Mn (UKEF)	USD	34,664,073	6,461,729,854	11,006,881	2,127,084,766	2,545,902	508,925,896	563,829,188	43,125,052	8,643,717,912
<b>European Investment Bank (EIB)</b>												
227	2006093	DFCC Global Loan ii	USD	22,179,950	5,625,766,906			3,412,300	1,267,557,499	310,906,000	18,767,650	4,669,115,407
			EUR	6,500,000				2,500,000			4,000,000	
228	2006073	Post-Tsunami Line of Credit – Contract A	EUR	2,762,370	633,748,544			2,762,372	646,311,110	12,562,566	0	(0)
229	2013047	Sri Lanka SME & GREEN Energy Global Loan	USD	19,716,612	20,550,226,867			1,408,329	1,420,159,458	113,620,657	18,308,283	19,243,688,066
			EUR	73,553,958				4,903,597			68,650,361	
<b>Export Development Bank of Iran (EDBI)</b>												
230	2008027	Uma Oya Hydro Electric and Irrigation Project (Iran)	USD	32,902,548	6,133,304,674			-	-	461,477,972	32,902,548	6,594,782,646
<b>Export Import Bank of China (EIBC)</b>												
231	2009009	Bunkering Facility & Tank Farm Project at Hambantota	USD	26,629,571	4,963,970,511			5,917,683	1,161,773,343	349,165,464	20,711,888	4,151,362,632
232	2009011	Colombo-Katunayake Expressway (CKE) Section A1	USD	29,183,970	5,440,131,274			5,836,794	1,145,893,107	385,325,001	23,347,176	4,679,563,168
233	2009010	Colombo-Katunayake Expressway (CKE) Section A2	USD	26,489,089	4,937,783,474			5,297,818	1,040,080,056	349,743,659	21,191,271	4,247,447,077
234	2009012	Colombo-Katunayake Expressway (CKE) Section A3	USD	19,917,226	3,712,734,353			3,983,445	782,039,346	262,973,318	15,933,781	3,193,668,325
235	2009013	Colombo-Katunayake Expressway (CKE) Section A4	USD	27,826,382	5,187,065,583			5,565,276	1,092,588,098	367,400,332	22,261,106	4,461,877,817
236	2014040	Construction of Extension of Southern Expressway, Section 1 from Matara to Belliatta	USD	663,982,750	123,771,829,150			44,265,516	8,690,310,125	9,130,760,995	619,717,234	124,212,280,020
237	2016015	Construction of Extension of Southern Expressway, Section 2 from Belliatta to Wetiya Project	USD	243,375,092	45,367,112,905	35,980,703	7,023,874,607	9,311,860	1,861,440,784	3,596,385,438	270,043,935	54,125,932,166

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021		
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.	
238	2014025	CNY	1,987,801,117	56,822,885,167		132,520,074	4,191,152,431	5,691,253,184	1,855,281,043	58,322,985,920	
	Construction of Southern Expressway, Section 4 from Mattala to Hambantota Via an Darawewa Project										
239	2014024	USD	353,309,162	65,859,724,865		25,236,368	4,954,463,071	4,851,614,912	328,072,794	65,756,876,706	
	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha										
240	2017042	CNY	348,180,910	9,953,029,859	14,013,487			1,002,831,767	362,194,397	11,386,015,504	
	Construction Service for Design Review and Construction Supervision of Civil Works on Extension of Southern Expressway Project										
241	2012001	USD	18,908,060	3,524,617,662		2,701,152	530,296,430	254,091,253	16,206,908	3,248,412,485	
	Finance Material Required for Lighting Sri Lanka Eastern Province Project										
242	2013041	CNY	422,081,227	12,065,529,529		32,467,787	1,026,844,003	1,209,280,496	389,613,440	12,247,966,022	
	Greater Kurunegala Water Supply and Sewerage Project										
243	2014026	CNY	1,554,505,538	44,436,784,399		103,633,702	3,277,576,210	4,450,689,011	1,450,871,836	45,609,897,200	
	Hambantota Hub Development Project										
244	2011006	USD	31,639,733	5,897,905,636		5,273,286	1,035,263,900	422,085,384	26,366,447	5,284,727,120	
	Highway Section from Kodagoda to Godagama (45Km to 61Km)										
245	2011005	USD	42,474,235	7,917,575,682		7,079,038	1,389,773,376	566,591,518	35,395,197	7,094,393,824	
	Highway Section from Pimaduwa to Kodagoda (30Km to 45Km)										
246	2017041	CNY	349,089,845	9,910,198,093	346,713,167			1,241,824,992	695,803,012	21,873,402,660	
	Kandy North Pathadumbara Integrated Water Supply										
247	2013005	USD	192,307,693	35,847,730,898		15,384,614	3,020,343,574	2,633,977,708	176,923,079	35,461,365,032	
	Matara Belliatta Section of Matara Kataragama Railway Extension Project										
248	2013022	CNY	508,000,000	14,521,586,400		19,538,461	620,268,604	1,454,056,836	488,461,539	15,355,374,632	
	Matara-Belliatta Section of Matara-Kataragama Railway Extension Project										

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
249	Northern Road Rehabilitation Project (A009) from Galkulama to 230Km Post	USD	32,532,934	6,064,405,651			5,915,079	1,161,262,186	431,974,367	26,617,855	5,335,117,832
250	Northern Road Rehabilitation Project-(AB020)(AB032)(AB016)(AB018)	USD	34,264,179	6,387,123,639			6,229,850	1,223,058,879	454,961,928	28,034,329	5,619,026,688
251	Northern Road Rehabilitation Project (Mulativu-Kokkila)-11A	USD	19,601,852	3,653,946,008			3,563,973	699,687,586	260,274,642	16,037,879	3,214,533,064
252	Northern Road Rehabilitation Project-11B	USD	21,254,849	3,962,078,330			3,542,475	695,467,017	283,547,315	17,712,374	3,550,158,628
253	Northern Road Rehabilitation Project-A009 (From 230Km Post to Jaffna)	USD	32,317,390	6,024,226,676			5,875,889	1,153,568,392	429,112,374	26,441,501	5,299,770,658
254	Procurement of Material for the Northern Province Power Sector Development Programme	USD	10,750,419	2,003,966,162			3,071,548	603,013,549	138,152,553	7,678,871	1,539,105,166
255	Procurement of Materials for Lighting Uva Province	USD	7,769,917	1,448,376,169			2,219,976	435,830,941	99,850,421	5,549,941	1,112,395,649
256	Re. & Im. of 67Km Karaitivu-Mannar Road	USD	26,182,668	4,880,663,991			4,028,102	790,806,451	350,666,136	22,154,566	4,440,523,676
257	Re. & Im. Of 113Km Length of Puttalam-Marichchikade-Mannar Road	USD	40,642,387	7,576,074,593			5,806,056	1,139,858,558	546,162,667	34,836,331	6,982,378,702
258	Rural Electrification Project VII	CNY	43,991,668	1,257,537,013			14,663,889	463,768,190	128,185,085	29,327,779	921,953,908
259	Supply of 100 Nos. Railway Passenger Carriages	CNY	29,279,590	836,980,542			14,639,795	463,006,189	86,245,191	14,639,795	460,219,544
260	Supply of 13 Nos. Diesel Multiple Units to Sri Lanka Railway Project	CNY	408,147,765	11,667,230,328			42,962,922	1,358,768,913	1,171,562,274	365,184,843	11,480,023,689
261	Supply of 15 Nos. Diesel Multiple Units	CNY	41,684,607	1,191,587,852			20,842,304	659,170,112	122,785,088	20,842,303	655,202,828
262	Supply of Two Nos. MA 60 Aircrafts Project	CNY	176,135,631	5,034,977,924			17,613,563	557,056,191	505,409,701	158,522,068	4,983,331,434

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
263	2018022	USD	33,298,586	6,207,129,417	34,053,908	6,788,822,045	-	-	503,764,718	67,352,493	13,499,716,180
	Widening & Improvement of 64.31Km of Roads and Reconstruction of 13 Bridges in Central & Uva Provinces in Sri Lanka										
	<b>Export Finance &amp; Insurance Corporation</b>										
264	2015034	USD	8,258,776	1,539,503,592			1,376,463	276,043,129	115,987,766	6,882,313	1,379,448,229
	Supply and Purchase of Clinical Waste Disposal Systems and Related Equipment										
	<b>Export Import Bank of India</b>										
265	2017013	USD	42,824,084	7,982,760,365	79,254,804	15,882,530,000	-	-	603,445,053	122,078,888	24,468,735,418
	Dollar Credit Line 318M of the Development of Railway Sector										
266	2018002	USD	-	-	743,245	142,288,972	-	-	6,682,479	743,245	148,971,451
	Dollar Credit Line on KKS Harbour										
	<b>Export Import Bank of USA</b>										
267	2013025	USD	45,795,169	8,536,594,993			5,724,396	1,144,519,730	639,461,985	40,070,773	8,031,537,248
	Badulla, Halieala and Ella Integrated Water Supply Project										
	<b>Export Import Bank of Hungary (EIBH)</b>										
268	2021001	EUR			11,199,656	2,636,192,865	-	-	(95,427,685)	11,199,656	2,540,765,180
	Constriction of Flyovers at Kohuwela & Gatabe										
269	2013008	EUR	16,659,577	3,822,071,713			1,448,659	341,414,193	(29,893,508)	15,210,918	3,450,764,012
	Rehabilitation of Kalatuwawa Water Treatment Plant										
270	2013009	EUR	16,017,626	3,674,794,296			1,392,837	328,258,341	(28,741,612)	14,624,789	3,317,794,343
	Rehabilitation of Labugama Water Treatment Plant Project										
	<b>Fortis Bank</b>										
271	2011029	EUR	2,948,429	676,434,224			1,179,372	279,697,783	4,593,517	1,769,057	401,329,958
	Implementation of Kolonna and Balangoda Water Supply Projects (Belgium)										
	<b>Government of Canada</b>										
272	1976002	CAD	1,024,763	149,975,696			182,109	28,744,739	11,262,771	842,654	132,493,728
	Agricultural Sector Support Credit										
273	1973004	CAD	121,124	17,726,850			40,375	6,372,939	1,342,561	80,749	12,696,472
	Import of Asbestos, Nylon & TYRE Cord										
274	1971004	CAD	31,250	4,573,491			31,250	4,917,284	343,793	-	-
275	1974005	CAD	192,500	28,172,702			55,000	8,681,404	2,128,349	137,500	21,619,648
	Import of Commodities										
276	1975004	CAD	210,000	30,753,857			52,500	8,286,794	2,317,261	157,500	24,764,324
	Import of Commodities										
277	1975005	CAD	1,650,000	241,480,305			300,000	47,353,110	18,138,435	1,350,000	212,265,630
	Import of Commodities										

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
278	1977009		CAD	1,625,000	237,821,513	250,000	39,460,925	17,835,888	1,375,000	216,196,476	
279	1978005		CAD	3,750,000	548,818,875	500,000	78,921,850	41,112,825	3,250,000	511,009,850	
280	1972003		CAD	50,000	7,317,585	25,000	3,946,093	559,353	25,000	3,930,846	
281	1980014		CAD	17,280,000	2,528,957,361	1,920,000	303,059,904	189,213,695	15,360,000	2,415,111,152	
282	1983008		CAD	3,437,500	503,083,904	275,000	43,407,018	37,574,936	3,162,500	497,251,823	
283	1971003		CAD	41,736	6,108,174	41,737	6,567,424	459,250	0	-	
284	1973003		CAD	372,144	54,463,887	152,000	23,992,242	4,142,433	220,144	34,614,078	
285	1977004		CAD	975,000	142,692,905	150,000	23,007,225	10,032,202	825,000	129,717,882	
<b>Government of China</b>											
286	2000073		CNY	20,000,000	571,716,000	-	-	57,008,000	20,000,000	628,724,000	
287	2002076		CNY	30,000,000	857,574,000	-	-	85,512,000	30,000,000	943,086,000	
288	2003077		CNY	50,000,000	1,429,290,000	-	-	142,520,000	50,000,000	1,571,810,000	
<b>Government of France</b>											
289	1999102		EUR	723,679	166,028,241	415,154	96,901,527	865,612	308,525	69,992,326	
290	1997080		EUR	650,762	149,299,054	51,608	12,052,886	(1,321,493)	599,154	135,924,675	
291	2002052		EUR	8,297	1,903,612	5,013	1,166,839	8,336	3,284	745,109	
292	2018047		EUR	2,678,374	614,477,560	-	-	162,731,694	10,967,559	2,488,111,491	
293	1997081		EUR	334,289	76,693,218	27,002	6,298,638	(683,143)	307,287	69,711,437	

## Notes to the Financial Statements contd...

**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
294	1998084	EUR	290,377	66,618,843			95,276	22,199,011	(159,024)	195,101	44,260,808
295	1997077	EUR	546,880	125,466,602			49,710	11,581,215	(1,096,931)	497,170	112,788,456
296	1999100	EUR	544,792	124,986,885			49,526	11,538,362	(1,091,947)	495,266	112,356,576
297	2005052	EUR	11,878,721	2,725,238,762			321,686	74,928,147	(28,470,107)	11,557,035	2,621,840,508
298	2018046	EUR	3,416,894	783,903,709	4,577,727	915,794,231	-	-	113,969,774	7,994,621	1,813,667,715
299	1998090	EUR	160,280	36,771,742			31,756	7,397,150	(217,509)	128,524	29,157,083
300	1997084	EUR	185,069	42,458,882			13,250	3,087,218	(392,634)	171,819	38,979,030
301	2002053	EUR	33,689	7,729,004			11,014	2,563,995	(20,926)	22,675	5,144,082
302	2002055	EUR	31,231	7,165,117			18,220	4,241,294	27,907	13,011	2,951,729
303	1999105	EUR	2,351	539,288			2,351	549,372	10,083	-	(0)
304	1999104	EUR	382,687	87,796,921			185,265	43,239,294	229,744	197,422	44,787,371
305	1997082	EUR	129,154	29,630,784			10,930	2,546,978	(263,391)	118,224	26,820,415
306	1998083	EUR	393,964	90,383,969			105,442	24,571,757	(357,823)	288,522	65,454,389
307	2002054	EUR	11	2,524			-	-	(28)	11	2,495
308	2010008	EUR	6,690,532	1,534,954,563			634,854	148,148,925	(13,008,472)	6,055,678	1,373,797,166
309	2000100	EUR	929,685	213,289,764			97,566	22,783,997	(1,730,505)	832,119	188,775,262
310	1999103	EUR	106,608	24,458,063			55,776	12,997,879	71,578	50,832	11,531,762



**Notes to the Financial Statements contd...**
**NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
311	EUR	Spatial Information Infrastructure for Reconstruction Monitoring Project	4,794,581	1,099,981,883			625,072	145,863,463	(8,219,439)	4,169,509	945,898,981
312	EUR	TA/Mainten. Water Treatment Plant Colombo	138,510	31,777,500			11,556	2,692,838	(283,814)	126,954	28,800,848
313	EUR	Water Supply Network of Colombo	729,678	167,404,335			150,924	35,204,246	(903,432)	578,754	131,296,657
314	EUR	Water Treatment Plant at Anuradhapura	1,163,622	266,960,432			376,171	87,789,497	(529,014)	787,451	178,641,921
315	EUR	Widening and Reconstruction of 46 Bridges on National Road Network	19,615,405	4,500,203,629			1,454,762	339,170,346	(41,091,425)	18,160,643	4,119,941,858
<b>Government of Germany</b>											
316	EUR	2nd Ext. of Sapugaskanda Deisal Power Pl	19,291,043	4,425,787,665			631,957	147,378,857	(45,389,918)	18,659,086	4,233,018,890
317	EUR	Ampara Water Supply Project	1,394,880	320,016,065			77,493	18,072,254	(3,080,025)	1,317,387	298,863,786
318	EUR	Colombo Grib Substation Project	5,988,050	1,373,789,595			343,588	80,128,310	(13,153,054)	5,644,462	1,280,508,230
319	EUR	Commodity Aid for Electro. Equip. for CBSL	278,143	63,812,105			17,384	4,054,110	(602,006)	260,759	59,155,989
320	EUR	Construction of Mahamodara Maternity Hospital, Galle	6,390,433	1,466,105,233	2,160,690	480,401,365	2,814,000	656,253,925	11,276,840	5,737,123	1,301,529,513
321	EUR	DFCC Bank (DFCCii)	4,905,333	1,125,391,117			251,556	58,665,370	(10,965,289)	4,653,777	1,055,760,458
322	EUR	DFCC IV Private Sector Development	4,199,919	963,553,356			167,000	38,940,990	(9,700,370)	4,032,919	914,911,997
323	EUR	DFCC V Credit Line for SME in the North and East	4,170,000	956,689,323			166,000	38,712,918	(9,624,961)	4,004,000	908,351,444
324	EUR	Embilipitiya Paper Mills Project	485,728	111,436,635			51,129	11,923,854	(919,299)	434,599	98,593,482
325	EUR	Expans of Two 132/11KV Substa. in Colombo	3,374,528	774,190,476			204,517	47,695,425	(7,343,277)	3,170,011	719,151,774
326	EUR	General Commodity Aid 1995 for Potash	2,877,141	660,079,230			185,088	43,164,358	(6,193,109)	2,692,053	610,721,763
327	EUR	Grib Substation Kelaniya & Rathmalana	4,253,524	975,851,580			234,172	54,611,259	(9,406,012)	4,019,352	911,834,309
328	EUR	Import of Commodities	1,423,437	326,567,685			113,507	26,470,961	(2,924,586)	1,309,930	297,172,138
329	EUR	Import of Commodities	2,124,929	487,505,102			151,342	35,294,614	(4,480,522)	1,973,587	447,729,966

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	
330	2001116	EUR	515,383	118,240,151			64,423	15,024,059	(910,756)	450,960	102,305,336	
331	2001111	EUR	570,602	130,908,316			63,400	14,785,583	(1,058,471)	507,202	115,064,262	
332	2001123	EUR	538,390	123,518,537			82,829	19,316,645	(852,853)	455,561	103,349,039	
333	2001113	EUR	951,004	218,181,029			126,800	29,571,161	(1,630,070)	824,204	186,979,798	
334	2001112	EUR	1,593,185	365,511,691			167,704	39,110,248	(3,015,507)	1,425,481	323,385,936	
335	2001068	EUR	1,853,432	425,217,616			127,823	29,809,642	(3,934,582)	1,725,609	391,473,392	
336	2001106	EUR	2,219,008	509,089,031			126,800	29,571,161	(4,877,380)	2,092,208	474,640,490	
337	2001108	EUR	2,300,815	527,857,237			127,823	29,809,642	(5,080,448)	2,172,992	492,967,147	
338	2001067	EUR	1,124,841	258,063,048			102,258	23,847,713	(2,231,079)	1,022,583	231,984,256	
339	2001061	EUR	1,990,870	456,748,939			158,500	36,963,952	(4,091,687)	1,832,370	415,693,300	
340	2001105	EUR	2,954,246	677,768,624			328,249	76,551,153	(5,481,111)	2,625,997	595,736,360	
341	1999026	EUR	2,840,302	651,627,663			153,550	35,804,757	(6,299,069)	2,686,772	609,523,837	
342	1998057	EUR	2,334,676	535,625,611			129,704	30,248,362	(5,155,187)	2,204,972	500,222,062	
343	1999054	EUR	4,857,273	1,114,364,771			255,646	59,619,279	(10,815,805)	4,601,627	1,043,929,687	
344	2001122	EUR	607,415	139,354,359			33,745	7,869,744	(1,341,324)	573,670	130,143,291	
345	2005044	EUR	4,199,919	963,553,353			167,000	38,940,990	(9,700,370)	4,032,919	914,911,994	
346	2003047	EUR	1,544,757	354,401,178			68,000	15,858,304	(3,524,254)	1,476,757	335,018,620	
347	1997065	EUR	1,378,608	316,283,085			80,952	18,878,765	(3,016,855)	1,297,656	294,387,465	
348	2001049	EUR	2,658,717	609,967,911			332,340	77,505,062	(4,698,736)	2,326,377	527,764,113	
349	2001115	EUR	4,383,818	1,005,743,965			223,946	52,226,488	(9,804,610)	4,159,872	943,712,867	
350	2001103	EUR	634,004	145,454,124			63,400	14,785,583	(1,220,838)	570,604	129,447,703	
351	2001063	EUR	1,822,246	418,063,025			151,342	35,294,614	(3,705,413)	1,670,904	379,062,998	
352	2001100	EUR	56,242,107	12,903,170,985			5,112,919	1,192,385,588	(111,566,694)	51,129,188	11,599,218,703	

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
353	2001102	EUR	26,309,031	6,035,868,141			1,697,489	395,872,013	(56,596,848)	24,611,542	5,583,399,280
354	2010036	EUR	1,242,204	284,988,829			32,000	7,462,731	(2,977,981)	1,210,204	274,548,117
355	2005051	EUR	4,733,983	1,086,079,402			187,745	43,784,110	(10,931,198)	4,546,238	1,031,364,094
356	2001104	EUR	543,504	124,691,660			31,700	7,392,791	(1,190,547)	511,804	116,108,322
357	2001117	EUR	1,823,778	418,414,841			125,778	29,332,685	(3,872,082)	1,698,000	385,210,074
358	2001110	EUR	618,152	141,817,465			31,700	7,392,791	(1,381,632)	586,452	133,043,042
<b>Government of India</b>											
359	2012002	USD	29,025,652	5,410,619,577			5,277,391	1,062,377,658	411,712,252	23,748,261	4,759,954,171
360	2008006	USD	28,341,703	5,283,125,778	3,832,617	760,839,570	9,878,457	1,969,290,682	394,169,820	22,295,864	4,468,844,486
361	2003049	USD	8,953,081	1,668,927,656			1,584,194	317,552,083	125,598,407	7,368,887	1,476,973,980
362	2004040	USD	5,310,103	989,846,701			1,494,000	296,314,283	71,343,563	3,816,103	764,875,981
363	2001041	USD	7,585,873	1,414,068,931			2,420,000	478,873,230	100,219,854	5,165,873	1,035,415,555
364	2013046	USD	58,859,981	10,971,983,177			16,537,333	3,315,703,914	826,609,905	42,322,648	8,482,889,169
365	2010052	USD	323,739,161	60,347,634,115			26,159,928	5,215,035,311	4,512,337,462	297,579,233	59,644,936,266
366	2012003	USD	299,551,865	55,838,923,991	7,359,219	1,413,457,414	14,467,768	2,884,198,275	4,247,342,169	292,443,316	58,615,525,299
367	2008011	USD	9,768,594	1,820,945,927			7,534,139	1,501,294,644	128,209,050	2,234,455	447,860,333
368	2010010	USD	14,932,431	2,783,527,512			7,823,085	1,558,572,317	199,998,015	7,109,346	1,424,953,210
<b>Government of Japan</b>											
369	2013020	JPK	3,158,236	5,710,405,597	884,110	1,607,388,679	279,242	508,695,151	(255,653,596)	3,763,104	6,553,445,528
370	2016037	JPK	120,203	217,359,236	1,687	3,038,678	-	-	(8,106,688)	121,890	212,271,226
371	1999029	JPK	5,506,304	9,955,948,269			570,514	1,045,352,802	(314,917,175)	4,935,790	8,595,678,292

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
372	1993023	JPK	1,303,470,139	720,906	1,303,470,139	240,302	440,305,355	(26,192,918)	480,604	836,971,866	
373	1997051	JPK	1,414,411,538	782,264	1,414,411,538	111,752	204,763,190	(41,951,701)	670,512	1,167,696,647	
374	1994020	JPK	237,425,227	131,312	237,425,227	32,828	60,326,374	(5,588,967)	98,484	171,509,886	
375	2001051	JPK	6,019,110,678	3,328,970	6,019,110,678	276,290	493,495,384	(209,373,048)	3,052,680	5,316,242,247	
376	2016032	JPK	18,081,000,000	10,000,000	18,081,000,000	-	-	(666,000,000)	10,000,000	17,415,000,000	
377	2010015	JPK	8,476,732,605	4,688,200	8,476,732,605	158,922	289,508,207	(299,487,248)	4,529,278	7,887,737,150	
378	2011027	JPK	12,633,874,459	6,987,376	12,633,874,459	114,556	208,938,601	(455,919,824)	6,872,820	11,969,016,034	
379	2008016	JPK	772,572,202	427,284	772,572,202	23,738	43,622,136	(26,174,706)	403,546	702,775,360	
380	1999032	JPK	427,293,808	236,322	427,293,808	12,438	22,790,147	(14,609,675)	223,884	389,893,986	
381	1998056	JPK	2,528,222,836	1,398,276	2,528,222,836	77,682	141,513,299	(86,895,085)	1,320,594	2,299,814,452	
382	2004046	JPK	6,057,250,724	3,350,064	6,057,250,724	139,586	249,321,534	(216,881,748)	3,210,478	5,591,047,442	
383	2019011	JPK	4,997,592,920	2,764,003	4,997,592,920	141,811	264,297,437	(201,416,547)	2,905,813	5,060,473,811	
384	1996056	JPK	3,108,731,431	1,719,336	3,108,731,431	286,556	515,628,866	(97,916,186)	1,432,780	2,495,186,379	
385	1991005	JPK	448,723,409	248,174	448,723,409	248,174	451,552,593	2,829,184	-	-	
386	1992009	JPK	1,381,341,389	763,974	1,381,341,389	509,316	927,820,957	(10,033,525)	254,658	443,486,907	
387	1994015	JPK	1,251,668,074	692,256	1,251,668,074	173,064	318,031,060	(29,464,146)	519,192	904,172,868	

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
388	2013016	JPK	15,594,250	28,195,962,685			-	-	(1,038,575,753)		15,594,250	27,157,386,932
389	2007004	JPK	17,637,543	31,890,441,504			1,068,942	1,947,291,641	(1,088,931,216)		16,568,601	28,854,218,647
390	2011003	JPK	29,980,945	54,208,546,703			983,153	1,791,009,480	(1,917,882,461)		28,997,792	50,499,654,762
391	2008012	JPK	5,245,296	9,484,019,699			187,332	344,250,650	(331,324,742)		5,057,964	8,808,444,307
392	1993028	JPK	490,632	887,111,719			163,544	299,661,671	(17,826,296)		327,088	569,623,752
393	2001046	JPK	3,121,371	5,643,750,902			152,262	277,375,685	(195,671,896)		2,969,109	5,170,703,321
394	2012006	JPK	6,538,164	11,821,654,636	306,441	539,982,109	-	-	(441,756,075)		6,844,606	11,919,880,670
395	2018032	JPK	78,105	141,221,402	72,588	131,399,624	-	-	(10,189,341)		150,693	262,431,685
396	2001044	JPK	699,590	1,264,927,156			63,222	116,179,908	(40,512,376)		636,368	1,108,234,872
397	2012007	JPK	3,874,046	7,004,661,813			-	-	(258,011,436)		3,874,046	6,746,650,377
398	1994016	JPK	738,048	1,334,464,589			184,512	339,068,477	(31,413,168)		553,536	963,982,944
399	2017016	JPK	48,729	88,106,720	201,774	365,129,163	-	-	(16,985,172)		250,503	436,250,711
400	1997053	JPK	3,787,924	6,848,945,392			541,132	991,516,164	(203,140,953)		3,246,792	5,654,288,275
401	2010016	JPK	8,752,731	15,825,813,547	1,746,519	3,126,185,075	461,866	841,381,292	(630,513,042)		10,037,384	17,480,104,288
402	1996053	JPK	3,923,832	7,094,680,639			653,972	1,176,757,217	(223,462,232)		3,269,860	5,694,461,190
403	1994017	JPK	3,760,384	6,799,150,310			940,096	1,727,567,414	(160,051,344)		2,820,288	4,911,531,552

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
404	2013019	Landslide Disaster Protection Project of the National Road Network	JPK	5,943,420	10,746,297,702			339,624	618,693,041	(368,593,927)	5,603,796	9,759,010,734
405	2001052	Lunawa Envir. Improv. & Community Dev. Project	JPK	3,513,684	6,353,092,052			296,564	529,707,789	(220,769,772)	3,217,120	5,602,614,491
406	1997054	Mahaweli System C. Upgrading Project	JPK	1,051,162	1,900,604,502			150,166	275,149,162	(56,370,806)	900,996	1,569,084,534
407	2013018	Major Bridges Construction Project of the National Road Network	JPK	7,795,288	14,094,661,545			-	-	(519,166,814)	7,795,288	13,575,494,731
408	1998054	Medium Voltage Distribution Network	JPK	1,355,776	2,451,378,586			164,682	300,001,199	(77,087,185)	1,191,094	2,074,290,202
409	2015018	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPK	2,686,297	4,857,093,371	923,183	1,626,095,316	-	-	(197,279,197)	3,609,480	6,285,909,490
410	2014003	New Bridge Construction Project Over the Kelani River	JPK	25,445,981	46,008,877,393	5,563,941	10,066,027,765	-	-	(2,071,126,986)	31,009,921	54,003,778,172
411	1996057	Plantation Reform Project	JPK	1,192,968	2,157,005,441			198,828	357,771,103	(67,939,528)	994,140	1,731,294,810
412	2003042	Plantation Reform Project II	JPK	1,034,800	1,871,021,873			82,784	150,807,613	(62,278,403)	952,016	1,657,935,857
413	2000015	Port of Colombo North Pier. Dev. Project II (Modification Agreement)	JPK	1,225,329	2,215,517,365			128,982	234,966,509	(71,262,555)	1,096,347	1,909,288,301
414	1991006	Port of Colombo Extension Project (I)	JPK	254,446	460,063,813			254,446	462,964,497	2,900,684	-	-
415	1992008	Port of Colombo Extension Project III	JPK	1,460,652	2,641,004,881			973,768	1,773,913,166	(19,183,230)	486,884	847,908,485
416	1993024	Port of Colombo Extension Project IV	JPK	999,246	1,806,736,693			333,082	610,306,149	(36,305,938)	666,164	1,160,124,606
417	1994018	Port of Colombo North Pier Develop. Project	JPK	951,832	1,721,007,439			237,958	437,283,519	(40,512,350)	713,874	1,243,211,570
418	1999031	Poverty Alleviation Micro Finance Project	JPK	600,516	1,085,792,977			66,724	122,258,385	(33,935,826)	533,792	929,598,766
419	2008015	Poverty Alleviation Micro Finance Project -II	JPK	2,351,608	4,251,942,412			83,986	154,336,873	(148,541,838)	2,267,622	3,949,063,701
420	2003041	Power Sector Restructuring Programme	JPK	2,177,544	3,937,217,306			90,731	330,569,325	27,536,859	2,086,813	3,634,184,840

**Notes to the Financial Statements contd...**
**NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
421	2003045	JPK	1,751,825	3,167,474,775			140,146	255,303,968	(105,431,836)	1,611,679	2,806,738,971
422	2006042	JPK	3,728,763	6,741,976,274			146,226	266,379,904	(236,608,287)	3,582,537	6,238,988,083
423	2003044	JPK	3,645,075	6,590,660,111			291,606	531,218,650	(219,375,194)	3,353,469	5,840,066,267
424	2007005	JPK	3,262,578	5,899,067,287			197,732	360,208,384	(201,428,867)	3,064,846	5,337,430,036
425	2010013	JPK	8,697,546	15,726,032,903			446,028	812,529,208	(543,485,117)	8,251,518	14,370,018,578
426	2010014	JPK	3,827,094	6,919,768,660			129,732	236,332,784	(244,479,954)	3,697,362	6,438,955,922
427	2003043	JPK	3,528,675	6,380,197,246			282,294	514,254,980	(212,369,775)	3,246,381	5,653,572,491
428	1999033	JPK	147,802	267,240,796			9,178	16,816,849	(9,010,251)	138,624	241,413,696
429	1999030	JPK	1,413,986	2,556,628,097			144,494	264,756,356	(81,051,413)	1,269,492	2,210,820,328
430	2017015	JPK	591,930	1,070,268,579	1,443,970	2,640,646,629	-	-	(165,395,983)	2,035,900	3,545,519,225
431	1993026	JPK	316,632	572,502,319			105,544	193,388,271	(11,504,296)	211,088	367,609,752
432	1995028	JPK	764,340	1,382,003,188			152,868	280,100,036	(37,024,631)	611,472	1,064,878,521
433	1991007	JPK	79,609	143,941,033			79,609	144,848,576	907,543	-	-
434	2001043	JPK	2,194,122	3,967,191,988			208,964	384,002,695	(126,036,637)	1,985,158	3,457,152,656
435	1997055	JPK	1,847,342	3,340,179,070			263,906	483,554,964	(99,070,312)	1,583,436	2,757,553,794
436	2004045	JPK	7,413,888	13,405,050,900			308,912	551,763,169	(479,972,652)	7,104,976	12,373,315,079



**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	
437	JPK	Small Scale Infrastructure Rehabilitation & Upgrading	5,850,325	10,577,972,633			468,026	852,602,964	(352,095,960)	5,382,299	9,373,273,709	
438	JPK	Small Scale Infrastructure Rehabilitation & Upgrading (SIRUP II)	9,260,496	16,743,902,818			385,854	689,193,122	(599,520,653)	8,874,642	15,455,189,043	
439	JPK	Southern Highway Construction Project	9,773,496	17,671,458,098			899,472	1,638,568,142	(578,777,178)	8,874,024	15,454,112,778	
440	JPK	Southern Highway Construction Project (II)	15,288,840	27,643,751,611			849,380	1,560,863,157	(936,568,857)	14,439,460	25,146,319,597	
441	JPK	Sri Lanka Tsunami Affected Area Recovery & Take off (STAART) Project	8,037,519	14,532,638,099			328,062	585,967,941	(520,650,797)	7,709,457	13,426,019,361	
442	JPK	Telecom. Network Expansion – Colombo Metro	113,344	204,937,286			14,168	25,809,846	(6,412,437)	99,176	172,715,003	
443	JPK	Telecom. Network Expand Project in Colombo	2,850,036	5,153,150,092			407,148	746,017,280	(152,843,359)	2,442,888	4,254,289,453	
444	JPK	The Regional Telecommunications Dev. Project	1,394,706	2,521,767,919			464,902	851,839,935	(50,674,318)	929,804	1,619,253,666	
445	JPK	Tourism Resources Improvement Project	947,595	1,713,346,494			172,290	313,860,693	(49,292,168)	775,305	1,350,193,633	
446	JPK	Towns North of Colombo Water Supply Project	1,497,612	2,707,832,257			249,602	449,133,839	(85,289,006)	1,248,010	2,173,409,412	
447	JPK	Transmission & Substation Dev. Project	844,494	1,526,929,601			120,642	221,052,337	(45,289,007)	723,852	1,260,588,257	
448	JPK	Transmission & Substation Dev. Project II	1,121,132	2,027,118,769			131,944	240,362,385	(64,085,482)	989,188	1,722,670,902	
449	JPK	Transmission Sys. Augmentation & Dev. Project	96,282	174,087,484			32,094	58,805,836	(3,498,246)	64,188	111,783,402	
450	JPK	Upper Kotmale Hydro Power Project	23,013,557	41,610,811,949			1,070,398	1,949,944,037	(1,446,856,960)	21,943,159	38,214,010,952	
451	JPK	Upper Kotmale Hydro Power Project II	4,399,689	7,955,077,666			149,142	271,691,981	(281,058,098)	4,250,547	7,402,327,587	
452	JPK	Upper kotmale Hydro Electric Power (Eng. S)	75,222	136,008,898			50,148	91,354,612	(987,916)	25,074	43,666,370	
453	JPK	Urgent Upgrading of Colombo Port Project	730,080	1,320,057,639			73,200	134,124,360	(41,976,768)	656,880	1,143,956,511	





**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
486	2009002	Kalu Ganga Development Project	KWD	7,593,750	4,654,076,545			812,500	531,477,931	370,300,330	6,781,250	4,492,898,944
487	2014002	Reconstruction of 25 Bridges Project	KWD	3,595,005	2,203,315,490	2,341,922	1,496,885,475	500,000	330,036,887	232,057,223	5,436,927	3,602,221,301
488	1999017	Rehabilitation of Irrigation Schemes – Hambanthota	KWD	384,000	235,346,882			96,000	62,796,162	18,262,904	288,000	190,813,624
489	2000023	Rural Electrification Project V	KWD	574,750	352,254,217			114,950	76,535,185	28,920,216	459,800	304,639,248
490	2007041	South Eastern University of Sri Lanka Development Project Phase I "A"	KWD	1,200,000	735,459,000			100,000	66,007,377	59,350,407	1,100,000	728,802,030
491	2011030	South Eastern University of Sri Lanka Development Project Phase I "B"	KWD	2,308,498	1,414,838,261			150,000	99,011,066	115,683,269	2,214,401	1,467,145,398
492	2005048	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	KWD	3,314,248	2,031,244,116	83,405	54,247,280	300,000	198,022,132	164,872,162	3,097,653	2,052,341,426
<b>Government of Pakistan</b>												
493	1991003	Pakistan Line of Credit (Pakistan )	USD	560,000	104,388,992			80,000	31,953,680	23,772,912	480,000	96,208,224
494	2006071	Pakistan Line of Credit	USD	5,329,480	993,458,852	55,860	9,950,164	3,759,839	745,053,280	67,449,515	1,625,501	325,805,251
<b>Government of Russia</b>												
495	2010018	Russian Line of Credit (Russia)	USD	70,831,830	13,203,633,923			23,610,610	4,567,472,501	828,567,136	47,221,220	9,464,728,558
<b>Government of Spain</b>												
496	2007001	Design Supply & Setting-up of Two Water Treatment Plants at Galle & Negambo	EUR	12,937,325	2,968,105,678			8,101	1,870,433	(33,098,477)	12,929,224	2,933,136,768
497	2016023	Implementation of Anamaduwala Integrated Water Supply Project	EUR	11,472,411	2,632,022,345	4,576,929	1,074,828,567	422,220	99,353,029	(62,313,768)	15,627,121	3,545,184,116
498	2015032	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Bilateral Portion)	EUR	37,074,467	8,505,694,753			1,044,351	247,742,240	(84,124,320)	36,030,116	8,173,828,193

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	
499	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	1,220,605	280,033,660			1,220,605	289,284,813	9,251,153	(0)	(0)	(0)
500	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,980,000	1,601,364,862			-	-	(17,875,082)	6,980,000	1,583,489,780	
<b>Government of the United States of America</b>												
501	Agricultural Planning & Analysis Project	USD	393,436	73,339,823			47,522	9,363,096	5,356,190	345,914	69,332,917	
502	Agricultural Inputs Project	USD	52	9,722			-	-	753	52	10,475	
503	Diversified Agriculture Research Project	USD	553,374	103,153,496			51,157	10,143,340	7,651,205	502,217	100,661,361	
504	Diversified Agriculture Research Project	USD	430,513	80,251,173			81,053	16,267,116	6,059,603	349,460	70,043,660	
505	Import of Wheat- PL 480-Title 1, FY 2001	USD	3,283,197	612,014,651			298,472	59,694,472	45,919,651	2,984,725	598,239,830	
506	Import of Wheat- PL 480-Title 1, 2000	USD	1,911,535	356,325,588			191,153	38,800,317	27,297,471	1,720,382	344,822,742	
507	Irrigation System Management Project	USD	2,693,420	502,075,503			308,772	62,015,422	37,903,865	2,384,648	477,963,946	
508	Irrigation System Management Project	USD	1,397,597	260,523,418			137,445	27,489,065	19,542,743	1,260,152	252,577,096	
509	Jaffna Market Town Water Supply	USD	216,965	40,444,242			143,565	28,788,833	3,056,476	73,400	14,711,885	
510	Mahaweli Sector Support	USD	1,376,182	256,531,652			910,608	183,038,915	19,823,931	465,574	93,316,668	
511	Mahaweli Agriculture & Rural Development	USD	1,198,519	223,413,702			124,362	24,502,654	16,386,391	1,074,157	215,297,439	
512	Mahaweli Agriculture & Rural Development	USD	228,204	42,539,101			23,948	4,785,950	3,186,691	204,256	40,939,842	
513	Mahaweli Basin. Dev. Ph-2 (Mad. Oya Sys.B)	USD	2,127,447	396,573,476			328,712	64,689,299	28,643,209	1,798,735	360,527,386	
514	Mahaweli Basin Dev. Phase 2 Maduruoya	USD	1,830,030	341,132,515			1,210,915	243,028,571	25,987,646	619,115	124,091,590	
515	Mahaweli Basin Development Phase 2	USD	4,146,324	772,908,798			1,140,905	220,209,238	49,687,935	3,005,419	602,387,495	
516	Mahaweli Basin Development Phase I	USD	235,085	43,821,707			235,085	43,490,694	(331,013)	(0)	-	
517	Mahaweli Dev. Phase 2- Maduruoya Sys.B. Project	USD	3,362,405	626,779,771			708,757	136,439,632	41,540,826	2,653,648	531,880,965	

Notes to the Financial Statements contd...

NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan Currency	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	
518	USD	Mahaweli Dev. Phase 2- Maduroya Sys. B. Project	5,648,937	1,053,008,095			1,063,525	209,694,694	75,758,115		4,585,412	919,071,516
519	USD	Mahaweli Dev. Phase 2- Maduroya Sys. B. Project	54,524	10,163,612			7,717	1,530,753	748,874		46,807	9,381,733
520	USD	Mahaweli Development Phase 2 & Maduroya Project	420,300	78,347,476			88,595	17,054,956	5,192,459		331,705	66,484,979
521	USD	Mahaweli Downstream Support Project	1,349,105	251,484,251			124,718	25,036,258	18,960,637		1,224,387	245,408,630
522	USD	Mahaweli Sec. Support (Rupee Expenditure)	3,386,701	631,308,799			713,879	140,961,271	45,376,386		2,672,822	535,723,914
523	USD	Mahaweli Control Project	2,148,069	400,417,991			694,811	138,343,143	29,207,191		1,453,258	291,282,039
524	USD	Malaria Control Project	292,562	54,535,716			193,585	38,572,352	3,874,913		98,977	19,838,277
525	USD	Malaria Control Project	903,165	168,357,473			215,809	42,897,334	12,309,277		687,356	137,769,416
526	USD	Malaria Control Project	832,917	155,262,427			128,694	25,828,301	11,716,035		704,223	141,150,161
527	USD	Malaria Control Project	472,665	88,108,586			61,644	12,368,925	6,642,798		411,021	82,382,459
528	USD	PL 480 Title 1 for FY 1997	2,674,607	498,568,857			382,087	76,379,161	37,308,883		2,292,520	459,498,579
529	USD	PL 480 Title 1 for FY 1998	3,055,850	569,635,388			381,981	76,314,991	42,613,171		2,673,869	535,933,568
530	USD	Private Enterprise Promotion Project	209,930	39,132,755			44,251	8,779,363	2,854,350		165,679	33,207,742
531	USD	Reforestation & Watershed Management Project	78,136	14,565,188			78,136	15,429,118	863,930		0	-
532	USD	Reforestation & Watershed Management Project	492,547	91,814,854			83,660	16,402,643	6,542,495		408,887	81,954,706
533	USD	Supply of Wheat PL 480-Title 1 -1981	546,392	101,852,089			546,392	109,296,862	7,444,773		0	-
534	USD	Supply of Wheat PL 480-Title 1 -1982	1,074,794	200,350,437			537,397	107,479,404	14,841,502		537,397	107,712,535
535	USD	Supply of Wheat PL 480-Title 1 -1983	2,045,414	381,282,084			681,805	136,292,786	28,324,090		1,363,609	273,313,388
536	USD	Supply of Wheat PL 480-Title 1 -1984	2,927,927	545,789,702			731,982	146,030,405	40,382,416		2,195,945	440,141,713
537	USD	Supply of Wheat PL 480-Title 1 -1985	3,923,109	731,299,680			829,696	162,749,405	51,474,280		3,093,413	620,024,555
538	USD	Supply of Wheat PL 480-Title 1 -1986	5,962,157	1,111,395,001			1,063,290	213,285,683	83,789,287		4,898,867	981,898,605
539	USD	Supply of Wheat PL 480-Title 1 -1987	4,961,191	924,806,576			727,614	145,675,842	69,421,199		4,233,577	848,551,933
540	USD	Supply of Wheat PL 480-Title 1 -1988	6,379,703	1,189,229,072			797,463	159,492,588	89,133,232		5,582,240	1,118,869,716

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
541	1988046	USD	9,656,107	1,799,977,831			1,106,112	221,682,122	135,412,453	8,549,995	1,713,708,162	
542	1989054	USD	11,579,713	2,158,553,297			1,157,971	233,149,164	163,465,006	10,421,742	2,088,869,139	
543	1991042	USD	204,790	38,174,656			204,790	40,954,341	2,779,685	-	-	
544	1992024	USD	1,080,817	201,473,252			540,409	108,087,154	14,930,390	540,408	108,316,488	
545	1993006	USD	1,237,877	230,750,185			412,625	82,740,521	17,398,624	825,252	165,408,288	
546	1994002	USD	2,987,942	556,976,659			746,985	150,853,659	43,040,365	2,240,957	449,163,365	
547	1994040	USD	4,053,622	755,628,552			810,725	162,146,379	56,503,831	3,242,897	649,986,004	
548	1995055	USD	2,389,079	445,343,851			398,180	79,609,913	33,309,490	1,990,899	399,043,428	
549	1980034	USD	294,210	54,843,249			62,016	12,279,269	3,975,578	232,194	46,539,558	
550	1983089	USD	249,903	46,583,866			42,446	8,468,719	3,466,259	207,457	41,581,406	
551	1984013	USD	342,870	63,913,443			64,552	12,742,115	4,612,921	278,318	55,784,249	
552	1984068	USD	1,000,001	186,408,405			130,418	25,665,711	13,551,139	869,583	174,293,833	
553	1986002	USD	376,812	70,240,868			32,835	6,582,029	5,285,849	343,977	68,944,688	
554	1989019	USD	667	124,312			52	10,416	9,347	615	123,243	
<b>HSBC (With Guarantee of EKF Denmark)</b>												
555	2015019	EUR	40,392,556	9,266,937,262	245,863	57,678,570	7,722,328	1,745,028,843	(112,209,366)	32,916,092	7,467,377,623	
<b>HSBC Limited (Hong Kong)</b>												
556	2018015	USD	79,787,807	14,873,101,448			6,137,524	1,208,765,019	1,097,669,705	73,650,283	14,762,006,134	
<b>HSBC Bank PLC (UK)</b>												
557	2012023	USD	26,485,746	4,937,160,088			4,414,291	871,270,659	357,976,034	22,071,455	4,423,865,464	



**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
558	2013012	USD	5,448,885	1,015,716,379			5,448,885	1,092,747,772	77,031,393	(0)		
	Modernization of Processing Factories of MILCO (Pvt) Ltd											
559	2007027	JPK	2,240,000	4,050,143,998			1,680,000	3,008,040,000	(66,864,000)	560,000		975,239,998
	Regional Bridge Project HSBC Bank Plc (UK)											
560	2013027	USD	38,681,605	7,210,568,328			5,951,016	1,187,825,797	537,573,735	32,730,589		6,560,316,266
	Regional Bridges Project-Phase II-Buyer's Credit Facility											
561	2008037	EUR	1,687,437	387,165,003			1,687,437	390,850,064	3,685,061	-		(0)
	The Development of the Dikkowita Fisheries Harbour (Netherlands)											
562	2019018	USD	39,748,640	7,409,543,943	10,396,537	2,100,000,000	-	-	541,244,437	50,145,177		10,050,788,380
	Upgrading Health Facilities in Selected Hospitals of Sri Lanka											
<b>IBRD of World Bank</b>												
563	2017019	USD	24,981,484	4,656,753,518	12,077,500	2,364,062,520	-	-	407,057,005	37,058,984		7,427,873,043
	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme											
564	2021030	USD			100,000				45,230	100,000		20,043,380
	Additional Financing for Water Supply & Sanitation Improvement Project											
565	2021025	USD										
	Climate Resilience Multiphase Programmatic Approach											
566	2020010	USD	87,500	16,310,718	1,288,332	258,849,004			603,430	1,375,832		275,763,152
	Covid 19 Emergency Response and Health System Preparedness Project											
567	2014013	USD	78,009,600	14,541,629,119			5,997,600	1,202,470,819	1,094,480,506	72,012,000		14,433,638,806
	Disaster Risk Management Dev. Policy Loan with a Catastrophe Differed Draw Down Option CAT-DDC											
568	2019022	USD	382,103	71,227,869					5,358,539	382,103		76,586,408
	Framework Development & Infrastructure Financing to Support Public Partnership Project											
569	2021032	USD			1,250,000	251,768,125			(1,225,875)	1,250,000		250,542,250
	Inclusive Connectivity & Development Project											
570	2012011	USD	151,558,585	28,251,762,965	11,000,000	2,185,849,800	10,043,262	2,013,831,975	2,145,444,977	152,515,323		30,569,225,767
	Metro Colombo Urban Development											

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
571	2018036	USD	250,000	46,602,050	-	-	-	-	3,506,400	250,000	50,108,450
	PPF-Programmatic Preparation Advance No - P.4940										
572	2019001	USD	55,716,857	10,386,179,349	42,468,058	8,516,682,669	-	-	776,713,668	98,184,915	19,679,575,686
	Primary Health Care System Strengthening Project										
573	2021012	USD	-	-	53,968,671	10,854,691,036	-	-	(37,545,184)	53,968,671	10,817,145,852
	Second Additional Financing for the Covid 19 Emergency Response & Health System Preparedness Project										
	<b>IDA of World Bank</b>										
574	2011037	XDR	30,296,196	8,133,865,198	-	-	1,514,810	4,35,079,246	375,115,348	28,781,386	8,073,901,300
	2nd & 3rd Additional Financing for Community Livelihood in Conflict Affected Areas										
575	1991030	XDR	13,373,959	3,590,615,166	-	-	1,273,708	361,429,443	165,238,466	12,100,251	3,394,424,189
	2nd Power Distribution & Transmission Project										
576	1981001	XDR	6,853,240	1,839,944,851	-	-	685,318	188,529,745	78,841,827	6,167,922	1,730,256,933
	2nd Rural Development Project										
577	1988085	XDR	2,787,883	748,485,426	-	-	371,710	106,248,674	35,560,310	2,416,173	677,797,062
	2nd Smallholder Rubber Rehabilitation P Project										
578	1986013	XDR	4,650,049	1,248,436,320	-	-	299,998	85,200,122	57,062,293	4,350,051	1,220,298,491
	2nd Vocational Training Project										
579	1988086	XDR	8,968,711	2,407,902,518	-	-	1,195,824	339,148,073	111,735,488	7,772,887	2,180,489,933
	3rd Industrial Development Project										
580	1977005	USD	1,470,952	274,197,503	-	-	226,300	45,194,486	20,467,301	1,244,652	249,470,318
	4th Development Finance Corporation Project										
581	1986014	XDR	16,229,539	4,357,275,784	-	-	1,014,344	290,397,233	201,365,536	15,215,195	4,268,244,087
	9th Power Project Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme										
582	2017017	XDR	11,561,600	3,104,036,398	-	-	-	-	139,282,595	11,561,600	3,243,318,993
	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan										
583	2020016	USD	10,199,233	1,764,059,672	25,304,692	5,017,694,028	-	-	334,432,974	35,503,925	7,116,186,675
	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan										
584	2020015	XDR	13,192,360	3,541,859,624	19,857,110	5,561,771,916	-	-	167,574,095	33,049,470	9,271,205,635
	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan										

**Notes to the Financial Statements contd...**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
585	2016028	XDR	26,559,049	7,130,522,973	1,917,039	542,000,800	503,250	143,383,978	317,943,452	27,972,838	7,847,083,247
586	2014020	XDR	50,966,222	13,683,314,390			1,716,796	474,781,932	607,167,760	49,249,426	13,815,700,218
587	2008035	XDR	4,372,405	1,173,895,403			582,988	165,446,024	54,577,204	3,789,417	1,063,026,583
588	2012004	XDR	6,159,507	1,653,692,677			234,175	67,008,898	75,520,567	5,925,332	1,662,204,346
589	2009014	XDR	13,104,920	3,518,384,012			1,541,755	438,440,126	163,814,037	11,563,165	3,243,757,923
590	2008034	XDR	19,646,156	5,274,562,616			2,619,487	724,422,493	226,267,752	17,026,669	4,776,407,875
591	2015031	XDR	14,065,337	3,776,235,064			469,325	133,671,274	171,458,901	13,596,012	3,814,022,691
592	2008036	XDR	44,692,265	11,998,894,354			5,958,969	1,690,025,230	556,792,669	38,733,296	10,865,661,793
593	2016027	XDR	7,153,679	1,920,606,065	8,505,799	2,399,944,450	349,601	100,411,288	74,665,625	15,309,877	4,294,804,852
594	1975002	USD	3,099,258	577,727,198			619,852	122,658,207	41,887,715	2,479,406	496,956,706
595	1979003	USD	2,029,703	378,353,247			238,786	47,278,494	27,885,508	1,790,917	358,960,261
596	1987005	XDR	5,872,948	1,576,760,128			367,056	104,156,404	71,937,180	5,505,892	1,544,540,904
597	2017001	XDR	33,675,138	9,041,037,172			1,471,800	418,364,121	386,551,499	42,155,488	11,825,672,518
598	2014010	XDR	60,344,483	16,201,172,246	4,808,905	1,332,803,200	2,366,100	677,057,288	756,492,067	62,787,288	17,613,410,225
599	2019021	USD	6,612,500	1,232,624,223	23,116,565	4,594,464,427	-	-	131,620,891	29,729,065	5,958,709,541
600	1995023	XDR	10,262,665	2,755,300,757			707,764	201,582,439	126,671,196	9,554,901	2,680,389,514

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
601	1993017	XDR	5,015,279	1,346,492,553			4,01,220	114,808,725	62,675,509	4,614,059	1,294,359,337
602	1992041	XDR	7,992,848	2,145,904,690			666,068	189,164,847	98,605,897	7,326,780	2,055,345,740
603	2016030	USD	100,000,000	18,640,820,000			-	-	1,402,560,000	100,000,000	20,043,380,000
604	1981002	XDR	3,185,751	855,304,311			303,400	86,166,299	39,433,723	2,882,351	808,571,735
605	2020009	USD	53,671,786	10,004,860,961	27,705,270	5,528,850,437	-	-	777,001,106	81,377,056	16,310,712,505
606	1974001	USD	435,514	81,183,377			124,000	24,881,927	6,136,480	311,514	62,437,930
607	2008031	XDR	30,825,000	8,275,837,433			4,110,000	1,165,638,574	384,029,188	26,715,000	7,494,228,047
608	2001020	XDR	849,160	227,980,818			42,456	12,092,144	10,412,046	806,704	226,300,720
609	1988045	XDR	4,112,089	1,104,005,756			548,276	156,717,862	52,451,015	3,563,813	999,738,909
610	2004021	XDR	26,225,519	7,040,977,051			596,034	163,968,011	312,704,186	25,629,485	7,189,713,226
611	2015030	XDR	18,891,878	5,072,055,487			1,174,800	334,601,720	225,569,544	20,273,053	5,687,100,133
612	2003020	XDR	9,114,736	2,447,106,598			217,017	62,130,081	111,056,437	8,897,719	2,496,032,954
613	1990009	XDR	30,342,062	8,146,179,214			3,193,678	908,209,355	377,833,338	27,148,384	7,615,803,197
614	2016029	XDR	15,080,957	4,048,906,555			416,718	118,377,122	174,340,405	19,514,975	5,474,440,238
615	1988007	XDR	9,311,211	2,499,856,141			1,330,158	380,209,095	119,238,543	7,981,053	2,238,885,589
616	2010002	XDR	6,837,674	1,835,765,815			759,742	217,506,941	86,753,815	6,077,932	1,705,012,689

Notes to the Financial Statements contd...

NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	
617	2010003	Emergency Northern Recovery Project	XDR	36,805,866	9,881,568,991			4,089,541	1,159,836,095	456,017,555	32,716,325	9,177,750,451
618	1997023	Energy Services Delivery Project	XDR	11,147,011	2,992,729,338			675,574	191,599,786	136,371,395	10,471,437	2,937,500,947
619	1997022	Environmental Action 1 Project	XDR	6,875,439	1,845,904,767			416,692	118,178,169	84,114,016	6,458,747	1,811,840,614
620	1973001	Fifth Power Project	USD	450,000	83,883,690			180,000	35,639,145	5,872,581	270,000	54,117,126
621	2017024	Financial Sector Modernization Project	XDR	5,052,283	1,356,427,324	750,000	211,388,265	-	-	59,870,413	5,802,283	1,627,686,002
622	1983001	Forest Resources Development Project	XDR	1,644,884	441,615,312			137,068	39,039,144	20,404,047	1,507,816	422,980,215
623	1989069	Forest Sector Development Project	XDR	2,700,022	724,896,789			317,640	90,851,238	34,272,411	2,382,382	668,317,962
624	1991023	Forth Small & Medium Industries Project	XDR	13,756,477	3,693,312,770			1,310,140	371,569,277	169,766,399	12,446,337	3,491,509,892
625	1985006	Forth Tree Crops Project	XDR	24,577,500	6,598,520,503			1,695,000	481,383,903	301,979,001	22,882,500	6,419,115,601
626	2018033	General Education Modernization Project	USD	20,016,194	3,731,182,694	23,256,750	4,613,669,968	-	-	328,507,961	43,272,944	8,673,360,623
627	1990003	General Education Project	XDR	13,860,000	3,721,106,466			1,540,000	436,992,892	171,955,658	12,320,000	3,456,069,232
628	1988014	Health & Family Planning Project	XDR	2,411,305	647,382,577			321,496	91,895,624	30,756,918	2,089,809	586,243,871
629	1997002	Health Services Project	XDR	6,401,758	1,718,731,846			400,106	114,365,314	79,247,518	6,001,652	1,683,614,050
630	2010024	Higher Education for the Twenty First Century Project	XDR	22,252,639	5,974,346,081			2,472,515	707,507,945	281,982,856	19,780,124	5,548,820,992
631	2003022	Improving Relevance & Quality of Undergraduate Education	XDR	24,402,175	6,551,449,607			574,169	157,952,808	290,857,046	23,828,006	6,684,353,845
632	1983003	Industrial Development Project	XDR	8,662,500	2,325,691,541			693,000	197,377,418	107,330,661	7,969,500	2,235,644,784
633	1979001	Kurunegala Rural Development Project	USD	4,368,516	814,327,251			513,938	101,932,510	60,193,025	3,854,578	772,587,766
634	2001021	Land Titling & Related Services Project	XDR	2,571,426	690,371,631			128,570	36,618,779	31,529,639	2,442,856	685,282,491
635	2000036	Legal & Judicial Reforms Project	XDR	9,209,334	2,472,504,390			472,274	134,013,099	112,473,364	8,737,060	2,450,964,655
636	2019027	Local Development Support Project	USD	2,403,360	448,006,064	24,209,868	4,798,042,224	-	-	88,142,166	26,613,228	5,334,190,454
637	2001024	Mahaweli Ganga T.A	EUR	185,670	42,596,532			20,357	5,061,533	(31,890)	165,313	37,503,109
638	1980001	Mahaweli Ganga T.A. Project	USD	529,517	98,706,357			55,732	10,764,878	7,021,049	473,785	94,962,528

**Notes to the Financial Statements contd...**
**NOTE 29 (II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
639	Mahaweli Restructuring & Rehabilitation Project	XDR	29,152,967	7,826,933,299			1,665,882	473,114,324	356,998,408	27,487,085	7,710,817,383
640	Mahaweli Ganga Development Project	USD	(3,295)	(614,187)			-	-	614,187	-	0
641	Mahaweli Ganga Development Project (Phase 2)	USD	2,036,094	379,544,606			339,340	67,830,859	28,373,093	1,696,754	340,086,840
642	Mahaweliganga T.A. Project	DKK	76,140	2,347,465			8,460	284,920	1,980	67,680	2,064,525
643	Mahaweli Ganga T.A. Project	GBP	74,924	19,057,346			8,325	2,419,948	1,384,005	66,599	18,021,403
644	Major Irrigation Rehabilitation Project	XDR	4,656,366	1,250,132,168			332,596	94,377,978	57,171,688	4,323,770	1,212,925,878
645	Municipal Management Project	XDR	4,087,702	1,097,458,343			263,720	75,463,229	50,727,690	3,823,982	1,072,722,804
646	National Irrigation Rehabilitation Project	XDR	7,368,803	1,978,362,304			701,780	199,032,077	90,937,145	6,667,023	1,870,267,372
647	North East Housing Reconstruction Project	XDR	44,968,000	12,072,923,200			1,022,000	282,635,362	537,668,206	43,946,000	12,327,956,044
648	North East Local Services Improvement Project Pura Neguma	XDR	31,304,434	8,404,555,018			3,295,204	934,553,872	387,291,072	28,009,230	7,857,292,218
649	North-East Irrigated Agriculture Project	XDR	14,176,427	3,804,060,065			746,126	211,721,920	173,198,260	13,430,301	3,767,536,405
650	Poverty Alleviation Project	XDR	11,052,047	2,967,232,486			1,052,568	298,519,191	136,391,453	9,999,479	2,805,104,748
651	Poverty Reduction Support Credit	XDR	77,095,000	20,698,319,120			1,814,000	499,028,126	918,919,060	75,281,000	21,118,210,054
652	Private Finance Development Project	XDR	19,702,771	5,289,762,434			1,576,218	447,314,881	242,505,447	18,126,553	5,084,953,000
653	Private Sector Industrial Project	USD	560,651	104,509,836			124,589	24,985,726	7,877,475	436,062	87,401,585
654	Private Sector Infrastructure Development Project	XDR	24,487,874	6,574,457,790			1,579,858	452,074,878	303,890,469	22,908,016	6,426,273,381
655	Programme Credit Project	USD	1,575,000	293,592,915			450,000	89,950,748	21,845,858	1,125,000	225,488,026
656	Provincial Roads Project	XDR	56,652,446	15,209,941,001			6,294,716	1,785,246,718	701,912,840	50,357,730	14,126,607,123
657	Public Manufacturing Ent. Adj. Credit	XDR	37,703,191	10,122,481,100			3,770,316	1,069,977,916	466,519,986	33,932,875	9,519,023,170
658	Public Sector Capacity Building Project	XDR	6,782,413	1,820,929,067			904,681	256,576,858	84,498,891	5,877,732	1,648,851,100

Notes to the Financial Statements contd...

NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
659	2007021	XDR	9,424,517	2,530,276,689			1,570,753	445,481,822	118,383,347	7,853,764	2,203,178,214
660	2008020	XDR	15,779,972	4,236,576,933			2,629,995	749,064,488	201,386,106	13,149,977	3,688,898,551
661	2002022	XDR	49,212,497	13,212,477,546			1,185,843	337,747,024	597,951,159	48,026,654	13,472,681,681
662	1979002	USD	3,813,413	710,851,517			448,630	88,501,464	52,066,259	3,364,783	674,416,312
663	1980003	USD	14,715,867	2,743,158,266			1,549,036	299,203,042	195,122,733	13,166,831	2,639,077,957
664	2006020	XDR	61,853,155	16,606,217,563			1,374,515	389,826,568	749,385,693	60,478,640	16,965,776,688
665	2021013				18,712,080	5,318,401,526	-	-	(69,193,413)	18,712,080	5,249,208,113
666	2011010	XDR	51,848,188	13,920,102,909			5,184,819	1,483,631,004	653,774,319	46,663,369	13,090,246,224
667	1992023	XDR	2,599,734	697,971,652			226,058	64,615,862	32,519,914	2,373,676	665,875,704
668	1997064	XDR	33,869,327	9,093,172,661			1,992,310	569,476,996	418,607,821	31,877,017	8,942,303,486
669	2013030	XDR	116,951,256	31,398,851,210			4,262,494	1,218,380,743	1,431,556,045	112,688,762	31,612,026,512
670	1986007	XDR	7,942,522	2,132,393,181			512,420	146,468,872	98,405,761	7,430,102	2,084,330,070
671	2004020	XDR	36,373,889	9,765,592,525			836,181	239,390,923	443,017,306	35,537,708	9,969,218,908
672	1982001	XDR	8,749,586	2,349,072,316			795,414	226,197,643	108,470,318	7,954,172	2,231,344,991
673	1991022	XDR	14,496,551	3,892,006,378			1,380,620	391,558,134	178,899,516	13,115,931	3,679,347,760
674	1980006	USD	8,550,000	1,593,790,110			900,000	173,838,915	113,367,375	7,650,000	1,533,318,570



**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
675	2009020	XDR	40,981,798	11,002,715,218		4,821,388	1,367,395,572	508,582,945	3,616,410	10,143,902,591	
676	1982002	XDR	9,915,292	2,662,038,658		901,388	255,779,319	122,366,879	9,013,904	2,528,626,218	
677	1980007	USD	5,399,536	1,006,517,733		568,366	109,782,365	71,594,336	4,831,170	968,329,704	
678	2014022	XDR	32,326,365	8,678,921,063		1,122,993	318,694,215	393,102,161	31,203,372	8,753,329,009	
679	2010044	XDR	32,164,315	8,635,414,293		3,385,717	960,224,533	397,929,331	28,778,598	8,073,119,092	
680	1979004	USD	3,845,035	716,746,102		452,350	89,512,443	52,775,140	3,392,685	680,008,799	
681	1980004	USD	3,174,958	591,838,282		334,198	64,551,797	42,097,919	2,840,760	569,384,404	
682	2016043	XDR	39,239,142	10,534,633,347	6,233,048	1,735,513,517	-	485,943,570	45,472,190	12,756,090,434	
683	2001022	XDR	19,145,872	5,140,247,332		709,105	201,418,138	233,146,706	18,436,767	5,171,975,900	
684	2014019	XDR	40,946,283	10,993,180,117	3,018,210	1,526,384	422,123,458	486,344,920	42,438,109	11,904,954,653	
685	2010042	XDR	97,611	26,206,604		10,846	3,103,497	1,236,654	86,765	24,339,761	
686	1977001	USD	697,000	129,926,502		126,724	25,090,750	9,466,819	570,276	114,302,571	
687	1982003	XDR	4,282,583	1,149,779,886		372,314	105,738,031	52,886,893	3,910,269	1,096,928,748	
688	1996033	XDR	26,944,967	7,234,133,429		1,738,384	497,436,944	334,382,611	25,206,583	7,071,079,096	
689	1996011	XDR	4,684,404	1,257,660,855		302,218	85,943,923	57,596,213	4,382,186	1,229,313,145	
690	1980005	USD	8,550,000	1,593,790,110		900,000	173,838,915	113,367,375	7,650,000	1,533,318,570	
691	1988001	XDR	4,213,677	1,131,280,035		601,950	172,169,448	54,069,533	3,611,727	1,013,180,120	
692	1981004	XDR	18,582,801	4,989,075,116		1,769,788	506,423,170	233,820,219	16,813,013	4,716,472,165	
693	1990048	XDR	10,834,621	2,908,858,425		1,083,458	309,890,140	136,477,654	9,751,163	2,735,445,939	
694	1983002	XDR	902,351	242,261,579		72,186	20,646,605	11,267,142	830,165	232,882,116	
695	2012012	XDR	55,052,234	14,780,319,343		2,093,000	598,909,893	674,985,213	52,959,234	14,856,394,663	

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
696	2017023	XDR	5,462,797	1,466,641,281	15,477,098	4,379,430,373	1,075,474	304,368,344	30,765,381	19,864,421	5,572,468,691
697	1978001	USD	3,637,363	678,034,215			484,976	95,968,579	49,779,189	3,152,387	631,844,825
698	2005021	XDR	26,713,919	7,172,102,512			600,311	166,016,760	319,437,041	26,113,608	7,325,522,793
699	1981003	XDR	5,537,705	1,486,752,643			527,384	150,910,435	69,678,723	5,010,321	1,405,520,931
700	2001025	EUR	928,918	213,114,032			121,709	26,943,461	(3,046,308)	807,209	183,124,263
701	1986012	XDR	14,926,500	4,007,438,360			963,000	275,261,555	184,935,429	13,963,500	3,917,112,234
702	2015028	XDR	80,990,206	21,744,096,674	18,854,640	5,354,743,200	3,874,200	1,103,433,759	926,769,005	95,970,646	26,922,175,120
703	1977003	USD	1,794,000	334,416,311			276,000	53,392,200	23,234,398	1,518,000	304,258,509
704	1979074	DKK	261,630	8,066,288			30,780	1,036,620	12,226	230,850	7,041,894
705	1979077	GBP	257,578	65,515,867			30,303	8,808,606	4,792,377	227,275	61,499,638
706	1999001	XDR	8,072,259	2,167,224,786			436,334	120,668,706	95,512,572	7,635,925	2,142,068,652
<b>International Fund for Agricultural Development (IFAD)</b>											
707	1991033	XDR	4,570,783	1,227,155,055			222,964	63,264,850	55,782,071	4,347,819	1,219,672,276
708	1981006	XDR	938,798	252,046,599			93,876	26,551,257	11,526,470	844,922	237,021,812
709	1983004	XDR	3,129,337	840,158,463			260,780	74,025,927	38,569,715	2,868,557	804,702,251
710	1982004	XDR	844,035	226,604,956			76,726	21,700,667	10,345,148	767,309	215,249,437
711	2004022	XDR	11,985,306	3,217,792,290			499,390	142,737,677	147,033,233	11,485,916	3,222,087,846
712	2017014	USD	15,487,455	2,886,988,596	6,445,214	1,276,753,197	-	-	232,306,421	21,932,669	4,396,048,214
713	2012008	XDR	14,347,813	3,852,073,410			-	-	172,848,096	14,347,813	4,024,921,506
714	1986026	XDR	2,319,461	622,724,430			154,630	43,893,816	28,458,764	2,164,831	607,289,378

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
715	1978004	USD	2,100,000	391,457,220		300,000	60,209,040	29,532,660		1,800,000	360,780,840
716	1982009	XDR	1,055,573	283,397,796		87,964	24,969,771	13,010,562		967,609	271,438,587
717	1999007	XDR	4,678,417	1,256,052,518		259,912	73,748,646	57,197,696		4,418,505	1,239,501,568
718	2010009	XDR	13,352,069	3,584,738,089		460,416	131,113,864	162,807,994		12,891,653	3,616,432,219
719	1995040	XDR	2,699,520	724,762,000		179,968	51,064,963	33,100,539		2,519,552	706,797,576
720	1992051	XDR	2,502,852	671,960,963		113,764	32,279,931	30,518,132		2,389,088	670,199,164
721	2008025	XDR	9,109,557	2,445,716,547		357,240	101,732,166	111,260,212		8,752,317	2,455,244,593
722	2005022	XDR	7,675,525	2,060,710,250		313,300	89,219,259	93,797,789		7,362,225	2,065,288,780
723	2008026	XDR	1,361,730	365,594,742		53,402	15,207,428	16,631,591		1,308,328	367,018,905
724	2005023	XDR	1,274,000	342,041,099		52,000	14,808,176	15,568,748		1,222,000	342,801,671
725	2019010	XDR			6,332,306			349,752,239		6,332,306	1,776,370,775
726	1988088	XDR	1,825,086	489,995,538		104,292	29,604,693	22,335,063		1,720,794	482,725,908
727	2007011	XDR	11,992,925	3,219,837,884		462,104	132,080,442	146,927,447		11,530,821	3,234,684,889
728	2016016	XDR	11,884,521	3,190,733,599	1,522,044	922,500	262,618,306	142,624,802		12,484,064	3,502,093,434

**Notes to the Financial Statements contd...**

NOTE 29(ii) – STATEMENT OF FOREIGN LOAN BALANCES (8343)												
Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.	
<b>ING Bank</b>												
729	Negombo Water Supply Project (Netherlands)	EUR	841,497	193,057,935			841,497	200,570,078	7,512,143	0		
<b>KBC Bank</b>												
730	Implementation of Monaragala – Buttala Water Supply Project	EUR	6,821,652	1,565,036,455			1,732,877	404,085,475	(6,506,349)	5,088,775	1,154,444,631	
<b>Nordea Bank Finland</b>												
731	2nd Power Dist & Transm. Project (Anuradhapura)	EUR	3,263,472	748,711,877			217,565	50,507,022	(7,207,367)	3,045,907	690,997,488	
732	Rural Electrification Project 4 Extension (Sweden)	USD	4,498,613	838,578,334			4,498,613	879,336,556	40,758,222			
733	Secondary Education Modernization Project	EUR	4,251,505	975,388,185			218,026	50,614,060	(9,735,181)	4,033,479	915,038,944	
734	Solar Energy for the Development of Health & Education Facilities in Rural Areas-Finland	EUR	1,141,189	261,813,898			1,141,189	272,001,754	10,187,856	(0)		
735	Southern Transport Development Project	EUR	3,204,235	735,121,322			178,013	41,325,184	(7,264,389)	3,026,222	686,531,749	
736	Strengthening of Health Delivery Service in the Northern Province under Financial Assistance of the Netherlands	EUR	15,233,087	3,494,774,895	10,179,414	2,356,624,048			(86,293,515)	25,412,501	5,765,105,428	
737	The Skills Development Project	EUR	5,503,284	1,262,573,806			305,738	70,976,170	(12,477,214)	5,197,546	1,179,120,422	
<b>OPEC Fund for International Development (OFID)</b>												
738	Colombo National Highways Project	USD	18,855,579	3,514,834,534	4,671,219	904,747,332	3,333,320	668,481,659	296,355,348	20,193,478	4,047,455,555	
739	Kalu Ganga Development Project	USD	13,824,579	2,577,014,956			328,418	65,662,999	193,734,928	13,496,161	2,705,086,885	
740	Kalu Ganga Development Project (Additional Loan)	USD	12,114,385	2,258,250,685	3,975,985	771,640,215			195,162,996	16,090,369	3,225,053,896	
741	National Highway Sector Project	USD	5,066,740	944,481,883			533,320	106,630,508	70,799,222	4,533,420	908,650,598	
742	North East Community Restoration & Development Project	USD	256,369	47,789,340			256,369	51,401,749	3,612,409		0	

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2021		
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.	
743	2015015	USD	30,555,977	5,695,939,620	6,791,753	1,334,824,429	4,000,000	773,800,000	427,048,106	33,347,730	6,684,012,155	
744	2012024	USD	24,963,676	4,653,433,804	388,497	75,465,382	2,666,660	533,164,534	351,208,765	22,685,512	4,546,943,417	
745	2003076	USD	1,257,747	234,454,395			503,040	99,599,531	16,413,926	754,707	151,268,790	
746	2002070	USD	301,890	56,274,790			301,890	59,773,147	3,498,357	-	-	
747	2018023	USD			761,310	151,210,318	-	-	1,381,898	761,310	152,592,216	
748	2015014	USD	9,119,811	1,700,007,486	1,975,082	379,487,177	1,133,320	219,240,754	136,381,999	9,961,573	1,996,635,908	
<b>Raiffeisen Zentral Bank</b>												
749	2012009	EUR	17,861,893	4,097,909,552			3,572,379	829,435,615	(26,740,325)	14,289,514	3,241,733,612	
750	2017025	EUR	9,306,258	2,155,059,408	193,742	45,712,943	-	-	(25,592,852)	9,500,000	2,155,179,499	
751	2016001	EUR	8,694,412	1,994,688,470			-	-	(22,265,519)	8,694,412	1,972,422,951	
752	2017029	EUR	9,851,393	2,260,125,203			-	-	(25,228,431)	9,851,393	2,234,896,772	
753	2008038	EUR	6,416,667	1,472,123,858			916,667	213,386,157	(11,002,202)	5,500,000	1,247,735,499	
<b>Riggs National Bank Washington</b>												
754	1994046	USD	2,000,000	372,816,400			500,000	98,495,900	26,330,200	1,500,000	300,650,700	
755	1997067	USD	5,250,000	978,643,050			750,000	148,519,463	71,828,513	4,500,000	901,952,101	
756	1998049	USD	2,227,547	415,232,775			219,523	43,418,722	30,661,730	2,008,024	402,475,783	

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021		
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	
<b>Saudi Fund (SF)</b>												
757	2004043	Baticolaa – Trincomalee Road Project	SAR	9,211,630	457,832,778			2,666,000	140,520,298	32,135,172	6,545,630	349,447,652
758	2019043	Constriction of Faculty of Medicine Project at the Sabaragamuwa University	SAR			561,937	30,137,311	-	-	(137,506)	561,937	29,999,805
759	2002058	Development Health Facilities – Colombo Hospital	SAR	3,514,143	174,658,548			3,000,000	158,124,866	10,914,582	514,143	27,448,264
760	2008002	Development of Health Facilities in Colombo Project (Additional Loan)	SAR	6,661,315	331,078,031			550,000	28,989,559	24,172,654	6,111,315	326,261,126
761	2008001	Epilepsy Hospital & Health Centers Project	SAR	45,702,627	2,271,493,701			3,750,000	197,656,083	165,862,124	41,952,627	2,239,699,742
762	2015027	Epilepsy Hospital & Health Centers Project (Additional Finance)	SAR	38,652,119	1,921,072,140			3,000,000	158,106,658	140,372,785	35,652,119	1,903,338,267
763	2015026	Improvement of Peradeniya – Badulla - Chenkaladi Road Project	SAR	64,032,938	3,182,539,464	50,757,738	2,536,570,983	11,250,000	592,968,249	401,521,735	103,540,676	5,527,663,934
764	2010028	Kalu Ganga Development Project	SAR	114,928,315	5,712,121,119			11,500,000	606,145,321	415,689,574	103,428,315	5,521,665,372
765	2018024	Kalu Ganga Development Project (Additional Finance)	SAR	41,391,823	2,057,239,815	5,908,213	310,486,242	-	-	157,452,585	47,300,036	2,525,178,642
766	2012025	Road Network Development Project (Saudi Fund)	SAR	159,899,476	7,947,259,761	9,717,579	480,187,980	15,000,000	790,624,331	617,624,482	154,617,054	8,254,447,892
767	2017032	Wayaba University Township Development Project	SAR	589,471	29,297,666	828,769	41,072,152	-	-	5,344,910	1,418,240	75,714,728
<b>Standard Chartered Bank (United Kingdom)</b>												
768	2019032	Establishment of Neonatal and Obstetrics Reference Center for the De Soya Maternity Hospital Project	EUR	4,497,663	1,031,862,276			-	-	(11,518,064)	4,497,663	1,020,344,212
<b>Uni Credit Bank Austria</b>												
769	2013004	Augmentation of Mahiyangana Water Supply Project	EUR	8,844,210	2,029,055,474			1,040,495	246,228,583	(12,468,359)	7,803,715	1,770,358,532

**Notes to the Financial Statements contd...**
**NOTE 29(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)**

Loan Key	Project Name	Loan Balance as at 01-01-2021		Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2021	
		Loan Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
770	2018003	EUR	7,233,337	1,659,485,980	2,084,663	478,873,366	-	-	(24,468,471)	9,318,000	2,113,890,875
	Implementation of Kirama Katuwana Integrated Water Supply Scheme										
	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Highways in SL										
771	2018017	EUR	4,928,000	1,130,591,123	-	-	-	-	(12,620,115)	4,928,000	1,117,971,008
	Supply of 2nos Cardiac Catheterization System to Cardiology Dep.vof the NHSL										
772	2013006	EUR	2,191,440	502,764,329	190,560	44,787,021	190,560	44,787,021	(4,055,669)	2,000,880	453,921,639
	Supply of Freighting Vehicles Equipment For the Colombo Municipal Council										
773	2019008	EUR	2,063,400	473,389,148	7,737,750	1,851,304,679	-	-	(101,195,137)	9,801,150	2,223,498,690
	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area										
774	2013045	EUR	10,500,000	2,408,929,943	525,000	118,466,460	525,000	118,466,460	(27,525,015)	9,975,000	2,262,938,468
	<b>ERSTE BANK- AUSTRIA</b>										
775	2018016	EUR	8,620,618	1,977,758,460	-	-	-	-	(22,076,540)	8,620,618	1,955,681,920
	Upgrading of Operation Theatres ICU Equipment under a strain Soft Scheme										
	<b>Grand Total</b>			<b>3,576,768,529,864</b>	<b>351,622,570,092</b>	<b>296,071,850,667</b>	<b>147,382,802,102</b>	<b>3,779,702,051,391</b>			



## Notes to the Financial Statements contd...

## Note – 29 (III) FOREIGN CURRENCY TERM FINANCING FACILITY (9190)

Loan Key	Project Name	Balance as at 01.01.2021		Accounted during the year		Repayments		Parity		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
2018044	Foreign Currency Term Financing Facility	USD	186,408,200,000	-	-	90,900,000	18,180,000,000	13,986,167,580	909,100,000	182,214,367,580	
2020008	Foreign Currency Term Financing Facility	USD	93,204,100,000	-	-	-	-	7,012,800,000	500,000,000	100,216,900,000	
2021002	Foreign Currency Term Financing Facility	USD	-	500,000,000	100,000,000,000	-	-	216,900,000	500,000,000	100,216,900,000	
2021026	Foreign Currency Term Financing Facility	CNY	-	2,000,000,000	64,983,800,000	-	-	(2,111,400,000)	2,000,000,000	62,872,400,000	
<b>Total</b>			<b>1,500,000,000</b>	<b>2,500,000,000</b>	<b>164,983,800,000</b>	<b>90,900,000</b>	<b>18,180,000,000</b>	<b>19,104,467,580</b>	<b>3,909,100,000</b>	<b>445,520,567,580</b>	

## Note – 29 (IV) INTERNATIONAL SOVEREIGN BOND (9194)

Loan Key	Project Name	Balance as at 01.01.2021		Accounted during the year		Repayments		Parity		Closing Balance as at 31.12.2021	
		Loan Currency	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
1	2011017 International Sovereign Bond	USD	1,000,000,000	-	-	1,000,000,000	199,901,900,000	13,493,700,000	-	-	
2	2012018 International Sovereign Bond	USD	1,000,000,000	-	-	-	-	14,025,600,000	1,000,000,000	200,433,800,000	
3	2015008 International Sovereign Bond	USD	650,000,000	-	-	-	-	9,116,640,000	650,000,000	130,281,970,000	
4	2015029 International Sovereign Bond	USD	1,500,000,000	-	-	-	-	21,038,400,000	1,500,000,000	300,650,700,000	
5	2016024 International Sovereign Bond	USD	1,000,000,000	-	-	-	-	14,025,600,000	1,000,000,000	200,433,800,000	
6	2016026 International Sovereign Bond	USD	500,000,000	-	-	-	-	7,012,800,000	500,000,000	100,216,900,000	
7	2017012 International Sovereign Bond	USD	1,500,000,000	-	-	-	-	21,038,400,000	1,500,000,000	300,650,700,000	
8	2018013 International Sovereign Bond	USD	1,250,000,000	-	-	-	-	17,532,000,000	1,250,000,000	250,542,250,000	
9	2018014 International Sovereign Bond	USD	1,250,000,000	-	-	-	-	17,532,000,000	1,250,000,000	250,542,250,000	
10	2019013 International Sovereign Bond	USD	1,000,000,000	-	-	-	-	14,025,600,000	1,000,000,000	200,433,800,000	
11	2019014 International Sovereign Bond	USD	1,400,000,000	-	-	-	-	19,635,840,000	1,400,000,000	280,607,320,000	
12	2019033 International Sovereign Bond	USD	500,000,000	-	-	-	-	7,012,800,000	500,000,000	100,216,900,000	
13	2019034 International Sovereign Bond	USD	1,500,000,000	-	-	-	-	21,038,400,000	1,500,000,000	300,650,700,000	
<b>Total</b>			<b>14,050,000,000</b>	<b>2,619,035,210,000</b>	<b>-</b>	<b>1,000,000,000</b>	<b>199,901,900,000</b>	<b>196,527,780,000</b>	<b>13,050,000,000</b>	<b>2,615,661,090,000</b>	

## Notes to the Financial Statements contd...

### Note – 30 (I) – DEPOSIT ACCOUNTS BALANCES AS AT 31ST DECEMBER 2021 (6000 & 6003)

Category	Opening Balance as at 01.01.2021	Debits	Credits	Closing Balance as at 31.12.2021
6000/01	8,153,077,453	604,199,107	1,209,052,756	8,757,931,102
6000/02	575,086,757	737,704,706	855,972,276	693,354,327
6000/03	(929,023)	–	–	(929,023)
6000/05	1,034	–	–	1,034
6000/06	23,158,943,506	8,980,457,705	8,402,623,696	22,581,109,497
6000/07	1,000,000,000	–	–	1,000,000,000
6000/08	453,012,856	24,291,161	65,234,683	493,956,379
6000/10	1,121,049,147	2,028,103,145	2,564,797,024	1,657,743,026
6000/11	250,000,000	250,000,000	1,046,832,317	1,046,832,317
6000/13	9,627,231,155	35,376,435,990	38,405,591,256	12,656,386,421
6000/14	2,633,086,664	14,902,030,567	13,820,813,780	1,551,869,877
6000/15	158	–	–	158
6000/16	14,134,849,854	5,445,291,308	4,519,195,926	13,208,754,472
6000/17	2,006,042,796	7,014,375,571	8,181,132,708	3,172,799,933
6000/18	14,562,273,058	20,392,424,026	20,623,998,548	14,793,847,579
6000/19	91,754,084	236,575,550	496,187,770	351,366,305
6000/20	497,813,254	797,905,135	658,210,702	358,118,821
6000/286	(11,700)	–	11,700	–
<b>Sub Total</b>	<b>78,263,281,053</b>	<b>96,789,793,971</b>	<b>100,849,655,142</b>	<b>82,323,142,224</b>
6003/1	(10,000,000)	–	–	(10,000,000)
6003/63	(2,970)	–	2,970	–
<b>Sub Total</b>	<b>(10,002,970)</b>	<b>–</b>	<b>2,970</b>	<b>(10,000,000)</b>
<b>Grand Total</b>	<b>78,253,278,083</b>	<b>96,789,793,971</b>	<b>100,849,658,112</b>	<b>82,313,142,224</b>

## Explanatory Notes

### Note 16 – Statement of Non-Current Assets

As stated in the Statement of Financial Position as at 31st December 2021, 18 Special Spending Units, 30 Government Ministries, 38 State Ministries, 95 Departments and 25 District Secretariats have reported non-financial assets at cost or revalued amount amounting to Rs. 1,850,007,342,256.00. Balance part of the non-financial assets of the above mentioned institutes if any, and other Ministries/Departments which have not yet been recorded the non-financial assets will also be bringing to the same system gradually, to be completed by 2022.

### Schedule IV – Total Revenue and Expenditure of Provincial Councils

Total Revenue of Rs. 63,987,296,980.00 and Total Expenditure of Rs. 355,442,370,463.00 were reported in respect of 9 Provincial Councils (Provisional figures) during the financial year.

### Adopt New Accounting Policies

Previously adopted accounting method on reporting Treasury Bonds was revised from the year 2016. From 2016 and onward Treasury Bonds are recorded on their face value, and required adjustments have been done accordingly. Adjustments were made in the year 2021 for accounting of accumulated discount value of the Treasury bonds issued prior to 2016.

### Defunct Institutions

Institutions namely CWG Hambanthota 2018, Mihin Lanka (Private) Ltd, Lanka Fabrics Ltd., Rajarata Food Grain Ltd. and State Resource Management Corporation Ltd. are in the process of winding up. Hence once the winding up process are completed, Treasury Books will be adjusted accordingly.

## Nature and Purpose of Reserves

The Government creates and maintains reserves in terms of specific local requirements.

### Consolidated Fund

The funds of the Republic not allocated by law to specific purposes form the Consolidated Fund into which shall be paid the produce of all taxes, imposts, rates and duties and all other revenues and receipts of the Republic not allocated to specific purposes.

### Contingency Fund

A Fund Created by Parliament by law for the purpose of providing for urgent and unforeseen expenditure.

### Foreign Loan Revolving Funds

Funds created for recording loan receipts and reimbursements for expenditure incurred.

### Public Service Provident Fund Account

A Fund established to afford Provident Fund benefits to those public servants who are not pensionable.

### Teachers Widows Orphans Pension Fund

A fund established for the payment of pension to widowers and orphans of teachers who are entitled to the payment of pension under the Minutes of pension.

## Notes to the Financial Statements contd...

 SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021

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.
1	Lakdhanavi Ltd.	National Savings Bank				22-Feb-07	31-Mar-22	2,992.00			427.43
2	Lakdhanavi Ltd.	Employees' Trust Fund Board				1-Mar-07	31-Mar-22	2,992.00			-
3	Ceylon Electricity Board	People's Bank				7-May-08	3-Mar-23	4,116.00			4,116.00
4	West Coast Power (Pvt) Ltd	Hong Kong & Shanghai Banking Co. Ltd		134.84		28-Jun-07	28-Jun-22	-	5.21		
5	Ceylon Electricity Board	People's Bank	4.20			11-Jun-08	9-Oct-23	1,200.00	0.93		1,200.00
6	Urban Development Authority	National Savings Bank				6-Nov-09	5-Nov-24	2,770.00			764.00
7	Road Development Authority	Commercial Bank				1-Sep-11	31-Mar-30	829.25			829.25
8	General Sir John Kotlawala Defence University	Bank of Ceylon				29-Aug-11	31-Dec-26	85.00			28.77
9	Road Development Authority	People's Bank				14-Mar-12	20-Apr-30	1,291.08			1,291.08
10	Road Development Authority	Bank of Ceylon				12-Mar-12	31-Dec-26	1,784.36			1,433.67
11	Road Development Authority	Bank of Ceylon				12-Mar-12	31-Dec-26	2,063.00			1,604.16
12	Road Development Authority	People's Bank				21-Mar-12	28-Apr-30	785.39			785.39
13	Road Development Authority	People's Bank				21-Mar-12	02-May-30	4,647.57			4,647.57
14	Road Development Authority	People's Bank				21-Mar-12	02-May-30	1,656.01			1,656.01
15	Road Development Authority	Bank of Ceylon				6-Jun-12	31-Dec-26	2,007.64			1,565.50
16	Road Development Authority	Bank of Ceylon				15-Oct-12	30-Apr-27	315.56			423.51
17	Road Development Authority	Bank of Ceylon				31-Jan-13	30-Apr-27	1,413.16			954.49
18	Road Development Authority	Bank of Ceylon				15-Oct-12	30-Apr-27	354.58			1,473.59
19	Road Development Authority	Bank of Ceylon				31-Jan-13	30-Apr-27	1,494.31			
20	Road Development Authority	National Savings Bank				25-Oct-12	30-Apr-27	384.25			1,600.33
21	Road Development Authority	National Savings Bank				25-Oct-12	01-Apr-32	1,216.08			
22	Road Development Authority	Commercial Bank				15-Nov-12	31-Mar-30	840.62			840.62

## Notes to the Financial Statements contd...

**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

	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.
23	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	670.75			15-Nov-12	31-May-27				805.33
24	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	3,139.25			31-Jan-13	31-May-27				2,256.19
25	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	385.64			15-Nov-12	31-May-27				1,599.96
26	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,636.31			31-Jan-13	31-May-27				
27	Road Development Authority	Commercial Bank	Secure the Loan Facility	873.27			26-Dec-12	31-Mar-30				873.27
28	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	299.25			26-Dec-12	30-Jun-27				1,330.00
29	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	1,363.75			31-Jan-13	30-Jun-27				
30	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,386.37			28-Dec-12	01-Apr-32				1,386.37
31	Road Development Authority	National Savings Bank	Secure the Loan Facility	225.54			31-Dec-12	30-Jun-27				891.41
32	Road Development Authority	National Savings Bank	Secure the Loan Facility	665.87			31-Dec-12	01-Apr-32				
33	Road Development Authority	DFCC Bank	Secure the Loan Facility	367.32			31-Dec-12	31-Mar-30				367.32
34	Road Development Authority	Hatton National Bank	Secure the Loan Facility	2,283.87			14-May-13	01-Apr-32				2,283.87
35	General Sir John Kotelawala Defence University	Bank of Ceylon	Secure the Loan Facility	750.00			7-Jun-13	30-Jun-28				245.66
36	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,301.55			11-Jul-13	01-Apr-34				1,301.55
37	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,323.38			11-Jul-13	01-Apr-34				1,323.38
38	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	3,330.95			25-Jul-13	31-Jan-28				2,716.93
39	Road Development Authority	Hatton National Bank	Secure the Loan Facility	734.21			5-Aug-13	01-Apr-34				734.21
40	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,769.27			5-Aug-13	01-Apr-34				1,769.27
41	Road Development Authority	National Savings Bank	Secure the Loan Facility	1,541.38			12-Aug-13	01-Apr-34				1,541.38
42	Road Development Authority	Bank of Ceylon	Secure the Loan Facility	2,173.92			28-Aug-13	29-Feb-28				1,761.35
43	Road Development Authority	Hatton National Bank	Secure the Loan Facility	1,147.84			30-Aug-13	01-Apr-34				1,147.84

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.	
44	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-32	325.86				325.86
45	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-34	1,178.22				1,178.22
46	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-34	1,510.58				1,510.58
47	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-34	2,538.76				2,538.76
48	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-34	1,214.30				1,214.30
49	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-32	1,062.50				1,062.50
50	Road Development Authority	Secure the Loan Facility				24-Oct-13	01-Apr-34	1,196.73				1,196.73
51	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	1,892.63				2,556.02
52	Road Development Authority	Secure Term Loan Facility				9-May-16	30-Nov-30	663.39				
53	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	838.28				838.28
54	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	1,018.01				1,018.01
55	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	357.14				357.14
56	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	4,786.43				4,786.43
57	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	1,292.84				1,292.84
58	National School of Business Management Limited	Secure the Loan Facility				18-Dec-13	31-Dec-28	8,600.00				7,550.00
59	Road Development Authority	Secure the Loan Facility				27-Dec-13	31-Mar-32	529.19				529.19
60	Road Development Authority	Secure the Loan Facility				27-Dec-13	01-Apr-34	1,492.31				1,492.31
61	Road Development Authority	Secure the Loan Facility				27-Jan-14	01-Apr-34	2,935.67				2,935.67
62	Road Development Authority	Secure the Loan Facility				11-Feb-14	01-Apr-34	4,282.29				4,282.29
63	Road Development Authority	Secure the Loan Facility				13-Feb-14	31-Aug-28	1,253.93				987.57
64	Road Development Authority	Secure the Loan Facility				13-Feb-14	01-Apr-34	560.41				560.41

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

	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.
65	Road Development Authority	National Savings Bank	Secure the Loan Facility			5,217.03	7-Mar-14	01-Apr-34				5,217.03
66	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			693.93	14-Mar-14	01-Apr-34				693.93
67	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,350.00	14-Mar-14	01-Apr-34				1,350.00
68	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			376.74	25-Mar-14	01-Apr-34				376.74
69	Road Development Authority	Hatton National Bank	Secure the Loan Facility			401.65	25-Mar-14	01-Apr-34				401.65
70	Road Development Authority	Commercial Bank	Secure the Loan Facility			544.11	3-Apr-14	31-Mar-34				544.11
71	Road Development Authority	Bank of Ceylon	Secure the Loan Facility			2,249.98	7-Apr-14	15-Oct-28				1,707.99
72	Road Development Authority	National Savings Bank	Secure the Loan Facility			2,397.94	5-Mar-14	01-Apr-34				2,397.94
73	Road Development Authority	National Savings Bank	Secure the Loan Facility			677.25	7-May-14	01-Apr-34				677.25
74	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,113.19	7-May-14	01-Apr-34				1,113.19
75	Road Development Authority	National Savings Bank	Secure the Loan Facility			947.84	21-May-14	01-Apr-34				947.84
76	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			713.50	7-Jul-14	01-Apr-35				713.50
77	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,279.16	8-Jul-14	01-Apr-35				1,279.16
78	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,718.35	15-Jul-14	01-Apr-35				1,718.35
79	Road Development Authority	Commercial Bank	Secure the Term Loan Facility			1,668.68	15-Jul-14	31-Mar-34				1,668.68
80	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,451.49	15-Jul-14	01-Apr-35				1,451.49
81	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility			1,894.95	16-Jul-14	31-Jan-29				1,671.11
82	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			319.76	17-Jul-14	01-Apr-35				319.76
83	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,059.03	21-Jul-14	01-Apr-34				1,059.03
84	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			787.27	21-Jul-14	01-Apr-34				787.27
85	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,229.27	21-Jul-14	01-Apr-35				1,229.27
86	Road Development Authority	National Savings Bank	Secure the Loan Facility			744.83	20-Aug-14	01-Apr-34				744.83

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.
87	Road Development Authority	Secure the Loan Facility		385.83		26-Aug-14	01-Apr-34				385.83
88	Road Development Authority	Secure the Term Loan Facility	44.71			22-Sep-14	30-Sep-27	23.42			
89	Road Development Authority	Secure the Term Loan Facility			1,108.00	23-Sep-14	01-Apr-35				1,108.00
90	Sri Lanka Land Reclamation & Development Corporation	Secure the Loan Facility			2,000.00	26-Sep-15	31-Oct-28				1,868.01
91	Sri Lanka Land Reclamation & Development Corporation	Secure the Loan Facility			1,500.00	13-Jul-14	31-Oct-28				
92	Road Development Authority	Secure the Term Loan Facility			2,123.65	21-Sep-14	15-Apr-29				1,884.57
93	National Water Supply & Drainage Board	Secure Term Loan Facility			1,148.06	12-Nov-14	31-May-29				1,002.99
94	National Water Supply & Drainage Board	Secure Short Term Loan Facility			2,792.07	14-Nov-14	30-Nov-29				2,557.05
95	National Water Supply & Drainage Board	Secure Term Loan Facility			2,800.00	9-Dec-14	31-Dec-29				2,373.63
96	National Water Supply & Drainage Board	Secure Term Loan Facility			2,900.00	9-Dec-14	31-Dec-29				2,458.39
97	Road Development Authority	Secure Term Loan Facility			242.54	1-Dec-14	31-May-29				1,045.18
98	Road Development Authority	Secure Term Loan Facility			1,567.46	11-Sep-15	31-May-29				
99	National Water Supply & Drainage Board	Secure Term Loan Facility			3,041.00	30-Dec-14	30-Jun-29				3,770.15
100	National Water Supply & Drainage Board	Secure Term Loan Facility			1,870.50	31-May-16	30-Jun-29				
101	Airport & Aviation Services (Sri Lanka) Limited	Loan Facility	28,969			28-Mar-12	28-Mar-52			13,596	
102	National Water Supply & Drainage Board	Secure the Loan Facility			1,500.00	28-Jul-14	31-Jan-30				2,318.14
103	National Water Supply & Drainage Board	Secure the Loan Facility			1,500.00	3-Jun-16	31-Jan-30				



Notes to the Financial Statements contd...

SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021

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.	Rs. Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
104	Ceylon Electricity Board	Secure Term Loan Facility				3,850.08	29-Apr-15	30-Apr-23				1,274.40
105	National Water Supply & Drainage Board	Secure Term Loan Facility				3,014.83	29-Sep-15	31-Mar-30				6,605.82
106	National Water Supply & Drainage Board	Secure Term Loan Facility				3,936.67	24-May-16	31-Mar-30				
107	National Water Supply & Drainage Board	Secure the Loan Facility				1,141.36	7-Oct-19	31-Mar-30				
108	National Water Supply & Drainage Board	Secure Term Loan Facility				1,074.13	29-Sep-15	31-Dec-30				1,508.34
109	National Water Supply & Drainage Board	Secure the Term Loan Facility				2,506.30	21-Feb-19	31-Dec-30				
110	National Water Supply & Drainage Board	Secure Term Loan Facility				1,015.00	28-Jan-16	30-Jul-30				1,247.54
111	National Water Supply & Drainage Board	Secure Term Loan Facility				485.03	22-Jan-21	30-Jul-30				
112	National Water Supply & Drainage Board	Secure Term Loan Facility				2,890.00	4-Mar-16	15-Sep-30				2,794.64
113	National Water Supply & Drainage Board	Secure Term Loan Facility				847.66	29-Jan-21	15-Sep-30				
114	National Water Supply & Drainage Board	Secure Term Loan Facility				948.00	4-Mar-16	15-Sep-30				980.83
115	National Water Supply & Drainage Board	Secure the Term Loan Facility				33.00	16-Nov-20	15-Sep-30				
116	Telecommunications Regulatory Commission of Sri Lanka	Buyers Credit Loan	88.66			-	18-May-13	31-Jul-26	22.93			
117	Airport & Aviation Services (Sri Lanka) Limited	Loan- SLP 114		45,428		-	9-May-16	9-May-56			45,428	
118	National Water Supply & Drainage Board	Secure the Loan Facility				300.00	29-Jul-16	31-Jan-31				292.64
119	National Water Supply & Drainage Board	Secure the Term Loan Facility				454.79	21-Feb-19	31-Jan-31				

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.
120 National Water Supply & Drainage Board	People's Bank	Secure the Loan Facility		397.00		29-Jul-16	31-Jul-31				383.37
121 National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan Facility		937.87		16-Aug-16	11-Jul-31				
122 National Water Supply & Drainage Board	DFCC Bank	Secure the Total Term Loan Facility		1,358.98		6-Nov-17	11-Jul-31				2,796.90
123 National Water Supply & Drainage Board	DFCC Bank	Secure the Term Loan Facility		829.40		4-Jan-19	11-Jul-31				
124 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	29.10			31-Aug-16	28-Feb-31				4,414.47
125 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	16.20			31-Aug-16	28-Feb-31				2,308.75
126 National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	164.90			28-Sep-16	28-Sep-31	98.28			
127 National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	91.80			28-Sep-16	28-Sep-31	63.16			
128 National Water Supply & Drainage Board	China Development Bank	Sovereign Guarantee	48.77			9-Sep-16	20-Mar-32	157.58			
129 National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility	34.43			28-Nov-16	28-Nov-31				5,184.40
130 National Water Supply & Drainage Board	Hatton National Bank	Secure the Term Loan Facility		23.42		9-Dec-16	14-Dec-30				3,234.72
131 National Water Supply & Drainage Board	People's Bank	Secure the Term Loan Facility		560.97		13-Feb-17	13-Feb-32				560.97
132 Airport & Aviation Services (Sri Lanka) Limited	Hong Kong & Shanghai Banking Co.Ltd.	Secure the Total Term Loan Facility	44.14			1-Mar-17	1-Mar-32	31.00			
133 National Water Supply & Drainage Board	National Development Bank PLC	Term Loan Facility		4,500.00		25-Jul-17	26-Jul-35				10,188.81
134 National Water Supply & Drainage Board	National Development Bank PLC	Secure the Term Loan Facility		6,500.00		18-Feb-19	26-Jul-35				

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.	Rs. Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.
135	National Water Supply & Drainage Board	Term Loan Facility	4,000.00			16-Feb-21	26-Jul-35				
136	Road Development Authority	Secure the Total Term Loan Facility	11,200.00			4-Aug-17	1-Apr-35				11,200.00
137	Road Development Authority	Settle Compensation Payment for Land Acquisition	7,500.00			12-Sep-17	1-Apr-35				7,500.00
138	National Water Supply & Drainage Board	Secure the Term Loan Facility	9.67			19-Oct-17	23-Oct-32				1,559.78
139	National Water Supply & Drainage Board	Secure the Term Loan Facility	18.10			19-Oct-17	23-Oct-32				3,047.87
140	National Water Supply & Drainage Board	Loan Facility	13.70			21-Aug-17	21-Aug-42	42.51			
141	Road Development Authority	Secure the Term Loan Facility				20-Dec-17	31-Dec-32	14,500.00			14,500.00
142	Ceylon Electricity Board	Sovereign Guarantee	115.00			29-Jun-17	15-May-41	39.81			
143	Ceylon Electricity Board	Sovereign Guarantee	150.00			10-Jul-17	15-Nov-41	95.49			
144	Road Development Authority	Secure the Total Term Loan Facility				24-Jan-18	31-Jan-33	1,387.00			1,017.84
145	National Water Supply & Drainage Board	Sovereign Guarantee		50.60		28-Mar-18	31-Aug-29		30.36		
146	National Water Supply & Drainage Board	Secure the Term Loan Facility		7.62		6-Apr-18	10-Apr-33				1,246.70
147	State Development and Construction Corporation	Secure the Loan Facility				8-Jun-18	11-Jun-33	1,000.00			897.43
148	State Engineering Corporation	Secure the Term Loan Facility				30-Jun-18	30-Jun-33	1,280.26			1,999.99
149	State Engineering Corporation	Secure the Term Loan Facility				22-Oct-18	30-Jun-33	719.74			
150	Ceylon Electricity Board	Sovereign Guarantee	200.00			22-Nov-17	15-Sep-37			123.87	
151	National Water Supply & Drainage Board	Secure the Term Loan Facility				13-Jul-18	31-Jul-33	128.32			128.32

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.	Rs. Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
152	State Engineering Corporation	Secure the Term Loan Facility		300.00			6-Aug-18	8-Aug-28				300.00
153	Road Development Authority	Secure the Term Loan Facility		10,000.00			13-Aug-18	15-Aug-33				
154	Road Development Authority	Secure the Term Loan Facility		5,766.52			3-Sep-18	15-Aug-33				22,000.00
155	Road Development Authority	Secure the Term Loan Facility		4,150.00			11-Sep-18	15-Aug-33				
156	Road Development Authority	Secure the Term Loan Facility		1,854.99			17-Sep-18	15-Aug-33				
157	Road Development Authority	Secure the Term Loan Facility		228.49			9-Apr-19	15-Aug-33				
158	Ceylon Petroleum Corporation	Secure the Term Loan Facility	7.73				31-Aug-18	15-Sep-31	7.73			
159	State Printing Corporation	Secure the Loan Facility		185.00			7-Sep-18	15-Sep-23				67.83
160	Ceylon Shipping Corporation Ltd	Secure the Loan Facility	71.91				7-Sep-18	3-Jun-34	60.41			
161	National Water Supply & Drainage Board	Secure the Term Loan Facility		382.24			25-Sep-18	15-Sep-33				588.31
162	Building Materials Corporation Ltd	Secure the Term Loan Facility		500.00			22-Oct-18	19-Oct-33				500.00
163	Road Development Authority	Secure the Term Loan Facility		5,000.00			12-Dec-18	20-Dec-33				9,000.00
164	Road Development Authority	Secure the Term Loan Facility		4,000.00			28-Dec-18	20-Dec-33				
165	National Water Supply & Drainage Board	Secure The Commercial Loan			12.29		12-Dec-18	4-Jul-23		4.91		
166	National Water Supply & Drainage Board	Secure The Export Credit Facility			70.66		12-Dec-18	3-Oct-33		41.23		
167	Road Development Authority	Secure the Term Loan Facility		5,000.00			14-Feb-19	12-Mar-34				5,000.00
168	National Water Supply & Drainage Board	Secure the Term Loan Facility		603.00			21-Feb-19	31-Jul-31				387.68
169	Airport & Aviation Services (Sri Lanka) Limited	Secure the Debenture		4,000.00			22-Mar-19	21-Mar-34				4,000.00
170	Road Development Authority	Secure the Term Loan Facility		10,000.00			4-Apr-19	15-Apr-34				
171	Road Development Authority	Secure the Term Loan Facility		5,000.00			7-May-19	15-Apr-34				25,000.00

## Notes to the Financial Statements contd...

**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.
172	Road Development Authority	Secure the Term Loan Facility	5,000.00			6-Jun-19	15-Apr-34				
173	Road Development Authority	Secure the Term Loan Facility	5,000.00			21-Jun-19	15-Apr-34				
174	Ceylon Petroleum Corporation	Sovereign Guarantee	43.78			26-Jun-19	31-Jan-31	21.69			
175	Sri Lankan Airlines Limited	Sovereign Guarantee	175.00			26-Jun-19	25-Jun-24	175.00			
176	Ceylon Electricity Board	Loan Facility	41.97			2-Jul-19	23-Apr-26	26.53			
177	Ceylon Electricity Board	Secure the Term Loan Facility		5,000.00		24-Feb-20	28-Feb-23				5,000.00
178	Ceylon Electricity Board	Secure the Term Loan Facility		10,000.00		26-Mar-20	7-Apr-23				10,000.00
179	Janatha Estates Development Board	Secure the Temporary Loan Facility		140.00		18-May-20	16-Jun-22				46.56
180	Elkaduwa Plantation Ltd	Secure the Loan Facility		30.00		18-May-20	18-May-22				8.73
181	Northsea Limited	Secure the Loan Facility		30.00		21-May-20	25-May-22				17.40
182	Sri Lanka Rupavahini Corporation	Secure the Long Term Loan Facility		200.00		10-Jun-20	15-Jun-24				139.53
183	National Water Supply & Drainage Board	Secure the Term Loan Facility		15,000.00		30-Jun-20	15-Jul-35				15,000.00
184	National Water Supply & Drainage Board	Secure the Term Loan Facility		2,500.00		9-Jul-20	15-Jul-35				5,041.77
185	National Water Supply & Drainage Board	Secure the Term Loan Facility		3,351.94		25-Aug-20	15-Jul-35				
186	General Sir John Kotelawala Defence University	Secure the Loan Facility	44.00			23-Jul-20	17-Sep-33				35,463.29
187	National Water Supply & Drainage Board	Secure the Term Loan Facility		2,874.69		31-Jul-20	15-Aug-35				1,043.68
188	National Paper Corporation	Working Capital Facility		40.00		22-Oct-20	31-Dec-35				36.92

**Notes to the Financial Statements contd...**
**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.
189	Road Development Authority	Secure the Term Loan Facility	10,000.00			22-Oct-20	30-Jun-35				10,000.00
190	Ceylon Electricity Board	Secure the Term Loan Facility	5,000.00			26-Nov-20	15-Dec-28				5,000.00
191	National Water Supply & Drainage Board	Secure the Term Loan Facility	15,000.00			9-Dec-20	15-Dec-35				15,000.00
192	Road Development Authority	Secure the Term Loan Facility	10,000.00			30-Dec-20	31-Dec-35				10,000.00
193	Road Development Authority	Secure the Term Loan Facility	10,000.00			5-Jan-21	1-Jan-36				10,000.00
194	Northsea Limited	Secure Term Loan Facility			9.02	16-Mar-21	31-Dec-21				8.63
195	National Water Supply & Drainage Board	Secure Term Loan Facility			968.36	20-Jan-21	15-Jul-29				879.57
196	National Water Supply & Drainage Board	Secure the Term Loan Facility			6,046.03	10-Feb-21	1-Jul-31				6,046.03
197	National Water Supply & Drainage Board	Secure the Term Loan Facility			1,471.36	11-Feb-21	1-Jan-31				1,471.36
198	National Water Supply & Drainage Board	Secure Term Loan Facility			710.61	11-Feb-21	31-May-29				710.61
199	Lanka Sathosa Limited	Short Loan Facility			2,241.00	16-Feb-21	31-Dec-21				2,175.89
200	Road Development Authority	Secure Term Loan Facility			5,000.00	19-Feb-21	20-Feb-36				10,000.00
201	Road Development Authority	Secure Term Loan Facility			5,000.00	15-Mar-21	20-Feb-36				
202	Ceylon Electricity Board	Secure the Term Loan Facility			2,500.00	24-Feb-21	31-Dec-22				1,250.00
203	Paddy Marketing Board	Secure the Term Loan Facility			942.95	24-Feb-21	15-Feb-22				759.08
204	Ceylon Electricity Board	Term Loan Facility			6,500.00	3-Mar-21	26-Jun-29				3,284.50
205	Bank of Ceylon & People's Bank	Sovereign Guarantee	180.00			21-Mar-21	21-Mar-27	180.00			
206	Sri Lankan Airlines Limited	Secure the Loan Facility	7.50			6-May-21	7-May-22				1,387.50
207	Sri Lankan Airlines Limited	Secure the Loan Facility	5.00			6-May-21	15-May-22	5.00			450.00
208	Road Development Authority	Secure the Term Loan Facility			10,000.00	9-Jun-21	10-Jun-36				10,000.00
209	State Engineering Corporation	short Term Loan Facility			100.00	14-Jun-21	15-Jun-22				100.00

## Notes to the Financial Statements contd...

**SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES  
 SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021**

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.	Rs. Mn.			US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
210	National Paper Corporation	Working Capital Facility		100.00			25-Jun-21	30-Jun-26				80.66
211	Urban Development Authority	Secure the Credit Facilities		2,189.88			2-Jul-21	17-Apr-22				2,189.88
212	Sri Lanka Insurance Corporation	Counter Guarantee (USD 12 Mn)	12.00				2-Jul-21	24-Sep-22	12.00			554.23
213	Paddy Marketing Board	Secure the Loan Facility		1,000.00			15-Jul-21	22-Mar-22				3,210.39
214	Road Development Authority	Secure the Loan Facility		3,250.00			15-Jul-21	15-Jul-36				
215	Sri Lankan Airlines Limited	Secure the Overdraft Facilities	30.00				30-Jul-21	15-Jul-22	69.91			
216	Sri Lankan Airlines Limited	Secure the Term Loan Facility	30.00				30-Jul-21	31-Jul-22				5,322.69
217	Road Development Authority	Secure Term Loan Facility		10,000.00			29-Jul-21	30-Jul-36				10,000.00
218	Lanka Coal Company (Pvt) Ltd	To Open the Letter's of Credit to Facilitate the Coal Imports		13,000.00			1-Sep-21	31-Aug-22				13,899.30
219	State Printing Corporation	Secure the credit Facilities		1,165.00			8-Sep-21	15-Sep-22				940.49
220	Northsea Limited	Secure the Term Loan Facility		60.00			22-Sep-21	15-May-26				59.56
221	Ceylon Fisheries Corporation	Secure the Short Term Loan Facility		50.00			28-Sep-21	31-Mar-22				14.85
222	BCC Lanka Ltd.	To Open the Letter of Credit of the Loan Facility		300.00			30-Sep-21	31-Mar-22				300.00
223	Road Development Authority	For Debenture		10,000.00			13-Oct-21	11-Oct-36				10,000.00
224	Sri Lanka State Plantation Corporation	Secure the Loan Facility		100.00			15-Oct-21	15-Oct-22				100.00
225	Sri Lankan Airlines Limited	Secure the Term Loan Facility		1,351.90			28-Oct-21	11-Nov-22				1,351.90
226	Sri Lankan Airlines Limited	Secure the Term Loan Facility	5.38				28-Oct-21	11-Nov-22	5.38			
227	Road Development Authority	To secure the Term Loan Facility		12,950.38			1-Nov-21	1-Nov-36				360.66
228	Ceylon Petroleum Corporation	To secure the Foreign Currency Loans	750.00				5-Nov-21	5-Nov-22	1,035.68			

**Notes to the Financial Statements contd...**

<b>SCHEDULED I – STATEMENT OF CONTINGENT LIABILITIES</b>														
<b>SCHEDULED I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2021</b>														
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.			Rs. Mn.	US\$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.		
229	Ceylon Petroleum Corporation	Secure the Foreign Currency Loans	900.00			10-Nov-21	31-Dec-22							
230	Ceylon Petroleum Corporation	To secure the Foreign Currency Loans	750.00			5-Nov-21	5-Nov-22	577.88						
231	Road Development Authority	For Debenture				9-Nov-21	11-Oct-36							11,800.00
232	Ceylon Petroleum Corporation	Secure the Foreign Currency Loans	200.00			10-Nov-21	31-Dec-22	1,121.90						
233	Ceylon Petroleum Corporation	Secure the Foreign Currency Loans	700.00			10-Nov-21	31-Dec-22							
234	Road Development Authority	To secure the Term Loan Facility			11,000.00	12-Nov-21	25-Jun-35							11,000.00
235	Road Development Authority	To secure the Term Loan Facility			14,000.00	12-Nov-21	14-Jul-35							14,000.00
236	Road Development Authority	To secure the Term Loan Facility			17,000.00	12-Nov-21	15-Jul-35							25,000.00
237	Road Development Authority	To secure the Term Loan Facility			8,000.00	12-Nov-21	25-Aug-35							200.00
238	Janatha Estates Development Board	Working Capital Facility			200.00	25-Nov-21	2-Dec-26							750.00
239	Techno Park Development Company Private Limited	Secure the Term Loan Facility			750.00	30-Nov-21	29-Nov-26							
240	National Water Supply & Drainage Board	Working Capital Facility			2,000.00	2-Dec-21	31-May-36							500.00
241	Ceylon Fisheries Corporation	Secure the Term Loan Facility			100.00	3-Dec-21	15-Aug-22							150.00
242	Ceylon Fisheries Corporation	Secure the Term Loan Facility			100.00	29-Dec-21	15-Oct-22							
243	Road Development Authority	For Debenture			8,200.00	30-Dec-21	11-Oct-36							8,200.00
			<b>5,027.63</b>	<b>299.43</b>	<b>74,397.00</b>	<b>590,399.68</b>		<b>3,998.09</b>	<b>81.71</b>	<b>59,024.00</b>	<b>571,055.85</b>			
			203.00	233.03	1,779.6			203.00	233.03	1,779.6				
			<b>1,020,603.88</b>	<b>69,775.60</b>	<b>132,396.90</b>	<b>590,399.68</b>		<b>811,608.06</b>	<b>19,039.77</b>	<b>105,039.11</b>	<b>571,055.85</b>			<b>1,506,742.80</b>
					<b>1,813,176.06</b>									
		<b>Total</b>												



## Notes to the Financial Statements contd...

### SCHEDULED 1 (b) – STATEMENT OF LETTERS OF COMFORT ISSUED TO LOCAL BANKS AND THE LIABILITIES AS AT 31<sup>ST</sup> DECEMBER 2021

	Institution	Bank or Institution	LC Amount		Date of Issue	Date of Expiry	Outstanding Amount – Capital	
			US\$ Mn	Rs. Mn			US\$ Mn	Rs. Mn
1	Co-operative Wholesale Establishment	Paddy Marketing Board		440.00	11-Jan-17	11-Jan-18		440.00
2	Co-operative Wholesale Establishment	Paddy Marketing Board		440.00	1-Mar-17	22-Feb-18		289.60
3	Bank of Ceylon and Peoples Bank	Export Development Board		60.00	29-Mar-18	31-Mar-25		60.00
4	Lanka Sathosa Limited	People's Bank		3,000.00	7-Oct-19	31-Dec-24		1,800.00
5	Sri Lankan Air Lines Limited	Bank of Ceylon	25.00	-	30-Mar-21	21-Feb-22	25.00	
6	Sri Lankan Air Lines Limited	People's Bank	25.00	-	30-Mar-21	21-Feb-22	25.00	
7	Sri Lankan Air Lines Limited	Bank of Ceylon		12,900.00	16-Jul-21	30-Jun-22		12,900.00
8	Sri Lankan Air Lines Limited	People's Bank		13,350.00	16-Jul-21	30-Jun-22		13,350.00
9	Sri Lankan Air Lines Limited	Bank of Ceylon	1.80	378.61	22-Jul-21	1-Sep-23	1.93	251.55
10	Sri Lankan Air Lines Limited	People's Bank	1.90	429.06	22-Jul-21	1-Sep-22	1.25	284.42
11	Sri Lankan Air Lines Limited	People's Bank		122.79	22-Jul-21	1-Mar-22		11.11
12	Sri Lankan Air Lines Limited	Bank of Ceylon	2.30	-	17-Aug-21	1-Sep-22	1.58	
13	Lanka Sathosa Limited	People's Bank		3,000.00	26-Aug-21	31-Aug-22		400.23
14	Sri Lankan Air Lines Limited	Bank of Ceylon	42.50	-	8-Oct-21	7-Oct-22	42.50	
15	Sri Lankan Air Lines Limited	People's Bank	42.50	-	8-Oct-21	7-Oct-22	42.50	
16	Mihin Lanka Limited	Bank of Ceylon	2.50	-	9-Dec-21	31-Dec-22	2.50	
17	Mihin Lanka Limited	People's Bank	2.50	-	9-Dec-21	31-Dec-22	2.50	
18	Mihin Lanka Limited	Bank of Ceylon		1,650.00	9-Dec-21	31-Dec-22		1,650.00
19	Mihin Lanka Limited	People's Bank		1,650.00	9-Dec-21	31-Dec-22		1,560.90
20	Mihin Lanka Limited	Bank of Ceylon	2.50	-	9-Dec-21	31-Dec-22	2.50	
21	Mihin Lanka Limited	People's Bank	2.50	-	9-Dec-21	31-Dec-22	2.50	
22	Sri Lankan Air Lines Limited	Bank of Ceylon	32.50	-	13-Dec-21	31-Dec-22	32.50	
23	Sri Lankan Air Lines Limited	People's Bank	32.50	-	13-Dec-21	31-Dec-22	32.50	
			<b>216.00</b>	<b>37,420.46</b>			<b>214.76</b>	<b>32,997.81</b>
			202.9992				202.9992	
			<b>43,847.12</b>	<b>37,420.46</b>			<b>43,595.30</b>	<b>32,997.81</b>
	<b>Total</b>			<b>81,267.58</b>				<b>76,593.11</b>

## Notes to the Financial Statements contd...

**Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021**

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	Shilpa Gammana Programme	2,000,000	1,637,044	82
103	Ministry of Defence	Strategic Defence Communication Network	300,000,000	36,066,714	12
110	Ministry of Justice	USAID Funded – Core Justice	8,590,344	8,590,343	100
111	Ministry of Health	Health Sector Training	10,000,000	8,487,750	85
		Upgrading of Nurses Training Schools	555,000,000	111,582,630	20
		Funded Activities by SAARC Fund	5,500,000	2,238,872	41
		Programme for Strengthening Primary Level Health Care	50,000,000	30,562,647	61
114	Ministry of Transport	Greater Colombo Urban Transport Development Project Phase 1 (GOSL-Japan)	316,682,612	291,682,000	92
		Sahasara Bus Modernization Programme	281,117,388	71,225,047	25
		"Gap Financing of the Settlement of Outstanding Loans obtained from Bank of Ceylon & People's Bank by Lanka Sathosa and Cooperative Wholesale Establishment to Import Rice to Protect Consumers"	4,064,000,000	3,898,176,111	96
116	Ministry of Trade	Expo – 2020 Dubai Programme	50,000,000	41,865,428	84
117	Ministry of Highways	Tax Component	600,000,000	162,610,395	27
		National Savings Bank Funded Projects	500,000,000	488,090,000	98
		Reconstruction of Damaged/Weak Bridges on National Highways	700,000,000	308,430,976	44
		Establishment of Bridge Maintenance System and Bridge Assessment Unit in the Road Development Authority (GOSL-JICA)	5,000,000	726,000	15
		Construction of Flyovers Over the Railway Line at Uttharananda Mawatha and Near the Slave Island Railway Station	3,785,261,000	2,259,515,061	60
		Rehabilitation of Peradeniya Badulla Road from Badulla to Chenkalady (GOSL-OFID)	182,000,000	110,500,000	61
		Southern Road Connectivity Project (GOSL-ADB)	210,000,000	9,798,807	5
		Integrated Road Investment Programme (i Road) (GOSL-ADB)	200,000,000	42,500,000	21
		Integrated Road Investment Programme (i Road) (GOSL-ADB)	200,000,000	4,500,000	2
		Widening and Improvement of Roads and Bridges in Central and Uva Provinces (GOSL-EXIM China)	97,500,000	97,500,000	100
		Transport Project Preparatory Facility (GOSL-ADB)	40,000,000	6,000	0
		Transport Connectivity & Asset Management Project (GOSL-WB)	33,736,000	19,032,834	56
		Rehabilitation of the A 17 Road Corridor from Deniyaya to Rakwana	33,000,000	5,975,558	18
		Regional Bridge Project (GOSL-UK) Phase II	55,000,000	43,276,648	79
		Reconstruction of 25 Bridges on National Highways (GOSL-Kuwait)	52,500,000	42,003,420	80
		Second New Kelani Bridge Construction Project (GOSL-JICA)	194,900,000	128,419,594	66
		Construction of Fly Overs at Rajagiriya, Polgahawela & Ganemulla (GOSL- Spain)	7,951,000	585,007	7
		Design and Construction of Flyovers in Kohuwala and Gatambe	70,200,000	29,583,802	42
		Landslide Disaster Protection Project of National Road Network (GOSL-JICA)	130,000,000	130,000,000	100
		Extension of Southern Expressway From Matara to Hambantota (GOSL-China)	430,154,424	430,153,878	100
		Extension of Southern Expressway From Matara to Hambantota (GOSL-China)	4,045,000,000	4,045,000,000	100

## Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Extension of Southern Expressway From Matara to Hambantota (GOSL-China)	7,023,875,025	7,023,874,607	100
		Outer Circular Highway Phase III from Kadawatha to Kerawalapitiya (GOSL-China-Exim Bank)	1,099,000,000	1,066,026,025	97
		Extension of Southern Expressway From Matara to Hambantota (GOSL-China)	1,825,319,207	1,825,316,967	100
		"Rehabilitation and Improvement of Priority Roads 3Phase I (GOSL-CDB)"	2,526,581,000	2,526,580,831	100
		Rehabilitation and Improvement of Priority Roads 3 Phase II (GOSL-CDB)	2,583,901,000	2,583,900,110	100
		Road Sector Assistant Project II (RSAPII) (GOSL-World Bank)	340,000,000	330,797,764	97
		Inclusive Connectivity and Development Project (GOSL-WB) -Infrastructure Development	251,769,000	251,768,125	100
		Kandy Tunnel Construction Project (GOSL-EDCF Korea)	117,200,000	19,994,432	17
		Port Access Elevated Highway Project (GOSL-ADB)	16,627,441,000	4,504,592,607	27
		Rehabilitation of Peradeniya Badulla Road from Badulla to Chenkalady (GOSL-OFID) (GOSL-SFD)	3,500,000,000	2,536,570,983	72
		Road Network Development Project (GOSL-SFD)	601,000,000	480,187,980	80
		"Northern Road Connectivity Project-Supplementary Loan (GOSL-ADB)"	193,105,000	193,079,136	100
		Road Network Development Project (GOSL-OPEC)	120,000,000	75,465,382	63
		Colombo District Road Development Project (GOSL-OFID)	1,430,000,000	904,747,332	63
		Western Province National Highways (GOSL-OFID)	450,000,000	379,487,177	84
		Rehabilitation of Peradeniya – Badulla Road from Badulla to Chenkalady (GOSL-OFID)	2,500,000,000	1,282,470,176	51
		Southern Road Connectivity Project (GOSL-ADB)	2,000,000,000	1,713,977,998	86
		Integrated Road Investment Programme (i Road) (GOSL-ADB)	10,150,000,000	10,128,945,898	100
		Integrated Road Investment Programme (i Road) (GOSL-ADB)	38,269,490,000	38,231,709,332	100
		Widening and Improvement of Roads and Bridges in Central and Uva Provinces (GOSL-EXIM China)	8,500,000,000	6,788,822,045	80
		Transport Project Preparatory Facility (GOSL-ADB)	225,000,000	17,361,574	8
		Transport Connectivity & Asset Management Project (GOSL-WB)	263,954,000	128,778,249	49
		Reconstruction of 25 Bridges on National Highways (GOSL-Kuwait)	2,030,000,000	1,496,885,475	74
		Second New Kelani Bridge Construction Project (GOSL-JICA)	15,166,500,000	10,066,027,765	66
		Design and Construction of Flyovers in Kohuwala and Gatambe	4,270,000,000	2,636,192,865	62
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL-OFID)	40,000,000	40,000,000	100
		Southern Road Connectivity Project (GOSL-ADB)	60,000,000	57,000,000	95
		Central Expressway – Section 01 (Kadawatha-Mirigama)	201,000,000	92,200,000	46
		Central Expressway – Section 03 (Pothuhera-Galagedera)	183,000,000	182,915,000	100
		Central Expressway – Section 04 (Kurunegala-Dambulla)	108,000,000	108,000,000	100

## Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Port Access Elevated Highway Project (GOSL-ADB)	250,000,000	49,126,059	20
		Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady (GOSL-SFD)	250,000,000	132,641,266	53
		Road Network Development Project (GOSL-SFD)	30,000,000	18,100,000	60
		Northern Road Connectivity Project – Supplementary Loan (GOSL-ADB)	1,366,000	1,160,897	85
		Road Network Development Project (GOSL-OPEC)	15,000,000	9,000,000	60
		Colombo District Road Development Project (GOSL-OFID)	230,000,000	56,200,000	24
		Western Province National Highways (GOSL-OFID)	85,000,000	80,870,000	95
		Central Expressway – Section 02 (Mirigama-Kurunegala)	70,000,000	56,000,000	80
		Colombo Rathnapura-Pelmadulla Expressway	52,500,000	52,500,000	100
		Elevated Highway from New Kelani Bridge to Athurugiriya	1,610,000,000	271,800,000	17
		Road Maintenance Trust Fund	8,502,000,000	4,006,024,721	47
		Baseline Road Phase III	438,000,000	9,456,735	2
		Network Planning & Road Safety	150,000,000	5,617,342	4
		Traffic Management	400,000,000	42,192,339	11
		Marine Drive Extension up to Panadura	737,000,000	469,020,000	64
		Gap Financing of the Road Development Authority's Commitments	29,412,044,000	25,591,704,808	87
		Surveys, Investigations and Feasibility Studies	175,500,000	33,775,000	19
		Development of 100,000 km of Alternative Roads to Access Main Roads and Expressways	112,981,345,000	48,261,993,989	43
		Widening & Improvements of Roads – Colombo District	850,000,000	673,967,887	79
		Widening & Improvements of Roads – Gampaha District	500,000,000	310,066,913	62
		Widening & Improvements of Roads – Kalutara District	250,000,000	83,805,735	34
		Widening & Improvements of Roads – Kandy District	450,000,000	90,247,504	20
		Widening & Improvements of Roads – Matale District	350,000,000	10,979,427	3
		Widening & Improvements of Roads – Nuwara Eliya District	260,000,000	2,434,734	1
		Widening & Improvements of Roads – Matara District	300,000,000	87,919,196	29
		Widening & Improvements of Roads – Galle District	300,000,000	53,339,494	18
		Widening & Improvements of Roads – Hambantota District	300,000,000	77,767,517	26
		Widening & Improvements of Roads – Jaffna District	250,000,000	206,776,260	83
		Widening & Improvements of Roads – Kilinochchi District	200,000,000	154,097,598	77
		Widening & Improvements of Roads – Vavuniya District	200,000,000	44,116,597	22
		Widening & Improvements of Roads – Mullaitivu District	200,000,000	17,199,674	9
		Widening & Improvements of Roads – Batticaloa District	200,000,000	92,542,295	46
		Widening & Improvements of Roads – Ampara District	200,000,000	43,981,401	22
		Widening & Improvements of Roads – Trincomalee District	200,000,000	9,698,263	5

## Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Widening & Improvements of Roads – Kurunegale District	350,000,000	278,267,955	80
		Widening & Improvements of Roads – Puttalam District	250,000,000	53,487,921	21
		Widening & Improvements of Roads – Anuradhapura District	300,000,000	136,050,577	45
		Widening & Improvements of Roads – Pollonnaruwa District	110,000,000	5,043,657	5
		Widening & Improvements of Roads – Badulla District	250,000,000	57,939,423	23
		Widening & Improvements of Roads – Monaragala District	180,000,000	66,873,419	37
		Widening & Improvements of Roads – Kegalle District	260,000,000	41,643,504	16
		Widening & Improvements of Roads – Rathnapura District	200,000,000	56,842,495	28
118	Ministry of Agriculture	Climate Smart Irrigated Agriculture Project (CSIAP) (GOSL/WB)	1,500,000,000	551,187,312	37
		Wayamba Development Programme	1,711,000,000	1,710,902,237	100
		Wayamba Development Programme	270,000,000	5,460	0
119	Ministry of Power	Upgrading the Electricity Facilities for Below Income Families in Rural Areas	750,000,000	745,865,471	99
		Supporting Electricity Supply Reliability Improvement Project – Package 08	277,700,000	231,000,000	83
123	Ministry of Urban Development and Housing	Light Rail Transit System Project (GOSL – JICA ) Infrastructure Development	264,297,438	264,297,437	100
		Light Rail Transit System Project (GOSL – JICA ) Infrastructure Development	18,113	18,113	100
		Urban Regeneration Programme	4,000,000,000	2,752,527,974	69
		Metro Colombo Urban Development Project (GOSL-World Bank)	5,000,000,000	3,994,850,199	80
		Development of Strategic Cities Kandy and Galle (GOSL-World Bank)	1,499,738,218	1,499,345,554	100
		Development of Strategic Cities Jaffna (GOSL-World Bank)	2,060,000,000	1,401,852,323	68
		Development of Strategic Cities Anuradhapura (GOSL-AFD)	1,000,000,000	367,507,329	37
		Urban Regeneration Programme	4,000,000,000	3,394,584,328	85
		Urban Project Preparatory Facility (GOSL/ADB)	419,524,328	151,487,480	36
		Metro Colombo Urban Development Project (GOSL-World Bank)	700,000,000	700,000,000	100
		Development of Strategic Cities Kandy and Galle (GOSL-World Bank)	200,000,000	200,000,000	100
		Development of Strategic Cities Jaffna (GOSL-World Bank)	1,165,000,000	135,552,381	12
		Development of Strategic Cities Anuradhapura (GOSL-AFD)	255,000,000	254,999,795	100
		Urban Regeneration Programme	2,000,000,000	577,436,233	29
		Urban Project Preparatory Facility (GOSL/ADB)	66,000,000	23,917,426	36
149	Ministry of Industries	Industrial State Development Programme	300,000,000	175,787,292	59
		Upgrading and Modernization of Main and Mini Industrial Estates	60,000,000	50,614,676	84
		Create Dedicated Zone for Textile Manufacturing and Related Industries Eravur	849,850,000	599,772,434	71
151	Ministry of Fisheries	Improvement of Kalametiya Fishery Harbor -Infrastructure Development	43,000,000	12,468,533	29
		Improve Fishery Villages in 10 Costal Districts Including Hambantota, Jaffna and Batticaloa	39,012,000	39,012,000	100
		Fisheries Community Empowerment	40,000,000	16,831,414	42

## Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Develop the Gandara Fishery Harbour and Developing a New Fishery Harbor in Wellamankara	605,000,000	512,647,137	85
		Construction of Balapitiya Fishery Harbour	2,000,000	1,030,216	52
		Construction of Gandara Fishery Harbour	1,710,000,000	1,598,183,848	93
		Negombo Lagoon Development Project	73,500,000	11,095,602	15
		Construction of Rekawa Anchorage	215,000,000	198,726,862	92
		Construction of Mawella Anchorage	150,000,000	145,140,822	97
159	Ministry of Tourism	Upgrading the Railway Stations and Declared as Archaeological Sites	62,000,000	19,636,704	32
		Development of Forts	100,000,000	30,253,331	30
160	Ministry of Environment	Construction of Solid Waste Disposal Facilities Anuradhapura, Hikkaduwa, Udunuwara and Panadura (GOSL / Korea)	19,500,000	19,319,279	99
161	Ministry of Wildlife and Forest Conservation	Ecosystem Conservation & Management Project	1,508,000,000	1,417,557,029	94
		Ecosystem Conservation & Management Project	10,000,000	9,797,334	98
166	Ministry of Water Supply	Water Supply and Sanitation Improvement Project (GOSL-WB)	7,750,000,000	5,249,968,829	68
		Project for Enhancement of Operational Efficiency and Asset Management Capacity of Regional Support Centre Western South of NWS&DB in Sri Lanka (GOSL / JICA)	40,000,000	40,000,000	100
		Water Supply and Sanitation Improvement Project (GOSL-WB)	200,000,000	200,000,000	100
		China Sri Lanka Grant Research Project (for the Investigation of Chronic Kidney Disease)	60,000,000	56,802,598	95
		Project for Enhancement of Operational Efficiency and Asset Management Capacity of Regional Support Centre Western South of NWS&DB in Sri Lanka (GOSL / JICA)	2,918,730	2,918,730	100
		WASH Knowledge and Skills Development of Teachers and Frontline Healthcare Workers (UNICEF)	3,409,400	1,016,340	30
176	Ministry of Ports and Shipping	System of Issuing Certificate of Competencies & Seafarer Continuous Discharge Certificate with Biometric to Comply with Seafarer Identity Document	15,000,000	14,071,537	94
		Port Access Elevated Highway Project (GOSL – ADB)	150,000,000	107,547,465	72
		Feasibility Study for Colombo North Port Development Project (GOSL-ADB)	342,000,000	267,640,627	78
		Feasibility Study for Colombo North Port Development Project (GOSL-ADB)	38,000,000	19,303,084	51
194	Ministry of Youth and Sports	Development of Sports Infrastructure	753,000,000	23,759,351	3
		Infrastructure Development of Sports Schools	145,000,000	2,354,710	2
		Development of Rural Sport Facilities	500,000,000	436,494,396	87
198	Ministry of Irrigation	Talpitigala Reservoir	400,000,000	238,322,136	60
		Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure Rehabilitation Works	307,000,000	209,076,131	68
		Lower Malwathuoya Multisector Development Project	325,000,000	259,866,401	80
		Gin Nilwala Diversion Project	20,000,000	15,948,364	80
		Productivity Enhancement and Irrigation System Efficiency Management Project	280,000,000	163,592,476	58
		Moragahakanda and Kaluganga Reservoir Project (GOSL-China, Kuwait & Saudi)	4,872,500,000	4,668,000,000	96
		Uma Oya Diversion Project	6,200,000,000	5,392,845,603	87
		Irrigation Development Plan for Peripheral area of Settlers in Pelawatta Sugar Plantation Area	35,000,000	17,639,282	50

## Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Kivul Oya Reservoir Project	32,000,000	27,980,000	87
		Barrack Plane Lake Development Project Nuwara-Eliya	40,000,000	34,406,736	86
		Climate Resilience Improvement Project (GOSL W.B)	2,375,000,000	2,340,239,135	99
		Climate Resilience Improvement Project (GOSL/W.B) Additional Financing	1,625,000,000	1,276,231,953	79
		"Moragahakanda and Kaluganga Reservoir Project (GOSL-China, Kuwait & Saudi)"	1,213,000,000	473,648,046	39
		Mahaweli Water Security Investment Programme (GOSL-ADB)	12,442,000,000	11,837,681,944	95
		"Moragahakanda and Kalu Ganga Reservoir Project (GOSL-China, Kuwait & Saudi)"	500,000,000	251,932,101	50
		Climate Resilience Improvement Project (GOSL-WB)	10,000,000	9,435,958	94
		Climate Resilience Improvement Project (GOSL/WB) Additional Financing	20,000,000	18,462,359	92
		"Moragahakanda and Kalu Ganga Reservoir Project (GOSL-China, Kuwait & Saudi)"	105,000,000	76,451,545	73
		Mahaweli Water Security Investment Programme (GOSL-ADB)	1,656,000,000	1,238,000,000	75
		Integrated Watershed & Water Resources Management Project (IWWRMP)	647,380,000	304,001,188	47
		Integrated Watershed and Water Resources Management Project -Infrastructure Development	5,500,000	4,058,814	74
		Mathara Nilwala-Eliya Development Project Infrastructure Development	50,000,000	17,516,842	35
		Pilot Farm Land Consolidation Study Project (Japan)- Infrastructure Development-	20,300,000	19,785,591	97
		Small & Medium Tanks Rehabilitation in Agricultural Areas	760,500,000	368,014,497	48
202	Department of Muslim Religious and Cultural Affairs	Contraction of Islamic Cultural Centers & Improvement of Mosque	15,000,000	14,506,613	97
204	Department of Hindu Religious and Cultural Affairs	Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples	90,000,000	90,000,000	100
209	Department of National Archives	Archival Management Project	30,656,960	2,001,460	7
219	Department of Sports Development	Other Capital Expenditure	2,000,000	2,000,000	100
		Other Capital Expenditure	250,000,000	185,203,948	74
223	Sri Lanka Navy	Construction of Quay at Dockyard – Trincomalee	793,000,000	489,167,917	62
		Other Capital Expenditure	150,000,000	76,304,240	51
230	Department of Legal Draftsman	Other Capital Expenditure	28,800	28,800	100
237	Department of National Planning	Decentralized Budget	2,250,000,000	1,645,575,781	73
		Rural Infrastructure Development Programme (RIPD) (Including Sapiri Gamak Programme)	8,000,000,000	5,304,876,602	66
		Promoting Autonomy, Literacy and Attentiveness through Market Alliance (PALAM/A) Project in Sri Lanka	865,631,198	865,631,198	100
		Promoting Autonomy, Literacy and Attentiveness through Market Alliance (PALAM/A) Project in Sri Lanka	56,000,000	55,582,600	99
280	Department of Project Management and Monitoring	Web Based Project Monitoring System – Other	200,000,000	6,606,464	3
281	Department of Agrarian Development	Development of Minor Irrigation Systems and Abundant Paddy Lands	1,000,000,000	474,558,751	47
		Development of Village Tank Cascades Systems ( Ellangawa)	558,633,000	215,313,357	39



## Notes to the Financial Statements contd...

**Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021**

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
282	Department of Irrigation	Rural Tank Development Project Under "Wari Saubhagya Programm-Infrastructure Development	556,290,000	389,556,797	70
		Rehabilitation of Dematagalla Tank	5,000,000	256,433	5
		Rehabilitation of Kudawilachchiya Reservoir	180,000,000	102,647,169	57
		Ellewewa Reservoir	250,000,000	168,651,777	67
284	Department of Wildlife Conservation	Habitat Enrichment for Wildlife	528,000,000	132,754,958	25
		Other Capital Expenditure	6,500,000	3,482,592	54
		Improvement of Road Network in National Parks	30,000,000	11,777,529	39
285	Department of Agriculture	Accelerated Seed Farms Development Programme	350,000,000	205,395,406	59
		Improvement of School of Agriculture	128,000,000	78,675,207	61
		Strengthening of Seed Certification Activities (Office, Quarters, Laboratories & Equipment)	10,000,000	4,789,702	48
289	Department of Export Agriculture	Other Capital Expenditure	1,500,000	1,500,000	100
		Other Capital Expenditure	2,500,000	2,481,303	99
290	Department of Fisheries and Aquatic Resources	Habitat Enrichment for Fish Production in Coastal Area	10,000,000	9,464,704	95
294	Department of National Zoological Gardens	Development of Safari Park at Hambantota	25,000,000	22,008,048	88
300	Department of Food Commissioner	Loan Facility for Small and Medium Rice Millers to Maintain a Rice Buffer Stock	100,000,000	99,794,471	100
		Maintenance of 8,000 MT Rice Buffer Stock for Mandatory of SAARC Food -Bank Security	200,000,000	200,000,000	100
311	Department of National Physical Planning	Physical Plans and Research Activities	5,200,000	1,965,818	38
		Township Development Plans New Town at Anuradhapura Lolugaswewa Project	200,000,000	626,336	0
322	Department of National Botanical Gardens	Development of Royal Botanical Garden Project	188,200,000	36,755,511	20
332	Department of National Community Water Supply	Praja Jala Abhiman Water Supply Scheme	2,500,000,000	876,265,648	35
		Improvement of Community Water Supply	200,000,000	91,549,330	46
		Development of Water Safety Plans for Community Managed Water Schemes	4,900,000	2,739,500	56
402	State Ministry of Rural and School Sports Infrastructure Improvement	Other Capital Expenditure	10,000,000	8,431,261	84
403	State Ministry of Women and Child Development, Pre-Schools and Primary Education, School Infrastructure and Education Services	Providing Electricity Facilities (Through National Grid of Solar) for the Schools	100,000,000	9,829,174	10
		Providing Sanitary and Water Facilities for All School	50,000,000	45,331,979	91
405	State Ministry of Ornamental Fish, Inland Fish & Prawn Farming, Fishery Harbour Development, Multiday Fishing Activities and Fish Exports	Development of Fisheries Farm Zones in Batticaloa, Jaffna, Puttalam & Mannar Districts	200,000,000	198,617,574	99
		Complete Restructuring of the Ceylon Fisheries Corporation	40,350,000	12,450,000	31
		Enhancing Fish Breeding and Fish Production Capacity	550,000,000	414,646,258	75
		Maintenance, Rehabilitation and Improvement of Aquaculture Centers	372,000,000	250,974,435	67
		Develop Myliddy Harbor into a Fishery Harbor and Establish Cool Rooms and Storage Facilities	67,000,000	63,529,700	95
		Ornamental Fish Production	250,500,000	192,173,037	77



## Notes to the Financial Statements contd...

**Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021**

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Development of Hambanthota Fishery Harbour	20,000,000	1,054,750	5
		Development of Dodanduwa Fishery Harbour	100,000,000	7,625,468	8
		Development of Landing Sites	18,000,000	1,900,000	11
		Improvement and Construction of New Fish Hatcheries	300,000,000	226,845,662	76
408	State Ministry of Rattan, Brass, Pottery Furniture and Rural Industrial Promotion	Development and Improvement of Traditional Handicraft Villages	10,000,000	3,888,128	39
		Development of Pottery Villages	10,000,000	7,048,969	70
		Traditional & Rural Industrial Promotion Raw Material Programme for Rural Industries	100,000,000	90,842,622	91
		Traditional & Rural Industrial Promotion Timber Research & Development	100,000,000	47,365,857	47
409	State Ministry of National Security, Home Affairs and Disaster Management	Rehabilitation and Reconstruction Activities of the Areas Affected by Floods and Landslides	550,000,000	349,376,912	64
		Providing Sanitary Facilities for National Heritage Sites	3,600,000	3,416,330	95
411	State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness	Walking Paths & Common Facilities	2,000,000,000	1,385,928,335	69
		Metro Colombo Solid Waste Management Project	2,815,000,000	2,057,577,669	73
		Relocation of Manning Market at Peliyagoda	400,000,000	260,171,033	65
		Port City Development Project	408,000,000	73,742,687	18
		Town Development Projects In Nine Provinces	2,744,000,000	2,122,173,232	77
		Beira Lake Rehabilitation and Redevelopment Project	84,000,000	41,883,425	50
		Improvement of Road Infrastructure in the Homagama Region (Tech City)	250,000,000	230,115,987	92
		Weras Ganga Storm Water Drainage & Environment Improvement Project	1,746,000,000	1,300,588,350	74
		Implementation of Megapolis Development Projects and Land Acquisition	100,000,000	4,422,239	4
		Restoration of Water Quality of Beira Lake	60,000,000	54,141,691	90
		Development of Townships in Lagging Regions	600,000,000	552,831,330	92
		Improving Bus Service to Promote Public Transport	216,000,000	196,606,473	91
415	State Ministry of Rural Housing, Construction and Building Material Industries	Improve Sanitary Facilities at Bus Terminals and Railway Infrastructure Development	6,600,000	6,536,069	99
		Construction of Stalls at Marandhagahamula Rice Store Complex	37,150,000	32,125,058	86
		Development of Training Infrastructure at Operator Training Center at Galkulma	60,000,000	300,000	1
		Renovation of Housing Scheme	100,000,000	100,000,000	100
		Middle Income Housing Project	100,000,000	21,728,189	22
417	State Ministry of Estate Housing and Community Infrastructure	Livelihood and Basic Facility Improvement in Rural Areas	100,000,000	65,079,331	65
		Lagging Area Social Economic Development Project	500,000,000	262,956,204	53
		Estate Housing Programme	1,000,000,000	265,409,560	27
		Upgrading Vocational Training Centre in Hatton	15,000,000	5,122,835	34
		Indian Grant Assisted Housing Programme (Stage I)	522,200,000	385,235,194	74
420	State Ministry of Provincial Councils and Local Government	Rural Bridges Project – (GOSL / Netherland)	2,650,000,000	2,546,307,595	96
		Transport Connectivity and Asset Management Project (Provincial Road Development Project) (GOSL / WB)	50,000,000	42,971,540	86

