

ANNUAL REPORT 2022

**Ministry of Finance,
Economic Stabilization
& National Policies**
Sri Lanka





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MINISTRY OF FINANCE, ECONOMIC
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SRI LANKA

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LIST OF ACRONYMS

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

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

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 _{2b}	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

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
PFI	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	Pradeshia 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

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

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 2020 – 2022

	2020	2021	2022 ^(a)		2020	2021	2022 ^(a)
GDP				TOTAL GOVERNMENT DEBT (Rs. Bn)	15,117	17,614	27,492
GDP at Market Price (Rs. Bn)	15,672	17,600	24,148	Total Government Debt (percent of GDP)	96.5	100.1	113.8
GDP at Market Price (USD Bn)	84.6	88.5	77.1	Domestic (percent of GDP)	57.8	63.1	62.3
Per Capita GDP at Market Price (Rs.)	714,975	794,376	1,088,667	Foreign (percent of GDP)	38.6	37.0	51.6
Per Capita GDP at Market Price (USD)	3,858	3,997	3,474	Total Debt Service payments (percent of GDP)	12.4	13.5	12.4
GDP (Growth %)	-4.6	3.5	-7.8	PROVINCIAL BUDGET			
GNP (Growth %)	-4.5	4.0	-8.1	Revenue (Rs. Bn)	52.2	63.9	73.8
Inflation – GDP Implicit Price Deflator (%) 2010=100	3.3	8.5	48.8	Tax Revenue (Rs. Bn)	43.1	55.1	59.9
Inflation – CCPI (%), 2013=100 (Annual Average)	4.6	6.0	46.4	Expenditure (Rs. Bn)	337.0	382.2	392.5
Unemployment (%)	5.5	5.1	4.7	Central Government Transfers (Rs. Bn)	284.8	318.3	318.7
Labour Force Participation Rate (%)	50.6	49.9	49.8	MONETARY SECTOR DEVELOPMENTS			
STRUCTURE OF THE ECONOMY				Narrow Money (Rs. Bn)	1,177	1,460	1,454
Share of GDP (%)				Broad Money (M _{2b}) (Rs. Bn)	9,406	10,647	12,290
Agriculture	7.5	7.3	7.5	Money Growth (M _{2b}) (%)	23.4	13.2	15.4
Industry	29.6	30.2	27.5	ACCESS TO BANKING & FINANCE			
Services	56.9	56.9	60.5	Domestic Commercial Banks	13	13	13
Sectoral Growth (%)				Branches	2,869	2,871	2,878
Agriculture	-0.9	0.9	-4.6	Foreign Commercial Banks	11	11	11
Industry	-5.3	5.7	-16.0	Branches	46	46	46
Services	-1.9	3.5	-2.0	Specialized Banks	6	6	6
EXTERNAL TRADE				Branches	704	705	706
Exports (USD Mn)	10,047	12,499	13,106	ATMs			
Imports (USD Mn)	16,055	20,637	18,291	Domestic Commercial Banks	5,687	5,920	6,152
Trade Balance (USD Mn)	-6,008	-8,139	-5,185	Foreign Commercial Banks	57	52	52
Earnings from Tourism (USD Mn)	682	507	1,136	Specialized Banks	432	466	474
Worker's Remittances (USD Mn)	7,104	5,491	3,789	Insurance Companies	28	27	27
Current Account Balance (USD Mn)	-1,187	-3,284	1,453	Registered Finance Companies	40	39	37
Overall Balance of Payment (USD Mn)	-2,328	-3,967	-2,806	Specialized Leasing Companies	3	3	1
GOVERNMENT FINANCE				Student Savings Units	3,787	3,793	3,794
Revenue and grants (Rs. Bn)	1,373	1,464	2,013	Credit Cards Issued	235,310	285,888	240,653
Tax Revenue (Rs. Bn)	1,217	1,298	1,751	Credit Cards in Use	1,984,525	2,054,985	2,054,896
Non -Tax Revenue (Rs. Bn)	151	159	228	EXCHANGE RATES			
Revenue and grants (USD Mn)	7,402	7,360	6,201	Annual Average			
Tax Revenue (USD Mn)	6,557	6,527	5,396	Rs/USD	185.52	198.88	324.55
Non Tax Revenue (USD Mn)	816	800	703	Rs/SDR	258.61	283.18	431.91
Total Expenditure and Net Lending (Rs. Bn)	3,041	3,522	4,473	NEER (2017=100) (24 – Currency Basket)	85.93	78.64	53.99
Recurrent Expenditure (Rs. Bn)	2,548*	2,748	3,520	REER (2017=100) (24 – Currency Basket)	91.52	83.58	54.33
Capital Expenditure and Net Lending (Rs. Bn)	493*	774	953	Year End			
Current Account Balance / (Percent of GDP)	-7.5	-7.3	-6.4	Rs/USD	186.41	200.43	363.11
Primary Deficit/(percent of GDP)	-4.4	-5.7	-3.7	Rs/SDR	268.48	280.53	483.24
Budget Deficit / (percent of GDP)	-10.6	-11.7	-10.2				
Total Expenditure and Net Lending (USD Mn)	16,392	17,708	13,781				
Recurrent Expenditure (USD Mn)	13,736	13,815	10,845				
Capital Expenditure and Net Lending (USD Mn)	2,655	3,893	2,936				
Budget Deficit (USD Mn)	-8,989	-10,348	-7,580				

(a) Provisional

* Included arrears

n.a. – not available

NEER – Nominal Effective Exchange Rate

REER – Real Effective Exchange Rate

SRI LANKA AT A GLANCE 2020 – 2022

	2020	2021		2022	2023
Duty free items – Raw Materials	4,441	4,454	Duty free items – Raw Materials	4,388	3,722
5% Duty	–	–	10% Duty	480	0
10% Duty	476	476	15% Duty	2,497	526
25% Duty	–	–	20% Duty	0	2,643
15% Duty Intermediate Goods	2,420	2,420	Specific Duty	79	852
30% Duty Luxury Goods & Motor Vehicles	–	–	Specific & Advelorum	398	412
75% Duty Tobacco	–	–			
85% Duty Cigarettes	–	–			
125% Duty Liquor	–	–			
Specific Duty	75	75			
Specific & Advelorum	391	391			
Total	7,803	7,816	Total	7,842	8,155

	2020	2021	2022 ^(a)		2020	2021	2022 ^(a)
SOCIAL DEVELOPMENT				ACCESS TO BASIC INFRASTRUCTURE			
Mid Year Population Growth (%)	0.5	1.1	0.1	Access to Pipe-borne Water (% of Population)	53.1	54.3	60.4
Life Expectancy at Birth (2017)	75.5	75.5	75.5	Access to Safe Drinking Water (% of Population)	93.2	94.4	96.0
Crude Birth Rate (per 1,000 persons)	13.8	12.9	12.4	Telecommunications			
Crude Death Rate (per 1,000 persons)	6.0	7.4	8.1	Fixed Access Services ('000)	2,613	2,852	2,651
Literacy Rate – (%) ^(b)				Cellular Phones (No. of Subscribers ('000)	28,739	29,959	28,838
Average	93	93.3	n.a.	Internet and email Subscribers (Including mobile internet services) ('000)	17,524	22,106	21,668
Male	93.8	94.3	n.a.				
Female	92.2	92.3	n.a.	Postal			
Computer Literacy Rate (%)	32.3	34.3	35.7 ^(c)	Public Post Offices	4,062	4,064	3,995
Dependency Ratio (%)	49.4	49.4	49.4	Private Post Offices	134	130	140
MOTOR VEHICLE IMPORTS				Roads			
Motor Cars	15,785	1,979	291	National Road Length (Km)	12,496	12,537	12,537
Motor Cycles	71,306	1,861	147,962	National Road Density (Km ²)	0.19	0.19	0.19
Three-Wheelers	4,864	2,094	225	Ports			
Tractors	6,560	13,520	4,083	Vessels Arrived	4,337	4,180	4,073
Motor Vehicles for Transport of Goods	6,925	2,067	279	Total Container Traffic ('000 TEUs)	6,855	7,249	6,862
Passenger Van and Buses	470	52	179	Total Cargo Handled ('000 MT) ^(d)	102,908	109,356	100,376
Other	77	259	136	Transshipment Containers Handling ('000 TEUs)	5,765	6,050	5,832
TOTAL VEHICLE STOCK				Production of Agriculture Sector			
Motor Cars	896,885	900,380	901,869	Tea (Mn Kg)	279	299	251
Three-Wheelers	1,182,227	1,184,320	1,184,349	Rubber (Mn Kg)	78	77	71
Motor Cycles	4,819,708	4,827,719	4,836,779	Coconut (Mn Nuts)	2,792	3,120	3,391
Buses	112,583	112,864	113,268	Paddy ('000 MT)	5,121	5,150	3,393
Dual Purpose Vehicles	448,552	449,323	450,090	Fresh Milk (Mn Ltr.)	492	513	506
Motor Vehicles for Transport of Goods	379,441	383,873	385,165	Fish ('000 MT)	429	436	397
Land Vehicles – Tractors	381,626	392,046	396,415				
Land Vehicles – Trailers	74,385	78,729	81,289				
Quadricycle and Motor Home	2,445	2,448	2,989				

(b) Based on Quarterly Labour Force Survey, DCS

(c) During first 06 months

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

SRI LANKA AT A GLANCE 2020 – 2022

	2020	2021	2022 ^(a)		2020	2021	2022 ^(a)
ACCESS TO BASIC NEEDS				PRINT MEDIA			
HEALTH				Newspapers (No.)			
Public Hospitals	609	618	617	Sinhala	122	110	78
Private Hospitals	217	243	250	Tamil	24	42	29
Primary Medical Care Units	514	542	544	English	43	33	35
Beds**	77,121	78,228	78,228	Bilingual/Trilingual	03	01	03
PROFESSIONALS				ELECTRONIC MEDIA			
Doctors**	18,218	20,209	21,045	Television Services			
Nurses**	37,133	39,091	40,775	Government	25	25	25
Attendants	8,177	8,334	8,310	Sinhala	05	05	05
Midwives	n.a.	8,792	8,758	Sinhala	03	03	03
EDUCATION				Tamil	02	02	02
Government				English	–	–	–
Schools	10,155	10,146	10,134	Private	20	20	20
Students ('000)	4,064	4,049	4,024	Sinhala	12	12	12
Teachers	249,494	241,054	n.a.	Tamil	04	04	03
Private				English	04	04	05
Schools	120	123	125	Radio Services			
Students ('000)	139	141.2	141.5	Government	51	51	51
Teachers	8,564***	8,275***	n.a.	Sinhala	14	14	15
Pirivenas				Tamil	07	07	09
Schools	816	819	823	English	05	05	05
Students ('000)	70	70.3	70.5	Private	02	02	01
Teachers	7,336	7,347	n.a.	Sinhala	37	36	36
WOMEN PARTICIPATION				Tamil	20	20	20
Women Population ('000) ^{(e) (f)}	8,951	9,218	9,247	English	07	06	06
Employed Women ('000)	2,568	2,699	2,774	English	10	10	10
Women Participation in the Labour Force (%)	32.0	31.8	32.1	INSTALLED CAPACITY (MW)			
Unemployed Women (%)	8.5	7.9	6.5	Total			
CAPITAL MARKET				Public Sector	4,265	4,186	4,084
Market Capitalization (Rs. Bn)	2,961	5,489	3,847	Hydro Power	2,968	3,040	3,071
Average Daily Turnover (Rs. Mn)	1,899	4,888	2,972	Thermal Power	1,383	1,383	1,413
All Share Price Index (ASPI) 1985=100	6,774	12,226	8,490	Fuel	1,585	1,554	1,554
S&P SL 20 Index (2004 =1,000)	2,638	4,233	2,636	Coal	654	654	654
Market Price Earnings Ratio- End of the Year (%)	11.3	13.6	n.a.	Other	900	900	900
				Private Sector	31	104	104
				Hydro Power	1,297	1,146	1,013
				Thermal Power – Fuel	410	414	414
				Other	614	433	270
					273	299	329
				POVERTY			
				Poverty Head Count Index	14.3(g)	14.3(g)	14.3(g)
				Poverty Gap Index (%)	0.6(g)	0.6(g)	0.6(g)
				Gini Coefficient of Per Capita Expenditure	0.39(g)	0.39(g)	0.39(g)
				Average Daily kilo Calorie Intake	2,120(g)	2,120(g)	2,120(g)

** Government

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

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

(f) 15 years and over population

(g) Based on Household Income and Expenditure Survey (2019), DCS

SRI LANKA AT A GLANCE 2020 – 2023

Government Tax Rate (%)					
	2020	2021	2022		2023
Personal Income Tax Relief	Rs. 3,000,000	Rs. 3,000,000	Rs. 3,000,000	Personal Income Tax Relief	Rs. 1,200,000
Taxable income	Rate (%)	Rate (%)	Rate (%)	Taxable income	Rate (%)
First Rs. 3,000,000	6	6	6	First Rs. 500,000	6
Next Rs. 3,000,000	12	12	12	Next Rs. 500,000	12
Balance	18	18	18	Next Rs. 500,000	18
				Next Rs. 500,000	24
				Next Rs. 500,000	30
				Balance	36

As at end					As at end				
	2020	2021	2022	2023		2020	2021	2022	2023
Corporate Tax (%)					Excise Duty				
			24 (prior to 01.10.2022)		Cigarettes (Rs. Per 1,000)				
Standard Rate	24	24	30 (from 01.10.2022)	30	Length below 60 mm	13,360	6,750	6,750	13,360
Agro – Farming	Exempt	Exempt	Exempt (prior to 01.10.2022)	30	Length 60–67 mm	22,300	28,850	28,850	34,620
IT and Enabled Services	Exempt	Exempt	Exempt (prior to 01.10.2022)	30	Length 67–72 mm	37,650	41,100	41,100	49,320
Manufacturing	18	18	30 (from 01.10.2022)	30	Length 72–84 mm	43,100	46,600	46,600	55,920
Export of goods	14	14	30 (from 01.10.2022)	30	Length Exceeding 84 mm	48,350	51,800	51,800	62,160
Export of services	Exempt	Exempt	Exempt	Exempt					
Liquor & Tobacco	40	40		40					
Value Added Tax (VAT) (%)					Liquor Duty Structure (Rs. Per absolute Liter)				
Standard Rate	8	8	8 (prior to 01.06.2022) 12 (from 01.06.2022) 15 (from 01.09.2022)	15	Coconut Processed/ Molasses Arrack	4,050	4,460	4,460	5,350
Exports	-	-		-	Country Made Foreign Liquor	4,150	4,570	4,570	5,500
Social Security Contribution Levy (SSCL) (%)	-	-	2.5 (from 01.10.2022)	2.5	Malt Liquor (Beer) above 5% in Strength	3,200	3,450	3,450	4,150
Ports and Airports Development Levy (%)	10	10		10	Malt Liquor (Beer) less than 5% in Strength	3,200	3,300	3,300	3,960
Telecommunications Levy (%) (other than Internet)	11.25	11.25		15	Liquor made from any cereal other than toddy	3,200	3,300	3,300	3,960
Share Transaction Levy (%)	0.3	0.3		0.3	Imported Malt Liquor	135	135	135	135
CUSTOMS DUTY (%)					Imported Wine	230	230	230	230
Inputs / Raw Material	0	0		0	Any other imported Liquor	650	650	650	650
Intermediate Goods	10	10		15					
Finished and Luxury Goods	15	15		20					

SOCIAL & ECONOMIC DEVELOPMENT BY INTERNATIONAL RANKING (2022) ^(a)								
Index Name	No of Countries	Sri Lanka	India	Bangladesh	Bhutan	Maldives	Nepal	Pakistan
Prosperity Index	167	91	103	124	N/A	N/A	110	136
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	121	64	107	84	N/A	N/A	81	99
Global Innovation Index	132	85	40	102	N/A	N/A	111	87
Corruption Perception Index	180	101	85	147	25	85	110	140
Doing Business Index (2020)	190	99	63	168	89	147	94	108
World Happiness Index	146	127	136	99	N/A	87	85	103
Economic Freedom Index	176	136	131	123	90	160	142	152



PART I

Macro-Fiscal Perspectives



01

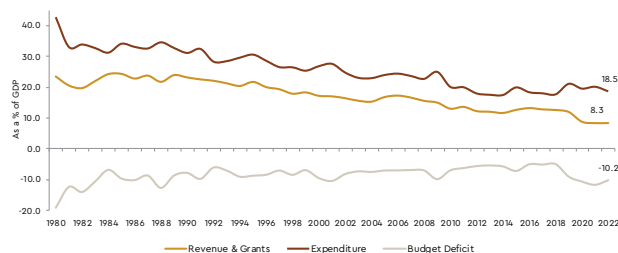
Fiscal Policy,
Strategy and Challenges

1.1 Overview

Sri Lanka experienced a deep, complex and unprecedented economic crisis in 2022. The crisis sent shock waves across the entire nation and the impact of it was felt by all strata of the society, mainly by the poor and the vulnerable. The effects of the crisis were reflected in high double-digit inflation, severe government cash flow constraints, significant currency depreciation, depletion of foreign exchange reserves to a negligible level, and the resultant shortage of essential goods, including fuel, pharmaceuticals, raw materials, and some food items as well as prolonged power cuts. This translated into severe economic hardships for the people and resulted in social unrest and political upheaval. However, the headwinds from the crisis began to abate towards the end of the year due to the corrective measures taken by the government through various reforms and policy interventions.

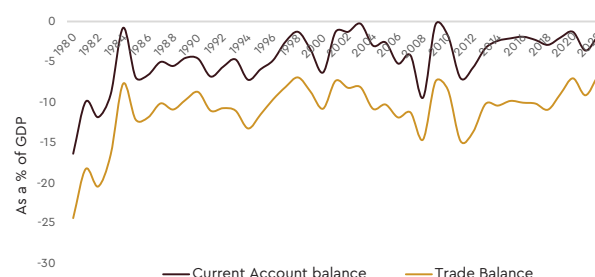
The economic crisis had been a long time in the making. Sri Lanka has been living beyond its means for a prolonged period resulting in twin deficits in the Government budget and the current account of the balance of payments. Persistent fiscal deficits due to low revenue performance and relatively high and rigid recurrent expenditure coupled with sub-optimal efficiency of public investment, resulted in high financing requirements leading to unsustainable levels of debt. Parallel to the fiscal imbalances, Sri Lanka has been experiencing chronic current account deficits in the balance of payments where foreign currency inflows are significantly outpaced by the outflows.

Figure 1.1 | Revenue, Expenditure and Budget Deficit (% of GDP)



Source : Department of Fiscal Policy

Figure 1.2 | Trade Balance and Current Account Balance (% of GDP)



Source : Central Bank of Sri Lanka

Long standing vulnerabilities in the economy were exposed due to ill-timed policy choices and exogenous shocks including the COVID-19 pandemic and the Russia-Ukraine conflict. Significant cuts in direct and indirect taxes and weakening growth led to severe cash flow constraints with Government revenue being grossly inadequate to incur even basic expenditures. Having lost the access to conventional international financial markets, the budget deficit was mainly financed through the borrowings from the Central Bank of Sri Lanka. Further, the fixing of the exchange rate from April 2021 and continued servicing of external debt in spite of losing the access to the international capital markets due to rating downgrades, led to the rapid depletion of usable international reserves. This compelled to an acute foreign currency shortage resulting in the shortage of essential imported goods, pharmaceuticals and inputs for economic activity as well as long power cuts that was particularly experienced since early 2022. Amidst these developments, the Government announced a debt standstill in April 2022, specifically for foreign bilateral and commercial debt, with virtually depleted usable official foreign exchange reserves and in an environment where there was no possibility to make foreign debt service payments.

Inflation increased significantly, peaking at around 70 percent by September 2022 due to the significant depreciation of the exchange rate since early March 2022, global price shocks, domestic supply shortages and the high monetary financing of the Government budget, particularly in 2021.

In April, there were changes in the Government administration after the significant social and political upheaval by March 2022 and the

Government commenced discussions with the International Monetary Fund (IMF) in line with the request it made for an Extended Fund Facility (EFF) in mid-March 2022. Unlike in the past, debt restructuring was also a prerequisite to obtain the assistance from the IMF as Sri Lanka's debt had already been assessed as unsustainable by the IMF.

The Government undertook several reform measures to restore economic stability. From May 2022, tax reforms were initiated including the increase in VAT rates and reduced tax free thresholds, increased telecommunications levy, and amendments to income taxes including corporate and personal income tax rates. At the same time, there were concerted efforts to control government expenditure with a series of circulars issued to restrict spending on non-urgent spending. Due to aggressive revenue measures and expenditure rationalization efforts, the primary deficit as a percentage of GDP reduced to 3.7 percent in 2022 from 5.7 percent in 2021, surpassing the primary deficit target of 4.0 percent of GDP under the IMF-EFF programme. Furthermore, a primary surplus of Rs. 48.3 billion was achieved over the set primary deficit target of Rs. 56 billion the first quarter of 2023. In parallel, utility prices were increased to reflect costs, particularly fuel and electricity. The Central Bank also tightened monetary policy, as a part of the comprehensive effort to restore macroeconomic stability.

A key priority of the Government was to ensure the restoration of liquidity in forex markets to enable sufficient forex to finance a regular supply of essential imports. In addition to the demand management efforts outlined above, the Government also implemented temporary restrictions on non-essential imports, margin requirements, and restrictions on certain forms of payments such as open account payments. These measures along with the gradual restoration of confidence resulted in increased foreign exchange inflows through formal channels which improved foreign exchange liquidity in the banking system and the gradual restoration of availability of imports. Through the course of the year, queues for gas and fuel were eliminated and power outages gradually reduced.

Sri Lanka's key bilateral and multilateral development partners played a crucial role in facing the crisis by providing timely financial assistance and re-purposing the funds earmarked for long term projects to finance essential imports such as fuel, fertiliser and pharmaceuticals and to support social protection requirements. The restoration of fertiliser supply was particularly important given the high levels of food inflation and potential food insecurity due to the rise of global food prices associated with the Russia-Ukraine conflict. With fertiliser supply being restored, it was possible to ensure an improved harvest by early 2023 and food inflation has reduced dramatically as a result.

The support of multilateral financing institutions was particularly important at a time where there was no foreign financing available to fund the budget, resulting in significant cash flow pressure for the Government. Given the excessive reliance on domestic financing, a large component of this has to be provided by the Central Bank in the form of inflationary monetary financing. A key priority of the Government has been to improve fiscal performance through revenue based fiscal consolidation efforts so as to eliminate the need for monetary financing. In fact, with the proposed new Central Bank Bill monetary financing will be prohibited by law. However, given the legacy rigidities in Government expenditure, weak Government revenue, high domestic interest rates, lack of foreign financing, and volatile Government securities auctions, the phasing out of Government financing creates significant pressure on Government cash flow management.

The combined impacts of the economic crisis and the challenges associated with the reform programme have created significant economic stress on the entire population but particularly the poor and vulnerable groups. To address this, the Government immediately increased the allocations of social protection spending for vulnerable communities supported by the financing of development partners. Furthermore, the existing targeting mechanisms for social protection have inherent weaknesses and are characterized by significant inclusion and exclusion errors. To address this, the Government undertook a major reform of

the welfare delivery system with the support of the World Bank. A new beneficiary selection mechanism based on objective and transparent criteria to identify the poor has been developed and welfare benefits will be distributed based on this new criteria effective from July 1st 2023.

It was also necessary to ensure the stability of the financial system considering the volatility created by the economic crisis and debt restructuring process. Towards this end, the Government and Central Bank have made it a priority to ensure the stability of the financial system in all measures relating to debt restructuring and economic stabilisation. The Central Bank took early steps to assess banking asset quality, capitalization, and liquidity positions. Proactive measures will be put in place to ensure capitalization and liquidity remain above mandatory levels and that the financial system remains well positioned to support the economic recovery.

Whilst the immediate focus is on restoring economic stability, the Government is also cognizant of the need to set the foundation for economic growth. Towards this end, numerous reforms are being put in place to address inefficiencies in factor markets including land,

labour, and capital. Enhancing female labour force participation, amending archaic labour laws, freeing up land for investment, and restructuring state owned enterprises are just some of the broad reform measures. Whilst fiscal consolidation is a priority, the Government will prioritise public investment in education, health, public transport, and digitalisation.

Based on the reform agenda described above, the Government reached a Staff Level Agreement with the IMF in September 2022. With the financial assurances received from the bilateral creditors, the IMF Board approved a 48-month extended arrangement under the EFF of SDR 2.286 billion (about USD 3 billion) to support Sri Lanka's economic policies and reforms on March 20, 2023. The approval of the EFF programme was an important step in the efforts to overcome the economic crisis as it helped to improve confidence in the economy while supporting efforts to obtain financing from other international financial institutions. The economy is beginning to see the benefits of these reform initiatives as inflation is stabilizing, the currency is appreciating, and economic activity is gradually recovering. However, it is essential that the country continued on this reform paths, and any deviation risks a return to the turbulent conditions experienced less than a year ago.

Box 1.1 | The 2022 Economic Crisis – Lessons Learned and Way Forward

In 2022, Sri Lanka faced its worst economic crisis since independence which taught a number of critical lessons on economic management. It has also provided an important opportunity for the country to revisit its economic model that has been followed for decades. The crisis shows that there is no room for reliance on populist and unsustainable policies. It has clearly shown the dangers of over reliance on politically and ideologically motivated decisions as opposed to evidence-based decision-making with objective judgment. Unfortunately, Sri Lanka's economic crisis is now being widely pointed to as a textbook case of how an economy should not be managed, given its severity and the detrimental effects it had on the economy and the broader society. Therefore, it is timely to revisit Sri Lanka's economic model and overall economic management strategy as well as political economy issues appropriate to face the existing economic climate and new realities. The crisis also presents a unique opportunity to implement much-needed but long-delayed reforms to lay the foundation for a strong economy with improved living standards in the future. The Government has provided the Roadmap for this in declaring the target to become an advanced economy by 2048.

The present crisis reflects an accumulation of delayed reform over many years, culminating in more recent ill-timed policy choices. Fiscal and monetary policy that favoured consumption over savings leading to excess import demand, anti-export bias in trade regimes with an over reliance on protectionist trade policy, failure to attract foreign investments due to a lack of a sustainable and credible investment environment, focus on investments in the non-tradable sector, an excessive role of the state in commercial activity and politicization of policy issues such as privatisation, overreliance on the public sector in providing employment, mispricing of key utilities such as energy, reluctance to implement necessary but perhaps unpopular reforms in a timely and consistent manner, and stop-go type policies under the previous IMF programmes, are among the key areas of the protracted policy inadequacy.

The adverse economic situation that had been created by early 2022, mainly due to the ill-timed policy choices stemming from serious governance lapses and lack of proactiveness led to the worst economic crisis experienced in post-independence history. The economy had fully exhausted its buffers by early 2022 as it was affected by a myriad of vulnerabilities that emanated from both global and domestic sources. The extreme fuel and cooking gas shortages, long power outages, significant currency depreciation, near hyperinflation situation, and shortage of other essential items including medicines, due largely to a shortage of foreign exchange, are testimony to this. Monetary financing reached exceptionally high levels without any policy effort to address the underlying causes of the unfavourable fiscal situation. The country's usable foreign exchange reserves declined to an almost negligible level with no actionable steps to avoid the crisis or communicate the extent of the crisis to the general public until the shortages of essential imported items reached a critical level leading to public protests. Attempts to obtain some foreign assistance as a last resort were too little too late and proved to be unsuccessful. Considering the unfavourable trends, particularly since mid-2021, had the corrective economic policy measures been taken well in advance, including seeking the assistance of the International Monetary Fund (IMF), the situation could have been managed better and the worst outcomes of the crisis could have been mitigated. In fact, there were numerous forecasts and debates on the potential economic crisis, both officially and publicly, which went ignored until it was too late. The failure to adopt a more inclusive and transparent economic policy structure is another important learning from this crisis. The ultimate result of this economic mismanagement was that the entire population of the country had to go through unprecedented difficulties, including the loss of several lives due to long queues for essential items, and millions of people entering poverty and vulnerable economic status.

Box 1.1 | The 2022 Economic Crisis – Lessons Learned and Way Forward contd...

Hence, it is important that all stakeholders understand the underlying causes of Sri Lanka's economic crisis and every effort must be made to ensure right decision making models are followed in the future to avoid another crisis in the future. The crisis also raises important concerns about responsible economic management, particularly the fiscal and monetary affairs of the country, requiring appropriate accountability mechanisms to be put in place.

As Sri Lanka moved towards the brink of economic catastrophe following the above developments, social upheaval erupted by early April 2022 and significant changes took place in the administration. The key priority was to provide essential items, including fuel, cooking gas, and other essentials such as pharmaceuticals. After a series of negotiations, the Government came to a staff level agreement with the IMF while commencing the debt restructuring process to obtain financing assurances. The reform programme agreed upon between the Government and IMF entailed a series of adjustments, particularly on fiscal measures, utility prices, and price stability. With the strong support received from key creditors by financial assurances, the IMF programme was approved by its Executive Board on 20 March 2023. This four year USD 3 billion Extended Fund Facility (EFF) programme expects to address the twin imbalances of Sri Lanka's economy, the fiscal deficit and the current account deficit in the balance of payments. The ambitious EFF program is envisaged to restore macroeconomic stability and debt sustainability, to set the foundation for sustainable and equitable economic growth. The EFF programme has a value beyond the USD 3 billion financing as it involves additional financing from other IFIs, and more importantly it anchors credibility in Sri Lanka's economic reform programme which is directly linked to addressing deep rooted economic issues in the country.

With the economic policies and measures implemented since the second quarter of 2022, the economy has shown signs of stabilization. The restoration of the supply of essential items, along with tough but essential policy measures, including the revisions in the tax structure, strong expenditure management initiatives, monetary policy tightening and allowing the exchange rate to be determined based on the market conditions and supply side improvements have helped to achieve this favourable development. Nevertheless, continuous and focused attempts, particularly on the fiscal policy front, are essential to entrench stability and to sustain this improvement. The improved revenue generation has become the key to addressing fiscal issues given the structural limitations in the expenditure side of the budget. With the recent revision of tax rates, efforts are being intensified to widen the tax base and implement a system to efficiently collect taxes. It is critical for Sri Lanka to efficiently manage its expenses, considering the limited fiscal space available in the current context. This involves prioritizing spending on essential services such as healthcare, education, and critical infrastructure while cutting back on non-essential expenses. There is no room for ostentation given the serious issues in the fiscal sector and hence managing public finances with utmost care and with strong discipline has become more important than ever. Fiscal discipline is particularly important given that funds are provided at a very high cost (of around 25 percent) considering the limitations in foreign financing. The ongoing reforms of the State Owned Enterprises (SOEs) are also a part of this reform process to prepare the country to face unfolding realities and reduce the burden on the Treasury and the general public.

Box 1.1 | The 2022 Economic Crisis – Lessons Learned and Way Forward contd...

Looking beyond the economic stabilization and debt restructuring strategy, it is important to take this crisis as an opportunity to transform the economy, and to face the complex and multifaceted demands forged by rapid digitalization, automation, artificial intelligence, and adverse developments such as climate change and population ageing. While the IMF programme will help reestablish economic stability, it will not be a panacea for all the ills faced by the country. Hence, policies that would go beyond the IMF-EFF programme are essential. The new policies that are to be presented in the near future will include reforms for the modernization of agriculture, education, health services, public services, international relations and defence, factor market reforms (labour laws, land laws, and new laws and institutions to promote investment), greater international economic integration (promotion of external trade, tourism and investment), SOEs reforms (new laws for SOE restructuring and Public Private Partnership (PPP) programme), institutional and legal reforms, SME development and digitalization. Measures will be put in place to improve trade integration and to better align with global trends in manufacturing, such as value chain integration. In this process, special attention will be paid to efficient financial control, anti-corruption measures, improved governance and adherence to the rule of law for the country. These are policy reforms that need to be implemented irrespective of the implementation of an IMF programme. These reforms will be submitted to Parliament for debate and approval, where necessary.

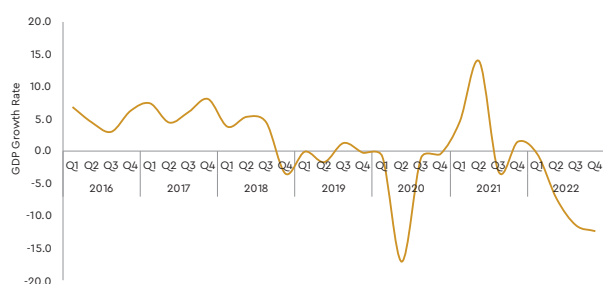
The ongoing reforms to improve competitiveness, maintain macro-fiscal stability and strengthen institutions will pave the way for robust economic growth, job creation and poverty reduction. Accordingly, based on the features indicated above, a highly competitive, export oriented and environmentally friendly new economic model will be founded by giving priority to equitable, sustainable initiatives and digitalization. It is expected to bring about a high, sustainable and job-rich growth trajectory in the medium to long term by opening up the economy for enhanced exports and private investments. This will be further strengthened with the expected enhanced economic integration with South and East Asia, Regional Comprehensive Economic Partnership Agreement (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in general and larger trading partners in particular. Specific attention will be paid to benefitting from the growth in Asia in the decades to come.

Continuous efforts are essential to consolidate stability while implementing measures to address structural bottlenecks that hinder the economic growth process of the country as indicated above. The completion of the debt restructuring process will provide additional impetus to undertake these difficult efforts. At the same time, it is critically important to understand that any attempt to change the direction of the economy without a proper, convincing and implementable alternative, and merely based on politically motivated rhetoric will only deteriorate the situation and create further distresses for the already weak economy. Hence, the country needs to successfully pursue the intended fundamental framework of economic policies by learning from past ill-timed policy choices for a more sustained recovery. At the same time, a new political framework that addresses the requirement of the commitment to facilitate economic management and reconciliation among the major ethnic groups in the country, leading to a truly collective Sri Lankan identity, is also needed to ensure the success and sustainability of the reform agenda aimed at a high growth trajectory, going forward.

1.2 Economic Conditions of 2022

Amidst the pressures emanating from the economic crisis, Sri Lankan economy contracted by 7.8 percent in 2022 on a year-on-year basis, which is the highest economic contraction ever recorded in the country in its post-independence history. Accordingly, all three sectors of the economy contracted. The Agriculture sector contracted by 4.6 percent owing to the decline in the growing of rice and vegetables, marine fishing, and animal production stemming from the lack of fertilizer, fuel shortages, shortages of animal feed, and surge in cost of raw materials. The Industry sector experienced a major contraction of 16.0 percent that was led by contractions in mining and quarrying activities, construction, and manufacturing. This is attributable to the interrupted power supply, shortage of key raw materials due to the lack of foreign exchange liquidity, high input prices, and low demand stemming from deterioration in purchasing power. The Services sector also contracted by 2.0 percent with significant contractions recorded in wholesale and retail trade, financial services, and real estate activities.

Figure 1.3 | Quarterly GDP Growth Rate



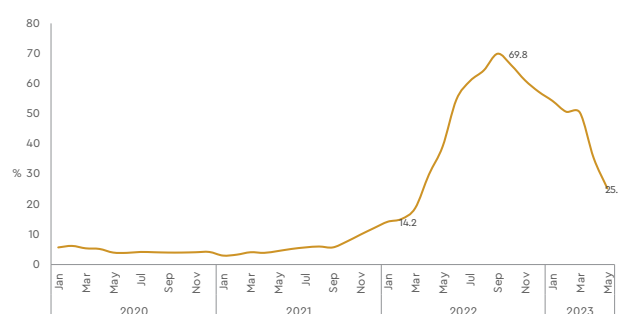
Source : Department of Census and Statistics

However, towards the end of the year, the Government was able to address grave supply-side constraints such as the unavailability of fuel through demand management under the introduction of a QR code mechanism, and introducing cost-reflective pricing. Uninterrupted supply of cooking gas was also restored with support from international partners who repurposed funding pipelines to finance urgent essential import needs. The availability of fuel was ensured due to the specific support received as Line of Credit. In addition, humanitarian support was received from a number of countries. Availability of essential imports such as raw materials was also

improved towards the latter part of the year with policy interventions taken to prioritize essential imports to minimize foreign exchange outflows.

In 2022, inflation increased to historically high levels, with a sharp acceleration of price levels between March and September. Inflation as measured by Colombo Consumer Price Index (CCPI, 2013=100) increased from 18.7 percent in March 2022 up to 69.8 percent in September 2022 on a year-on-year basis. As a measure to curb high inflation, policy rates were increased by 700 basis points in April 2022, by 100 basis points in July 2022, and further by 100 basis points in March 2023 to 15.50–16.50 percent. Reflecting the considerable tightening of monetary policy and fiscal policy measures, inflation levels decelerated from September 2022 until the end of the year with 57.2 percent recorded in December 2022. By May 2023, inflation as measured by the CCPI (2021=100) decelerated to 25.2 percent.

Figure 1.4 | Monthly Movements of Inflation - Colombo Consumer Price Index



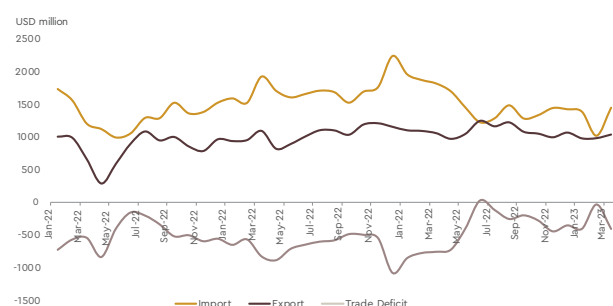
Source : Department of Census and Statistics

Note: 2020 January-2023 January based on CCPI (2013=100) and 2023 February-May based on CCPI (2021=100)

The external sector underwent a tumultuous period in 2022 with significant strains on the Balance of Payments (BOP), severely depleted usable foreign exchange reserves, and significant depreciation of the currency. The fiscal and monetary policy tightening measures coupled with temporary import restrictions and cost-reflective utility pricing resulted in the contraction of the trade deficit and enabled an improvement in the current account balance supported by improved remittances and earnings from tourism.

The trade deficit narrowed to USD 5.2 billion in 2022 from USD 8.1 billion recorded in 2021. Sri Lankan exports grew significantly in 2022 to USD 13.1 billion from USD 12.5 billion in 2021 benefiting largely from the growth in industrial exports such as apparel, whereas imports plummeted to USD 18.3 billion in 2022 from USD 20.6 billion in 2021. A surplus was recorded in trade in services with the increase in earnings from tourism to USD 1,136 million in 2022 with 719,978 tourist arrivals from USD 507 million with 194,495 tourist arrivals recorded in 2021 marking a 124.2 percent increase. However, workers' remittances have declined by 31.0 percent to USD 3,789 million in 2022 from USD 5,491 million in 2021. However, there was a notable recovery of remittances in the latter part of 2022 and continuing in 2023.

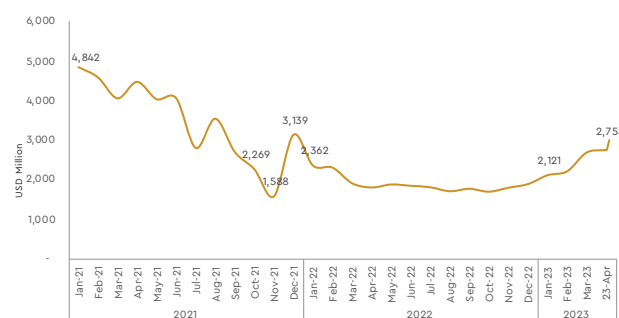
Figure 1.5 | Developments in the Trade Balance



Source : Central Bank of Sri Lanka

Gross Official Reserves (GOR) significantly reduced by December 2022 to USD 1.9 billion (including the swap facility from the People's Bank of China, equivalent to around USD 1.4 billion, which is subject to conditions of usability) compared to USD 3.1 billion at the end December 2021. The decline in the GOR can be attributable to foreign currency debt service payments in early 2022 prior to the announcement of the suspension of servicing selected external debt by the Government on April 12, 2022, and provision of foreign exchange liquidity on a net basis to facilitate essential imports by the Central Bank of Sri Lanka.

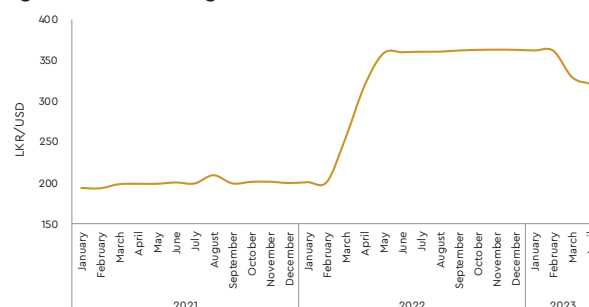
Figure 1.6 | Gross Official Reserves



Source : Central Bank of Sri Lanka

The historically largest depreciation of the Sri Lanka Rupee was recorded in the first half of 2022 as the Rupee depreciated by 41.4 percent against the US Dollar by the end of April 2022 from the range of Rs. 200–203 per US dollar during early 2022. However, the rupee stabilized around the guidance band introduced in May 2022 and only recorded a marginal depreciation until the end of December 2022. In addition, a notable appreciation of the Sri Lankan Rupee was recorded in early March 2023 with the lowering of mandatory forex sales requirements from the conversion of export proceeds and workers' remittances, steady inflows to the services sector, increased inflow of workers' remittances and financial flows to portfolio investments and increase of market confidence with the finalization of the IMF-EFF arrangement.