## Notes to the Financial Statements contd...

**Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021**

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Construction of Rural Bridges (GOSL /UK)	58,000,000	37,085,607	64
		Construction of Rural Bridges (GOSL / Netherland)	30,000,000	29,162,166	97
		Greater Colombo Waste Water Management Project (GOSL/ADB)	700,000,000	665,359,582	95
		Greater Colombo Water and Waste Water Investment Management Programme Tranche 2 (GOSL/ADB )	98,000,000	79,634,359	81
		Greater Colombo Water and Waste Water Improvement Investment Programme Tranche 3 (GOSL/ADB)	1,028,568,905	1,028,568,904	100
		Transport Connectivity and Asset Management Project (Provincial Road Development Project) (GOSL / WB)	4,200,000,000	4,200,000,000	100
		Construction of Rural Bridges (GOSL /UK)	2,127,100,000	2,127,084,766	100
		Construction of Rural Bridges (GOSL / Netherland)	1,100,000,000	1,088,591,135	99
		Greater Colombo Waste Water Management Project (GOSL/ADB)	170,000,000	145,000,000	85
		Greater Colombo Water and Waste Water Investment Management Programme Tranche 2 (GOSL/ADB )	38,000,000	25,000,000	66
		Greater Colombo Water and Waste Water Improvement Investment Programme Tranche 3 (GOSL/ADB)	253,249,812	212,091,745	84
421	State Ministry of Skills Development, Vocational Education, Research and Innovation	Upgrade of Katunayake Engineering Technology Institute (GOSL – Austria)	50,000,000	45,712,943	91
		Upgrade of Katunayake Engineering Technology Institute (GOSL – Austria)	2,000,000	1,820,763	91
423	State Ministry of Production, Supply and Regulation of Pharmaceuticals	Infrastructure Development of Pharmaceutical Zone at Arabokka, Hambantota	250,000,000	197,200,000	79
425	State Ministry of Paddy and Grains, Organic Food, Vegetables, Fruits, Chilies, Onion and Potato Cultivation Promotion, Seed Production and Advanced Technology Agriculture	Establishment of Economics Centers	300,000,000	118,885,619	40
426	State Ministry of Production and Supply of Fertilizer and Regulation of Chemical Fertilizer and Insecticide Use	Upgrading the National Fertilizer Secretariat's District Offices	30,000,000	19,839,168	66
		Upgrading the Fertilizer Testing Laboratory of Ceylon Fertilizer Company	19,000,000	3,382,788	18
427	State Ministry of Livestock, Farm Promotion and Dairy and Egg Related Industries	Facilitation and Promotion of Liquid Milk Consumption	136,000,000	92,169,623	68
		Medium Term Live Stock Development Programme	46,000,000	27,180,491	59
		Development of Small and Medium Scale Poultry Farming System	45,000,000	44,532,876	99
		Swine Industry Development	15,000,000	13,071,336	87
428	State Ministry of Canals and Common Infrastructure Development in Settlements in Mahaweli Zones	Rural Tank Development Project Under "Wari Saubhagya Programme-Infrastructure Development	654,000,000	326,212,275	50
		Agriculture and Livestock Programme Implemented by Sri Lanka Mahaweli Authority	500,000,000	418,952,659	84

## Notes to the Financial Statements contd...

**Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2021**

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Mahaweli Consolidation Project (System B Rehabilitation)	217,000,000	194,000,000	89
		Ridimaliyadda Integrated Development Project	165,000,000	137,449,871	83
		Welioya Integrated Development Project	233,000,000	207,968,775	89
		Rambakan Oya Integrated Development Project	192,000,000	172,602,046	90
429	State Ministry of Tanks, Reservoirs and Irrigation Development Related to Rural Paddy Fields	Rural Tank Development Project under " Wari Saubagya" Programme	3,000,000,000	2,568,196,192	86
431	State Ministry of Coconut, Kithul and Palmyrah Cultivation Promotion and Related Industrial Product Manufacturing and Export Diversification	Kithul Development Project	20,000,000	17,429,612	87
432	State Ministry of Development of Minor Crops Plantation including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion	Research, Development and Promotion of Export Industries Minor Crops	700,000,000	460,909,427	66
433	State Ministry of Rural and Divisional Drinking Water Supply Projects Development	Implementation of Rain Water Harvesting Programme	50,000,000	49,141,139	98
		Catchment Protection & Prevention of Pollution at Sources	10,000,000	4,401,729	44
		South Asia Conference on Sanitation, Follow-up Action All Island Sanitation Programme	15,000,000	10,519,990	70
		Improvement of Rural Water Supply and Sanitation	250,000,000	132,364,533	53
		Prevention of Water Bone Diseases in the Chronic Kidney Diseases Affected Areas	450,000,000	361,332,817	80
		Second Phase of the Pipe Laying Project from Andaragasyaya Underground Tank to Gonnoruwa in Hambantota District	45,000,000	10,516,972	23
		Tissamaharama Water Supply Scheme	150,000,000	38,137,609	25
		Water Supply Facilities for Resettlement Village in Kegalle District	100,000,000	35,999,265	36
		Augmentation of Trincomalee Water Supply Scheme	250,000,000	79,387,657	32
		Water Supply Scheme at Madhu Church for Providing Drinking Water for Devotees	60,000,000	15,626,071	26
434	State Ministry of Warehouse Facilities, Container Yards, Port Supply Facilities and Boats and Shipping Industry Development	Developing Jetty Facilities in the Jaffna Peninsula and Suburban Island	6,000,000	3,641,565	61
435	State Ministry of Rural Roads and other Infrastructure	Construction of Rural Bridges Using Old Bridge Component	9,500,000,000	1,117,097,871	12
		Rural Road Reawakening Programme (Mega Naguma)	15,497,110,000	754,069,785	5
437	State Ministry of Aviation and Export Zones Development	Establishing Industrial Zones in Bingiriya and Weligama	900,000,000	225,031,428	25
		Provide Infrastructure Facilities for Industrial Parks/Zones	1,000,000,000	633,422,736	63
	<b>Total</b>		<b>462,854,099,902</b>	<b>295,832,081,354</b>	

### Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2021

Head	Institution	Total			Recurrent			Capital			Rs.:000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
1	His Excellency the President	3,856,860	2,467,168	1,389,692	64	2,578,335	1,898,441	679,894	74	1,278,525	568,727	709,798	44
2	Office of the Prime Minister	1,696,250	1,661,721	34,529	98	1,248,750	1,242,145	6,605	99	447,500	419,576	27,924	94
4	Judges of the Superior Courts	498,950	376,020	122,930	75	397,050	359,645	37,405	91	101,900	16,376	85,524	16
5	Office of the Cabinet of Ministers	219,650	139,433	80,217	63	177,900	117,595	60,305	66	41,750	21,837	19,913	52
6	Office of the Public Service Commission	262,110	256,913	5,197	98	243,319	240,334	2,985	99	18,791	16,579	2,212	88
7	Judicial Service Commission	122,480	96,284	26,196	79	91,380	76,293	15,087	83	31,100	19,991	11,109	64
8	National Police Commission	176,130	145,219	30,911	82	169,330	139,285	30,045	82	6,800	5,933	867	87
9	Administrative Appeals Tribunal	34,580	28,597	5,983	83	34,310	28,526	5,784	83	270	71	199	26
10	Commission to Investigate Allegations of Bribery or Corruption	708,240	532,743	175,497	75	673,240	510,894	162,346	76	35,000	21,849	13,151	62
11	Office of the Finance Commission	110,730	84,528	26,202	76	101,530	77,287	24,243	76	9,200	7,241	1,959	79
13	Human Rights Commission of Sri Lanka	231,000	211,357	19,643	91	225,450	208,094	17,356	92	5,550	3,263	2,287	59
16	Parliament	3,257,300	2,948,210	309,090	91	2,871,748	2,705,170	166,578	94	385,552	243,040	142,512	63
17	Office of the Leader of the House of Parliament	60,510	60,207	303	99	56,500	56,483	17	100	4,010	3,724	286	93
18	Office of the Chief Govt. Whip of Parliament	137,650	120,900	16,750	88	135,350	119,751	15,599	88	2,300	1,149	1,151	50
19	Office of the Leader of the Opposition of Parliament	169,760	163,220	6,540	96	151,310	145,604	5,706	96	18,450	17,616	834	95
20	Election Commission	1,017,340	869,670	147,670	85	888,340	787,649	100,691	89	129,000	82,021	46,979	64
21	National Audit Office	2,338,150	1,848,670	489,480	79	2,270,150	1,835,138	435,012	81	68,000	13,532	54,468	20
22	Office of the Parliamentary Commissioner for Administration	31,170	26,726	4,444	86	30,620	26,650	3,970	87	550	76	474	14
23	Audit Service Commission	52,720	0	52,720	-	50,520	0	50,520	-	2,200	0	2,200	0
24	National Procurement Commission	94,190	0	94,190	-	87,490	0	87,490	-	6,700	0	6,700	0
25	Delimitation Commission	14,220	11,130	3,090	78	14,070	11,130	2,940	79	150	0	150	0
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	2,237,990	1,690,209	547,782	76	1,227,964	1,009,689	218,276	82	1,010,026	680,520	329,506	67
102	Ministry of Finance	4,514,235	3,283,742	1,230,493	73	2,569,050	1,755,138	813,912	68	1,945,185	1,528,604	416,581	79
103	Ministry of Defence	24,870,356	20,692,808	4,177,547	83	13,453,945	12,198,859	1,255,086	91	11,416,411	8,493,950	2,922,461	74
105	Ministry of Mass Media	2,061,226	1,539,522	521,704	75	1,177,611	1,145,065	32,546	97	883,615	394,456	489,159	45
110	Ministry of Justice	5,368,562	3,071,157	2,297,405	57	2,391,276	1,718,415	672,861	72	2,977,286	1,352,742	1,624,544	45
111	Ministry of Health	176,860,912	154,776,275	22,084,636	88	134,490,000	121,631,992	12,858,008	90	42,370,912	33,144,283	9,226,628	78
112	Foreign Ministry	12,689,380	11,375,720	1,313,660	90	12,186,580	11,187,759	998,821	92	502,800	187,961	314,839	37
114	Ministry of Transport	7,086,320	3,989,331	3,096,989	56	952,250	526,529	425,721	55	6,134,070	3,462,802	2,671,268	56
115	Ministry of Energy	273,834	227,577	46,257	83	209,900	206,995	2,905	99	63,934	20,582	43,352	32
116	Ministry of Trade	6,068,830	5,402,617	666,213	89	857,730	809,859	47,871	94	5,211,100	4,592,759	618,341	88
117	Ministry of Highways	358,346,599	211,516,104	146,830,494	59	185,415	183,272	2,143	99	358,161,184	211,332,832	146,828,351	59
118	Ministry of Agriculture	16,786,821	11,924,227	4,862,595	71	4,959,377	4,874,063	85,314	98	11,827,444	7,050,163	4,777,281	60
119	Ministry of Power	5,067,242	4,918,069	149,173	97	310,780	217,568	93,212	70	4,756,462	4,700,500	55,962	99
122	Ministry of Lands	3,415,518	2,667,293	748,225	78	428,118	379,155	48,964	89	2,987,400	2,288,138	699,262	77
123	Ministry of Urban Development and Housing	23,386,182	16,069,923	7,316,259	69	343,446	121,381	222,065	35	23,042,736	15,948,541	7,094,195	69
126	Ministry of Education	67,226,548	61,663,031	5,563,517	92	43,274,600	42,008,918	1,265,682	97	23,951,948	19,654,113	4,297,835	82
130	Ministry of Public Services, Provincial Councils and Local Government	17,309,000	15,403,054	1,905,946	89	16,129,500	14,870,511	1,258,989	92	1,179,500	532,543	646,957	45

Notes to the Financial Statements contd...

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2021

Head	Institution	Total			Recurrent			Capital			Rs.:000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
135	Ministry of Plantation	1,570,928	1,416,534	154,394	90	1,055,500	1,014,857	40,643	96	515,428	401,677	113,751	78
149	Ministry of Industries	4,275,362	3,227,106	1,048,256	75	1,137,177	992,240	144,937	87	3,138,185	2,234,866	903,319	71
151	Ministry of Fisheries	4,177,250	3,158,105	1,019,145	76	605,250	486,301	118,949	80	3,572,000	2,671,804	900,196	75
159	Ministry of Tourism	742,300	302,549	439,751	41	194,870	184,961	9,909	95	547,430	117,588	429,842	21
160	Ministry of Environment	2,319,025	1,793,496	525,530	77	1,214,429	1,169,931	44,498	96	1,104,596	623,565	481,031	56
161	Ministry of Wildlife and Forest Conservation	1,787,500	1,691,427	96,074	95	236,723	233,998	2,725	99	1,550,778	1,457,429	93,349	94
166	Ministry of Water Supply	101,291,050	52,193,502	49,097,548	52	371,261	349,410	21,851	94	100,919,789	51,844,091	49,075,697	51
176	Ministry of Ports and Shipping	1,624,850	1,406,752	218,098	87	671,060	655,105	15,955	98	953,790	751,646	202,144	79
186	Ministry of Technology	9,461,080	3,668,125	5,792,955	39	1,089,190	1,016,281	72,909	93	8,371,890	2,651,844	5,720,046	32
189	Ministry of Public Security	12,325,999	9,817,205	2,508,794	80	10,351,584	9,367,714	983,870	90	1,974,415	449,490	1,524,925	23
193	Ministry of Labour	900,000	756,060	143,940	84	750,995	673,507	77,488	90	149,005	82,553	66,452	55
194	Ministry of Youth and Sports	10,137,788	4,666,623	5,471,165	46	3,592,302	2,921,288	671,014	81	6,545,487	1,745,335	4,800,151	27
198	Ministry of Irrigation	36,621,080	31,438,376	5,182,704	86	381,100	357,236	23,864	94	36,239,980	31,081,140	5,158,840	86
201	Department of Buddhist Affairs	1,566,364	1,466,192	100,172	94	1,471,042	1,398,181	72,861	95	95,322	68,011	27,311	71
202	Department of Muslim Religious and Cultural Affairs	196,000	155,113	40,887	79	156,900	129,580	27,320	83	39,100	25,533	13,567	65
203	Department of Christian Religious Affairs	279,000	202,120	76,880	72	194,000	137,930	56,070	71	85,000	64,190	20,810	76
204	Department of Hindu Religious and Cultural Affairs	318,000	270,313	47,687	85	219,200	174,912	44,288	80	98,800	95,400	3,400	97
205	Department of Public Trustee	72,000	64,578	7,422	90	67,100	62,550	4,550	93	4,900	2,029	2,871	41
206	Department of Cultural Affairs	1,656,000	1,114,861	541,139	67	741,600	663,257	78,343	89	914,400	451,604	462,796	49
207	Department of Archaeology	1,515,200	1,121,016	394,184	74	1,253,300	1,000,597	252,703	80	261,900	120,420	141,480	46
208	Department of National Museums	482,000	375,439	106,561	78	252,500	221,618	30,882	88	229,500	153,821	75,679	67
209	Department of National Archives	409,000	270,489	138,511	66	167,500	126,624	40,876	76	241,500	143,865	97,635	60
210	Department of Information	538,471	343,340	195,131	64	296,845	262,214	34,631	88	241,626	81,126	160,500	34
211	Department of Government Printer	3,477,958	3,165,789	312,169	91	3,084,658	2,978,046	106,612	97	393,300	187,744	205,556	48
212	Department of Examinations	5,472,000	3,822,182	1,649,818	70	5,056,600	3,536,308	1,520,292	70	415,400	285,873	129,527	69
213	Department of Educational Publications	289,400	136,396	153,004	47	77,412	66,794	10,618	86	211,988	69,602	142,386	33
214	University Grants Commission	62,395,000	59,038,604	3,356,396	95	53,995,000	52,489,976	1,505,024	97	8,400,000	6,548,628	1,851,372	78
215	Department of Technical Education and Training	2,930,100	2,086,394	843,706	71	2,387,400	1,808,910	578,490	76	542,700	277,484	265,216	51
216	Department of Social Services	740,000	701,131	38,869	95	639,330	624,164	15,166	98	100,670	76,967	23,703	76
217	Department of Probation and Child Care Services	405,700	401,082	4,618	99	336,500	333,870	2,630	99	69,200	67,212	1,988	97
219	Department of Sports Development	2,628,530	1,520,393	1,108,137	58	1,158,280	620,288	537,992	54	1,470,250	900,105	570,145	61
220	Department of Ayurveda	2,768,600	2,257,301	511,299	82	2,038,650	1,869,204	169,446	92	729,950	388,097	341,853	53
221	Department of Labour	4,728,000	2,909,071	1,818,929	62	2,650,400	2,080,104	570,296	78	2,077,600	828,967	1,248,633	40
222	Sri Lanka Army	183,437,172	178,986,551	4,450,621	98	173,428,290	172,981,802	446,488	100	10,008,882	6,004,749	4,004,133	60
223	Sri Lanka Navy	63,078,480	57,263,878	5,814,602	91	53,932,600	51,448,127	2,484,473	95	9,145,880	5,815,751	3,330,129	64
224	Sri Lanka Air Force	57,140,847	41,737,471	15,403,375	73	39,618,100	35,630,583	3,987,517	90	17,522,747	6,106,888	11,415,858	35
225	Department of Police	91,846,170	86,404,842	5,441,328	94	82,139,000	80,222,436	1,916,564	98	9,707,170	6,182,406	3,524,764	64
226	Department of Immigration and Emigration	3,137,802	2,675,334	462,468	85	1,927,302	1,712,255	215,047	89	1,210,500	963,080	247,420	80
227	Department of Registration of Persons	1,476,150	1,261,459	214,691	85	1,265,200	1,172,023	93,177	93	210,950	89,437	121,513	42

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2021

Head	Institution	Total			Recurrent			Capital			%
		Provision	Expenditure	Savings	Provision	Expenditure	Savings	Provision	Expenditure	Savings	
228	Courts Administration	14,504,500	10,079,817	4,424,683	69	8,561,265	7,669,948	5,943,235	2,409,870	3,533,365	41
229	Department of Attorney General	1,873,000	1,629,058	243,942	87	1,763,500	1,552,178	109,500	76,880	32,620	70
230	Department of Legal Draftsman	147,100	121,770	25,330	83	121,870	115,946	25,230	5,823	19,407	23
231	Department of Debt Conciliation Board	61,740	29,715	32,025	48	53,740	23,797	8,000	5,918	2,082	74
232	Department of Prisons	8,591,500	7,051,439	1,540,061	82	7,953,000	6,544,159	638,500	507,280	131,220	79
233	Department of Government Analyst	846,400	557,501	288,899	66	420,900	417,530	425,500	139,971	285,529	33
234	Registrar of the Supreme Court	257,350	247,491	9,859	96	246,850	243,706	10,500	3,785	6,715	36
235	Department of Law Commission	20,225	15,356	4,869	76	19,015	15,109	1,210	247	963	20
236	Department of Official Languages	177,000	143,358	33,642	81	161,900	135,628	15,100	7,730	7,370	51
237	Department of National Planning	15,036,125	10,751,550	4,284,575	72	176,420	140,041	14,859,705	10,611,509	4,248,196	71
238	Department of Fiscal Policy	73,160	60,718	12,442	83	68,960	56,755	4,200	3,963	237	94
239	Department of External Resources	1,797,100	1,408,451	388,649	78	577,650	471,160	1,219,470	937,290	282,180	77
240	Department of National Budget	2,010,928	440,392	1,570,536	22	688,472	159,675	1,322,456	280,717	1,041,739	21
241	Department of Public Enterprises	58,539,501	54,532,251	4,007,251	93	178,216	176,133	2,083	58,361,285	4,005,168	93
242	Department of Management Services	101,200	86,879	14,321	86	97,000	86,360	4,200	519	3,681	12
243	Department of Development Finance	56,474,440	55,036,898	1,437,542	97	37,150,150	36,038,242	19,324,290	18,998,656	325,634	98
244	Department of Trade and Investment Policy	68,370	52,211	16,159	76	65,220	49,798	3,150	2,413	737	77
245	Department of Public Finance	90,200	78,423	11,777	87	79,400	71,236	10,800	7,186	3,614	67
246	Department of Inland Revenue	6,354,990	4,576,999	1,777,991	72	4,561,808	3,647,484	1,793,183	929,515	863,667	52
247	Sri Lanka Customs	6,620,400	5,809,240	811,160	88	3,298,300	2,707,730	3,322,100	3,101,510	220,590	93
248	Department of Excise	1,533,600	1,359,467	174,133	89	1,258,000	1,244,518	275,600	114,949	160,651	42
249	Department of Treasury Operations	2,414,087,625	2,389,841,590	24,246,035	99	1,068,709,674	1,057,617,181	1,345,377,951	1,332,224,409	13,153,542	99
250	Department of State Accounts	84,215	74,961	9,254	89	65,465	64,653	18,750	10,307	8,443	55
251	Department of Valuation	1,092,664	1,092,664	297,514	79	647,200	480,794	742,978	611,870	131,108	82
252	Department of Census and Statistics	3,076,235	1,141,609	1,934,626	37	1,080,000	946,500	1,996,235	195,108	1,801,127	10
253	Department of Pension	313,026,998	308,424,638	4,602,360	99	312,967,598	308,400,328	59,400	24,311	35,089	41
254	Department of Registrar General	2,139,000	2,082,798	56,202	97	2,009,650	1,969,813	129,350	112,985	16,365	87
255	District Secretariat, Colombo	3,364,585	2,857,334	507,251	85	2,715,085	2,446,722	649,500	410,612	238,888	63
256	District Secretariat, Gampaha	4,067,415	3,899,507	167,908	96	2,943,915	2,781,820	1,123,500	1,117,687	5,813	99
257	District Secretariat, Kalutara	2,371,750	2,019,721	352,029	85	2,166,250	1,914,034	205,500	105,687	99,813	51
258	District Secretariat, Kandy	2,104,500	2,046,611	57,889	97	1,972,000	1,919,603	132,500	127,008	5,492	96
259	District Secretariat, Matale	1,928,544	1,784,658	143,886	93	1,773,915	1,649,900	154,629	134,757	19,872	87
260	District Secretariat, Nuwara-Eliya	989,590	866,839	122,751	88	960,090	838,904	29,500	27,935	1,565	95
261	District Secretariat, Galle	2,418,690	2,108,029	310,661	87	2,104,190	1,972,227	314,500	135,803	178,697	43
262	District Secretariat, Matara	1,695,100	1,563,241	131,859	92	1,527,600	1,511,564	167,500	51,678	115,822	31
263	District Secretariat, Hambantota	1,671,500	1,395,781	275,719	84	1,369,000	1,304,082	302,500	91,699	210,801	30
264	District Secretariat/ Kachcheri – Jaffna	1,358,619	1,352,063	6,556	100	1,280,890	1,274,395	77,729	77,668	61	100
265	District Secretariat/ Kachcheri – Mannar	411,000	333,519	77,481	81	304,000	280,275	107,000	53,244	53,756	50
266	District Secretariat/ Kachcheri – Vavuniya	524,520	389,056	135,464	74	461,275	342,305	63,245	46,750	16,494	74
267	District Secretariat/ Kachcheri – Mullaitivu	586,985	471,664	115,321	80	445,485	432,171	141,500	39,493	102,007	28
268	District Secretariat/ Kachcheri – Killinochchi	367,430	351,242	16,188	96	335,930	323,197	31,500	28,045	3,455	89
269	District Secretariat/ Kachcheri – Batticaloa	1,835,215	1,568,063	267,152	85	1,387,715	1,385,888	447,500	182,175	265,325	41
270	District Secretariat, Ampara	1,698,161	1,469,202	228,959	87	1,454,661	1,393,572	243,500	75,630	167,870	31

Rs.:000



## Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2021

Head	Institution	Total			Recurrent			Capital			Rs.:000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
271	District Secretariat/ Kachcheri – Trincomalee	843,855	796,357	47,498	94	818,355	771,311	47,044	94	25,500	25,045	455	98
272	District Secretariat, Kurunegala	3,176,046	2,971,887	204,159	94	3,009,846	2,922,897	86,949	97	166,200	48,990	117,210	29
273	District Secretariat, Puttalam	1,681,600	1,434,493	247,107	85	1,400,600	1,304,292	96,308	93	281,000	130,202	150,798	46
274	District Secretariat, Anuradhapura	2,013,580	1,646,272	367,308	82	1,603,080	1,439,434	163,646	90	410,500	206,838	203,662	50
275	District Secretariat – Polonnaruwa	1,586,280	1,349,265	237,015	85	1,182,500	1,112,756	69,744	94	403,780	236,509	167,271	59
276	District Secretariat – Badulla	1,560,000	1,252,735	307,265	80	1,335,500	1,160,150	175,350	87	224,500	92,586	131,914	41
277	District Secretariat, Monaragala	971,873	945,475	26,398	97	912,373	888,844	23,529	97	59,500	56,631	2,869	95
278	District Secretariat, Rathnapura	2,136,057	1,835,422	300,635	86	1,847,557	1,757,198	90,359	95	288,500	78,224	210,276	27
279	District Secretariat, Kegalle	1,408,348	1,348,371	59,977	96	1,303,548	1,251,093	52,455	96	104,800	97,278	7,522	93
280	Department of Project Management and Monitoring	318,690	106,636	212,054	33	98,510	88,702	9,808	90	220,180	17,934	202,246	8
281	Department of Agrarian Development	10,013,300	8,950,844	1,062,456	89	7,957,300	7,925,025	32,275	100	2,056,000	1,025,819	1,030,181	50
282	Department of Irrigation	14,668,500	11,737,777	2,930,723	80	3,299,910	3,213,569	86,341	97	11,368,590	8,524,208	2,844,382	75
283	Department of Forests	3,475,300	2,773,576	701,724	80	1,670,300	1,484,914	185,386	89	1,805,000	1,288,662	516,338	71
284	Department of Wildlife Conservation	4,527,800	2,731,089	1,796,711	60	1,773,300	1,468,789	4,511	100	2,754,500	962,300	1,792,200	35
285	Department of Agriculture	7,220,490	6,236,345	984,145	86	5,073,690	4,686,793	386,897	92	2,146,800	1,549,552	597,248	72
286	Department of Land Commissioner General	635,500	496,375	139,125	78	495,500	453,819	41,681	92	140,000	42,556	97,444	30
287	Department of Land Title Settlement	564,944	524,764	40,180	93	499,944	488,205	1,739	100	65,000	26,560	38,440	41
288	Department of Surveyor General of Sri Lanka	4,714,001	4,075,091	638,910	86	4,046,501	3,712,922	333,579	92	667,500	362,169	305,331	54
289	Department of Export Agriculture	1,486,150	1,109,390	376,760	75	745,000	710,959	34,041	95	741,150	398,431	342,719	54
290	Department of Fisheries and Aquatic Resources	811,219	739,597	71,622	91	704,219	693,511	10,708	98	107,000	46,086	60,914	43
291	Department of Coast Conservation and Coastal Resource Management	1,142,418	924,875	217,543	81	318,595	305,066	13,529	96	823,823	619,809	204,014	75
292	Department of Animal Production and Health	1,435,800	1,004,027	431,773	70	649,800	612,473	37,327	94	786,000	391,554	394,446	50
293	Department of Rubber Development	1,329,100	1,265,608	63,492	95	402,100	349,429	52,671	87	927,000	916,179	10,821	99
294	Department of National Zoological Gardens	1,286,800	820,143	466,657	64	566,000	526,345	39,655	93	720,800	293,798	427,002	41
295	Department of Commerce	160,075	150,496	9,579	94	141,025	135,415	5,610	96	19,050	15,081	3,969	79
296	Department of Import and Export Control	96,200	88,626	7,574	92	83,700	80,576	3,124	96	12,500	8,050	4,450	64
297	Department of Registrar of Companies	84,200	70,844	13,356	84	84,200	70,844	13,356	84	0	0	0	-
298	Department of Measurement Units, Standards and Services	176,500	159,565	16,935	90	166,500	149,565	16,935	90	10,000	10,000	0	100
299	National Intellectual Property Office of Sri Lanka	56,300	44,809	11,491	80	56,300	44,809	11,491	80	0	0	0	-
300	Department of Food Commissioner	570,950	539,554	31,396	95	95,950	74,384	21,566	78	475,000	465,171	9,829	98
301	Department of Co-operative Development (Registrar of Co-operative Societies)	192,900	131,195	61,705	68	90,900	70,729	20,171	78	102,000	60,466	41,534	59
302	Co-operative Employees Commission	24,100	19,088	5,012	79	22,400	17,988	4,412	80	1,700	1,099	601	65
303	Department of Textile Industries	345,385	322,524	22,861	93	273,885	272,967	918	100	71,500	49,557	21,943	69
304	Department of Meteorology	395,100	342,199	52,901	87	343,400	332,704	10,696	97	51,700	9,495	42,205	18
306	Department of Sri Lanka Railways	42,898,980	40,416,068	2,482,912	94	14,102,750	12,979,212	1,123,538	92	28,796,230	27,436,855	1,359,375	95
307	Department of Motor Traffic	3,286,600	2,022,914	1,263,686	62	1,797,800	1,213,652	584,148	68	1,488,800	809,261	679,539	54
308	Department of Posts	15,626,524	14,325,563	1,300,962	92	14,643,500	13,961,653	681,847	95	983,024	363,910	619,115	37
309	Department of Buildings	588,300	551,297	37,003	94	489,450	459,657	29,793	94	98,850	91,640	7,210	93

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2021

Head	Institution	Total			Recurrent			Capital			Rs.:000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
310	Department of Government Factories	309,275	291,357	17,918	94	141,675	140,975	700	100	167,600	150,382	17,218	90
311	Department of National Physical Planning	398,595	175,669	222,926	44	184,866	165,067	19,799	89	213,729	10,602	203,127	5
312	Western Provincial Council	50,684,800	48,909,455	1,775,345	96	46,953,000	46,953,000	0	100	3,731,800	1,956,455	1,775,345	52
313	Central Provincial Council	42,070,000	40,357,339	1,712,661	96	37,229,000	37,229,000	0	100	4,841,000	3,128,339	1,712,661	65
314	Southern Provincial Council	40,614,338	39,120,189	1,494,149	96	36,096,000	36,096,000	0	100	4,518,338	3,024,189	1,494,149	67
315	Northern Provincial Council	32,556,400	30,070,757	2,485,644	92	26,799,000	26,799,000	0	100	5,757,400	3,271,757	2,485,644	57
316	North Western Provincial Council	37,950,400	36,063,500	1,886,900	95	33,445,000	33,445,000	0	100	4,505,400	2,618,500	1,886,900	58
317	North Central Provincial Council	25,488,750	23,730,150	1,758,600	93	20,544,150	20,544,150	0	100	4,944,600	3,186,000	1,758,600	64
318	Uva Provincial Council	30,003,800	28,284,060	1,719,741	94	25,246,000	25,246,000	0	100	4,757,800	3,038,060	1,719,741	64
319	Sabaragamuwa Provincial Council	35,918,200	33,040,666	2,877,534	92	30,153,000	30,127,200	25,800	100	5,765,200	2,913,466	2,851,734	51
320	Department of Civil Security	19,268,500	17,298,996	1,969,504	90	18,990,000	17,121,531	1,868,469	90	278,500	177,465	101,035	64
321	Eastern Provincial Council	34,142,400	31,988,808	2,153,592	94	28,163,000	28,163,000	0	100	5,979,400	3,825,808	2,153,592	64
322	Department of National Botanical Gardens	1,115,680	740,507	375,173	66	540,200	509,468	30,732	94	575,480	231,040	344,440	40
323	Department of Legal Affairs	18,850	15,110	3,740	80	18,050	14,602	3,448	81	800	508	292	63
324	Department of Management Audit	65,700	50,236	15,464	76	61,300	49,639	11,661	81	4,400	597	3,803	14
325	Department of Sri Lanka Coast Guard	357,000	312,286	44,714	87	71,000	70,322	678	99	286,000	241,963	44,037	85
326	Department of Community Based Corrections	406,261	372,149	34,112	92	384,561	357,405	27,156	93	21,700	14,744	6,956	68
327	Department of Land Use Policy Planning	580,500	508,826	71,674	88	475,000	428,206	46,794	90	105,500	80,619	24,881	76
328	Department of Manpower and Employment	497,800	457,580	40,219	92	441,750	432,174	9,576	98	56,050	25,406	30,643	45
329	Department of Information Technology Management	531,350	303,738	227,612	57	527,050	300,882	226,168	57	4,300	2,856	1,444	66
331	Department of Samurdhi Development	85,220,070	79,441,095	3,778,975	95	82,607,170	78,925,623	3,681,547	96	612,900	515,472	97,428	84
332	Department of National Community Water Supply	2,962,260	1,216,919	1,745,341	41	249,110	241,459	7,651	97	2,713,150	975,460	1,737,690	36
333	Comptroller General's Office	44,975	25,531	19,444	57	42,975	25,347	17,628	59	2,000	184	1,816	9
334	Department of Multi-purpose Development Task Force	25,959,720	9,557,479	16,402,241	37	25,410,320	9,405,508	16,004,812	37	549,400	151,971	397,429	28
335	National Education Commission	55,604	51,951	3,653	93	48,604	48,240	364	99	7,000	3,711	3,289	53
401	State Ministry of National Heritage, Performing Arts and Rural Arts Promotion	604,000	455,123	148,877	75	332,700	273,779	58,921	82	271,300	181,344	89,956	67
402	State Ministry of Rural and School Sports Infrastructure Improvement	3,369,805	1,016,364	2,353,441	30	825,255	532,614	292,641	65	2,544,550	483,750	2,060,800	19
403	State Ministry of Women and Child Development, Pre-Schools and Primary Education, School Infrastructure and Education Services	30,411,610	23,247,940	7,163,670	76	24,407,410	18,826,409	5,581,001	77	6,004,200	4,421,531	1,582,669	74
404	State Ministry of Education Reforms, Open Universities and Distance Learning Promotion	3,188,000	2,441,228	746,772	77	620,000	554,178	65,822	89	2,568,000	1,887,050	680,950	73
405	State Ministry of Ornamental Fish, Inland Fish & Prawn Farming, Fishery Harbour Development, Multiday Fishing Activities and Fish Exports	4,225,902	3,260,990	964,912	77	1,512,806	1,464,755	48,051	97	2,713,096	1,796,234	916,862	66
406	State Ministry of Solar, Wind and Hydro Power Generation Projects Development	741,200	527,149	214,051	71	389,300	308,587	80,713	79	351,900	218,562	133,338	62



**Notes to the Financial Statements contd...**

Head	Institution	Total		Recurrent		Savings		Provision		Capital		Rs.:000
		Expenditure	Savings	Expenditure	Provision	Savings	%	Expenditure	Provision	Expenditure	Savings	
407	State Ministry of Backward Rural Areas Development and Promotion of Domestic Animal Husbandry & Minor Economic Crop Cultivation	6,89,923	282,301	4,07,622	219,646	191,493	28,153	470,277	216,129	254,148	46	
408	State Ministry of Rattan, Brass, Pottery Furniture and Rural Industrial Promotion	3,239,840	1,026,753	2,213,087	1,051,070	899,421	151,649	2,188,770	1,313,667	875,103	60	
409	State Ministry of National Security, Home Affairs and Disaster Management	19,224,000	3,613,334	15,610,666	12,372,125	11,701,128	670,997	6,851,875	3,909,538	2,942,337	57	
410	State Ministry of Company Estate Reforms, Tea and Rubber Estates Related Crops Cultivation and Factories Modernization and Tea and Rubber Export Promotion	5,524,200	1,378,669	4,145,531	1,074,170	999,526	74,644	4,450,030	3,146,004	1,304,026	71	
411	State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness	16,353,239	4,301,882	12,051,357	804,850	769,202	35,648	15,548,389	11,282,155	4,266,234	73	
412	State Ministry of Foreign Employment Promotion and Market Diversification	701,000	50,831	650,169	675,000	636,703	38,297	26,000	13,467	12,533	52	
413	State Ministry of Money and Capital Market and State Enterprise Reforms	94,315	38,732	55,583	88,815	54,060	34,755	5,500	1,524	3,976	28	
414	State Ministry of Samurthi Household Economy, Micro-Finance, Self Employment and Business Development	18,923,400	4,893,554	14,029,846	7,464,800	7,335,151	129,649	11,458,600	6,694,695	4,763,905	58	
415	State Ministry of Rural Housing, Construction and Building Material Industries	17,819,982	4,446,215	13,373,767	624,440	418,965	205,475	17,195,542	12,954,802	4,240,740	75	
416	State Ministry of Indigenous Medicine Promotion, Rural and Ayurvedic Hospitals Development and Community Health	417,000	23,983	393,017	363,826	344,889	18,936	53,174	48,128	5,047	91	
417	State Ministry of Estate Housing and Community Infrastructure	2,816,869	1,367,074	1,449,795	460,069	450,245	9,824	2,356,800	999,551	1,357,249	42	
418	State Ministry of Prison Reforms and Prisoners' Rehabilitation	1,537,700	716,404	821,296	402,220	315,938	86,282	1,135,480	505,357	630,123	45	
419	State Ministry of Regional Cooperation	160,075	84,264	75,811	146,925	75,196	71,729	13,150	615	12,535	5	
420	State Ministry of Provincial Councils and Local Government	29,630,000	6,778,811	22,851,189	801,240	460,047	341,193	28,828,760	22,391,142	6,437,618	78	
421	State Ministry of Skills Development, Vocational Education, Research and Innovation	11,048,090	2,599,610	8,448,480	7,043,565	5,714,992	1,328,573	4,004,525	2,733,488	1,271,037	68	
422	State Ministry of Dhamma Schools, Pirivenas and Bhikkhu Education	4,930,500	-18,340	4,948,840	4,654,500	4,722,615	-68,115	276,000	226,225	49,775	82	
423	State Ministry of Production, Supply and Regulation of Pharmaceuticals	151,980,000	7,898,826	144,081,174	77,330,000	74,377,809	2,952,191	74,650,000	69,703,365	4,946,635	93	
424	State Ministry of Wildlife Protection, Adoption of Safety Measures including the Construction of Electrical Fences and Trenches and Reforestation and Forest Resource Development	128,550	44,766	83,784	113,400	76,649	36,751	15,150	7,135	8,015	47	

**Notes to the Financial Statements contd...**

Head	Institution	Total			Recurrent			Capital			Rs.:000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Expenditure		Savings	%
425	State Ministry of Paddy and Grains, Organic Food, Vegetables, Fruits, Chilies, Onion and Potato Cultivation Promotion, Seed Production and Advanced Technology Agriculture	8,720,560	5,463,635	3,256,925	63	882,810	716,229	166,581	81	7,837,750	4,747,406	3,090,344	61
426	State Ministry of Production and Supply of Fertilizer and Regulation of Chemical Fertilizer and Insecticide Use	35,554,150	21,627,364	13,926,786	61	35,442,950	21,587,331	13,855,619	61	111,200	40,033	71,167	36
427	State Ministry of Livestock, Farm Promotion and Dairy and Egg Related Industries	1,403,090	1,085,485	317,605	77	334,150	306,800	27,350	92	1,068,940	778,685	290,255	73
428	State Ministry of Canals and Common Infrastructure Development in Settlements in Mahaweli Zones	7,254,300	6,655,400	598,900	92	2,797,700	2,771,765	25,935	99	4,456,600	3,883,636	572,964	87
429	State Ministry of Tanks, Reservoirs and Irrigation Development Related to Rural Paddy Fields	3,114,000	2,657,233	456,767	85	96,000	76,229	19,771	79	3,018,000	2,581,004	436,996	86
430	State Ministry of Land Management, State Enterprises Land and Property Development	608,000	269,212	338,788	44	80,000	21,159	58,841	26	528,000	248,053	279,947	47
431	State Ministry of Coconut, Kithul and Palmyrah Cultivation Promotion and Related Industrial Product Manufacturing and Export Diversification	3,556,221	2,708,208	848,013	76	1,234,750	1,140,130	94,620	92	2,321,471	1,568,078	753,393	68
432	State Ministry of Development of Minor Crops Plantation including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion	4,661,984	4,104,240	557,744	88	543,760	496,323	47,437	91	4,118,224	3,607,917	510,307	88
433	State Ministry of Rural and Divisional Drinking Water Supply Projects Development	1,452,420	806,806	645,614	56	60,255	58,815	1,440	98	1,392,165	747,992	644,173	54
434	State Ministry of Warehouse Facilities, Container Yards, Port Supply Facilities and Boats and Shipping Industry Development	1,257,700	204,995	1,052,705	16	85,069	47,228	37,841	56	1,172,631	157,767	1,014,864	13
435	State Ministry of Rural Roads and other Infrastructure	30,276,631	1,946,583	28,330,049	6	76,221	73,061	3,160	96	30,200,410	1,873,521	28,326,889	6
436	State Ministry of Vehicle Regulation, Bus Transport, Services and Train Compartments and Motor Car Industry	14,408,360	12,844,869	1,563,491	89	11,976,330	11,499,569	476,761	96	2,432,030	1,345,300	1,086,730	55
437	State Ministry of Aviation and Export Zones Development	2,085,964	969,035	1,116,929	46	169,844	103,013	66,831	61	1,916,120	866,023	1,050,097	45
438	State Ministry of Cooperative Services, Marketing Development and Consumer Protection	770,450	711,171	59,279	92	731,150	677,832	53,318	93	39,300	33,339	5,961	85
439	State Ministry of Batik, Handloom and Local Apparel Products	1,025,505	684,710	340,795	67	294,305	202,221	92,084	69	731,200	482,489	248,711	66
440	State Ministry of Gem and Jewellery related Industries	294,247	156,631	137,616	53	206,947	123,850	83,097	60	87,300	32,782	54,518	38
441	State Ministry of Prime Health Care, Epidemics and Covid Disease Control	12,723,700	12,264,099	459,601	96	12,440,700	12,172,207	268,493	98	283,000	91,892	191,108	32
<b>Total</b>		<b>5,420,911,860</b>	<b>4,879,195,336</b>	<b>541,716,524</b>		<b>2,874,192,230</b>	<b>2,757,343,086</b>	<b>116,849,144</b>		<b>2,546,719,630</b>	<b>2,121,852,250</b>	<b>424,867,380</b>	

**Notes to the Financial Statements contd...**

(Rs.)

Category	Province							Total		
	Western	Central	Southern	Northern	North Western	North Central	Uva		Sabaragamuwa	Eastern
<b>Total Revenue</b>	33,286,591,304	4,905,167,735	6,291,011,493	2,825,473,103	6,779,535,131	2,425,716,926	2,126,106,935	3,044,453,607	2,303,240,745	63,987,296,980
<b>Recurrent Expenditure</b>	66,423,878,284	41,676,223,119	40,344,283,169	27,523,499,679	37,173,434,116	22,160,191,907	26,867,100,151	31,249,798,542	30,424,030,284	323,842,439,250
<b>Capital Expenditure</b>	4,177,764,782	3,526,591,589	3,974,668,580	3,866,143,464	3,109,383,606	3,811,000,294	3,094,739,654	2,532,016,402	3,507,622,842	31,599,931,213
<b>Total Expenditure</b>	70,601,643,065	45,202,814,708	44,318,951,749	31,389,643,143	40,282,817,722	25,971,192,201	29,961,839,805	33,781,814,944	33,931,653,126	355,442,370,463



# ජාතික විගණන කාර්යාලය

## தேசிய கணக்காய்வு அலுவலகம்

### NATIONAL AUDIT OFFICE



මගේ අංකය  
எனது இல.  
My No.

TPD/A/DSA/2/21/IA /01

ඔබේ අංකය  
உமது இல.  
Your No.

දිනය  
திகதி  
Date

30 May 2022

The Secretary,  
Ministry of Finance.

**Report of the Auditor General on the Financial Statement of the Government for the year ended 31 December 2021 in terms of Sections 11(1) and 15(1) of the National Audit Act, No. 19 of 2018.**

### 1. Financial Statements

#### 1.1 Qualified Opinion

The audit of financial statement of the Government for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of financial performance, statement of Changes in net assets/equity and cash flow statement for the year then ended and notes to the financial statements including summary of significant accounting policies was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions in Section 15 of the National Audit Act, No. 19 of 2018. Action will be taken to submit the Annual Detailed Management Audit Report to the Secretary in terms of Section 11(2) of the National Audit Act, No.19 of 2018. The report of the Auditor General to Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 10 of the National Audit Act, No. 19 of 2018 will be tabled in due course.

In my opinion, except for the effects of the matters described in Paragraph of Basis for Qualified Opinion in this report, the accompanying financial statements give a true and fair view of the financial position of the Government as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.





## 1.2 Basis for Qualified Opinion

- (a) According to the financial statements presented to the Audit, the balance of the debt payable by the Government totaled Rs. 16,826.83 Billion as at 31 December 2021. However, observations made in the audit test checks are given below.
- (i) The sum of Rs. 311,191 million being the total of 08 loan agreements shown in CS-DRMS 2000+ Report 854-1 maintained by the Department of External Resources for reporting on foreign debt as at 31 December 2021, had totally been omitted from the financial statements of the Government.
  - (ii) The debt balance of Rs. 589 million existed as at 31 December 2021 relating to a loan agreement entered into by the Government in the year 2021, had not been shown in the financial statements of the Government.
  - (iii) Of the loans obtained by the Government for constructing the Hambanthota Harbor from the balances shown in the 08 loan agreements mentioned in (i) above, a balance of Rs. 161,332 remained payable. As per the Cabinet Decision, dated 04 August 2017, the said loan balance had been accepted by the Treasury to be effective from the date of the said agreement coming into being. However, that loan balance had not been shown in the financial statements of the Government for the year 2021, and the same balance had been omitted from the financial statements of the Ports Authority as at 31 December 2021 as well. Debt servicing on the said balance is done by the Treasury.
  - (iv) The loan currency mentioned in CS-DRMS 2000+ Report 854-1 relating to 02 loan agreements was Euro (EUR), but the loan currency was mentioned as XDR and USD in the financial statements of the Government. As such, different exchange rates had been used for the same loan balance; hence, the balance of the debt of the Government shown in the financial statements, had been overstated and understated by sums of Rs. 340 million and 285 million respectively.
  - (v) According to CS-DRMS 2000+ Report 854-1, a value of Rs. 64,910.4 million had been realized with respect to Loan No. 2021026 during the year. However,

the same had been shown in the financial statements of the Government as Rs. 64,983.8 million. As such, the value of debt shown in the financial statements, had been overstated by Rs. 73.4 million.

- (vi) The comparison between the loans granted to the Government of Sri Lanka by miscellaneous donors and the confirmation of balances furnished by those institutions to the Audit as per the Report 854-1 in the financial statements of the Government as at 31 December 2021, indicated that 02 loan balances totaling US \$ 1,800,227 equivalent to Rs. 360.82 million had not been included in the financial statements of the Government.
- (vii) A balance of Rs. 240 million existed under Loan No. 2001042 shown in the CS-DRMS 2000+ Report 854-1 which was the source on foreign debt as at 31 December 2021. However, that balance had not been shown in the financial statements of the Government.
- (viii) Negative balances totaling Rs. 1,481,264 relating to 02 loan balances had been omitted from the financial statements of the Government. However, the Audit was not provided with an explanation as to why those balances had become negative and the reasons for omitting them from the financial statements.
- (ix) Information relating to Note, No. 29(i) presented along with the financial statements, had not been included in the CS-DRMS 2000+ Report 854-1. Sources that would have been used to verify the value thereof amounting to Rs. 20,247 million, had not been furnished to the Audit.
- (x) The balance of foreign debt totaled US \$ 34,130,219,447 as at 31 December 2021. Considering the then exchange rate of Rs. 200.4348, the value thereof amounted to 6,841 Billion in Rupees. As the value of exchange rate as at 30 May 2022 amounted to Rs. 360.76 the said value of the foreign debt amounted to Rs. 12,313 Billion. Growth in the balance of debt caused by the fluctuations in exchange rate, was not disclosed in the financial statements.



(b) According to the statement of financial performance, the value of foreign borrowings obtained in the year totaled Rs. 516,606 million whereas the value of installments paid in the year under review totaled Rs. 530,507 million. As such, the value of installments paid in the year 2021 exceeded the borrowings obtained during the year by Rs. 13,901 million, thus resulting in a deficit of Rs. 13,901 million in foreign exchange. Observations made in the audit test checks carried out on foreign debt and repayment are as follows.

(i) According to the information furnished to the Audit through Letter No. TO/S&A/03/08/05 of the Director General of Treasury Operations dated 25 February 2022, the values of foreign borrowings that had not brought to accounts even by the end of the year 2021 despite being realized in the year 2021 and 2020 or years prior, amounted to Rs. 16,883.6 million and Rs. 21 million respectively as at 31 December 2021. Nevertheless, a difference was also observed between the values shown in that letter and the actual computations.

(ii) It was stated in Note 03 of the said letter that the value of foreign borrowings brought to accounts in the year 2021 despite being realized in the year 2020 or preceding years, amounted to Rs. 5,671 million. As such, it was further observed that certain loans had not continuously been brought to accounts in the same year despite being realized in the relevant year.

(iii) According to the Letter, No. SA/MAA/02/02/03/VO(iii) of the Director General of State Accounts dated 21 April 2022, the value of loan installments paid in the year under review after being computed as per sections (ii), (iii), and (iv) of the Note, No. 29 relating to foreign borrowings, totalled Rs. 514,154 million, but the same amounted to Rs. 530,508 million as per the statement of financial performance, thus observing a difference of Rs. 16,354 million. Information attributable to that difference, was not made available to the Audit.

(iv) According to the report, CS-DRMS 814-1 of the Department of External Resources printed on 19 January 2022, the value of foreign borrowings realized with respect to 19 loan agreements totalled Rs. 15,207,702,960. That value had

been shown in the financial statements of the Government for the year 2021. However, according to the said 814-1 report printed on 19 May 2022, the value of foreign borrowings realized in the year 2021 with respect to those 19 loan agreements, totaled Rs. 39,174,043,448. As such, the value of foreign borrowings realized in the year 2021, had been understated by Rs. 23,966,340,488 in the financial statements.

- (v) The minus value of US \$ 729,484.66 or Rs. 146,217,030 existed as at 31 December 2021 being the realization of Loan No. 2016028 shown in the report 814-1 printed on 19 May 2022, included the settlement of the balance of the advance given to the project relating to the loan agreement. However, that settlement had not been shown in the financial statements of the Government.
- (c) As the bases / methods of accounting followed by the Department of State Accounts to account public debt, had been revised from time to time, instances were observed in which the uniformity of financial statements had not been maintained.
- (i) As the discounted value of Treasury bonds issued prior to the year 2016, had not been brought to accounts, a sum of Rs. 318,246 million had been understated in financial statements as at 31 December 2019. Nevertheless, provision amounting to Rs. 318 Billion would have been made in order for the said discounted value to be brought to accounts, but making such a provision would have increased the budget deficit. As such, the Audit had been informed by the Department of State Accounts that action had been taken to adjust the discounted value of the bonds issued prior to the year 2016, upon maturity while disclosing the face value of those bonds in the notes to the financial statements until then. Nevertheless, the said value had been brought to accounts as at 31 December 2020 with no provision allocated in that manner, and the balance had been shown in the financial statements of the year 2021.
- (ii) The advances from the Central Bank had been deemed as a local loan with reasons given for doing so in the financial statements audited in the year 2020. However, in the year 2021, the said Central Bank advance of Rs. 150.1 million had been eliminated from the classification of local loans, and shown as a separate item.



(d) According to the State Accounts Circular, No. 30/94 dated 20 April 1994, all the transactions involving foreign aid should have been performed by the Director General of the Department of External Resources. The following observations were made in the audit test checks conducted in that connection.

(i) Although 02 institutions had directly obtained foreign grants worth Rs. 24.77 million for 07 projects in the year 2021 with the Treasury not being aware thereof, those grants had not been included in the financial statements of the Government.

(ii) In the wake of the spread of Covid-19 pandemic during the year 2020, the Ministry of Health, and hospitals and other health institutions functioning thereunder had received financial and non-financial aid/donations assessed to the value of Rs. 1,949 million in the years 2020 and 2021 from various foreign states, local / foreign institutions/organizations/persons, and local/foreign NGOs. However, those donations had not been shown in the financial statements. Furthermore, action had not been taken to assess the value of 162,465 items of goods received from the aforesaid parties in the years 2020 and 2021 and show in the financial statements.

(e) The capital contribution from the public enterprises totaled Rs. 760,777.41 million as at 31 December 2021. The following observations were made in that connection.

(i) The Milco (Pvt) Ltd had defaulted on a sub-loan granted by the Government, and that loan had been written off by the Treasury without taking action in terms of Financial Regulations. The revenue so written off, had been shown in the financial statements as a contribution of the Government to the capital of that Company. That transaction should have been performed with provision made through the annual Appropriation Act, but the Audit was not provided with information that it had been so done.

(ii) According to the direct confirmation of balances presented by public Corporations and 13 shareholder public enterprises and companies, the capital contribution pertaining to those institutions totaled Rs. 439,638,766,649 as at 31 December 2021, but the same amounted to Rs. 411,873,962,444 in the

financial statements. As such, capital contribution of the Government had been understated by Rs. 27,764,804,205 in the financial statements as at 31 December 2021.

- (iii) The total value of capital contribution from the Government had not been mentioned in the direct confirmation of balances presented by 05 limited companies owned by the Government as at 31 December 2021; instead, the market value per share had been shown. The value of shareholders of those institutions had been recognized based on the nominal value of the shares, thus showing Rs. 47,951,228 in the financial statements.
  
- (f) According to the financial statements of the Government, the balance of lease rents and advances of the Department of Fisheries and Aquatic Resources under the Head 290, amounted to Rs. 8,518,925 as at 31 December 2021. No balance was shown in the lease rent and advance account as per the financial statements of that Department for the year 2021.
  
- (g) The balances of the advance accounts approved by the Treasury, totalled Rs. 15,727,677,353 as at 31 December 2021. Observations made in the audit test checks conducted thereon, are as follows.
  - (i) Debit balances totaling Rs. 1,372,999,369 and credit balances totaling Rs. 19,916,617 brought forward over several years under the Government approved advance accounts of the Treasury, existed as at 31 December 2021. Responding to the audit queries that continuously pointed out those balances, it had been informed that action would be taken to close those balances in terms of Financial Regulation 518. The balances in the advance account numbers 7000-0-0-475-0-002, 7000-0-0-117-0-002 and 7000-0-0-851-0-002 had been closed after being settled in the year 2022. Action had not been taken to close the balances of the other advance accounts even by 19 May 2022.
  
  - (ii) There existed an opening balance of Rs. 1,221,650,996 in the stores and other advances account pertaining to the Head 111 - Ministry of Health. However, when queried, it was observed in audit that the said balance had been maintained



only nominally with no reason whatsoever. Audit queries in that connection had been issued from time to time though, no prompt action had been taken thereon even by 20 May 2022.

- (i) An amount of Rs. 1,850,007,342,256 had been indicated as non-financial assets as at 31 December 2021. The observations revealed in the audit test checks carried out in relation to that balance are mentioned below.
- (i) The approval has been granted by the Cabinet Memorandum No. MF/NB/01/CM/2017/85 dated 20 March 2017 submitted by the Minister of Finance under the heading of “Inclusion of Loans and Interest to Accounts Obtained from Local Banks for Development Projects by the Ministry of Defense” to include the value of the office building of the Secretariat of Personal Identification to the Government Assets Register. Although the approval had been granted for that purpose by the Cabinet Decision No. 17/0632/719/062 dated 05 April 2017, action had not been taken to document that asset even by 13 December 2021, the date of audit.
- (ii) State investment totalling Rs. 8,199 billion from the year 2006 to the year 2021 had been indicated as the construction or purchase of physical assets and the acquisition of other investments in Cash flow statements. However, only Rs.1,850 billion as non-financial assets out of that amount had been identified and brought to accounts as assets in the Statement of Financial Position for the year 2021. Financial assets totalling to Rs. 934 billion within that expenditure comprised of Rs.173 billion as sub-loans and Rs.761 billion as capital contribution to state-owned enterprises had been brought to accounts. Accordingly, a total of Rs.2,784 billion had been brought to accounts as financial and non-financial assets at the end of the year under review. It was not possible to identify and account Rs.5,415 billion or 66 per cent out of Rs.8,199 billion, the total of construction or purchase of physical assets and acquisition of other investments mentioned in the cash flow statements. Non-financial assets had not been brought to accounts in the financial statements for the period

of 2005 to 2014 and accounting had been commenced from the year 2015.

- (j) It had been informed to the Auditor General that a Treasury guarantee had been granted by letter of confirmation No. PED/S/SLA/1/11(ii) dated 24 February 2022 that would be effective until restructuring the Sri Lankan Airlines for the accumulated loss of Rs. 371,734 million by 31 March 2021. That guarantee had not been disclosed in the financial statements.
- (k) A balance totaling to Rs. 1,007 million related to 02 accounts in the financial statements of the Government in the year 2021 remained dormant for a longer period of time. Moreover, net balances totalling to Rs. 8,792,222 had been existed in the accounts related to advance activities of the Government without being settled for a number of years. There had also been negative balances amounting to Rs. 233,298 in those balances.
- (l) There had been no direct connection between the statement of financial performance and the statement of financial position included in the financial statements of the Government. Merely, the actual situation relevant to the budget for the year under review had only been depicted in the statement of financial performance and a deficit or surplus related to the year had not been calculated and that deficit or surplus had not been adjusted to the statement of financial position. Accordingly, the statement of financial performance and the statement of financial position were splitting.
- (m) Although a debit value of Rs. 14,979,010,260,682, the total of the statutory and other funds had been indicated in the statement of financial position, only a debit value amounting to Rs.938,712,129,108 had been indicated in the statement of changes in equity. The debit balance of Rs.14,040,298,131,574 in the net asset adjustment account, which had a direct and material effect on the equity had not been stated in the statement of changes in equity.
- (n) The assets and liabilities indicated in the statement of financial position had not been classified as current and non-current. As a result, the users of the financial



statements and the parties interested in the financial statements could not get a clear idea of the amount of external liabilities to be paid by the government in the ensuing year.

- (o) Although the value of total external liabilities had been Rs.17,817,028,444,958 as per the statement of financial position, the value of the total assets when compared to that had been only Rs. 2,838,018,184,276 and as a result, the total external liabilities had exceeded the total assets by Rs. 14,979,010,260,682.
- (p) Although exchange differences arising from the transactions of the policy related to Foreign Currency Transactions under Significant Accounting Policies of the Financial Statements of the Government / profits or losses in foreign exchange should be adjusted in the statement of financial performance, loss in foreign exchange amounting to Rs. 363,648 million calculated during the year under review had been adjusted to net assets adjustment account of the statement of financial position.
- (q) In the financial statements of the Government, provision for depreciation had not been made according to prudence concept in accounting by systematically allocating the depreciable value of these assets over its useful life for the non-financial assets worth Rs. 700,951 million excluding lands and work in progress. Although the residual value and useful life of these assets should have been reviewed at least at the end of each financial year, it had not been done so. Accordingly, the users of the financial statements of the Government had lost the opportunity of gaining a definite understanding of the carrying amount that had been derived after deducting losses if there are any cumulative depreciation and cumulative impairment losses of these assets.
- (r) Utilization should have been made on the basis of the net provision revised after taking action as per the Annual Budget Estimates approved by Parliament and in accordance with the provisions of the Annual Appropriation Act No. 7 of 2020. However, an amount of Rs. 3,354,673,089 had been utilized by exceeding the net provision of Rs. 3,280,318,000 made for the Head 422 - State Ministry of Dhamma School Pirivenas and Bhikku Education – Object- 422-2-3-3-1001 by Rs. 74,355,089. Accordingly, an overspending of Rs. 74,355,089 was revealed in that Object.

- (s) Instances of noncompliance with the limits approved by Parliament, of which the details are mentioned below, in accordance with the Treasury Books for advances under the third schedule of the Appropriation Act No. 7 of 2020 were revealed. According to Section 8 (1) (b) of the Act, the limits should have been submitted to Parliament and revised by 31 May 2022, evidence to confirm that those limits had been revised had not been submitted to the audit even by 12 May 2022.
- (i) Spending had been done by exceeding the maximum expenditure limit applicable to 03 advance works to public officers by a total of Rs. 2,430,537.
  - (ii) Item No. 23202 – A sum of Rs.173 ,734,833 had been incurred by exceeding the maximum expenditure limit of the Advance Account on Prison Industrial and Agricultural Activities by Rs.63,737,833.
  - (iii) Item No. 31003 - Rs. 440,313,213 had been spent, exceeding the maximum expenditure limit of the work done advance account of the Government Factory by Rs.70 ,313,213.
  - (iv) Item No. 21302 of the Department of Education and Publications – Although the minimum receipt limit related to storage advances such as book printing, publications and marketing had been Rs. 4,650,000,000, the actual receipts were Rs. 2,718,670,627. Accordingly, the limit had not been reached by Rs. 1,931,329,323. Although a request was made to the Cabinet of Ministers on 02 March 2022 to revise this limit, the approval of Parliament had not been granted even by 12 May 2022.
- (t) An amount of Rs. 26,673,196,758 to be recovered from the Fuel Stabilization Fund to the Department of Treasury Operations as at 31 December 2020 has been indicated as a liability (negative value) in the statement of financial position of the financial statements of the Government in the year 2021 and had been erroneously indicated by naming as the Fuel Price Stabilization Account under miscellaneous accounts.
- (u) Preparation of financial statements had commenced under the Accounting Model introduced from the year 2005 and it had been decided to transform the method of preparing financial statements from the modified cash basis system



that is being used currently for 10 years to the accrual basis accounting system in accordance with the Budget Proposal 254 for 2018. Although the Department of Public Accounts had revised the time frame for functions included in the road map submitted in relation to that Cabinet approval, a formal approval had not been obtained. Although the progress of the relevant process should be reported to the Cabinet one month after the end of each year as per the Note to the Cabinet, the progress had not been reported in that manner even by 20 May 2022. The Department of Public Accounts had informed the audit that the approval would be sought for the revised roadmap after reaching a definite policy decision on the process of transformation.

### **1.3 Responsibility of the Chief Accounting Officer for the Financial Statements**

The Chief Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and in terms of Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as the Chief Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. As per Section 16 (1) of the National Audit Act, No. 19 of 2018, the Ministry of Finance is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Ministry.

In terms of Sub-section 38 (1) (c) of the National Audit Act, the Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Ministry and carry out periodic reviews to monitor the effectiveness of such system and accordingly make any alterations as required for such systems to be effectively carried out.

### **1.4 Auditor's Responsibilities for the Audit of the Financial Statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue the report of the Auditor General that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it

exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



## **1.5 Report on Other Legal Requirements**

I express the following matters in accordance with Section 6 (1) (d) of the National Audit Act, No. 19 of 2018.

- (a) The financial statements are consistent with the preceding year.
- (b) Action had not been taken to adjust or conform to the audit observations pointed out in my report submitted on the financial statements of the previous year included in Paragraphs 1.2(a)(i),(iii), 1.2(b) (i), (ii), 1.2(c) (i), 1.2 (d), 1.2 (t), 1.2 (u)

## **1.6 Non-compliance with laws, rules and regulations**

The following instances of Non-compliance with laws, rules and regulations were observed.

### **(a) Article 149 of the Constitution of the Democratic Socialist Republic of Sri**

#### **Lanka**

The COVID 19 Health and Social Security Fund and the Fuel Price Stabilization Fund had been established with the approval of the Cabinet of Ministers without the approval of Parliament even by 31 December 2021. Although all government receipts had to be credited to the Consolidated Fund in accordance with Article 149 of the Constitution, Amounts of Rs. 367,645,984 and Rs. 728,619,709 had been received respectively to the two funds during the year under review. Moreover, Rs. 93,575,980 had been spent under the COVID 19 Social Security Fund during the year under review and that expenditure had been accounted under the Fund Account. These receipts and payments, which had been accounts in two fund accounts, which had not been approved by Parliament, had been brought to accounts by the Treasury under the main ledger accounts of the Treasury extraneous to the Consolidated Fund.

### **(b) Fiscal Management (Responsibility) Act, No.3 of 2003**

- (i) In terms of Fiscal Management (Responsibility) Act, No.3 of 2003 as amended by the Fiscal Management (Responsibility) (Amendment) Act, No.15 of 2013, the maximum value of liabilities at the end of a certain year shall not exceed 80 per cent of the estimated Gross Domestic

Product of that year. However, the relevant limit had exceeded up to 109.87 per cent by 31 December 2021. Details appear below.

<b>Liability</b>	<b>Value of Liability as at 31 December 2021*</b>
	Rs. Billions
Bank Overdraft	832
Central Bank Advances	150
Public Debt	16,826
Liabilities not accounted in the financial statements:	
- Foreign borrowings outside the balance accounted sheet	311
- Foreign borrowings not accounted	17
<b>Total Liability</b>	<b>18,137</b>
Estimated Gross Domestic Product	16,508
<b>Total Liability as a percentage of the Gross Domestic Product</b>	<b>109.87</b>

\*The value of guarantees and letters of comfort amounting to Rs.1.58 billion granted to the banks in respect of the borrowings made by the public enterprises upon the guarantees of the General Treasury and also the values totalling Rs.334 billion included in the statements of liabilities and commitments of Ministries, Departments and Special Expenditure Units submitted to Audit, have not been included in the above liabilities.

- (ii) It is specified in Section 3 (a) of the Fiscal Management (Responsibility) Act, No.3 of 2003 that the “Reduction of Government debt to prudent levels, by ensuring that the budget deficit at the end of the year 2006, shall not exceed five per cent of the estimated Gross Domestic Product for the year and to ensure that such levels be maintained thereafter, is an objective with responsibility that forms the basis to the financial management which is required to be followed by the Government.”

Nevertheless, it was observed that the Ministry of Finance had failed to maintain the estimated budget deficit in the year under review in a manner not to exceed five per centum of the estimated Gross Domestic Product and

to maintain the actual budget deficit as at the end of the year under review in a manner not to exceed five per centum of the estimated Gross Domestic Product. Accordingly, those percentages stood at 18.48 per cent and 12.59 per cent in the year under review relating to the estimated budget deficit and the actual budget deficit respectively. Details appear below.

Estimated Gross Domestic Product	Budget Deficit		Estimated Budget Deficit as a Percentage of the Estimated Gross Domestic Product	Actual Budget Deficit as a Percentage of the Estimated Gross Domestic Product
	Estimated	Actual		
Rs. Billions	Rs. Billions	Rs. Billions	Per cent	Per cent
16,508	3,052	2,080	18.48	12.59

**(c) State Accounts Circular No. 255/2017 of 27 April 2017**

As per Paragraph 05 of the State Accounts Circular No. 255/2017 of 27 April 2017, Commitments are defined as the value of the agreement / purchase order entered with outside parties with the aim of procuring goods and services or placed contractual works. As per Paragraph 2 (c) of the Circular, when goods and services have not been received and contract not certified as completed, such commitment can be carried forward to next year only if budgetary provisions have been made for such subsequent years. Accordingly, since liabilities should be settled in the same year, it has been advised through the circular that the liabilities cannot be carried forward to the next year. However, the total of liabilities and commitments as at 31 December 2021 submitted to Audit by the Department of State Accounts, has been indicated as Rs.334 billion.

**(d) State Accounts Circular No. 243/2015 of 24 June 2015**

As per the State Accounts Circular No. 243/2015 of 24 June 2015, the deposit accounts of the 6003 series were expected to be annulled and it was advised to carry out the functions through the annual estimate from the year 2016 onwards.



However, the balance totalling Rs.10 million of a deposit account under number 6003 had been carried forward without settling even by 31 December 2021.

**(e) The Financial Regulations of the Democratic Socialist Republic of Sri Lanka**

In terms of FR 373, it was observed that debit balances totalling Rs 4,277 million in 110 imprest accounts of the Ministries and Departments as at 31 December 2021 had remained unsettled and it was observed that balances totalling Rs. 481.8 million in 10 imprest accounts included therein, had been brought forward for a number of years. Action had not been taken even by 31 December 2021 to settle these balances.

**3. Financial and Operating Review**

**3.1 Revenue Estimate**

The Gross Domestic Product of the year 2021 had been Rs.16,809 billion while the Gross Domestic Product of the year 2020 had been Rs.15,027 billion. Accordingly, as compared with the preceding year, the Gross Domestic Product had increased by Rs.1,782 billion representing 11.86 per cent. According to the Annual Budget Estimate approved by Parliament for the year 2021, the Government revenue had been Rs.1,984 billion while it had been Rs.1,547 billion in the preceding year, thus overstating the Government revenue by Rs.437 billion representing 28.26 per cent as compared with the preceding year. The budget deficit had been estimated based on the said revenue estimate. Nevertheless, the original revenue estimate had been revised up to Rs.1,506 billion by Revenue Accounting Officers, reducing by Rs.478 billion. According to the said revised revenue estimate, the Government revenue had been 8.73 per cent of the Gross Domestic Product. Even though the increase of the Gross Domestic Product should have been considered when preparing the revenue estimates, it was observed that the revenue had been overestimated without paying attention thereto.

The Government revenue collected in the year 2021 had been Rs.1,467 billion and it had decreased by Rs.39 billion than the revised revenue estimate. As such, in comparison with the revenue estimate submitted to Parliament, the said decrease had been Rs.517 billion. The decrease in the collected revenue over the estimated revenue submitted to Parliament each year during the period from the year 2012 to the year 2021

had ranged from 9.51 per cent to 26.08 per cent, thus revealing the highest percentage in the year under review during the said period.

In terms of Financial Regulation 85(2)(b), only reporting to the Department of Fiscal Policy for revision of revenue estimates by the Revenue Accounting Officers is mentioned and as such, it was observed that the accountability of estimation of revenue in a realistic manner has weakened due to providing opportunity for revision of a revenue estimate approved by Parliament, without Parliamentary approval.

### **3.2. Revenue Deficit**

The deficit of revenue had been Rs.1,290 billion in the financial statements for the year under review submitted to Audit while it had been Rs.1,304 billion in the preceding year. The highest deficit of revenue had been reported in the year 2020 during the period from the year 2006 up to the year 2021. The revenue collected each year during the said period had failed to meet the recurrent expenditure of the Government. The lowest deficit of revenue had been reported in the year 2007 and it had been Rs.43 billion representing 7.56 per cent of the Government revenue collected. The deficit of the total revenue had been Rs.4,780 billion during the said period. Local and foreign borrowings and foreign grants had been obtained to settle the deficit. Accordingly, a total of Rs.23,183 billion comprising domestic borrowings, foreign borrowings and foreign grants of Rs.16,265 billion, 6,704 billion and Rs.213 billion had been obtained respectively during that period. The deficit of revenue had been financed by percentages ranging from 6.86 per cent to 45.59 per cent in each year from borrowings and grants so obtained. Instead of making investments from borrowings and grants obtained, 20.23 per cent, 45.59 per cent and 42.41 per cent had been utilized in the years 2019, 2020 and 2021 respectively for settling of recurrent expenditure.

Interest amounting to Rs.1,048 billion had been paid in the year under review and it had represented 38.02 per cent of the total recurrent expenditure. The payment of interest in the preceding year had been Rs.975 billion of the total recurrent expenditure representing 36.36 per cent. The payment of interest had increased by Rs.73 billion as compared with the preceding year. Payment of interest in the year 2006 amounting to Rs.151 billion had increased up to Rs.1,048 billion by the year 2021 representing 594 per cent. Borrowings made for settling the budget deficit and the interest paid thereon



had increased annually. A sum of Rs.1,048 billion representing 71.74 per cent had been used to pay interest out of the Government revenue of Rs.1,467 billion collected. This situation was annually on the increase during the relevant period and it had rapidly increased from the year 2019.

Revenue amounting to Rs.620 billion which should have been collected in the year 2021 by the Inland Revenue Department was in arrears. Had the said revenue been collected in the year 2021, the deficit of revenue in that year could have been reduced by Rs.670 billion representing 51.94 per cent. The said arrears of revenue had been Rs.698 billion and Rs.579 billion in the years 2019 and 2020 respectively. Had the said revenues in arrears been collected in those years as well, it could have been made into revenue in excess of Rs.165 billion in the year 2019. Moreover, there had been a possibility of decreasing the arrears of revenue from Rs.606 billion representing 46.47 per cent in the year 2020.

Public debt had to be obtained as revenue estimates had not been accurately prepared or non-collection of revenue according to revenue estimates prepared and failure in management of expenditure economically. Obtaining such debts had increased annually and as a result cost of loan interest had increased annually, thus increasing the recurrent expenditure as well. The deficit of revenue had increased annually as a result of revenue being inadequate for meeting the annual expenditure due to failure in collecting the estimated revenue as expected and the increase in recurrent expenditure.

### **3.3. Budget Deficit**

According to financial statements of the Government, the budget deficit of the year 2021 had been Rs.2,080 billion. It had represented 12.37 per cent of the Gross Domestic Product. The budget deficit had been Rs.2,116 billion in the year 2020 and it had represented 14.08 per cent of the Gross Domestic Product. A budget deficit existed throughout the entire period from the year 2006 to the year 2021 and the budget deficit of Rs.300 billion in the year 2006 had been increased to Rs.2,080 billion by the year 2021. The highest budget deficit during the said period had been reported in the year 2020. Taking the budget deficit from the year 2006 to the year 2021 as a percentage of the Gross Domestic Product, it had been ranging from 5.55 per cent to 14.08 per cent. The actual budget deficit shall be within the limit of 5 per cent of the actual Gross Domestic Product which should have been maintained in terms of Section 3 (a) of the

Fiscal Management (Responsibility) Act, No.3 of 2003, had not been maintained in any year. It had been maintained by 5.55 per cent, 5.69 per cent and 5.59 per cent in the years 2016, 2017 and 2018 respectively.

### **3.4 Increase in the Debt Balance**

The amount of borrowings as well had annually increased due to increase in the budget deficit. The debt balance payable by the Government by the end of the year 2021 had been indicated as Rs.16,827 billion in the financial statements of the Government. The said balance comprised of Rs. 9,986 billion as domestic borrowings and Rs. 6,841 billion as foreign borrowings. The public debt balance of the year 2020 had been Rs.14,692 billion. Accordingly, the debt balance in the year 2021 had increased by Rs. 2,135 billion representing 14.53 per cent as compared with the year 2020. The debt balance which was Rs. 2,431 billion in the year 2006 had been 82.72 per cent of the Gross Domestic Product. Moreover, the debt balance by the end of the year 2021 had been Rs. 16,827 billion and it was 100.11 per cent of the Gross Domestic Product. In terms of Section 3(f) of the Fiscal Management (Responsibility) Act, No. 3 of 2003, it shall be ensured that the total liabilities of the Government do not exceed 85 per cent of the Gross Domestic Product. However, only the debt liability of the Government except for other liabilities had been 100.11 per cent exceeding the said limit and the said position remained unchanged even in the year 2020.

### **3.5 Public Debt**

#### **(a) Borrowings made exceeding the Limit planned according to the Public Debt Programme**

Even though the value of Treasury Bonds planned according to the Public Debt Programme in the year under review, had been Rs.1,235,000 million, Treasury Bonds valued at Rs.1,742,938 million had been obtained. Accordingly, debts had been borrowed through Bonds exceeding the planned limit by Rs.507, 938 million or 41 per cent.

According to the Public Debt Programme, the value of Foreign Currency Bank Unit (FCBU) debts and Sri Lanka Development Bonds had been Rs.251, 342 million and Rs.300, 610million respectively while the actual borrowings had been Rs.29,510 million and Rs.207,505 million respectively. As such, the value



of FCBU debts has decreased by Rs.222,241 million or 88 per cent and the value of Sri Lanka Development Bonds had decreased by Rs.93,105 million or 31 per cent than the limit planned in the year under review.

(b) As per the Performance Report of the year 2021, the Disbursement Estimate and the Actual Disbursement Value were as follows.

Development Party	Disbursement Estimate- 2021	Actual Disbursement Value - 2021	Variation	Variation as a Percentage of the Disbursement Estimate
	US\$ Millions	US\$ Millions	US\$ Millions	Per cent
World Bank	276	434	158	57
Asian Development Bank	390	615	225	58
China	312	969	657	211
Japan	178	135	-43	-24
Korea	20	11	-9	-45
Middle East Countries	82	44	-38	-46
South Asian Countries	62	87	25	40
Russia, Australia and Western Countries	210	111	-99	-47
United Nations Organization	16	12	-4	-25
<b>Total</b>	<b>1546</b>	<b>2418</b>	<b>872</b>	

### 3.6 Issuance of Treasury Guarantees and Letters of Comfort

Bank guarantees and letters of comfort valued at Rs.1,813,1760 million and Rs. 81, 268million had been issued on 241 and 23 occasions respectively to external institutions by 31 December 2021. The period of Treasury guarantees valued at

Rs. 74,360 million and US\$ 1,886 million relating to 27 occasions and letters of comfort valued at Rs. 29,550 million and US\$ 160 million relating to 12 occasions during the year 2021, had been extended due to expiry of Treasury guarantees. Loan installments and interest valued at 1,832,112,103 had been paid by the Department for letters of comfort issued in the year 2021 and prior years and it consisted of interest totalling Rs.1,740.5 million and loan installments of Rs.90.9 million relating to 06 guarantees issued for Mihin Lanka (Pvt) Ltd. Further, it was observed that action had not been taken even by 12 May 2022 to extend the validity period relating to Treasury guarantees and letters of comfort totalling Rs.3,121 million issued to 03 institutions. The following observations are made at the audit test checks carried out on files relating to institutions for which bank guarantees and letters were issued.

**(a) Treasury Guarantees and Letters of Comfort issued to Sri Lankan Airlines Ltd.**

- (i) The General Treasury had issued guarantees and letters of comfort for loans obtained as short term loans of US\$ 200 million and Rs.26,250 million on 8 occasions from the Bank of Ceylon and People's Bank and loans obtained as US\$ 5.38million and Rs.1.352 billion from the People's Bank at capitalized interest rates since the year 2016 by Sri Lankan Airlines Ltd.
- (ii) In addition to the aforesaid loan facilities obtained through state banks, the Government of Sri Lanka had issued a guarantee for Sri Lankan Airlines Ltd. for raising funds amounting to US\$ 175 million by an international bond of 05 years repayable in June 2024.
- (iii) The performance of Sri Lankan Airlines Ltd. was at a very weak level since the year 2016 and as such, it was reported that loans cannot be settled as expected.
- (iv) As per the Cabinet Decision No. 17/2383/733/026 - 1 dated 08 November 2017, the approval had been granted by the Cabinet of Ministers to liquidate the Mihin Lanka. However, according to observations No. MF/PE/CM/202012/ dated 30 January 2020 of the Minister of Finance, Economic and Policy Development, a restructuring activity had been carried out in the Sri Lankan Airlines Ltd. and it had been informed that the said institution (NAPPP –National Agency for

Public Private Partnership) is inoperative by now and that the letters of comfort have to be issued again and again until the Government will take a decision on the going concern of the Sri Lankan Airlines Ltd.

**(b) Treasury Guarantees and Letters of Comfort issued to Mihin Lanka (Pvt) Ltd.**

- (i) As per the Note to the Cabinet No. PE/AV/SLA/CM/2015 dated 14 July 2015, short term loan facilities valued at Rs.1, 650million had been provided by the Bank of Ceylon for maintaining the operations of Mihin Lanka and the loan period had expired on 31 March 2016. However, letters of comfort had been issued continuously by extending the loan period. However, the final extension had been done either up to 31 December 2022 or until the recoveries are completed or whichever date is reached earlier.
- (ii) Action has been taken to set off a sum of Rs.1,000 million as the interest payable up to 21 December 2020 and as a part of the capital sum against a dividend of Rs.1,000 million receivable to the Treasury from People's Bank for loans obtained by Mihin Lanka (Pvt) Ltd. and it consisted of the interest of Rs.831 million relating thereto.
- (iii) Out of the loan amounting to Rs.1 ,650 million obtained from the Bank of Ceylon, an arrears totalling Rs.1 ,741,728, 301 was further payable, comprising a sum of Rs. 1,560,962,436 as a capital balance and Rs.180 ,765, 865 as an interest balance by 31 December 2021.

**3.7 Profit and Dividends**

The following observations are made.

- a) Revenue amounting to Rs. 49 billion and 06 billion had been estimated through the Dividend Revenue Codes 20.02.03.00 and 20.02.04.00 respectively for the year ended as at 31 December 2021. The Department of Public Enterprises was able to collect Rs. 25.92 billion and 4.67 billion therefrom respectively in the year under review, and that represented 52 per cent and 78 per cent respectively of the estimated profit and dividend revenue.



- b) According to the financial statements of the Government as at 31 December 2021, the capital contribution of the public enterprises amounted to Rs.760,777,405,378. However, profits and dividends totalling Rs. 30,590,893,194 only had been received in the year under review in respect of those investments indicating 4 per cent of the value of investments made.
- c) The number of enterprises and other institutions owned by the Government was 145 as at 31 December 2021. However, revenue estimates had been prepared for 39 institutions therefrom, but only 39 institutions had remitted profits and dividends to the Treasury.
- d) All sums remaining out of the net surplus revenue generated by public Corporations should be credited to the Consolidated Fund in terms of Section 10 (5) of the Finance Act, No. 38 of 1971. Nevertheless, instances were observed in which the Department of Public Enterprises had not taken substantial measures to credit the surplus amounts of the relevant public enterprises to the Consolidated Fund in accordance with those provisions.

### **3.8 Bank Overdraft**

Value of the bank overdraft amounted to Rs. 798,453,585,243 as at 31 December 2021. The following observations are made on the said balance.

- a) The value of bank overdraft amounting to Rs. 463,868,639,897 as at 01 January 2021, increased by 72 per cent reaching the value of Rs. 334,584,945,346 by 31 December 2021.
- b) Interests had been paid on the overdrafts of Rs. 25,637,152,955 and Rs. 22,045,856,485 pertaining to the Bank of Ceylon and People's Bank respectively in the year under review. As of 19 August 2021, interest rate on the bank overdrafts also increased, and accordingly, the interest payable on the bank overdrafts daily also increased.
- c) The comparison of bank overdrafts existed by the end of the years 2019, 2020, and 2021 to the financial assets of the relevant years indicated 23.05 per cent, 51.82 per cent and 80.84 per cent respectively. Accordingly, the ratio of 23.05



per cent for the year 2019 increased up to 80.84 per cent by the end of the year 2021.

- d) The Chief Executive Officer of the People's Bank, through his letter dated 02 June 2021, informed the Department of Treasury Operations that the bank overdraft facility provided for the Government daily would be restricted to 340 billion owing to the liquidity-related issues faced by the Bank. However, overdraft facilities had been obtained in excess of that limit on 03 days in September 2021. Even though the daily limit on overdrafts had been restricted to Rs. 320 billion through the letter of the Chief Executive Officer of the People's Bank dated 16 December 2021, the value of bank overdraft amounted to Rs. 337 billion as at 31 December 2021. As such, the said limit had not been heeded by the Treasury.

**Sgd./W.P.C. Wickramaratne**  
Auditor General

W.P.C. Wickramaratne

Auditor General





# Statistical Appendix



Table 1 | Sri Lanka: Demographic and Related Trends

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
Mid Year Population	'000	20,039	20,217	20,450	20,653	20,869	20,328	20,483	20,771	20,966	21,203	21,444	21,670	21,803	21,919	22,156
Mid- Year Population by Age Group <sup>(a)</sup>	'000															
0 -14 Years		5,266	5,315	5,378	5,431	5,488	5,132	5,171	5,235	5,288	5,348	5,411	5,470	5,504	5,534	5,596
15- 64 Years		13,509	13,625	13,784	13,921	14,065	13,604	13,707	13,901	14,030	14,187	14,349	14,499	14,589	14,665	14,823
65 Years and Over		1,264	1,277	1,288	1,301	1,316	1,592	1,605	1,635	1,648	1,668	1,684	1,701	1,710	1,720	1,737
Growth of Population	%	1.1	1.1	1.1	1.0	1.0	0.9	0.8	0.9	0.9	1.1	1.1	1.1 <sup>(b)</sup>	0.6 <sup>(b)</sup>	0.5 <sup>(b)</sup>	1.1 <sup>(b)</sup>
Density of Population	Persons per sq. km	319	332	326	329	333	324	327	331	334	338	342	346	348	350	353
Life Expectancy at Birth	Years											75.5	n.a.	n.a.	n.a.	n.a.
Crude Birth Rate	Per '000	19.3	18.8	18.4	17.6	17.4	17.5	17.9	16.9	16.0	15.6	15.2	15.1	14.6	13.8	12.9
Crude Death Rate	Per '000	5.9	5.9	5.9	6.2	5.9	6.0	6.2	6.2	6.3	6.2	6.5	6.4	6.7	6.0	7.4
Infant Mortality Rate (IMR)	Per '000 Live Births	8.5	8.5	9.7	-	-	n.a.	8.2	n.a.	n.a.	n.a.	8.5	n.a.	n.a.	n.a.	n.a.
Maternal Mortality Rate (MMR)	Per 100,000 Live Births	-	-	22.3	22.0	n.a.	n.a.	n.a.	n.a.	23.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Migration Rate	Per '000	-1.8	-2.2	-1.4	-1.1	-2.2	-2.6	-2.3	-2.0	0.7	2.1	2.3	0.8	-2.3	-4.3	4.0
Dependency Ratio	%	48.34	48.38	48.36	48.36	48.38	49.40	52.90	49.40	49.10	49.40	49.40	49.40	49.40	49.40	49.40
Dependency Ratio – 65 years and Over	%	9.36	9.37	9.34	9.35	9.36	11.70	14.10	11.80	11.50	11.76	11.74	11.73	11.72	11.72	11.72
Literacy Rate <sup>(b)</sup>	Overall % of Population	91.1	91.3	91.4	91.9	92.2	95.7 <sup>(c)</sup>	92.5	93.3	93.20	93.10	92.60	92.60	92.9	93	n.a.
Computer Literacy Rate <sup>(c)</sup>	% of Population	16.1	-	-	20.3	35.0	37.0	40.0	24.9	271	2760	28.6	290	30.8	32.3	35.0 <sup>(d)</sup>
Average Daily Calorie Intake	Kilocalories	2,118	-	-	-	2,094	-	2,111	-	-	-	2,095 <sup>(d)</sup>	2,095 <sup>(d)</sup>	2,120 <sup>(d)</sup>	2,120 <sup>(d)</sup>	2,120 <sup>(d)</sup>

Source: Department of Census and Statistics, Department of Immigration and Emigration and Ministry of Education

<sup>(a)</sup> Provisional

<sup>(b)</sup> Based on Quarterly Labour Force Survey conducted by DCS

<sup>(c)</sup> Computer Literacy Survey 2006/07, 2009, 2014 & 2017

<sup>(d)</sup> Household Income and Expenditure Survey in 2016 and 2019

<sup>(e)</sup> Based on Census of Population and Housing 2012, Department of Census and Statistics

<sup>(f)</sup> First 6 months

<sup>(g)</sup> As reported by Registrar General's Department

n.a. not available

Table 2 | Climate

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Annual Rainfall (Average) Total</b>	mm	1,640	2,020	1,711	1,992	2,027	1,776	1,687	2,375	2,387	1,351	1,757	1,944	2,054	1,613	2,312
<b>Highest Rainfall</b>																
Cities with Highest Rainfall																
	mm															
Anuradhapura		109.2	127.1	89.3	98.6	114.4	130.8	145.4	162.5	121.6	192.5	122.4	92.1	172.1	128.8	154.7
Badulla		65.7	69.8	72.6	90.9	131.6	102.9	108.6	195.9	79.4	73.8	78.8	69.7	93.4	70.4	96.6
Batticaloa		95.9	114.1	241.7	145.5	312.2	127.5	229.2	147.8	182.9	210.6	97.4	145.9	127.3	180.3	142.4
Colombo		131.6	111.0	207.0	440.2	81.9	114.6	134.3	102.8	114.4	256.9	95.2	125.9	148.3	150.8	140.6
Hambantota		139.9	56.0	62.6	82.9	100.6	176.5	104.8	112.0	92.2	104.0	75.4	60.3	94.9	40.1	99.3
Kandy		87.0	79.4	93.0	115.6	137.3	181.2	94.8	139.6	80.4	133.5	64.5	74.9	71.6	70.6	99.4
Kurunegala		97.0	186.3	123.2	135.4	144.4	315.5	139.6	162.6	97.9	156.4	85.2	104.8	188.6	100.2	93.1
Nuwara Eliya		77.6	48.7	62.8	68.2	94.1	109.5	73.2	77.1	120.0	78.7	73.6	65.2	106.8	62.0	91.9
Ratnapura		146.6	186.1	126.2	139.9	166.9	99.1	114.9	178.1	82.7	136.0	348.5	181.3	184.0	193.3	147.2
Vavuniya		156.5	104.7	104.7	163.9	123.2	225.7	81.8	205.2	136.5	202.5	93.6	88.6	77.6	138.5	77.1
<b>Annual Average Minimum Temperature</b>	0c															
Low Country		24.4	24.3	24.7	24.9	24.7	24.2	24.3	23.4	24.3	24.7	24.4	24.1	24.6	24.7	24.5
Hill Country		17.2	17.0	16.9	17.5	17.1	16.8	17.1	17.1	16.9	17.2	18.2	16.9	17.2	17.0	17.3
<b>Annual Average Maximum Temperature</b>	0c															
Low Country		31.2	31.1	31.4	31.4	31.1	32.1	31.7	31.9	32.0	32.6	32.1	31.8	32.2	32.3	31.8
Hill Country		26.0	25.8	26.1	25.9	26.0	26.1	25.3	25.7	25.9	26.5	27.3	25.8	27.7	25.8	26.2

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 <sup>(a)</sup>				Inflation				Exchange Rate										
	GDP at Current Market Prices (Rs. Mn)	GDP at Current Market Prices (USD Mn)	Per Capita GDP at Current Market Price	Real GDP Growth (%)	Share of GDP (at Current Factor Cost Prices) (%)			Annual Average Price Change of CCPI (%)	Annual Average Price Change of NCPI (%)	End Year		Annual Average		Indian Rs.	Indian Rs.				
					Agriculture	Industry	Services			USD	Yen	USD	Yen			Euro	Euro		
2007	3,578,688	32,351	178,845	1,634	6.8	11.7	29.9	58.4	14.0	15.8 <sup>(c)</sup>	-	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 <sup>(c)</sup>	-	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 <sup>(d)</sup>	-	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 <sup>(d)</sup>	-	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 <sup>(d)</sup>	-	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 <sup>(d)</sup>	-	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 <sup>(d)</sup>	-	130.75	1.24	180.45	2.11	129.11	1.32	171.51	2.21
2014	10,361,151	79,359	498,828	3,821	5.0	8.0	28.3	56.9	2.9	3.2 <sup>(d)</sup>	-	131.05	1.10	159.42	2.07	130.56	1.24	173.59	2.14
2015	10,950,621	80,555	522,304	3,842	5.0	8.2	27.2	57.4	0.6	2.2 <sup>(f)</sup>	3.8 <sup>(f)</sup>	144.06	1.20	157.37	2.17	135.94	1.12	150.84	2.12
2016	11,996,083	82,391	565,773	3,886	4.5	7.4	27.8	56.4	4.8	4.0 <sup>(f)</sup>	4.0 <sup>(f)</sup>	149.80	1.29	157.87	2.21	145.60	1.34	161.16	2.17
2017	13,328,103	87,420	621,531	4,077	3.6	7.8	26.8	56.1	7.3	6.6 <sup>(f)</sup>	7.7 <sup>(f)</sup>	152.85	1.36	182.49	2.39	152.46	1.36	171.73	2.34
2018	14,290,907	87,922	659,479	4,057	3.3	8.0	26.3	57.3	3.8	4.3 <sup>(f)</sup>	2.1 <sup>(f)</sup>	182.75	1.65	208.99	2.61	162.54	1.47	191.71	2.37
2019 <sup>(a)</sup>	14,997,157	83,886	687,848	3,848	2.3	7.6	27.2	58.2	2.6	4.4 <sup>(f)</sup>	3.5 <sup>(f)</sup>	181.63	1.67	203.67	2.55	178.78	1.64	200.14	2.54
2020 <sup>(a)</sup>	15,027,374	81,001	685,587	3,695	-3.6	8.6	26.2	59.5	4.0	4.6 <sup>(f)</sup>	6.2 <sup>(f)</sup>	186.40	1.80	229.42	2.55	185.52	1.73	212.06	2.50
2021 <sup>(b)</sup>	16,809,309	84,519	758,680	3,815	3.7	9.0	27.8	57.5	7.9	6.0 <sup>(f)</sup>	7.0 <sup>(f)</sup>	200.43	1.74	226.86	2.69	198.88	1.81	235.10	2.69

Source : Department of Census and Statistics

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> 2002=100

<sup>(d)</sup> 2006/07=100

<sup>(e)</sup> 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.

<sup>(f)</sup> 2013=100

Table 4 | Gross Domestic Product - Sectoral Composition (2010) Constant Prices

		Rs. Million												
		2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>		
<b>Sector</b>														
<b>Agriculture, Forestry and Fishing</b>		<b>569,954</b>	<b>592,445</b>	<b>611,676</b>	<b>639,696</b>	<b>669,725</b>	<b>644,655</b>	<b>642,159</b>	<b>679,702</b>	<b>688,077</b>	<b>672,929</b>	<b>686,478</b>		
1	Growing of Cereals (except rice)	10,593	12,521	14,307	13,969	14,984	13,158	11,503	11,829	10,474	15,170	16,638		
2	Growing of Rice	70,205	62,289	65,607	61,019	76,293	52,388	48,648	70,380	74,169	79,388	74,047		
3	Growing of Vegetables	52,349	51,244	54,153	55,244	56,730	58,349	55,240	55,230	54,539	58,669	57,201		
4	Growing of Sugar Cane, Tobacco and Other Non-perennial Crops	2,142	2,254	2,441	2,287	1,882	2,347	2,044	1,820	2,000	2,386	2,209		
5	Growing of Fruits	37,791	38,248	37,385	40,888	48,038	46,512	49,961	55,654	60,399	64,156	59,165		
6	Growing of Oleaginous Fruits ( Coconut, King Coconut, Oil Palm)	57,110	62,201	53,424	64,158	67,514	66,971	53,773	57,577	67,742	60,705	67,481		
7	Growing of Tea (Green Leaves)	71,769	72,100	74,734	73,936	72,051	63,972	66,879	67,170	66,329	61,621	66,178		
8	Growing of Other Beverage Crops (Coffee, Cocoa etc.,)	1,287	1,319	1,321	1,538	1,259	1,354	1,268	1,592	1,181	1,437	1,213		
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	28,147	44,426	50,833	57,505	60,797	62,931	63,200	66,914	66,223	68,437	71,514		
10	Growing of Rubber	45,956	44,249	37,987	28,688	25,783	23,028	24,165	25,158	22,779	23,831	23,428		
11	Growing of Other Perennial Crops	14,666	15,167	14,344	15,402	16,839	16,484	16,717	16,303	16,380	16,647	15,851		
12	Animal Production	26,359	29,511	36,599	47,950	51,857	55,631	58,729	63,418	64,744	62,941	69,035		
13	Plant Propagation and Support Activities to Agriculture	8,436	9,105	9,183	9,767	10,421	10,210	9,238	9,258	8,404	8,366	9,252		
14	Forestry and Logging	42,505	38,188	43,044	47,451	48,362	52,485	62,545	58,920	59,328	54,652	57,420		
15	Marine Fishing and Marine Aquaculture	89,575	97,063	103,879	105,822	104,413	105,100	103,043	102,175	96,589	75,593	76,465		
16	Fresh Water Fishing and Fresh Water Aquaculture	11,065	12,560	12,435	14,072	12,503	13,735	15,208	16,304	16,797	18,930	19,381		
<b>Industries</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>2,396,833</b>	<b>2,509,421</b>	<b>2,541,186</b>	<b>2,608,190</b>	<b>2,427,871</b>	<b>2,556,998</b>		
17	Mining and Quarrying	148,100	184,468	198,447	201,613	191,145	217,577	237,827	225,505	231,893	202,873	208,505		
18	Manufacture of Food, Beverages and Tobacco Products	487,943	507,121	507,127	513,960	528,821	529,786	534,924	559,356	578,117	599,909	618,361		
19	Manufacture of Textile, Wearing Apparel and Leather Related products	238,254	244,496	264,527	276,800	282,719	289,001	304,090	324,565	333,530	287,856	327,616		
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	31,521	23,472	25,258	23,139	27,320	32,855	32,909	34,233	31,408	28,725	31,129		
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	27,605	24,738	24,925	24,968	27,728	30,283	31,885	32,884	31,445	30,094	32,942		
22	Manufacture of Coke and Refined Petroleum Products	35,457	28,858	27,514	28,723	29,075	31,245	29,743	27,312	33,694	30,026	20,869		
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	67,644	75,582	81,982	82,243	83,179	90,095	93,552	97,851	101,949	101,312	105,348		
24	Manufacture of Rubber and Plastic Products	75,656	83,307	82,187	71,909	76,144	77,055	86,202	85,933	81,070	68,334	82,013		
25	Manufacture of Other Non-metallic Mineral Products	86,204	87,090	81,037	78,671	75,191	69,660	77,821	81,764	81,399	81,844	95,617		

Table 4 | Gross Domestic Product - Sectoral Composition (2010) Constant Prices contd...