Figure 1.7 | Exchange Rate Movements

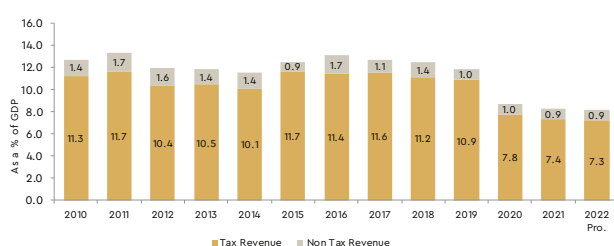


Source : Central Bank of Sri Lanka

1.3 Fiscal Performance

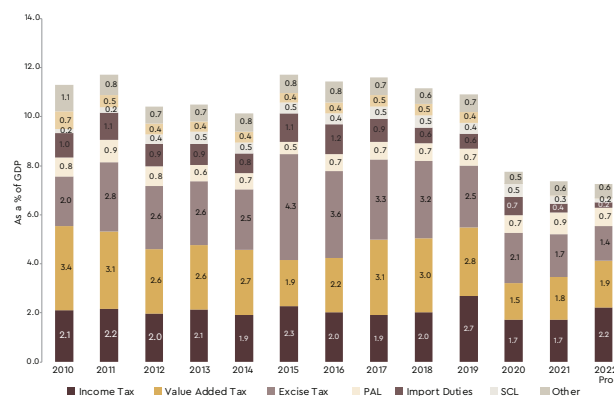
Government fiscal operations were severely constrained by early 2022. However, with the introduction of several tax policy measures including the introduction of Surcharge Tax which was levied as a one-off tax, the increase of VAT rate on Financial Services from 15 percent to 18 percent effective from January 2022, the increase of general VAT rate from 8 to 12 percent effective from June 1, 2022 and further to 15 percent effective from September 1, 2022, imposition of Social Security Contribution Levy effective from October 1, 2022 coupled with the impact on revenue from high inflation and depreciation, the total revenue and grants increased by 37.5 percent in 2022 to Rs. 2,012.6 billion from Rs. 1,463.8 billion in 2021. This increase was driven by a significant increase of revenue from income taxes by 76.8 percent to Rs. 534.0 billion in 2022 compared to 2021 with revenue receipts of Rs. 120.7 billion from the Surcharge Tax. Revenue from taxes on goods and services increased by 35.6 percent to Rs. 876.0 billion, whereas taxes on external trade yielded a revenue of Rs. 341.1 billion which marks a decline of 2.5 percent from Rs. 349.8 billion recorded in 2021. Non-tax revenue amounted to Rs. 228.0 billion in 2022, while Rs. 33.4 billion was received as grants.

Figure 1.8 | Government Revenue (% of GDP)



Source : Department of Fiscal Policy

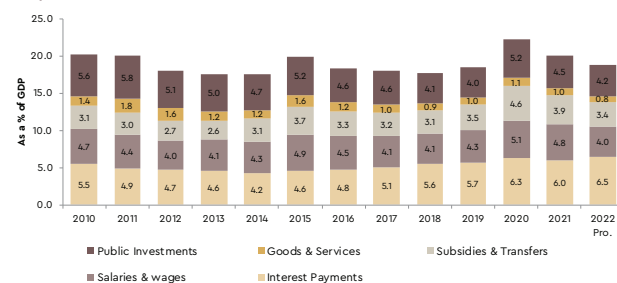
Figure 1.9 | Major Components of Tax Revenue (% of GDP)



Source : Department of Fiscal Policy

Government expenditure also increased by 27.0 percent Rs. 4,472.6 billion in 2022 compared to Rs. 3,521.7 billion recorded in 2021. As annual average inflation at nearly 50 percent outpaced growth in expenditure, Government expenditure was significantly curtailed in real terms. Recurrent expenditure increased by 28.1 percent to Rs. 3,519.6 billion in 2022 from Rs. 2,747.5 billion in 2021. This was primarily led by the increase in interest payments by 49.3 percent to Rs. 1,565.2 billion from Rs. 1,048.4 billion. Expenditure on subsidies and transfers increased by 19.1 percent to Rs. 815.4 billion in 2022 from Rs. 684.5 billion in 2021 due to increased welfare payments granted in light of the economic hardships faced by the most vulnerable. Expenditure on salaries and wages also increased by 13.1 percent to Rs. 956.2 billion in 2022 compared to Rs. 845.7 billion in 2021. Even amidst the high inflationary environment, expenditure on goods and services has only slightly increased by 8.2 percent to Rs. 182.9 billion compared to Rs. 169.0 billion recorded in 2021, reflecting stringent expenditure control measures adopted by the Government.

Figure 1.10 | Major Components of Government Expenditure (% of GDP)



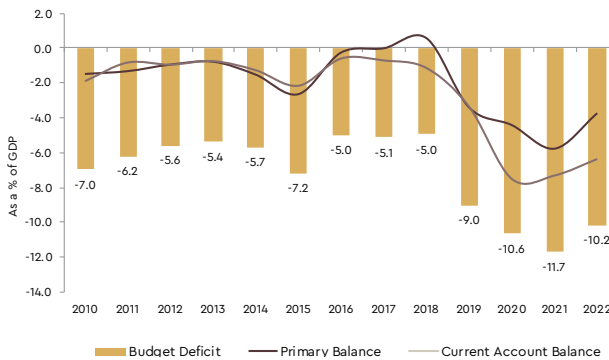
Source : Department of Fiscal Policy

Although, the budget deficit in nominal terms increased to Rs. 2,460.0 billion in 2022, compared to Rs. 2,057.9 billion recorded in 2021, the budget deficit as a percentage of GDP reduced to 10.2 percent of GDP from 11.7 percent of GDP in 2021. Furthermore, the primary deficit declined in nominal terms to Rs. 894.8 billion in 2022 from Rs. 1,009.5 billion in 2021.

Primary deficit target under the IMF programme was Rs. 954 billion for 2022 (4.0 percent of GDP), however, a primary deficit of Rs. 894.8 billion (3.7 of GDP) was achieved with the revenue measures introduced in 2022. The

primary deficit would have reduced by a further 1.0 percent of GDP if the Ceylon Petroleum Corporation had been able to repay its obligations to the General Treasury on agreed time. The significant over performance in terms of fiscal outcomes in 2022 is a reflection of the focused policy measures towards inculcating discipline in the fiscal sector.

Figure 1.11 | Major Fiscal Balances (% of GDP)

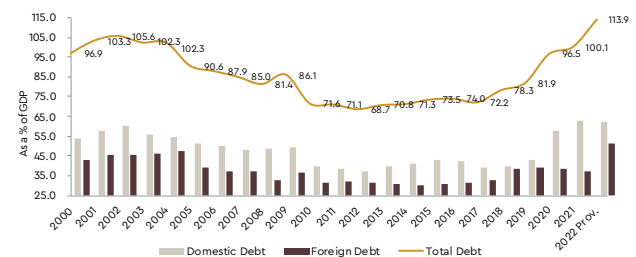


Source : Department of Fiscal Policy

In spite of the material progress in fiscal outcomes, financing the budget deficit and Treasury cash flow management have been major challenges in 2022. Since the country lost the access to global capital markets in early 2020, the budget deficit was financed mostly by domestic sources including a significant component of inflationary monetary financing. The Government is now in the process of phasing out monetary financing and as a result the budget deficit has to be financed by domestic market borrowings,

stretching the limited capacity of the Treasury Bond and Bill markets. Government revenues significantly exceeded by mandatory recurrent expenditure including public sector salaries, pensions, interest costs, and welfare payments. Therefore, in the absence of foreign borrowings, curtailed monetary financing, and volatile domestic Treasury auctions, Treasury's cash flow management has been exceptionally challenging. Cash flow has been managed through extreme diligence in releasing funds only for essential expenditure, whilst also minimizing arrears. The limited instances of monetary financing in recent months have been only to meet outstanding debt service obligations. The difficulties in Treasury cash flow management are expected to ease once foreign financing channels are restored gradually, debt restructuring is completed, interest costs abate, and regular subscription of Treasury securities auctions is maintained.

Figure 1.12 | Outstanding Central Government Debt (% of GDP)



Source : Central Bank of Sri Lanka

Table 1.1 | Government Fiscal Operations ^(a)

	(Rs. Bn)		(% of GDP)	
	2021 Actual	2022 Provisional	2021 Actual	2022 Provisional
Revenue & Grants	1,464	2,013	8.3	8.3
Revenue	1,457	1,979	8.3	8.2
Tax Revenue	1,298	1,751	7.4	7.3
Income Tax	302	534	1.7	2.2
Taxes on Goods & Services	646	876	3.7	3.6
Taxes on External Trade	350	341	2.0	1.4
Non-Tax Revenue	159	228	0.9	0.9
Grants	7	33	0.04	0.1
Expenditure	3,522	4,473	20.0	18.5
Recurrent Expenditure	2,748	3,520	15.6	14.6
Salaries & Wages	846	956	4.8	4.0
Goods & Services	169	183	1.0	0.8
Interest	1,048	1,565	6.0	6.5
Subsidies & Transfers	685	815	3.9	3.4
Capital Expenditure and Net Lending	774	953	4.4	3.9
Public Investments	790	1014	4.5	4.2
Other	-15	-61	-0.1	-0.3
Current Account Balance	-1,290	-1,540	-7.3	-6.4
Primary Balance	-1,010	-895	-5.7	-3.7
Overall Fiscal Balance (Budget Deficit)	-2,058	-2,460	-11.7	-10.2
Deficit Financing	2,058	2,460	11.7	10.2
Foreign Financing (Net)	-14	425	-0.1	1.8
Domestic Financing (Net)	2,072	2,035	11.8	8.4

Source: Department of Fiscal Policy

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

1.4 Reform Initiatives in 2022

The year 2022 was a watershed year which provided the impetus for the Government to recognize the structural weaknesses and policy mismatches in the economy and to embark on a comprehensive reform agenda covering all sectors of the economy.

Fiscal weaknesses have been a major driver of Sri Lanka's macroeconomic volatility, and thus fiscal reforms feature prominently in the Government's economic reform agenda. Accordingly, the Government embarked on a series of extensive reforms focusing on primarily revenue-based fiscal consolidation since June 2022. This includes raising Value Added Tax (VAT) rate from 8 percent to 12 percent with effect from June 1, 2022, and further increasing the rate up to 15 percent effective from September 1, 2022.

In addition, with amendments approved to the Inland Revenue Act, No. 24 of 2017, and Value Added Tax, No. 14 of 2002 in December 2022, a host of other reforms pertaining to income tax and VAT have come into effect. The Personal Income Tax (PIT) structure has been made more progressive by widening the tax base with a reduced relief of Rs. 1.2 million from Rs. 3 million with effect from January 1, 2023. In addition, tax rates have been increased to rise by 6 percentage points for every Rs. 500,000 per annum up to a top rate of 36 percent from the previous structure where tax rates rose by 6 percentage points each for every Rs. 3 million up to a top rate of 18 percent. Further, a unified Corporate Income Tax rate of 30 percent has been introduced with the removal of all sector-specific exemptions and concessionary rates with effect from October 1, 2022. The revenue base for VAT has been widened with the lowering of the VAT registration threshold from Rs. 300 million per annum to Rs. 80 million per annum with effect from October 1, 2022.

Apart from the above-mentioned reforms that have been implemented at the time of the compilation of this report, further tax reforms are planned with regard to further removal of unproductive exemptions with regard to VAT, phasing out of para tariffs and strengthened tax administration as announced in the Budget 2023.

Along with the revenue enhancement measures, significant measures were taken to rationalize expenditure by suspending non-essential recruitments and postponing non-priority expenditure in Government institutions as well as in State Owned Enterprises (SOEs). A number of circulars in this regard were issued by the Ministry of Finance, Economic Stabilization, and National Policies to guide spending agencies on ways to curtail expenditure. However, key expenditure requirements especially with regard to healthcare, education, and social protection were not curtailed by the Government.

Along with the significant reforms in the fiscal sector, substantive action has been taken to restore price stability, strengthen external policy buffers, and initiate essential legislative and institutional reforms to restore macroeconomic stability. Policy interest rate hikes and enhanced communication efforts have helped re-anchor inflation expectations to a considerable extent and inflation is now on a clear downward path. The resulting enhanced confidence enabled foreign currency inflows to revert to formal channels and improve forex liquidity in the banking system. Long delayed energy pricing reforms contributed to reduce forex drains and enhance overall demand management efforts in the economy while helping to strengthen the financial position of relevant institutions. In addition, steps have been taken to promote Sri Lanka as a safe and attractive destination for tourism and thereby increase tourist arrivals into the country. The increased non-debt creating inflows from tourism and remittances coupled with an appropriate monetary and fiscal policy mix has enabled an improvement in the current account balance, allowing a recovery in foreign exchange reserves in early 2023.

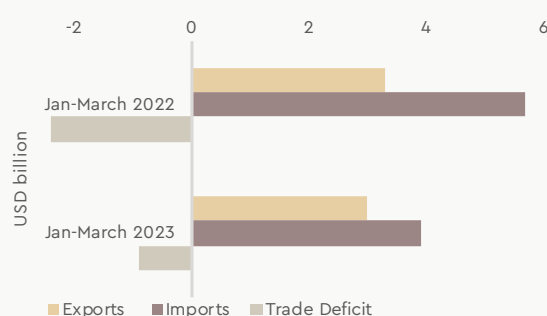
Box 1.2 | Sri Lanka Towards Economic Recovery Path in 2023

Sri Lanka is witnessing a strong and gradual economic recovery compared to the dismal economic conditions experienced in 2022. In 2022, the real economy contracted by 7.8 percent which was lesser than the anticipated contraction of 8.7 percent. In 2023, the economy is expected to recover but will be contracted by around 2.0 to 3.0 percent reflecting the domestic and global headwinds. The real economy is evolving and pressure exerted on the reserves, inflation and exchange rate has reduced in the first four months of 2023. Recovery in earnings from tourism, workers' remittances, import compression and foreign inflows to domestic Treasury Bills will help strengthen the external sector. Furthermore, tightened monetary policy stance will anchor the ongoing disinflation process. Expected financial assistance from the World Bank and Asian Development Bank, among others and the second tranche of the International Monetary Fund (IMF) will cushion the pressure on the budget while strengthening the reserve position.

Headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index (CCPI, 2013=100) which surged to 69.8 percent in September 2022 from 12.1 percent in December 2021 declined moderately from then onwards to 57.2 percent in December 2022. As measured by the year-on-year change in the CCPI (2021=100), the disinflation continued during 2023 and decelerated sharply to 25.2 percent in May 2023.

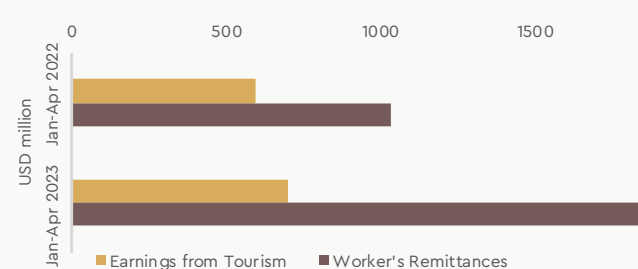
The external sector shows signs of improvement in the first quarter of 2023. The merchandise trade deficit has notably declined to USD 0.9 billion in the first quarter of 2023 compared to USD 2.4 billion in the first quarter of 2022. Earnings from exports declined by 7.9 percent to USD 3.0 billion in the first quarter of 2023 compared to USD 3.3 billion recorded in 2022. The expenditure on imports also dropped substantially by 31.7 percent to USD 3.9 billion in the first quarter of 2023 compared to USD 5.7 billion recorded in the first quarter of 2022. This is primarily attributable to the decline in imports of fuel, machinery and equipment, textiles and textile articles, building material, base metals and cereals and milling industry products. In addition, earnings from tourism increased by 17.8 percent to USD 696.3 million in January-April 2023 compared to USD 591.0 million recorded in the same period of 2022. Further, inflows from workers' remittances increased substantially by 81.0 percent to USD 1,867.2 million in January-April 2023 compared to USD 1,031.5 million recorded in the corresponding period in 2022.

Figure 1 | Merchandise Trade Balance 2023 Q1



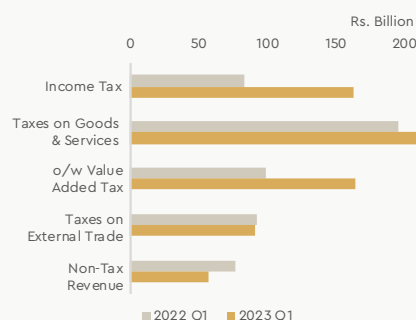
Sources: Central Bank of Sri Lanka

Figure 2 | Key External Inflows 2023 Jan - April

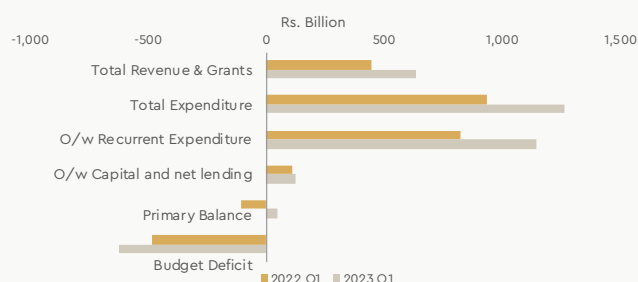


Sources: Central Bank of Sri Lanka

With the aggressive revenue enhancement measures implemented since June 2022, the Government revenue increased by 42.1 percent in the first quarter of 2023 to Rs. 635.3 billion from Rs. 446.9 billion in the first quarter of 2022. Revenue from income taxes nearly doubled to Rs. 161.8 billion in the first quarter of 2023 compared to Rs. 82.8 billion recorded in the same period of 2022. Revenue from taxes on goods and services also increased by 66.9 percent to Rs. 325.8 billion from Rs. 195.2 billion benefiting from the increase in VAT revenue of Rs. 163.7 billion and receipts from the newly introduced Social Security Contribution Levy amounting to Rs. 51.2 billion. However, revenue from excise duty on motor vehicles, CESS levy and Special Commodity Levy (SCL) was subdued in the first quarter of 2023 due to the import compressions.

Box 1.2 | Sri Lanka Towards Economic Recovery Path in 2023 contd...**Figure 3 | Comparison of Revenue Performance 2022-2023 Q1**

Source : Department of Fiscal Policy

Figure 4 | Government Fiscal Operations 2022-2023 Q1

Source : Department of Fiscal Policy

However, total expenditure also increased to Rs. 1,260.0 billion in the first quarter of 2023 which marks a 35.3 percent increase compared to Rs. 931.2 billion in the first quarter of 2022 mainly driven by the increase in interest payments by 77.6 percent to Rs. 673.1 billion from Rs. 379.0 billion. The expenditure on goods and services also increased by 43.6 percent to Rs. 53.0 billion from Rs. 36.9 billion. With the enhanced social safety net programme, the expenditure on subsidies and transfers increased by 10.2 percent to Rs. 185.8 billion from Rs. 168.6 billion. However, the expenditure on salaries and wages fell by 3.5 percent to Rs. 228.3 billion from Rs. 236.5 billion due to the suspension of new recruitments and increased retirements. Expenditure arrears for bills more than 3 months has become zero and social spending for Samurdhi and other categorical expenditures of assistance to the elderly, allowances for disabled people and financial support for kidney patients increased nearly to Rs. 35 billion in the first quarter of 2023.

Benefiting from the cost-reflective prices on fuel, Ceylon Petroleum Corporation (CPC) recorded a profit of Rs. 29.7 billion in the first quarter of 2023. However, Ceylon Electricity Board (CEB) recorded a loss of Rs. 34.4 billion in the first quarter of 2023 as the cost-reflective pricing mechanism was implemented only in mid-February 2023. A comprehensive strategy will be introduced to strengthen the balance sheets of CPC, CEB, SriLankan Airlines (SLA) and Road Development Authority (RDA).

With the enhanced revenue collection coupled with the slight increase in primary expenditure (total expenditure excluding interest payments) by 6.3 percent, the Government overperformed the indicative target set under the IMF-EFF programme on the Government primary balance floor with a primary surplus of Rs. 48.3 billion over the set primary deficit target of Rs. 56 billion. However, revenue enhancement measures together with the strengthening tax administration including strict enforcement measures with swift implementation of planned and new revenue measures are prerequisites to achieve the annual revenue target.

1.5 Fiscal Strategy in the Medium Term

The Medium-Term Fiscal Outlook is anchored around the following:

- Achieving government revenue as a percentage of GDP of over 15 percent in 2026 and beyond;
- Rationalizing Government expenditure and maintaining recurrent expenditure at around 15 percent of GDP;
- Gradually increasing and maintaining public investment at over 4 percent of GDP from 2024 and beyond;
- Containing budget deficits gradually to be less than 5 percent of GDP from 2025 and beyond; and
- Achieving a primary surplus of over 0.8 percent in 2024 and maintaining a primary surplus of over 2.3 percent in 2025 and beyond.

Table 1.2 I Medium Term Macro-Fiscal Framework from 2023–2027

as a percentage of GDP

Indicator	2022	Estimate	Projections			
	Provisional	2023	2024	2025	2026	2027
Total Revenue and Grants	8.3	11.3	13.3	14.9	15.0	15.1
Total Revenue	8.2	11.3	13.3	14.9	15.0	15.1
Tax Revenue	7.3	10.4	12.4	14.0	14.1	14.2
Income Taxes	2.2	3.0	3.0	3.0	3.0	3.0
Taxes on Goods and Services	3.6	5.9	7.3	8.8	8.9	8.9
Taxes on External Trade	1.4	1.5	2.0	2.1	2.2	2.2
Non-Tax Revenue	0.9	0.9	0.9	0.9	0.9	1.0
Grants	0.14	0.02	0.00	0.00	0.00	0.00
Total Expenditure	18.5	19.3	19.7	19.9	19.9	19.6
Recurrent Expenditure	14.6	15.3	15.3	15.5	15.4	15.1
Salaries and Wages	4.0	3.3	3.6	3.6	3.6	3.6
Goods and Services	0.8	1.0	1.0	1.0	1.0	1.0
Interest	6.5	7.3	7.2	7.3	7.1	6.8
Subsidies & Transfers	3.4	3.7	3.6	3.6	3.7	3.7
Capital Expenditure and Net Lending	3.9	4.0	4.3	4.4	4.4	4.5
Public Investments	4.2	4.0	4.3	4.4	4.4	4.5
Current Account Balance	-6.4	-4.0	-2.0	-0.6	-0.4	0.0
Primary Balance	-3.7	-0.7	0.8	2.3	2.3	2.3
Budget Deficit	-10.2	-8.0	-6.4	-5.0	-4.8	-4.5

Sources : Department of Fiscal Policy, Department of National Budget and International Monetary Fund (IMF) Programme Parameters

This Medium-Term Macro-Fiscal Framework has taken into account the fiscal targets under the IMF-EFF programme, significant revenue enhancement and expenditure rationalization measures that were already implemented and further measures to be implemented in the coming years.

Tax Reforms

Major tax reforms to be implemented in the coming years:

- Start estimating and publishing the direct costs imposed by tax incentives granted under the Strategic Development Projects and Board of Investment Acts by January 1, 2024.
- Revamp the VAT system by abolishing the vast majority of exemptions by January 1, 2024 which will be front loaded in 2023 to fill the revenue gap.

- Take measures to significantly speed up valid VAT refunds and abolish the SVAT system by January 1, 2024.
- Introduce automatic indexation of excises to inflation by January 1, 2024.
- Introduce a nationwide real property tax including a review of related fiscal transfers, requesting technical assistance as needed by January 1, 2025.
- Introduce a gift and inheritance tax with a tax-free allowance and minimal exemptions by January 1, 2025.

Tax Administration Reforms

The Government has focused on further strengthening tax administration to complement the revenue enhancement measures.

Under the Inland Revenue (Amendment) Act, No 04 of 2023, notable measures were taken to enhance the tax administration with legal provisions to make electronic tax filing mandatory for non-corporate taxpayers, streamline the refund process, discourage cash transactions and obligate key institutions to submit taxpayer transaction information at the individual level to the Inland Revenue Department (IRD).

In addition, a number of tax administration strengthening reforms are to be implemented in the coming years in order to simplify and digitize the tax system, increase tax compliance, and reduce leakages of tax revenue.

- Open a tax file for everyone over 18 years.
- Strengthen the digitalization efforts at major revenue agencies and address deficiencies identified
- Phase out para-tariffs/levies
 - o Elimination of CESS Levy on a phased basis in three years commencing January 1, 2023. Preliminary steps have been taken in this regard by reducing CESS rates applicable to all liable items by 25–30 percent effective from March 29, 2023.
 - o Phasing out of Ports and Airports Development Levy in five years. Preliminary steps have been taken in this regard by removing PAL applicable to 1,631 HS codes (tariff items) effective from April 4, 2023.
 - o Revision of current rates of Customs Import Duty upwards from 0%; 10%; and 15% to 0%; 15%; and 20% to accommodate the proposed phasing out of para-tariffs / levies effective from March 29, 2023.
- Introduce Key Performance Indicators (KPIs) for the revenue collecting agencies
- Introduce a charter covering the rights and obligations of taxpayers
- Appoint a Tax Ombudsman to address the concern of taxpayers
- Introduction of legislative amendments to improve the efficiency of tax collection at the Departments of Excise and Customs.
- Implement a tax audit and a verification programme.

Reforms in State-Owned Enterprises

In 2022, significant measures were taken to reduce the net burden posed by State Owned Enterprises (SOEs) on Sri Lanka's public finances. A SOE Restructuring Unit has been set up to drive the restructuring of key SOEs. In addition, a cost-recovery pricing mechanism has been adopted for fuel and electricity under the IMF-EFF programme where prices are continuously adjusted on a monthly basis for fuel and a semi-annual basis for electricity.

In addition, significant structural reforms are to be implemented to strengthen the governance of SOEs and to make them financially viable. This includes restructuring of the balance sheets of the CEB, CPC, SriLankan Airlines (SLA), and the Road Development Authority (RDA), ensuring that new SOE borrowing is limited to the financing of commercially viable activities (e.g., investment projects), remunerating subsidies and other quasi-fiscal activities through Government transfers and ensuring that no new borrowing in foreign currency for non-financial SOEs with less than 20 percent of revenues denominated in foreign currency. These SOE reforms are endorsed within the IMF-EFF programme.

Reforms in Public Financial Management

As a major reform under the IMF-EFF programme, a new Public Financial Management (PFM) Act will be enacted in 2024. The new PFM Act will include an overarching legal framework to strengthen the core PFM functions of macro-fiscal analysis and forecasting, fiscal data collection and reporting, fiscal management and budget formulation and execution. The new Act will clearly define the budget formulation process, specify the roles and responsibilities of the Ministry of Finance and spending agencies, and establish information and accountability requirements. The new PFM Act will also replace the current Fiscal Management (Responsibility) Act, No. 03 of 2003 and will encompass a new fiscal rules framework to enhance the discipline in the fiscal operations of the Government with the overall objective of debt reduction and fiscal sustainability.

A Public Debt Management Agency (PDMA) will be established to independently manage the Government's debt operations. The PDMA will have substantial operational freedom and will be responsible for overseeing all aspects of debt management, including making decisions regarding domestic and international financing. Further, the agency will be involved in evaluating all forms of debt, derivatives, and guarantees. Additionally, a Parliament Budget Office will be set up to assist Parliament in the performance of its public finance responsibilities under the Constitution. This includes the implementation and monitoring of national budget proposals, making responsible decisions to maintain a sustainable fiscal position, and allocate public resources effectively. Moreover, several reform initiatives will be implemented to minimize the susceptibility to corruption. These measures include the introduction of comprehensive legislation that aligns with the United Nations Convention against Corruption (UNCAC), decreasing opportunities for corruption by expanding the use of digitalization in key areas such as revenue administration and procurement, and establishing an online platform to enhance transparency.

Reforms in the External Sector

Administrative measures including import restrictions and exchange restrictions that were imposed to support the balance of payments will be gradually eliminated. In addition, steps will be taken to strengthen external inflows to the country through diversification of exports, creation of a one-stop-shop at the Board of Investments (BoI), amalgamation of BoI and Export Development Board (EDB) and creation of a conducive environment to attract FDIs.

Reforms in the Financial and Monetary Sector

The institutional framework in the monetary sector will be further strengthened by providing greater autonomy to the Central Bank of Sri Lanka through a new Central Bank Act, replacing the existing Monetary Law Act. In order to maintain a sound and adequately capitalized banking system, a diagnostic study will be conducted for nine major banks including a comprehensive asset quality review.

Additionally, a new Banking (Special Provisions) Act and amendments to the Banking Act will be enforced to strengthen financial sector supervision. The regulatory and governance framework for state-owned banks will also be improved, while the supervision on smaller-non-bank deposit-takers will be enhanced.

From Stability to Growth

During the last 12 months, there has been significant progress in shifting the economy from a state of near collapse to relative stability. The establishment of an IMF supported reform programme and efforts towards restructuring debt are expected to set the stage for improved credit ratings and restoring capital market access. However, for a sustainable recovery in the long term Sri Lanka will have to improve its non-debt creating inflows (primarily exports of goods and services and FDI) to build up its foreign exchange reserves. Towards this end the Government is resuming engagement with global markets through trade agreements and greater economic integration. Building on progress in negotiations with India, China, and Thailand, Sri Lanka intends to engage with broader regional trading arrangements including Regional Comprehensive Economic Partnership (RCEP). Engaging with such trading institutions will enable the country to connect with regional value chains and become an attractive investment destination with a large effective market.

At the same time, domestic supply capacity must be also addressed. Long term growth can only be established through competition and contestation in markets. Competitiveness of the economy will be enhanced through critical reforms to key factors markets including land, labour, and capital. Measures will be introduced to free up land resources for commercial usage, including investment zones. The institutional framework supporting exports and investment will also be revamped to extract optimal value from the BoI and the EDB through a new institutional mechanism. Labour market reforms will seek to enhance female labour force participation and encourage flexible work, whilst reviewing labour legislation to strike an appropriate balance between the interests of employers and employees.

Whilst market forces will drive economic activity, the Government will ensure modern regulatory frameworks that ensure fair competition and contestation. The policy framework will also ensure that economic activity does not compromise Sri Lanka's natural heritage and bio-diversity, recognising that protecting the latter will have significant

long term economic benefits. The Government will commit to enhanced investment in education, healthcare, social protection, public transportation, and digitisation to deliver efficient public services and ensure social justice. These measures as a whole will be critical for Sri Lanka to embark on a new growth model underpinned by an equitable, sustainable, and digitalised economy.

Box 1.3 | The Economic Reform Programme under the Extended Fund Facility of the International Monetary Fund (IMF-EFF)

The economic crisis, that erupted in early 2022 with the acute depletion of usable official reserves, sharp currency depreciation and the resultant shortage of essential goods including fuel, cooking gas and pharmaceuticals, soaring inflation, severe cash flow constraints of the Government emanated from low Government revenue and high recurrent expenditure, the unstable financial system with the shocks emanating from the fiscal and monetary sectors and social unrest and political upheaval, has prompted the Government to usher much-needed and much-neglected reforms, particularly in the fiscal, monetary, financial and growth enhancing areas. As such, the Government made a formal request for an IMF-backed economic stabilisation programme. Concurrently, the Government announced a debt service standstill in April 2022 and introduced other stabilization measures including addressing the shortage of essentials with the assistance of bilateral development partners. The Government also commenced discussions with creditors in order to restructure the debt to pave the way for a IMF programme and to regain debt sustainability and also hired legal and financial advisors.

After months of negotiations, the Government successfully reached a Staff-Level Agreement (SLA) with the IMF on September 1, 2022 and implemented a series of policy adjustments in line with the SLA. Accordingly, the Government fulfilled nine prior actions as agreed upon.

1. Cabinet approval of revenue measures to support fiscal consolidation during 2023, in line with programme parameters
2. Parliament approval of a revised 2022 budget that is in line with programme parameters
3. Submission to Parliament of the 2023 Appropriation Bill that is in line with programme parameters
4. Cabinet approval to automate monthly retail fuel price adjustment as prescribed by the 2018 fuel pricing formula to achieve cost recovery
5. Cabinet approval to automate semi-annual cost-recovery based electricity price adjustment
6. Cabinet approval of the new Central Bank Act with amendments from the bill submitted to Parliament in November 2019 in consultation with IMF staff
7. Cabinet approval of Banking (Special Provisions) Act to strengthen key elements of the CBSL's crisis management powers of the Central Bank of Sri Lanka (CBSL)
8. Hiring by the CBSL of an independent firm to conduct banking sector diagnostic exercise based on Terms of Reference and timeline established in consultation with IMF staff
9. Increase policy interest rates by 100 basis points to ensure forward-looking real policy rates on a firmly upward path

Box 1.3 | The Economic Reform Programme under the Extended Fund Facility of the International Monetary Fund (IMF-EFF) contd..

In line with the programme parameters, the fiscal operations of the Government in 2022 were guided by the revised budget. Under the revised budget, a primary deficit of Rs. 954 billion or 4.0 percent of GDP was targeted and owing to the aggressive revenue-enhancement measures and expenditure rationalization efforts, a primary deficit of Rs. 894.7 billion or 3.7 percent of GDP was achieved surpassing the target. This would have been further contained to 2.7 percent of GDP if the Ceylon Petroleum Corporation (CPC) could have paid to the Treasury of USD 700 million (approximately Rs. 252 billion) for the fuel imported under the Indian line of credit facility. In addition, a cost-recovery pricing system was adopted for fuel and electricity with continuous formula-based price revisions.

With the completion of the prior actions and receipt of financial assurances from official creditors, the IMF Board approved a 48-month extended arrangement under the EFF of SDR 2.286 billion (around USD 3 billion) on March 20, 2023 to support Sri Lanka's economic policies and reforms. The disbursement of the first tranche of about USD 330 million was taken place immediately following the approval. The programme is designed to restore macroeconomic stability and ensure the sustainability of public debt. It is built upon seven key pillars as given below.

Table 1 | Seven Key Pillars of the IMF-EFF Programme

(1) Revenue Based Fiscal Consolidation
<ul style="list-style-type: none"> • Ambitious and progressive tax reforms • Revenue Administration Reforms • Expenditure Rationalization Measures and preserving priority spending • Enhancing the timeliness, accuracy and coverage of fiscal data • Automatic cost-recovery based pricing for fuel and electricity • Strengthening the governance of State Owned Enterprises (SOEs) and make them financially viable • Strengthening the core Public Financial Management (PFM) functions under a new PFM Act
(2) Stronger Social Safety Nets
<ul style="list-style-type: none"> • Protecting the vulnerable against the impacts of the economic crisis and policy adjustments through strong Social Safety Net (SSN) Programmes • Strengthening the institutional framework to improve the effectiveness and efficiency of SSN Programmes
(3) Sovereign Debt Restructuring Strategy
<ul style="list-style-type: none"> • A debt resolution consistent with the IMF program parameters and a fair and equitable burden sharing among creditors • Establishing a Public Debt Management Agency (PDMA) in line with international best practices • Regularly publishing a quarterly bulletin of public debt and debt service
(4) Restoring price stability and Rebuilding International Reserves
<ul style="list-style-type: none"> • Implementing a multi-pronged disinflation strategy and refrain from monetary financing • Allowing a greater exchange rate flexibility • Strengthening the institutional frameworks supporting flexible inflation targeting and greater exchange rate flexibility. • Phasing out the administrative measures imposed to support the balance of payments

Box 1.3 | The Economic Reform Programme under the Extended Fund Facility of the International Monetary Fund (IMF-EFF) contd..

(5) Safeguarding Financial Stability

- Ensuring a healthy and adequately capitalized banking system and addressing the significant vulnerabilities in the banking system
- Strengthening the frameworks for financial sector supervision and crisis management
- Strengthening the resilience and governance of state-owned banks

(6) Addressing Governance and Corruption Vulnerabilities

- IMF to publish governance diagnostic report which is an in-depth, country-tailored assessment of corruption and governance vulnerabilities
- Enacting a comprehensive piece of legislation that harmonizes anti-corruption legislation with the United Nations Convention against Corruption (UNCAC)
- Improving fiscal transparency by improving the timeliness and accuracy of fiscal data and enhancing debt transparency.

(7) Structural Reforms to Unlock Sri Lanka's growth potential

- Revisiting the 5-year plan for rationalizing remaining para-tariffs developed under the 2016–20 EFF arrangement, aimed at removing an important impediment for foreign investments.
- Implementation of a single window for trade and pursue further trade reforms with technical assistance from development partners.
- Carrying out comprehensive labour market reforms

The programme details a number of policy actions that are to be implemented under specific timelines encompassing the above mentioned 7 pillars. These benchmarks are critical for achieving the goals of the programme and are used as markers to assess programme implementation.

Table 2 | Structural Benchmarks

Fiscal, SOE, and social safety net reforms

Set retail fuel prices to their cost-recovery levels with monthly formula-based adjustments, and compensate the CPC for providing any fuel subsidies with on-budget transfers	Continuous
Adjust the end-user electricity tariff schedule to its cost-recovery level (overall across different types of final consumers) with semi-annual formula-based adjustments on a forward-looking basis in January and July each year (effective from January 1 and July 1, respectively); the CEB submits tariff revision requests to the Public Utility Commission of Sri Lanka by end-October (for January tariff revisions) and by end-April (for July tariff revisions); and compensate the electricity sector for providing any residual subsidies with on-budget transfers	Continuous
Parliamentary approval of the welfare benefit payment scheme and the application of the new eligibility criteria to identify low-income families for receiving welfare benefit payments	End-May 2023
Cabinet approval of a comprehensive strategy (laying out clear timelines and modalities) to restructure the balance sheets of the CEB, CPC, SriLankan Airlines, and the Road Development Authority, in consultation with IMF staff	End-June 2023

Box 1.3 | The Economic Reform Programme under the Extended Fund Facility of the International Monetary Fund (IMF-EFF) contd..

Cabinet approval of revenue measures to support fiscal consolidation during 2024, in line with program parameters	End-July 2023
Completion of the rollout of the Integrated Treasury Management Information System (ITMIS) expanding its coverage to all 220 heads (national budget execution agencies)	End-September 2023
Submission to Parliament for the first reading of the 2024 Appropriation Bill that is in line with program parameters	End-October 2023
Parliamentary approval of the 2024 Appropriation Act and the spending allocations in line with program parameters	End-December 2023
Submission to Parliament of a new PFM law, in consultation with IMF staff, that will authorize the budget formulation process, roles and responsibilities of relevant agencies, and information and accountability requirements	End-December 2023
Improve the Bulk Supply Transaction Account (BSTA) to accurately measure the electricity subsidy, and start using it to determine the cost-recovery based electricity tariff and Government transfer requirement	End-December 2023
Monetary and exchange rate policies	
Parliamentary approval of the new Central Bank Act prepared in consultation with IMF staff	End-April 2023
Financial sector	
Completion of the asset quality review component of bank diagnostic exercise for the two largest state-owned banks and the three largest private sector banks	End-April 2023
Cabinet approval of a full revision of the Banking Act in consultation with IMF staff	End-June 2023
Development by the CBSL of a roadmap for addressing banking system capital and FX liquidity shortfalls and intervening in banks assessed to be non-viable	End-July 2023
Determination by the MOF of the size, timing, instruments, and terms and conditions for potential government recapitalization of viable banks which are unable to close capital shortfalls from private sources	End-October 2023
Parliament approval of a full revision of the Banking Act in consultation with IMF staff	End-December 2023
Governance	
Enact new anti-corruption legislation to harmonize it with the United Nations Convention Against Corruption, pending comprehensive asset recovery provisions, in consultation with IMF staff	End-June 2023
Publication of the report of an IMF-led governance diagnostic technical assistance mission to assess Sri Lanka's anti-corruption framework	End-September 2023

Box 1.3 | The Economic Reform Programme under the Extended Fund Facility of the International Monetary Fund (IMF-EFF) contd..

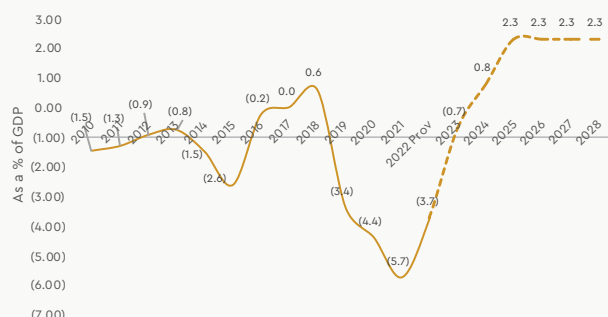
The IMF programme is subject to semi-annual reviews which will review the performance based on a number of criteria established under the Programme.

Table 3 | Monitoring Criteria of the IMF-EFF Programme

Type	Criteria
Quantitative Performance Criteria (QPCs)	<ul style="list-style-type: none"> - Central Government primary balance (floor) - Stock of expenditure arrears of the central Government (ceiling) - Net official international reserves (floor) - Net Credit to the Government (NCG) from the (CBSL) (ceiling)
Continuous Performance Criteria (CPCs) related to external arrears and Article VIII obligations	<ul style="list-style-type: none"> - New external payment arrears of the nonfinancial public sector and the CBSL (ceiling) - Not imposing or intensifying restrictions on the making of payments and transfers for current international transactions - Not introducing or modifying multiple currency practices (MCPs) - Not concluding bilateral payment agreements that are inconsistent with Article VIII of IMF Articles of Agreement - Not imposing or intensifying import restrictions for balance of payments purposes
Monetary Policy Consultation Clause (MPCC)	<ul style="list-style-type: none"> - Monitoring whether year-on-year inflation on specified target dates is consistent with the target bands set under the programme and toward the CBSL's target band of 4–6 percent by end-2024
Indicative Targets (ITs)	<ul style="list-style-type: none"> - Central Government Tax Revenue (floor) - Social Safety Net Spending (floor) - Cost of Non-Commercial Obligations for fuel and Electricity (Net of Government Transfers) (ceiling) - Treasury Guarantees (ceiling)

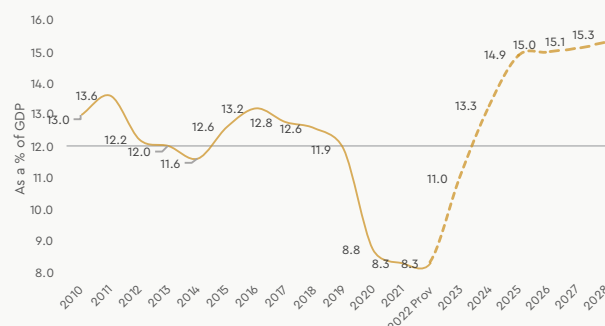
Box 1.3 | The Economic Reform Programme under the Extended Fund Facility (EFF) of the International Monetary Fund (IMF) contd..

Figure 1 | Central Government Primary Balance



Source : Department of Fiscal Policy (2010–2022), IMF Targets (2023–2028)


Figure 2 | Revenue and Grants



Source : Department of Fiscal Policy (2010–2022), IMF Targets (2023–2028)

The successful implementation of the reform policy measures within the designated timeline and focused efforts to meet the mentioned performance criteria throughout the programme will play a vital role in steering Sri Lanka towards economic and debt sustainability. These reforms are indispensable for the economy to overcome its challenges. Moreover, the programme's introduction of robust legal frameworks on public financial management and anti-corruption will promote public accountability and transparency and strengthen governance processes.

Furthermore, the implementation of these measures will restore investor confidence in Sri Lanka and facilitate access to additional financing from development partners, with an estimated budget support of approximately USD 3.75 billion from the World Bank and the Asian Development Bank, including an expected disbursement of USD 900 million in 2023. These avenues for external financing and debt restructuring will help bridge the external financing gap. Additionally, this approach is crucial for bolstering foreign reserves and fortifying the economy against external and internal shocks.



02

Economic
Developments
in 2022

2.1 Overview

In 2022, Sri Lankan economy was saddled with unprecedented challenges embedded with the economic crisis and public and political tensions. The economic growth sharply fell by 7.8 percent in 2022 compared to the 3.5 percent growth witnessed in 2021. The crisis was transformed into long queues for food items and energy including fuel and cooking gas, disruptions in electricity, other essential items including pharmaceuticals and required inputs for the industries due to the total supply side disturbances emanating from the acute foreign exchange shortages. As such, the prices have skyrocketed. Inflation rose to the level of nearly 70 percent in September 2022 which has compelled the Central Bank and the Government to tighten both monetary and fiscal policies to curb inflation through policy rate hikes and to curtail non-essential imports. Such bold measures helped improve the normalization of living conditions and supply-side improvements for the industries.

All sectors of the economy including Agriculture, Industry and Services contracted in 2022 with a sharp contraction in manufacturing, construction, mining and quarrying, marine fishing and marine aquaculture, real estate, insurance and financial services. As a result, the negative growth momentum witnessed during the latter part of 2021 gradually continued until the last quarter of 2022 reflecting the adverse impact of the crisis. The economic contraction of 0.5 percent recorded in the first quarter of 2022 has further deepened to a sharp contraction of 7.4 percent in the second quarter of 2022 mainly due to supply side disruptions including fuel and electricity shortages. The soaring inflationary pressures together with other disturbances have resulted in a negative growth of 11.5 percent in the third quarter of 2022 while the growth further dropped to 12.4 percent in the last quarter of 2022 reflecting the overall weaker demand conditions.

The external sector faced unprecedented vulnerabilities largely due to the pressures on Balance of Payments (BOPs), depletion of Gross Official Reserves (GOR), sharp depreciation of the exchange rate and the shortage of foreign exchange liquidity in the market, among others. However, the lowest merchandise trade deficit since 2010 was recorded in 2022 at USD 5,185 million compared to USD 8,139 million in 2021, with the expansion of earnings from merchandise exports and compression of expenditure on

merchandise imports due to policy measures taken to curtail imports amidst the severe BOP pressures. Earnings from tourism significantly increased by 124.2 percent to USD 1,136 million in 2022 due to high global vaccination rates, increased air connectivity along with the lifting of travel restrictions while workers' remittances declined by 31.0 percent to USD 3,789 million possibly due to the receipt of the remittances to the country through informal channels with the higher rates offered by the grey market. Consequently, the current account deficit in the external sector significantly narrowed to USD 1.5 billion in 2022 compared to USD 3.3 billion in 2021.

Meanwhile, GOR declined to USD 1.90 billion as at end 2022 compared to USD 3.14 billion recorded as at end 2021. This included the swap facility from the People's Bank of China equivalent to around USD 1.43 billion as at end 2022, which is subject to the conditionalities on its usability. However, with the funding assistance under the Extended Fund Facility of the International Monetary Fund (IMF-EFF) arrangement and the purchases of foreign exchange from the market, GOR increased to about USD 2.76 billion by the end April 2023. The Sri Lankan rupee depreciated substantially by 41.4 percent against the USD by end April 2022. However, it appreciated against the USD by 22.9 percent by end May 2023, reflecting the improved market sentiments. GDP was estimated at USD 77.1 billion at current market prices in 2022 compared to USD 88.5 billion in 2021.

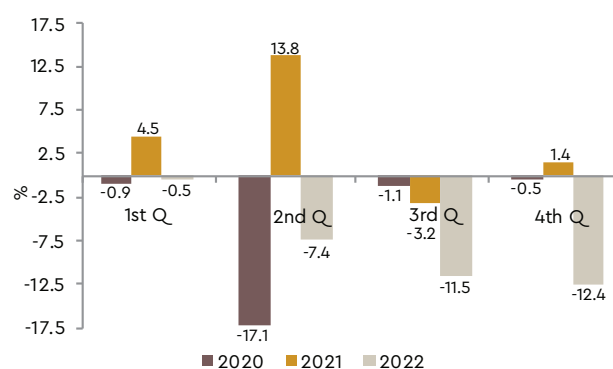
The performance of the equity market was subdued in 2022. The All Share Price Index (ASPI) recorded the historically highest value of 13,462.4 points on January 19, 2022 and dropped to 8,490 points by the end 2022 while the Standard & Poor's Sri Lanka 20 (S&P SL20) Index dropped to 2,636 points by the end 2022. Further, market capitalization declined by 29.9 percent to Rs. 3,847 billion at the end of 2022 from Rs. 5,489 billion at the end 2021.

The total labour force participation rate fell marginally to 49.8 percent in 2022 from 49.9 percent in 2021 reflecting the decline in the labour force together with the increase in the inactive population. However, the unemployment rate dropped to 4.7 percent in 2022 from 5.1 percent in 2021.

Headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index (CCPI, 2013=100) sharply increased to 69.8 percent in September 2022 mainly due to the supply side disruptions, before declining moderately to 57.2 percent in December 2022. The declining trend of headline inflation further continued during 2023 and fell sharply to 25.2 percent (CCPI, 2021=100) in May 2023. As measured by the year-on-year change in the NCPI (2021=100), headline inflation declined sharply to 33.6 percent in April 2023. Meanwhile, year-on-year core inflation as measured by the movements in CCPI (2021=100) dropped to 20.3 percent in May 2023 and year-on-year core inflation as measured by the movements in NCPI (2021=100) declined to 31.8 percent in April 2023.

The Central Bank continued its tight monetary policy stance throughout 2022 along with other supportive policy measures. Accordingly, the Standing Deposit Facility Rate (SDFR) and Standing Lending Facility Rate (SLFR) which were increased by 100 basis points to 14.5 percent and 15.5 percent, respectively on July 07, 2022 were further upwardly adjusted by another 100 basis points to 15.5 percent and 16.5 percent, respectively on March 03, 2023.

Figure 2.1 | Quarterly Growth Rates of GDP



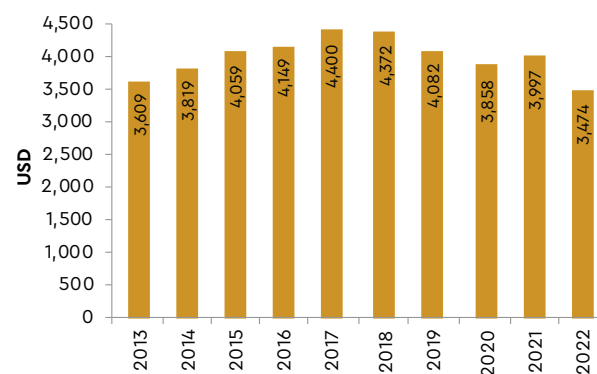
Source: Department of Census and Statistics

Table 2.1 | Sectoral GDP Growth Rates in 2022 (%)

Sector	Q1	Q2	Q3	Q4	Annual
GDP (Nominal)	20.7	40.0	49.8	39.2	37.2
Agriculture	16.0	39.4	49.1	38.9	35.9
Industry	22.1	57.3	55.0	21.7	38.5
Services	21.5	33.5	48.7	49.1	38.4
GDP (Real)	-0.5	-7.4	-11.5	-12.4	-7.8
Agriculture	-4.4	-7.9	-6.7	0.7	-4.6
Industry	-3.7	-10.1	-21.3	-30.1	-16.0
Services	1.8	-1.8	-4.2	-3.9	-2.0

Source: Department of Census and Statistics

Figure 2.2 | Per Capita GDP (USD)



Source: Department of Census and Statistics

2.2 Sri Lankan Economy

The Sri Lankan economy contracted by 7.8 percent in 2022 compared to the forecast of 8.7 percent due to economic and social challenges together with supply side headwinds. However, the unprecedented challenges arising from the crisis were gradually managed by introducing prudent policy measures. Agriculture, Industry and Services sectors contracted in 2022 largely owing to the supply side disruptions, the prolonged energy crisis together with the subdued demand conditions prevailed due to deterioration in purchasing power of the people. Agriculture sector contracted by 4.6 percent in 2022, compared to the marginal growth of 0.9 percent in 2021 as a result of the contraction in sub-sectors including cereals, tea, rice, other beverage crops, vegetables, rubber, marine fishing and animal production. Industry sector contracted significantly by 16.0 percent in 2022 compared to the growth of 5.7 percent recorded in 2021 owing to the contraction of construction activities, mining and quarrying activities and manufacturing activities except for textiles, wearing apparel and leather related products. Services sector, which is the largest sector in the economy with Rs. 7,265 billion in value addition, also contracted by 2.0 percent in 2022 compared to the growth of 3.5 percent recorded in 2021 due to the slowdown in real estate activities, insurance services, financial services, human health activities, professional services, IT programming, programming and broadcasting and wholesale and retail trade activities.

Despite the contraction of the GDP at constant (2015) market prices by historically higher levels, the GDP at current market prices increased

by 37.2 percent to Rs 24,147.7 billion (USD 77.1 billion) in 2022 compared to Rs. 17,600.2 billion (USD 88.5 billion) in 2021 reflecting the impact of increased price levels during the year. Accordingly, GDP per capita declined to USD 3,474 in 2022 from USD 3,997 in 2021.

Investment expenditure grew by 28.4 percent in 2022 mainly due to the notable price hikes of investment goods caused by the shortage in foreign exchange, the sharp depreciation in the local currency and high interest rates. Consumption expenditure comprising of private and government expenditure increased substantially by 34.3 percent in 2022 compared

to the 8.4 percent growth recorded in 2021, reflecting the surge in consumer prices. Net external demand improved significantly by 34.1 percent in 2022 at current market prices, benefiting from the substantial growth of the export of goods and services which surpassed the growth in the import of goods and services during the year. National savings grew by 37.6 percent in 2022, compared to 17.7 percent growth in 2021 while the national savings to GDP ratio improved marginally to 33.1 percent during the year. Further, the national savings-investment gap narrowed in 2022 due to the higher growth in savings compared to the investment.

Table 2.2 | Gross Domestic Product (GDP) at Constant (2015) Market Prices, 2017 to 2022^(a)

Rs. Million

Economic Activity	2017	2018	2019	2020	2021	2022 ^(b)	2020/2021 Change (%)	2021/2022 Change (%)
Agriculture, Forestry and Fishing	889,557	945,292	949,582	941,046	949,929	906,505	0.9	-4.6
1 Growing of Cereals (except rice)	14,371	14,676	13,355	21,342	21,949	17,200	2.8	-21.6
2 Growing of Rice	73,247	106,333	112,919	121,663	107,359	93,377	-11.8	-13.0
3 Growing of Vegetables	104,540	105,072	102,037	111,088	109,147	99,960	-1.7	-8.4
4 Growing of Sugar cane, Tobacco and other non-perennial crops	3,267	3,116	3,275	4,021	3,729	3,797	-7.3	1.8
5 Growing of Fruits	63,514	70,906	77,200	81,823	72,949	73,310	-10.8	0.5
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	85,798	89,706	102,800	92,197	102,490	111,315	11.2	8.6
7 Growing of Tea (Green Leaves)	73,767	75,219	72,733	67,971	73,741	62,005	8.5	-15.9
8 Growing of other beverage crops (Coffee, Cocoa, etc)	1,407	1,748	1,302	1,613	1,352	1,229	-16.2	-9.1
9 Growing of spices, aromatic, drug and pharmaceutical crops	86,727	91,543	90,880	93,776	98,021	101,235	4.5	3.3
10 Growing of Rubber	25,583	26,050	24,029	24,081	25,571	23,863	6.2	-6.7
11 Growing of other perennial crops	26,157	27,185	28,751	29,781	26,963	27,513	-9.5	2.0
12 Animal Production	90,822	94,582	90,284	86,907	94,039	81,874	8.2	-12.9
13 Plant propagation	961	795	772	622	813	881	30.7	8.4
14 Agricultural supporting activities	16,811	23,159	22,969	26,102	29,810	34,202	14.2	14.7
15 Forestry & Logging	51,611	44,606	43,133	42,587	44,440	51,611	4.4	16.1
16 Marine Fishing and Marine Aquaculture	151,558	149,782	141,700	111,307	112,814	95,451	1.4	-15.4
17 Fresh water fishing Fresh water Aquaculture	19,417	20,815	21,444	24,166	24,742	27,682	2.4	11.9
Industries	4,145,813	4,101,467	3,933,728	3,724,566	3,937,880	3,309,764	5.7	-16.0
18 Mining and quarrying	331,386	322,522	318,658	284,079	287,969	198,661	1.4	-31.0
19 Manufacture of food, beverages and Tobacco products	855,603	896,813	929,371	980,863	1,014,150	869,715	3.4	-14.2
20 Manufacture of textiles, wearing apparel and leather related products	441,181	463,618	469,028	416,312	473,911	512,399	13.8	8.1
21 Manufacture of wood and of products of wood and cork, except furniture	38,346	39,879	36,321	32,831	35,579	29,758	8.4	-16.4
22 Manufacture of paper products, printing and reproduction of media products	56,009	57,716	54,064	51,896	56,811	52,069	9.5	-8.3
23 Manufacture of coke and refined petroleum products	21,395	19,846	24,630	22,108	15,492	6,474	-29.9	-58.2
24 Manufacture of chemical products and basic pharmaceutical products	84,781	88,399	90,144	92,157	95,793	82,350	3.9	-14.0

Table 2.2 | Gross Domestic Product (GDP) at Constant (2015) Market Prices, 2017 to 2022^(a) contd...

Rs. Million								
Economic Activity	2017	2018	2019	2020	2021	2022 ^(b)	2020/2021 Change (%)	2021/2022 Change (%)
25 Manufacture of rubber and plastic products	102,246	101,890	98,429	81,182	97,436	67,507	20.0	-30.7
26 Manufacture of other non – metallic mineral products	97,743	102,554	107,062	102,685	119,973	85,188	16.8	-29.0
27 Manufacture of basic metals and fabricated metal products	76,380	84,102	80,312	77,859	81,174	58,781	4.3	-27.6
28 Manufacture of machinery and equipments i.e.	63,885	64,638	66,114	65,187	73,090	59,181	12.1	-19.0
29 Manufacture of furniture	92,650	88,078	95,470	81,651	82,694	60,837	1.3	-26.4
30 Other manufacturing and repair and installation of machinery and equipment	97,692	97,155	96,432	87,586	101,048	79,088	15.4	-21.7
31 Electricity, gas, steam and air conditioning supply	159,607	175,518	184,041	180,176	188,924	177,783	4.9	-5.9
32 Water collection, treatment and supply	18,948	15,857	14,701	15,908	13,083	13,168	-17.8	0.6
33 Sewerage, Waste, treatment, and disposal activities	25,562	27,271	29,253	28,960	27,992	29,088	-3.3	3.9
34 Construction	1,582,397	1,455,612	1,239,700	1,123,127	1,172,761	927,719	4.4	-20.9
Services	6,807,557	7,099,084	7,307,036	7,166,506	7,414,251	7,265,095	3.5	-2.0
35 Wholesale and Retail Trade	1,509,059	1,579,590	1,636,752	1,650,889	1,675,083	1,672,370	1.5	-0.2
36 Transportation of goods and passengers including warehousing	1,342,326	1,370,263	1,398,230	1,313,312	1,325,233	1,372,116	0.9	3.5
37 Postal and courier activities	16,385	16,495	17,099	17,620	18,714	19,780	6.2	5.7
38 Accommodation, Food and beverage service activities	219,701	230,929	216,976	128,556	130,743	166,059	1.7	27.0
39 Programming and broadcasting activities and audio video productions	45,416	40,839	42,752	43,841	42,161	37,510	-3.8	-11.0
40 Telecommunication	79,288	87,840	103,325	118,845	135,663	139,919	14.2	3.1
41 IT programming consultancy and related activities	143,360	158,565	175,634	194,893	243,971	238,455	25.2	-2.3
42 Financial Service Activities Auxiliary financial service	439,437	511,418	510,367	557,357	596,106	530,274	7.0	-11.0
43 Insurance, reinsurance and pension funding	95,004	111,838	120,550	117,595	148,665	78,509	26.4	-47.2
44 Real estate activities, including ownership of dwelling	549,511	580,367	610,231	604,259	630,570	554,473	4.4	-12.1
45 Professional services	271,832	282,095	297,462	287,781	301,890	289,841	4.9	-4.0
46 Public Administration and defence, compulsory social security	589,829	600,932	605,938	616,176	621,834	629,213	0.9	1.2
47 Education	269,953	267,448	283,605	284,751	290,475	301,510	2.0	3.8
48 Human Health Activities, Residential care and social work activities	219,153	228,368	235,136	246,735	260,482	238,638	5.6	-8.4
49 Other personal service activities	1,017,303	1,032,097	1,052,980	983,900	992,662	996,429	0.9	0.4
Gross Value Added (GVA), at basic prices	11,842,927	12,145,843	12,190,346	11,832,118	12,302,060	11,481,364	4.0	-6.7
(+) Taxes less Subsidies on Products	1,093,685	1,089,616	1,015,930	763,432	735,874	536,485	-3.6	-27.1
Gross Domestic Products (GDP), at Constant Market Price	12,936,612	13,235,458	13,206,276	12,595,550	13,037,934	12,017,849	3.5	-7.8

Source: Department of Census and Statistics

^(a) Revised -The data revised on base year 2015 by the Department of Census and Statistics^(b) Provisional

Table 2.3 | Sectoral Distribution of GDP Growth (%) – Constant (2015) Prices ^(a)

Economic Activity	2017	2018	2019	2020	2021	2022 ^(b)
Agriculture, Forestry and Fishing	-1.8	6.3	0.5	-0.9	0.9	-4.6
1 Growing of Cereals (except rice)	-10.0	2.1	-9.0	59.8	2.8	-21.6
2 Growing of Rice	-9.7	45.2	6.2	7.7	-11.8	-13.0
3 Growing of Vegetables	-5.5	0.5	-2.9	8.9	-1.7	-8.4
4 Growing of Sugar Cane, Tobacco and Other non-perennial Crops	-16.1	-4.6	5.1	22.8	-7.3	1.8
5 Growing of Fruits	7.3	11.6	8.9	6.0	-10.8	0.5
6 Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	-17.0	4.6	14.6	-10.3	11.2	8.6
7 Growing of Tea (Green Leaves)	4.4	2.0	-3.3	-6.5	8.5	-15.9
8 Growing of Other Beverage Crops (Coffee, Cocoa, etc)	-5.7	24.2	-25.5	23.9	-16.2	-9.1
9 Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	0.6	5.6	-0.7	3.2	4.5	3.3
10 Growing of Rubber	4.3	1.8	-7.8	0.2	6.2	-6.7
11 Growing of Other Perennial Crops	2.8	3.9	5.8	3.6	-9.5	2.0
12 Animal Production	11.2	4.1	-4.5	-3.7	8.2	-12.9
13 Plant Propagation	13.2	-17.3	-2.9	-19.5	30.8	8.3
14 Agricultural Supporting Activities	-27.4	37.8	-0.8	13.6	14.2	14.7
15 Forestry and Logging	12.0	-13.6	-3.3	-1.3	4.4	16.1
16 Marine Fishing and Marine Aquaculture	-1.7	-1.2	-5.4	-21.4	1.4	-15.4
17 Fresh Water Fishing and Fresh Water Aquaculture	10.7	7.2	3.0	12.7	2.4	11.9
Industries	13.0	-1.1	-4.1	-5.3	5.7	-16.0
18 Mining and Quarrying	11.7	-2.7	-1.2	-10.9	1.4	-31.0
19 Manufacture of Food, Beverages and Tobacco Products	2.1	4.8	3.6	5.5	3.4	-14.2
20 Manufacture of Textiles, Wearing Apparel and Leather related Products	5.3	5.1	1.2	-11.2	13.8	8.1
21 Manufacture of Wood and Products of Wood and Cork, except Furniture	0.0	4.0	-8.9	-9.6	8.4	-16.4
22 Manufacture of Paper Products, Printing and Reproduction of Media Products	5.5	3.0	-6.3	-4.0	9.5	-8.3
23 Manufacture of Coke and Refined Petroleum Products	-3.8	-7.2	24.1	-10.2	29.9	-58.2
24 Manufacture of Chemical Products and Basic Pharmaceutical Products	4.9	4.3	2.0	2.2	3.9	-14.0
25 Manufacture of Rubber and Plastic Products	11.4	-0.3	-3.4	-17.5	20.0	-30.7
26 Manufacture of Other Non-metallic Mineral Products	11.7	4.9	4.4	-4.1	16.8	-29.0
27 Manufacture of Basic Metals and Fabricated Metal Products	15.6	10.1	-4.5	-3.1	4.3	-27.6
28 Manufacture of Machinery and Equipment	10.0	1.2	2.3	-1.4	12.1	-19.0
29 Manufacture of Furniture	1.5	-4.9	8.4	-14.5	1.3	-26.4
30 Other Manufacturing and Repair and Installation of Machinery and Equipment	10.2	-0.6	-0.7	-9.2	15.4	-21.7
31 Electricity, Gas, Steam and Air Conditioning Supply	3.6	10.0	4.9	-2.1	4.9	-5.9
32 Water Collection, Treatment and Supply	6.4	-16.3	-7.3	8.2	-17.8	0.6
33 Sewerage, Waste, Treatment and Disposal Activities	10.2	6.7	7.3	-1.0	-3.3	3.9
34 Construction	27.3	-8.0	-14.8	-9.4	4.4	-20.9
Services	3.6	4.3	2.9	-1.9	3.5	-2.0
35 Wholesale and Retail Trade	3.8	4.7	3.6	0.9	1.5	-0.2
36 Transport of Goods and Passenger including Warehousing	3.3	2.1	2.0	-6.1	0.9	3.5
37 Postal Courier Activities	2.7	0.7	3.7	3.0	6.2	5.7
38 Accommodation, Food and Beverage Service Activities	3.1	5.1	-6.0	40.8	1.7	27.0
39 Programming and Broadcasting Activities and Audio Video Productions	-0.7	-10.1	4.7	2.5	-3.8	-11.0
40 Telecommunication	12.1	10.8	17.6	15.0	14.2	3.1
41 IT Programming Consultancy and Related Activities	14.8	10.6	10.8	11.0	25.2	-2.3
42 Financial Service Activities and Auxiliary Financial Services	8.4	16.4	-0.2	9.2	7.0	-11.0
43 Insurance, Reinsurance and Pension Funding	3.4	17.7	7.8	-2.5	26.4	-47.2
44 Real Estate Activities, Including Ownership of Dwelling	7.3	5.6	5.1	-1.0	4.4	-12.1
45 Professional Services	1.9	3.8	5.4	-3.3	4.9	-4.0
46 Public Administration and Defence; Compulsory Social Security	-4.3	1.9	0.8	1.7	0.9	1.2
47 Education	5.3	-0.9	6.0	0.4	2.0	3.8
48 Human Health Activities, Residential Care and Social Work Activities	5.6	4.2	3.0	4.9	5.6	-8.4
49 Other Personal Service Activities	2.9	1.5	2.0	-6.6	0.9	-0.4
Gross Value Added (GVA), at Basic Prices	6.3	2.6	0.4	-2.9	4.0	-6.7
(+) Taxes less Subsidies on Products	8.6	-0.4	-6.8	-24.9	-3.6	-27.1
Gross Domestic Products (GDP), at Constant Market Price	6.5	2.3	-0.2	-4.6	3.5	-7.8

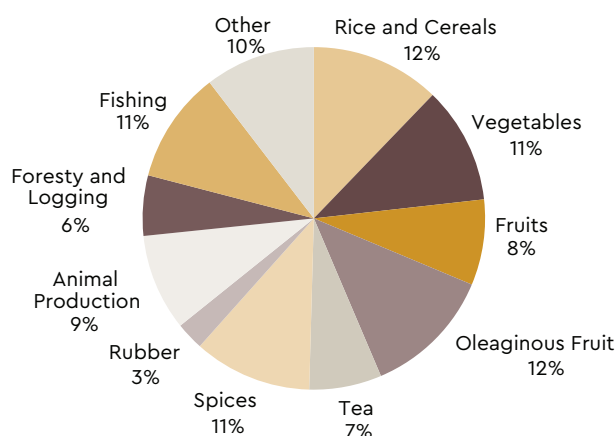
Source : Department of Census and Statistics

^(a) Revised -The data revised on base year 2015 by the Department of Census and Statistic^(b) Provisional

Agriculture Sector

In value added terms, agriculture sector contracted by 4.6 percent in 2022 compared to the growth of 0.9 percent recorded in 2021. This was mainly due to the contraction of agricultural activities such as growing of cereals, tea, rice, other beverage crops, vegetables, rubber, marine fishing and marine aquaculture and animal production. Shortages of fertilizers and agrochemicals, substantial increase in production cost and disruptions in fuel supply hindered the overall performance of the agriculture sector. However, activities such as forestry and logging, fresh water fishing and fresh water aquaculture, growing of oleaginous fruits, spices, aromatic, drug and pharmaceutical crops and other perennial crops recorded positive growth in 2022.

Figure 2.3 | Agriculture Sector Composition – 2022



Source: Department of Census and Statistics

Paddy

Following the bumper harvest of 5.15 million metric tons in 2021, annual paddy production contracted by 34.1 percent to 3.39 million metric tons in 2022 recording its lowest annual production since 2017. This was driven by the combined outcome of a 36.9 percent drop in paddy harvest in the 2021/22 Maha season and a 30.0 percent drop in the 2022 Yala harvest. The consequences of the ban on the importation of inorganic fertilizers and other agrochemicals which was lifted during the latter part of 2021 together with the lack of foreign exchange to import required fertilizers, resulted severe fertilizer shortages causing a significant impact

on paddy production. The net land extent harvested during the year declined slightly by 1.1 percent to 1,114,246 hectares in 2022 from 1,126,605 hectares in 2021. The average yield of paddy declined to 3,045 kgs per hectare in 2022, compared to 4,571 kgs per hectare, recorded in 2021.

The rice production equivalent to the total paddy production of 2022 was around 2.1 million metric tons which was only sufficient to cater the household demand of rice for 11 months. Therefore, the Government imported 783,420 metric tons of rice during 2022 to meet the domestic rice requirement and to ease the price pressure exerted from the rice shortages. However, considering the availability of rice in the latter part of the year, importation of rice was banned from December 09, 2022 except for a few varieties.

In order to ensure reasonable price for the paddy farmers while maintaining continuous supply to the market, the Government Paddy Purchasing Programme was continued and guaranteed prices were imposed on paddy. The guaranteed prices for a kg of Samba, Nadu and Keeri Samba paddy were Rs. 92.00, Rs. 90.00 and Rs. 95.00, respectively, during the 2021/22 Maha season and the Paddy Marketing Board (PMB) purchased 71,280 metric tons of paddy during the season. Due to further increase in cost of production of paddy during the year, the guaranteed prices for a kg of Samba, Nadu and Keeri Samba paddy were increased to Rs. 125.00, Rs. 120.00 and Rs. 130.00, respectively, in the 2022 Yala season. However, due to lack of funding availability, the PMB was only able to purchase 7,076 metric tons of paddy in the Yala season.

Increased cost of production along with the drop in paddy production also resulted higher prices of rice during 2022. Accordingly, the average retail prices of Samba and Nadu were at Rs. 209.19 per kg and Rs. 213.36 per kg, respectively, in 2022. In order to stabilize retail prices of rice in the market, the Government imposed Maximum Retail Prices (MRPs) for Nadu, Samba and Keeri Samba at Rs. 220.00, Rs. 230.00 and Rs. 260.00 per kg, respectively from May 02, 2022. With the intention to provide relief for the most vulnerable sectors, the Government purchased Nadu paddy from

farmers at Rs. 100.00 per kg during 2022/23 Maha season to distribute 10 kgs of rice per month for low-income families.

Tea

In value-added terms, the tea sub-sector declined by 15.9 percent in 2022, compared to the growth of 8.5 percent in 2021. The tea production declined by 16.0 percent to 251.5 million kg in 2022, compared to 299.5 million kg in 2021 mainly due to the lagged effect of acute shortages of fertilizers and agrochemicals.

Tea prices at the Colombo Tea Auction (CTA) reached the historically highest level on average, by 105.2 percent to Rs. 1,270.50 per kg in 2022 from Rs. 619.15 per kg recorded in 2021. The average export price (FOB) of tea increased by 78.5 percent to Rs. 1,643.11 per kg in 2022 from Rs. 920.76 per kg in 2021, while the average export price (FOB) of tea in USD terms increased by 8.7 percent to USD 5.03 per kg during 2022 compared to USD 4.63 per kg in 2021. The increase in average tea prices during 2022 was partly attributable to the decline in the quantity supplied to the CTA amidst the decline in local production, while the depreciation of the Sri Lanka rupee also contributed to the price hike in rupee terms.

Rubber

In value-added terms, the rubber sub-sector contracted by 6.7 percent in 2022, compared to the growth of 6.2 percent in 2021 owing to the adverse weather conditions in rubber plantation areas, fertilizer shortages and the spread of the Pestalotiopsis disease. Accordingly, total rubber production declined by 7.8 percent to 70.9 million kg in 2022 from 76.9 million kg in 2021. Domestic raw rubber consumption by the industrial sector also declined by 12.4 percent to 117.3 million kg in 2022 from 133.9 million kg in 2021 partly due to the decline in demand for medical gloves in both domestic and global markets as the COVID-19 pandemic faded away.

The prices of most varieties of rubber at the Colombo Rubber Auction (CRA) reached historically high levels in the first half of 2022 due to the increased demand in global market. However, during the latter part of the year, rubber prices declined due to the weaker demand for rubber-based products in both domestic and global markets. Accordingly, the average FOB price of rubber increased merely to USD 2.73 per kg in 2022 from USD 2.72 per kg in 2021.

Coconut

The coconut production increased by 8.7 percent to 3,391 million nuts in 2022 recording the highest ever annual production from 3,120 million nuts in 2021 supported by the favourable weather conditions prevailed in coconut cultivation areas. These favourable effects offset the adverse impact of limited application of chemical fertilizer during the year. As such, some of the coconut related industries have also been benefited; desiccated coconut production increased by 5.2 percent to 35,030 metric tons in 2022 from 33,289 metric tons in 2021; coconut oil production increased significantly by 59.4 percent to 68,590 metric tons in 2022 mainly due to the restrictions imposed on the importation of coconut oil and palm oil combined with the availability of adequate nuts for oil production and production of coconut milk powder also increased by 15.8 percent during 2022.

Despite the improved coconut production, the average retail price of a coconut increased by 8.9 percent to Rs. 91.36 per nut in 2022 from Rs. 83.90 per nut in 2021 and auction price of a coconut on average increased by 6.4 percent to Rs. 60.14 per nut in 2022 from Rs. 56.51 per nut in 2021. Meanwhile, the average retail price of a bottle of coconut oil (750 ml) increased by 17.3 percent to Rs. 520.19 in 2022 from Rs. 443.42 in 2021 and the desiccated coconut price also increased marginally by 0.3 percent to Rs. 538.75 per kg in 2022 from Rs. 537.25 per kg in 2021. The total export volume of desiccated coconut, coconut oil, and copra recorded a significant growth in 2022, reflecting the favourable support from the increased domestic production.

Minor export crops

In value added terms, minor export crop sub-sector grew by 3.3 percent in 2022 from 4.5 percent growth in 2021 despite the issues in domestic supply chains and fertilizer shortages. Production of minor export agricultural crops increased notably by 30.6 percent to 186,962 metric tons in 2022 from 143,165 metric tons in 2021 with the increase in production of spices such as cinnamon, clove, cardamom, coffee, cocoa, nutmeg, areca nut and betel leaves.

The total export volume of the minor export crops recorded a contraction of 7.0 percent, while export earnings in rupee terms, increased notably by 44.8 percent in 2022. The earnings from cinnamon exports increased significantly by 50.1 percent in 2022 while contributing largely to the growth of export earnings from export agricultural crops. Geographical Indication (GI) certification was also obtained for Ceylon cinnamon from the European Union Commission (EUC) in 2022. Measures were undertaken by the Government to enhance the quality of export agricultural crops by introducing Good Agricultural Practices (GAP) and Good Manufacturing Practices (GMP).

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

Crop	Production						Export*					
	2017	2018	2019	2020	2021	2022 ^(a)	2017	2018	2019	2020	2021	2022 ^(a)
Cinnamon	22,341	20,398	20,352	20,866	22,872	23,764	16,617	17,537	17,480	19,090	19,195	18,519
Pepper	29,546	22,551	22,156	23,970	25,047	44,090	13,309	13,535	8,335	9,542	18,575	11,805
Cocoa	471	413	548	612	658	1,221	2,584	296	520	255	159	67
Cardamom	113	86	69	86	104	690	839	108	13	1	3	3
Clove	6,413	3,360	4,786	3,512	3,837	5,722	7,806	3,279	5,126	2,597	6,487	2,338
Nutmeg & Mace	3,545	4,180	5,119	2,751	2,818	3,618	2,043	1,938	3,417	2,451	2,651	2,604

Sources : Central Bank of Sri Lanka and Sri Lanka Customs

^(a) Provisional

* Including Re-export

Other crops

In value added terms, cereals (excluding rice) sub-sector contracted significantly by 21.6 percent in 2022 compared to the positive growth of 2.8 percent in 2021 mainly due to the shortage of fertilizer and agrochemicals in the market. The overall production of other field crops decreased by 37.5 percent in 2022 to 526,803 metric tons and the impact was largely mitigated through imports. Maize production declined significantly by 45.2 percent to 259,040 metric tons during 2022 and as a result, importation of maize increased to 190,686 metric tons to cater the demand of the animal feed industry. Potato production declined by 37.3 percent to 47,614 metric tons in 2022, while potato imports increased by 31.8 percent compared to previous year. Big onion production also declined significantly by 73.0 percent to 17,799 metric tons in 2022 and importation of big onions increased by 2.5 percent to 263,781 metric tons in 2022.

Production of vegetables also declined by 4.9 percent to 1,588,256 metric tons in 2022, compared to 1,669,515 metric tons recorded in 2021. Prices of vegetables also remained elevated during 2022 due to low production and transitory supply chain disruptions caused by fuel shortages during the year. In 2022, production of fruits declined by 26.9 percent compared to the previous year, with significant drop in the production of orange, lime, rambutan, avocado and melon, while mango, papaya, banana and pineapple recorded increases in production. With the increased production, 41,526 metric tons of fruits, including banana and papaw worth USD 37.6 million were exported whereas 32,591 metric tons of fruits worth USD 42.2 million were imported during 2022.

Livestock

In value-added terms, the animal production sub-sector contracted by 12.9 percent in 2022, compared to 8.2 percent increase in 2021. The total milk production declined by 1.3 percent to 506 million litres in 2022, compared to 513 million litres recorded in 2021 due to the scarcity and high cost of animal feeds, unavailability of required chemical fertilizers for pasture and fodder cultivation and difficulties in storage and transportation facilities. The poultry sector also experienced a setback during 2022 due to the inadequate feed material for poultry rearing and reductions in domestically produced feed ingredients. As a result, egg production declined by 5.4 percent to 1,849 million eggs in 2022, compared to 1,954 million eggs produced in 2021. Meanwhile, chicken production also declined by 3.7 percent to 228,130 metric tons in 2022 from 236,790 metric tons in 2021.

Marine and inland fishing

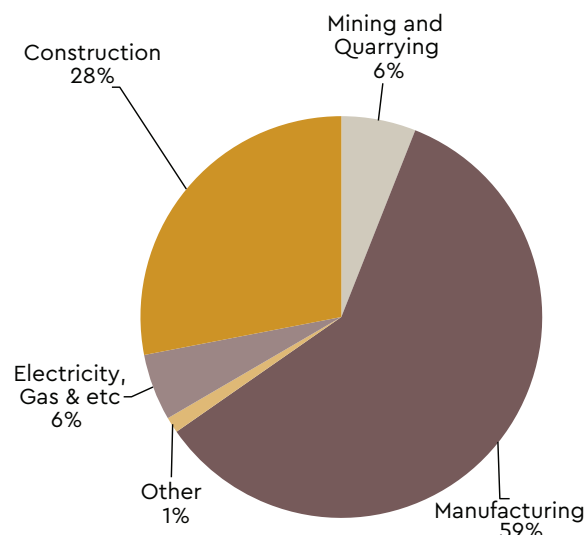
The total fish production declined by 8.9 percent to 397,230 metric tons in 2022 due to the disruptions caused by domestic fuel shortages particularly in marine fishing activities. Accordingly, in value-added terms, the marine fishing and marine aquaculture sub-sector contracted by 15.4 percent in 2022 from 1.4 percent growth recorded in 2021. However, in value added terms, the fresh water fishing and fresh water aquaculture sub-sector recorded a significant growth of 11.9 percent in 2022 compared to the moderate growth of 2.4 percent recorded in 2021 due to the proper management of the water bodies and increased fingerling stocking in reservoirs.

Industry Sector

In value added terms, industry sector contracted significantly by 16.0 percent in 2022, compared to the growth of 5.7 percent recorded in 2021 mainly due to the contraction of construction activities, mining and quarrying activities and manufacturing activities except for textiles, wearing apparel and leather related products. The prolonged energy crisis, shortage of key raw materials and the subdued demand conditions hampered the overall

performance of industry activities during the year. However, manufacturing of textiles, wearing apparel and leather related products, sewerage, waste treatment and disposal activities and water collection, treatment and supply activities expanded during 2022.

Figure 2.4 | Industry Sector Composition – 2022



Source: Department of Census and Statistics

Mining and quarrying

Mining and quarrying activities contracted significantly by 31.0 percent in 2022, in value-added terms, compared to the growth of 1.4 percent in 2021. These activities comprised mainly the mining activities that provide inputs to construction activities, such as sand mining. Reflecting the setback in gem mining, gem for the export volumes recorded a decline of 8.9 percent in 2022.

Manufacturing

In value added terms, the overall manufacturing activities contracted by 12.6 percent in 2022, compared to the 7.4 percent growth recorded in 2021. All the manufacturing activities except for the sub-sector of manufacturing textiles, wearing apparel and leather related products which is largely resilient to domestic shocks, contracted during 2022. Adverse impact of extended power cuts, shortages of fuel and key raw materials, logistic issues and subdued demand conditions were the major reasons for the poor performance of these manufacturing activities.

The manufacture of food, beverages and tobacco products, which is the largest contributor to the overall manufacturing activities, contracted substantially by 14.2 percent in 2022, compared to the growth of 3.4 percent recorded in 2021.

The manufacturing of textiles, wearing apparel and leather related products, which is the second largest contributor to the manufacturing activities, grew by 8.1 percent in 2022. The adverse implications of import restrictions, logistics issues and power outages on the wearing apparel sector were largely offset by policy decisions initiated by the Government such as providing tariff concessions for several raw material imports during the period under review.

Other manufacturing activities also contracted in 2022, compared to 2021 including other non-metallic mineral products (29.0 percent); rubber and plastic products (30.7 percent); basic metals and fabricated metal products (27.6 percent); furniture (26.4 percent); machinery and equipment (19.0 percent); chemical products and basic pharmaceutical products (14.0 percent); coke and refined petroleum products (58.2 percent); wood and wood products (16.4 percent); paper products (8.3 percent) and other manufacturing (21.7 percent). The electricity, gas, steam and air conditioning supply sub-sector recorded a negative growth of 5.9 percent in 2022, compared to the growth of 4.9 percent in 2021 due to the overall setback in Industry activities.

Table 2.5 | Performance of the Selected Industrial Exports

Item	USD Million						
	2016	2017	2018	2019	2020	2021	2022 ^(a)
Food , Beverages and Tobacco	324	393	462	447	464	587	520
Animal Fodder	68	80	108	129	103	149	171
Textiles and Garments	4,884	5,032	5,318	5,596	4,423	5,435	5,952
Rubber Products	768	835	875	866	786	1,050	977
Gems, Diamonds and Jewellery	274	258	278	306	181	277	451
Machinery and Mechanical Appliances	318	371	435	400	338	501	581
Transport Equipment	131	162	120	146	71	148	129
Petroleum Products	287	434	622	521	374	506	568
Chemical Products	126	146	167	176	173	223	223
Wood and Paper Products	117	139	141	129	99	130	137
Leather Travel Goods and Footwear	166	158	148	103	54	58	86
Plastics and Articles thereof	66	75	78	73	176	79	61
Base Metals and Articles	90	116	165	177	111	156	177
Ceramic Products	34	34	31	30	24	37	38
Other Industrial Exports	288	309	311	326	295	361	395
Total	7,940	8,542	9,258	9,426	7,672	9,702	10,465

Source: Central Bank of Sri Lanka

^(a) Provisional

Construction

In value added terms, the construction industry contracted significantly by 20.9 percent in 2022, compared to a 4.4 percent growth in 2021 due to both supply and demand side impediments. Shortages of raw materials and fuel, soaring input cost, lack of supplier credit and overdue payments on completed projects, led the supply side issues in the construction activities. Demand side turbulences were stemmed from the suspension of government-funded projects and the high interest rates.

The total cement availability of the country recorded a significant drop of 35.9 percent in 2022, compared to the marginal decline of 0.8 percent recorded in 2021. Building material imports also declined substantially by 35.8 percent in 2022, compared to 4.7 percent growth in 2021. Further, credit to the private sector granted by Licensed Commercial Banks for personal housing constructions also recorded a contraction as at end-December 2022.

Services Sector

In value added terms, services sector contracted by 2.0 percent in 2022, compared to the growth of 3.5 percent recorded in 2021 due to the negative growth recorded in real estate activities, insurance services, financial services, human health activities, professional services, IT programming, programming and broadcasting and wholesale and retail trade activities. Services activities were largely affected by the prolonged energy crisis, limited availability of goods and high inflation. However, accommodation, food and beverage service activities, transportation, telecommunication, education, public administration, other personal service activities and postal and courier service activities recorded a positive growth during the year.

Wholesale and retail trade

In value added terms, wholesale and retail trade activities contracted marginally by 0.2 percent in 2022, compared to 1.5 percent growth recorded in 2021 due to supply side impediments and subdued demand conditions. Declined local production, lower volume of imports due to import restrictions and shortage of fuel supply adversely affected the trade activities throughout the year. High inflationary pressure, increase in utility tariffs and high interest rates led to subdued demand conditions in the latter part of the year.