Sector	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
26 Manufacture of Basic Metals and Fabricated Metal Products	26,295	24,591	26,589	24,882	28,953	38,577	43,862	48,491	47,120	45,017	46,767
27 Manufacture of Machinery and Equipment	33,650	30,849	30,845	32,064	38,848	46,610	50,967	51,697	53,038	51,285	57,801
28 Manufacture of Furniture	53,352	63,922	67,488	82,748	94,489	96,303	97,920	92,997	96,829	87,299	88,415
29 Other Manufacturing and Repair and Installation of Machinery and Equipment	34,555	41,962	44,443	55,993	68,509	70,923	76,943	76,589	71,348	69,623	80,610
30 Electricity, Gas, Steam and Air Conditioning Supply	73,927	75,262	76,789	80,298	85,202	92,356	94,803	100,382	104,437	102,758	109,049
31 Water Collection, Treatment and Supply	9,846	10,554	10,975	11,504	12,023	12,972	13,562	14,351	15,139	15,866	16,540
32 Sewerage, Waste, Treatment and Disposal Activities	12,141	14,572	15,511	17,355	21,681	25,539	28,316	30,207	32,403	32,078	31,006
33 Construction	424,798	514,757	553,438	611,842	596,697	645,994	674,097	657,070	683,371	592,972	604,410
<b>Services</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>5,127,616</b>	<b>5,313,435</b>	<b>5,555,325</b>	<b>5,683,959</b>	<b>5,595,176</b>	<b>5,760,308</b>
34 Wholesale and Retail Trade	788,048	848,686	859,977	884,094	933,216	957,088	993,667	1,040,360	1,071,847	1,086,962	1,108,274
35 Transport of Goods and Passenger including Warehousing	745,891	805,391	849,539	885,506	931,529	982,703	1,013,857	1,034,755	1,048,825	977,105	982,745
36 Postal Courier Activities	4,068	4,441	4,364	4,056	4,052	4,260	4,425	4,485	4,752	4,975	5,251
37 Accommodation, Food and Beverage Service Activities	105,372	134,160	126,392	131,481	134,017	139,443	146,432	154,794	147,671	89,452	91,156
38 Programming and Broadcasting Activities and Audio Video Productions	2,178	2,252	2,422	2,513	2,624	2,831	2,804	2,519	2,639	2,702	28,03
39 Telecommunication	24,420	26,450	27,395	30,986	34,146	36,984	41,503	45,830	53,695	61,990	72,006
40 IT Programming Consultancy and Related Activities	7,216	7,972	9,693	10,579	12,148	13,015	13,564	15,072	17,044	18,752	22,827
41 Financial Service Activities and Auxiliary Financial Services	314,678	364,688	386,009	420,223	493,785	554,564	606,512	687,918	701,891	778,544	837,181
42 Insurance, Reinsurance and Pension Funding	67,596	69,026	70,854	74,978	82,013	92,172	95,925	112,515	122,921	118,854	124,911
43 Real Estate Activities, Including Ownership of Dwelling	328,076	369,719	417,024	444,049	489,352	520,085	544,733	566,078	579,601	572,799	590,534
44 Professional Services	127,358	155,741	161,963	166,486	154,266	152,229	158,755	165,550	169,523	164,947	167,333
45 Public Administration and Defence; Compulsory Social Security	367,093	385,615	382,470	402,206	430,105	452,586	430,672	428,022	437,065	443,960	452,340
46 Education	136,172	167,107	157,477	173,751	159,875	171,830	172,701	179,524	185,116	186,712	194,745
47 Human Health Activities, Residential Care and Social Work Activities	155,994	173,898	146,551	147,962	160,056	162,405	174,155	179,356	182,777	190,706	201,621
48 Other Personal Service Activities	642,995	730,316	803,514	839,633	873,534	885,421	913,729	938,547	958,592	896,716	906,581
<b>Gross Value Added (GVA), at basic prices</b>	<b>6,254,056</b>	<b>6,873,506</b>	<b>7,136,401</b>	<b>7,476,908</b>	<b>7,852,167</b>	<b>8,169,103</b>	<b>8,465,015</b>	<b>8,776,212</b>	<b>8,980,225</b>	<b>8,695,978</b>	<b>9,003,784</b>
<b>(+) Taxes less Subsidies on Products</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>894,132</b>	<b>889,167</b>	<b>910,243</b>	<b>836,931</b>	<b>877,612</b>
<b>Gross Domestic Product(GDP), at market prices</b>	<b>6,952,720</b>	<b>7,588,517</b>	<b>7,846,202</b>	<b>8,235,429</b>	<b>8,667,833</b>	<b>9,035,830</b>	<b>9,359,147</b>	<b>9,665,379</b>	<b>9,890,468</b>	<b>9,532,909</b>	<b>9,881,397</b>

Source: Department of Census and Statistics

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

Table 5 | Savings, Investments and Selected External Sector Indicators

Item	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
Investment	1,000,320	1,215,248	1,181,449	1,946,707	2,408,573	3,410,511	3,189,326	3,347,638	3,414,556	3,341,171	4,210,997	4,266,053	3,945,423	3,779,064	4,655,829
Savings <sup>(d)</sup>	834,928	784,278	1,148,305	1,825,232	1,897,484	2,908,642	2,865,365	3,088,201	3,157,031	3,087,012	3,859,656	3,814,078	3,615,310	3,540,816	4,007,874
Savings - Investment Gap	-165,392	-430,970	-33,144	-121,475	-511,089	-501,869	-323,961	-259,437	-257,526	-254,159	-351,341	-451,975	-330,113	-238,248	-647,955
Investment <sup>(c)</sup>	28.0	27.6	24.4	30.4	33.4	39.1	33.2	32.3	31.2	27.9	31.6	29.9	26.3	25.1	27.7
Savings <sup>(c)(d)</sup>	23.3	17.8	23.7	28.5	26.3	33.3	29.9	29.8	28.8	25.7	29.0	26.7	24.7	23.6	23.8
Savings - Investment Gap <sup>(c)</sup>	-4.6	-9.8	-0.7	-1.9	-7.1	-5.7	-3.4	-2.5	-2.4	-2.1	-2.6	-3.2	-2.2	-1.6	-3.9
Exports of Goods	7,640	8,111	7,085	8,626	10,559	9,774	10,394	11,130	10,546	10,310	11,360	11,890	11,940	10,047	12,499
Imports of Goods	11,297	14,091	10,207	13,451	20,269	19,190	18,003	19,417	18,935	19,183	20,980	22,233	19,937	16,055	20,637
Trade Balance	-3,657	-5,981	-3,122	-4,825	-9,710	-9,417	-7,609	-8,287	-8,388	-8,873	-9,620	-10,343	-7,997	-6,008	-8,139
% of GDP	-11.3	-14.7	-7.4	-8.5	-14.9	-13.8	-10.2	-10.4	-10.4	-10.8	-11.0	-11.8	-9.5	-7.4	-9.6
Exports of Goods & Services	9,419	10,114	8,972	11,092	13,644	13,562	15,079	16,735	16,943	17,448	19,084	20,264	19,414	13,083	14,974
Imports of Goods & Services	12,776	15,687	11,704	15,210	22,256	21,678	21,508	23,142	23,006	23,442	25,401	26,841	24,562	18,271	21,526
Exports and Imports of Goods & Services	22,195	25,801	20,676	26,301	35,899	35,239	36,587	39,877	39,949	40,890	44,485	47,105	n.a.	-5,189	-6,552
Foreign Remittances	2,502	2,918	3,330	4,116	5,145	5,985	6,407	7,018	6,980	7,242	7,164	7,015	6,717	7,104	5,491
Earnings from Tourism	385	342	350	576	830	1,039	1,715	2,431	2,981	3,518	3,925	4,381	3,607	682	507
Earnings from Computer and Information Services	110	230	245	265	355	564	604	628	677	724	786	848	899	971	1,168
Current Account Balance	-1,402	-3,886	-214	-1,075	-4,615	-3,982	-2,541	-1,988	-1,883	-1,742	-2,309	-2,799	-1,848	-1,187	-3,343
% of GDP	-4.3	-9.5	-0.5	-1.9	-7.1	-5.8	-3.4	-2.5	-2.3	-2.1	-2.6	-3.2	-2.2	-1.5	-4.0
Foreign Direct Investments including loans	734	889	601	516	1,066	1,382	1,438	1,635	1,160	1,078	1,839	2,071	1,189	670	784
Inflows	603	752	404	478	956	941	933	894	680	897	1,373	1,614	743	434	598
Outflows	55	62	20	43	60	64	65	67	53	237	72	68	77	15	17
Loans & Other	186	198	217	81	170	505	571	808	533	418	538	525	445	236	187
Portfolio Investments	101	60	-6	-230	-171	2,126	2,068	2,065	686	993	1,771	129	-	2,383	906
Inflows	423	548	375	819	452	2,116	2,068	2,065	686	993	1,771	129	2,313	-2,383	-906
Outflows	322	488	381	1,049	623	-10	0.0	-0.2	...	...	...	...	...	...	...
Total Reserves	4,956	3,640	7,030	8,621	7,991	8,586	8,574	9,884	9,337	8,433	10,436	9,583	10,402	8,521	6,122
Gross Official Reserves	3,508	2,402	5,357	7,197	6,749	7,106	7,495	8,208	7,304	6,019	7,959	6,919	7,642	5,664	3,139
Total External Debt	13,990	15,107	18,662	21,438	32,748	37,098	39,905	42,989	44,839	46,418	51,604	52,412	54,811	49,041	50,724

Sources : Department of Customs and Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Rebased GDP estimates (base year 2010) of the Department of Census and Statistics have been used from 2010 onwards.

<sup>(d)</sup> National Savings

Note: Since 2012, refers, to data on "Computer Services" and "Portfolio Investment" as per BPM6 Presentation Format.

... negligible



Table 6 | Economic Classification of Government Fiscal Operations

Item	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>1. Revenue and Grants</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>	<b>1,932,459</b>	<b>1,898,808</b>	<b>1,373,308</b>	<b>1,463,810</b>
1.1 Total Revenue	565,051	655,260	699,644	817,279	967,862	1,051,462	1,137,447	1,195,206	1,454,878	1,686,061	1,831,531	1,919,974	1,890,899	1,367,960	1,457,071
Tax	508,947	585,621	618,933	724,747	845,697	908,915	1,005,895	1,050,362	1,355,779	1,463,689	1,670,178	1,712,318	1,734,925	1,216,542	1,298,019
Non-Tax	56,104	69,639	80,711	92,532	122,165	142,547	131,552	144,844	99,099	222,372	161,353	207,656	155,974	151,417	159,052
1.2 Grants	30,508	31222	25,922	16,909	15,141	16,071	15,859	9,415	6,014	7,496	8,031	12,485	7,909	5,348	6,740
<b>2. Expenditure and Lending minus Repayments</b>	<b>841,604</b>	<b>996,126</b>	<b>1,201,927</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>	<b>2,693,228</b>	<b>3,337,896</b>	<b>3,040,996</b>	<b>3,521,735</b>
2.1 Recurrent	622,758	743,710	879,575	937,094	1,024,906	1,131,021	1,205,180	1,322,899	1,701,657	1,757,782	1,927,692	2,089,714	2,424,582	2,548,359	2,747,512
o/w Arrears	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Capital and Net Lending	218,846	252,416	322,352	343,112	408,276	425,476	464,216	472,967	588,737	576,101	645,364	603,514	913,314	492,638	774,223
o/w Public Investment	229,273	263,859	330,448	356,519	422,300	443,973	481,204	486,610	602,768	594,012	657,386	624,969	631,235	811,773	789,636
Arrears	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. Current Account Surplus(+)/ Deficit (-)</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>-169,740</b>	<b>-533,683</b>	<b>-1,180,399</b>	<b>-1,290,441</b>
<b>4. Budget Deficit</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>-760,769</b>	<b>-1,439,088</b>	<b>-1,667,688</b>	<b>-2,057,925</b>
<b>5. Financing of Budget Deficit</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>760,769</b>	<b>1,439,088</b>	<b>1,667,688</b>	<b>2,057,925</b>
5.1. Total Foreign Financing (Net)	63,748	12,933	83,885	194,912	193,888	180,760	88,421	315,564	369,257	429,130	381,956	464,593	542,641	-83,199	-13,901
Gross Borrowings	127,863	67,730	194,171	270,004	287,060	364,593	183,317	422,543	556,370	574,249	601,306	771,608	935,101	600,888	516,606
Repayments	-64,115	-54,797	-110,286	-75,092	-93,172	-183,833	-94,896	-106,979	-187,113	-145,119	-219,350	-307,015	-572,338	-504,209	-530,508
Arrears	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.2. Total Domestic Financing (Net)	182,297	296,711	392,476	251,104	256,291	308,204	427,669	275,680	460,245	211,196	351,538	296,176	896,448	1,750,887	2,071,826
Non-Bank Financing (Net)	111,308	114,437	185,247	193,891	44,171	70,984	256,942	192,812	196,737	398,575	120,165	279,653	477,221	1,783,764	1,897,760
Gross Borrowings	363,473	373,157	586,543	583,563	484,065	486,425	862,081	652,970	817,741	995,004	2,173,081	2,416,279	2,487,326	3,922,608	5,583,397
Repayments	-252,165	-258,720	-401,296	-389,672	-439,894	-415,441	-605,139	-460,158	-621,004	-596,429	-2,052,916	-2,136,627	-2,010,105	-2,138,844	-3,685,637
Sri Lanka Development Bond	37,160	-17,578	146,922	48,875	25,068	105,693	140,148	20,971	222,967	-120,516	53,289	-129,461	-49,982	-83,771	-68,324
Bank Financing (Net)	15,769	195,233	49,027	-1,892	191,850	131,527	30,578	61,897	40,541	-66,863	133,407	38,101	166,787	206,395	229,550
Other Borrowings (Net) <sup>(c)</sup>	18,060	4,619	11,280	10,230	-4,798	-	-	-	-	-	44,677	107,883	59,694	87,226	12,840
Arrears	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

<sup>(a)</sup> Included arrears

<sup>(b)</sup> Provisional

<sup>(c)</sup> Includes domestic grants, divestiture proceeds and other non market borrowings



Table 7 | Economic Classification of Government Fiscal Operations

Item	As a Percentage of GDP												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>1. Revenue and Grants</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>14.1</b>	<b>13.8</b>	<b>13.5</b>	<b>12.7</b>	<b>9.1</b>	<b>8.7</b>
1.1 Total Revenue	14.5	12.7	13.4	12.0	11.9	11.5	13.3	14.1	13.7	13.4	12.6	9.1	8.7
Tax	12.8	11.3	11.7	10.4	10.5	10.1	12.4	12.2	12.5	12.0	11.6	8.1	7.7
Non-Tax	1.7	1.4	1.7	1.6	1.4	1.4	0.9	1.9	1.2	1.5	1.0	1.0	0.9
1.2 Grants	0.5	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.04	0.04
<b>2. Expenditure and Lending minus Repayments</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>19.5</b>	<b>19.3</b>	<b>18.8</b>	<b>22.3</b>	<b>20.2</b>	<b>21.0</b>
2.1 Recurrent	18.2	14.6	14.2	13.0	12.6	12.8	15.5	14.7	14.5	14.6	16.2	17.0	16.3
o/w Arrears	-	-	-	-	-	-	-	-	-	-	0.8	-0.8	-
2.2 Capital and Lending minus Repayment	6.7	5.3	5.7	4.9	4.8	4.6	5.4	4.8	4.8	4.2	6.1	3.3	4.6
o/w Public Investment	6.8	5.6	5.8	5.1	5.0	4.7	5.5	5.0	4.9	4.4	4.2	5.4	4.7
Arrears	-	-	-	-	-	-	-	-	-	-	2.0	-2.0	-
<b>3. Current Account Surplus(+)/ deficit (-)</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>-1.2</b>	<b>-3.6</b>	<b>-7.9</b>	<b>-7.7</b>
<b>4. Budget Deficit</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>-5.3</b>	<b>-5.5</b>	<b>-5.3</b>	<b>-9.6</b>	<b>-11.1</b>	<b>-12.2</b>
<b>5. Financing of Budget Deficit</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>5.3</b>	<b>5.5</b>	<b>5.3</b>	<b>9.6</b>	<b>11.1</b>	<b>12.2</b>
5.1. Total Foreign Financing (Net)	1.7	3.0	2.7	2.4	0.9	3.0	3.4	3.6	2.9	3.3	3.6	-0.6	-0.1
Gross Borrowings	4.0	4.2	4.0	4.2	1.9	4.1	5.1	4.8	4.5	5.4	6.2	4.0	3.1
Repayments	-2.3	-1.2	-1.3	-2.1	-1.0	-1.0	-1.7	-1.2	-1.6	-2.1	-3.8	-3.4	-3.2
Arrears	-	-	-	-	-	-	-	-	-	-	1.2	-1.2	-
5.2. Total Domestic Financing (Net)	8.1	3.9	3.6	4.5	3.0	2.7	4.2	1.8	2.6	2.1	6.0	11.7	12.3
Non-Bank Financing (Net)	3.8	3.0	0.6	2.2	2.7	1.9	1.8	3.3	0.9	2.0	3.2	11.9	11.3
Gross Borrowings	12.1	9.1	6.7	5.6	9.0	6.3	7.5	8.3	16.3	16.9	16.6	26.1	33.2
Repayments	-8.3	-6.1	-6.1	-4.8	-6.3	-4.4	-5.7	-5.0	-15.4	-15.0	-13.4	-14.2	-21.9
Sri Lanka Development Bonds	3.0	0.8	0.3	1.2	1.5	0.2	2.0	-1.0	0.4	-0.9	-0.3	-0.6	-0.4
Bank Financing (Net)	1.0	0.0	2.7	0.7	0.3	0.6	0.4	-0.6	1.0	0.3	1.1	1.4	1.4
Other Borrowings (Net) <sup>(c)</sup>	0.2	0.2	-0.1	1.5	-	-	-	-	0.3	0.8	0.4	0.6	0.1
Arrears	-	-	-	-	-	-	-	-	-	-	1.6	-1.6	-

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

<sup>(a)</sup> Included arrears

<sup>(b)</sup> Provisional

<sup>(c)</sup> Include domestic grants, divestiture proceeds and other non market borrowings.

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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>1. Tax Revenue</b>	<b>508,945</b>	<b>585,619</b>	<b>618,931</b>	<b>724,748</b>	<b>845,697</b>	<b>908,914</b>	<b>1,005,894</b>	<b>1,050,360</b>	<b>1,355,778</b>	<b>1,463,688</b>	<b>1,670,177</b>	<b>1,712,318</b>	<b>1,734,925</b>	<b>1,216,542</b>	<b>1,298,019</b>
Income Tax	107,169	126,541	139,558	135,624	157,310	172,594	205,666	198,115	262,583	258,857	274,562	310,450	427,699	268,249	302,115
Personal and Corporate Income Tax	59,659	68,235	72,162	78,914	97,814	98,124	121,136	122,343	193,531	182,493	176,508	211,057	322,047	243,310	288,977
Corporate & Non Corporate	48,409	53,901	57,716	62,646	83,016	83,360	102,578	100,046	167,325	154,324	143,588	169,672	272,602	228,336	273,624
Pay-As-You-Earn (PAYE)	11,250	14,334	14,446	16,268	14,798	14,764	18,558	22,297	26,206	28,169	32,920	41,385	49,445	14,973	15,353
Economic Service Charge (ESC)	12,203	14,476	14,207	18,048	21,335	14,864	6,596	6,155	6,148	20,458	44,720	52,979	55,301	14,950	728
Tax on Interest Income	35,307	43,830	53,188	38,662	38,160	59,606	77,934	69,617	62,904	55,906	53,334	46,414	50,351	9,989	12,410
Value Added Tax (VAT)	187,452	203,646	171,510	219,990	225,858	229,604	250,757	275,350	219,700	283,470	443,739	461,650	443,877	233,786	308,213
Domestic (Net)	85,490	102,815	103,891	120,412	104,897	109,370	124,440	140,084	130,527	168,134	275,346	282,487	273,963	148,061	185,462
Services	62,920	79,116	75,652	88,694	71,447	69,680	80,716	93,630	87,242	132,721	199,500	202,339	188,717	105,553	145,827
Manufacturing	22,570	23,699	28,239	31,718	33,450	39,828	43,724	46,454	43,285	35,413	75,846	80,148	85,246	42,508	39,635
Import (net)	101,962	100,831	67,619	99,578	120,961	120,234	126,317	135,266	89,173	115,336	168,393	179,163	169,914	85,725	122,751
Excise Tax	96,675	100,971	97,604	129,864	204,822	223,960	250,700	256,690	497,623	454,952	469,500	484,242	399,477	321,932	306,861
Liquor	23,723	27,434	28,525	36,654	55,286	60,086	66,008	69,100	105,234	120,238	113,684	113,944	115,443	120,990	138,637
Cigarettes/Tobacco	31,437	37,288	37,602	40,675	49,623	53,563	58,567	57,240	80,015	88,792	86,002	92,198	87,367	94,345	88,539
Petroleum	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719	73,983	66,318	61,740	53,111	55,339
Motor Vehicles	17,415	11,067	3,192	21,199	71,646	78,509	96,478	98,531	263,470	186,499	189,740	204,081	130,378	48,760	18,113
Other	4,976	6,205	5,268	3,298	5,798	3,336	2,516	3,087	3,812	3,704	6,091	7,701	4,549	4,727	6,234
Stamp Duties <sup>(b)</sup>	4,026	3,751	3,328	4,439	-	-	-	-	-	-	-	-	-	-	-
Ports & Airports Development Levy (PAL)	26,700	31,017	36,286	49,632	66,028	70,111	61,987	68,646	58,644	88,823	102,360	113,950	112,174	115,442	154,125
Debits Tax <sup>(c)</sup>	7,187	8,410	8,036	10,843	4,232	-	-	-	-	-	-	-	-	-	-
Import Duties	56,017	63,842	79,560	64,165	79,811	80,155	83,123	81,108	132,189	156,487	136,501	96,991	98,427	114,183	64,339
Cess Levy	17,157	24,472	28,520	29,752	29,662	32,741	36,091	38,707	46,289	61,730	59,554	53,369	50,703	49,309	75,543
Special Commodity Levy (SCL)	-	14,603	18,965	10,173	15,622	33,666	46,705	47,953	52,276	55,825	71,402	75,807	70,364	82,709	55,828
Nation Building Tax (NBT) <sup>(d)</sup>	-	-	27,205	46,022	35,667	38,736	40,937	44,583	45,004	57,424	69,035	71,357	70,673	2,351	434
Domestic	-	-	11,594	19,310	19,040	23,076	25,243	28,494	28,044	39,029	49,715	51,192	52,446	2,036	355
Imports	-	-	15,611	26,712	16,627	15,660	15,694	16,089	16,960	18,395	19,320	20,165	18,227	315	79
Telecommunications Levy <sup>(e)</sup>	-	-	-	8,869	18,651	22,290	24,445	31,351	33,358	35,976	33,399	28,326	18,261	13,130	12,840
License Taxes & Other	6,563	8,367	8,361	15,376	8,035	5,058	5,485	7,858	8,113	10,145	10,126	16,177	43,269	15,451	17,720

Rs. Million

Table 8 | Economic Classification of Government Revenue contd...

Item	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>2. Non Tax Revenue</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>	<b>207,656</b>	<b>155,974</b>	<b>151,417</b>	<b>159,052</b>
Rent	1,709	2,050	1,425	2,048	3,580	2,197	2,331	5,669	2,823	10,980	4,450	5,591	4,727	12,055	5,090
Interest	9,242	9,305	9,043	8,017	9,847	9,489	9,664	7,978	4,498	4,826	7,395	8,140	13,819	7,297	6,466
Profit and Dividends	7,682	7,365	11,982	31,301	34,351	46,761	35,169	46,814	29,798	108,160	53,998	41,828	27,857	17,624	30,591
Sales and Charges	18,437	32,260	25,387	22,925	37,292	26,019	40,720	38,492	44,632	72,606	66,575	105,202	73,884	47,370	42,645
Social Security Contributions	8,777	9,791	11,165	11,120	12,628	11,738	15,145	14,919	15,213	18,046	22,940	25,214	28,985	32,417	34,619
Central Bank Profit Transfers	4,000	8,000	20,000	15,000	22,000	43,000	26,350	11,500	-	5,000	-	15,000	-	24,009	15,012
Other	6,257	868	1,710	2,122	2,468	3,343	2,173	19,472	2,135	2,754	5,995	6,681	6,701	10,646	24,630
<b>Total Revenue</b>	<b>565,049</b>	<b>655,257</b>	<b>699,642</b>	<b>817,279</b>	<b>967,862</b>	<b>1,051,461</b>	<b>1,137,446</b>	<b>1,195,206</b>	<b>1,454,877</b>	<b>1,686,060</b>	<b>1,831,530</b>	<b>1,919,974</b>	<b>1,890,899</b>	<b>1,367,960</b>	<b>1,457,071</b>

Rs. Million

Source: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

<sup>(a)</sup> Provisional

<sup>(b)</sup> 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.

<sup>(c)</sup> Debits tax was abolished with effect from April 2011.

<sup>(d)</sup> 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.

<sup>(e)</sup> 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

		Rs. Million														
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>1</b>	<b>Recurrent Expenditure</b>	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	1,927,693	2,089,714	2,424,582	2,548,359	2,747,512
	<b>1.1 Expenditure on Goods &amp; Services</b>	292,632	360,328	379,731	388,286	451,405	487,833	512,624	568,829	746,011	722,054	734,490	764,900	848,279	974,351	1,014,612
	Salaries and Wages	214,160	239,078	271,229	300,558	319,601	347,747	393,228	440,982	561,730	570,761	588,518	626,045	686,452	794,158	845,680
	Central Government	61,799	65,315	71,859	75,817	83,072	95,965	113,223	133,584	172,491	184,856	197,914	212,481	240,329	270,521	297,349
	Provincial Councils	69,366	73,791	74,634	81,887	90,818	88,217	105,034	121,789	150,796	143,740	149,715	162,086	179,971	239,034	256,142
	Defence	60,185	73,509	94,189	110,335	112,703	126,950	134,295	141,138	176,810	180,829	180,998	189,055	189,508	199,474	205,542
	Police and Public Security	22,810	26,463	30,547	32,519	33,008	36,615	40,677	44,471	61,633	61,336	59,891	62,423	76,644	85,129	86,646
	Other Purchases of Goods and Services	78,472	121,250	108,502	87,728	132,004	140,086	119,396	127,847	184,281	151,293	145,972	138,855	161,827	180,193	168,932
	Central Government	25,725	46,950	42,970	38,618	71,741	92,738	74,307	50,767	106,567	60,157	61,705	55,479	62,492	73,447	53,619
	Provincial Councils	1,416	3,075	3,110	3,112	3,784	3,676	3,810	4,417	18,959	26,011	16,633	18,010	19,997	26,559	28,460
	Defence	41,671	61,201	50,695	33,471	43,400	32,631	31,855	51,463	50,923	47,119	50,908	49,025	59,449	60,251	66,717
	Police and Public Security	9,660	10,024	11,727	12,527	13,079	11,040	9,424	21,200	7,852	18,006	16,726	16,341	19,889	19,936	20,136
	<b>1.2 Interest Payments</b>	182,681	212,475	309,676	352,592	356,699	408,498	444,007	436,395	527,227	610,895	735,566	852,190	901,352	980,302	1,048,382
	Foreign	21,311	30,277	35,698	55,464	68,565	90,839	100,985	108,461	77,174	101,076	138,546	184,532	233,970	266,679	253,750
	Domestic	161,370	182,198	273,978	297,127	288,134	317,659	343,022	327,934	450,053	509,819	597,020	667,658	667,383	713,623	794,633
	<b>1.3 Subsidies and Transfers</b>	147,445	170,908	190,168	196,216	216,601	234,692	248,549	317,674	428,419	424,833	457,636	472,624	551,524	717,133	684,518
	Households	110,910	131,342	148,993	156,194	171,438	187,895	195,288	249,710	354,484	341,349	372,519	383,659	456,241	610,486	595,696
	o/w Pensions	68,822	74,922	85,139	90,995	99,961	111,682	123,293	127,049	156,577	173,152	181,696	194,488	227,670	257,833	269,827
	Samurdhi	9,200	9,995	9,267	9,241	9,043	10,553	15,256	15,042	39,994	40,740	39,707	39,239	44,660	52,434	55,400
	Fertilizer Subsidy	11,000	26,450	26,935	26,028	29,802	36,456	19,706	31,858	49,571	27,771	30,361	26,979	34,966	36,687	21,235
	Sub National Governments	150	217	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non Financial Public Enterprises	10,639	12,942	14,126	12,361	12,999	11,817	13,854	21,387	27,927	29,120	23,438	23,367	26,153	17,711	17,110
	Institutions and other	25,746	26,407	27,049	27,661	32,164	34,979	39,407	46,577	46,008	54,364	61,679	65,598	69,130	88,936	71,712
	<b>1.4 Arrears</b>	-	-	-	-	-	-	-	-	-	-	-	-	123,428	-123,428	-
<b>2</b>	<b>Capital Expenditure</b>	206,162	232,607	277,416	302,087	377,812	400,082	454,303	459,854	588,176	577,035	638,343	612,561	918,247	496,189	767,606
	<b>2.1 Acquisition of Fixed Capital Assets</b>	111,510	128,605	143,590	158,488	208,963	176,562	252,535	252,303	313,260	328,202	348,260	350,034	385,366	483,543	438,753
	<b>2.2 Capital Transfers</b>	94,652	104,002	133,826	143,599	168,849	223,520	201,768	207,551	274,916	248,833	290,083	262,527	233,703	311,824	328,854
	Institutions	50,408	59,991	90,291	99,151	105,603	145,935	143,504	147,166	197,712	184,689	242,322	221,135	200,172	254,384	265,074
	Non Financial Public Enterprises	23,737	22,432	19,750	20,345	35,168	50,860	27,193	28,322	42,473	32,066	13,394	17,911	20,704	34,365	27,801
	Sub National Governments	20,346	21,237	23,780	24,101	27,619	25,266	29,692	31,547	34,063	29,887	34,511	23,481	18,812	19,168	33,704
	Abroad	160	341	5	1	459	1,459	1,379	516	668	2,191	-144	-	-5,985	3,907	2,275
	<b>2.3 Arrears</b>	-	-	-	-	-	-	-	-	-	-	-	-	299,178	-299,178	-
<b>3</b>	<b>Lending Minus Repayments</b>	12,684	19,809	44,936	41,025	30,464	25,394	9,913	13,113	561	-934	7,021	-9,047	-4,933	-3,552	6,617
	<b>3.1 Net Lending through Advance Accounts</b>	700	1,457	1,932	2,126	854	-2,088	-1,019	1,249	-1,070	708	4,396	4,129	1,172	-529	-257
	<b>3.2 Lending to Public Enterprises</b>	23,112	31,253	53,032	54,433	44,488	43,891	26,901	26,756	14,592	16,977	19,043	12,408	12,166	16,405	22,030
	<b>3.3 Loan Repayments by Public Enterprises</b>	-11,677	-13,526	-11,978	-15,535	-14,878	-16,409	-15,969	-14,892	-12,961	-18,619	-16,418	-25,584	-18,271	-19,429	-15,156
	<b>3.4 Restructuring Expenditure</b>	549	625	1,950	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	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	2,573,057	2,693,228	3,357,896	3,040,996	3,521,735

Sources : Department of National Budget, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

<sup>(a)</sup> Included arrears

<sup>(b)</sup> Provisional

Table 10 | Composition of Government Debt

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(a)(b)</sup>
<b>1. Foreign Debt<sup>(c)</sup></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>	<b>5,959,547</b>	<b>6,201,283</b>	<b>6,052,179</b>	<b>6,492,150</b>
1.1 Project Loans <sup>(d)</sup>	1,087,359	1,261,304	1,362,806	1,461,729	1,640,117	1,846,772	1,938,909	1,904,599	2,180,388	2,361,118	2,610,547	3,149,905	3,231,464	3,458,461	3,764,319
1.2 Non-project Loans	239,128	187,430	397,661	562,854	689,163	920,527	1,021,515	1,208,516	1,363,643	1,684,678	2,108,071	2,809,642	2,969,819	2,593,718	2,727,832
Commodity	68,665	66,499	62,304	54,653	53,460	56,599	61,597	69,993	71,470	69,101	62,727	63,267	52,312	43,023	34,904
Other	170,463	120,931	335,357	508,201	635,703	863,928	959,918	1,138,523	1,292,173	1,615,577	2,045,344	2,746,375	2,917,507	2,550,695	2,692,927
<b>2. Domestic Debt</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>3,252,813</b>	<b>3,832,825</b>	<b>4,277,783</b>	<b>4,959,197</b>	<b>5,433,073</b>	<b>5,664,214</b>	<b>6,071,001</b>	<b>6,830,260</b>	<b>9,065,068</b>	<b>11,097,223</b>
2.1 Rupee Loans	131,509	130,009	112,292	87,709	61,961	58,386	55,518	55,518	24,088	24,088	24,088	24,088	24,088	24,088	24,088
2.2 Treasury Bills <sup>(e)</sup>	307,012	402,600	441,032	514,442	590,885	629,070	700,137	694,767	658,240	779,581	697,154	746,887	873,943	1,620,705	2,270,508
2.3 Treasury Bonds <sup>(f)</sup>	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	3,806,353	3,892,408	4,197,323	4,606,232	5,713,300	6,966,218
2.4 Sri Lanka Development Bonds (SLDBs)	86,459	158,805	168,079	173,877	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219	559,284	486,870	455,203
2.5 International Sovereign Bonds	-	-	-	-	-	-	-	-	-	-	-	-	202,099	415,756	372,612
2.6 Central Bank Provisional Advances	60,679	76,308	73,881	77,879	94,743	111,292	109,167	143,898	151,132	83,307	199,801	198,633	236,609	153,079	150,129
2.7 Other <sup>(g)</sup>	110,687	90,528	92,160	67,869	53,400	116,017	146,429	148,463	152,031	167,545	212,878	289,851	328,006	651,269	858,466
<b>Total</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>9,478,869</b>	<b>10,382,832</b>	<b>12,030,548</b>	<b>13,031,543</b>	<b>15,117,247</b>	<b>17,589,373</b>
<b>Government Debt to GDP Ratio<sup>(h)</sup></b>															
Foreign Debt	37.1	32.8	36.4	31.6	32.3	31.7	30.9	30.0	32.4	33.7	35.4	41.7	41.3	40.3	38.6
Domestic Debt	47.9	48.5	49.7	40.0	38.8	37.0	40.0	41.3	45.3	45.3	42.5	42.5	45.5	60.3	66.0
<b>Total Debt</b>	<b>85.0</b>	<b>81.4</b>	<b>86.1</b>	<b>71.6</b>	<b>71.1</b>	<b>68.7</b>	<b>70.8</b>	<b>71.3</b>	<b>77.7</b>	<b>79.0</b>	<b>77.9</b>	<b>84.2</b>	<b>86.9</b>	<b>100.6</b>	<b>104.6</b>

Source: 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

<sup>(a)</sup> As per the guidelines of compiling government debt statistics in the Manual of Government Finance Statistics published by the IMF in 2014, non resident holdings of outstanding SLDBs have been classified under foreign debt and resident holdings of outstanding ISBs of the Sri Lanka Government have been classified under domestic debt

<sup>(b)</sup> Provisional

<sup>(c)</sup> Excludes outstanding loans of projects under state owned business enterprises

<sup>(d)</sup> Includes outstanding balance of loans contracted with multilateral and bilateral lending partners

<sup>(e)</sup> Excludes Treasury bills held by non resident investors

<sup>(f)</sup> Excludes Treasury bonds held by non resident investors and includes Government Treasury bonds of Rs. 13,123 million issued to capitalise SriLankan Airlines in March 2013 (matured on 01 June 2018) and Rs. 78,441 million issued for CPC in January 2012 of which Rs. 21,778 million matured on 01 January 2017 and the current outstanding is Rs. 56,662 million

<sup>(g)</sup> Include administrative borrowings arising from foreign loans channelled through Government or Semi-Government agencies and outstanding borrowings from OBUs

<sup>(h)</sup> Based on revised GDP estimates for 2020 released on 29 March 2022 by the Department of Census and Statistics

Table 11 | Domestic Production of Selected Items

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Plantation Crops</b>																
Tea	(kg Mn)	305.2	318.7	291.0	331.0	327.5	328.4	340.2	338.0	328.9	292.6	307.7	303.8	300.1	278.9	299.5
Rubber	(kg Mn)	117.6	129.2	136.9	153.0	158.2	152.0	130.4	98.6	88.5	79.1	83.1	82.6	74.8	78.2	76.9
Coconut	(Nuts Mn)	2,869	2,909	2,853	2,584	2,808	2,940	2,513	2,870	3,056	3,011	2,445	2,623	3,086	2,792	3,120
<b>Seasonal Crops</b>																
Paddy	(t'000)	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	2,383.0	3,929.8	4,592.0	5,120.9	5,149.9
Potatoes	(t'000)	77.4	74.8	61.7	51.9	59.4	72.2	78.8	82.7	94.8	95.8	73.3	88.9	101.6	65.1	75.9
Sweet Potatoes	(t'000)	49.2	52.5	47.3	46.5	47.3	43.6	51.3	50.9	51.9	44.7	40.7	43.3	35.6	44.6	43.4
Chillies -Green	(t'000)	48.7	51.0	46.4	49.0	44.4	61.5	71.0	71.0	62.9	72.3	51.8	79.0	60.6	79.3	68.6
Chillies -Dried	(t'000)	12.2	12.8	11.6	12.3	10.9	15.4	17.8	17.9	15.7	18.1	13	19.8	15.1	n.a.	n.a.
Big Onions	(t'000)	92.2	57.4	81.7	58.9	45.7	83.6	69.6	101.2	89.6	65.2	53.6	28.1	18.6	43.0	65.9
Red Onions	(t'000)	57.0	49.3	46.2	61.8	72.3	74.0	55.6	63.1	61.2	63.7	57.7	61.1	58.2	65.9	n.a.
Maize	(t'000)	56.4	112.3	129.8	161.7	137.8	202.3	209.0	240.6	261.1	243.9	195.7	270.0	245.6	313.5	472.4
Green Gram	(t'000)	8.5	8.9	9.3	11.7	17.0	12.0	14.1	14.6	15.0	14.5	9.4	9.9	7.4	13.5	18.9
Black Gram	(t'000)	7.7	9.5	7.1	10.0	5.8	10.2	9.4	9.6	11.9	11.2	7.3	11.9	4.9	9.6	14.4
Kurakkan	(t'000)	5.4	6.5	6.4	7.3	5.4	6.0	6.9	8.8	8.9	8.6	5.6	8.1	5.5	6.3	8.1
Cowpea	(t'000)	10.8	11.9	13.5	11.6	10.4	14.8	14.2	15.1	12.3	13.7	8.6	11.2	8.1	13.2	11.9
Soya Beans	(t'000)	4.8	3.0	3.8	7.5	3.8	1.7	13.4	10.7	11.3	9.8	14.4	2.5	2.2	7.9	3.8
Gingerly	(t'000)	6.3	6.3	8.5	16.9	11.3	12.4	14.2	14.2	13.1	12.4	7.8	8.6	6.1	8.2	12.0
Ground Nuts	(t'000)	9.8	10.3	13.1	14.4	16.9	22.0	27.5	25.1	28.5	24.2	22.5	27.6	26.9	36.4	37.0
<b>Other Agricultural Crops</b>																
Sugar	(t'000)	29.0	39.0	32.0	31.0	35.0	36.7	53.0	51.8	56.0	62.0	56.0	51.3	52.0	60.0	n.a.
Coffee	(t'000)	3.0	3.1	3.1	3.2	5.3	5.3	5.9	6.5	5.3	5.5	5.4	6.5	4.9	6.7	5.3
Cinnamon	(t'000)	16.5	14.9	15.8	16.4	18.2	16.1	16.0	19.0	23.9	24.5	24.7	24.02	24.8	22.9	23.7
Pepper	(t'000)	16.6	12.9	15.8	17.3	10.8	25.6	27.0	28.4	35.4	32.1	35.1	48.3	41.4	43.6	42.5
Cloves	(t'000)	3.0	8.2	3.0	9.6	5.5	4.0	4.0	6.3	8.2	8.2	7.3	5.5	4.4	6.7	5.7
<b>Livestock and Fish</b>																
Milk	(Ltr Mn)	202.0	208.1	233.4	247.6	258.3	299.2	329.2	333.9	374.4	384.0	396.2	467.7	447.6	491.5	513.3
Fish	(t'000)	291.0	319.1	339.7	384.7	444.8	486.2	512.8	535.1	520.2	530.9	531.3	527.06	505.8	428.7	435.9

Sources : Department of Census and Statistics, Ministry of Irrigation and Agriculture, Department of Export Agriculture and Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

n.a. - not available



Table 12 | Value of Exports

Category	USD Million															
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(e)</sup>	2021 <sup>(b)</sup>	
<b>Agricultural Exports</b>																
<b>Tea</b>	1,647	1,976	1,835	2,306	2,528	2,332	2,581	2,794	2,481	2,326	2,767	2,579	2,462	2,336	2,729	
Black Tea	1,027	1,272	1,185	1,441	1,491	1,412	1,542	1,628	1,340	1,269	1,530	1,429	1,346	1,241	1,324	
Bulk	890	1,111	1,072	1,383	1,430	1,354	1,471	1,555	1,280	1,208	1,462	1,359	1,270	1,173	1,246	
Packets	535	643	616	567	534	512	561	563	504	473	605	553	490	479	491	
Bags	235	321	301	607	667	640	693	754	593	547	669	620	590	523	555	
Instant	121	147	156	209	229	203	217	238	183	188	188	185	191	172	199	
Green Tea	9	11	10	13	15	11	15	19	16	17	17	20	23	22	26	
Other	106	118	74	—	—	—	—	—	45	44	50	50	53	45	52	
<b>Rubber</b>	109	125	99	173	206	125	71	45	26	33	39	32	24	30	43	
Crepe Rubber	49	51	30	73	116	64	47	35	23	26	23	24	16	15	28	
Smoked Sheets	36	42	42	69	63	38	14	4	2	3	6	2	3	7	7	
Natural Rubber Latex	10	17	11	15	8	8	2	2	0	2	8	3	1	4	5	
TSNR <sup>(f)</sup>	10	11	9	8	14	12	6	2	1	2	2	1	2	2	1	
Other Natural Rubber	4	4	7	9	5	2	3	1	1	1	1	1	2	2	2	
<b>Coconut</b>	141	171	166	166	266	209	205	356	352	366	348	311	330	345	425	
Kernal Product	60	82	58	56	136	80	86	214	222	216	190	149	161	163	201	
Other	81	89	108	110	130	129	119	142	130	150	158	162	168	182	224	
<b>Other Agricultural Exports</b>	208	243	215	335	379	388	529	511	600	489	610	542	762	720	958	
Vegetables	11.5	13.0	11.7	23.4	16.9	13.3	24.9	40.1	30.5	26.5	28.5	28	32	37	29	
Fruits (Fresh or Dry)	11.2	13.9	12.1	14.5	17.1	18.1	29.1	44.2	38.0	34.7	41.5	39	41	33	38	
Areacanut	0.9	3.4	1.4	2.2	2.5	3.7	15.9	63.6	67.5	34.1	37.7	18	21	45	43	
Coffee	0.1	0.2	0.1	0.3	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.3	0.4	0.3	0.3	
Pepper	31.7	26.2	20.6	42.7	32.1	70.2	128.3	72.4	149.0	76.4	88.0	78	50	52	119	
Cinnamon <sup>(c)</sup>	75.8	82.6	74.1	82.9	128.9	135.5	138.6	139.8	139.6	171.4	218.4	228	188	227	251	
Cloves <sup>(d)</sup>	9.2	33.0	12.0	37.4	35.4	18.5	49.7	14.0	48.3	13.8	47.7	17	31	16	35	
Nutmeg and Maize	7.6	9.0	8.1	16.0	28.2	23.0	31.2	29.8	33.3	39.9	35.2	29	36	29	40	
Cardamoms	0.1	0.3	0.2	0.3	0.6	0.2	0.2	0.3	1.1	5.8	5.7	1.0	0.2	0.1	0.3	
Other Oil Seeds <sup>(e)</sup>	0.2	...	0.1	...	0.1	5.2	0.4	1.2	0.1	0.1	0.2	0.1	0.2	0.3	0.1	
Betel Leaves	4.1	6.7	6.0	5.1	6.9	5.0	10.6	10.5	9.1	7.7	20.7	16	19	16	15	
Cocoa	0.1	0.1	0.2	4.1	21.3	13.1	0.3	1.1	0.2	0.1	0.5	0.7	1.1	0.7	0.3	
Unmanufactured Tobacco	40.2	39.5	33.5	32.6	38.4	42.2	47.6	41.3	31.8	31.2	36.5	36	35	25	32	
Sesame Seeds	0.6	0.4	1.6	8.9	0.5	2.5	10.4	6.2	4.7	4.4	2.0	4.9	0.1	0.0	3.7	
Cashew Nuts	1.0	1.4	1.1	2.2	2.6	1.3	0.6	1.4	1.4	0.8	0.9	0.8	0.7	0.5	0.6	
Essential Oils	3.5	3.8	2.4	5.0	1.1	0.9	1.3	4.5	2.4	4.7	4.8	3.9	3.5	4.7	5.5	
Cinnamon Bark Oil	5.2	3.9	2.4	4.4	7.7	5.8	6.2	7.6	8.4	12.3	16.2	15	12	21	20	
Clove Oil	0.3	0.3	0.1	0.4	0.4	0.3	0.3	0.2	0.4	0.4	0.6	0.8	0.6	1.0	0.5	
Other Minor Agricultural Crops	4.2	5.8	27.6	52.4	38.4	28.7	33.5	32.9	34.1	24.5	24.6	26	303	232	325	
<b>Seafood</b>	162.5	164.6	170.6	192.3	185.3	198.0	233.7	252.7	163.1	169.6	240.6	265.8	262.5	189.8	274.0	
<b>Industrial Exports</b>	5,937	6,112	5,228	6,097	7,992	7,371	7,749	8,262	8,017	7,940	8,541	9,258	9,426	7,672	9,702	
<b>Food, Beverages and Tobacco</b>	323	244	183	245	348	284	235	289	307	324	393	462	447	464	587	
Milling Industry Products	48	62	40	71	142	90	37	43	31	26	29	30	43	44	47	
Vegetable, Fruit and Nut Preparations	29	49	55	51	61	59	63	80	87	100	129	147	143	185	232	
Cereal Preparations	7	11	9	11	19	20	25	22	21	19	20	20	19	22	24	
Fish Preparations	1	1	1	1	...	...	1	1	0	0	1	10	19	12	21	
Manufactured Tobacco	23	28	24	26	41	47	49	56	58	73	73	93	78	60	80	
Other	215	93	54	85	85	67	61	88	109	105	141	162	145	141	183	



Table 12 | Value of Exports contd...