Transportation of goods and passengers

In value added terms, the transport sub-sector expanded by 3.5 percent in 2022, compared to the marginal increase of 0.9 percent in 2021 mainly due to the post pandemic recovery. The passenger kilometres operated by the Sri Lanka Transport Board, private bus operators and Sri Lanka Railways increased significantly in 2022, reflecting the increased demand for public transportation modes amidst significantly higher fuel costs and preferential supply of fuel for public transportation. Passenger kilometers flown by Sri Lankan Airlines also improved gradually due to the recovery of tourism activities. However, container handling and cargo handling activities contracted during the year, mainly due to the slowdown in global trade volumes.

Accommodation, food and beverage service activities

In value added terms, accommodation, food and beverage service activities expanded substantially by 27.0 percent in 2022, compared to the marginal increase of 1.7 percent recorded in 2021 due to the significant increase in tourist arrivals. As a result of introducing exclusive packages for the tourists along with the depreciation of the local currency made Sri Lanka more attractive as a holiday destination for foreign tourists. However, the exaggerated negative portrayal of the Sri Lankan economic crisis hindered the growth potential of the tourism industry during the year.

Financial, insurance and real estate activities

In value added terms, financial, insurance, and real estate activities including ownership of dwellings, contracted by 15.4 percent in 2022, compared to 7.5 percent growth in 2021, due to contractions reported in all three activities. Lower demand for credit caused by high interest rates, inflationary pressure together with lack of willingness to lend due to lower repayment capacity hampered the performance of the financial and real estate activities. Accordingly, financial and auxiliary financial activities declined by 11.0 percent in 2022, compared to 7.0 percent growth recorded in 2021. Real estate activities including ownership of dwelling contracted by 12.1 percent during 2022 compared to 4.4 percent growth recorded in 2021. Due to subdued performance in pension funding activities, insurance, reinsurance and pension funding activities contracted significantly by 47.2 percent in 2022 compared to the growth of 26.4 percent recorded in 2021.

Table 2.6 | Selected Indicators of Services Sector

Indicator	2018	2019	2020	2021 ^(a)	2022 ^(b)
Port Services					
Vessels Arrived *	4,874	4,697	4,337	4,180	4,073
Total Cargo Handled (MT '000)	104,934	106,979	102,908	109,356	100,376
Total Container Traffic (TEU '000) ^(c)	7,047	7,228	6,855	7,249	6,862
Transshipment Container ** (TEU '000)	5,704	5,955	5,765	6,050	5,832
Telecommunication Sector					
Fixed Telephone Lines (No '000)	1,216***	1,245***	2,613	2,852	2,651
Cellular Phones (No '000)	32,528	32,884	28,739	29,959	28,838
Wireless Phone (No '000)	1,269	1,055	1,367	1,587	1,388
Internet and e-mail Subscribers ('000) ^(d)	10,563	13,408	17,524	22,106	21,668
Health Sector					
Private Hospitals	191	209	217	243	250
Public Hospitals	612	603	609	618	617
No of Beds (Government)	76,824	77,964	77,121	78,228	78,228
No of Doctors (Government)	19,692	18,130	18,218	20,209	21,045
No of Nurses (Government)	34,714	38,276	37,133	39,091	40,775
Financial Sector					
Bank Branches and Other Outlets	6,882	7,390	7,406	7,369	7,378
Credit Cards in Use	1,710,671	1,854,103	1,984,525	2,054,985	2,054,896
Registered Finance Companies	43	42	40	39	37
Registered Leasing Companies	5	4	3	3	1
Tourism Sector					
Tourist Arrivals	2,333,796	1,913,702	507,704	194,495	719,978
Tourist Earnings (USD Mn)	4,381	3,607	682	507	1,136
Annual Room Occupancy Rate	72.8	57.1	15.0	18.6****	30.4
Transport Services (New Registrations)					
Buses	2,957	1,613	578	281	404
Cars	80,776	38,232	21,021	3,495	1,489
Dual Purpose Vehicles*****	16,931	13,459	9,532	771	760
Goods Transport Vehicles – Lorries	9,371	5,223	3,941	2,593	940
Motor Cycles	339,763	284,301	151,634	8,011	9,060
Three Wheelers	20,063	15,490	7,150	2,093	36
Land Vehicles – Tractors	7,460	5,696	6,025	8,272	2,725
Land Vehicles – Trailers	2,822	1,970	2,277	4,344	2,560

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

^(a) Revised

^(b) Provisional

^(c) Including KKS, Myliddy, Point Pedro & Karainagar Ports

^(d) 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 at a slower rate of 3.1 percent in 2022, compared to the significant growth of 14.2 percent recorded in 2021 due to subdued demand resulted from high inflationary pressures. IT programming, consultancy and related activities contracted by 2.3 percent in 2022, compared to the significant growth of 25.2 percent recorded in 2021 due to slowdown in global demand and prolonged power cuts which prevailed during the period.

In 2022, professional services and programming and broadcasting activities contracted by 4.0 percent and 11.0 percent, respectively. Human health activities also contracted by 8.4 percent in 2022 compared to the 5.6 percent growth recorded in 2021 which was a year affected by the COVID-19 pandemic. However, education, public administration and defense, other personal services and postal and courier services contributed positively to the overall economic growth in 2022.

Domestic demand and consumption

Domestic demand comprising of consumption and investment expenditure of the country expanded significantly by 32.3 percent to Rs. 25,005 billion at current market prices in 2022, compared to the total demand of Rs. 18,901 billion recorded in 2021 mainly due to the elevated price levels prevailed during the year.

Export of goods and services increased by 74.1 percent to Rs. 5,188 billion in 2022, compared to Rs. 2,980 billion in 2021 benefitting from the sharp depreciation of the Sri Lanka rupee against currencies of major export destinations. The import of goods and services increased by 41.2 percent to Rs. 6,045 billion in 2022, compared to Rs. 4,281 billion in 2021. The comparatively slower growth in imports was largely attributable to the decline in import volumes due to import restrictions and foreign exchange liquidity shortage. Accordingly, the net external demand

at current prices improved significantly by 34.1 percent in 2022, compared to the contraction of 34.7 percent recorded in 2021.

The total consumption grew substantially by 34.3 percent to Rs. 16,701 billion at current market prices in 2022 compared to 8.4 percent growth recorded in 2021 which was largely attributable to the surge in consumer prices. Private consumption which accounted for 89.7 percent of total consumption, substantially grew by 39.0 percent at current market prices in 2022 compared to 9.4 percent growth recorded in 2021 due to inflated prices. In this regard, significant contributions were observed from the major private consumption categories such as food and non-alcoholic beverages and transport which grew by 25.9 percent and 69.8 percent, respectively in 2022. The government consumption grew moderately by 3.8 percent in 2022 at current market prices, compared to the growth of 2.3 percent in 2021 contributing to the total consumption growth.

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

Item	Current Market Prices (Rs. Bn)			Change (%)			As a Percent of GDP		
	2020	2021 ^(b)	2022 ^(c)	2020	2021 ^(b)	2022 ^(c)	2020	2021 ^(b)	2022 ^(c)
Domestic Demand	16,638	18,901	25,005	-1.1	13.6	32.3	106.2	107.4	103.6
Consumption	11,469	12,434	16,701	0.6	8.4	34.3	73.2	70.6	69.2
Private	9,842	10,770	14,973	-1.3	9.4	39.0	62.8	61.2	62.0
Government	1,627	1,665	1,727	14.0	2.3	3.8	10.4	9.5	7.2
Investment	5,168	6,467	8,305	-4.8	25.1	28.4	33.0	36.7	34.4
Net External Demand (Trade balance)	-966	-1,301	-857	9.0	-34.7	34.1	-6.2	-7.4	-3.6
Export of Goods and Services	2,419	2,980	5,188	-26.5	23.2	74.1	15.4	16.9	21.5
Import of Goods and Services	3,385	4,281	6,045	-22.3	26.5	41.2	21.6	24.3	25.0
Domestic Supply = GDP	15,672	17,600	24,148	-0.6	12.3	37.2	100.0	100.0	100.0

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

^(a) The data is based on the base year 2015 GDP estimates of the Department of Census and Statistics

^(b) Revised

^(c) Provisional

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

Item	Rs. Bn			Change (%)		As a % of GDP	
	2020 ^(b)	2021 ^(b)	2022 ^(c)	2020/ 2021 ^(b)	2021/ 2022 ^(c)	2021 ^(b)	2022 ^(c)
Aggregate Demand	19,056	21,881	30,193	14.8	38.0	124.3	125.0
Domestic Demand	16,638	18,901	25,005	13.6	32.3	107.4	103.6
External Demand = Export of Goods and Services	2,419	2,980	5,188	23.2	74.1	16.9	21.5
Aggregate Supply	19,056	21,881	30,193	14.8	38.0	124.3	125.0
Gross Domestic Product	15,672	17,600	24,148	12.3	37.2	100.0	100.0
Import of Goods and Services	3,385	4,281	6,045	26.5	41.2	24.3	25.0
Trade Gap of Goods and Services	-966	-1,301	-857	-34.7	34.1	-7.4	-3.5
Share of Imports in Aggregate Supply (%)	17.8	19.6	20.0	-17.3	2.3	0.1	0.1

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

^(a) The data is based on the base year 2015 GDP estimates of the Department of Census and Statistics

^(b) Revised

^(c) Provisional

Investment and savings

Investment expenditure at current market prices grew by 28.4 percent to Rs. 8,305 billion in 2022 compared to 25.1 percent growth in 2021 reflecting the notable price hikes of investment goods. The shortage in foreign exchange, the sharp depreciation in the local currency and high interest rates were attributable for the elevation in prices of investment goods. Reflecting the increased prices of construction material, machinery and equipment, the gross fixed capital formation at current market prices grew by 21.9 percent in 2022 compared to the 15.8 percent growth recorded in 2021. Further, the Foreign Direct Investments (FDIs) increased significantly by 37.9 percent to USD 1,075.6 million in 2022, compared to USD 780.2 million in 2021. FDIs to infrastructure and manufacturing sectors which accounted for about 54.0 percent and 34.0 percent of total

FDI inflows, respectively, contributed to the overall growth in FDIs in 2022. The total value of projects approved by the BOI during 2022 was estimated at Rs. 546.4 billion, recording a growth of 6.3 percent compared to Rs. 514.1 billion recorded in 2021.

The significant growth of domestic savings by 44.2 percent in 2022 compared to the 22.9 percent growth recorded in 2021 was driven by the increase in private savings during the year. As a result, domestic savings as a percentage of GDP increased to 30.8 percent in 2022, compared to 29.4 percent recorded in 2021. However, in rupee terms, net primary income from the rest of the world contracted substantially by 57.1 percent in 2022 while net current transfers from rest of the world grew by 12.1 percent during the year. National savings recorded a growth of 37.6 percent in 2022, which was 33.1 percent of the GDP.

Table 2.9 | Investment and Savings

Item	Rs. Bn			As a % of GDP		
	2020 ^(a)	2021 ^(a)	2022 ^(b)	2020 ^(a)	2021 ^(a)	2022 ^(b)
Domestic Investment	5,168	6,467	8,305	33.0	36.7	34.4
Domestic Savings	4,203	5,166	7,447	26.8	29.4	30.8
Private	5,383	6,456	8,988	34.3	36.7	37.2
Government	-1180	-1,290	-1,540	-7.5	-7.3	-6.4
Investment – Domestic Savings Gap	966	1301	858	6.2	7.4	3.6
Net Factor Income From Abroad ^(c)	-423	-396	-621	-2.7	-2.2	-2.6
Net Foreign Private Transfers	1,151	1,035	1,159	7.3	5.9	4.8
National Savings	4,930	5,805	7,985	31.5	33.0	33.1

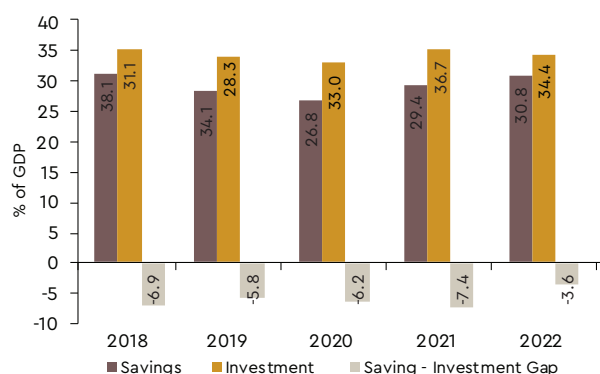
Sources : Department of Census and Statistics and Central Bank of Sri Lanka

^(a) Revised

^(b) Provisional

^(c) 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

In 2022, Sri Lanka's external sector faced numerous headwinds with the pressures on the balance of payments, depletion of GOR and the decline in inflows from workers' remittances amidst continuous disruptions in the foreign exchange market. Earnings from exports significantly increased by 4.9 percent to USD 13,106 million in 2022 surpassing the previous highest recorded amount of USD 12,499 million in 2021 owing to the increased earnings from industrial exports. Meanwhile, import expenditure considerably declined by 11.4 percent to USD 18,291 million in 2022 from USD 20,637 million in 2021 due to the implementation of import control measures such as imposing margin deposit requirements

against selected imports and curtailing non-urgent imports. However, this margin deposit requirement has been revoked effective from May 18, 2023. As a result, the trade deficit contracted by 36.3 percent to USD 5,184.6 million in 2022, compared to USD 8,138.8 million in 2021.

Table 2.10 | External Trade

	USD Million			
	2019	2020	2021 ^(a)	2022 ^(b)
Exports	11,940	10,047	12,499	13,106
Agricultural Exports	2,462	2,336	2,730	2,568
Industrial Exports	9,426	7,672	9,702	10,465
Mineral Exports	34	25	45	50
Unclassified	18	14	23	23
Imports	19,937	16,055	20,637	18,291
Consumer Goods	3,957	3,402	3,849	2,813
Intermediate Goods	11,370	9,077	12,309	12,439
Investment Goods	4,603	3,563	4,463	3,031
Unclassified	8	14	17	9
Trade Deficit	-7,997	-6,008	-8,139	-5,185

Sources : Central Bank of Sri Lanka

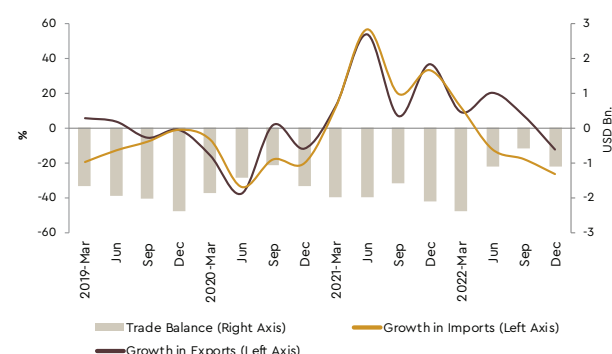
^(a) Revised

^(b) Provisional

The external current account deficit narrowed to 1.9 percent of the GDP in 2022 from 3.7 percent of GDP in 2021 mainly due to the contraction in the trade deficit and improvement in trade in services. Accordingly, the current account deficit in the external sector contracted to USD 1.5 billion in 2022 from USD 3.3 billion in 2021.

The services account surplus increased to USD 2.1 billion from USD 1.6 billion in 2021 with the increased earnings from the tourism sector while subdued performances were recorded from air and sea freight transportation and the IT/BPO sector. The primary income account deficit slightly contracted to USD 1,874 million in 2022 from USD 1,959 million in 2021 with the higher interest income to the banking sector. The financial account deficit was recorded as USD 1.9 billion in 2022 compared to USD 4.2 billion in 2021 with modest inflows to the financial account.

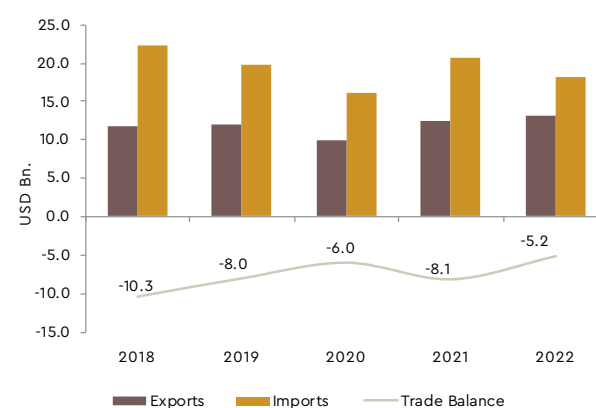
Figure 2.6 | Growth in Exports & Imports and Trade Balance (Quarterly)



Source: Central Bank of Sri Lanka

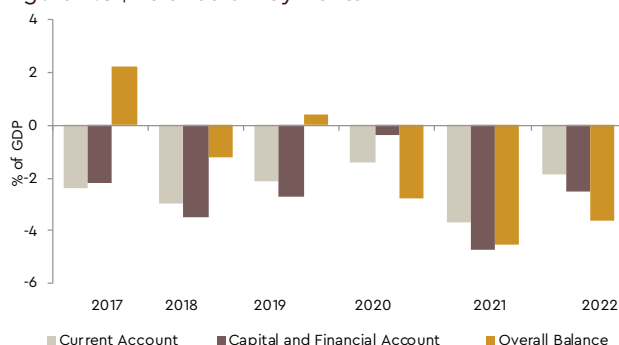
The cumulative net inflow of USD 51 million was recorded from foreign investments in the government securities market in 2022. External debt service payments were USD 2,471 million in 2022 compared to USD 4,597 million in 2021. However, external debt service payments for bilateral creditors were temporarily suspended by the Government from mid-April 2022. The government was involved in a debt restructuring process and conducted negotiations with the IMF and other development partners such as Asian Development Bank (ADB) and the World Bank (WB) for a financing arrangements. Followed by successful negotiations, in September 2022 a staff level agreement was reached between the authorities of Sri Lanka and staff of the IMF for an Extended Fund Facility (EFF). Accordingly, the IMF Board approved a 48 month arrangement under the EFF which amounted to approximately USD 3 billion in March 2023.

Figure 2.7 | Trade Balance



Source: Central Bank of Sri Lanka

Figure 2.8 | Balance of Payments

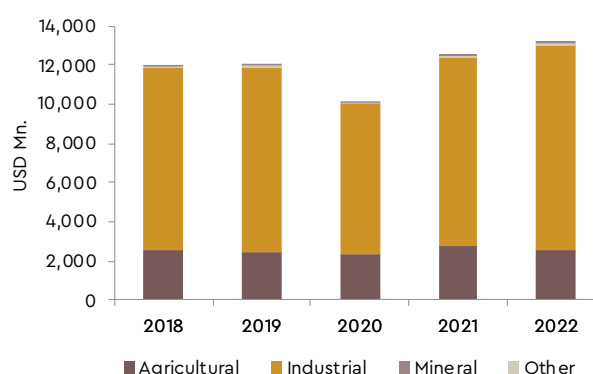


Source: Central Bank of Sri Lanka

The tourism sector demonstrated recovery signs with the increased tourist arrivals since the latter part of 2021 and recorded its peak in March 2022. GOR dropped to USD 1,898 million at the end of December 2022 compared to USD 3,139 million recorded as at the end of December 2021 due to the decreased liquidity in the domestic foreign exchange market and declined foreign financing sources. GOR included an international swap facility from

the Peoples' Bank of China (PBOC) amounted to around USD 1.4 billion which is subject to conditionalities on its usability. The total foreign assets of the country were equivalent to 3.9 months of imports as at the end of December 2022 compared to 3.6 months of imports by the end 2021. During the first half of 2022, Sri Lanka rupee demonstrated historically largest depreciation against the US dollar and the annual depreciation of the rupee was recorded as 44.8 percent against the US dollar in 2022.

Figure 2.9 | Composition of Exports



Source: Central Bank of Sri Lanka

Table 2.11 | Import & Export of Services

Item	USD Million			
	Imports		Exports	
	2021	2022 (a)	2021	2022 (a)
Transportation Services	256	333	608	676
Computer and Information Services	140	133	1,168	1,066
Travel and Tourism	239	244	507	1,136
Communication Services	31	28	32	31
Construction Services	11	11	10	9
Insurance Services	37	36	20	19
Financial Services	102	96	95	92
Other Business Services	17	16	16	15
Government goods and services n.i.e.	57	56	19	18
Total	890	953	2,475	3,062

Source: Central Bank of Sri Lanka

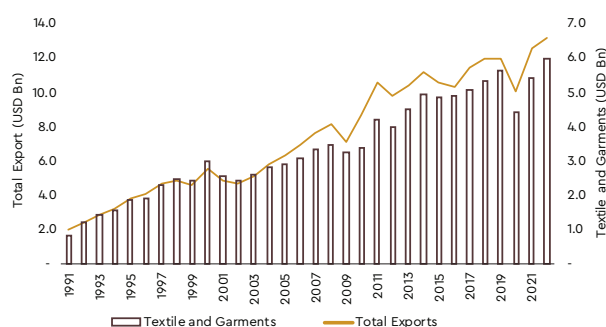
(a) Provisional

Exports

Earnings from exports increased by 4.9 percent to USD 13,106.4 million in 2022, compared to USD 12,498.6 million in 2021 surpassing the highest export earnings recorded in 2021 due to the increased earnings from Industrial exports including textiles and garments, gems, diamonds and jewellery, machinery and mechanical appliances and petroleum products. Export earnings as a percentage of GDP increased to 17.0 percent in 2022 from 14.1

percent in 2021. This was due to the increased industrial and mineral export earnings despite the declining earning from agricultural exports, with the favorable exchange rate and the rise of global commodity prices. Accordingly, industrial exports earning grew by 7.9 percent to USD 10,465.3 million, mineral exports earnings grew by 12.3 percent to USD 50.0 million while agricultural exports declined by 5.9 percent to USD 2,568.0 million. Textile and garments, tea and rubber products were the highest contributors to the export earnings in 2022.

Figure 2.10 | Total Exports and Textile & Garments Exports



Source: Central Bank of Sri Lanka

Industrial export earnings, which share 79.8 percent of the total exports, grew by 7.9 percent to USD 10,465.3 million in 2022 compared to USD 9,702.1 million in 2021. The increased earnings from textiles and garments by 9.5 percent to USD 5,952.0 million, gems, diamonds and jewellery by 62.8 percent to USD 450.6 million, machinery and mechanical appliances by 16.0 percent to USD 580.9 million and petroleum products by 12.2 percent to USD 568.0 million were attributed to this surge. Meanwhile, mineral export earnings recorded an increase of 12.3 percent to USD 50.0 million and unclassified exports earnings recorded an increase of 2.6 percent to USD 23.2 million in 2022.

Table 2.12 | Value of Industrial Exports

Item	USD Million				
	2018	2019	2020	2021	2022 ^(a)
Textile and Garments	5,318	5,597	4,423	5,435	5,952
Rubber Products	875	866	786	1,050	977
Petroleum	622	521	374	506	568
Gems, Diamonds and Jewellery	278	306	181	277	451
Machinery and Mechanical Appliances	435	400	338	501	581
Food, Beverages and Tobacco	462	447	464	587	520
Other Industrial Exports	1,268	1,290	1,106	1,346	1,416
Total	9,258	9,426	7,672	9,702	10,465

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

^(a) Provisional

However, earnings from agricultural exports declined by 5.9 percent to USD 2,568.0 million in 2022 from USD 2,729.5 million in 2021 with the drop in earnings from tea, rubber, coconut, spices, vegetables and unmanufactured tobacco. Export earnings from tea declined by

5.0 percent to USD 1,258.8 million in 2022 from USD 1,324.4 million in 2021 with the decreased tea export volumes despite the higher average export tea prices. Export earnings from coconut-related products declined by 5.9 percent to USD 400.3 million owing to lower kernel export prices.

Table 2.13 | Value of Agricultural Exports

Category	USD Million				
	2018	2019	2020	2021	2022 ^(a)
Tea	1,429	1,346	1,241	1,324	1,259
Rubber	32	24	30	42	41
Coconut	311	330	345	425	400
Other Agricultural Exports	542	499	530	665	599
Seafood	266	263	190	274	269
Total	2,579	2,462	2,336	2,730	2,568

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

^(a) Provisional

Imports

Total import expenditure declined notably by 11.4 percent to USD 18,291.0 million in 2022, compared to USD 20,637.4 million in 2021 with the declined demand, depreciation of the exchange rate, import restriction imposed for non-urgent imports despite the higher global oil prices. The decline in import expenditure on consumer goods and investment goods mainly contributed to this decline. Import expenditure as a percentage of GDP increased slightly to 23.7 percent in 2022 from 23.3 percent of GDP in 2021.

Import expenditure on consumer goods declined by 26.9 percent to USD 2,813.0 million in 2022 compared to USD 3,848.7 million in 2021 due to the decline in imports expenditure of both food and beverages and non-food consumer goods categories. Import expenditure on food and beverages dropped by 3.5 percent to USD 1,607.9 million in 2022 from USD 1,666.5 million in 2021, due to the lower import volumes despite increased global food prices. Accordingly, declined import expenditure was recorded from dairy products, vegetables, sugar and confectionery, lentils and seafoods. Expenditure on non-food consumer goods dropped by 44.8 percent to USD 1,205.1 million in 2022 due to the decrease in import expenditure of medical and pharmaceuticals, telecommunication devices, home appliances, household and furniture items, clothing and accessories and personal vehicles.

Meanwhile, Import expenditure on intermediate goods, which contributed 68.0 percent of the total imports, grew by 1.1 percent to USD 12,438.8 million in 2022 from USD 12,308.9 million in 2021, mainly due to increased expenditure on imports of fuel, diamonds, precious stones and metals and fertilizer. Expenditure on fuel imports increased by 30.8 percent to USD 4,896.8 million with the higher average import prices of crude oil, refined petroleum and coal despite the decrease in import volumes. Import expenditure on fertilizer significantly increased by 74.4 percent to USD 275.9 million in 2022 from USD 158.2 million in 2021 due to the increase in average import prices amidst low import volumes.

Import expenditure on investment goods declined by 32.1 percent to USD 3,030.5 million in 2022 from USD 4,462.7 million in 2021, due to the drop of import expenditure in machinery and equipment, building materials, transport equipment and other investment goods with the measures implemented to prioritise essential imports. Import expenditure of machinery and equipment dropped by 29.9 percent to USD 1,969.0 million due to the decline in imports expenditure on office machines, machinery and equipment parts and telecommunication devices. Meanwhile, import expenditure on building materials dropped by 25.8 percent to USD 926.3 million owing to declined import expenditure recorded from Iron and steel, cement, and mineral products. Expenditure on transport equipment decreased by 66.8 percent to USD 132.1 million with the decreased import expenditure on agricultural tractors, tankers and bowsers and railway equipment.

Table 2.14 | Value of Imports

USD Million

Category	2019	2020	2021	2022 ^(a)
Consumer Goods	3,958	3,402	3,848	2,813
Food and Beverages	1,428	1,554	1,667	1,608
Sugar	201	277	289	258
Milk and Milk Products	312	334	318	225
Other Food and Beverages	915	944	1,060	1,125
Non-food Consumables	2,530	1,847	2,182	1,205
Vehicles	816	283	13	12
Home appliances-Radio and Television Sets	207	174	257	86
Rubber Products	83	58	102	61
Medical and Pharmaceutical Products	553	596	883	533
Household and Furniture Items	172	147	161	116
Other	700	590	766	397
Intermediate Goods	11,370	9,077	12,309	12,439
Fertilizer	221	259	158	276
Fuel	3,892	2,543	3,743	4,897
Chemical Products	832	832	1,074	966
Paper and Paper Boards	457	383	469	466
Wheat and Maize	346	384	418	303
Textile & Textile article	2,909	2,335	3,067	3,065
Diamond and Precious Metals	201	117	144	204
Base Metal	563	460	866	323
Other Intermediate Goods	1,948	1,763	2,370	1,939
Investment Goods	4,603	3,563	4,463	3,031
Machinery and Equipment	2,490	2,176	2,810	1,969
Transport Equipment	597	348	399	132
Building Material	1,509	1,036	1,249	926
Other Investment Goods	8	3	6	3
Unclassified Imports	8	14	17	9
Total Imports	19,938	16,055	20,637	18,291

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

^(a) Provisional

Earnings from Tourism

The tourism industry recorded a steady recovery during 2022 despite the significant headwinds due to heightened social tensions, fuel shortages and power outages. This recovery was largely supported by high global vaccination rates, increased air connectivity together with the lifting of travel restrictions issued by major source countries. Accordingly, tourist arrivals increased significantly to 719,978 in during 2022 from 194,495 recorded in 2021. Tourist arrivals from across all major regions increased in 2022 compared to 2021. Europe was the largest source region of tourist arrivals to Sri Lanka accounting for 60 percent of total tourist arrivals, amounting to 432,226 tourists. India was the largest single country of tourist arrivals with 123,004 arrivals accounting for

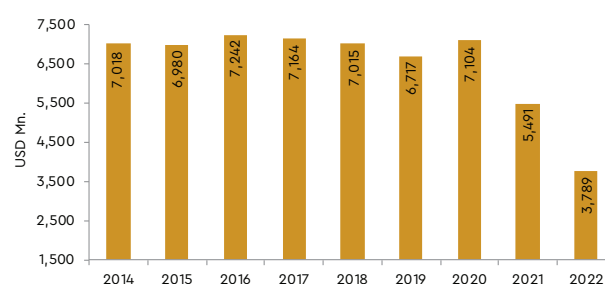
about 17 percent of total arrivals. Reflecting the improvement in tourist arrivals, earnings from tourism in 2022 increased significantly to USD 1,136.3 million, compared to USD 506.9 million in 2021, recording a considerable annual growth of 124.2 percent.

Workers' remittances

Workers' remittances declined substantially by 31.0 percent to USD 3,789.5 million in 2022, compared to USD 5,491.5 million in 2021 possibly due to the receipts of remittances through informal channels. As such, the Government introduced several incentives among which the CBSL introduced a national remittance mobile application branded as "Lanka Remit" which launched in February 2022, enabling migrant workers to have direct access to the

existing remittance channels of banking and other formal financial institutions. Meanwhile, due to the migration of 311,056 Sri Lankan workers in the latter part of 2022, workers' remittances revived in the second half of 2022, but remained low, compared to 2021. However, it is timely to promote alternative destinations offering employment for a wide range of job categories with high wage potential to increase the workers' remittances while reducing geopolitically driven vulnerabilities of remittance receipts.

Figure 2.11 | Workers' Remittances



Source: Central Bank of Sri Lanka

Table 2.15 | Balance of Payments: 2018- 2022

Category	USD Million				
	2018	2019	2020	2021 ^(a)	2022 ^(b)
Trade Balance	-10,343	-7,997	-6,008	-8,139	-5,185
Exports	11,890	11,940	10,047	12,499	13,106
Imports	22,233	19,937	16,055	20,637	18,291
Service (net)	3,766	2,849	819	1,586	2,110
Receipts	8,374	7,474	3,035	2,475	3,062
Payments	4,608	4,625	2,216	889	953
Income (net)	-2,384	-2,462	-2,205	-1,959	-1,874
Receipts	249	252	198	116	249
Payments	2,633	2,713	2,404	2,075	2,124
Goods, Services and Income (net)	-8,962	-7,610	-7,394	-8,512	-4,949
Current Transfers (net)	6,163	5,766	6,207	5,228	3,496
Private Transfers (net)	6,155	5,757	6,194	5,222	3,493
Receipts (Workers' Remittances)	7,015	6,717	7,104	5,491	3,789
Payments	860	960	910	270	296
Official Transfers (net)	8	9	13	6	3
Current Account	-2,799	-1,843	-1,187	-3,284	-1,453
Capital and Financial Account	-3,364	-2,437	-232	-4,186	-1,927
Capital Account	14	23	28	25	19
Current and Capital Account	-2,785	-1,820	-1,159	-3,259	-1,433
Financial Account^(c)	-3,378	-2,460	-260	-4,211	-1,946
Errors and Omissions	-593	-640	795	-952	-513
Overall Balance (Balance of Payments)	-1,103	377	-2,328	-3,967	-2,806
As a percentage of GDP					
Trade Deficit	-11.7	-9.5	-7.4	-9.2	-6.7
Current Account Deficit	-3.2	-2.2	-1.5	-3.7	-1.9

Sources: Central Bank of Sri Lanka

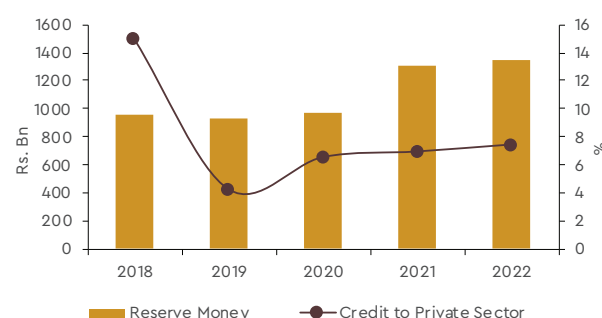
^(a) Revised^(b) Provisional^(c) Includes additional components in the financial account based on BPM 6 new classification from 2012 onwards

2.4 Monetary Sector Developments

The Central Bank continued its tight monetary policy stance throughout 2022 along with other supportive policy measures to contain rising inflationary pressures, address vulnerabilities in the external sector and anchor inflation expectations to prevent possible hyperinflation and prolonged loss of economic activity. Standing Deposit Facility Rate (SDFR) and Standing Lending Facility Rate (SLFR) which were increased by 50 basis points to 5.5 percent and 6.5 percent, respectively in January 20, 2022 were further increased by 100 basis points to 6.5 percent and 7.5 percent, respectively in March 04, 2022. Sharp depreciation of the Sri Lanka rupee during March 2022 resulted in significant inflationary pressures compelling the Central Bank to raise the policy interest rates further. Accordingly, SDFR and SLFR which were increased by 700 basis points to 13.5 percent and 14.5 percent, respectively in April 08, 2022 were further increased by 100 basis points to 14.5 percent and 15.5 percent, respectively in July 07, 2022. Aggressive monetary tightening measures adopted by the Central Bank from April 2022 helped manage demand driven inflationary pressures and thereby preempting the escalation of adverse inflationary expectations, easing the pressure on the external sector and correcting anomalies observed in the market interest rate structure.

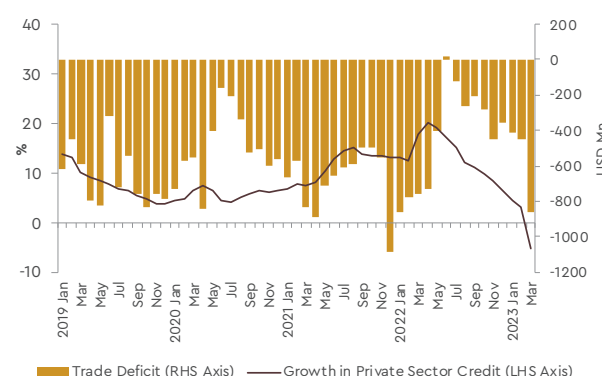
The deposits of Licensed Commercial Banks (LCBs) recorded a marginal increase during the year with SRR remaining unchanged at 4.0 percent during 2022. The Central Bank continued to maintain its tightened monetary policy stance thus far in 2023 by increasing the SDFR and SLFR to 15.5 percent and 16.5 percent, respectively in March 03, 2023 by 100 basis points to ensure that underlying inflation and inflation expectations remain sufficiently restrained.

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

Due to the tight liquidity conditions and continuation of tight monetary policy stance, the Average Weighted Call Money Rate (AWCMR) remained around the upper bound of the Standing Rate Corridor (SRC) at the beginning of 2022 and touched the upper bound of SRC as a result of continuing large liquidity deficit of the banking system. AWCMR rose by 9.55 percentage points in 2022 in response to the cumulative adjustment in the policy interest rates during the year. AWCMR recorded a marginal reduction from the upper bound of SRC in mid-January 2023 onwards. However, with the increase in policy interest rates in March 2023, AWCMR increased to 16.46 percent as of March 07, 2023 and remained around the upper bound of SRC by end of March 2023. In response to the tightened monetary and liquidity conditions, market lending interest rates also increased notably during 2022. Accordingly, the Average Weighted Lending Rate (AWLR) increased by around 9 percentage points to 18.70 percent by end 2022, while the monthly Average Weighted Prime Lending Rate

(AWPLR) peaked at 28.25 percent in November 2022. Meanwhile, in order to retain existing deposits and promote new deposits owing to the substantial increase in policy rates and yields on government securities, banks offered

high interest rates for novel deposit products. Accordingly, the Average Weighted Deposit Rate (AWDR) increased to 14.06 percent at the end of 2022.

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

Item	Rs. Million		
	2021	2022 ^(c)	2021/2022 % Change
Agriculture and Fishing	551.7	601.7	9.1
o/w			
Tea	101.2	108.2	6.9
Rubber	41.4	59.1	42.8
Coconut	33.7	30.0	-11.0
Paddy	44.4	38.9	-12.4
Vegetable, Fruits and Minor Food Crops	30.9	32.2	4.2
Livestock and Dairy Farming	27.7	30.4	9.7
Fisheries	24.0	26.4	10.0
Industry	2,860.9	3100.6	8.4
o/w			
Construction	1,525.1	1571.9	3.1
Food and Beverages	174.7	214.6	22.8
Textiles and Apparel	273.1	293.8	7.6
Chemical, Petroleum, Pharmaceutical Products	141.2	162	14.7
Basic Metal Products	59.6	61.1	2.5
Fabricated Metal Products, Machinery and Transport Equipment	152.8	144.9	-5.2
Services	1,996.5	2,079.6	4.2
o/w			
Wholesale and Retail Trade	570.3	563.7	-1.2
Tourism	288.2	372.8	29.4
Financial and Business Services	437.2	446.6	2.2
Transport	80.7	58.8	-27.1
Communication and Information Technology	96.6	75.5	-21.8
Personal Loans and Advances ^(d)	1,799.8	2,013.0	11.8
o/w			
Consumer Durables	375.0	368.5	-1.7
Pawning	302.4	423.4	40.0
Credit Cards	144.8	149.3	3.1
Total	7,208.9	7,794.8	8.1

Source: Central Bank of Sri Lanka

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

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

^(c) Provisional

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

Credit to the Small and Medium Enterprise (SME) sector contracted by 8.3 percent by end 2022, compared to the growth of 21.7 percent at end 2021, mainly due to the significant increase in interest rates applicable on loans to the SME sector, subdued aggregate demand conditions and limited availability of raw materials for certain industries among other factors. Credit to the private sector increased moderately by 6.2 percent to Rs. 7,414 billion at the end of 2022 from Rs. 6,981 billion at the end of 2021 reflecting the tight monetary conditions and

the moderation of overall economic activity amidst unprecedented economic crisis. Meanwhile, Net credit to the government increased by 28.1 percent to Rs. 7,471 billion at the end of 2022 from Rs. 5,832 billion at the end of 2021 driven mainly by the Central Bank. The year-on-year growth of broad money supply (M_2b) moderated to 15.4 percent by end 2022. The growth of (M_2b) which accelerated notably in early 2022 to 20.0 percent by end April 2022 decelerated from May 2022.

Employment and Unemployment

The total employed population in the country increased to 8.148 million in 2022 compared to 8.114 million in 2021 mainly due to the increase of employment in industry and service activities despite the reduction in employment in agriculture activities. Accordingly, employment in Industry sector activities increased to 2.158 million in 2022 from 2.109 million in the previous year, while employment in service sector activities increased to 3.831 million in 2022 from 3.791 million in 2021. However, employment in Agriculture sector activities declined to 2.159 million in 2022 from 2.213 million in 2021. Accordingly, the shares of employment in Industry and Services sector increased to 26.5 percent and 47.0 percent, respectively, in 2022 from 26.0 percent and 46.7 percent in 2021, while the share of employment in agriculture sector declined to 26.5 percent in 2022 from 27.3 percent in 2021.

Meanwhile, public sector employees, own account workers and contributing family workers decreased in 2022 compared to 2021, whereas the private sector employees increased. Private sector also continued to remain as the major employment generator representing the largest share of 42.9 percent of the total employment during 2022. The total employment in the public sector at the end of 2022 was reduced to 1.394 million from 1.401 million recorded in 2021 mainly due to the curtailment of new recruitments to the public sector and reduction of employment in State Owned Enterprises (SOEs).

Showing a significant recovery of the economy from the pandemic, the unemployed population declined to 399,000 in 2022 from 440,000 in 2021. The unemployment rate declined significantly to 4.7 percent in 2022 from 5.1 percent in 2021. The female unemployment rate declined notably to 6.5 percent in 2022 from 7.9 percent in 2021 while the male unemployment rate remained unchanged at 3.7 percent in 2022. The unemployment rate among GCE A/L and above education category dropped significantly to 7.8 percent in 2022 from 9.1 percent in 2021. The unemployment rate of youth (15–24 years) also declined considerably to 22.8 percent in 2022 from 26.5 percent recorded in 2021. The significant increase in departures for foreign employment in 2022

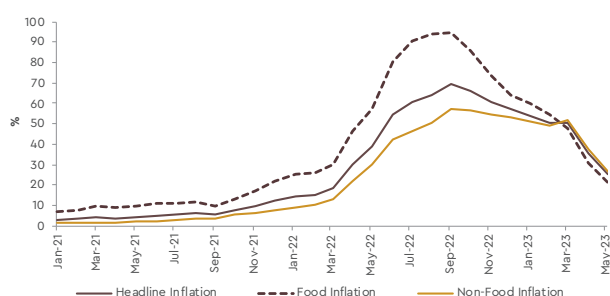
was partially due to the economic hardship that prevailed in the country during the year. The departures for foreign employment increased substantially by 154.4 percent to 311,056 in 2022 from 122,264 in 2021. Despite the decline in overall unemployment rates, Labour Force Participation Rate (LFPR) decreased marginally to 49.8 percent in 2022, compared to 49.9 percent in 2021 in line with the increase in household population. The female LFPR increased to 32.1 percent in 2022 from 31.8 percent in 2021 while the male LFPR dropped to 70.5 percent in 2022 from 71.0 percent in 2021 which has warranted for labour market reform to increase female LFPR.

Inflation

Headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index (CCPI, 2013=100) sharply increased to 69.8 percent in September 2022 from 12.1 percent in December 2021 before declining moderately to 57.2 percent in December 2022. The increase in headline inflation was mainly due to the supply side disruptions including notable price hikes in food commodities, sharp depreciation of the Sri Lanka rupee, subsequent adjustments in energy and transport prices and aggregate demand pressures due to the lagged impact of monetary accommodation during the past few years. As measured by the year-on-year change in the CCPI (2021=100), the declining trend of headline inflation further continued during 2023 and decreased sharply to 25.2 percent in May 2023. Year-on-year headline inflation as measured by the National Consumer Price Index (NCPI, 2013=100) peaked at 73.7 percent in September 2022 from 14.0 percent in December 2021 and declined to 59.2 percent in December 2022. As measured by the year-on-year change in the NCPI (2021=100), the declining trend of headline inflation further continued during 2023 and decreased sharply to 33.6 percent in April 2023. Annual average inflation based on the CCPI (2013=100), increased sharply to 46.4 percent in 2022 from 6.0 percent in 2021 while the annual average inflation based on the NCPI (2013=100), soared to 50.4 percent in 2022, compared to 7.0 percent in 2021.

Core inflation, which reflects the underlying inflation in the economy, also began to rise significantly during nine months ending 2022, mainly due to the lagged impact of monetary accommodation in the past, price hikes in imported goods and increase in costs of some non-food categories and moderated thereafter. The decreasing trend of core inflation was slower than that of headline inflation due to exclusion of volatile food and energy components from the measurement of core inflation. Year-on-year core inflation as measured by the movements in CCPI (2013=100) rose from 8.3 percent in December 2021 to 50.2 percent in September 2022 and moderated to 47.7 percent in December 2022. Year-on-year core inflation as measured by the movements in NCPI (2013=100) also shown a similar trend increasing sharply from 10.8 percent in December 2021 to 64.1 percent in September 2022 and moderated to 57.5 percent in December 2022. Meanwhile, year-on-year core inflation as measured by the movements in CCPI (2021=100) decreased to 20.3 percent in May 2023 and year-on-year core inflation as measured by the movements in NCPI (2021=100) decreased to 31.8 percent in April 2023. Annual average core inflation based on the CCPI (2013=100) increased sharply to 34.6 percent in 2022 from 4.4 percent recorded in 2021 while the annual average core inflation based on the NCPI (2013=100) increased sharply to 43.9 percent in 2022 from 5.5 percent recorded in 2021.

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



Source: Department of Census and Statistics

Note: 2020 January – 2023 January based on CCPI (2013=100) and 2023 February – May based on CCPI (2021=100)

Equity Market Developments

Amidst the adverse macroeconomic developments, the equity market recorded a subdued performance in terms of price indices, market capitalization and annual average turnover during 2022 while a significant volatility in price indices was further observed. The All Share Price Index (ASPI) recorded the historically highest value of 13,462.4 points on January 19, 2022 and thereafter the indices witnessed a declining trend since early February 2022. Accordingly, the ASPI dropped to 8,490 points while the Standard & Poor's Sri Lanka 20 (S&P SL20) index which represents the top and the most liquid stocks, dropped to 2,636 points at end of 2022 while the ASPI and S&P SL 20 index contracted by 30.6 percent and 37.7 percent respectively, during 2022.

Meanwhile, market capitalization declined by 29.9 percent to Rs. 3,847 billion as at end 2022 from Rs. 5,489 billion as at end 2021 and the share of market capitalization as a percentage of GDP declined to 15.9 percent as at end 2022 compared to 31.2 percent as at end 2021.


The Colombo Stock Exchange (CSE) recorded an annual average turnover of Rs. 687 billion in 2022, which was a significant decline compared to Rs. 1,173 billion recorded in 2021. The listed companies trading under the Colombo Stock Exchange also decreased to 290 in 2022, compared to 296 in 2021.

Foreign sales fell substantially by 57.5 percent to Rs. 36,863 million in 2022, compared to Rs. 86,689 million in 2021 while foreign purchases increased considerably by 71.2 percent to Rs. 67,488 million in 2022, compared to Rs. 39,410 million in 2021. Accordingly, net foreign inflows witnessed a significant improvement during 2022 owing to foreign investment attracted by a few major companies. Accordingly, the net foreign inflows recorded Rs. 30.6 billion during 2022 compared to an outflow of Rs. 52.6 billion recorded in 2021.

Table 2.17 | Movements in the Capital Market

Indicators	2014	2015	2016	2017	2018	2019	2020	2021	2022
All Share Price Index (1985=100)	7,299	6,895	6,228	6,369	6,052	6,129	6,774	12,226	8,490
S&P SL 20 Index	4,089	3,626	3,496	3,672	3,135	2,937	2,638	4,233	2,636
Market Capitalization (Rs. Bn.)	3,105	2,938	2,745	2,899	2,840	2,851	2,961	5,489	3,847
No. of Listed Companies in Trading	294	294	295	296	297	289	283	296	290
Annual Average Turnover (Rs. Bn.)	341	253	176	221	200	171	397	1,173	687
Foreign Sales (Rs. Mn.)	83,554	89,793	74,275	94,627	100,316	68,272	104,165	86,689	36,863
Foreign Purchases (Rs. Mn)	104,771	84,421	74,625	112,285	77,067	56,537	52,889	39,410	67,488

Sources : Colombo Stock Exchange and Central Bank of Sri Lanka



03

Global Economic Developments

3.1 Overview¹

The world economy demonstrated a sign of recovery in 2022 with a decline in inflation from the peak and moderate economic growth. However, the outlook is gloomy with the intensified financial turmoil, the lagged effect of the COVID-19 pandemic, and the ramification effect of the Russia-Ukraine conflict, particularly on the global supply chain. In 2022, many economies were on the surge of high inflation hit across sectors of the economies emanating from the increased demand, supply disruptions, and commodity price hikes. As a result, the central banks have tightened their monetary policy stances by increasing policy rates to suppress inflation. The rise in policy rates has made financial sector vulnerable in bank and non-banking sectors. In addition, the debt levels rose to unsustainable levels in many developing countries posing fiscal challenges to manage their fiscal parameters. Meanwhile, benefiting from the improved global supply chain, particularly in China, the rise in commodity prices moderated in 2022 despite the ongoing Russia-Ukraine conflict.

The global economic growth was 3.4 percent in 2022 and it is expected to decline to 2.8 percent in 2023 and 3.0 percent in 2024. Meanwhile, global inflation is expected to decline to 7.0 percent in 2023 from 8.7 percent in 2022 and further to 4.9 percent in 2024. These developments demonstrated that structural changes are a prerequisite to bringing the economies to pre-pandemic levels.

The economic growth of advanced economies is predicted to decline to 1.3 percent in 2023, from 2.7 percent in 2022 before slightly increasing to 1.4 percent in 2024. This decline is mainly attributable to the expected slowdown in the Euro area with a mere growth rate of 0.7 percent and the contraction of growth of 4.0 percent in the United Kingdom in 2023. In contrast, emerging markets and developing economies are expected to experience higher growth, averaging 4.5 percent in 2023 and 4.4 percent in 2024 from 2.8 percent in 2022.

¹ Based on World Economic Outlook (April 2023, IMF), Fiscal Monitor (April 2023, IMF), Global Financial Stability Report (April 2023, IMF), Commodity Markets Outlook (April 2023, IMF), Global Economic Prospects (January 2023, World Bank) and other data and information from IMF, World Bank and the Worldwide Web.

Emerging and developing Asian economies are also expected to experience positive growth of 5.3 percent in 2023 and 5.1 percent in 2024. The reopening of the Chinese economy is also expected to have positive spillover effects with a growth of 5.2 percent in 2023 from 3.0 percent in 2022 before slightly decreasing to 4.5 percent in 2024.

The global economic outlook is forecast to be volatile and toward the downside stemming from the financial stresses which have forced central banks to increase their policy rates. This has been further aggravated by the sovereign debt crisis. Also, capital inflows have been disrupted generating large disparity in growth in the world which has been further intensified with the geo-political tensions, particularly in Russia and Ukraine. The exerted pressures on food and energy prices have compelled the central banks to tighten their monetary policy stances despite the status of developments. As such, many countries use both monetary and fiscal policy tightening measures to minimize possible risks emanating from the vulnerabilities of the financial sector and the high cost of living. Debt sustainability is needed to be addressed through aggressive revenue-based fiscal consolidation measures, which are also important for debt restructuring endeavours in countries such as Sri Lanka where debt is highly unsustainable.

3.2 World Output

In 2022, despite the persistent impact of the global pandemic and the difficulties faced by various spheres of the economy, countries demonstrated resilience and adaptability, leading to a notable recovery.

Global output grew by 3.4 percent in 2022 from 6.3 percent in 2021. Advanced economies also witnessed a slowdown in growth, with a growth rate of 2.7 percent in 2022 compared to 5.4 percent in 2021. This was primarily driven by a drop in growth rate in the United States, which declined to 2.1 percent in 2022 from 5.9 percent in 2021, and in the Euro area, which fell to 3.5 percent in 2022 from 5.4 percent in 2021. A notable decline in growth was recorded in Hong Kong SAR (-3.5 percent) and Macao SAR (-26.8 percent) in 2022. The growth rate recorded in Spain remained unchanged at 5.5

percent in 2021 and 2022. In the same vein, the growth of Emerging Market and Developing Economies (EMDEs) declined to 4.0 percent in 2022, compared to a higher growth rate of 6.9 percent recorded in 2021. However, the growth prospects for EMDEs remain stronger than those of advanced economies. The economic growth in South Asian economies expanded in 2022 except for Sri Lanka. India, Bangladesh, Maldives, Bhutan, Nepal, and Pakistan recorded growth rate of 9.1 percent, 7.1 percent, 4.3 percent, 5.8 percent, and 6.0 percent, respectively in 2022. However, the Sri Lankan economy contracted by 7.8 percent in 2022.

Despite high uncertainties, the growth forecasts for advanced economies are slightly more optimistic than previous forecasts. In 2023, most of the advanced economies are expected to demonstrate positive growth, except for the expected contraction of Germany and the United Kingdom by 0.1 percent and 0.3 percent, respectively. The growth rates for EMDEs are projected to be 3.9 percent in 2023 and 4.2 percent in 2024. Emerging Asia, which includes China and India, indicates an expected growth rate of 5.3 percent in 2023, before slightly declining to 5.0 percent in 2024 following the improved business and consumer confidence, declining food and energy prices, and the re-opening of the Chinese economy.

Table 3.1 | A Snapshot of the World – 2022

Country	2022				
	GDP Growth (Annual percent change)	Inflation (Percent)	Unemployment (Percent)	Fiscal Balance (Percent of GDP)	Gross Debt (Percent of GDP)
Argentina	5.2	72.4	7	-3.9	84.5
Australia	3.7	6.6	3.7	-3.3	55.7
Brazil	2.9	9.3	7.9	-4.6	85.9
Canada	3.4	6.8	5.3	-0.7	106.6
Chile	2.4	11.6	7.9	-1.3	38.0
China	3	1.9	4.2	-7.5	77.1
France	2.6	5.9	7.3	-4.9	111.1
Germany	1.8	8.7	3.1	-2.6	66.5
Greece	5.9	9.3	12.2	-4.0	177.4
India	6.8	6.7	...	-9.6	83.1
Indonesia	5.3	4.2	5.9	-2.3	39.9
Italy	3.7	8.7	8.1	-8.0	144.7
Japan	1.1	2.5	2.6	-7.8	261.3
Korea	2.6	5.1	2.9	-0.9	54.3
Malaysia	8.7	3.4	3.8	-5.3	66.3
Mexico	3.1	7.9	3.3	-4.4	56.0
Russia	-2.1	13.8	3.9	-2.2	19.6
Singapore	3.6	6.1	2.1	-0.4	134.2
South Africa	2.0	6.9	33.5	-4.5	71.0
Spain	5.5	8.3	12.9	-4.5	112.0
Sri Lanka	-7.8	46.4	4.7	-10.2	113.8
Thailand	2.6	6.1	1.0	-5.5	60.5
United Kingdom	4	9.1	3.7	-6.3	102.6
United States	2.1	8	3.6	-5.5	121.7
Vietnam	8	3.2	2.3	-2.5	37.1
Venezuela	8	201	...	-6.0	157.8

Sources: "World Economic Outlook", IMF, April 2023, Fiscal Monitor, IMF, April 2023, Annual Report 2022, Central Bank of Sri Lanka, Department of Fiscal Policy, Department of Census and Statistics
 ...n.a – Not available

The growth of China is expected to rebound by 5.2 percent in 2023 before slightly decreasing to 4.5 percent in 2024. India's economy, the largest economy in South Asia, is expected to expand by 5.9 percent in 2023 and 6.3 percent in 2024 supported by the increased domestic demand. Other emerging and developing Asia including Bangladesh, Bhutan, Maldives, and Sri Lanka, are projected to grow by 4.2 percent in 2023 and 5.6 percent in 2024, from 3.4 percent in 2022. Meanwhile, Latin America and the Caribbean region, emerging and developing Europe, the Middle East and Central Asia, and Sub-Saharan Africa are expected to grow moderately by 1.6 percent, 1.2 percent, 2.9 percent, and 3.6 percent, respectively in 2023.

Due to the variations in growth across economies, the growth rate of the global economy is expected to decline to 2.8 percent in 2023 from 3.4 percent in 2022 and 3.0 percent in 2024. Beyond 2023, global economic growth is anticipated to reduce to about 3.0 percent over the medium term, and this growth is lower than pre-pandemic levels. Despite a number of containment measures against the volatility of the global economy, the uncertainty of recovering the global economy remains at a faster pace. As such, the timely implementation of structural reforms including monetary, fiscal, financial and growth enhancing policies is important to restore macroeconomic and debt sustainability.

Table 3.2 | World and Regional Output

	Annual Percent Change			
	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024
World Output	6.3	3.4	2.8	3.0
Advanced Economies	5.4	2.7	1.3	1.4
United States	5.9	2.1	1.6	1.1
Euro Area	5.4	3.5	0.8	1.4
Germany	2.6	1.8	-0.1	1.1
France	6.8	2.6	0.7	1.3
Italy	7.0	3.7	0.7	0.8
Spain	5.5	5.5	1.5	2.0
Japan	2.1	1.1	1.3	1.0
United Kingdom	7.6	4.0	-0.3	1.0
Canada	5.0	3.4	1.5	1.5
Emerging Market and Developing Economies	6.9	4.0	3.9	4.2
Emerging and Developing Asia	7.5	4.4	5.3	5.1

Table 3.2 | World and Regional Output contd...

	Annual Percent Change			
	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024
China	8.4	3.0	5.2	4.5
India	9.1	6.8	5.9	6.3
Indonesia	3.7	5.3	5.0	5.1
Malaysia	3.1	8.7	4.5	4.5
Thailand	1.6	2.6	3.4	3.6
Vietnam	2.6	8.0	5.8	6.9
Latin America and the Caribbean	7.0	4.0	1.6	2.2
Brazil	5.0	2.9	0.9	1.5
Emerging & Developing Europe	7.3	0.8	1.2	2.5
Russia	5.6	-2.1	0.7	1.3
Middle East and Central Asia	4.6	5.3	2.9	3.5
Sub-Saharan Africa	4.8	3.9	3.6	4.2
South Africa	4.9	2.0	0.1	1.8
Sri Lanka	3.5	-7.8	-3.0	1.5

Source: World Economic Outlook, IMF, April 2023
Annual Report 2022, Central Bank of Sri Lanka

3.3 Inflation

In 2022, the global inflation was 8.7 percent. As IMF's April 2023 forecast, the global inflation rate is expected to reduce to 7.0 percent in 2023. The deflation is expected in the short to medium terms which will stem from the price falls of fuel and non-fuel commodities and the expected cooling effects of monetary tightening on economic activities.

Consumer prices in advanced economies increased to 7.3 percent in 2022 from 3.1 percent in 2021. The US and the Euro Area recorded an inflation of 8.0 percent and 8.4 percent, respectively in 2022. Inflation in the EMDEs increased to 9.8 percent in 2022 from 5.9 percent in 2021. Emerging and Developing Asia recorded relatively low inflation of 3.8 percent in 2022 compared to other regions of the EMDEs. Inflation in Emerging and Developing Europe has significantly increased by 18.3 percentage points to 27.9 percent in 2022 from 9.6 percent in 2021. Inflation in Latin America and the Caribbean has increased to 14.0 percent in 2022 from 9.8 percent in 2021. Inflation in the Middle East and Central Asia and Sub-Saharan Africa increased moderately to 14.3 percent and 14.5 percent, respectively

in 2022. A significantly high Inflation of 27.6 percent was recorded by non-fuel commodities of which primary products exporting nations and net debtor economies with arrears and/or rescheduling also registered a high inflation at 22.1 percent in 2022.

The inflation expectations will be stayed anchored in the near future. Inflation in 2023 is estimated at 4.7 percent in advanced economies: 4.5 percent in the US; 5.3 percent in the Euro Area; and 6.8 percent in the United Kingdom. Inflation in EMDEs is estimated at 8.6 percent in 2023, as soaring inflation of 19.7 percent is expected from Emerging and Developing Europe with high inflation of 50.6 percent, 21.1 percent, and 17.7 percent from Turkey, Ukraine, and Hungary, respectively. Emerging and developing Asia's inflation is expected to be moderate at 3.4 percent in 2023. Inflation expectations from Latin America and the Caribbean, the Middle East and Central Asia, and Sub-Saharan Africa are estimated at 13.3 percent, 15.9 percent, and 14.0 percent, respectively in 2024. The global headline inflation is expected to reduce to 7.0 percent in 2023 benefiting from the lower commodity prices. However, core inflation is predicted to be reduced slowly, and inflation rates are unlikely to reach their original targets before 2025.

Table 3.3 | Inflation at Average Consumer Prices

	Annual Percent Change			
	Actual		Forecast	
	2021	2022	2023	2024
World				
Advanced Economies	3.1	7.3	4.7	2.6
United States	4.7	8.0	4.5	2.3
Euro Area	2.6	8.4	5.3	2.9
Germany	3.2	8.7	6.2	3.1
France	2.1	5.9	5.0	2.5
Italy	1.9	8.7	4.5	2.6
Spain	3.0	8.3	4.3	3.2
Japan	-0.2	2.5	2.7	2.2
United Kingdom	2.6	9.1	6.8	3.0
Canada	3.4	6.8	3.9	2.4
Emerging Market and Developing Economies				
Emerging and Developing Asia	2.2	3.8	3.4	3.0
China	0.9	1.9	2.0	2.2
India	5.5	6.7	4.9	4.4
Indonesia	1.6	4.2	4.4	3.0
Malaysia	2.5	3.4	2.9	3.1
Thailand	1.2	6.1	2.8	2.0
Vietnam	1.8	3.2	5.0	4.3

Table 3.3 | Inflation at Average Consumer Prices contd...

	Annual Percent Change			
	Actual		Forecast	
	2021	2022	2023	2024
Latin America and the Caribbean	9.8	14.0	13.3	9.0
Brazil	8.3	9.3	5.0	4.8
Emerging & Developing Europe	9.6	27.9	19.7	13.2
Russia	6.7	13.8	7.0	4.6
Middle East and Central Asia	12.8	14.3	15.9	12.0
Sub-Saharan Africa	11.0	14.5	14.0	10.5
South Africa	4.6	6.9	5.8	4.8
Sri Lanka	6.0	46.4	28.5	8.7

Source: World Economic Outlook, IMF, April 2023

Annual Report 2022, Central Bank of Sri Lanka

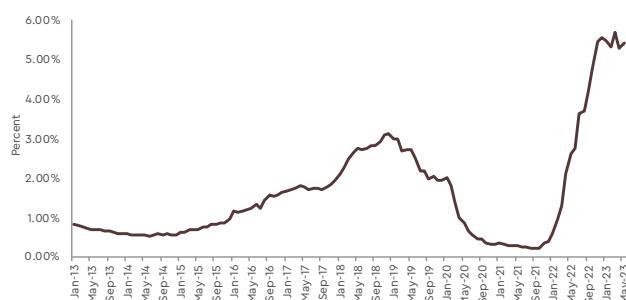
Extended Fund Facility Programme, International Monetary Fund

3.4 Interest Rates

In the United States, the Federal Reserve continued raising its federal funds rate since October 2022 bringing the latest rate to 5.0 percent from 4.75 percent and Federal Open Market Committee anticipated this latest rate will rise slightly above 5.0 percent before it declines to 4.3 percent and 3.0 percent in 2024 and 2025, respectively. The European Central Bank increased policy rates by 50 basis points on March 16, 2023. As a whole since December 2021, the Bank of England, the European Central Bank, the Bank of Canada, and the Reserve Bank of Australia have increased policy rates by 400 basis points, 300 basis points, 425 basis points, and 350 basis points, respectively.

Similarly, almost all countries around the world have raised interest rates to dampen demand while arresting inflation. However, policymakers should immediately introduce corrective measures to strike a balance between reducing sticky inflation and ensuring sustainable growth while maintaining financial sector stability.

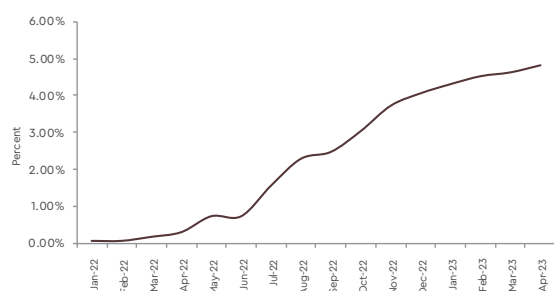
Figure 3.1 | Monthly Movement of Six Month LIBOR*



Source: Moneycafe.com

* LIBOR is replaced by Secured Overnight Financing Rate (SOFR) with effect from January 2022

Figure 3.2 | Secured Overnight Financing Rate (SOFR) (30 day average)



Source: Moneycafe.com

3.5 Fiscal Position

The signs of fiscal recovery are witnessed in 2022 after the three years of serious fiscal imbalances. In 2023, on average overall fiscal deficits in all economies are expected to expand slightly to 5 percent of GDP, due to increase in interest payments and public spending. The global debt level reached about 92 percent of the GDP in 2022 from 100 percent of the GDP in 2020 which is the steepest decline in 70 years stemming from impressive nominal GDP growth registered in 2021-2022.

Table 3.4 | General Government Fiscal Balance: Overall Balance

	As a Percentage of GDP			
	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024
World	-6.6	-4.7	-5.0	-4.6
Advanced Economies	-7.5	-4.3	-4.4	-4.2
Canada	-4.4	-0.7	-0.4	-0.4
Euro Area	-5.4	-3.8	-3.7	-2.8
France	-6.5	-4.9	-5.3	-4.8
Germany	-3.7	-2.6	-3.7	-1.9
Italy	-9.0	-8.0	-3.7	-3.3
Spain	-6.9	-4.5	-4.5	-3.5
Japan	-6.2	-7.8	-6.4	-4.0
United Kingdom	-8.3	-6.3	-5.8	-4.4
United States	-11.6	-5.5	-6.3	-6.8

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

	As a Percentage of GDP			
	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024
Emerging Market and Developing Economies	-5.2	-5.2	-5.8	-5.3
Emerging Markets excl.	-4.5	-3.4	-5.0	-4.4
China				
Excluding MENA Oil Producers	-5.0	-6.0	-6.3	-5.7
Asia	-6.5	-7.4	-6.8	-6.3
China	-6.0	-7.5	-6.9	-6.4
India	-9.6	-9.6	-8.9	-8.3
Europe	-1.9	-2.8	-5.8	-4.0
Russian Federation	0.8	-2.2	-6.2	-2.8
Latin America	-4.5	-3.9	-5.2	-4.4
Brazil	-4.3	-4.6	-8.8	-8.2
Mexico	-3.9	-4.4	-4.1	-2.7
MENA	-2.1	2.6	-1.0	-17.0
Saudi Arabia	-2.3	2.5	-1.1	-1.2
South Africa	-5.6	-4.5	-5.9	-6.1
Low-Income Developing Countries	-4.7	-4.2	-4.2	-4.0
Kenya	-7.1	-6.0	-5.2	-4.4
Nigeria	-6.0	-5.5	-5.3	-5.4
Vietnam	-3.4	-2.5	-3.3	-3.1
Oil Producers	-1.1	2.0	-0.3	0.1
Sri Lanka	-11.7	-10.2	-8.0	-6.4

Source: Fiscal Monitor, IMF, April 2023

Department of Fiscal Policy

Extended Fund Facility Programme, International Monetary Fund

3.5.1 Fiscal Deficits

Benefiting from the recent economic recovery, the global average fiscal deficit to GDP ratio declined to 4.7 percent in 2022 from 6.6 percent in 2021 and is estimated to slightly widen to 5.0 percent in 2023 before reducing to 4.6 percent in 2024. In the same vein, fiscal deficit to GDP ratio in advanced economies declined to 4.3 percent for the second year in a row in 2022 from the considerably high levels of 7.5 percent in 2021 and are expected to slightly widen to 4.4 percent in 2023 before declining to 4.2 percent in 2024.

The fiscal deficit to GDP ratio of EMDEs remained unchanged at 5.2 percent in 2021 and 2022 amidst the large increase in financing costs due to higher interest bills and a lack of revenue target attainment. However, the fiscal deficit to GDP ratio of EMDEs are anticipated to widen to 5.8 percent in 2023 before marginally declining to 5.3 percent in 2024. Among emerging and developing Asian

countries China exhibited a widening of fiscal deficit to 7.5 percent in 2022 from 6.0 percent in 2021. However, China's overall fiscal deficit is expected to decline to 6.9 percent and further to 6.4 percent in 2023 and 2024, respectively. In 2022 and 2021, India's fiscal deficit remained unchanged at 9.6 percent and is expected to decline to 8.9 percent in 2023 before further declining to 8.3 percent in 2024.

The fiscal deficit balance in Latin American countries declined to 3.9 percent in 2022 from 4.5 percent in 2021 and is expected to widen to 5.2 percent in 2023 before declining to 4.4 percent in 2024. Among low-income developing countries Kenya (to 6.0 percent from 7.1 percent), Nigeria (to 5.5 percent from 6.0 percent), and Vietnam (to 2.5 percent from 3.4 percent) recorded a reduction in fiscal deficit. Accordingly, the fiscal deficit of low-income developing countries declined to 4.2 percent in 2022 from 4.7 percent in 2021 and it is expected to remain at 4.2 percent in 2023 before further declining to 4.0 percent in 2024. On average, the fiscal deficit of the Russian Federation was widened to a deficit of 2.2 percent in 2022 from a surplus of 0.8 percent in 2021 owing to the escalation of the Russia-Ukraine conflict. In MENA (Middle East and North Africa) countries, on average the overall balance improved by 4.7 percentage points to a surplus of 2.6 percent in 2022 from a deficit of 2.1 in 2021 owing to an increase in oil revenue savings.

3.5.2 Government Debt

Global debt stock as a percentage of GDP declined by 3.4 percentage points to 92.1 percent in 2022 from 95.5 percent in 2021 benefiting from the strong nominal GDP growth in 2021–2022, which is still around 8 percentage points higher than the pre-pandemic level of 84.3 percent in 2019. However, the global debt stock is expected to increase to 93.3 percent in 2023 and to 94.6 percent in 2024 owing to a sizable share of public debt comprised of foreign currency, rapid currency depreciation, and rising interest rates. Public debt in advanced economies declined to 112.5 percent of GDP in 2022 from 117.4 percent in 2021, which is expected to further decline to 112.4 percent in 2023 before rising to 113.6 percent in 2024. The Government debt to GDP ratio of the

EMDEs increased to 64.6 percent in 2022 from 64.3 percent in 2021. The ratio is expected to widen to 67.5 percent in 2023 and 69.8 percent in 2024.

As such, both advanced and developing market economies excluding China demonstrated a drop in public debt in 2022, albeit their debt ratios are still 8 and 4 percentage points above pre-pandemic levels, respectively. In low-income developing nations, the public debt-to-GDP ratio remained high at about 48 percent, the highest level since the early 2000s.

Table 3.5 | General Government Gross Debt

As a Percentage of GDP

	Actual		Forecast	
	2021	2022	2023	2024
World	95.5	92.1	93.3	94.6
Advanced Economies	117.4	112.5	112.4	113.6
United States	126.4	121.7	122.2	125.8
Euro Area	94.9	90.9	89.8	89.0
Germany	68.6	66.5	67.2	66.5
France	112.6	111.1	111.4	112.4
Italy	149.8	144.7	140.3	140.0
Spain	118.4	112.0	110.5	108.3
Japan	255.4	261.3	258.2	256.3
United Kingdom	108.1	102.6	106.3	109.7
Canada	115.1	106.6	105.1	102.2
Emerging Market Economies	64.3	64.6	67.5	69.8
Emerging and Developing Asia	71.5	75.1	79.1	82.6
China	71.8	77.1	82.4	87.2
India	84.7	83.1	83.2	83.7
Indonesia	41.1	39.9	39.1	38.8
Malaysia	69.3	66.3	67.0	67.1
Thailand	58.4	60.5	61.0	61.6
Vietnam	39.3	37.1	36.3	35.4
Latin America and the Caribbean	71.9	69.7	68.6	69.3
Brazil	90.7	85.9	88.4	91.5
Emerging & Developing Europe	34.7	32.7	36.9	37.9
Russia	16.5	19.6	24.9	25.3
Middle East, North Africa, Afghanistan and Pakistan (MENAP)	52.1	43.0	42.5	41.2
Sub-Saharan Africa	50.8	51.5	50.7	48.6
South Africa	69.0	71.0	72.3	74.0
Sri Lanka	100.1	113.8	100.0	101.6

Source: Fiscal Monitor, IMF, April 2023

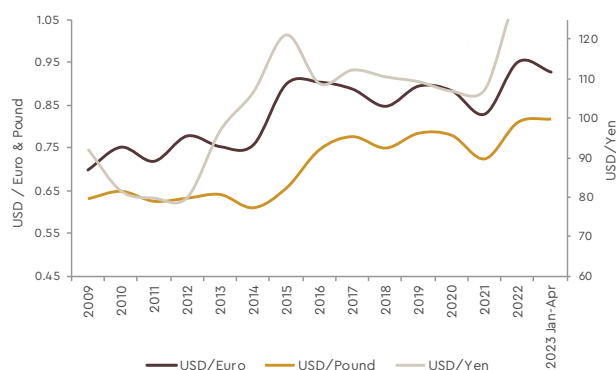
* Department of Fiscal Policy

Extended Fund Facility Programme, International Monetary Fund

3.6 Currency Movements

In most countries, wider exchange rate movements are observed against the US dollar, with monetary policy tightening to curb inflation in the United States. Premature easing of policy adopted by central banks to contain inflationary pressure could further depreciate exchange rates, which would enhance the distress of foreign currency-denominated debt and capital outflows. In low-income developing countries, with the depreciation of the nominal exchange rate, primary deficits are widening owing to the debt overhang. Owing to the exchange rate depreciation, food prices in domestic currencies remain significantly high in several countries. As food accounts for a significant share of the household consumption basket in low-income countries, high dependence on imported food in the event of a highly volatile exchange rate increases the vulnerability of low-income countries. Accordingly, assurance of exchange rate flexibility is a significant and urgent requirement in the highly uncertain environment that exists at present.

Figure 3.3 | Exchange Rates Against USD : 2009 – April 2023



Source : x-rates.com

3.7 World Trade

The volume of world trade increased in 2022 by 5.1 percent. The volume of trade in advanced economies and EMDEs increased by 5.2 percent and 4.1 percent in 2022, respectively. This was comparatively less than the increment in trade volumes recorded in 2021. The 5.5 percentage points decrease in the volume of world trade in 2022 compared to 2021 resulted from the decrease in the growth of exports in advanced economies by 4.3 percentage points and EMDEs by 8.4 percentage points. This has also been driven by the decrease in the growth of imports in advanced economies by 3.4 percentage points and EMDEs by 8.2 percentage points in 2022, compared to 2021.

The annual percent change in world trade volume is expected to decline to 2.4 percent in 2023 before slightly increasing to 3.5 percent in 2024 due to disruptions to international trade flows associated with the Russia-Ukraine conflict and increasing trade tensions between the United States and China. The volume of exports in advanced economies is expected to decline by 3.0 percent in 2023 before slightly increasing to 3.1 percent in 2024. The growth of exports in EMDEs is anticipated to decline to 1.6 percent in 2023 before rebounding by 4.3 percent in 2024. The growth of import volume in advanced economies is anticipated to decline to 1.8 percent in 2023 before increasing by 2.7 percent in 2024. Following the same trend, the growth of the import volume of EMDEs is predicted to decline to 3.3 percent in 2023 before increasing to 5.1 percent in 2024. Thus, fostering global trade through reinforcing multilateral trading systems, giving priority to favourable trade and investment treatments, strengthening existing trade and financial links, and enhancing the efficiency of global value chains are imperative to ensuring the presence of a healthy world trade system.

Table 3.6 | World Trade Volume

	Annual Percentage Change											
	Average 2005–2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Trade in Goods and Services												
World Trade Volume	4.7	2.9	2.2	5.6	4.0	1.0	-7.8	10.6	5.1	2.4	3.5	
Volume of Exports												
Advanced Economies	4	3.8	2.0	5.0	3.5	1.4	-8.9	9.5	5.2	3.0	3.1	
Emerging Market and Developing Economies	6.2	1.9	2.8	6.5	4.2	0.5	-4.9	12.5	4.1	1.6	4.3	
Volume of Imports												
Advanced Economies	3.2	4.7	2.5	4.8	3.9	2.1	-8.3	10.0	6.6	1.8	2.7	
Emerging Market and Developing Economies	8	-0.7	1.5	7.4	5.1	-1.1	-7.9	11.7	3.5	3.3	5.1	

Source: World Economic Outlook, April 2023

3.8 World Commodity Market

Commodity prices including energy and non energy commodities declined in 2022 compared to prices of 2021. However, commodity prices may escalate depending on the severity of the geopolitical tensions. In the first quarter of 2023, the commodity prices fell

by 14 percent, and by the end of March, the commodity prices had fallen around 30 percent from their remarkable peak in June 2022. The price of crude oil is anticipated to drop by around 24 percent in 2023 and a further 5.8 percent in 2024, while the prices of non-fuel commodities will remain unchanged.

Table 3.7 | Price Indices (2010=100)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Energy	135.22	134.12	131.65	120.4	66.1	56.02	69.36	89.36	78.25	52.68	95.38	152.57
Non-Energy	119.56	109.51	101.29	96.47	81.62	79.36	83.73	85.13	81.56	84.12	112.46	124.36
Agriculture	121.52	114.29	105.68	101.88	87.86	87.45	86.95	86.56	83.13	87.08	108.31	122.75
Beverages	115.97	92.63	83.3	101.77	93.95	91.29	83.11	79.08	76.13	80.38	93.49	106.28
Food	122.47	124.15	114.59	106.02	88.46	89.63	90.2	90.45	86.98	93.12	121.85	143.68
Oils and Meals	120.54	125.35	114.34	106.35	84.36	88.27	87.57	85.01	77.46	89.79	127.1	145.21
Grains	138.19	141.34	128.25	104.08	87.06	80.69	80.55	88.76	88.96	95.35	123.82	150.37
Other Food	110.77	107.02	102.56	107.33	95.13	99.5	102.41	99.13	97.71	95.49	113.14	135.61
Raw Materials	122.04	101.34	95.41	91.91	83.29	80.2	81	80.9	77.34	75.79	82.95	80.27
Fertilizers	137.62	141.06	114.36	101.47	98.4	77.71	74.26	82.5	81.38	74.61	152.31	235.74
Metals and Minerals	113.49	96.13	90.81	84.79	66.94	62.97	78.2	82.51	78.36	79.15	116.44	115.02
Precious Metals	136.27	138.46	115.09	101.12	90.64	97.45	97.84	97.17	105.44	133.54	140.17	136.8

Source: World Commodity Outlook, April 2023

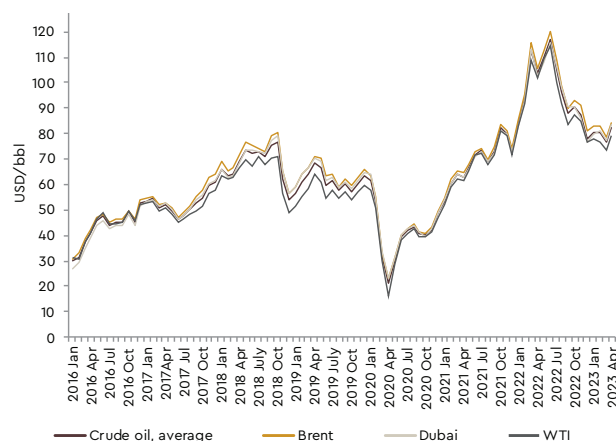
3.8.1 Energy Prices

In the first quarter of 2023, energy prices were 20 percent lower than that of in the final quarter of 2022. In 2023, the energy price index is expected to fall by 26 percent from 152.57 in 2022 owing to the price reduction of natural gas. Compared to the peak price in June 2022, the price of Brent crude oil in March 2023 was 35 percent below the peak. In the first quarter of 2023, Brent crude oil averaged USD 81/bbl which is 30 percent less compared to USD 116/

bbl in March 2022. The daily prices per barrel fluctuated around USD 72–87 during the first quarter of 2023. The spot price of the Russian benchmark is expected to have averaged USD 47/bbl in early February, which is USD 13 lower than the G7 price cap of USD 60/bbl. The average price of Brent crude oil in China and other countries in Asia was USD 72/ bbl in January 2023. Though the global oil market initially expected a rapid increase in demand for oil due to China's reopening.

However, with the ease of travel restrictions in China, it is expected to have a sharp rise in oil demand in 2023. The average price of Brent crude oil is expected to reach USD 84/bbl in 2023 from USD 100/bbl in 2022. Further expected to slightly increase in 2024 and remain higher than the pre-pandemic level is (2015–2019) monthly average of USD 57/bbl.

Figure 3.4 | Crude Oil Prices : 2016 – April 2023



Source : World Commodity Outlook, World Bank, April 2023

Natural Gas price in the US in March 2023 was 16 percent below its pre-pandemic (2015–2019) average. The Liquefied Natural Gas (LNG) import price of Japan dropped by 9 percent in the first quarter of 2023 and as of March 2023. Natural Gas prices in the United States are expected to decline to USD 2.7/mmbtu in 2023 from USD 6.4/mmbtu in 2022 before increasing to USD 3.7/mmbtu in 2024, mainly due to rise in domestic production. Considering increased investments in LNG import facilities, prices in Europe are expected to decline to USD 19.0/mmbtu in 2023 and further to USD 17.0/mmbtu in 2024 from USD 40.3/mmbtu an all-time high in 2022.

Coal consumption in Europe grew by 7 percent in 2022, as power generators in Europe extensively used coal as an alternative to Russian natural gas. As the power sector of the United States gradually shifted to renewable sources, coal consumption fell by 6 percent in 2022. India's coal consumption in 2022 rose by 7 percent owing to the increasing demand from the power sector. China's coal consumption moderately increased as coal was used to fulfill the shortfall from hydropower. Australian coal prices are expected to decline to USD 200/mt in 2023 and further to USD 155/mt in 2024 from

a significantly high price of USD 344.9/mt in 2022. Owing to high carbon prices combined with lower liquefied natural gas prices in Europe, global coal prices are estimated to fall by 42 percent and 23 percent in 2023 and 2024, respectively.

3.8.2 Agricultural Prices

The agriculture price index increased to 122.75 in 2022 from 108.31 in 2021 due to high production costs and continued domestic and global demand increases. With the decline in input costs and increase in agriculture supplies, agricultural prices are expected to decline by 7 percent in 2023. Prices will further decline beyond 2023 with ease of production and supply channels. Owing to severe weather events and higher input prices, food security still remains a significant challenge, though it is expected to have a significant decline in agriculture prices in the future. US Hard Red Winder wheat price is expected to decline to USD 355/Mt in 2023 from USD 430/Mt in 2022 and further decline to USD 335/Mt in 2024.

However, most edible oil prices recorded a slight price increase in 2022 compared to 2021 due to production shortfalls. Palm oil prices are expected to decline to USD 980/Mt in 2023 from USD 1,276/Mt in 2022, before slightly reducing to USD 1,020/Mt in 2024. Thailand Rice prices decreased to USD 437/Mt in 2022 from USD 458/Mt in 2021 and this price is expected to increase to USD 510/Mt in 2023 before declining to USD 490/Mt in 2024.

More than 349 million people around the world are expected to suffer from food insecurity in 2023 due to high food and fertilizer prices, economic and climate shocks, geopolitical fragmentation, and conflicts. Reflecting the rise in food prices, the global year-on-year domestic food price inflation rate averaged at high about 19.5 percent, in the first quarter of 2023. While individual countries such as Argentina, Lebanon, and Zimbabwe experienced more than 100 percent food price inflation, MENA as a region recorded the average highest food price inflation in early 2023. In addition to low and middle-income countries, around 81.8 percent of high-income countries experienced high food price inflation between January– April 2023.

3.8.3 Metal and Mineral Prices

The metals and minerals price index rose by 10 percent in the first quarter of 2023 which marks a 3 percent lesser than a year ago. Metals and minerals such as Aluminum, Copper, Iron ore, Lead, Nickle, Tin, and Zinc prices are expected to decline by 11 percent, 3.6 percent, 5.2 percent, 2.4 percent, 14.8 percent, 23.4 percent, and 19.6 percent, respectively in 2023 compared to 2022. While prices of precious metals such as Gold and Silver are expected to increase by 5.5 percent each owing to geopolitical uncertainty and persistently high inflation, Platinum price is expected to drop by 11.8 percent in 2023 compared to 2022 due to lower demand.

3.9 Look forward within the Sri Lankan context

The global uncertainties and price hikes that emerged as a result of the COVID-19 pandemic, financial sector turmoil, high inflation, and Russia-Ukraine conflict together with the domestic macroeconomic imbalances have adversely impacted the prospect growth in Sri Lanka. This has been demonstrated in the sharp contraction of economic growth by 7.8 percent in 2022.


As such, the Government introduced a series of macroeconomic adjustment measures including much-neglected structural reforms to ensure macroeconomic stability and debt sustainability while safeguarding the poor and vulnerable segments of society. Comprehensive reform package introduced under the Extended Fund Facility Programme of the IMF, Sri Lankan economic growth is expected to take off in the medium term.

The global economy has also demonstrated signs of recovery after the sharp deceleration experienced in the second half of 2022. Following the decline in global commodity prices from historic high levels in mid-2022, the domestic inflationary pressure has also eased. Foreign exchange inflows generated through exports, tourism, and remittances have been improved to manage outflows. The overall fiscal deficit is estimated to decline with the successful implementation of revenue based fiscal consolidation measures together with the reforms in the State Owned Enterprises (SOEs).

A well planned economic policy adjustment framework covering all four sectors including fiscal, monetary, financial and real sectors will pave the way to restore macroeconomic stability and debt sustainability in the medium to long term.

PART II

Final Budget Position



04

Government Revenue

4.1. Overview

The year 2022 marked a notable shift in Sri Lanka's tax policy formulation as bold steps were taken to introduce a broad-based and progressive tax system. Government revenue mobilization surpassed Rs. 2,000 billion in 2022 owing to aggressive revenue enhancement measures combined with the positive effects of increased price levels and exchange rate depreciation amidst the severe economic downturn.