Category	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Textile and Garments</b>															
Garments	3,337	3,478	3,261	3,356	4,191	3,991	4,508	4,930	4,820	4,884	5,032	5,318	5,596	4,423	5,435
Woven Fabrics	3,144	3,284	3,120	3,178	3,986	3,784	4,265	4,682	4,556	4,603	4,739	4,961	5,206	3,939	4,952
Yarn	61	66	55	70	85	92	124	90	102	107	119	148	162	122	234
Other Made Up Textile Articles	45	44	42	50	57	58	58	68	63	70	69	83	92	76	93
<b>Petroleum Products</b>															
Bunkers and Aviation Fuel	170	255	134	263	553	463	428	338	374	287	434	622	521	374	506
Other Petroleum Products	168	253	133	259	524	457	423	327	364	271	404	559	485	323	369
<b>Ceramic Products</b>															
Tiles	2	2	2	4	28	6	5	11	10	16	30	63	36	51	137
Tableware, Household Items and Sanitary ware	47	49	36	40	38	36	40	41	35	34	34	31	30	24	37
Other	11	12	8	8	6	7	8	9	8	7	7	6	5	5	9
<b>Rubber Products</b>															
Rubber Tyres	30	30	24	27	28	25	29	29	25	23	23	21	21	15	25
Surgical Gloves and Other Gloves	5	7	4	5	5	4	3	3	3	4	4	4	4	3	4
Other Rubber Products	483	542	385	558	885	860	888	890	761	768	835	875	866	786	1,050
<b>Leather, Travel Goods and Footwear</b>															
Footwear	309	337	213	336	569	540	551	564	467	476	510	545	512	421	591
Travel Goods	111	117	114	137	181	177	195	176	165	176	198	188	207	248	365
Other	64	88	58	85	135	143	141	150	130	116	128	143	147	117	94
<b>Machinery and Mechanical Appliances</b>															
Gems, Diamonds and Jewellery	60	56	47	60	65	55	77	139	136	166	158	148	103	54	59
Gems	24	22	17	20	17	12	29	87	86	118	108	89	52	16	15
Diamonds	26	23	20	27	31	27	28	31	29	29	33	35	35	27	34
Jewellery	10	12	10	13	17	16	19	21	21	19	17	23	16	11	10
<b>Transport Equipment</b>															
Road Vehicles	371	322	187	259	312	297	312	343	294	318	371	435	400	338	501
Ships, Boats and Floating Structures	474	514	402	409	532	559	446	394	332	274	257	278	306	181	277
Other	105	76	69	70	95	118	130	173	164	149	145	142	155	78	121
<b>Printing Industry Products</b>															
Other Industrial Exports	34.8	418	317	322	414	417	295	198	148	105	94	120	134	95	144
Chemical Products	22	20	17	17	22	24	21	22	19	20	18	15	17	8	12
Mineral Exports	151	108	127	144	225	165	146	152	244	131	162	120	146	71	148
Unclassified Exports	23	39	50	58	49	86	32	39	40	42	39	57	54	47	77
Total Exports	7,641	8,111	7,085	8,626	10,559	9,774	10,394	11,130	10,547	10,310	11,360	11,890	11,940	10,047	12,499

Sources : Department of Customs and Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Includes Cinnamon Oil

<sup>(d)</sup> Includes Clove Oil

<sup>(e)</sup> Includes Soya beans, Mustard Seeds and Oil Seeds

<sup>(f)</sup> Technically Specified Natural Rubber

... negligible

Table 13 | Value of Imports

Category	USD Million														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Consumer Goods</b>	1,664	2,007	1,565	2,410	3,654	2,995	3,182	3,853	4,713	4,319	4,503	4,980	3,957	3,402	3,848
<b>Food and Beverages</b>	802	1,089	933	1,256	1,567	1,304	1,368	1,634	1,627	1,627	1,841	1,606	1,427	1,554	1,666
Sugar	151	203	218	363	426	345	289	255	253	343	256	248	200	276	288
Milk and Milk Products	186	288	165	259	345	307	291	339	251	249	316	332	312	334	318
Rice	39	44	23	59	18	24	18	282	135	13	301	107	13	11	73
Flour	2	1	1	1	14	5	2	2	2	2	2	3.0	3	7	5
Fish	108	115	119	128	147	134	162	141	218	234	214	197	215	189	122
<b>Other Food and Beverages</b>	317	437	407	446	617	489	607	614	768	787	752	719	685	739	861
Potatoes	20.0	23.6	23.0	36.9	35.7	22.7	28.5	35.8	35.5	31.5	35.7	32.6	33.9	39.8	37.3
Chillies	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7	51.8	68.7	82.9	94.8	92.7
Onions	57.0	53.0	60.0	96.0	86.0	51.9	100.1	65.3	122.0	100.0	123.0	108.9	124.3	148.7	154.9
Lentils	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4	114.4	78.6	79.9	96.9	143.0
Green Gram	7.4	11.0	10.7	15.6	13.8	7.3	11.2	13.6	27.2	15.6	14.9	13.8	12.2	10.5	...
Peas	10.0	18.8	12.9	14.9	18.5	19.0	19.9	21.8	31.8	25.6	23.0	25.2	23.8	24.9	19.4
Chick Peas	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1	32.7	26.0	20.5	24.4	21.8
Kurakkan	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6	1.3	0.8	1.7	0.4	-
Oil and Fat	21.0	31.0	14.0	19.0	25.9	20.0	59.2	20.1	33.5	35.9	46.0	47.0	29.4	106.9	184.1
Spices	50.0	64.0	65.0	72.0	111.0	68.0	79.9	98.2	113.3	132.0	92.8	114.0	115.4	126.9	127.2
Other	44.7	68.8	47.4	99.3	158.7	134.1	157.9	156.7	183.2	183.2	216.0	203.1	244.2	159.3	173.1
<b>Non-food Consumables</b>	862	918	632	1,154	2,087	1,691	1,814	2,219	3,086	2,692	2,662	3,374	2,530	1,847	2,182
Vehicles	244	239	93	455	881	495	582	897	1,360	795	773	1,574	816	283	13
Home appliances-Radio and Television Sets	59	64	24	45	118	118	103	86	120	136	141	124	102	84	126
Rubber Products	44	51	46	72	83	80	88	90	114	112	94	95	83	58	102
Medical and Pharmaceutical Products	179	212	202	217	348	372	378	381	460	526	520	532	553	596	883
Household and Furniture Items	70	75	61	88	127	117	125	134	150	182	186	169	172	147	161
Other	266	277	206	277	530	509	538	632	882	941	948	880	805	680	897
Garments	85.9	89.1	98.9	94.4	112.0	131.9	157.6	227.0	321.4	290.9	292.3	237.3	215.1	159.6	167.5
Other Articles of Plastics <sup>(b)</sup>	32.9	29.8	18.3	20.7	33.0	35.4	33.2	34.0	52.8	28.9	24.3	20.4	26.4	18.8	21.5
Printed Books	5.0	4.4	21.5	19.8	15.0	14.1	11.9	10.4	10.7	13.0	17.3	18.4	14.6	8.5	10.3
Fans	7.5	7.1	7.0	12.3	23.1	23.4	27.4	24.4	33.5	41.8	34.9	29.5	33.5	27.9	32.5
Washing Preparations	7.5	9.7	11.0	10.6	6.0	6.0	5.6	4.3	4.0	5.0	4.4	2.7	3.0	1.9	3.3
Powders, Makeup	4.2	6.2	4.8	5.6	10.7	6.8	8.1	6.7	9.0	13.5	12.5	12.5	10.6	6.4	8.1
Cookers	3.5	3.8	3.7	5.0	9.4	6.4	6.8	5.7	9.2	11.6	10.8	10.0	8.5	7.0	8.8

Table 13 | Value of Imports contd...

Category	USD Million														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Intermediate Goods</b>	<b>6,983</b>	<b>9,019</b>	<b>6,159</b>	<b>8,054</b>	<b>12,274</b>	<b>11,578</b>	<b>10,554</b>	<b>11,398</b>	<b>9,638</b>	<b>9,869</b>	<b>11,435</b>	<b>12,488</b>	<b>11,370</b>	<b>9,077</b>	<b>12,309</b>
Fertilizer	192	577	182	240	407	311	239	272	290	137	103	262	221	259	158
Petroleum	2,516	3,392	2,184	3,041	4,795	5,045	4,308	4,597	2,700	2,481	3,428	4,152	3,892	2,543	3,743
Chemical Products	405	508	432	520	702	670	734	808	870	856	835	904	831	831	1,074
Paper and Paper Boards	290	328	264	350	427	363	380	490	477	487	485	529	457	383	469
Wheat and Maize	255	402	269	265	429	364	323	405	357	249	357	374	346	384	418
Textile	1,724	1,788	1,529	1,812	2,321	2,266	2,046	2,328	2,296	2,705	2,724	2,859	2,909	2,335	3,067
Diamond and Precious Metals	284	545	277	378	1,076	588	483	175	162	514	772	573	201	117	144
Base Metal	252	275	167	239	354	440	406	478	471	456	629	683	563	460	866
Vehicle and Machinery Parts	127	159	127	176	223	211	210	228	264	281	295	296	270	239	349
Other Intermediate Goods	938	1,045	728	1,033	1,540	1,320	1,425	1,616	1,752	1,703	1,809	1,857	1,678	1,524	2,020
Semi Finished Products of Iron	105	137	72	91	157	256	238	168	151	n.a	n.a	n.a	n.a	n.a	n.a
Polymer of Ethylene	106	103	76	103	109	99	106	142	147	144	134	149	126	116	144
Unmanufactured Tobacco	40	42	39	31	52	71	62	70	83	68	68	79	62	68	57
Palm Oil (Refined <sup>(b)</sup> )	145	127	35	68	161	67	81	123	111	84	148	146	92	90	84
<b>Investment Goods</b>	<b>2,597</b>	<b>2,852</b>	<b>2,093</b>	<b>2,758</b>	<b>4,286</b>	<b>4,590</b>	<b>4,253</b>	<b>4,152</b>	<b>4,567</b>	<b>4,981</b>	<b>4,895</b>	<b>4,690</b>	<b>4,603</b>	<b>3,563</b>	<b>4,463</b>
Machinery and Equipment	1,428	1,467	1,077	1,339	2,141	2,356	2,222	2,131	2,278	2,741	2,621	2,492	2,490	2,176	2,810
Recorders and Primary Batteries	119	124	107	87	124	138	152	n.a.	17	17	n.a	n.a	n.a	n.a	n.a
Medical Instrument and Appliance – Used	60	73	54	63	81	87	92	104	117	137	n.a	n.a	n.a	n.a	n.a
Wire Cables (Electrical)	5	13	11	38	33	32	34	33	37	31	n.a	n.a	n.a	n.a	n.a
Gas Cylinders (For Industries)	7	6	3	6	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a	n.a	n.a	n.a
Transport Equipment	410	481	357	593	1,065	992	668	707	931	663	675	668	597	348	399
Building Material	753	900	656	822	1,076	1,237	1,357	1,309	1,352	1,569	1,591	1,525	1,509	1,036	1,249
Iron Pipe & Tube	93	126	88	108	85	84	70	56	70	79	103	115	132	64	55
Other Investment Goods	6	4	3	4	4	5	6	5	6	8	8	6	8	3	6
<b>Unclassified Imports</b>	<b>52</b>	<b>213</b>	<b>390</b>	<b>162</b>	<b>54</b>	<b>28</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>13</b>	<b>147</b>	<b>75</b>	<b>8</b>	<b>14</b>	<b>17</b>
<b>Total Imports</b>	<b>11,296</b>	<b>14,091</b>	<b>10,207</b>	<b>13,385</b>	<b>20,269</b>	<b>19,190</b>	<b>18,003</b>	<b>19,417</b>	<b>18,935</b>	<b>19,183</b>	<b>20,980</b>	<b>22,233</b>	<b>19,937</b>	<b>16,055</b>	<b>20,637</b>

Sources : Department of Customs and Central Bank of Sri Lanka

<sup>(a)</sup> Provisional

<sup>(b)</sup> Includes Plastic kitchenware, plastic furniture, plastic ornamental articles, plastic clothing articles and plastic stationary articles

n.a. - not available

... negligible

Table 14 | Import Quantities of Selected Items

Item	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
Sugar	470.7	563.1	460.7	539.2	596.6	559.0	539.0	509.5	624.0	638.7	483.2	624.3	537.5	682.6	582.5
Milk Powder	62.1	62.5	62.4	72.4	84.1	79.5	66.0	67.2	81.8	94.0	93.1	99.0	93.7	97.3	83.0
Potatoes	85.9	99.4	99.6	129.9	130.5	112.8	123.2	118.2	142.2	148.1	151.4	158.7	142.1	126.8	116.7
Chilies - Red	31.2	34.7	36.0	37.7	42.2	40.7	44.1	47.8	49.9	51.0	51.7	52.8	52.6	50.8	50.1
Big Onions	140.7	146.6	143.2	158.1	170.7	145.9	168.9	150.5	210.3	215.6	232.3	246.2	240.1	265.9	257.4
Red Onions	23.8	26.9	16.2	11.9	6.8	7.0	15.4	11.8	15.2	19.8	10.9	15.3	6.0	6.2	12.8
Dhal	103.2	104.9	108.0	134.3	151.3	114.0	150.9	153.4	160.9	154.3	165.9	162.6	176.9	178.4	205.3
Rice	88.0	84.7	51.7	125.8	27.8	36.2	22.9	599.7	285.6	29.5	748.0	248.9	24.2	15.8	147.1
Maize	78.4	82.5	27.2	9.6	7.0	1.0	0.5	86.8	67.2	41.9	179.6	120.6	102.5	43.5	22.7
Green Gram	12.8	13.7	14.2	11.5	10.5	7.9	7.1	5.2	11.5	13.9	15.5	16.4	13.3	10.8	...
Black Gram	7.1	5.0	3.3	1.5	7.1	3.2	4.2	6.3	8.1	12.0	12.8	12.4	7.7	0.5	...
Peas	26.9	27.2	26.7	33.0	36.1	31.9	30.8	35.9	45.4	35.6	36.7	47.8	39.4	50.7	38.2
Chick Peas	14.7	17.2	20.0	19.1	19.9	18.7	25.3	25.7	27.7	27.0	26.5	27.3	25.6	29.9	22.2
Kurakkan	2.6	2.9	3.3	2.1	2.2	3.6	12.0	0.7	0.8	2.2	2.9	3.1	4.0	0.8	0.0
Cowpea	0.6	0.7	0.4	0.6	0.9	0.7	1.1	1.0	5.6	6.1	7.3	8.1	8.5	4.0	0.1
Soya Bean	...	2.4	1.8	1.6	...	0.1	1.1	...	7.3	7.1	3.2	6.4	8.2	9.2	2.2
Coriander	14.8	9.7	10.9	12.1	13.3	10.1	15.3	13.8	12.3	15.0	12.2	18.0	13.3	19.6	18.5
Turmeric	3.3	4.4	3.9	3.9	4.1	3.8	4.1	4.2	4.9	4.7	4.9	5.4	5.3	0.8	...
Turmeric (Powder)	0.3	0.3	0.3	0.3	0.2	...	...	...	...	1.0	12.0	25.0	18.0	...	...
Tamarind	0.1	0.1	0.1	0.9	0.7	...	...	...	1.1	0.1	0.4	0.5	0.03	...	...
Garlic	20.9	25.0	21.2	20.4	23.8	23.1	24.4	27.0	28.2	26.0	27.5	32.9	31.8	35.8	36.7
Apples	18.0	17.2	20.1	22.4	21.2	21.1	20.1	15.9	20.2	25.3	26.7	27.3	23.4	17.2	15.3
Grapes	3.4	3.7	3.4	4.3	6.9	6.6	6.2	3.8	6.9	6.2	7.3	10	7.2	4.9	5.0
Orange	3.3	3.6	4.3	4.5	7.0	6.0	7.6	6.5	7.5	8.1	8.7	8.4	7.8	4.7	4.8
Mandarin	3.7	5.3	7.4	10.9	10.5	10.6	9.5	7.1	8.9	10.6	6.0	11.0	n.a.	7.0	8.8
Melon	0.1	0.1	0.1	...	-	...	...	-	...	...	...	0.3	0.05	...	...
Canned Fish	23.1	18.2	13.6	16.7	20.7	19.6	22.2	19.7	49	37.1	40.6	28.1	36.8	26.0	8.8
Maldiv Fish	3.6	3.1	3.2	2.9	2.8	1.4	1.4	1.3	2.2	2.7	2.7	2.3	2.5	2.5	2.2
Sprats	25.4	22.8	25.4	27.3	27.6	25.2	23.5	24.9	24.6	24.5	22.8	23.2	24.8	31.1	25.1
Other Dry Fish	22.7	22.1	20.1	18.5	19.6	14.2	14.0	10.0	7.9	9.8	9.1	4.2	4.9	11.6	7.5
Palm Oil	205.6	126.8	49.7	74.3	135.5	51.1	45.3	142.0	161.8	120.5	195.3	217.7	156.0	120.1	80.9
Coconut Oil	5.5	15.6	2.4	3.5	3.6	5.2	2.2	3.9	3.4	1.2	0.9	9.9	1.5	79.1	98.9

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

<sup>(a)</sup> Provisional

n.a. - not available

... negligible

Table 15 | Value of Food Imports

Item	USD Million														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
Sugar	151.0	203.0	218.0	363.0	426.0	345.0	288.9	255.5	252.5	342.5	256.0	248.0	199.7	276.0	287.5
Milk Powder and Milk Products	186.0	288.0	165.0	259.0	345.0	307.0	291.0	339.4	250.9	249.3	315.8	332.3	311.9	333.8	317.7
Flour	2.0	1.0	1.0	1.0	14.0	4.9	1.8	2.1	2.0	1.8	2.0	3.0	2.7	6.8	5.3
Potatoes	20.0	23.6	23.0	36.9	35.7	22.7	28.4	35.8	35.5	31.5	36.0	32.6	33.9	39.8	37.3
Chillies – Red	36.9	41.3	42.5	44.2	82.4	46.4	49.3	59.6	77.3	92.7	52.0	68.7	82.9	94.8	92.7
Big Onions	39.7	32.1	40.8	58.8	59.3	29.5	71.1	42.0	79.8	46.7	79.0	79.4	84.6	104.7	99.4
Red Onions	8.6	14.6	9.4	5.7	4.2	3.0	10.7	5.0	8.8	9.0	8.0	9.3	4.2	6.8	11.6
Dhal	59.6	108.0	113.0	129.0	116.8	68.9	104.1	121.2	148.0	139.4	114.4	78.6	79.9	96.9	143.0
Rice	38.7	44.3	22.9	59.0	18.4	24.2	17.9	281.7	135.1	12.8	300.9	106.8	12.8	10.5	73.0
Maize	18.7	22.8	0.6	2.5	2.3	0.4	0.3	23.9	16.1	10.8	53.0	39.4	34.8	19.3	14.9
Green Gram	7.4	11.0	10.7	15.6	13.8	7.3	7.6	6.8	15.0	15.6	15.0	13.8	12.2	10.5	...
Black Gram	2.2	2.5	2.7	1.7	7.2	3.0	3.5	6.9	11.3	22.4	13.0	8.4	6.6	0.5	...
Peas	10.0	18.8	12.9	14.9	18.5	19.0	19.9	20.4	31.8	25.6	23.0	25.2	23.8	21.7	19.3
Chick Peas	9.8	17.3	17.7	17.8	26.9	25.6	20.5	20.0	23.7	30.1	33.0	26.0	20.5	24.4	21.8
Kurakkan	0.3	0.6	0.6	0.6	0.6	0.4	...	0.2	0.1	0.6	1.0	0.8	1.7	0.4	...
Cowpea	0.1	0.4	0.3	...	0.7	0.6	0.9	0.9	4.1	4.5	6.5	6.2	6.0	3.2	0.1
Soya Bean	...	0.9	0.7	0.8	...	0.1	...	...	3.4	3.0	8.0	2.8	3.7	4.7	1.7
Coriander	6.6	10.9	9.5	9.5	9.9	6.5	14.8	19.2	14.0	10.0	6.0	10.8	11.8	17.5	18.8
Turmeric	1.1	2.7	4.2	8.2	7.0	3.7	4.6	4.6	6.5	7.1	7.0	7.2	6.4	1.0	...
Turmeric (Powder)	0.1	0.2	0.5	0.6	0.2	...	...	...	...	...	...	...	...	...	...
Tamarind	...	...	...	0.2	0.2	...	...	...	0.4	...	0.2	0.1	0.1	...	...
Garlic	8.2	6.4	9.9	31.2	22.0	19.1	18.0	18.2	25.5	44.3	36.0	20.0	35.3	36.9	43.6
Apples	5.7	5.4	7.7	9.6	9.7	14.4	19.8	17.2	18.3	24.0	24.0	26.5	22.6	15.7	16.6
Grapes	3.7	4.0	4.4	5.6	6.8	10.5	11.2	8.4	13.4	15.9	15.0	15.0	14.0	9.4	10.7
Orange	1.4	1.6	2.0	2.3	3.7	4.0	5.2	4.7	4.6	5.9	6.0	5.8	5.3	3.6	3.7
Mandarin	0.8	1.2	2.1	3.2	3.3	3.8	2.8	2.1	2.7	3.5	2.0	3.7	3.1	2.3	4.5
Melon	0.2	0.2	0.2	...	-	...	...	-	...	0.4	0.6	0.2	0.2	...	...
Canned Fish	34.8	39.4	32.1	38.6	50.7	43.6	47.5	39.5	81.9	66.2	63.0	53.3	76.6	57.8	24.6
Maldive Fish	5.9	8.1	14.1	11.5	12.3	7.5	6.6	5.0	11.4	13.7	11.0	9.4	9.3	10.4	7.3
Sprats	29.1	26.5	31.4	35.1	39.1	40.0	55.2	44.9	49.1	62.1	59.0	58.2	53.3	58.7	45.9
Other Dry Fish	27.4	31.2	37.0	32.0	36.8	30.0	25.3	18.1	15.4	22.5	25.0	26.4	29.6	34.3	24.5
Palm Oil	145.3	127.4	35.3	68.1	160.6	67.2	81.4	123.0	103.5	84.1	148.0	146.2	92.5	89.7	83.7
Coconut Oil	4.9	13.4	1.8	3.6	6.6	4.8	2.2	0.2	5.8	3.7	16.0	20.1	4.7	90.3	166.1

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

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

... negligible

Table 16 | Motor Vehicles

Item	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Motor Vehicle Imports</b>															
Total	296,290	258,244	169,493	383,099	533,056	374,175	308,398	482,003	655,086	469,305	460,261	494,488	345,703	105,987	21,832
Motor Bicycles	177,193	153,191	117,913	221,832	252,036	186,372	159,791	322,257	349,523	329,978	364,346	354,998	266,659	71,306	1,861
Three-Wheelers	34,485	44,046	30,356	92,207	137,389	93,284	80,586	83,233	132,779	47,976	19,021	20,782	16,997	4,864	2,000
Tractors	23,629	28,181	12,874	18,617	26,870	18,967	13,247	5,511	14,234	13,185	10,295	6,992	5,132	6,560	13,520
Transport Vehicles (goods)	36,084	13,742	5,639	20,655	55,786	45,560	25,655	25,664	44,287	32,161	25,964	25,077	18,591	6,925	2,067
Passenger Vans and Buses	2,094	1,117	649	2,766	3,836	3,245	1,627	3,906	4,690	2,849	3,732	2,581	1,458	470	52
Motor Cars	22,315	17,273	1,852	26,745	56,370	26,312	27,084	41,030	109,059	42,208	36,125	82,627	34,800	15,785	2,174
Quadricycle	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6	642	1,644	n.a.	n.a.
Other	490	694	210	277	769	435	408	402	514	948	772	789	422	77	158
<b>New Registration of Motor Vehicles</b>															
Total	297,892	265,199	204,075	359,243	525,421	397,295	326,651	429,556	668,907	491,036	451,653	480,799	367,303	202,628	33,850
Motor Cars	22,603	20,237	5,762	23,072	57,886	31,546	28,380	38,780	105,628	45,172	39,182	80,776	38,232	21,021	3,495
Three Wheelers	43,068	44,804	37,364	85,648	138,426	98,815	83,673	79,038	129,547	56,945	23,537	20,063	15,490	7,150	2,093
Motor Cycles	182,508	155,952	135,421	204,811	253,331	192,284	169,280	272,885	370,889	340,129	344,380	339,763	284,301	151,634	8,011
Buses	2,637	1,180	739	2,491	4,248	3,095	1,805	3,851	4,140	2,685	3,331	2,957	1,613	578	281
Dual Purpose Vehicles	5,193	2,856	1,280	11,712	33,518	37,397	24,603	20,799	39,456	26,887	16,742	16,931	13,459	9,552	771
Goods Transport Vehicles – Lorries	18,408	14,038	8,225	11,845	14,818	12,266	5,872	5,121	7,142	5,271	11,432	9,371	5,223	3,941	4,432
Land Vehicles – Tractors	21,346	24,357	13,951	17,363	20,073	18,450	10,772	7,070	9,977	10,285	8,821	7,460	5,696	6,025	10,420
Land Vehicles – Trailers	2,129	1,775	1,333	2,301	3,121	3,442	2,266	2,012	2,128	3,662	4,228	2,822	1,970	2,277	4,344
Quadricycle & Motor Home	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	656	1,319	470	3
<b>Total Vehicle Fleet *</b>															
Total	3,125,794	3,390,993	3,595,068	3,954,311	4,479,732	4,877,027	5,203,678	5,635,234	6,302,141	6,793,177	7,247,122	7,727,921	8,095,224	8,297,852	8,331,702
Motor Cars	361,211	381,448	387,210	410,282	468,168	499,714	528,094	566,874	672,502	717,674	756,856	837,632	875,864	896,885	900,380
Three Wheelers	361,727	406,531	443,895	529,543	667,969	766,784	850,457	929,495	1,059,042	1,115,987	1,139,524	1,159,587	1,175,077	1,182,227	1,184,320
Motor Cycles	1,604,648	1,760,600	1,896,021	2,100,832	2,354,163	2,546,447	2,715,727	2,988,612	3,359,501	3,699,630	4,044,010	4,383,773	4,668,074	4,819,708	4,827,719
Buses	79,870	81,050	81,789	84,280	88,528	91,623	93,428	97,279	101,419	104,104	107,435	110,392	112,005	112,583	112,864
Dual Purpose Vehicles	193,380	196,236	197,516	209,228	242,746	280,143	304,746	325,545	365,001	391,888	408,630	425,561	439,020	448,552	449,323
Goods Transport Vehicles – Lorries	262,584	276,622	284,847	296,692	311,510	323,776	329,648	334,769	341,911	347,182	360,906	370,277	375,500	379,441	383,873
Land Vehicles – Tractors	221,326	245,683	259,634	276,997	297,070	315,520	326,292	333,362	343,339	353,624	362,445	369,905	375,601	381,626	392,046
Land Vehicles – Trailers	41,048	42,823	44,156	46,457	49,578	53,020	55,286	57,298	59,426	63,088	67,316	70,138	72,108	74,385	78,729
Quadricycle & Motor Home	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	656	1,975	2,445	2,448

Sources : Department of Customs and Department of Motor Traffic

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

\* Cumulative number of all vehicles registered in Sri Lanka

n.a. - not available

Table 17 | Power Sector

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
Installed Capacity	MW	2,444	2,645	2,684	2,818	3,146	3,312	3,356	3,932	3,847	4,018	4,086	4,046	3,807	4,265	4,187
Hydro Power		1,324	1,345	1,379	1,383	1,401	1,584	1,625	1,665	1,680	1,726	1,745	1,793	1,399 <sup>(d)</sup>	1,793	1,799
Thermal		1,115	1,285	1,290	1,390	1,396	1,338	1,335	1,215	1,115	1,215	1,233	1,137	1,282	1,268	1,087
Coal	n.a.	n.a.	n.a.	n.a.	n.a.	300	300	300	900	900	900	900	900	900	900	900
Wind*	3	3	3	3	3	3	3	3	3	3	3	3	128	128	179	252
Other <sup>(c)</sup>	2	12	12	42	46	46	87	93	150	149	174	205	88	98	125	149
Maximum Demand	MW	1,842	1,922	1,868	1,955	2,163	2,146	2,164	2,152	2,283	2,453	2,523	2,616	2,669	2,717	2,802
Total sales by CEB	GWh	8,276	8,417	8,441	9,268	10,023	10,474	10,621	11,063	11,786	12,785	13,431	14,091	14,611	14,286	15,214
Generation **	GWh	9,814	9,901	9,882	10,714	11,528	11,800	11,898	12,357	13,090	14,149	14,671	15,286	15,922	15,714	16,716
Average Electricity Price	Rs	10.56	13.17	13.10	13.03	13.21	15.56	17.93	18.50	15.93	16.18	16.26	16.29	16.63	16.72	16.37
Average Cost of Electricity	Rs	13.48	17.67	14.93	13.03	15.59	23.66	16.94	19.97	15.06	18.10	20.34	19.13	23.29	21.67	18.63
Access to Electricity	000'	3,811	3,995	4,158	4,327	4,611	4,979	5,211	5,418	5,649	5,964	6,193	6,354	6,501	6,636	6,810
Access to Electricity	%	80.0	83.0	85.4	88.0	91.0	94.0	96.0	98.0	99.0	99.3	99.0	99.0	99.0	99.0	99.0

Source: Ceylon Electricity Board

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Including Solar, Dendro and BioMass

<sup>(d)</sup> Excluding Public Private Partnerships (PPP)

\*Wind capacity installed under CEB only

\*\* Net Generation considered

Note: Installed capacity of Thermal includes hired plants from 2000-2004

n.a. - not available



Table 18 | Roads

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Total Road Length</b>	km	<b>113,506</b>	<b>113,573</b>	<b>113,674</b>	<b>114,272</b>	<b>114,768</b>	<b>115,272</b>	<b>115,383</b>	<b>117,012</b>	<b>116,407</b>	<b>118,059</b>	<b>119,480</b>	<b>119,490</b>	<b>100,638</b>	<b>155,996</b>	<b>144,937</b>
National Roads		11,874	11,891	11,922	12,019	12,019	12,258	12,289	12,369	12,380	12,380	12,380	12,390	12,438	12,496	12,537
Class A		4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,215	4,215	4,215	4,215	4,215	4,215	4,217	4,217
Class B		7,655	7,672	7,703	7,800	7,800	7,944	7,949	7,993	7,995	7,995	7,995	8,005	8,005	8,007	8,007
Expressways		n.a	n.a	n.a	n.a	95	95	121	161	170	170	170	170	218	272	313
Provincial Roads		16,532	16,532	16,532	16,973	17,429	17,614	17,614	19,083	18,397	18,353	18,900	18,900	18,900	18,924	18,400
Rural Roads		85,100	85,150	85,220	85,280	85,320	85,400	85,480	85,560	85,630	87,326	88,200	88,200	88,200	143,500	114,000
<b>Total Roads Density</b>	km/km <sup>2</sup>	<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>	<b>1.82</b>	<b>1.53</b>	<b>2.38</b>	<b>2.21</b>
National Roads Density		0.18	0.18	0.18	0.18	0.18	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19
Provincial Roads Density		0.25	0.25	0.25	0.26	0.27	0.27	0.27	0.29	0.28	0.28	0.29	0.29	n.a	0.29	0.28
Rural Roads Density		1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.31	1.33	1.34	1.34	1.34	2.19	1.74
<b>Road Condition of National Roads as per IRI*</b>																
Excellent	%	7	7	11	16	23	24	29	27	27	35	36	n.a	39	42	42
Good	%	28	23	24	27	23	29	36	27	28	29	30	n.a	26	27	27
Fair	%	19	18	17	13	10	10	8	9	9	10	13	n.a	9	9	9
Poor	%	36	41	37	33	26	17	13	16	16	11	10	n.a	10	9	9
Bad	%	10	11	11	11	18	20	14	22	20	15	11	n.a	16	14	14

Sources : Road Development Authority and Department of National Planning

\*IRI = International Roughness Index

(a) Provisional

n.a. - not available

Table 19 | Port Services

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
		No.	4,710	4,814	4,592	4,075	4,358	4,178	4,024	4,298	4,760	5,023	4,942	4,933	4,708	4,337
<b>Vessels Arrived *</b>																
Colombo		4,326	4,424	4,114	3,910	4,124	3,870	3,667	3,742	4,197	4,405	4,329	4,331	4,198	3,806	3,675
Sri Lanka Ports Authority		3,114	3,151	2,939	2,928	3,040	2,750	2,600	2,424	2,169	2,061	1,998	1,934	1,948	1,777	1,781
South Asia Gateway Terminal		1,212	1,273	1,175	982	1,084	1,120	1,011	855	1,026	1,087	1,073	1,152	1,016	926	867
Colombo International Container Terminal		n.a	n.a	n.a	n.a	n.a	n.a	56	463	1,002	1,257	1,258	1,245	1,234	1,103	1,027
Galle		87	68	32	48	73	69	36	60	72	96	87	84	43	22	14
Trincomalee		297	322	310	109	126	161	134	127	164	216	233	189	142	135	117
Magam Ruhunupura Mahinda Rajapaksa Port		n.a	n.a	n.a	n.a	9	34	139	335	295	281	230	270	314	374	374
KKS, Myliddy, Point Pedro & Karainagar		n.a	n.a	136	8	26	44	48	34	32	25	63	59	11	n.a	n.a
<b>Total Cargo Handled</b>		<b>t '000</b>	<b>46,344</b>	<b>50,582</b>	<b>48,778</b>	<b>61,240</b>	<b>65,097</b>	<b>66,292</b>	<b>74,431</b>	<b>77,611</b>	<b>86,546</b>	<b>93,879</b>	<b>104,952</b>	<b>106,982</b>	<b>102,907</b>	<b>109,369</b>
Colombo		43,502	47,960	46,373	58,768	62,016	61,669	63,482	70,794	73,718	81,879	89,034	100,151	101,926	97,681	103,824
Sri Lanka Ports Authority		28,985	30,924	27,281	33,775	36,019	36,867	39,186	39,998	36,668	35,172	35,001	39,216	38,322	35,493	37,362
South Asia Gateway Terminal		14,517	17,036	19,092	24,993	25,997	24,802	23,551	22,148	16,893	21,196	23,622	27,042	26,515	24,878	24,062
Colombo International Container Terminal		n.a	n.a	n.a	n.a	n.a	n.a	745	8,648	20,157	25,511	30,411	33,893	37,089	37,310	42,400
Galle		627	459	167	318	464	422	207	394	542	771	712	729	510	404	106
Trincomalee		2,215	2,163	2,238	2,154	2,574	2,859	2,435	2,748	3,027	3,514	3,897	3,560	3,304	3,072	3,190
Magam Ruhunupura Mahinda Rajapaksa Port		n.a	n.a	n.a	n.a	15	20	119	474	292	355	213	494	1,239	1,750	2,249
KKS, Myliddy, Point Pedro & Karainagar		n.a	n.a	246	11	28	60	49	21	32	27	23	18	3	n.a	n.a
<b>Total Container Traffic <sup>(b)</sup></b>		<b>TEUs '000</b>	<b>3,381</b>	<b>3,687</b>	<b>3,464</b>	<b>4,137</b>	<b>4,263</b>	<b>4,187</b>	<b>4,908</b>	<b>5,185</b>	<b>5,735</b>	<b>6,209</b>	<b>7,047</b>	<b>7,228</b>	<b>6,855</b>	<b>7,249</b>
Sri Lanka Ports Authority		1,835	1,961	1,714	2,167	2,299	2,317	2,502	2,559	2,252	2,100	2,011	2,304	2,283	2,098	2,198
South Asia Gateway Terminal		1,546	1,726	1,750	1,970	1,963	1,870	1,747	1,662	1,371	1,632	1,810	2,067	2,052	1,872	1,839
Colombo International Container Terminal		n.a	n.a	n.a	n.a	n.a	n.a	57	687	1,562	2,003	2,388	2,676	2,893	2,885	3,212
<b>Transshipment Container **</b>		<b>TEUs '000</b>	<b>2,578</b>	<b>2,874</b>	<b>2,712</b>	<b>3,205</b>	<b>3,216</b>	<b>3,274</b>	<b>3,781</b>	<b>3,967</b>	<b>4,435</b>	<b>4,826</b>	<b>5,704</b>	<b>5,955</b>	<b>5,765</b>	<b>6,050</b>
Sri Lanka Ports Authority		1,412	1,517	1,301	1,604	1,652	1,652	1,825	1,916	1,711	1,617	1,623	1,976	2,008	1,867	1,877
South Asia Gateway Terminal		1,166	1,357	1,411	1,601	1,564	1,515	1,405	1,325	1,043	1,314	1,434	1,687	1,651	1,607	1,573
Colombo International Container Terminal		n.a	n.a	n.a	n.a	n.a	n.a	44	540	1,213	1,504	1,769	2,041	2,296	2,291	2,600
<b>Employment (Sri Lanka Ports Authority) ***</b>		<b>No.</b>	<b>13,667</b>	<b>13,715</b>	<b>13,367</b>	<b>12,828</b>	<b>11,008</b>	<b>10,200</b>	<b>9,886</b>	<b>9,550</b>	<b>9,651</b>	<b>9,414</b>	<b>9,748</b>	<b>9,759</b>	<b>9,293</b>	<b>8,999</b>
Colombo		12,470	12,548	12,263	11,681	10,059	9,325	9,014	8,747	8,725	8,856	8,625	8,948	8,975	8,567	8,287
Galle		577	553	513	500	433	391	378	373	355	348	351	362	384	339	331
Trincomalee		620	614	591	598	466	436	426	419	417	402	401	400	400	387	381
Magam Ruhunupura Mahinda Rajapaksa Port		n.a	n.a	n.a	49	50	48	68	59	53	45	37	38	n.a	n.a	n.a
<b>Revenue (Sri Lanka Ports Authority) ***</b>		<b>Rs Mn</b>	<b>25,913</b>	<b>25,142</b>	<b>23,331</b>	<b>28,279</b>	<b>31,086</b>	<b>38,098</b>	<b>37,492</b>	<b>40,805</b>	<b>44,080</b>	<b>43,963</b>	<b>52,283</b>	<b>54,636</b>	<b>52,657</b>	<b>60,606</b>

Source: Sri Lanka Ports Authority

<sup>(a)</sup> Provisional

<sup>(b)</sup> TEUs=Twenty-foot Equivalent Container Units

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

\*\*Including Re-Stowing

\*\*\* For the comparison purpose Port of Hambanthota has been removed from the 2017 actual values.

The South Asia Gateway Terminal commenced its operations in 1999.

n.a. - not available

Table 20 | Water Supply and Sewerage

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
Access to Pipe Borne Water	% population	32.0	34.0	37.0	40.0	42.4	43.5	43.7	44.3	45.9	47.7	49.2	50.5	51.8	53.1	55.7
Access to Safe Drinking Water	% population	77.0	78.0	80.0	81.0	82.9	84.1	88.7	84.6	86.0	87.8	89.3	90.6	91.9	93.2	95.8
Access to Piped Sewerage *	% population	n.a	1.8	1.8	1.8	1.8	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.1	2.1	2.1
Average Cost (per month)**	Rs.000'	741,554	880,770	946,918	1,066,353	1,160,719	1,331,254	1,440,848	1,607,859	1,774,605	1,934,313	2,077,083	2,334,333	2,413,636	2,439,912	2,797,781
Average Household Bill (per month)	Rs	305.7	290.9	412.7	438.2	437.7	473.9	557.0	570.7	547.9	632.5	610.6	615.3	625.3	668.9	610.7
Water Supply Connections	No.	1,078,892	1,186,931	1,266,328	1,353,573	1,449,301	1,587,663	1,707,742	1,831,998	1,953,721	2,092,471	2,219,172	2,328,654	2,437,504	2,560,237	2,752,324
Water Production	Mn m <sup>3</sup>	425	440	449	470	490	525	547	575	600	649	686	707	746	782	815
Water Consumption	Mn m <sup>3</sup>	284	299	309	322	342	368	381	411	436	483	508	531	560	589	605
Water Sales (Bill Revenue)	Rs Mn	7,422	7,875	11,119	12,409	13,343	13,209	18,167	19,969	20,472	23,975	24,846	26,164	23,579	25,218	25,258
Non- Revenue Water																
Colombo City	%	53.2	54.0	53.1	52.0	50.0	49.2	47.7	46.6	46.2	45.7	43.1	41.7	40.6	39.2	34.75
Island wide	%	33.1	32.1	31.1	31.6	30.4	29.9	30.2	28.5	27.3	25.6	26.0	24.9	24.9	24.6	25.8
Employees	No.	8,848	9,006	9,063	9,018	9,199	9,670	9,953	10,483	10,245	10,352	10,338	10,046	9,716	9,358	9,296
Employees	Per 1000 connections	8.2	7.6	7.2	6.7	6.4	6.1	5.8	5.7	5.2	5.0	4.7	4.3	4.0	3.7	3.4
Collection Efficiency (Collection/Billing)		1.00	0.99	0.94	1.00	0.99	0.98	1.01	1.00	1.11	1.00	1.03	1.05	1.04	0.93	1.10

Source: National Water Supply and Drainage Board

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

\*Increased of Pipe Sewerage connections is not significant enough to show an increase in Piped sewer coverage with the increase in population

 \*\*This cost includes total operating expenditure, depreciation and interest of commissioned projects.  
 n.a. - not available

Table 21 | Communications

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Telecommunication</b>																
Fixed Access Services	No.	2,742,059	3,446,411	3,435,958	3,534,575	3,608,392	3,449,391	2,706,787	2,709,848	2,601,196	2,550,432	2,603,178	2,484,616	2,299,767	2,613,140	2,851,589
Wireline in Service		931,737	933,536	872,120	896,710	941,780	999,354	1,062,065	1,123,126	1,128,291	1,166,348	1,198,483	1,215,967	1,244,549	1,246,045	1,264,196
Wireless Access <sup>(c)</sup>		1,810,322	2,512,875	2,563,838	2,637,865	2,666,612	2,450,037	1,644,722	1,586,722	1,472,905	1,384,084	1,404,695	1,268,649	1,055,218	1,367,095	1,587,393
Cellular Phones <sup>(c)</sup>	No.	7,983,489	11,082,508	14,264,442	17,246,567	18,319,447	20,324,070	20,315,150	22,123,000	24,384,544	26,227,631	28,199,083	32,528,104	32,884,099	28,739,277	29,958,852
Telephone Density (Including Cellular Phones)	per 100 persons	53.6	71.9	86.6	100.8	105.1	116.9	112.4	119.6	128.7	135.7	143.6	161.5	161.4	141.0	147.9
Public Pay Phones	No. of Booths	8,526	7,417	7,378	7,054	6,458	6,983	6,788	6,642	5,809	5,297	5,137	2,135	476	461	n.a
Internet and Email Subscribers	No.	202,348	234,000	249,756	280,000	359,216	423,194	507,845	606,100	682,512	929,089	1,221,960	1,530,099	1,654,174	1,956,383	2,813,742
Mobile Broadband Subscribers*	No.	n.a	n.a	91,356	200,000	485,533	942,461	1,501,611	2,790,195	3,408,408	3,991,465	4,682,300	5,733,062	11,754,166	15,567,665	19,422,091
Internet Service Providers	No.	4	5	8	9	20	19	15	15	15	13	8	7	12	12	12
<b>Postal</b>																
Public Post Offices	No.	4,051	4,053	4,057	4,059	4,058	4,062	4,061	4,063	4,063	4,062	4,062	4,063	4,062	4,062	4,064
Main Post Offices		641	645	647	649	648	651	651	653	653	652	653	653	653	653	654
Sub Post Offices		3,410	3,408	3,410	3,410	3,410	3,411	3,410	3,410	3,410	3,410	3,409	3,410	3,409	3,409	3,410
Private Post Offices	No.	646	654	657	606	675	676	602	629	629	629	628	412	412	134	130
Private Agency Post Offices		480	488	494	491	512	516	497	524	524	524	523	307	307	n.a.	n.a.
Rural Agency Post Offices		159	159	159	111	156	156	101	101	101	101	101	101	101	n.a.	n.a.
Estate Agency Post Offices**		7	7	4	4	7	4	4	4	4	4	4	4	4	4	n.a.

Source: Department of Posts, Sri Lanka Telecom and Telecommunications Regulatory Commission of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> The decline in the Wireless Local Loop telephones and cellular phones in 2013 is due to revision in the classification of active subscribers

\* from 2014 Mobile Broadband definition has been changed.

\*\* In 2002, a three year project was started to establish Estate Agency Post Offices on recommendation made by the Presidential Committee to address the "Social Cultural Problems in the Estate Sector". These offices were ceased to function since 2006, due to the incapability of the Agents to expand the overall business capacity (potential) to earn sufficient income and lack of continued financial remuneration from the Ministry of Estate Infrastructure and Livestock Development to the Agents of the Estate Agency Post Offices"

n.a. - not available

Table 22 | Crude Oil and Petroleum Products

Item	Unit	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>International Prices (End Year)</b>																	
Crude Oil																	
Brent	USD(bbl)	62.31	91.45	41.58	74.67	91.80	107.97	109.64	110.63	62.16	53.61	45.03	54.95	71.76	64.04	51.38	79.01
WTI	USD(bbl)	62.00	91.36	41.44	74.49	89.22	98.61	88.19	97.90	59.10	49.28	54.76	51.30	64.99	56.96	48.34	76.57
Dubai	USD(bbl)	58.67	85.75	41.00	75.49	89.18	106.20	105.67	107.94	60.39	50.91	41.27	53.18	69.65	63.20	51.10	77.10
Oman*	USD(bbl)	62.13	68.50	94.51	62.02	78.22	106.64	109.55	109.98	96.95	51.18	41.81	53.41	69.92	n.a	51.24	77.10
Refined Products (Singapore Plattes) (Annual Avg)																	
Petrol	USD(bbl)	72.54	81.73	101.95	68.18	86.23	117.33	120.29	116.30	108.14	66.08	53.32	65.42	77.88	69.45	45.09	78.49
Diesel	USD(bbl)	78.06	86.10	122.01	69.77	89.97	125.34	127.37	121.50	112.10	64.58	52.05	64.64	82.88	77.28	48.417	76.72
Kerosene	USD(bbl)	80.66	86.77	122.08	70.14	90.18	125.29	126.84	122.98	112.49	64.80	52.83	65.28	85.00	77.24	44.82	75.25
<b>Domestic Prices (End Year)</b>																	
Petrol (92 Octane)**																	
Petrol (95 Octane)	Rs/ltr	92.00	117.00	120.00	115.00	115.00	137.00	159.00	162.00	150.00	117.00	117.00	117.00	125.00	137.00	137.00	177.00
Auto Diesel <sup>(d)</sup>	Rs/ltr	60.00	75.00	70.00	73.00	73.00	84.00	115.00	121.00	111.00	95.00	95.00	95.00	101.00	104.00	104.00	121.00
Super Diesel	Rs/ltr	65.30	80.30	85.30	88.30	88.30	106.30	142.00	145.00	133.00	110.00	110.00	110.00	121.00	132.00	132.00	159.00
Kerosene	Rs/ltr	48.00	68.00	50.00	51.00	51.00	71.00	106.00	106.00	81.00	49.00	49.00	59.00	101.00	70.00	70.00	87.00
Furnace Oil – 800 Sec	Rs/ltr	45.80	53.90	33.90	32.90	42.20	52.20	92.20	92.20	92.20	82.20	82.20	82.20	92.00	96.00	70.00	110.00
Furnace Oil – 1000 Sec	Rs/ltr	44.40	44.40	52.70	52.70	48.70	48.70	n.a	n.a	n.a	n.a	80.00	80.00	n.a	n.a	n.a	n.a
Furnace Oil – 1500 Sec	Rs/ltr	43.30	51.70	25.00	32.70	40.00	50.00	90.00	90.00	90.00	80.00	80.00	80.00	92.00	96.00	70.00	110.00
Furnace Oil – 3500 Sec	Rs/ltr	41.00	41.00	45.00	26.00	40.00	50.00	90.00	90.00	n.a	80.00	80.00	80.00	n.a	n.a	n.a	n.a
<b>Quantity Imported</b>																	
Crude Oil																	
Refined Products <sup>(c)</sup>	t 000'	2,151	1,968	1,853	2,066	1,819	2,070	1,486	1,743	1,824	1,763	1,685	1,591	1,674	1,842	1,667	1,182
L.P. Gas	t 000'	158	156	144	146	163	180	199	197	198	277	345	387	413	430	437	422
<b>Domestic Production</b>																	
L.P. Gas																	
Local Sales	t 000'	15	16	16	24	23	24	17	22	28	10	9	19	22	27	25	17
Petrol (92 Octane)**	t 000'	454	487	490	518	573	676	726	733	767	911	1,036	1,109	1,179	1,269	1,139	1,238
Petrol (95 Octane)	t 000'	24	31	29	22	22	35	40	55	69	100	137	168	189	158	120	116
Auto Diesel <sup>(d)</sup>	t 000'	1,633	1,752	1,606	1,681	1,663	1,985	2,054	1,705	1,947	1,779	2,143	2,194	1,987	2,139	1,750	1,875
Super Diesel	t 000'	9	14	9	9	12	15	42	50	61	74	75	92	101	85	69	75
Kerosene	t 000'	206	168	151	151	165	169	143	126	122	130	137	161	210	206	176	188
Furnace Oil	t 000'	912	986	999	1,110	1,117	1,222	1,322	827	915	630	817	1,040	949	1,011	971	513
L.P. Gas	t 000'	170	197	174	194	210	228	228	218	232	293	356	412	435	474	189	224
Petroleum Tax Revenue	Rs Mn.	26,004	23,270	33,072	32,287	39,434	32,725	39,556	76,775	64,128	89,303	158,370	172,302	140,823	132,309	148,942	99,901
o/w Excise Duty	Rs Mn.	18,234	19,124	18,977	23,018	28,038	22,470	28,466	27,131	28,732	45,092	55,719	73,983	66,318	61,740	53,111	55,339

 Source: Ceylon Petroleum Corporation, Central Bank of Sri Lanka and Energy Statistics on Index Mundi ([www.indexmundi.com/commodities](http://www.indexmundi.com/commodities))

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Including Coal Imports

<sup>(d)</sup> Including Xtra Mile Diesel

\*Annual Average

\*\*Including Xtra Premium Euro 3

n.a. - not available

Table 23 | Petroleum Products Tax Structure

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Petrol</b>																
Value Added Tax (VAT)	%	15	15	5	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	20	20	16	Rs. 35 Duty waived	Rs. 35 Duty waived	Rs. 35 (Rs. 23 duty waived)	Rs. 35 (Rs. 23 duty waived)	35	35	35	(Rs. 23 duty waived)	35	"Rs. 18 – Petrol 92 Octane Rs. 35 – Petrol 95 Octane"	"Rs. 21-Petrol 92 Octane, Rs. 42-Petrol 95 Octane <sup>(a)</sup> "	"Rs. 5- Octane, Rs. 26- Petrol 95 Octane <sup>(a)</sup> "
Excise Duty	Rs. per ltr	20	20	25	25	25	25	27	27	27	27	27	27	27	27	27
Ports and Airports Development Levy (PAL)	%	3	3	3	3	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1	-	-	-
Social Responsibility Levy (SRL)	%	1	1	1.5	1.5	-	-	-	-	-	-	-	-	-	-	-
Surcharge	%	10	10	15	Free	-	-	-	-	-	-	-	-	-	-	-
Provincial Turnover Tax (TT)	%	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-
<b>Diesel</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	Rs. 15 Duty waived	Rs. 15 Duty waived	Rs. 15(Rs.13 duty waived)	Rs. 15(Rs.13 duty waived)	Rs. 15(Rs.6 duty waived)	Rs. 15(Rs.6 duty waived)	15	15 (Rs. 11 duty waived)	Rs. 10.55 – Super Diesel"	"Rs. 5.85 – Auto Diesel Rs. 10.55 – Super Diesel"	"Rs. 11 – Auto Diesel Rs. 25 – Super Diesel <sup>(b)</sup> "	"Rs. 0 – Auto Diesel Rs. 15 – Super Diesel <sup>(b)</sup> "
Excise Duty	Rs. per ltr	2.5	2.5	2.5	2.5	2.5	2.5	3	3	3	3	3	3	" Rs. 6 – Auto Diesel Rs.13 – Super Diesel"	" Rs. 6 – Auto Diesel Rs.13 – Super Diesel"	"Rs. 6 – Auto Diesel Rs.13 – Super Diesel"
Ports and Airports Development Levy (PAL)	%	3	3	3	3	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1	-	-	-
Social Responsibility Levy (SRL)	%	1	1	1.5	1.5	-	-	-	-	-	-	-	-	-	-	-
Surcharge	%	10	10	15	Free	-	-	-	-	-	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	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	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	3	3	3	3	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5
Nation Building Tax (NBT)	%	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1	-	-	-
Social Responsibility Levy (SRL)	%	1	1	1.5	1.5	-	-	-	-	-	-	-	-	-	-	-
Surcharge	%	10	10	15	Free	-	-	-	-	-	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-

Table 23 | Petroleum Products Tax Structure contd...