In nominal terms, government revenue including grants increased significantly by 37.5 percent to Rs. 2,012.6 billion in 2022 from Rs. 1,463.8 billion in 2021. The actual government revenue excluding grants of Rs. 1,979.2 billion in 2022 was a Rs. 104.8 billion aberration of the annual estimated revenue of Rs. 2,084 billion, which is a realization of 95 percent against the estimate. The surge in revenue collection mainly stemmed from Value Added Tax (VAT) due to the rate revision (by Rs. 154.9 billion), Surcharge Tax (a one-off tax which yielded Rs. 120.7 billion), Corporate Income Tax (CIT) (by Rs. 85.8 billion), sales and charges (by Rs. 47.4 billion) and the newly introduced Social Security Contribution Levy (SSCL) (which yielded Rs. 36.1 billion after being effective from October 1, 2022).

Despite the nominal increase in revenue, government revenue as a percentage of GDP declined to 8.2 percent in 2022 from 8.3 percent in 2021 due to the reduction of tax revenue to GDP ratio by 0.1 percentage points. The ratio was one of the lowest in the region in 2022 and this marked a deviation of 0.6 percentage points from the envisaged revenue estimate of 8.8 percent of GDP. Revenue from income taxes increased to 2.2 percent of GDP in 2022 from 1.7 percent of GDP in 2021 due to surcharge tax collection of 0.5 percent of GDP. Despite the increase in the VAT rate from 8 percent to 15 percent, the VAT revenue as a percentage of GDP increased slightly to 1.9 percent in 2022 from 1.8 percent in 2021 due to the rate changes that were made in the midst of 2022. However, revenue from excise taxes declined as a percentage of GDP to 1.4 percent in 2022 from 1.7 percent in 2021 due to non adjustment of Excise Duty rates in line with inflation and low revenue from Excise Duty on motor vehicles stemming from the import compression and petroleum, while revenue from taxes on external trade declined to 1.4 percent in 2022 from 2.0 percent in 2021 due to import restrictions.

Table 4.1 | Summary of Government Revenue

	Rs. Million			
Item	2019	2020	2021	2022 ^(a)
Total Revenue and Grants	1,898,808	1,373,308	1,463,810	2,012,589
Total Revenue	1,890,899	1,367,960	1,457,071	1,979,184
Tax Revenue	1,734,925	1,216,542	1,298,019	1,751,132
Income Tax	427,700	268,249	302,115	534,021
Taxes on Goods and Services	975,557	586,650	646,068	875,995
Taxes on External Trade	331,668	361,643	349,836	341,116
Non Tax Revenue	155,974	151,417	159,052	228,052
Grants	7,909	5,348	6,740	33,405
As a % of GDP				
Revenue and Grants	11.9	8.8	8.3	8.3
Total Revenue	11.9	8.7	8.3	8.2
Tax Revenue	10.9	7.8	7.4	7.3
Non Tax Revenue	1.0	1.0	0.9	0.9
Grants	0.0	0.0	0.0	0.1

Source: Department of Fiscal Policy

^(a) Provisional

4.2 Tax Policy Reforms

Sri Lanka introduced an extraordinarily low tax regime in late 2019. The reforms included the reduction of tax rates of Value Added Tax (VAT), Personal Income Tax (PIT) and Corporate Income Tax (CIT), and narrowing tax bases of VAT and PIT. However, these reforms led to a significant loss of Government revenue resulting in the lowest revenue to GDP ratio in the region. As such, the revenue to GDP ratio has declined to 8.2 percent in 2022 from 11.9 percent in 2019.

The low tax regime, and the impact of the COVID-19 pandemic on revenue mobilization, together with the relief measures associated with the pandemic and economic crisis widened the budget deficit significantly to 11.7 percent in 2021 from 9.0 percent of GDP in 2019. The ratio improved to 10.2 percent in 2022 as a result of revenue enhancement measures combined with the positive effects of expenditure rationalization. However, persistent fiscal deficits due to low revenue performance and relatively high and rigid recurrent expenditure coupled with less efficient public expenditure have created increased financing needs and have led to unsustainable levels of debt. This resulted in the government debt to GDP ratio increasing to Rs. 113.8 percent in 2022.

Due to high fiscal deficits, the Government had high borrowing requirements. In addition, the unavailability of a sufficient amount of net financing in the domestic non-bank sources and the loss of access to international capital markets restricted options to finance the budget deficits. This resulted in severe cash flow constraints as the Government had to resort to financing extensively from banking sources, particularly from the Central Bank of Sri Lanka. Such extensive monetary financing contributed to the soaring inflationary pressures experienced in 2022.

The fiscal imbalances prompted the government to introduce aggressive and ambitious revenue policy measures since June 2022. Such reforms mainly focused on increasing tax rates, widening tax bases, and removing a number of exemptions and concessions. The reforms aim to raise government revenue consistently up to 15 percent of GDP by 2026

and beyond. With the revenue-based fiscal consolidation measures, it is aimed to restore fiscal sustainability and strengthen the fiscal discipline of the country, which will ultimately contribute to restoring macroeconomic stability and debt sustainability.

4.2.1 Income tax measures

- Reducing tax-free threshold, increasing the marginal PIT rates and the top marginal rate, and rationalizing incremental tax slabs with effect from January 01, 2023.
 - The downward revision of the tax-free threshold for PIT from Rs. 3.0 million to Rs. 1.2 million per annum.
 - Removing expenditure relief of Rs. 1.2 million that had been granted for education, health, contributions for pension scheme, interest paid on housing loans, etc.
 - Reducing the tax slab from Rs. 3.0 million to Rs. 500,000 per annum.
 - Revising the tax rates progressively from 6% to 36% on every Rs. 500,000 exceeding the tax relief.
- Making Advance Personal Income Tax (APIT)/Withholding Tax (WHT) on employment income (PAYE) mandatory for all taxpayers exceeding the personal relief of Rs. 1.2 million per year of assessment.
- Making Advance Income Tax (AIT) on other payments compulsory at the following rates.

Table 4.2 | AIT/WHT rates

Category	Rate (%)	Final/Non-Final
Dividend	15	Final
Interest or discount paid	5	Non-Final
Rent payments exceeding Rs. 100,000 per month	10	Non-Final
Service payments exceeding Rs. 100,000 made to individuals such as professionals	5	Non-Final
In all other cases (other than non residents)	14	Non-Final
Non residents	14	Non-Final

Source: Department of Fiscal Policy

- Increasing the CIT rate to 30 percent from 24 percent and discontinuing exemptions and concessionary rates of CIT with effect from October 1, 2022, while maintaining CIT rate on liquor, tobacco and betting and gaming at 40 percent. The full effect of this revenue measure will be realized in 2023 and it will yield around 0.8 percent of GDP per annum.
- Imposing a one off surcharge tax of 25 percent on individuals, partnerships or companies whose taxable income exceeded Rs. 2.0 billion for the year of assessment 2020/2021 to uplift the revenue as a temporary measure. This yielded Rs. 120.7 billion which amounts to 0.5 percent of GDP.

4.2.2 Value Added Tax measures

- Increasing of the VAT rate from 8 percent to 12 percent with effect from June 01, 2022 and subsequently to 15 percent with effect from September 01, 2022.
- Lowering the VAT registration threshold to Rs. 80 million per annum from Rs. 300 million per annum with effect from October 01, 2022.
- Removing VAT exemptions on condominium housing apartments with effect from January 01, 2023.
- Removing the zero-rating of tourism related services effective from June 01, 2022.

4.2.3 Excise tax measures

- Increasing excise tax on cigarettes by 20 percent in all categories except cigarettes less than 60 mm (98 percent hike) effective from January 01, 2023 and alcohol by 20 percent with effect from January 03, 2023.
- Increasing excise tax on fuel by Rs. 25 per litre with effect from January 01, 2023, in order to raise fuel excises to yield 0.3 percent of the GDP in 2023 to finance the transferred liabilities to the Treasury from the Ceylon Petroleum Corporation (CPC).

4.2.4 Other tax measures

- Increasing Telecommunication Levy to 15 percent from 11.25 percent with effect from June 01, 2022.
- Imposing Social Security Contribution Levy (SSCL) of 2.5 percent on liable turnover exceeding Rs. 120 million per annum with effect from October 01, 2022.
- Increasing Betting and Gaming rates (pending Parliament approval)
 - Increasing Annual Levy for carrying on the business of gaming from Rs. 200 million to Rs. 500 million.
 - Increasing Annual Levy for betting
 - From Rs. 4 million to Rs. 5 million when it is carried on through agents
 - From Rs. 600,000 to Rs. 1 million when it is carried on using live telecast facilities
 - From Rs. 50,000 to Rs. 75,000 when it is carried on without the use of live telecast facilities
 - Increasing the rate of the levy on Gross Collection from 10 percent to 15 percent.
 - Imposing a Casino Entrance Levy of USD 50.
 - Imposing license fee of Rs. 500 million on casino business operators by issuing Regulations under Casino Business (Regulation) Act.

Table 4.3 | Comparison of Tax Regimes

Description	Previous Law	Current Law	Effective From
Personal Income Tax			
Personal Relief (per annum)	Rs. 3 Mn	Rs. 1.2 million	1-Jan-23
Expenditure Relief (per annum)	Rs. 1.2 Mn	Removing the expenditure relief	
Slabs (per annum)	First Rs. 3 Mn – 6%	First Rs. 0.5 Mn – 6%	
	Next Rs. 3 Mn – 12%	Next Rs. 0.5 Mn – 12%	
	Balance Rs. 3 Mn – 18%	Next Rs. 0.5 Mn – 18%	
		Next Rs. 0.5 Mn – 24%	
		Next Rs. 0.5 Mn – 30%	
	on the Balance – 36%		
Withholding Tax			
Advance Personal Income Tax (APIT)/ PAYE	Only compulsory for payments made by an employer to non-residents and non-citizens.	Making APIT compulsory for all employees exceeding the personal relief	1-Jan-23
Advance Income Tax (AIT)	Optional for residents and citizens	Making AIT mandatory for all under the following rates: <ul style="list-style-type: none">Interest -5 percentDividend – 15 percentRent – 10 percent on rent exceeding Rs. 100,000 per monthService payments – 5 percent on service payments exceeding Rs. 100,000 per monthIn all other cases – 14 percentmaking withholding tax on all pavements other than dividends non-final.making withholding tax on dividends final.	
	Optional for residents and deducted at their request		
Corporate Income Tax (CIT)			
Standard CIT rate	24%	30%	1-Oct-22
Sector-specific CIT Concessionary rate	14%	Removing sector-specific concessionary rates	
CIT rate for liquor, tobacco, betting and gaming	40%	40%	
Value Added Tax (VAT)			
VAT registration threshold (per annum)	Rs. 300 Mn	Rs. 80 Mn	1-Oct-22
Exemption on Condominium Residential Apartments		Removing the exemption	1-Jan-23

Source: Department of Fiscal Policy

4.2.5 Tax Administrative measures

Significant tax administrative measures were implemented under the newly introduced Inland Revenue (Amendment) Act, No. 4 of 2023 as given below.

- Introducing legal provisions to make electronic tax filing mandatory for personal income taxpayers.
- Introducing legal provisions to streamline the refund process and expedite the refunding of amounts paid in excess of the tax liability by resident individuals.
- Introducing legal provisions to discourage cash transactions.
- Accordingly, payments made by any person in cash to another person to purchase or procure goods or services where such payment in aggregate is Rs. 500,000/= or more in a day, or in a single transaction or in a single event will not be allowed to deduct as expenses for tax purpose.
- Introducing legal provisions obligating financial institutions, government institution in charge of granting contracts for the supply of goods, works or consulting and non-consulting services procurements, stock exchange, Register General's Department, Registrar General of Companies and Department of Motor Traffic to submit taxpayer transaction information at the individual level to the Inland Revenue Department (IRD) in a systematic and time-bound manner.
- Exempting of amounts derived by a non-resident person from engaging in a project of the Government of Sri Lanka, funded from foreign grants and approved by the Minister of Finance taking into consideration the economic benefits to the country.
- Simplifying the RAMIS system only to require the minimum data elements to capture identity details, assign a Tax Identification Number (TIN), and capture the minimum income and tax withholding data points from a simplified version of the PIT return.
- Reorganizing and strengthen the administration of Large Taxpayers Unit (LTU) and High Net Wealth Individuals (HNWI).
- Streamlining processes and reducing vulnerabilities by simplifying the online portal for individual TIN registration and PIT filing and limiting VAT schedule cross-matching to material cases.
- Stepping up efforts of the Risk Management Committee and the fledgling Risk Management Unit and begin driving the audit process and other compliance actions.
- Updating and simplifying the 2005 IRD Staff Code of Ethics and Conduct and to operationalize it through a staff training program that requires all staff to certify in writing their full understanding and compliance with the code.
- Designing, resourcing, and launching a Reform Coordination Unit
- Establishing a Modernization Steering Committee to provide strategic oversight and direction.
- Introducing compulsory tax registration for all residents who are above 18 years of age in order to expand current tax base.

In addition, assessment of tax administration system of the IRD conducted using Tax Administration Diagnostic Assessment Tool (TADAT) has identified that substantive issues remain in all the four main tax obligations (registration, filing, payment and reporting) of the IRD. The Government remains committed to rectifying the identified weaknesses through a series of tax administrative reform measures. Such reforms will include:

Administrative measures regarding Excise (Ordinance) Duty were further strengthened by implementing Security features and Security features management system effective from January, 2022 to curtail revenue leakages. In addition, Excise Department has taken steps to introduce a digital system to regulate the supply chain of liquor and to collect information and data on liquor production, consumption and sales.

Box 4.1 | Revenue Enhancement Measures Announced in Budget 2023

Several measures related to tax policy and tax administration were announced in the Budget 2023 to be implemented in the short to medium term to further strengthen the government's revenue based fiscal consolidation efforts.

Income Tax –

- To appoint a tax ombudsman to address the concerns of taxpayers along with the introduction of a charter laying out the rights and obligations of taxpayers.
- To discontinue the payment of PAYE/APIIT liability of employees by SOEs.
- To exempt the earning of non-resident persons from engaging in projects approved by the Minister of Finance where such project is totally funded by foreign grants.

Value Added Tax –

- To introduce a new VAT Act, consolidating the amendments introduced from 2002 until 2022.
- To rationalize the schedule of VAT exemptions by limiting the exemption provisions to essential sectors such as health, education and agriculture.

Betting and Gaming Levy Act and Casino Business (Regulation) Act (Pending Parliament approval)

- To extend the definition of the "bookmaker" in the Betting and Gaming Levy Act to include persons that receive or negotiates bets on all type of sports events, including online betting.
- To introduce a licensing mechanism for the business of bookmaker and to make legislative amendments to permit the licensed bookmakers to register with Inland Revenue Department.
- To make engaging in the business of bookmaker without being licensed and registered a punishable offence.
- To extend the definition of gaming/casino to include online gaming/casino under the Casino Business (Regulation) Act.

CID, PAL, CESS and other taxes

- To phase out CESS levy in three years commencing January 2023 and PAL in five years.
 - Elimination of CESS Levy on a phased basis in three years commencing January 1, 2023. Preliminary steps have been taken in this regard by reducing CESS rates applicable to all liable items by 25–30 percent effective from March 28, 2023.
 - Phasing out of Ports and Airports Development Levy in five years. Preliminary steps have been taken in this regard by removing PAL applicable to 1,631 HS codes (tariff items) effective from April 3, 2023.
- To revise CID upwards from 0:10:15 percent to 0:15:20 percent to accommodate the proposed phasing out of para-tariffs with effect from March 28, 2023.
- To exempt Motor vehicles from Social Security Contribution Levy (SSCL).
- To extend the exemptions under the commercial hub activities to bunker services and exempt commercial hub enterprises from Social Security Contribution Levy.
- To increase Excise Duty on diesel and petrol with effect from January 2023.
- To impose a tax of Rs. 2.0 per Beedi stick with the view to discourage Beedi consumption and regularize Beedi industry.

Box 4.1 | Revenue Enhancement Measures Announced in Budget 2023 contd...**Non-tax**

- To increase fees and charges other than that have already been increased in the previous three years along with fees charged by the Department of Immigration and Emigration on passports and Visa.
- To appoint a committee to examine and make recommendations on the royalty, rent and other non-tax revenue fees and charges collected by the Government entities.

Tax Administration

- A number of measures including the expansion of mandatory electronic tax filing to non-corporate sector, encouraging electronic payment, the development of a mechanism to collect information from third-party institutions, making legislative amendments to improve the efficiency of tax collection, aimed at improving tax compliance and curbing tax related corruption were proposed.
- To enhance the tax administration in IRD, Sri Lanka Customs (SLC) and Excise Department of Sri Lanka (EDSL) through improvement in technology, process improvement and investment in human resources and to monitor the performance of the three main revenue collecting agencies via Key Performance Indicators (KPIs).
- To review and address deficiencies in the RAMIS system at the IRD and link the IT based platforms of the key revenue collecting agencies to share information to improve tax compliance.
- To mandate revenue collecting agencies to transfer all revenue and receipts to the Consolidated Fund daily with effect from January 2023.

Table 4.4 | Estimated and Actual Revenue – 2022

Rs. Million

Item	Revised Estimate	Actual ^(a)	Deviation
Total Revenue	2,084,000	1,979,184	-104,816
Tax Revenue	1,852,000	1,751,132	-100,868
Department of Inland Revenue			
Tax on Income and Profit	558,000	534,021	-23,979
VAT – Domestic (Net)	317,000	291,619	-25,381
Nation Building Tax (Domestic)	–	352	352
Social Security Contribution Levy	35,000	36,111	1,111
Other	4,503	10,275	5,772
Sub Total	914,503	872,377	-42,126
Department of Customs			
Import Duty	42,000	50,009	8,009
VAT – Imports (Net)	216,000	171,452	-44,548
Nation Building Tax (Import)	–	61	61
PAL	177,000	180,595	3,595
Cess Levy	68,000	70,318	2,318
Special Commodity Levy & Other	35,000	40,194	5,194
Excise Special Provisions			
Cigarettes	110,000	104,160	-5,840
Petroleum	55,000	53,074	-1,926
Motor Vehicles & other	24,000	20,102	-3,898
Sub Total	727,000	689,966	-25,370
Department of Excise			
Liquor/Tobacco	185,000	165,188	-19,812
Sub Total	185,000	165,188	-19,812
Other			
Telecommunication Levy	16,000	14,995	-1,005
License Tax & Other	9,497	8,606	-891
Sub Total	25,497	23,601	-1,896
Non – Tax Revenue	232,000	228,052	-3,948

Source: Department of Fiscal Policy

^(a) Provisional

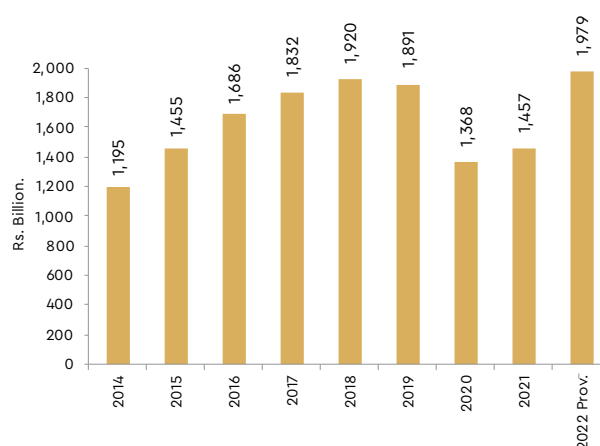
4.3 Government Revenue Performance

The total Government revenue including grants increased significantly by 37.5 percent to Rs. 2,012.6 billion in 2022 from Rs. 1,463.8 billion in 2021. A notable improvement was recorded in the direct to indirect tax ratio to 30:70 in 2022 from 23:77 in 2021. The tax revenue increased notably by 34.9 percent to Rs. 1,751.1 billion in 2022 from Rs. 1,298 billion in 2021 due to significant increases in revenue collection from VAT and CIT and revenue yields from Surcharge Tax and SSCL. Non-tax revenue increased by 43.4 percent to Rs. 228.0 billion in 2022 from Rs. 159.0 billion in 2021 reflecting the increase in revenue from sales and charges stemming from the raising of government fees and charges in 2022 together with the rationalization of license fees.

Revenue from domestic consumption-based taxes increased by 40.8 percent to Rs. 590.3 billion in 2022 from Rs. 419.3 billion in 2021 mainly due to the increase in revenue from domestic VAT by 57.2 percent and Excise Duty on liquor by 19.2 percent. Revenue mobilized from import-based taxes grew by 8.6 percent to Rs. 593.0 billion in 2022 from Rs. 546.1 billion

in 2021 due to increases in revenue collected from import-VAT and PAL. Revenue collected from taxes on external trade declined by 2.5 percent to Rs. 341.1 billion in 2022 from Rs. 349.8 billion in 2021 due to the continuation of restrictions imposed on imports such as motor vehicles and other luxury items in the import basket. Revenue generated from SCL and Import duties declined by 28.0 percent to Rs. 40.2 billion and 22.3 percent to Rs. 50.0 billion, respectively in 2022.

Figure 4.1 | Government Revenue



Source: Department of Fiscal Policy

Table 4.5 | Government Revenue

	Rs. Million				
Item	2018	2019	2020	2021	2022 ^(a)
Tax Revenue	1,712,318	1,734,925	1,216,542	1,298,019	1,751,132
Income Tax	310,449	427,700	268,249	302,115	534,021
VAT	461,651	443,877	233,786	308,213	463,072
Nation Building Tax	71,357	70,672	2,351	434	413
Excise Duty	484,242	399,478	321,932	306,861	342,523
Import Duties	96,991	98,427	114,183	64,339	50,009
Ports & Airports Development Levy	113,950	112,174	115,442	154,125	180,595
Special Commodity Levy	75,807	70,364	82,709	55,828	40,194
Social Security Contribution Levy	–	–	–	–	36,111
Other	97,872	112,233	77,890	106,104	104,194
Non Tax Revenue	207,656	155,974	151,417	159,052	228,052
Interest/ Rent	13,731	18,547	19,351	11,556	13,188
Profit and Dividends	41,828	27,857	17,624	30,591	28,092
Sales and Charge	105,202	73,884	47,370	42,645	90,050
Social Security Contribution	25,215	28,985	32,417	34,619	37,416
Central Bank Profit Transfers	15,000	–	24,009	15,012	30,007
Other	6,681	6,701	10,646	24,630	29,300
Total Revenue	1,919,973	1,890,899	1,367,960	1,457,071	1,979,184

Table 4.5 | Government Revenue Contd...

Item	2018	2019	2020	2021	2022
As a % of GDP					
Tax Revenue	11.2	10.9	7.8	7.4	7.3
Income Tax	2.0	2.7	1.7	1.7	2.2
VAT	3.0	2.8	1.5	1.8	1.9
Nation Building Tax	0.5	0.4	0.0	0.0	0.0
Excise Duty	3.2	2.5	2.1	1.7	1.4
Import Duties	0.6	0.6	0.7	0.4	0.2
Ports & Airports Development Levy	0.7	0.7	0.7	0.9	0.7
Special Commodity Levy	0.5	0.4	0.5	0.3	0.2
Social Security Contribution Levy	-	-	-	-	0.1
Other	0.6	0.7	0.5	0.6	0.4
Non Tax Revenue	1.4	1.0	1.0	0.9	0.9
Interest/ Rent	0.1	0.1	0.1	0.1	0.1
Profit and Dividends	0.3	0.2	0.1	0.2	0.1
Sales and Charge	0.7	0.5	0.3	0.2	0.4
Social Security Contribution	0.2	0.2	0.2	0.2	0.2
Central Bank Profit Transfers	-	-	-	-	0.1
Total Revenue	12.5	11.9	8.7	8.3	8.2

Source: Department of Fiscal Policy

^(a) Provisional

... Negligible

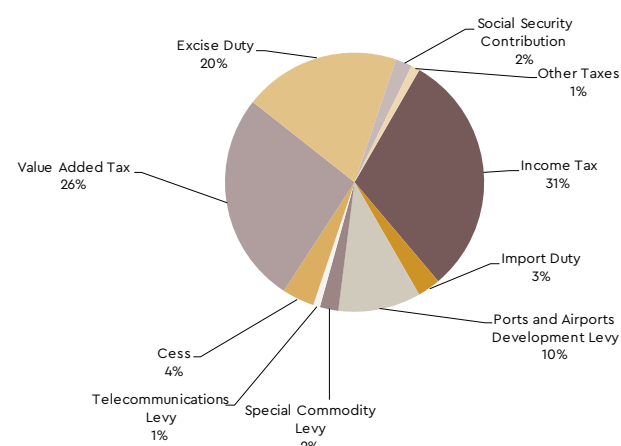
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4.3.1 Tax Revenue

In nominal terms, tax revenue increased to Rs. 1,751.1 billion in 2022 from Rs. 1,298.0 billion in 2021. The tax revenue to GDP ratio declined by 0.1 percentage points to 7.3 percent in 2022 from 7.4 percent in 2021. The share of tax revenue to the total revenue also dropped marginally to 88.5 percent in 2022 from 89.1 percent in 2021. Revenue from Income tax increased notably by 76.8 percent to Rs. 534 billion in 2022 from Rs. 302.1 billion in 2021 reflecting the impact of collecting higher revenue from one-off surcharge tax and Corporate and Non-Corporate taxes. Revenue from taxes on goods and services increased by 35.6 percent to Rs. 876 billion in 2022 from Rs. 646 billion in 2021 owing to the increase of revenue from Value Added Tax by 50.2 percent to Rs. 463.0 billion and Excise taxes by 11.6 percent to Rs. 342.5 billion. However, revenue collected from taxes on external trade declined by 2.5 percent to

Rs. 341.1 billion in 2022 from Rs. 349.8 billion in 2021 owing to the substantial decline in revenue from Special Commodity Levy by 28.0 percent to Rs. 40.2 billion and the Customs Import Duty (CID) by 22.3 percent to Rs. 50.0 billion in 2022.

Figure 4.2 | Composition of Tax Revenue – 2022



Source: Department of Fiscal Policy

Table 4.6 | Government Tax Revenue – By Source

		Rs. Million	
Source	2021	2022 ^(a)	2022/2021 Change (%)
Income Tax	302,115	534,021	76.8
Domestic Consumption Based Taxes	419,264	590,275	40.8
VAT – Domestic	185,462	291,619	57.2
NBT – Domestic	355	352	-0.8
SSCL – Domestic	–	23,358	
Tax on Liquor	138,637	165,188	19.2
Tax on Cigarettes /Tobacco	88,576	104,160	17.6
Other (Excise)	6,234	5,598	-10.2
Import Based Taxes	546,117	592,960	8.6
Import Duties	64,339	50,009	-22.3
VAT – Import	122,751	171,452	39.7
NBT – Import	79	61	-22.8
SSCL – Import	–	12,753	
PAL	154,125	180,595	17.2
SCL	55,828	40,194	-28.0
Cess Levy	75,543	70,318	-6.9
Petroleum – Excise	55,339	53,074	-4.1
Motor Vehicles – Excise	18,113	14,504	-19.9
Licence and Other	30,523	33,876	11.0
Telecommunications Levy	12,840	14,995	16.8
Other	17,683	18,881	6.8
Total Tax Revenue	1,298,019	1,751,132	34.9

Source : Department of Fiscal Policy

^(a) Provisional

Income Taxes

Total revenue from income taxes increased notably by 76.8 percent to Rs. 534.0 billion in 2022 from Rs. 302.1 billion in 2021 with an increase in revenue from corporate and non-corporate taxes, Surcharge Tax, Tax on interest and capital gain tax. Income tax revenue as a percentage of GDP increased to 2.2 percent in 2022 from 1.7 percent in 2021. Revenue from income tax as a percentage of tax revenue increased to 30.5 percent in 2022 from 23.3 percent in 2021. The realization of income tax revenue was 95.7 percent of the estimate for 2022. Revenue from Corporate and non-corporate taxes increased by 31.4 percent to Rs. 358.5 billion in 2022 from Rs. 272.8 billion in 2021. Corporate tax revenue increased by 83.8 percent to Rs. 464.4 billion due to the collection of additional revenue of Rs. 120.7 billion from the imposition of Surcharge Tax. Revenue generated from the Pay-As-You-Earn/

APIT increased significantly by 66.4 percent to Rs. 25.5 billion in 2022 from Rs. 15.4 billion in 2021 due to salary increments in the private sector. Revenue from the tax on interest increased sharply by 59.9 percent to Rs. 19.8 billion in 2022 from 12.4 billion in 2021 while the revenue from capital gains tax increased to Rs. 5.3 billion in 2022 from Rs. 0.7 billion in 2021. Meanwhile, revenue collected from the Tax on Voluntary Disclosure (TVD) was Rs. 4.0 billion in 2022 which was imposed on the value of the investment on both domestic and foreign undisclosed funds and property at the rate of 1.0 percent effective from September 15, 2021 up to March 31, 2022.

Value Added Tax (VAT)

In nominal terms, revenue from VAT increased significantly by 50.2 percent to Rs. 463 billion in 2022 from Rs. 308 billion in 2021 due to the increase in rate on financial services to

18 percent from 15 percent and the standard rate to 15 percent from 8 percent. In 2022, revenue from VAT on domestic activities increased by 57.2 percent to Rs. 291.6 billion while VAT revenue from imports increased by 39.7 percent to Rs. 171 billion. However, the realization of revenue was low at 86.9 percent of the estimate which is attributable to

lower-than-anticipated revenue from import-VAT resulting from a decrease in imports due to the decline in imports compression. VAT revenue as a percentage of total tax revenue increased to 26.4 percent in 2022 from 23.7 percent in 2021 while VAT revenue as a percentage of GDP increased slightly to 1.9 percent in 2022 from 1.8 percent in 2021.

Table 4.7 | Value Added Tax Revenue

	Rs. Million					
Item	2017	2018	2019	2020	2021	2022 ^(a)
Domestic	276,065	283,327	275,089	150,823	185,918	292,293
Imports	168,394	179,163	169,914	85,727	122,766	171,478
Gross Revenue	444,459	462,490	445,003	236,550	308,684	463,771
Refunds	720	840	1,126	2,764	471	699
Net Revenue	443,739	461,651	443,877	233,786	308,213	463,072
Net Revenue as a % of GDP	3.1	3.0	2.8	1.5	1.8	1.9

Source: Department of Fiscal Policy

^(a) Provisional

Social Security Contribution Levy (SSCL)

SSCL was introduced with effect from October 1, 2022 under Social Security Contribution Levy Act, No. 25 of 2022 and it is payable at a rate of 2.5 percent on the liable turnover by any manufacturer, wholesaler, retailer or service

provider whose turnover exceed Rs. 120 million per annum. Any importer is also liable to pay SSCL at a rate of 2.5 percent. The revenue from SSCL in last quarter of 2022 was Rs. 36.1 billion, SSCL-domestic and SSCL-import yielding Rs. 23.3 billion and Rs. 12.7 billion respectively.

Table 4.8 | Structure of the Excise Duty on Liquor

Liquor Category	Previous Duty per Absolute Litre (Rs.) (Before Jan 03, 2023)	New Duty per Absolute Litre (Rs.) (On or After Jan 03, 2023)	Increase as a Percentage
Special Arrack	4,180	5,000	20
Molasses/ Palmyra/ Coconut Arrack	4,460	5,350	
Country made Foreign Liquor	4,570	5,500	
Beer (Strength – Less than 5%)	3,300	3,960	
Strong Beer (Strength – more than or equal to 5%)	3,450	4,150	
Wine	3,300	3,960	
Cider	–	3,000	

Source: Department of Fiscal Policy

Excise Duty

In nominal terms, revenue from excise duties increased notably mainly due to the increase in revenue from liquor and cigarettes stemming from the revision of respective tax rates in November 2021 together with the full implementation of security features and security features management system for liquor and liquor-based products. However, revenue

collection from the import of motor vehicles, petroleum products and other excisable articles declined in 2022 mainly due to import restrictions and supply side constraints, among others. The revenue collected from Excise duties as a percentage of GDP declined to 1.4 percent in 2022 from 1.7 percent in 2021, which is far below the international average of 4–5 percent of GDP, reflecting the need for further enhancement of excise revenue. In the same

Table 4.9 | Excise Duty Revenue

Item	Rs. Million						% Change 2021/2022
	2017	2018	2019	2020	2021	2022 (a)	
Liquor	113,684	113,944	115,443	120,990	138,637	165,188	19.2
Cigarettes	85,956	92,198	87,367	94,345	88,539	104,160	17.6
Motor Vehicles	189,740	204,081	130,378	48,760	18,113	14,504	-19.9
Petroleum Products	73,983	66,318	61,740	53,111	55,339	53,074	-4.1
Other	6,091	7,701	4,549	4,727	6,234	5,598	-10.2
Total	469,454	484,242	399,478	321,932	306,861	342,523	11.6

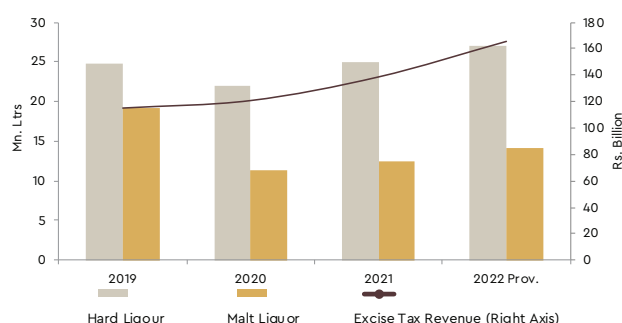
Source: Department of Fiscal Policy

(a) Provisional

vein, revenue from excise duties in nominal terms increased notably by 11.6 percent to Rs. 342.5 billion in 2022 compared to Rs. 306.9 billion in 2021. Further, the contribution of excise duty revenue declined to 19.6 percent of total tax revenue in 2022, from 23.6 percent in 2021. Revenue from excise duty has been one of the main sources of government revenue over the years. The realization of the excise duty collection was 91.6 percent of the revised estimated revenue in 2022.

The revenue collected from excise duty on liquor increased notably by 19.2 percent to Rs. 165.2 billion in 2022, compared to Rs. 138.6 billion in 2021. The production of alcohol also increased by 9.9 percent to 41.2 million absolute liters in 2022 from 37.5 million absolute liters in 2021. A proper monitoring system is warranted to address the issues in the security features and security features management system by the Department of Excise to augment the targeted revenue from liquor and liquor-based products.

Figure 4.3 | Liquor Production and Excise Tax Revenue



Sources : Department of Fiscal Policy and Department of Excise

Note: Liquor production after 2017 is in absolute liters

Excise duty from motor vehicles declined by 19.9 percent to Rs. 14.5 billion in 2022, compared to Rs. 18.1 billion in 2021 due to the continued curtailment of motor vehicles effective from May 22, 2020 to lessen the pressure on the exchange rate.

Meanwhile, the revenue from cigarettes increased notably by 17.6 percent to Rs. 104.1 billion in 2022, compared to Rs. 88.5 billion in 2021 mainly due to the upward revision of Excise Duty on cigarettes on November 12, 2021. Accordingly, cigarette sales increased by 18.6 percent to 2,828.7 million sticks in 2022, compared to 2,384.1 million sticks in 2021.

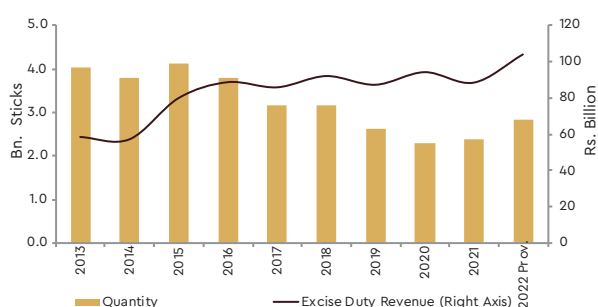
Table 4.10 | Production and Excise Tax Collection from Liquor and Cigarettes

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
2014	43.9	-0.6	124.5	3.6	3,777	-6.4	69.1	4.6	57.2	-2.3
2015	51.8	17.9	125.8	1.0	4,116	9.0	105.9	53.3	80.0	39.9
2016	55.6	7.3	52.2	-58.5	3,789	-7.9	120.8	14.1	88.8	11.0
2017	46.9	-15.5	71.1	36.3	3,149	-16.9	113.7	-5.9	86.0	-3.2
2018	25.3 (a)	-46.1	11.4 (a)	-84.0	3,150	0.0	113.9	0.2	92.2	7.2
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
2022	27.0	8.0	14.1	12.8	2,829	18.7	165.2	19.2	104.2	17.6

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

(a) Hard Liquor & Malt Liquor Production after 2017 is in absolute liters

Figure 4.4 | Cigarette Production and Excise Duty Revenue



Sources: Department of Fiscal Policy and Department of Excise

The revenue generated from petroleum products declined marginally by 4.1 percent to Rs. 53.1 billion in 2022 from Rs. 55.3 billion in 2021 mainly due to the decline in imports of refinery products and crude oil by 13.8 percent and 45.1 percent, respectively, coupled with implementation of QR code based quota system to ensure fair distribution of scarce fuel.

Furthermore, excise duty revenue generated from other excisable items such as sweetened beverages, refrigerators, palm oil and fatty acid etc. declined by 10.2 percent to Rs. 5.6 billion in 2022 from Rs. 6.2 billion in 2021 mainly due to the import restriction imposed on non-essential products.

Custom Import Duty (CID)

Revenue from Custom Import Duty (CID) declined by 22.3 percent to Rs. 50.0 billion in 2022 compared to Rs. 64.3 billion in 2021 mainly due to continued import restrictions on nonessential items. Revenue generated from Petrol 92 and 95, lubricating oils, super diesel and other diesel were the largest contributors to CID revenue in 2022. However, the realization of CID revenue collection was 119.1 percent of the revised estimate of Rs. 42 billion.

Special Commodity Levy (SCL)

Revenue collection from Special Commodity Levy (SCL) declined significantly by 28 percent to Rs. 40.2 billion in 2022 compared to Rs. 55.8 billion in 2021. This was mainly due to the continuation of nominal SCL rates on essential commodities such as sugar, and lentils, the periodical downward revision of SCL rates of other essential commodities such as potatoes and onions and the overall decline in quantity

of imports. However, the realization of SCL revenue was 114.8 percent of the revised estimate of Rs. 35 billion.

Ports and Airports Development Levy (PAL)

Revenue generated from the Ports and Airports Development Levy (PAL) increased considerably by 17.2 percent to Rs. 180.6 billion in 2022, compared to Rs. 154.1 billion in 2021. This was mainly attributable to the increase in revenue generated from key import items such as Auto Diesel, Petrol (92 Octane), Urea, wheat flour and wheat grain together with the effect of the depreciation of the Sri Lankan Rupee during the year. The realization of PAL revenue was 102 percent of the revised estimate of Rs. 177 billion in 2022.

Commodity Export Subsidy Scheme Levy (CESS)

Revenue from CESS Levy generated from both imports and exports declined by 6.9 percent to Rs. 70.3 billion in 2022 compared to Rs. 75.5 billion in 2021 due to the drop of imports stemming from the government's restrictive policy measures to curtail non-essential imports and the imposition of marginal deposit requirements on selected imports. Accordingly, revenue collected from CESS Levy on imports declined by 7.1 percent to Rs. 68.1 billion in 2022 from Rs. 73.3 billion in 2021. Lubricating oils (Base oils) used for the preparation of lubricant oils were the largest contributor to the import CESS revenue in 2022. In addition, beedi leaves, tires, woven fabrics and Portland cement were the other major revenue sources for CESS. CESS revenue on exports merely increased to Rs. 2.24 billion in 2022 from Rs. 2.22 billion in 2021. The highest export CESS revenue generated products were tea, ilmenite, coconut, granite and pale crepe rubber. The realization of CESS revenue collection was 103.4 percent of the revised estimate of Rs. 68 billion for 2022.

Table 4.11 | CESS Revenue from International Trade and Government Subsidy for Agriculture Sector Development : 2020–2022

Rs. Million

Description	2020	2021	2022 ^(a)	Description	2020	2021	2022 ^(a)
CESS on Exports	1,775	2,223	2,243	Commercial Crop Development	39,595	24,056	64,074
Tea-under Tea (Tax and Control of Export) Act, Sri Lanka Tea Board Law	408	482	465	Tea	737	1,177	462
Rubber-under Rubber Replanting Subsidy Act	7	8	10	Rubber	823	897	652
Coconut-under Coconut Development Act	196	180	189	Coconut	734	322	213
EDB CESS – under Sri Lanka Export Development Act	1,164	1,553	1,579	Cashew	85	64	29
CESS on Imports	47,534	73,320	68,076	Minor Export Crops (Cinnamon, Cocoa, Coffee, Pepper)	529	361	241
Imports- under Sri Lanka Export Development Act	47,534	73,320	68,076	Fertilizer Subsidy for Total Agriculture Sector Development	36,687	21,235	62,477
Total	49,309	75,543	70,318	Total	39,595	24,056	64,074

Sources: Department of Customs and Department of National Budget

^(a) Provisional

Other Taxes

Telecommunication Levy (TL): Revenue generated from Telecommunication Levy increased moderately by 16.8 percent to Rs. 15.0 billion in 2022 from Rs. 12.8 billion in 2021. This was mainly due to the increase in telecommunication levy to 15 percent from 11.25 percent in June, 2022 combined with the overall increase in telecommunication services.

Embarkation Levy (EL): Revenue collected from EL increased significantly by 570 percent to Rs. 22.2 billion in 2022 from Rs. 3.3 billion in 2021 benefiting from the increase in international travel with the removal of COVID-19 travel restrictions together with the positive impact on the depreciation of Sri Lankan Rupee.

Betting and Gaming Levy (BG): Revenue from Betting and Gaming Levy significantly increased by 170.5 percent to Rs. 5.2 billion in 2022 from Rs. 1.9 billion in 2021 benefiting from the resumption of tourism and travel related activities. In order to streamline the industry, Regulations published in a Gazette notification under the Casino Business (Regulation) Act, No. 17 of 2010 making compulsory licensing of casino operators.

4.3.2 Non-Tax Revenue

In nominal terms, non-tax revenue increased significantly by 43.4 percent to Rs. 228.1 billion in 2022 from Rs. 159 billion in 2021, reflecting the increase in revenue collection from the sharp increase in Sales and Charges by 111.2 percent to Rs. 90 billion in 2022 from Rs 42.6 billion in 2021 stemming from the upward revision in many service charges. Passports charges and other charges including visa fee, vehicle registration fee and revenue license fee have been revised upward. However, non-tax revenue as a percentage of GDP remained unchanged at 0.9 percent in 2022. Non-tax revenue from rent income and interest income increased to 14.1 percent to Rs. 13.2 billion in 2022 from Rs. 11.6 billion in 2021. The profit transfers from the Central Bank increased to Rs. 30 billion in 2022 compared to Rs. 15.0 billion in 2021. Revenue from Social Security Contributions increased by 8.1 percent to Rs. 37.4 billion in 2022 from Rs. 34.6 billion in 2021. Other sources of non-tax revenue including earnings from Treasury Bond Premiums increased by 19 percent to Rs. 29.3 billion in 2022 from Rs. 24.6 billion in 2021.

Table 4.12| Non-Tax Revenue

Rs. Million

Item	2021	2022 ^(a)	2021/2022 (% change)	2022 (% of Total Non Tax Revenue)
Interest/Rent	11,556	13,188	14.1	5.8
Profits and Dividends	30,591	28,092	-8.2	12.3
Sales and Charges	42,645	90,050	111.2	39.5
Social Security Contribution	34,619	37,416	8.1	16.4
Central Bank Profit Transfers	15,012	30,007	99.9	13.2
Other	24,630	29,300	19.0	12.8
Total	159,052	228,052	43.4	100.0

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

^(a) Provisional

Table 4.13 |Variance Analysis of Government Revenue

Rs. Billion

Item	2021	2022 Est.	2022	Reasons
Income Taxes	302.1	558	534	Revenue collection from income taxes increased by 76.8 percent to Rs. 534.0 billion in 2022 compared to Rs. 302.1 billion recorded in 2021, realizing 95.7 percent of the revised estimate of 2022. This was mainly due to the increase of 31.4 percent in the corporate and non-corporate tax revenue to Rs. 358.5 billion from Rs. 272.8 billion including the revenue of Rs. 120.7 billion received from the Surcharge Tax which was introduced as one-off levy in August, 2022. Further, Rs. 4.0 billion of Tax on Voluntary Disclosure which was introduced in September 2021, positively contributed to this achievement. Moreover, Pay-As-You-Earn/Advance Personal Income Tax (APIT) also increased significantly by 66.4 percent to Rs. 25.5 billion in 2022 from Rs. 15.4 billion in 2021 and tax on interest increased by 59.9 percent to Rs. 19.8 billion in 2022 from Rs. 12.4 billion in 2021. In addition, the Capital Gain Tax increased significantly by 695.9 percent to Rs. 5.3 billion from Rs. 668 million in 2022.
Value Added Tax (VAT)	308.2	533	463	VAT revenue increased significantly by 50.2 percent to Rs. 463.1 billion in 2022, compared to 2021, realizing 86.9 percent of the estimated revenue on VAT for 2022. This revenue performance was mainly due to the increased VAT rate to 12 percent from 8 percent and to 15 percent from 12 percent with effect from June 01, 2022 and September 01, 2022, respectively. The increase of VAT rate on financial services to 18 percent from 15 percent with effect from January 2022 also positively contributed to this performance. Despite the contraction of domestic economic activities and imposition of import restrictions, depreciation of Rupee against the US Dollar and higher commodity prices in both domestic and international market also caused this nominal increase in VAT revenue. Revenue from both VAT on domestic economic activities and import related activities increased by 57.2 percent to Rs. 291.6 billion and 39.7 percent to Rs. 171.5 billion, respectively in 2022.

Table 4.13 | Variance Analysis of Government Revenue contd...

Rs. Billion				Reasons
Item	2021	2022 Est.	2022	
Excise Duty	306.9	374	342.5	Revenue collection from excise duty increased by 11.6 percent to Rs. 342.5 billion in 2022 compared to Rs. 306.9 billion 2021, a realization of 91.6 percent of the revised estimate for 2022. This was mainly due to the increase in revenue from liquor and cigarettes. The revenue collection from liquor increased significantly by 19.2 percent to Rs. 165.2 billion in 2022 from Rs. 138.6 billion in 2021 mainly due to the upward revision of Excise Duty on liquor with effect from November 12, 2021 together with the introduction of Security Features and Security Features Management System on liquor and liquor-based products from January 03, 2022. Revenue collection from cigarettes also increased by 17.6 percent to Rs. 104.2 billion during the period under review, mainly due to revision of duty rates of cigarettes in Budget 2022 together with enhanced sales of sticks by 18.7 percent in 2022. However, excise duty on motor vehicles declined by 19.9 percent to Rs. 14.5 billion in 2022, compared to Rs. 18.1 billion in 2021 due to the measures introduced to curtail the motor vehicle imports since March 2020. Moreover, revenue from the excise duty on petroleum products also declined by 4.1 percent to Rs. 53.1 billion in 2022 as a result of reduction of fuel consumption with the implementation of fuel pass system with the view to managing fuel demand. The revenue collection from other products also contracted by 10.2 percent to Rs. 5.6 billion compared to the last year.
Import Duties	64.3	42	50.0	The revenue from Import Duty significantly declined by 22.3 percent to Rs. 50.0 billion during the year 2022 compared to 2021, realizing 119.1 percent of estimated revenue for 2022. Imposition of import control measures, introduction of license system on non-essential goods and imposition of surcharge on several non essential imports in order to manage forex outflow negatively contributed for the import duty revenue in the period under review.
Port and Airport Development Levy (PAL)	154.1	177	180.6	Revenue collection from PAL increased by 17.2 percent to Rs. 180.6 billion in 2022 with a realization of 102 percent of the annual revised estimate for 2022. This was mainly due to the depreciation of rupee against the US Dollar together with increase in revenue generated from key import items such as Auto Diesel, Petrol (92 Octane), Urea, wheat flour and wheat grain and other consumable commodities.
Special Commodity Levy (SCL)	55.8	35	40.2	Revenue from SCL showed a significant decline by 28.0 percent to Rs. 40.2 billion during the year 2022, realizing 114.8 percent from annual revised estimate 2022. This performance was mainly supported by the continuation of nominal SCL rates on essential commodities such as sugar, and lentils as well as periodical downward revision of SCL rates of other essential commodities such as potatoes and onions as well as overall decrease in import quantities

Table 4.13 | Variance Analysis of Government Revenue contd...

Item	2021	2022 Est.	Rs. Billion	
			2022	Reasons
Other Taxes	106.5	133	140.7	The revenue collection from other taxes increased by 32.1 percent to Rs. 140.7 billion in 2022 from Rs. 106.5 billion in the same period under review, realizing 105.8 percent of the annual revised estimate for 2022. This was mainly due to the implementation of Social Security Contribution Levy which was introduced in October 01, 2022. The revenue collection from Telecommunication Levy increased by 16.8 percent to Rs. 15.0 billion benefiting the upward revision of Telecommunication Levy rate to 15 percent from 11.25 percent with effect from June, 2022. However, decrease in revenue from CESS Levy by 6.9 percent to Rs. 70.3 billion in 2022 reflecting the impact of import restriction imposed on selected CESS Levy applicable goods negatively affected this performance.
Non Tax Revenue	159.1	232	228.1	Non-tax revenue increased significantly by 43.4 percent during the year 2022 compared to the preceding year. It was a realization of 98.3 percent of the annual revised estimate for 2022. This was mainly due to the revision of fees of sales and charges together with improved revenue collection from rent, interest income and other non tax revenue sources. Further, receipt of Central Bank profit transfers of Rs. 30 billion and Social Security Contributions also significantly contributed to the revenue enhancement of non-tax revenue in year 2022.
Total	1,457.1	2,084	1,979.2	

Compiled by the Department of Fiscal Policy
(a) Provisional

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023

Effective Date	Measures
Excise (Ordinance) Duty – Excise Ordinance (Chapter 52)	
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 No. 2264/28 of 27.01.2022 and Gazette Notification No. 2264/29 of 27.01.2022 - To notify that the Excise Notification No. 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 the legal requirements
04.05.2022	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.
09.06. 2022	Excise Notification No. 04/2022 (Gazette Notification No. 2283/28 of 08.06.2022) - To Increase the Excise Duty applicable on locally supplied/ imported Ethyl Alcohol
28.07.2022	Excise Notification No.05/2022 (Gazette Notification No. 2290/24 of 28.07.2022) - To issue soft liquor licenses to tourist institutions registered with Sri Lanka Tourism Development Authority
03.01.2023	Excise Notification No.07/2022 (Gazette Notification No. 2312/70 of 31.12.2022) - To Increase the Excise Duty applicable on Liquor
01.01.2023	Gazette Notification No. 2312/71 of 31.12.2022 - To impose a tax on beedi of Rs. 2 per stick under the Tobacco Tax Act No. 08 of 1999

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
Value Added Tax (VAT) Act, No. 14 of 2002	
01.01.2022	Value Added Tax (Amendment) Act No. 13 of 2022 - To increase the VAT rate applicable on the supply of financial services from 15 percent to 18 percent and to exempt certain goods from VAT
01.06.2022	Gazette Notification No. 2282/26 of 31.05.2022 - To increase general VAT rate from 8% to 12%
01.09.2022	Gazette Notification No. 2295/08 of 31.08.2022 - To Increase general VAT rate from 12% to 15 %
07.10.2022	Gazette Notification No. 2300/25 of 06.10.2022 - To zero rate the import and/or supply of sanitary towels (pads) and tampons under HS code 9619.00.10
01.10.2022	Value Added Tax (Amendment) Act No. 44 of 2022 - To decrease the VAT registration threshold from 300 million to 80 million rupees per annum.
01.01.2023	Value Added Tax (Amendment) Act No. 44 of 2022 - To remove VAT exemption on condominium Residential Apartments.
Surcharge Tax Act, No 14 of 2022	
08.04.2022	- 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
Customs Ordinance (Chapter 235) – Customs Surcharge	
01.06.2022	Gazette Notification No. 2282/25 of 31.05.2022 - To impose the Customs Duty on tax exempted commodities and thereafter to levy a surcharge on them with a view to discourage the importation.
01.12.2022	Gazette Notification No. 2308/16 of 30.11.2022 - To impose the Surcharge as a percentage of the Customs Import Duty on selected goods (HS Codes) to meet the recommendation of the Central Bank of Sri Lanka without changing the tariff policy framework.
05.01.2023	Gazette Notification No. 2313/35 of 04.01.2023 - To reissue the existing orders which contained HS Codes 2017 Version with the new HS version of 2022.
Ports and Airports Development Levy Act, No. 18 of 2011	
06.01.2022	Gazette Notification No. 2261/58 of 06.01.2022 - To amend 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.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
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.
23.08.2022	Gazette Notification No. 2294/26 of 22.08.2022 - To grant PAL exemption donations of essential goods.
05.10.2022	Gazette Notification No. 2300/13 of 05.10.2022 - To grant PAL exemption on raw materials used in the production of sanitary napkins.
01.01.2023	Gazette Notification No. 2312/67 of 31.12.2022 - To assign PAL applicable the newly created/subdivide and amended HS Codes accommodating the 2022 HS Code revision implemented by Sri Lanka Customs.
04.04.2023	Gazette Notification No. 2326/2 of 03.04.2023 - To exempt PAL applicable on 1631 tariff lines as the first step of the five-year phasing out of PAL as per the proposal in Budget 2023.
CESS Levy – Sri Lanka Export Development Act, No. 40 of 1979	
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 liquefied petroleum gas.
11.03.2022	Gazette Notification No. 2270/59 of 10.03.2022 - To increase the existing CESS duty rates for textiles and garments
10.08.2022	Gazette Notification No. 2292/32 of 09.08.2022 - To exempt the CESS duty on importation of donated goods to distribute as relief measure
06.10.2022	Gazette Notification No. 2300/15 of 05.10.2022 - To exempt the CESS duty on importation of selected raw materials by the local sanitary manufacturers on the recommendation of the Secretary, Ministry of Industries
15.11.2022	Gazette Notification No. 2306/15 of 14.11.2022 - To increase CESS levy applicable on a total of 677 HS Codes considering impact of Rupee depreciation and global market price.
01.01.2023	Gazette Notification No. 2312/76 of 01.01.2023 - To assign CESS levy applicable the newly created/subdivide and amended HS Codes accommodating the 2022 HS Code revision implemented by Sri Lanka Customs.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
29.03.2023	Gazette Notification No. 2325/6 of 28.03.2023 - To reduce CESS levy on 2,668 HS Codes out of 8,155 HS Codes as the first step of phasing out CESS levy within three years as proposed in Budget 2023.
31.01.2023	Gazette Notification No. 2316/32 of 26.01.2023 - To impose a CESS of levy of 0.006% on Repurchase Transaction (REPO) in corporate debt securities on the Over the Counter (OTC) platform of the CSE.
Customs Import Duty (CID) – Revenue Protection Act, No. 19 of 1962	
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.
01.06.2022	Revenue Protection Order No. 03/2022 (Gazette Notification No. 2282/24 of 31.05.2022) - To apply 10% customs duty on 03 HS Codes and 15% customs duty on 52 HS Codes which was applicable zero customs duty on 55 HS Codes out of the 369 commodities.
10.08.2022	Revenue Protection Order No. 04/2022 (Gazette Notification No. 2292/31 of 09.08.2022) - To exempt the Customs Import Duty on importation of donated goods to distribute as relief goods.
07.10.2022	Revenue Protection Order No. 05/2022 (Gazette Notification No. 2300/27 of 06.10.2022) - To exempt the Customs, Import Duty on importation of donated goods to distribute as relief goods.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
15.11.2022	Revenue Protection Order No. 06/2022 (Gazette Notification No. 2306/14 of 14.11.2022) - An order published incorporating proposals of the Budget 2023
01.01.2023	Revenue Protection Order No. 07/2022 (Gazette Notification No. 2312/75 of 01.01.2023) - To update the HS Code System every 5 years to facilitate the legitimate international trade flows. Sri Lanka has a total of 7,842 HS Codes in 08 Digits, However, due to the HS Code 2022 Version, the total HS Codes has increased to 8155 HS Codes.
29.03.2023	Revenue Protection Order No. 01/2023 (Gazette Notification No. 2325/07 of 28.03.2023) - To increase CID rate for specific items to maintain revenue neutrality due to reduction of CESS Levy by 20 percent by revision of the three-band tariff system of the Customs Import Duty from 0%, 10% and 15% to 0%, 15% and 20%.
Special Commodity Levy (SCL) – Special Commodity Levy Act, No. 48 of 2007	
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. 1000 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.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
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, mangosteens and kiwi fruit for a period of six months.
15.06.2022	Gazette Notification No. 2284/03 of 15.06.2022 - To discourage the importation of fruits and to stabilize the domestic edible refined oil industry, coconut-based industries and industries such as food, biscuits and soap.
10.08.2022	Gazette Notification No. 2292/29 of 09.08.2022 - To exempt SCL under section 5 of the Act on importation of essential goods liable to pay SCL as aid/donation from foreign countries.
12.08.2022	Gazette Notification No. 2292/41 of 10.08.2022 - To impose SCL extending for a period of one year in order to stabilize the market prices for the benefit of consumers and to protect local producers.
04.09.2022	Gazette Notification No. 2295/44 of 03.09.2022 - To impose SCL on importation of Maize and Sorghum extending at the prevailing rates until 31.12.2022, considering the raw material requirement of small-scale animal feed manufactures and to stabilize the poultry product prices.
23.09.2022	Gazette Notification No. 2298/51 of 22.09.2022 - To impose SCL on import of B' Onions by increasing the Levy from Rs.10 to 50 per kg, considering the local harvest season as recommended by the Ministry of Agriculture.
18.05.2022	Gazette Notification No. 2280/31 of 18.05.2022 - To impose SCL applicable for 15 commodities by further extending for a period of 01 year at the prevailing rates in order to restrict importation of non-essential fruits and not to impact the customers heavily.
01.06.2022	Gazette Notification No. 2282/23 of 31.05.2022 - To discourage the importations and subsequent removal of the Imports Control Regulations, & to increase the Special Commodity Levy rates of 09 commodities.
14.10.2022	Gazette Notification No. 2301/40 of 13.10.2022 - To increase SCL on importation of fish as recommended by the Ministry of Fisheries.
01.12.2022	Gazette Notification No. 2308/17 of 30.11.2022 - To continue the SCL Duty on 9 items for another one-year period since the Gazette Notification No. 2282/23 was expired on completion of six months
05.01.2023	Gazette Notification No. 2313/34 of 04.01.2023 - To reissue the existing orders which contained HS Codes 2017 Version with the new HS version of 2022.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
26.01.2023	Gazette Notification No. 2316/28 of 25.01.2023 - To facilitate local animal feed manufacturing industry, the concession was extended subject to consignments of Maize reaching ports by January 15, 2023 on the recommendation of Secretary, Ministry of Agriculture
21.02.2023	Gazette Notification No. 2320/04 of 20.02.2023 - To introduce a SCL of Rs.50/- per egg on importation of eggs and to grant concession rate of only Rs.1/- per egg for State Trading Cooperation to make available the eggs at reasonable price for the bakery industry
04.03.2023	Gazette Notification No. 2321/76 of 04.03.2023 - To extend SCL imposed on Black Gram, Cowpea, Kurakkan and another Millet has been extended for another one-year period.
08.03.2023	Gazette Notification No. 2322/20 of 07.03.2023 - To increase Rs. 50/- in order to encourage the local farmers by ensuring a reasonable market price for their harvest
08.03.2023	Gazette Notification No. 2322/21 of 07.03.2023 - To apply concessionary rate of Rs. 1/kg for importation of dates to be received as donation or gifts in Ramazan festival season
18.03.2023	Gazette Notification No. 2323/40 of 17.03.2023 - To apply concessionary rate of Rs. 200/kg for importation of frozen whole egg liquid subject to the recommendation of Secretary to the Ministry of Trade.
Imports and Exports (Control) Act, No. 01 of 1969	
12.01.2022	Imports & Exports (Control) Regulations No. 01 of 2022 (Gazette Notification No. 2262/16 of 11.01.2022) - To Continue Standard requirement for Brown Sugar and White Sugar as per new HS codes and bringing Liquefied Petroleum Gas (LPG gas) and accessories under the Standard Inspection Scheme.
12.01.2022	Imports & Exports (Control) Regulations No. 02 of 2022 (Gazette Notification No. 2262/17 of 11.01.2022) - To Continue the Import Control License requirement for Brown Sugar as per the new HS codes and bringing shells of a marine specie under Import Control License.
12.01.2022	Imports and Exports Control Regulations No. 03 of 2022 (Gazette Notification No. 2262/18 of 11.01.2022) To Remove Temporary Suspension on long grain rice and continue Temporary Suspension on fish fillet as per new HS codes.
13.01.2022	Imports and Exports Control Regulations No. 04 of 2022 (Gazette Notification No. 2262/34 of 13.01.2022) To Remove ICL requirements for several animal semen.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
10.03.2022	Imports and Exports Control Regulation No 05 of 2022 (Gazette Notification No. 2270/18 of 09.03.2022) To Impose Import Control License (ICL) requirement on selected items.
10.04.2022	Imports and Exports Control Regulation No. 06 of 2022 (Gazette Notification No. 2274/42 of 09.04.2022) To Impose of Import Control License (ICL) requirement on selected items.
20.05.2022	Imports & Exports (Control) Regulations No. 07 of 2022 (Gazette Notification No. 2278/21 of 06.05.2022) - To restrict Imports under the OA and impose conditions for imports under DA and DP payment methods
07.06.2022	Imports and Exports Control Regulation No. 08 of 2022 (Gazette Notification No. 2282/21 of 31.05.2022) To Cancel the Gazette Extraordinary No. 2270/18 dated March 09, 2022 and Gazette Extraordinary No. 2274/42 dated 09 April 2022
07.06.2022	Imports and Exports Control Regulation No. 09 of 2022 (Gazette Notification No. 2282/22 of 31.05.2022) - To amend the Gazette Extraordinary No. 2278/21 dated May 06, 2022.
24.06.2022	Imports & Exports (Control) Regulations No. 10 of 2022 (Gazette Notification No. 2285/19 of 24.06.2022) - To amend the Import Control Regulations on Payment Terms No. 07 of 2022 published in the Gazette Extraordinary No. 2278/21 dated May 06, 2022.
05.08.2022	Imports and Exports Control Regulation No. 11 of 2022 (Gazette Notification No. 2291/44 of 05.08.2022) To Allow importation of Glyphosate subject to Import Control License requirement.
23.08.2022	Imports & Exports (Control) Regulations No. 12 of 2022 (Gazette Notification No. 2294/29 of 23.08.2022) - To amend the Gazette Extraordinary No. 2231/18 dated 11.06.2022 and Gazette Extraordinary No. 2278/21 dated 06.05.2022.
23.08.2022	Imports and Exports Control Regulation No. 13 of 2022 (Gazette Notification No. 2294/30 of 23.08.2022) To impose Temporary Suspension of Selected Items
09.09.2022	Imports and Exports Control Regulation No. 14 of 2022 (Gazette Notification No. 2296/30 of 09.09.2022) - To amend the Imports and Exports (Control) Regulations No. 13 of 2022, Published in the Gazette Extraordinary No. 2294/30 dated 23.08.2022.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
16.09.2022	Imports and Exports Control Regulation No. 15 of 2022 (Gazette Notification No. 2297/79 of 16.09.2022) - To amend the Imports Control Regulations on Payment Terms No. 07 of 2022, published in the Gazette Extraordinary No. 2278/21 dated May 06, 2022, as amended.
23.09.2022	Imports and Exports Control Regulation No. 16 of 2022 (Gazette Notification No. 2298/55 of 23.09.2022) To Allow the Importation of Fully Electric Vehicles for Sri Lankans Employed Abroad.
05.10.2022	Imports & Exports (Control) Regulations No. 17 of 2022 (Gazette Notification No. 2300/12 of 05.10.2022) - To extend of the Advanced Payment Limit for Importation of Agricultural Seeds, Agro Chemicals and Chemical Fertilizers.
21.10.2022	Imports & Exports (Control) Regulations No. 18 of 2022 (Gazette Notification No. 2302/31 of 21.10.2022) - To allow Importation of Broken Rice for Animal Feed Manufacturing.
31.10.2022	Imports & Exports (Control) Regulations No. 19 of 2022 (Gazette Notification No. 2304/04 of 31.10.2022) - To allow Importation of Wheat Flour under Open Account Payment Term.
31.10.2022	Imports and Exports Control Regulation No. 20 of 2022 (Gazette Notification No. 2304/05 of 31.10.2022) To Exempt importation of Spare Parts and Accessories of Aircraft from Import Control License (ICL) Requirement
23.11.2022	Imports and Exports Control Regulation No. 21 of 2022 (Gazette Notification No. 2307/12 of 23.11.2022) - To amend the Imports and Exports (Control) Regulations No. 13 of 2022, published in the Gazette Extraordinary No. 2294/30 dated 23.08.2022
01.12.2022	Imports & Exports (Control) Regulations No. 22 of 2022 (Gazette Notification No. 2308/26 of 01.12.2022) - To amend the Imports Control Regulations on Payment Terms No. 07 of 2022, published in the Gazette Extraordinary No. 2278/21 dated May 06, 2022, as amended.
09.12.2022	Imports & Exports (Control) Regulations No. 23 of 2022 (Gazette Notification No. 2309/40 of 09.12.2022) - To regulate the importation of Rice.
20.12.2022	Imports and Exports (Control) Regulations No. 24 of 2022 (Gazette Notification No. 2311/08 of 19.12.2022) To Remove Temporary Suspension on Selected items

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
21.12.2022	Imports & Exports (Control) Regulations No. 25 of 2022 (Gazette Notification No. 2311/18 of 21.12.2022 - To amend the Regulations on Payment Terms.
01.01.2023	Imports & Exports (Control) Regulations No.01 of 2023 (Gazette Notification No. 2312/77 of 01.01.2023 - To consolidate Import Control License
01.01.2023	Imports & Exports (Control) Regulations No.02 of 2023 (Gazette Notification No. 2312/78 of 01.01.2023 - To consolidate Temporary Suspension
19.01.2023	Imports & Exports (Control) Regulations No.03 of 2023 (Gazette Notification No. 2315/46 of 19.01.2023 - To amend the Regulations on Payment Terms.
22.02.2023	Imports & Exports (Control) Regulations No.04 of 2023 (Gazette Notification No. 2320/46 of 22.02.2023 - To amend the Regulations on Payment Terms.
22.02.2023	Imports & Exports (Control) Regulations No.05 of 2023 (Gazette Notification No. 2320/47 of 22.02.2023 - To amend Import and Export Control Regulations
24.03.2023	Imports & Exports (Control) Regulations No.06 of 2023 (Gazette Notification No. 2324/45 of 24.03.2023 - To amend exhaust emission and safety measures/ standard regulations.
06.04.2023	Imports & Exports (Control) Regulations No.07 of 2023 (Gazette Notification No. 2326/40 of 06.04.2023 To amend the Import Control regulations on Payment Terms.
01.06.2023	Imports & Exports (Control) Regulations No.08 of 2023 (Gazette Notification No. 2326/41 of 06.04.2023 - To impose regulations of single use plastic items.
Finance Act, No. 25 of 2003	
Embarkation Levy	
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, Rathmalana (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 waiver of the Embarkation Levy for person leaving Sri Lanka by aircraft from Mattala Rajapaksa International Airport (MRIA) for two years from the date of commencement of operations.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...


Effective Date	Measures
09.12.2022	Gazette Notification No. 2309/37 of 09.12.2022 - To waiver of the Embarkation Levy of USD 60 at Mattala Rajapaksa International Airport (MRIA) for a period of two (2) years from the date of commencement of operations.
12.01.2023	Gazette Notification No. 2314/16 of 11.01.2023 - To collect Embarkation Levy from airlines. However, regulations have not been imposed to collect embarkation levy for ships since the Embarkation Levy imposed in 2003. Therefore, introduce regulations to collect Embarkation Levy for passengers leaving Sri Lanka by a flight as well as a ship.
25.04.2023	Gazette Notification No. 2329/19 of 25.04.2023 - To amend item No. ii of the schedule 1 of the order published in the Extraordinary Gazette Notification No. 2314/16 Dated 11.11.2023
Finance Act, No 11 of 2004 – International Telecom Operators levy	
01.01.2023	Gazette Notification No. 2312/80 of 01.01.2023 - To extend the rate of levy payable on incoming international calls, incoming international calls on Specific Telephone Numbers (STN), incoming local access charge (ILAC), Telecommunication Development Charge (TDC) and Outgoing Local Access Charge (OLAC) for further two years from January 01, 2023 to December 31, 2024
Strategic Development Projects Act, No. 14 of 2008	
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.
25.04.2022	Gazette Notification No. 2277/02 of 25.04.2022 - 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.
03.08.2022	Gazette Notification No. 2291/25 of 03.08.2022 - 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.
Casino Business Regulation Act, No. 17 of 2010	
31.08.2022	Gazette Notification No. 2295/10 of 31.08.2022 - To publish the Casino Business Licensing Regulation No. 01 of 2022
01.09.2022	Gazette Notification No. 2295/09 of 31.08.2022 - To designate the specific area to engage in the business of Casino shall be the place or premises on or at which the business of a Casino is carried on as specified in the license issued under section 2 of the Casino Business (Regulations) Act, No 17 of 2010

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
Excise Special Provisions Act, No. 13 of 1989	
27.07.2022	Gazette Notification No. 2290/19 of 27.07.2022 - To revise the tax base of the concessionary Excise Duty rate applicable on locally assembled/ manufactured vehicles to "percent of CIF value" in place of "percent of the payable duty".
01.01.2023	Gazette Notification No. 2312/68 of 31.12.2022 - To assign Excise Duty applicable the newly created/subdivide and amended HS Codes accommodating the 2022 HS Code revision implemented by Sri Lanka Customs.
01.01.2023	Gazette Notification No. 2312/68 of 31.12.2022 - To increase Excise duty applicable on of Petroleum Products
Inland revenue (Amendment) Act, No 45 of 2022	
	Corporate Income Tax
01.10.2022	Category
	Standard Income Tax Rate – 30% Income tax rate applicable on businesses of Liquor, Tobacco and Betting & Gaming – 40%
01.01.2023	Personal Income Tax
	Taxable income per annum
	First 1,200,000 – Exempt 500,000 – 1,000,000 – 6% 1,000,000- 1,500,000 – 12% 1,500,000- 2,000,000 – 18% 2,500,000 – 3,000,000 – 24% 3,000,000 – 3,500,000 – 30% Above 3,500,000 – 36%
01.01.2023	Withholding Tax (WHT)
	WHT Rates
	Dividend – 15% Interest or Discount paid – 5% Rent payments exceeding Rs. 100,000 p.m. – 10% Service payments Rs. 100,000 p.m – 5% In all other cases – 14%
Stamp Duty (Special Provisions) Act. No. 12 of 2006	
31.12.2022	Gazette Notification No. 2312/73 of 31.12.2022 - To exempt the Colombo Port City Economic Commission from the payment of stamp duty on any instrument relating to land lease where the rent/ lease is not payable in cash.

Box 4.1 | Major Fiscal Measures: January, 2022 – April 2023 contd...

Effective Date	Measures
Finance Act, No. 35 of 2018 – Luxury Tax on Motor Vehicle	
01.01.2023	Gazette Notification No. 2312/69 of 31.12.2022 - To assign Luxury Tax applicable the newly created/subdivide and amended HS Codes accommodating the 2022 HS Code revision implemented by Sri Lanka Customs.
10.02.2023	Gazette Notification No. 2318/53 of 10.02.2023 - To increase tax free threshold of fully electric vehicles from Rs. 6 million to Rs. 12 million for migrant workers importing electric cars.
Social Security Contribution Levy Act, No. 25 of 2022	
01.10.2022	- Impose a Social Security Contribution Levy (SSCL) of 2.5 percent on taxable persons whose liable turnover exceeds Rs. 120 Million per annum.



05

Government
Expenditure

5.1 Overview

In 2022, the Government expenditure to GDP ratio fell by 1.5 percentage points to 18.5 percent from 20.0 percent in 2021 mainly due to the curtailment of recurrent expenditure to 14.6 percent of GDP in 2022 from 15.6 percent of GDP in 2021 and the freeze of the capital expenditure to 3.0 percent of GDP in 2022. All expenditure outlays as a percentage of GDP declined except the interest payments which increased to 6.5 percent in 2022 from 6.0 percent in 2021 absorbing nearly half of the total recurrent expenditure. As such, the non-interest recurrent expenditure to GDP ratio declined by 1.6 percentage points to 8.1 percent in 2022 from 9.7 percent in 2021. The expenditure to GDP ratio on salaries and wages declined to 4.0 percent in 2022 from 4.8 percent while such ratio on goods and services also fell to 0.8 percent in 2022 from 1.0 percent in 2021. However, in nominal terms, government expenditure significantly increased by 27 percent to Rs. 4,472.6 billion in 2022 from Rs. 3,521.7 billion in 2021 reflecting the increased interest payments and household subsidies including the pension bill. Recurrent expenditure increased by 28.1 percent to Rs. 3,519.6 billion in 2022 from Rs. 2,747.5 billion in 2021 whereas capital expenditure declined by 6.8 percent to Rs. 715.4 billion in 2022 from Rs. 767.6 billion in 2021.

The increase in non-interest recurrent expenditure was mainly driven by the increase in expenditure for Samurdhi payments with the grant of additional financial assistance provided for the low-income vulnerable families, an increase in spending for providing fertilizer subsidy and pension payments, among others. The wage bill only increased by nominal growth of 13 percent to Rs. 956 billion in 2022. The expenditure on goods and services was carefully managed with a growth of 8.2 percent despite the significant increases in prices of fuel, electricity and other goods and services. Meanwhile, the interest payments, in nominal terms, increased to Rs. 1,565.2 billion in 2022 from Rs. 1,048.4 billion in 2021 mainly due to the rise in domestic interest payments triggered by the rise in interest payments on Treasury Bills and Treasury Bonds.

5.2. Appropriation Act for 2022

The Appropriation Bill for 2022 was tabled in Parliament on October 07, 2021 and approved on December 10, 2021 and the Bill was subsequently passed as the Appropriation Act, No. 30 of 2021.

According to the Appropriation Act, the total government expenditure was estimated as Rs. 5,426 billion which included Rs. 1,827 billion for recurrent expenditure, Rs. 945 billion for capital expenditure, Rs. 2,647 billion for debt servicing (interest payments and amortization) and Rs. 6 billion for Advance Account activities. Those provisions were allocated among 181 Expenditure Heads. The summary of three schedules included in the Appropriation Act, No. 30 of 2021 is detailed in Table 5.1. As per Section 2(1) (b) of the Act, the Government borrowing limit for 2022 was Rs. 3,200 billion, compared to the Rs. 2,997 billion in 2021.

5.2.1. Appropriation (Amendment) Act, No. 21 of 2022

In 2022, public financial management encountered significant challenges which mainly stemmed from the economic crisis. Despite the constrained fiscal space and substantial cashflow difficulties, the Government continuously provided the required budgetary provisions to support low-income and vulnerable segment in society to relieve the cost of living. Also, the Government took steps to curtail non-priority and non-essential expenditure.

A supplementary estimate of Rs. 695 billion was approved by Parliament on June 08, 2022 enabling the Government to cover the expenditure for the provision of an additional cash grant to low-income households affected by the crisis and to increase the budgetary provision to meet the increased price levels of goods and services. Additionally, Rs. 300 billion allocated for certain less-priority projects was freed under Section 7 of the Appropriation Act.

Following the change in Government in mid-2022, there was a major reshuffle of the Cabinet of Ministers including the elimination of certain Ministries and the consolidation of others. Hence, it was required to amend the

Appropriation Act, No. 30 of 2021 in line with the prevailing structure of Ministries to ensure the smooth functioning of Ministries and avoid accounting complications. Accordingly, interim budget 2022 was presented in Parliament. The Appropriation Act, No. 30 of 2021 was amended including additional provisions for new expenditure requirements for additional welfare payments and adjustments for incorporating supplementary estimates approved by Parliament on June 08, 2022, while excluding the frozen amounts under Section 7 of the Act. Accordingly, the Appropriation (Amendment) Act, No. 21 of 2022 was passed in Parliament on September 09, 2022.

Simultaneously, the interim budget 2022 was presented in Parliament to move comprehensive economic policies for restoring macroeconomic sustainability and confidence.

5.2.2. Appropriation (Amendment) Act No. 42 of 2022

Under severe cash flow constraints and tightening of monetary policy, the interest rates on government securities i.e., Treasury Bills and Treasury Bonds increased beyond the expected levels towards the end of year 2022. The maturing government securities were mainly financed through re-issuances to the market and the Central Bank. Accordingly, the issuance of borrowing instruments such as Treasury Bills and Treasury Bonds are recorded as borrowing at the face value of the instrument. Hence, the realized values of the issuance of such instruments are lower than the recorded values of borrowings. Consequently, additional borrowing was required to finance the maturing Treasury bills and Treasury Bonds, along with their interest. Therefore, the Borrowing Limit approved by the Parliament under the Appropriation (Amendment) Act, No. 21 of 2022 was required to be revised.

Accordingly, the Appropriation (Amendment) Bill for the upward revision of the borrowing limit by Rs. 663 billion was tabled in Parliament on November 30, 2022 which was subsequently passed as the Appropriation (Amendment) Act, No. 42 of 2022.

Table 5.1 | Schedules of the Appropriation Act for 2022
Rs. Billion

Schedule	Description	Act, No.30 of 2021	Act, No. 21 of 2022
First Schedule	Expenditure of General Services of the Government by Programme	2,797	3,330
Second Schedule	Expenditure of the Government, authorized by law and to be charged on the Consolidated Fund	2,623	2,901
Third Schedule	Expenditure related to Advance Account Activities	6	6
Total Government Expenditure		5,426	6,237

Source : Department of National Budget

5.3 Supplementary Estimates

In order to allocate provisions for additional expenses to expeditiously provide relief to the people and farming community who were affected by the current economic and social crisis and to maintain essential public services without interruption, a supplementary estimate of Rs. 695 billion was presented to Parliament on June 08, 2022 and was approved on the same day.

The additional provision to increase expenditure in the above supplementary estimate was included in the amendment to the Appropriation Act, No. 30 of 2021.

5.3.1. Special Law Warrants as Supplementary Allocations

As per the powers vested with the Minister of Finance by the Constitution, two (02) Special Law Warrants were issued to authorize the withdrawal of money from the Consolidated Fund in order to fulfil the additional fund requirements of the government that had been recognized as Special Law Services in the Schedule 2 of the Appropriation (Amendment) Act, No. 21 of 2022.

Table 5.2 | Issued Special Law Warrants in 2022

Authority No.	Expenditure Head No.	Institution	Purpose/Objective	Amount (Rs.)
1	1	His Excellency the President	To pay the retirement benefits to former President Hon. Gotabaya Rajapaksa from 2022.07.14 to 2022.12.31	544,113
2	249	Department of Treasury Operations	To meet the shortfall of provisions allocated on debt servicing	251,000,000,000

Source : Department of National Budget

5.4 Revised Budget for 2022

The budgetary allocations approved by Parliament were revised with the issuance of Special Law warrants by the Minister of Finance.

As such, Table 5.3 indicates the total budgetary allocation in 2022 after revising the budget by issuing above mentioned two Special Law warrants.

Table 5.3 | Total budgetary allocations applicable for 2022

Authority Source	Recurrent (Rs)	Capital/Debt Amortization (Rs)	Total (Rs)
1st Schedule ,Appropriation (Amendment) Act No.21 of 2022	2,239,829,595,000	1,090,396,963,000	3,330,226,558,000
2nd Schedule Appropriation Act	1,396,123,442,000	1,505,000,000,000	2,901,123,442,000
3rd Schedule Appropriation Act	-	-	6,000,000,000
Supplementary Estimates approved by Parliament	-	-	-
Special Law Warrants issued by the Minister of Finance	251,000,544,113	-	251,000,544,113
Total	3,886,953,581,113	2,595,396,963,000	6,488,350,544,113

Source : Department of National Budget

*At the time Appropriation (Amendment) Act No. 21 of 2022 was prepared, the supplementary estimate of Rs.695 billion approved by Parliament on 08.06.2022 was also included in the schedule 1 of Appropriation Act.

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 selected Banks. The actual expenditure of the Advance Account Activities of the year 2022 was Rs. 19.14 billion, as against the estimated maximum expenditure of Rs. 29.19 billion. Accordingly, the Advance Account Activities were well within the approved total expenditure limits of the Appropriation Act, No. 30 of 2021. However, the minimum receipts limit could not be realized. The actual total receipts were Rs. 19.40 billion, compared to the estimated minimum receipts of Rs. 23.19 billion.

Compared to the year 2021, a 4 percent drop in the performance of advance account activities was recorded in 2022. This drop was mainly due to the suspension of credit facilities to staff officers by the National Budget Circular

03/2022 which was effective until the end of 2022. Further, difficulty in identifying the exact cadre under each expenditure head as a result of the Cabinet reshuffle that took place around the time of preparation of budget estimates has also impacted negatively the performance of Advance Account Activities.