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>L.P.Gas</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	5% or Rs. 8 ltr	5% or Rs. 24 ltr	5% or Rs. 14 ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	3	3	3	5	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5 or Rs. 2,000 per Mt.
Nation Building Tax (NBT)	%	-	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	-	-	-
Social Responsibility Levy (SRL)	%	1	1	1.5	1.5	-	-	-	-	-	-	-	-	-	-	-
Surcharge	%	10	10	15	Free	-	-	-	-	-	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-

Source: Department of Fiscal Policy

(a) Rs. 45 duty waive for Petrol 92 Octane and Rs. 24 duty waive for Petrol 95 Octane

(b) Rs. 25 duty waive for Auto Diesel and Rs. 10 for Super Diesel

Note: EX – Exempted

All prices considered as at 31st December, 2021



Table 24 | Health Services

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Hospitals</b>	<b>No.</b>	<b>734</b>	<b>747</b>	<b>716</b>	<b>740</b>	<b>778</b>	<b>790</b>	<b>809</b>	<b>811</b>	<b>831</b>	<b>835</b>	<b>769</b>	<b>803</b>	<b>812</b>	<b>826</b>	<b>851</b>
Public		619	612	555	568	592	593	603	601	610	610(d)	612	612	603	609	618
Private		115	135	161	172	186	197	206	210	221	225(e)	141	209	209	217	233
Central Dispensaries	No	387	417	461	476	475	480	481	484	475	475(d)	496 <sup>(f)</sup>	n.a	499	514	542
Beds	No	66,430	66,835	68,905	69,501	69,731	73,437	79,945 <sup>(g)</sup>	82,604 <sup>(e)</sup>	76,781	76,781 <sup>(h)</sup>	83,275 <sup>(f)</sup>	76,824	77,964	77,121 <sup>(i)</sup>	78,228 <sup>(f)</sup>
<b>Doctors</b>	<b>No.</b>	<b>12,842</b>	<b>14,192</b>	<b>15,165</b>	<b>15,503</b>	<b>16,464</b>	<b>17,190</b>	<b>18,486</b>	<b>19,873</b>	<b>20,280</b>	<b>21,168</b>	<b>22,091<sup>(f)</sup></b>	<b>n.a</b>	<b>18,130<sup>(f)</sup></b>	<b>18,218<sup>(f)</sup></b>	<b>18,992<sup>(f)</sup></b>
Administrative MOO		128	131	136	138	240	211	143**	128	203	84	204	n.a	2,415	n.a	n.a
Specialist MOO		959	1,006	1,135	1,216	1,264	1,458	1,566	1,493	1,836	1,703	2,221	n.a	75	n.a	n.a
Medical Officers		9,662	10,932	11,684	11,782	12,630	13,329	14,584	15,873	15,833	16,934	17,375	n.a	18,131	n.a	n.a
Dental Surgeons		849	879	1,022	1,209	1,230	1,110	1,279	1,324	1,391	1,416	1,473	n.a	1,348	n.a	n.a
RMO/AMO		1,244	1,244	1,188	1,158	1,100	1,082	1,057	1,055	1,017	1,031	818	895	756	n.a	n.a
Nurses	No.	22,088	22,977	26,351	27,494	29,234	30,217	30,928	31,527	32,272	32,499	34,221	34,714	38,276	37,133	38,743
Public Health Nursing Sisters (PHNS)	No.	297	210	328	365	326	364	331	n.a.	299	241	328	n.a	297	n.a	n.a
Public Health Midwives (PHM)	No.	7,590	8,722	8,276	8,276	8,385	8,703	9,120	9,164	9,021	8,842	6,086	n.a	8,078	n.a	n.a
Public Health Inspectors (PHI)	No.	1,662	1,695	1,691	1,689	1,718	1,644	1,713	1,867	1,664	1,729	1,981	n.a	1,570	n.a	n.a
Health Education Officers (HEOO)	No.	43	43	51	50	56	47	48	40	47	44	-	n.a	43	n.a	n.a
<b>Professions Supplementary to Medicine (PSM)</b>	<b>No.</b>	<b>2,488</b>	<b>2,756</b>	<b>3,251</b>	<b>3,509</b>	<b>3,553</b>	<b>3,694</b>	<b>3,699</b>	<b>3,773</b>	<b>3,995</b>	<b>2,848</b>	<b>4,715<sup>(f)</sup></b>	<b>n.a</b>	<b>5,089</b>	<b>n.a</b>	<b>n.a</b>
Medical Lab Technicians (MLTT)		910	1,020	1,332	1,422	1,415	1,399	1,421	1,423	1,448	1,067	1,724	n.a	1,857	n.a	n.a
Physiotherapists		215	241	268	322	328	339	319	340	400	367	618	n.a	656	n.a	n.a
Radiographers		336	385	464	477	485	534	536	531	551	421	610	n.a	617	n.a	n.a
Occupational Therapists		47	56	75	92	100	105	94	93	101	98	137	n.a	140	n.a	n.a
Pharmacists		980	1,054	1,112	1,196	1,225	1,317	1,329	1,386	1,495	895	1,626	n.a	1,819	n.a	n.a
Attendants	No.	7,129	7,184	8,358	8,189	8,403	8,375	8,091	8,096	8,689	8,268 <sup>(i)</sup>	9,218	8,614	8,531	8,177	8,176

Source: Ministry of Health and Indigenous Medicine

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Private and Public Hospitals

<sup>(d)</sup> Including line Ministry

<sup>(e)</sup> Including PGIM Trainees

<sup>(f)</sup> Government Only

<sup>(g)</sup> 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 Dehiattakandiya, DH Madirigiriya & BH Nikaweratiya

<sup>(h)</sup> Permanently employed

<sup>(i)</sup> n.a. - not available

Table 25 | Education

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>General Education</b>																
Schools	No.	10,430	10,445	10,205	10,502	10,549	10,737	10,849	10,971	10,997	11,021	11,053	11,044	11,084	11,091	11,095
Government		9,678	9,662	9,410	9,685	9,731	9,905	10,012	10,121	10,144	10,162	10,194	10,175	10,165	10,155	10,152
o/w National		328	330	334	340	342	342	350	352	352	353	353	353	373	373	383
Private		94	92	98	98	98	98	103	103	104	105	106	106	118	120	124
Pirivenas		658	691	697	719	720	734	734	747	749	754	753	763	801	816	819
Students	000'	4,111	4,101	4,038	4,119	4,159	4,195	4,234	4,272	4,330	4,345	4,365	4,418	4,268	4,273	4,239
Government		3,942	3,930	3,865	3,940	3,974	4,004	4,037	4,078	4,129	4,143	4,166	4,215	4,062	4,064	4,032
National		730	749	759	785	800	793	797	797	806	803	811	839	798	n.a.	n.a.
Provincial		3,212	3,181	3,106	3,155	3,174	3,211	3,240	3,281	3,324	3,340	3,355	3,376	3,263	n.a.	n.a.
Private		114	115	115	117	122	126	130	131	136	136	136	142	138	139	137
Pirivenas		55	56	58	62	63	65	66	63	65	66	63	61	68	70	70
Teachers	No.	220,204	223,314	224,672	226,646	231,819	235,533	236,131	245,922	250,850	249,374	254,560	260,995	261,803	265,394	264,215
Government		209,197	212,116	213,126	214,562	219,886	223,333	223,752	232,990	236,999	235,999	241,591	247,334	246,592	249,494	248,500
Private		5,414	5,454	5,701	5,994	5,804	6,114	6,317	6,471	7,075	6,872	6,555	6,829	8,011	8,564	8,315
Pirivenas		5,593	5,744	5,845	6,090	6,129	6,086	6,062	6,461	6,776	6,503	6,414	6,832	7,200	7,336	7,400
<b>University Education</b>																
Universities	No.	17	17	17	17	17	17	17	17	17	17	17	17	17	17	19
UGC <sup>(a)</sup>		15	15	15	15	15	15	15	15	15	15	15	15	15	15	17
MoHE		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Students	No.	80,836	80,057	82,822	86,592	92,963	86,197	94,492	105,084	109,870	111,065	117,029	118,993	126,109	132,896	144,040
UGC <sup>(a)</sup>		71,257	69,491	71,471	73,398	77,657	70,222	77,126	83,539	87,085	87,741	91,905	93,787	100,944	106,641	118,711
OUSL		9,222	10,153	10,904	12,818	14,915	15,418	16,739	20,916	22,097	22,546	24,346	24,453	25,165	26,255	25,329
MoHE		357	413	447	376	391	557	627	629	688	778	778	753	n.a.	n.a.	n.a.
New Admissions	No.	17,196	20,069	20,846	21,547	22,016	29,009	24,444	25,200	25,676	29,337	30,953	31,451	31,902	41,669	n.a.
Employees	No.	14,119	14,549	15,412	15,670	15,905	16,301	16,971	17,641	16,007	16,783	17,581	18,653	19,350	19,346	19,713
Academic																
Lecturers		4,363	4,504	4,790	5,032	5,117	5,242	5,508	5,688	5,281	5,533	5,762	6,003	6,321	6,525	6,742
UGC <sup>(a)</sup>		4,313	4,452	4,735	4,984	5,064	5,176	5,439	5,610	5,199	5,440	5,669	5,940	n.a.	n.a.	n.a.
MoHE		50	52	55	48	53	66	69	78	82	93	93	114	n.a.	n.a.	n.a.
Non Academic		9,756	10,045	10,622	10,638	10,788	11,059	11,463	11,953	10,726	11,250	11,819	12,650	13,029	12,821	12,971
<b>Graduate Output*</b>	<b>No.</b>															
First Degree		16,837	19,755	20,931	20,357	23,167	11,788*	20,880	28,357	29,545	29,035	26,179	26,024	24,890	24,565	n.a.
Postgraduate		3,852	4,665	6,518	6,330	5,614	8,054	8,636	8,141	7,513	7,697	10,437	10,959	9,991	7,501	n.a.

Source: Ministry of Education and Ministry of Higher Education

OUSL - Open University of Sri Lanka

 UGC<sup>(a)</sup> - Universities under the University Grants Commission, including OUSL

 UGC<sup>(b)</sup> - Universities under the University Grants Commission, excluding OUSL

MoHE - Buddhist and Pali University and Buddhavarava Bhiksu University under Ministry of Higher Education

\* Number of graduated has been decreased in 2012 as final exams have not been held in several faculties due to academic &amp; Non academic Strikes in 2012.

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

n.a. - not available

Table 26 | Access to Banking and Finance

Category	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Domestic Commercial Banks</b>	<b>No.</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
State		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Private		9	9	9	9	10	10	10	11	11	11	11	11	11	11	11
Branches		1,263	1,289	1,333	1,417	1,567	1,627	2,582**	2,672**	2,705**	2,788	2,803	2,826	2,857	2,869	2,874
State		633	637	640	640	654	675	1,356	1,361	1,366	1,377	1,373	1,376	1,392	1,397	1,399
Private		630	652	693	777	913	952	1,226	1,311	1,339	1,411	1,430	1,450	1,465	1,472	1,475
Other offices		2,894	3,256	3,452	3,523	3,610	3,727	2,864***	2,871***	2,870***	2,556***	2,639***	3,309***	3,783	3,787	3,695
State		2,566	2,910	3,077	3,101	3,160	3,265	2,610	2,610	2,610	2,303	2,386	3,055	3,525	3,525	3,531
Private		328	346	375	422	450	462	254	261	260	253	253	254	258	262	164
Automated Teller Machines (ATMs)		1,256	1,510	1,710	1,815	2,035	2,187	2,316	2,406	3,188	3,475	4,029	4,584	5,334	5,687	5,837
State		392	490	625	664	740	787	871	894	1,033	1,181	1,561	1,891	2,414	2,635	2,743
Private		864	1,020	1,085	1,151	1,295	1,400	1,445	1,512	2,155	2,294	2,468	2,693	2,920	3,052	3,094
<b>Foreign Commercial Banks</b>	<b>No.</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>13</b>	<b>11</b>	<b>11</b>
Branches		43	44	44	46	49	49	221	221	220	53	52	51	50	46	45
Other Offices		133	170	170	170	171	171	-	-	-	-	-	-	-	-	-
Automated Teller Machines (ATMs)		46	47	47	47	44	48	48	49	57	56	57	60	59	57	54
<b>Specialized Banks <sup>(c)</sup></b>	<b>No.</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>
State		8	8	8	8	8	8	8	6	6	6	6	6	5	5	5
Private		6	6	6	1	1	1	1	3	1	1	1	1	1	1	1
Branches		409	448	465	500	515	527	645**	652**	624**	683	691	696	700	704	705
State		191	229	239	270	280	287	390	541	546	595	600	602	606	610	611
Private		218	219	226	230	235	240	255	111	78	88	91	94	94	94	94
Other Offices		219	220	233	257	272	273	175***	175***	175***	27***	28***	-	-	-	-
State		202	203	215	236	251	251	167	175	175	27	28	-	-	-	-
Private		17	17	18	21	21	22	8	-	-	-	-	-	-	-	-
Automated Teller Machines (ATMs)		68	97	119	158	158	180	180	180	295	320	333	376	401	432	451
Insurance Companies		15	16	18	19	22	22	22	21	28	29	27	26	28	28	28
Registered Finance Companies		32	34	35	36	39	47	48	48	46	46	45	43	42	40	39
Specialized Leasing Companies		20	22	21	21	16	13	10	8	7	7	6	5	4	3	3
Credit Cards Issued		200,679	122,033	68,430	90,489	148,481	167,424	166,181	176,750	198,843	264,058	290,264	338,692	353,826	235,310	285,888
Credit Cards In Use		905,561	929,112	840,905	778,544	862,352	891,170	951,625	1,032,833	1,145,055	1,315,915	1,486,545	1,710,671	1,854,103	1,984,525	2,054,985

Source: Central Bank of Sri Lanka and Insurance Regulatory Commission of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

<sup>(c)</sup> Upto 2013, specialized banks were classified as National level and regional level banks.

\* During 2010, business of 6 Regional Development Banks was vested with a new level bank, i.e. Pradeshiya Sanwardhana Bank

\*\* All outlets excluding Student Savings Units

\*\*\* This includes Student Savings Units only.

Note: with effect from 01.01.2013 Banking Outlets were reclassified into two categories namely branches and student savings units.

Table 27 | Labour Force and Unemployment

Item	Unit	2007 <sup>(d)</sup>	2008 <sup>(a)</sup>	2009 <sup>(a)</sup>	2010 <sup>(a)</sup>	2011 <sup>(c)</sup>	2012 <sup>(c)</sup>	2013 <sup>(c)</sup>	2014 <sup>(c)</sup>	2015 <sup>(c)</sup>	2016 <sup>(c)</sup>	2017 <sup>(c)</sup>	2018 <sup>(c)</sup>	2019 <sup>(c)</sup>	2020 <sup>(e)</sup>	2021 <sup>(e)</sup>
<b>Labour Force</b>																
Total Labour Force	000'	7,473	8,062	8,051	8,096	7,936	7,808	8,034	8,048	8,214	8,311	8,567	8,388	8,592	8,467	8,553
Labour Force Participation Rate	%	49.8	49.5	48.7	48.1	52.9	52.5	53.7	53.2	53.8	53.8	54.1	51.8	52.3	50.6	49.9
<b>Employed Population by Industry</b>																
Agriculture	000'	2,193	2,474	2,460	2,513	2,519	2,338	2,321	2,223	2,245	2,154	2,140	2,044	2,072	2,170	n.a.
Industry	000'	1,871	2,003	1,905	1,865	1,820	1,942	1,997	2,027	2,018	2,098	2,331	2,239	2,258	2,153	n.a.
Services	000'	2,963	3,151	3,215	3,319	3,262	3,217	3,363	3,450	3,568	3,696	3,737	3,732	3,850	3,677	n.a.
<b>Unemployment</b>																
Unemployment No.	000'	446	433	471	400	335	310	353	348	383	363	359	373	411	468	440
By Gender																
Male	000'	210	194	223	185	142	147	164	165	158	154	156	164	185	225	n.a.
Female	000'	237	239	248	215	193	163	189	183	225	209	203	209	226	242	n.a.
By Age Group																
15-19 years	000'	70	68	68	59	43	43	48	49	56	58	46	53	54	n.a.	n.a.
20-29 years	000'	272	260	277	240	211	184	208	206	222	221	215	229	242	n.a.	n.a.
30-39 years	000'	59	58	71	59	53	49	53	54	61	48	53	56	59	n.a.	n.a.
Over 40 years	000'	46	46	55	42	28	34	43	39	45	36	45	35	57	n.a.	n.a.
By Level of Education																
Grade 5 & Below	000'	20	19	20	11	10	8	14	11	10	10	11	8	12	n.a.	n.a.
Grade 6 - 10	000'	183	170	188	140	128	116	129	131	132	129	108	113	129	n.a.	n.a.
GCE O/L	000'	98	101	109	91	66	84	78	78	94	80	89	80	98	n.a.	n.a.
GCE A/L & Above	000'	146	142	154	159	131	102	132	128	148	144	151	171	172	n.a.	n.a.
<b>Unemployment Rate</b>	%	6.0	5.4	5.9	4.9	4.2	4.0	4.4	4.3	4.7	4.4	4.2	4.4	4.8	5.5	5.1

Source: Department of Census and Statistics

<sup>(a)</sup> Data including Eastern provinces but excluding Northern Province

<sup>(b)</sup> Excluding Mullativu and Killinochchi districts

<sup>(c)</sup> All the districts are included

<sup>(d)</sup> Excluding Northern and Eastern provinces

<sup>(e)</sup> 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)

n.a. - not available

Table 28 | Average Daily Wages and Strikes

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2020 <sup>(b)</sup>
<b>Paddy Cultivation</b>																
Male	Rs.per day	456.00	562.00	615.00	658.00	704.00	787.00	882.00	937.00	1,056.00	1,148.00	1,245.00	1,383.00	1,492.00	1,542.00	1,640.00
Female		336.00	395.00	423.00	454.00	530.00	599.00	667.00	678.00	765.00	810.00	854.00	994.00	1,190.00	1,273.00	1,208.00
<b>Tea Cultivation</b>																
Male	Rs.per day	375.00	440.00	496.00	543.00	617.00	691.00	764.00	819.00	887.00	952.00	1,085.00	1,242.00	1,321.00	1,354.00	1,401.00
Female		263.00	305.00	356.00	391.00	438.00	512.00	565.00	598.00	656.00	673.00	766.00	895.00	947.00	999.00	1,004.00
<b>Rubber Cultivation</b>																
Male	Rs.per day	389.00	500.00	532.00	588.00	658.00	741.00	853.00	881.00	931.00	978.00	1,113.00	1,216.00	1,294.00	1,336.00	1,270.00
Female		277.00	377.00	416.00	463.00	490.00	585.00	652.00	702.00	742.00	786.00	870.00	955.00	995.00	1,074.00	1,172.00
<b>Coconut Cultivation</b>																
Male	Rs.per day	479.00	590.00	652.00	699.00	783.00	887.00	997.00	1,061.00	1,114.00	1,182.00	1,284.00	1,374.00	1,451.00	1,498.00	1,633.00
<b>Carpentry</b>																
Master Carpenter	Rs.per day	732.00	844.00	932.00	1,002.00	1,115.00	1,248.00	1,334.00	1,406.00	1,486.00	1,622.00	1,795.00	1,990.00	2,092.00	2,281.00	2,525.00
Skilled and Unskilled		479.00	558.00	617.00	657.00	729.00	824.00	903.00	958.00	1,034.00	1,131.00	1,249.00	1,335.00	1,388.00	1,489.00	1,631.00
<b>Masonry</b>																
Master Mason	Rs.per day	727.00	837.00	935.00	995.00	1,093.00	1,216.00	1,304.00	1,376.00	1,450.00	1,596.00	1,785.00	1,994.00	2,091.00	2,279.00	2,537.00
Skilled and Unskilled		474.00	561.00	627.00	669.00	729.00	823.00	900.00	955.00	1,029.00	1,131.00	1,257.00	1,350.00	1,396.00	1,500.00	1,654.00
<b>Strikes</b>																
No. of Strikes		25	51	8	15	27	34	42	38	51	41	33	51	25	28	21

Sources : Department of Labour and Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

Table 29 | Poverty and Inequality

Index	Unit	Survey Period							
		1990/91	1995/96	2002	2006/07	2009/10	2012/13	2016	2019 <sup>(a)</sup>
<b>Poverty Head Count Index</b>									
Sri Lanka	%	26.1	28.8	22.7	15.2	8.9	6.7	4.1	14.3
Sector									
Urban	%	16.3	14.0	7.9	6.7	5.3	2.1	1.9	6.0
Rural	%	29.5	30.9	24.7	15.7	9.4	7.6	4.3	15.0
Estate	%	20.5	38.4	30.0	32.0	11.4	10.9	8.8	33.8
District									
Colombo	%	16.2	12.0	6.4	5.4	3.6	1.4	0.9	2.3
Gampaha	%	14.7	14.1	10.7	8.7	3.9	2.1	2.0	5.7
Kalutara	%	32.3	29.5	20.0	13.0	6.0	3.1	2.9	12.2
Kandy	%	35.9	36.7	24.9	17.0	10.3	6.2	5.5	14.3
Matale	%	28.7	41.9	29.6	18.9	11.5	7.8	3.9	19.6
Nuwara Eliya	%	20.1	32.1	22.6	33.8	7.6	6.6	6.3	26.3
Galle	%	29.7	31.6	25.8	13.7	10.3	9.9	2.9	13.2
Matara	%	29.2	35.0	27.5	14.7	11.2	7.1	4.4	11.1
Hambantota	%	32.4	31.0	32.2	12.7	6.9	4.9	1.2	13.6
Jaffna	%	-	-	-	-	16.1	8.3	7.7	25.8
Mannar	%	-	-	-	-	-	20.1	1.0	8.0
Vavunia	%	-	-	-	-	2.3	3.4	2.0	13.9
Mullaitivu	%	-	-	-	-	-	28.8	12.7	44.5
Killinochchi	%	-	-	-	-	-	12.7	18.2	26.4
Batticaloa	%	-	-	-	10.7	20.3	19.4	11.3	20.8
Ampara	%	-	-	-	10.9	11.8	5.4	2.6	17.2
Trincomalee	%	-	-	-	-	11.7	9.0	10.0	18.3
Kurunegala	%	27.2	26.2	25.4	15.4	11.7	6.5	2.9	12.5
Puttalam	%	22.3	31.1	31.3	13.1	10.5	5.1	2.1	10.5
Anuradapura	%	24.4	27.0	20.4	14.9	5.7	7.6	3.8	8.1
Polonnaruwa	%	24.9	20.1	23.7	12.7	5.8	6.7	2.2	17.0
Badulla	%	31.0	41.0	37.3	23.7	13.3	12.3	6.8	32.3
Monaragala	%	33.7	56.2	37.2	33.2	14.5	20.8	5.8	21.0
Rathnapura	%	30.8	46.4	34.4	26.6	10.5	10.4	6.5	24.9
Kegalle	%	31.2	36.3	32.5	21.1	10.8	6.7	7.1	20.8
Poverty Gap	%	5.6	6.6	5.1	3.1	1.0	1.2	0.6	2.8
Squared Poverty Gap	%	1.8	2.2	1.6	0.9	0.5	0.30	0.10	0.90
Poverty Shortfall	Average (Rs./Month)	101	191	317	448	587	607	620	729
Gini Coefficient of Per Capita Expenditure		0.32	0.35	0.40	0.40	0.36	0.39	0.40	n.a.
Gini Coefficient of Household Expenditure		-	0.36	0.41	0.41	0.37	0.40	0.41	n.a.
Gini Coefficient of Household Income		0.43	0.46	0.47	0.49	0.49	0.48	0.45	n.a.
Quintile Ratio	%	4.7	5.3	6.9	6.7	5.7	12.0	11.8	n.a.

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)

Household Income and Expenditure Survey 2019 (covered all districts)

<sup>(a)</sup> Based on Updated poverty line (based 2012/13 on N CPI)

Table 30 | Remittances and Departures for Foreign Employment

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(b)</sup>
<b>Total Remittances</b>	<b>USD mn</b>	<b>2,502</b>	<b>2,918</b>	<b>3,330</b>	<b>4,116</b>	<b>5,145</b>	<b>5,985</b>	<b>6,407</b>	<b>7,018</b>	<b>6,980</b>	<b>7,242</b>	<b>7,164</b>	<b>7,015</b>	<b>6,717</b>	<b>7,104</b>	<b>5,490</b>
By Country																
Middle East		1,451	1,745	1,995	2,474	3,030	3,358	3,562	3,902	3,769	3,889	3,711	3,592	3,459	3,673	2,834
European Union		500	525	603	724	885	1,071	1,160	1,270	1,222	1,282	1,311	1,312	1,263	1,350	1,032
Europe, Other		135	128	148	177	232	275	308	337	307	739	330	309	282	305	231
East Asia		135	175	203	247	401	509	557	611	698	333	824	849	826	870	686
North America		105	114	127	140	154	174	186	204	209	210	208	182	161	178	126
South and Central America		20	23	28	35	41	48	58	63	63	398	50	35	27	21	16
South East Asia		75	90	100	144	206	263	288	316	391	174	394	407	376	408	324
South Asia		25	32	40	58	51	90	83	91	98	109	107	154	134	114	93
Australia and New Zealand		33	55	57	82	103	132	147	161	161	51	172	154	175	178	143
Other		23	29	30	35	41	66	58	63	63	58	57	21	13	7	5
<b>Total Departures</b>	<b>No.</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>211,992</b>	<b>211,211</b>	<b>203,087</b>	<b>53,711</b>	<b>122,264</b>
Professional		1,653	2,835	2,832	3,057	3,844	4,448	5,151	5,372	6,251	6,578	6,379	9,005	9,861	2,957	8,373
Middle Level		3,962	8,667	6,388	6,884	6,134	9,280	16,510	20,778	6,951	8,234	7,127	6,530	5,725	1,496	4,256
Clerical and Related		4,551	6,791	6,719	7,923	9,906	16,184	26,561	29,267	12,501	10,862	9,271	9,434	9,163	2,496	6,540
Skilled		50,263	59,718	61,321	71,537	67,726	67,150	73,707	73,162	81,682	76,545	68,980	67,013	62,711	16,664	40,174
Semi Skilled		3,499	5,326	6,015	4,932	4,180	3,467	3,412	3,977	4,847	3,926	3,297	2,769	2,950	789	1,930
Unskilled		52,176	59,239	50,173	60,422	63,680	62,907	70,977	79,519	77,985	71,656	61,054	51,703	51,188	13,987	31,676
Housemaid Female		102,355	107,923	113,678	112,752	107,491	119,011	96,900	88,628	73,226	65,015	55,884	64,757	61,489	15,322	29,315

Sources : Sri Lanka Bureau of Foreign Employment and Central Bank of Sri Lanka

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional



Table 31 | Welfare Payments and Development Subsidies

Description	Rs. Million															
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>	
<b>Healthcare</b>																
Pharmaceuticals (free medicine)	10,804	12,082	12,149	13,544	16,617	16,740	27,269	34,805	31,703	38,028	38,596	43,440	54,068	85,545	73,638	
<b>Empowering the Vulnerable and Needy</b>																
Samurdhi	9,200	9,995	9,267	9,241	9,044	10,553	15,256	15,042	39,994	40,740	39,707	39,239	44,660	52,434	55,400	
No. of Beneficiary (Families Mn)	1.8	1.6	1.6	1.6	1.5	1.5	1.4	1.5	1.4	1.4	1.4	1.4	1.8	1.8	1.8	
Assistance to Elderly (Over 70yrs age)	326	922	960	650	950	554	2,045	2,655	8,039	9,060	9,008	9,590	9,856	9,893	9,832	
Daily Allowance for Differently Abled Students	71	70	74	71	80	80	123	138	220	247	195	31	26	n.a	n.a	
Allowance for Disable People	43	75	74	75	394	403	513	479	936	1,114	1,083	43	41	4,293	4,311	
Financial Support for kidney patients	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	487	869	1,318	1,451	1,776	2,326	
<b>Empowering Government Security Forces</b>																
Allowance for the Third Child of Soldiers	n.a	n.a	n.a	n.a	297	313	458	46	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Death and Disabled Soldiers Compensation	7,426	8,694	9,796	10,500	13,316	14,779	16,152	18,244	23,433	26,772	27,808	30,359	33,637	37,460	37,907	
<b>Agriculture Development</b>																
Fertilizer Subsidy	11,000	26,450	26,935	23,028	29,802	36,456	19,706	31,858	49,571	27,771	30,361	26,879	34,966	36,687	21,235	
Paddy Purchasing (To Stabilize the Paddy Prices)	990	680	1,060	1,805	1,629	1,440	1,789	228	7,480	242	n.a	n.a	n.a	119	814	
<b>Commercial Crop Development</b>																
Crop Subsidy																
Tea	199	232	211	191	171	182	272	331	7,292	549	445	615	588	737	1,177	
Rubber	193	275	200	371	485	435	587	763	2,871	713	703	542	564	823	897	
Coconut	179	222	237	269	293	353	403	485	471	709	598	653	641	734	322	
Cashew	23	35	34	25	29	27	49	40	35	40	54	67	70	85	64	
Minor Crops - (Cinnamon, Cocoa, Coffee, Pepper)	134	117	175	180	220	185	207	254	360	380	336	440	256	529	361	
<b>School Children and University Students</b>																
School Uniforms	1,067	582	1,260	950	1,364	2,218	2,300	3,574	2,261	2,157	2,479	1,073	3,789	2,877	2,492	
Season Tickets	500	600	1,384	1,369	1,359	1,233	1,430	1,695	1,800	1,998	4,923	5,000	5,450	5,400	5,300	
School and Dharma School Text books	2,250	3,387	2,196	2,056	2,337	2,127	2,583	2,773	3,979	5,599	4,476	157	4,807	4,669	2,911	
Grade v Scholarships, Mahapola and Bursary	201	565	578	645	777	790	801	852	1,390	1,914	1,344	2,136	2,571	2,125	2,791	
Nutrition Program	1,308	1,649	2,251	2,475	2,631	2,790	3,077	3,725	3,938	3,916	4,434	5,325	5,063	2,299	1,658	
Thripasa for Children and Expectant Mothers	488	649	1,155	865	1,336	1,189	1,396	1,787	1,956	1,351	1,692	1,982	2,187	1,122	1,231	
Poshana Malla for Expectant Mothers	418	386	505	388	360	249	203	279	2,422	5,746	5,408	5,490	5,279	4,751	5,248	
Morning Milk for Pre-school and school Children	13	35	167	178	249	205	230	197	189	106	167	256	327	297	n.a	
Poshana Manpetha and Lama Saviya	22	24	30	30	18	17	19	21	49	30	n.a	n.a	n.a	76	110	

Table 31 | Welfare Payments and Development Subsidies contd...

Description	Rs. Million														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Disaster Assistance</b>															
Flood and Drought Relief	345	323	738	264	649	153	148	521	271	132	5,854	5,279	406	235	303
Cooked Meals and Dry Rations	1,670	1,457	2,859	1,000	199	54	32	28	118	111	n.a	n.a	n.a	n.a	n.a
<b>Assistance to Religious Places</b>															
Water for Religious Places	30	46	144	42	46	49	47	50	50	n.a	n.a	n.a	n.a	n.a	n.a
<b>Losses of Public Enterprises</b>															
Petroleum (Ceylon Petroleum Corporation)	n.a	11,085	7,717	20,295	85,165	89,656	7,969	n.a	19,468	69,620	n.a	106,143	11,836	2,371	82,208
Kerosene	259	357	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	14,735	7,697	n.a	n.a
Electricity (Ceylon Electricity Board)	22,314	33,870	7,440	n.a	19,266	61,164	n.a	15,737	n.a	14,499	49,231	28,865	85,309	60,433	21,450
Water	1,278	2,915	1,417	5,955	n.a	578	n.a	n.a	252	2,977	738	517	1,111	643	2,997
Railway	4,298	4,553	4,768	3,173	4,060	3,796	5,163	11,034	7,714	6,773	7,595	n.a	n.a	n.a	n.a
Sri Lanka Transport Board	2,312	6,261	8,026	827	3,307	4,287	4,333	6,351	5,229	3,617	n.a	1,295	1,890	2,105	3,143
<b>Transport Facilities</b>															
SLTB Transport Facilities – Uneconomical Routes	3,159	3,736	2,332	2,460	1,922	2,184	2,335	4,770	4,975	4,999	5,000	5,004	5,500	6,000	5,300
Transportation Facilities for Armed Forces	n.a	200	598	208	257	182	169	276	300	289	321	219	262	218	142
<b>Common Facilities</b>															
Street Lighting	1,000	1,300	204	360	123	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	25	6
<b>Total</b>	83,520	133,829	106,941	103,489	198,751	255,421	117,063	159,037	228,766	272,686	243,425	336,692	324,308	326,761	340,326

Sources : Department of National Budget, Department of Treasury Operations and Department of Public Enterprises

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

n.a. – not available

Table 32 | Tourism

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Tourist Arrivals by Country of Nationality</b>	No.	494,008	438,475	447,890	654,476	855,975	1,005,605	1,274,593	1,527,153	1,798,380	2,050,832	2,116,407	2,333,796	1,913,702	507,704	194,495
North America		28,338	23,203	25,044	40,552	53,658	59,236	65,616	72,653	91,956	98,376	105,297	129,492	119,681	31,617	11,281
Latin America & the Caribbean		4,104	3,721	666	594	1,167	1,626	3,166	3,202	5,698	5,625	5,560	8,134	7,742	226	478
Western Europe		195,813	165,822	170,186	255,172	320,431	373,063	421,037	498,758	599,415	643,333	680,901	840,956	690,716	157,375	27,269
Eastern Europe		25,485	29,352	26,177	35,630	51,922	72,401	125,695	141,984	125,284	161,171	161,967	176,905	196,856	124,221	66,227
Middle East		13,587	16,701	23,821	37,501	36,376	56,169	80,509	88,654	101,676	107,635	95,581	71,636	44,143	10,231	4,452
Africa		2,991	2,354	1,591	2,249	6,736	5,045	8,081	10,674	14,473	12,144	12,703	14,873	15,094	2,880	862
Asia		200,697	175,944	174,382	245,753	334,274	380,289	509,653	640,045	787,483	938,697	962,395	966,731	734,056	158,448	79,159
Australasia		22,993	21,378	26,023	37,025	51,411	57,776	60,836	71,183	72,395	83,851	92,003	125,069	105,414	22,706	4,767
<b>Tourist Arrivals by Purpose of Visit *</b>	No.															
Leisure		331,238	321,079	358,188	516,538	687,830	748,436	915,158	1,037,644	1,198,240	1,710,027	1,744,149	1,979,819	1,592,212	444,328	151,803
Private & Official Business		52,116	37,261	38,473	83,270	68,436	90,040	67,553	4,616	6,705	37,121	77,086	76,702	70,269	13,946	4,619
Convention & Meetings		7,620	5,867	6,262	6,350	14,681	22,220	26,766	4,495	5,240	16,652	27,455	29,048	18,865	5,750	1,006
Visiting Friends & Relations		40,968	36,304	23,122	35,386	70,531	117,520	164,422	419,266	458,411	236,127	237,874	223,916	200,496	38,650	32,336
Religious & Cultural		13,902	11,523	9,127	5,150	2,321	22,371	65,004	200	1,202	390	281	168	484	53	22
Sports & Health		n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	27,580	22,799	n.a	n.a	n.a
Other		48,164	26,441	12,718	7,782	12,178	5,018	35,689	60,932	128,582	50,515	1,982	1,334	31376 <sup>(b)</sup>	4,969	4,709
Official Tourist Receipts *	USD Mn	384	342	349	575	830	1,038	1,715	2,431	2,981	3,519	3,925	4,381	3,610	682	507
Receipt Per Tourist Per Day *	USD	79.1	76.7	81.8	88.0	98.0	103.0	156.5	160.8	164.1	168.2	170.1	173.8	181.2	158.1	172.6
Average Duration (Nights)*	No.	10	10	9	10	10	10	9	10	10	10	11	11	10	9	15
<b>Accommodation Capacity Hotels (Classified/ unclassified and Boutique Hotels)</b>	No.															
Rooms		14,604	14,793	14,461	14,714	14,653	15,510	16,223	18,510	19,377	22,336	23,477	24,757	24,831	25,407	25,958
Beds*		27,500	28,698	28,344	28,978	28,844	30,880	32,284	36,883	38,479	45,509	48,550	52,237	52,393	53,269	54,512
Foreign Travel by Sri Lankans (Departures)		862,011	966,337	962,786	1,122,212	1,239,290	1,268,792	1,261,711	1,311,063	1,356,411	1,447,786	1,439,429	1,471,481	1,441,462	305,143	308,976

Table 32 | Tourism contd...

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>(a)</sup>
<b>Revenue from Tourism</b>																
Tourism Development Levy	Rs. Mn	214.3	344.5	405.2	516.9	653.5	809.4	1,044.2	1,005.6	1,014.8	1,276.8	1,541.5	1,482.1	924.2	537.8	829.7
Embarkation Tax on Foreign Tourists	Rs. Mn	741.0	738.8	766.3	1,000.1	1,041.7	1,161.6	1,604.9	1,779.8	1,968.5	2,355.4	2,378.8	2,824.9	2,089.2	489.5	483.9
<b>Museums</b>																
Number of Foreign Visitors		9,040	7,353	10,244	22,061	31,096	37,305	44,751	454,053	558,521	59,982	68,107	8,551	64,877	16,731	2,394
Revenue from Sale of Tickets	Rs. '000	4,190.9	3,340.6	4,636.4	9,868.6	14,200.0	16,842.5	14,982.0	831,587.0	1,011,585	33,636	50,210	76,035	56,472	14,116	1,884
<b>Cultural Triangle</b>																
Number of Foreign Visitors		104,583	112,190	109,404	197,947	239,920	592,980	504,699	627,136	722,676	905,333	978,606	980,096	730,854	185,115	33,390
Revenue from Sale of Tickets	Rs. Mn	279.8	307.5	402.8	743.5	998.2	1,330.7	1,727.0	2,178.0	2,496	3,363.3	3,774.4	4,200.1	3,288.1	830.7	173.0
<b>Zoological Gardens</b>																
Number of Foreign Visitors		155,310	153,934	149,833	249,556	284,898	287,485	305,860	348,842	393,064	415,776	369,685	373,106	226,651	5,058	13,777
Revenue from Sale of Tickets	Rs. Mn	133.1	134.3	201.7	410.1	470.2	480.7	550.9	745.7	813.9	841.1	729.0	698.8	477.8	9.7	25.3
<b>Botanical Gardens</b>																
Number of Foreign Visitors		113,759	117,751	123,425	210,949	237,763	259,572	293,454	345,468	407,553	465,405	440,270	463,695	331,888	93,385	18,412
Revenue from Sale of Tickets	Rs. '000	66,560	69,119	72,267	123,162	253,896	279,045	314,871	369,858	435,151	594,297	640,043	673,428	537,092	181,825	35,785
<b>Wild Life Parks</b>																
Number of Foreign Visitors		58,258	54,323	70,688	143,198	198,536	254,052	325,153	454,053	558,521	783,203	934,633	1,100,435	856,804	219,828	53,519
Revenue from Sale of Tickets	Rs. '000	85,733	84,420	103,993	227,249	301,009	468,098	578,459	831,388	1,011,583	1,445,966	1,730,718	2,138,490	1,827,751	494,987	135,599

Source: Sri Lanka Tourism Development Authority

<sup>(a)</sup> Provisional

<sup>(b)</sup> Including Sports, Health & Ayurvedic

\* Estimated

Note: Since 2014, data on "tourist arrivals by purpose of visit" as per the new classification

Table 33 | Livestock Sector

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Total Livestock Population</b>																
Cattle	No. '000	15,820	16,444	15,591	16,076	16,262	16,191	18,619	18,468	18,542	39,108	43,513	43,279	22,211	25,040	25,117
Buffalo	No. '000	1,223	1,196	1,137	1,170	1,192	1,254	1,169	1,105	1,088	1,366	1,400	1,463	1,086	1,104	1,131
Goat/Sheep	No. '000	319	440	372	423	405	415	381	321	323	426	445	458	298	323	333
Swine	No. '000	405	387	385	381	384	394	341	307	317	470	513	523	325	346	374
Chicken	No. '000	94	89	81	84	82	89	81	105	70	125	155	190	91	93	99
Chicken	No. '000	13,779	14,331	13,615	14,018	14,199	14,039	16,647	16,630	16,744	36,720	41,000	40,645	20,411	24,278	24,311
<b>Total Production</b>																
Milk	Mn Lt.	202	208	233	248	258	299	329	334	374	454	483	495	448	492	513
Chicken meat	t '000	100	103	99	104	117	137	145	150	164	174	201	214	224	216	237
Eggs	Mn	1,252	1,380	1,099	941	1,185	2,279	1,637	1,721	1,899	2,201	2,856	2,853	2,084	2,436	2,935
Mutton	t	1,600	1,400	1,500	1,700	1,790	1,600	1,840	1,340	1,350	1,400	1,740	1,630	1,810	1,960	1,980
Pork	t	11,700	11,100	10,120	10,435	9,800	7,030	7,040	7,080	7,018	7,280	7,890	10,470	9,000	9,000	9,440
<b>Domestic Demand</b>																
<b>Domestic Demand – Milk</b>																
Milk Requirement	Mn. Ltrs per Year	730	738	746	754	767	742	740	938	1,035	1,166	1,207	1,264	1,139	1,157	n.a.
Domestic Production	Mn Ltrs.	202	208	233	248	258	299	329	334	374	454	483	495	448	492	513
Domestic Production / Total Req. Ratio	%	28	28	31	33	34	40	44	36	36	35	40	39	37	36	n.a.
Production Gap	Mn Ltrs.	528	530	513	506	509	443	411	604	632	713	724	769	715	743	n.a.
<b>Domestic Demand – Chicken</b>																
Chicken Requirement	t'000 per year	257	261	261	264	267	260	262	149	165	174	201	214	n.a.	n.a.	n.a.
Domestic Production	t'000	100	103	99	104	117	137	145	150	165	174	201	214	224	216	237
Production Gap	t'000	156	159	162	160	150	122	117	-	-	-	0	0	n.a.	n.a.	n.a.
<b>Domestic Demand – Egg</b>																
Egg Requirement	Mn. per Year	3,665	3,730	3,732	3,769	3,809	3,710	3,738	2,231	2,203	2,201	2,861	2,858	n.a.	n.a.	n.a.
Domestic Production	Mn.	1,252	1,380	1,099	941	1,185	2,279	1,637	1,721	1,899	2,201	2,856	2,853	2,631	2,435	2,935
Production Gap	Mn.	2,413	2,350	2,633	2,828	2,624	1,431	2,101	510	304	0	5	6	n.a.	n.a.	n.a.
<b>Per Capita Availability</b>																
Milk	LME L per Year	10	10	11	12	12	15	16	16	18	21	23	23	21	22	23
Chicken Meat	kg per Year	5	5	5	5	6	7	7	7	8	8	9	10	10	10	11
Eggs	No. per Year	62	68	54	46	82	113	103	108	109	105	133	132	96	111	132
Mutton	kg per Year	0.1	0.1	0.1	0.1	0.1	...	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pork	kg per Year	0.1	0.1	0.1	0.1	0.3	0.4	0.3	0.3	0.3	0.4	0.4	0.5	0.4	0.4	0.4
Beef	kg per Year	1.3	1.1	1.1	1.1	1.7	1.7	1.8	1.6	1.5	1.5	1.4	1.3	1.4	1.3	1.4

Table 33 | Livestock Sector contd...

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>
<b>Imports</b>																
Milk and Milk Products	t	61,242	65,376	63,874	75,483	88,129	83,818	69,452	71,027	86,327	99,593	98,864	104,862	98,838	102,356	88,484
	Rs. Mn	19,306	30,849	18,609	29,029	38,192	39,023	37,572	44,308	34,088	36,338	48,145	54,002	55,647	61,933	63,094
Poultry and Poultry Products	t	1,200	2,617	990	1,236	1,952	845	353	354	592	253	280	301	235	156	84
	Rs. Mn	89	229	85	150	300	148	112	99	129	100	167	162	121	84	65
Mutton and Mutton Products	t	416	293	270	285	169	338	386	350	503	485	545	517	907	933	680
	Rs. Mn	116	93	58	82	73	200	173	166	219	214	236	218	369	423	396
Pork and Pork Products	t	60	38	1	0	0	1	0	3	...	1	50	118	144	84	68
	Rs. Mn	28	21	0	1	0	1	0	1	0	0	31	73	103	55	53
Beef and Beef Products	t	24	30	22	29	61	28	36	36	51	72	151	139	121	81	37
	Rs. Mn	23	26	17	13	52	24	29	29	40	80	141	174	111	65	36

Source: Department of Animal Production and Health, Central Bank of Sri Lanka and Department of Census and Statistics

<sup>(a)</sup> Revised

<sup>(b)</sup> Provisional

n.a. not available

... negligible

Table 34 | Fisheries Sector

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>(a)</sup>	2021 <sup>(c)</sup>
<b>Fishing Fleet Capacity (Total Boats)</b>	No.	<b>38,383</b>	<b>39,049</b>	<b>40,245</b>	<b>48,134</b>	<b>53,476</b>	<b>54,310</b>	<b>52,301</b>	<b>62,524</b>	<b>61,354</b>	<b>68,618</b>	<b>46,890</b>	<b>51,892</b>	<b>48,976</b>	<b>59,376</b>	<b>49,776</b>
High Seas Boats		10	13	19	26	29	130	-	-	1,576	1,455	1,417	1,281	1,189	927	1,194
Multi Day Boats		2,454	2,529	2,604	2,679	3,843	3,950	4,111*	4,447*	3,456	3,833	2,779	4,601	3,696	4,228	4,170
One Day Boats		1,085	1,110	1,135	1,160	1,120	890	802	876	789	835	868	918	948	895	860
Out Board 6--8 m FRP		15,016	15,016	15,016	15,016	22,890	23,160	23,134	23,982	24,882	26,136	22,394	24,132	23,404	24,074	24,389
Motorized Traditional Boats		2,188	2,213	2,238	2,263	2,960	2,340	2,514	2,720	2,179	2,248	2,185	2,206	2,140	2,310	2,398
Non-Motorized Traditional Boats <sup>(b)</sup>		16,640	17,178	18,243	26,000	21,650	22,800	20,566	29,325	26,859	32,291	16,035	17,434	16,312	16,006	15,695
Beach Scene Boats		990	990	990	990	984	1,040	1,174	1,174	1,613	1,820	1,212	1,320	1,287	1,056	1,070
<b>Annual Fish Production</b>	t	<b>291,050</b>	<b>319,120</b>	<b>339,730</b>	<b>384,670</b>	<b>444,830</b>	<b>484,810</b>	<b>512,840</b>	<b>535,050</b>	<b>520,190</b>	<b>530,920</b>	<b>531,310</b>	<b>527,060</b>	<b>505,830</b>	<b>428,740</b>	<b>435,910</b>
Marine Fish Catch		252,670	274,630	293,170	332,260	385,270	417,220	445,930	459,300	452,890	456,990	449,440	439,370	415,490	26,930	331,675
Coastal		150,110	165,320	180,410	202,420	222,350	257,540	267,980	278,850	269,020	274,160	59,720	249,020	242,580	182,560	178,260
Offshore and Deep Sea		102,560	109,310	112,760	129,840	162,920	159,680	177,950	180,450	183,870	182,830	189,720	190,350	172,910	144,370	153,415
Inland and Aquaculture		38,380	44,490	46,560	52,410	59,560	67,590	66,910	75,750	67,300	73,930	81,870	87,690	90,340	101,810	104,235
<b>Fish for Dry or Smoking</b>	t	<b>77,830</b>	<b>93,240</b>	<b>97,690</b>	<b>100,120</b>	<b>112,295</b>	<b>61,320</b>	<b>146,630</b>	<b>157,982</b>	<b>126,390</b>	<b>145,620</b>	<b>138,430</b>	<b>141,080</b>	<b>114,900</b>	<b>132,100</b>	<b>112,630</b>

Source : Ministry of Fisheries and Aquatic Resources

<sup>(a)</sup> Revised

<sup>(b)</sup> from 2014 number of nonmotorized Traditional Boats includes both marine and fresh water driven boats.

<sup>(c)</sup> Provisional

\* Including High Sea Boats