5.6. Public Expenditure Management

5.6.1 Transfer of Funds

As per Section 5 of the Appropriation Act, No. 30 of 2022, approval was 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 2022, National Budget Department granted approval for 1,556 of such FR 66 and 69 transfer applications amounting to Rs. 313 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 to facilitate unforeseen, unexpected or urgent additional fund requirements of spending agencies in 2022. Accordingly, Rs. 72.7 billion was

reallocated to relevant spending agencies as supplementary allocations for 2022 in line with the guidelines specified in printed estimates of 2022. A summary of such allocation is detailed in Table 5.4. Reports related to the reallocation of the provisions were tabled in Parliament as per the Appropriation Act, No 30 of 2022. In addition, the details of all such transfers have 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 01.01.2022 to 31.12.2022

Rs.				
Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
2	Office of the Prime Ministry	Replace the office equipment damaged due to recent insurgencies	-	10,000,000
4	Judges of the Superior Courts	Vehicle maintenance	7,976,000	-
13	Human Rights Commission of Sri Lanka	Account the grant received from UNDP for the "Support to the Justice Sector in Sri Lanka" project	-	992,000
21	National Audit Office	Salary arrears and other allowances for the promoted officers	30,000,000	-
25	Delimitation Commission	Allowances and other expenses to the Delimitation Committee	1,100,000	-
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	Taxes and duties to release the Marble Pagoda donated by the Republic of Myanmar and to utilize and account the grant given by the Government of India for the construction of a faculty of Kandian dancing at Pallekelle under the Sri Dalada Maligawa Cultural Heritage Project	16,184,000	25,400,000
102	Ministry of Finance, Economic Stabilization and National Policies	Recurrent expenditures, implementation of the interim Budget Proposals (No. 17) in relation to the establishment of the National Agency for Public Private Partnership (NAPPP), consultancy services rendered by IHS International LC VA USA, establishment of the SOEs Restructuring Unit	104,115,000	20,000,000
237	Department of National Planning	Account for commodity levy and other charges related to goods received under the World Food Programme, account the grant and pay relevant taxes received from the United States of America as commodities	-	565,200,000
239	Department of External Resources	Transfer payments related to the International Bank for Reconstruction and Development (IBRD), account for the Japanese Grant Aid for Human Resources Development Scholarship Programme	-	1,135,686,826
241	Department of Public Enterprises	Working capital requirements of North Sea Ltd. Company due to the difficult economic situation, salary arrears and other operational expenses of the State Engineering Corporation, account for the acquisition of shares of the Ceylon Electricity Board currently owned by the Fuel Price Stabilization Fund to settle the liabilities pertaining to the letter of comfort issued to the People's Bank relating to Mihin Lanka Pvt. Ltd	-	5,864,000,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2022 to 31.12.2022 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
243	Department of Development Finance	Other Allowances, Settlement of the outstanding payments to SATHOSA for the sale of Green Gram at a subsidy price	87,024,650	-
244	Department of Trade and Investment Policies	Recurrent expenditure	5,750,000	-
246	Department of Inland Revenue	Account for the expenditure of the project of the Revenue Administration Management Information System (RAMIS)	-	3,463,124,000
249	Department of Treasury Operations	Government Contributions to the Agrahara Insurance Scheme	100,000,000	-
250	Department of State Accounts	Computer repairs	-	200,000
296	Department of Import and Export Control	Recurrent expenditures	2,800,000	-
103	Ministry of Defence	Utilize and account for the following grants from the United Nations Development Programme for the preparation of local disaster risk reduction plans for local authorities, grant from the Chinese Government for communication equipment, grant from the Colombo Plan for the International Symposium on Drug Related Studies, and settlement of outstanding bills, assistance to households affected by the strong winds	-	3,849,000,000
222	Sri Lanka Army	Fuel and diet expenditures	9,641,072,000	-
223	Sri Lanka Navy	Diets expenditure, utilize and account for the value of the Diesel grant received from the Government of Australia	4,027,000,000	515,200,000
224	Sri Lanka Air Force	Fuel issued for Essential Services	116,055,200	-
304	Department of Meteorology	Computer system update	3,200,000	-
110	Ministry of Justice, Prisons Affairs and Constitutional Reforms	Salaries and wages, other allowances, and professional fees for the legal services rendered in connection with the "MV Express-Pearl" Maritime Disaster	48,815,000	-
228	Courts Administration	Fuel, stationery and office requisites, other services	227,000,000	-
229	Attorney General's Department	New recruitment for essential vacancies in the Attorney General's Department	19,500,000	-
234	Office of the Registrar of the Supreme Court	Rent and local taxes	16,700,000	-

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2022 to 31.12.2022 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
111	Ministry of Health	Utilize and account for the loans from the Netherlands Government for the development of hospitals in the Northern Province, from the World Bank for the Sri Lanka COVID-19 Emergency Response and Health Systems Preparedness project, utilize and account for the grant from the World Health Organization for the project of work plan activities, from the World Health Organization for the tobacco and alcohol prevention project, expenditure of the establishment of a treatment center for COVID-19 at the Kandy National Hospital through SAARC fund, Tuberculosis, and Malaria (GFATM) Project, operational expenditure of the Dr. Neville Fernando Teaching Hospital for the months of November and December 2022, expenditure due to exchange rate fluctuations in relation to the allowances of medical officers moving abroad for postgraduate degrees, expenditure incurred due to the increase in the price of free medicines given to hospitals, settlements of bills in hand in relation to the rehabilitation and improvement of capital assets, implement the work plan activities of the UNICEF and UNFPA programme, and develop a Specialized Maternal and Child Hospital affiliated to Kalutara District General Hospital	2,080,000,000	8,393,139,000
220	Department of Ayurveda	Account for the donation given to Borella Ayurveda Teaching Hospital	235,000	2,410,500
116	Ministry of Trade	Salaries and allowances of Development Officers attached to the Export Development Board, vehicle maintenance and rehabilitation, fuel, other recurrent	65,880,000	5,100,000
301	Department of Co-operative Development (Registrar of Co-operative Societies)	Other services	2,200,000	-
117	Ministry of Transport and Highways	Recurrent and capital expenditures	9,900,000	5,000,000
306	Department of Sri Lanka Railways	Utilize and account for the Government of India's loan for railway development projects under the USD 318 million credit line, including the purchase of 160 locomotives, passenger coaches, two diesel multiple units, Ratmalana workshop improvements, double tracking of the railway line from Polgahawela to Kurunegala, railway track rehabilitation, signaling installation from Maho to Omanthai, and expenditures of fuel, lubricant for train operations, electricity, water	2,150,000,000	7,840,650,000
118	Ministry of Agriculture	Recurrent and capital expenditure, salaries and wages, initiating and implementing the project for cultivation of greengram in the winter seasons, purchase seeds, plant materials, harvesting machinery, settlement of outstanding bills of tank rehabilitation, utilize and account for the loan received from the World Bank for Agriculture Sector Modernization Project	9,889,875	2,060,100,125

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2022 to 31.12.2022 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
119	Ministry of Power & Energy	Settlement of the outstanding bills for the Petroleum Development Authority, incurring essential expenses related to the networking of QR codes pertaining to petroleum distribution, acquisition of computers and networking equipment, account the donation of diesel for the agriculture and fisheries sectors from the Republic of China, and recurrent and capital expenditures	27,308,000	5,131,881,000
122	Ministry of Tourism and Lands	Settlement of the bills in hand for vehicle maintenance	2,000,000	-
287	Department of Land Title Settlement	Fuel expenditure	676,000	-
123	Ministry of Urban Development and Housing	Settlement of the bills in hand for the Development of Strategic Cities-Anuradhapura and Colombo Urban Regeneration Projects (URP), salaries for the Saumyamoorthi Thondaman Memorial Foundation from September to December, utilize and account for the loan from the Asian Infrastructure Investment Bank for the Urban Regeneration Project, utilize and account for the grant from the United Nations Development Programme for the social impact assessment of damages caused by the "MV Express-Pearl" ship incident, expenses for costal cleaning works due to the impact of the "MV Express-Pearl" ship accident, and recurrent expenditure	424,300,000	1,740,807,000
291	Department of Coast Conservation and Coastal Resource Management	Utilize and account for the grant given by the Natural Environment Research Council (NERC) for the Project of Coastal Research of Compound Flooding from Tropical Cyclones	-	1,385,221
126	Ministry of Education	Implementation of the interim Budget Proposal (No. 28) in relation to training for micro-scale self-entrepreneurship, utilize and account for the grant received from the UNICEF and Asian Development Bank for the "UNESCO Activities" project and the Skills Sector Development Programme respectively, print textbooks, settlement of outstanding bills of the Science and Technology Human Resource Development Project and development programmes of Universities of Ruhuna, Sabaragamuwa, and Sri Jayewardenepura, interest payment on the loan obtained to establish a seventeen-story building in the Faculty of Medicine, University of Colombo	3,000,000,000	2,803,340,000
130	Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government	Utilize and account for the loan from the World Bank for the project of transport connectivity and asset management under the provincial road development project, compensation to the dependents of the late Member of Parliament Hon Amara Keerthi Athukorala, settlement of outstanding bills for the development programmes conducted in the years 2016-2020	5,000,000	780,000,000
256	District Secretariat, Gampaha	Settlement of the bills for the construction of an administrative complex at Gampaha	-	35,000,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2022 to 31.12.2022 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
263	District Secretariat , Hambantota	Settlement of outstanding bills for the project Gamasamaga Pilisandarak-Rural Development Programme	-	4,565,000
275	District Secretariat – Polonnaruwa	Settlement of the bills for the construction of a new four-story building for the Polonnaruwa District Secretariat	-	50,000,000
278	District Secretariat, Rathnapura	Settlement of outstanding bills for the project Gamasamaga Pilisandarak-Rural Development Programme	-	24,506,000
314	Southern Provincial Council	Utilize and account for the grant from the Government of India for the project of establishing smart classrooms and modern computer labs	-	30,000,000
135	Ministry of Plantation	Utilize and account for the grant from the University of Bristol in the United Kingdom for the plantation sector research and development, salaries and other expenditure of the kanthale Suger Company, salaries and wages of the Coconut Cultivation Board, recurrent and capital expenditure, improvement of sanitary facilities in office quarter	65,818,312	29,567,000
149	Ministry of Industries	Train 100 sewing machine mechanics as a part of the programme empowering youth for their contribution to the development of the apparel sector and encouraging foreign exchange earning initiatives and the payment of the membership fee for the United Nations Industrial Development Organization	7,000,000	5,000,000
151	Ministry of Fisheries	Utilize and account the grant from the Australia-India-Indo Pacific Ocean Initiative Partnership to National Aquatic Resource Research and Development Agency, compensation for the fisherman who lost their livelihood due to MV X-Press Pearl cargo ship fire incident, recurrent and capital expenditures	783,071,000	2,703,931
290	Department of Fisheries and Aquatic Resources	Compensation for two fishermen who died due to natural disasters, utilize and account for the grant given by the Government of Australia for Vessel Monitoring Systems (VMS) transponders	2,000,000	281,525,330
160	Ministry of Environment	Settlement of outstanding bills, Visit of the Minister of Environment to the United Arab Emirates as a special envoy of H.E. the president	9,475,000	-
161	Ministry of Wildlife and Forest Resources Conservation	Utilize and account for the loan from the World Bank for the Project of Ecosystem Conservation and Management	-	326,700,000
166	Ministry of Water Supply	Recurrent and capital expenditures, expenditure for Greater Colombo Water and Wastewater Management Improvement Investment Programme under the water for all project	11,000,000	2,291,000,000

Table 5.4 | Ministry-wise summary of additional allocation from 01.01.2022 to 31.12.2022 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
171	Ministry of Women, Child Affairs and Social Empowerment	Utilize and account for the grant received from the United Nations International Children's Emergency Fund for the project of implementation of the action plan, personal emoluments for the reimbursement of the salary to chairmen of the Social Security Board, and carry out the early childhood care and development project	3,000,000	912,076,000
217	Department of Probation and Childcare Services	Utilization and accounting of the grant given by the World Food Programme for orphanages and child care centers	-	2,025,000
176	Ministry of Ports and Shipping	Consultancy services of Feasibility study for Colombo North Port Development Project (GOSL-ADB)	-	713,639,360
193	Ministry of Labour and Foreign Employment	Recurrent and capital expenditures	6,850,000	-
328	Department of Manpower and Employment	Recurrent and capital expenditures, and Utilization and accounting the grant from the International Labour Organization(ILO) for the Project of on Strengthening the Public Employment Service for Assisting the Migrant Workers	17,678,900	7,387,100
194	Ministry of Youth and Sports	Utilization and accounting of the grant from the Islamic Republic of Pakistan to promote and exchange knowledge and skills in sports, recurrent and capital expenditures, implementation of the interim Budget Proposals (No. 21.2) in relation to establishing youth agriculture companies, and (No. 27.6) in relation to facilitating new skill-based jobs	85,689,000	220,395,000
219	Department of Sports Development	Recurrent and capital expenditures	201,469,000	148,531,000
Total			23,424,731,937	49,297,236,393

5.6.3 Directives issued through circulars on Expenditure Management, Budget Preparation and Execution

Guidelines for the management of Budget 2022 were issued through the National Budget Circular No. 03/2021. In addition, the following circulars shown in the table 5.5 have been issued in 2022 in the areas of budget preparation, execution and expenditure management by the National Budget Department. Department

of Public Enterprises has issued corresponding circulars numbered 01/2022, 02/2022, 04/2022 and 09/2022 for the management of expenditure of State Owned Enterprises.

In 2022, the Minister of Finance issued quarterly warrants enabling the withdrawal of money from the Consolidated Fund. Hence, a circular was issued for each quarter subsequent to the issuance of warrants.

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

Circular No.	Date	Subject
NB/01/2022	02.03.2022	Non-extension of the Term of Contract of Vehicles obtained by Government Agencies under the Operational Leasing Method
NB/02/2022	01.04.2022	Authorization for Incurring Expenditure and Management of Public Expenditure in the Year 2022-Second Quarter of 2022
NB/03/2022	26.04.2022	Controlling Public Expenditure
NB/04/2022	30.06.2022	Authorization for Incurring Expenditure and Management of Public Expenditure in the Year 2022-Third Quarter of 2022
NB/05/2022	02.09.2022	Budget Call-2023 Guidelines for the Preparations of Annual Budget Estimates-2023 within the Medium Term Budgetary Framework 2023-2025
NB/06/2022	21.09.2022	Authorization for Incurring Expenditure under the Revised Estimates 2022, Reporting and Accounting of Expenditure for the Year 2022
NB/07/2022	21.10.2022	Management of Vehicles purchased on the basis of Operational Lease
NB/08/2022	25.11.2022	Suspension of Expenditure on Various Functions
NB/09/2022	27.12.2022	Authorization for Incurring Expenditure and Management of Public Expenditure in the Year 2023

Source : Department of National Budget

5.7. Composition of Government Expenditure

The expenditure on interest payment was Rs. 1,565.2 billion constituting 44.5 percent of the total recurrent expenditure. The expenditure on salaries and wages amounted to Rs. 956.2

billion which is a 27.2 percent of recurrent expenditure. The expenditure on welfare programmes including Pensions, Samurdhi, medical supplies, fertilizer subsidies and interest subsidies was Rs. 719.5 billion.

Table 5.6 | Government expenditure by categories

	Rs. Million		
Expenditure Category	2021	2022 Estimate	2022(a)
Total Expenditure	3,521.70	4,427.40	4,472.60
Recurrent	2,747.5	3,620.0	3,519.6
Salaries and Wages	845.7	994.5	956.2
Goods and Services	168.9	225.3	182.9
Interest	1,048.4	1,379.4	1,565.2
Subsidies and Transfers	684.5	1,020.9	815.4
Capital and Net Lending	774.2	807.4	952.9
Public Investments	789.6	1,072.4	1,014.3
Other	-15.4	-265.0	-61.4
As a % of GDP			
Total Expenditure	20.0	18.7	18.5
Recurrent Expenditure	15.6	15.3	14.6
Interest Expenditure	6.0	5.8	6.5
Capital and Net Lending	4.4	3.4	3.9
O/w Public Investments	4.5	4.5	4.2

Source: Department of Fiscal Policy

* Included arrears

(a) 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 2022 was Rs. 956.2 billion, an increase of 13.1 percent

compared to Rs. 845.7 billion in 2021. The increase was mainly due to the provision of annual salary increments, provision of Rs. 5,000 monthly special allowance and salary increase owing to making around 50,000 graduate trainees permanent with the increase of their monthly salary from Rs. 20,000 to Rs. 41,700.

Table 5.7 | Expenditure on salaries and wages

Sector	2017	2018	2019	2020	2021	Rs. Million 2022 ^(a)
Central Government	197,914	212,481	240,329	270,521	297,349	367,467
Provincial Councils *	149,715	162,086	179,971	239,034	256,142	268,864
Defence	180,998	189,055	189,508	199,474	205,542	222,996
Police and Public Security	59,891	62,423	76,644	85,129	86,646	96,884
Total	588,518	626,045	686,452	794,158	845,680	956,210

Sources : Department of Fiscal Policy

(*Includes only the expenditure of government transfers)

^(a) Provisional

Pensions

The total pension payments increased by 14.5 percent to Rs. 309.1 billion in 2022 from Rs. 269.8 billion in 2021. This increase was mainly due to the net increase in the number of pensioners by 0.6 percent from 672,196 in 2021 to 676,430 in 2022 and Rs. 5,000 monthly special allowance paid to the pensioners. Further, 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. 40.2 billion for the payment of all-inclusive due salaries as compensation for the injured and deceased security personnel in 2022. This was an increase of 6.1 percent compared to Rs. 37.9 billion in 2021. Until April 2021, dependents of the deceased personnel were entitled to this compensation till the deceased personnel completes the age of 55 years. In April 2021, The Government decided to continue to pay this compensation to the dependents of the deceased members through out the dependents' lifetime with the payment of the pension after the deceased member reaches 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. 313.1 billion directly to the Provincial Councils of which Rs. 298.7 billion was for the recurrent expenditure and Rs. 14.4 billion was for the capital expenditure. In addition, Rs. 5.6 billion was channelled through the Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government for capital expenditure. Accordingly, a sum of Rs. 20 billion was transferred to Provincial Councils for Capital Expenditure in 2022. The transfer for recurrent expenditure increased by 4.9 percent in 2022 from Rs. 284.6 billion in 2021. The increase in recurrent expenditure was due to annual salary increments of public servants and the provision of Rs. 5,000 monthly special allowance.

Table 5.8 | Transfers to Provinces in 2022

Rs. Million

Provincial Council	Transfers 2022 ^(a)	
	Recurrent	Capital
Western	53,888	1,340
Central	35,182	1,566
Southern	38,014	1,295
Northern	27,600	1,795
North Western	35,820	1,548
North Central	20,357	1,745
Uva	26,606	1,860
Sabaragamuwa	31,307	1,562
Eastern	29,964	1,651
Projects implemented by the Ministry in Charge of the subject of Provincial Councils	-	5,620
Total	298,737	19,982

Source: Department of National Budget/ Department of State Accounts

^(a) Provisional

5.8. Sectoral Classification of Government Expenditure

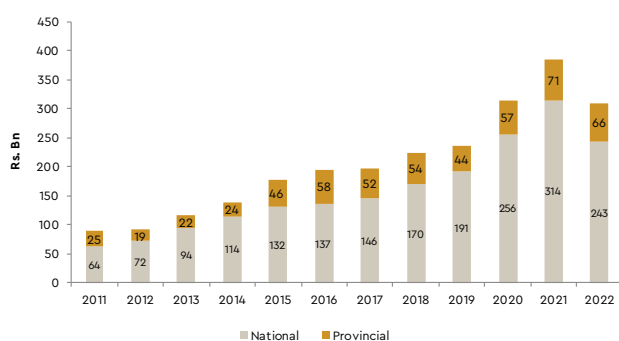
5.8.1. Human Resource Management

Health

Investment in Healthcare

After an increase in expenditure to combat the COVID-19 pandemic during the past 2 years, continued investments were made in 2022 with the focus of restoring healthcare services to the pre-pandemic level. The total expenditure on the health sector by the central government which includes the Ministry of Health and the Provincial Councils (PCs)¹ fell by 19.9 percent to Rs. 308.5 billion. The recurrent expenditure and the capital expenditure declined by 1.2 percent and 65.1 percent to Rs. 269.2 billion and Rs. 39.2 billion, respectively in 2022. This decline was mainly due to the capitalization of Rs. 69.08 billion incurred for the vaccination programme and the inclusion of the expenditure relating to Social Services under the Ministry of Health in 2021.

Figure 5.1 | Central Government Expenditure on Healthcare in 2022



*Elder benefited programme is included in 2020/2021

Source : Department of National Budget

The personnel emoluments of the healthcare staff increased by 3.9 percent to Rs. 166.5 billion in 2022 from Rs. 160.2 billion. Overtime payments and extra duty allowances grew to Rs. 36.2 billion in 2022 from Rs. 32.6 billion in 2021, as one distinctive feature in incurred recurrent expenditure in 2022.

The special COVID-19 treatment center constructed at the Mulleriyawa Base Hospital with labour and technical assistance from the Sri Lanka Air Force was officially handed over to the Ministry of Health on August 3, 2022. In order to improve the quality of health-care and ensure the interrupted treatment facilities, the Ministry of Health handed a fleet of 25 new ambulances and 38 cabs to selected hospitals and regional health offices around the island on February 17, 2022. This was conducted with the support of Asian Development Bank funding.

Meanwhile, an investment of Rs. 715.9 million was made in 2022 for the production of Thripasha, and the Thripasha Packets were distributed among 0.85 million beneficiaries.

Achieving a significant milestone in mental health, the National Mental Health Policy for the next 10 years was presented on August 16, 2022, focusing on mental health wellbeing. Additionally, on February 24, 2022, the Ministry of Health launched an initiative in collaboration with the Pharmacists' Association and S.L.T Mobitel to enhance the availability of data on pharmaceuticals sent to clinical patients through the post.

The health-care workforce was further increased by 938 medical officers and 2,153 nurses in 2022. The summary of the in-position cadre of selected categories is as follows.

Table 5.9 | In position cadre of selected categories

Category Name	In-position	
	as at 31.12.2021	as at 30.06.2022
Medical Consultant	1,860	1,970
Consultant Dental Surgeons	75	81
Medical Officers	12,558	13,496
Dental Surgeons	747	774
Nursing Sisters/Master	498	933
Nursing Officers	25,940	28,093
M.L.T.s	1,374	1,409
Pharmacists	1,217	1,253
Radiographers	502	515
Physiotherapist	584	600
Midwives	1,312	1,368

Source: Performance and Progress Report 2022, Ministry of Health

¹ Central government transfers to the provincial councils

Table 5.10 | Major Capital Investment in Curative Healthcare Services

	Rs. Million										
Investment Area	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Hospital Development Projects	7,775	8,117	11,431	15,429	10,373	10,649	14,654	8,196	31,058	18,657	24,143
Hospital Rehabilitation & Construction	1,828	2,754	3,403	4,206	3,735	4,814	6,513	6,381	3,734	5,067	2,595
Medical Equipment & Machinery	1,969	3,880	3,208	5,068	4,093	4,732	4,438	5,481	3,949	4,590	1,484
Beds & Furniture	114	127	200	224	325	243	352	346	235	230	125
Ambulances for Hospitals	69	250	5	-	-	-	-	-	-	-	1,608
Total	11,755	15,128	18,247	24,927	18,527	20,438	25,957	24,404	38,976	28,544	29,954

Source: Department of National Budget and Department of State Accounts

^(a) Provisional

General Education

The total expenditure on school education by the Government amounted to Rs. 298.1 billion, an increase of 15.9 percent in 2022 compared to Rs. 257.3 billion in 2021. Accordingly, the expenditure of the Ministry of Education was Rs. 100.3 billion and the Central Government transfers to the nine Provincial Councils amounted to Rs. 197.9 billion. The recurrent expenditure increased by 19.5 percent to Rs. 290.1 billion in 2022. Due to the economic hardships in 2022, the capital investments were restricted to settling outstanding bills of the works carried out and accordingly, the capital investment declined by 44.9 percent to Rs. 8.0 billion in 2022.

Teachers and Principals undertook a prolonged trade union action demanding solutions to long-standing salary anomalies and the issue was resolved through the increase in salaries announced in the 2022 Budget Speech. Therefore, personnel emoluments increased by 80.7 percent compared to 2021.

Table 5.11 | Expenditure on School Education in 2021-2022

	2021			2022 ^(a)		
	Recurrent	Capital	Total	Recurrent	Capital	Total
Ministry of Education	60,670**	10,013**	70,683	95,221	5,030	100,251
Provincial Councils ^(a)	182,000	4,573	186,573	194,875	3,012	197,887
Total	242,670	14,586	257,256	290,096	8,042	298,138

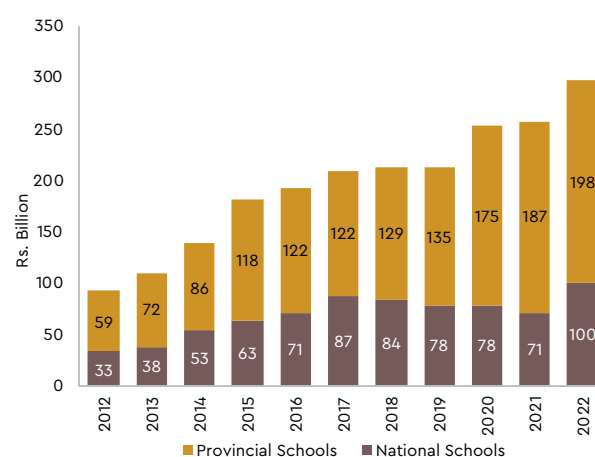
Source: Department of State Accounts, Finance Commission

^(a) Provisional

** Includes Central Government Transfers to Provincial Councils

** Exclude women, Child Development and Pre - School which was gazetted under Ministry of education

Figure 5.2 | Expenditure on School Education (2011-2022)



Source: Department of National Budget

Table 5.12 | Major Projects Implemented under the General Education Sector

	Rs. Million
2022 ^(a)	
School - development activities and Grant	386
General Education Modernization Project	329
Technological Education Development Projects	352
Educational Environment Improvement Project in Kilinochchi	184
Upgrade facilities of Secondary Schools and Establish 1000 National Schools	367
Develop Child friendly Schools	115
Qualitative Development Reforms in Education	509

Sources: Department of State Accounts, Finance Commission

^(a) Provisional

* Includes Central Government Transfers to Provincial Councils

The student welfare programs were continued as it is, despite the contemporary hardships in 2022, to ensure free education while minimizing regional disparities. The total expenditure of the welfare programs was Rs. 10,230 million, a decrease of 14.3 percent compared to 2021, due to the delay in printing of school text books the reduction of receiving number of claims under the 'Suraksha' Insurance Scheme insurance claims. The School Text Books for the year 2023 have not been printed in 2022 due

to the postponement of starting date of first term of the schools in 2023 and shortage of papers as well as necessary printing material. In order to minimize the price hike of the food which in turn affected on the nutritional status

of the school children, the Government has responded by increasing the per student per day price of nutritious meal from Rs. 30 to Rs. 100 and spent Rs. 3,308 million in 2022.

Table 5.13 | Expenditure on major Welfare Programs

Program	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
School Nutrition Food Program	3,725	3,938	3,916	4,434	5,325	5,063	2,299	1,685	3,308
Text Books	2,700	3,896	5,415	4,281	4,161	4,599	4,550	2,609	1,650
Uniforms	3,574	2,261	2,157	2,479	1,073	3,789	2,877	2,492	2,355
Shoes for Students in Difficult & Very Difficult Schools	299	291	480	640	220	640	492	901	967
Scholarships – Year 5 *	556	623	613	602	605	607	872	791	855
'Suraksha' Insurance Scheme				2,700	33	1,833	1,500	3,331	993

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

^(a) provisional

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

Table 5.14 | Students Benefited by major Welfare Programs

	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
School Nutritional Food Programme	890,404	937,178	973,245	1,105,605	1,089,705	1,067,465	1,079,097	1,082,136	1,078,238
Text Books	4,076,813	4,277,668	4,345,491	4,355,101	3,628,951	3,642,528	4,180,000	4,180,000	4,180,000
Uniforms	4,423,202	4,415,099	4,341,581	4,326,951	4,357,797	4,725,445	4,180,000	4,180,000	4,180,000
Scholarships -Year 5 *	114,458	122,149	140,297	144,739	130,000a	135,000	130,457	103,800	145,000
'Suraksha' Insurance Scheme				40,978b	74,328	100,000	34,778		35,906

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

^(a) provisional

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

University Education

The total government expenditure on university education was Rs. 75.6 billion, a slight decline of 1.3 percent compared to 2021. Out of the recurrent expenditure of Rs. 57.4 billion, Rs. 50.1 billion was spent on the payment of salaries and wages of 25,717 academic and non-academic staff in the higher education sector.

The total capital investment was Rs. 18.3 billion in 2022, compared to Rs. 21.9 billion in 2021 and this was mainly utilized for the construction, rehabilitation and improvement of capital assets, acquisition of fixed assets, human capital development and strengthening

research activities. 62 construction projects are ongoing in the universities. The 17 storied building for pre-clinical building for the Medical Faculty of Colombo University was completed in 2022 with a total estimated cost of Rs. 5,688 million. It is the largest project in the higher education sector under local funds.

Twenty new degree programmes were introduced in 2022 to meet the changing demand of the local and global labour market. Further, pre-university Online/E-Learn English Teaching programme has been introduced to new university entrants to upgrade graduate profiles by strengthening soft skills.

Table 5.15 | Investment on higher education (2015–2022)

Year	2015	2016	2017	2018	2019	2020	2021	2022*
Recurrent	26,983	29,300	31,246	37,457	47,323	51,506	54,734	57,351
Capital	17,099	20,276	16,176	24,420	23,512	22,615	21,884	18,289
Total	44,082	49,576	47,422	61,877	70,835	74,121	76,618	75,640

Sources : Department of State Accounts, Department of National Budget

^(a) Provisional

The annual intake for universities from the students who sat for the G.C.E. A/L examination in 2021 (2021/2022 intake) is 42,519 and it is still in progress. Accordingly, the number of students to be admitted to the universities in 2022 for the intake of 2021/2022 would be around 43,000.

Table 5.16 | 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	43,927
2021/2022	42,519 ^(a)

Source : University Grants Commission

^(a) Provisional

Mahapola and Bursary

The payment of Mahapola and Bursary was continued to provide financial assistance to university undergraduates from households below an annual income of Rs. 500,000.

Table 5.17 | Financial assistance to university students

Rs. Million								
Year	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Mahapola	561	940	593	1,304	1,269	1,366	1,138	952
Bursary	481	650	441	521	695	759	862	873
Total	1,042	1,590	1,034	1,825	1,964	2,125	2,000	1,825

Source : Department of National Budget

Table 5.18 | No. of university students benefited under the financial assistance programmes

Year	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Mahapola	45,219	47,595	49,472	51,652	55,491	57,773	63,029	63,224
Bursary	20,929	20,265	20,093	22,450	22,923	23,494	29,182	33,842
Total	66,148	67,860	69,565	74,102	78,414	81,267	92,211	97,066

Source : University Grants Commission

^(a) Provisional

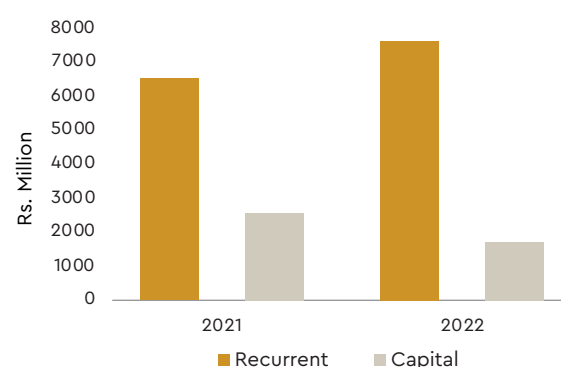
Non state Higher Education

Given the limited opportunities available in the state university system, Rs. 403 million was invested in 2022 to continue interest free loan scheme to enhance higher education opportunities for A/L qualified students in non-state universities. Accordingly, 4,665 students were granted the opportunity of following 108-degree courses offered by 17 non-state higher education institutes during the year under the loan scheme.

Skills Development

The total expenditure on Skills Development, Vocational Education was Rs. 9,281 million in 2022, of which, Rs. 7,568 million was spent on recurrent expenditure and Rs. 1,713 million for capital investment.

Figure 5.3 | Expenditure on Skills Development Sector, 2021 & 2022 (Rs. Million)



Source : Department of National Budget

Table 5.19 | Major projects implemented in 2022 on Skills Development

Description	Rs. Million
	2022 Expenditure
Skills Sector Development Programme (ADB/WB)	474
Vocational Training in the Sri Lanka (GOSL-Germany) GIZ	286
Capacity Building Project For Construction Courses In Technical Colleges And Colleges Of Technology In Sri Lanka (GOSL-KOICA)	53
Self Employment Promotion Initiative (SEPI) Programme	20
You Lead (GOSL-USAID)	82
Improve Vocational Education	98
Modernization of 7 Colleges of Technology/ Technical Colleges	177
Development of Vocational and Technological Training	37

Development of Vocational and Technological Training

Science and Innovation Development

The total expenditure of the Research and Innovation sub sector was Rs. 2,174 million in 2022. While the capital investment was Rs. 500 million, the recurrent nature of expenditure in institutions under the research and innovation - sub sector was Rs. 1,674 million.

Major projects implemented under this sector included Scientific Development Programme, Prototype Manufacturing of Solar Panels, Support for Product Design Engineering (PDE) under the Mechatronics enabled Economic Development Initiative (BP) and Improving Degraded soil, School Science Society Programme. The expenditure details are illustrated in Table 5.20.

Table 5.20 | Major projects implemented in 2022 on Science and Innovation

Description	Rs. Million
	2022 Expenditure
Vidatha Programme	622
Scientific Development Programmes	63
Prototype Manufacturing of Solar Panels	22
Improving degraded soil (BP)	9
Promotion and Commercialization of Research and Development	6

Source : Department of National Budget

5.8.2 Transport

Bus Passenger Transport

Government spent Rs. 13.5 billion for this sector in 2022, of which Rs. 11.3 billion was spent as recurrent expenditure. Meanwhile, Rs. 6.4 billion was spent by the government as recurrent expenditure in order to provide season tickets to school and higher education student. Rs. 3.3 billion was spent on other relief services such as an operating of Sri Lanka Transport Board (SLTB) buses on unremunerated routes in rural areas, contribution to maintaining a socially obligatory bus service and providing bus passes for armed. The recurrent expenditure in 2022 declined by 10 percent to Rs. 11.3 billion in 2022 compared to Rs. 12.5 billion in 2021. A sum of Rs. 2,224 million was spent as capital expenditure including the purchase of 500 new buses for the Sri Lanka Transport Board, improvement of the bus fleet and printing of driving licenses.

Railways

In light of the limited operations of private bus services owing to the economic crisis and subsequent rise in fuel prices, there was a surge in demand for railway transportation in 2022. A sum of Rs. 23.5 billion was incurred as recurrent expenditure on the railway sector in 2022 whereas Rs. 21.6 billion was spent as capital expenditure including the expenditure on Colombo Suburban Railway Efficiency Improvement Project implemented with the aim of providing comfortable and uninterrupted railway services to the public. In this context, the railway administrative and operational costs increased by 61 percent in 2022 compared to the year 2021. Despite the increase in recurrent expenditure, due to the slowdown in construction activities, the total expenditure on the railway transport sector in 2022 was Rs. 45.2 billion, a 7 percent decline compared to the total expenditure of Rs. 48.7 billion in 2021.

Table 5.21 | Major projects launched in 2022 on public transport

Description	Rs. Million
	2022 Expenditure
Procurement of 140 Nos. Passenger Coaches and improvement of Ratmalana Workshop	8,295
Rehabilitation of Railway Track & Installation of signaling from Maho – Omanthai	4,645
Rehabilitation of 300 Nos. of passenger coaches	366
Rehabilitation of Permanent Way with new Rails & Sleepers	1,902
Colombo Suburban Railway Efficiency Improvement Project	2,660
Subsidy for School & Higher Education Season Tickets, Armed Forces – Bus Passes	6,539
SLTB, Bus Operating on Unremunerated Routes in Rural Area	2,400
Augmentation of the SLTB bus fleet	750

Source : Department of National Budget

Port and Shipping

The Government incurred Rs. 3,267 million in 2022 for the port, shipping and civil aviation sector, of which, Rs. 962 million was spent for recurrent expenditure and Rs. 2,305 million was for capital expenditure. Out of recurrent expenditure, Rs. 591 million and Rs. 329 million were spent on interest and loan installment payments, respectively, in relation to the Sooriyawewa International Cricket Stadium project. The recurrent expenditure of 2022 marked an increase of 27 percent compared to Rs. 758 million recorded in 2021. This was due to taking civil aviation activities under the purview of the Ministry of Ports and Shipping which was previously under the Ministry of Tourism.

Table 5.22 | Major projects launched in 2022 on Ports and Shipping

Description	Rs. Million
	2021 Expenditure
Sooriyawewa International Cricket Stadium Project	920
Construction of Building Complex related to Port Access Elevated Highway Project (GOSL-ADB)	280
Rehabilitation of Kankesanthurai Harbour (GOSL – India)	55

Source: Department of National Budget

Road Development

The expenditure in the road development sector for 2022 encompassed the construction of expressways and bridges, rehabilitation of roads, widening and improvement of roads and maintenance of both roads and bridges. In 2022, road development projects generally recorded low progress compared to previous years as a result of the shortage of some construction materials, high material prices and import restrictions. Further, the government initiatives adopted to overcome the economic crisis placed less priority on infrastructure development.

However, in 2022, the government invested around Rs. 200 billion in the road sector development, a decline of 6 percent compared to the expenditure of Rs. 213 billion in 2021.

Out of the total investment in road development, nearly Rs. 34.4 billion (nearly 17%) was invested in expressway development. Construction of Central Expressway section I from Kadawatha to Meerigama and Port Access Elevated Highway from Ingurukade junction to Port City are the two main expressway development projects that were continued in 2022.

In 2022, expenditure on highway development including the Integrated Road Development Programme and the development of an alternative road network to access main roads and expressways amounted to approximately Rs. 146.3 billion. In addition, Rs 3.9 billion was invested in road maintenance.

The investment in bridge construction amounted to around Rs. 7.5 billion in 2022 and a significant amount was allocated to continue the construction of flyovers in Kohuwala, Gatambe, Uththarananda Mawatha and Slave Island.

Table 5.23 | Major Road Development Projects in 2022

		Rs. Million
Project Name		2022 Actual Expenditure
Expressways		34,397
O/W	Central Expressway	15,990
	Port Access Elevated Highway	18,030
	Elevated Highway from New Kelani Bridge to Athurugiriya	140
	Colombo – Rathnapura – Pelmadulla Expressway	236
Highways Development		146,274
O/W	Integrated Road Investment Programme	41,524
	Southern Road Connectivity Project	2,186
	Widening and Improvement of roads and bridges in Central and Uva Province	1,246
	Rehabilitation of Peradeniya – Badulla Road from Badulla to Chenkalady	1,163
	Marine Drive Extension up to Panadura	350
	Colombo District Road Development Project	1,186
	Development of an alternative Road Network to Access Main Roads and Expressways and to ease the Traffic Congestion	52,529
	Inclusive Connectivity and Development Project	1,990
	Rural Road Reawakening Programme (Maga Neguma)	3,810
Maintenance		3,866
	Widening & Improvement of Roads and Maintenance of Roads	3,866
Bridges & Flyovers		7,530
O/W	Reconstruction of 25 Bridges on National Highways	664
	Second New Kelani Bridge Project	1,476
	Design and Construction of Flyovers in Kohuwala and Gatambe	860
	Construction of Flyovers over the Railway Line at Uttharananda Mawatha and near the Slave Island Railway Station	3,430
Institutional Support		8,013
	Road Development Authority	8,013
Total		200,080

Source : Department of National Budget

5.8.3 Social Welfare and Social Security

Government expenditure on social welfare and social security amounted to Rs. 738 billion in 2022 compared to Rs. 609.8 billion in 2021, an increase of 21 percent. This increase was driven by the increase in fertilizer subsidy, grant of an additional allowance on top of the existing allowance granted by the World Bank and the Asian Development Bank to the existing Samurdhi, Elderly, Kidney patients and Disabled persons and grant of welfare payments to wait-listed people who are suffering from economic difficulties for a period of 06 months. Accordingly, the government has incurred Rs. 116 billion for Samurdhi subsidy, Rs. 16.4 billion for the Elderly allowance, Rs. 2.7 billion for the allowance for Kidney patients and Rs. 5.1 billion for the allowance for Disabled persons during 2022. The government spent Rs. 3.7 billion to continue the payment of Rs. 20,000 allowance per woman under the Nutrition Food

Package Program which aims at increasing the nutritional level of pregnant women. Also, in the year 2022, approximately 35,900 school children were covered under the health insurance coverage at a cost of Rs. 993 million.

5.8.4. Agriculture

The Government incurred Rs. 107 billion in 2022 for the agriculture sector with an increase of 48 percent compared to 2021.

Table 5.24 | Expenditure on Agriculture Sector in 2022

		Rs. Million
Description		2022 ^(a) Expenditure
	Food Crops	94,089
	Plantation Industry	7,757
	Livestock Development	971
	Fisheries and Aquatic Resources	2,729
	Land and Land Development	1,988
Grand Total		107,534

Source : Department of National Budget

^(a) Provisional

Food Crops

In 2022, the Government incurred Rs. 94 billion on food crops such as paddy, maize, potatoes, big onions, vegetables and fruits, including expenditure on organic fertilizer subsidy amounting to Rs. 62 billion. In 2022, 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. 5.2 billion was spent on the implementation of the Agriculture Sector Modernization Project and Smallholder Agribusiness Partnership Programme which aims to improve the productivity, commercialization, value addition and market access for selected crops. The Government contribution to the farmer insurance scheme was Rs. 4 billion which is expected to reduce the risk to farmers from crop damages due to natural disasters.

Plantation

In 2022, the Government invested Rs. 7.7 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 2022, Rs. 241 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 2022 amounted to Rs. 2.7 billion, of which Rs. 1.6 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. 709 million was utilized in 2022 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 2022, Rs. 971 million was incurred in the livestock sector including expenditure on 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 2022 amounted to Rs. 58 billion. In 2022, priority was placed on the smooth implementation of ongoing projects, rehabilitation of minor tanks and canals and improvement of existing medium and major irrigation schemes. Rehabilitation of major, medium and minor irrigation schemes continued in 2022, especially focusing on the protection of the upper catchment area to ensure the water sources to down streams and desiltation of reservoirs. In 2022, several ongoing schemes such as Mahaweli Water Security investment Programme, Uma Oya Diversion Project and Uma Oya Downstream development, and Yan Oya project continued.

5.8.6. Housing and Common Amenities

Housing Development

Total expenditure for housing construction and related infrastructure development was Rs. 10.4 billion in 2022, of which Rs. 1.3 billion was spent on recurrent expenditure and Rs. 9.1 billion was incurred for capital expenditure. Middle Income Housing Scheme, Urban Regeneration Programme for the resettlement of underprivileged settlements in Colombo city and suburban area, permanent housing for families affected by conflicts in the Northern and Eastern provinces, Estate housing programme and "Semata Niwahana " housing programme were the main housing projects continued in 2022. In the context of the economic crisis in the country in 2022 and due to the huge increase in the price of construction materials, there was a severe setback in the entire construction sector and house construction activities were

also very slow. Under such circumstances, the expenditure incurred in 2022 for providing housing facilities decreased by 22 percent compared to the expenditure of Rs. 13.4 billion in 2021.

Urban Development and Coast Conservation

Amidst the economic crisis, there was an abnormal increase in the prices of construction materials in the market and it was a major hindrance to the construction industry. Accordingly, it was not possible to expect a positive growth in urban development

activities. Accordingly, the total expenditure incurred by the government in the urban development sector declined by 53 percent to Rs. 13.5 billion in 2022 from Rs. 29.2 billion in 2021. Out of the total expenditure, Rs. 1.7 billion was spent on recurrent expenditure and Rs. 11.9 billion was incurred on capital expenditure. Rs. 4.3 billion was spent on solid waste management, and ocean clean-up programs including management of environmental damage caused by the MV X-Press Pearl Maritime Disaster accident. Meanwhile, the Greater Colombo Urban Development Project, which was implemented with the aim of flood control was continued.

Table 5.25 | Major projects launched in 2022 on Housing & Urban development

Project	Rs. Million
	2022 ^(a) Expenditure
Metro Colombo Urban Development Project-(GOSL-World Bank)	2,937
Urban Regeneration Programme	5,851
Siyak Nagara / Urban Infrastructure & Township Development Programm	2,170
Resettlement/ Permanent Houses for the Conflict Affected families	1,138
"Samata Niwahana" Housing Programme (obata geyak ratata hetak)	1,288
Development of Strategic Cities – Jaffna -(GOSL-World Bank)	1,418
Estate Housing Programme	164
Infrastructure Development in the Plantation Sector	138
Metro Colombo Solid Waste Management Project	2,700

Source : Department of National Budget

^(a) Provisional

Drinking water and Sanitation

The government spent Rs. 31.9 billion in 2022 for the water supply sector, of which Rs. 719 million was spent as recurrent expenses including the payment of salaries and wages and Rs. 31.2 billion was spent as capital expenditure. The total expenditure of 2022 declined by 41 percent compared to Rs. 54.2 billion recorded in 2021, largely owing to the reduction in capital expenditure.

As in previous years, most of the projects implemented in the water supply sector in 2022 were implemented under foreign loans. Due to the economic crisis, there was a need to restructure the foreign debt. Accordingly, there was a lag in the physical progress of most of the bilateral loan projects and the cost of accounting was also not done properly.

Table 5.26 | Major projects launched in 2023 on water Supply and Sanitation

Project	Rs. Million
	2022 ^(a) Expenditure
Kandy North & Pathadumbara Integrated Water Supply Project- (GOSL/China)	1,620
"Water for All" Water Supply program implement in island wide	5,819
Greater Colombo Water and Wastewater Management Improvement Investment Programme -Project 1,2,3 (GOSL/ADB)	7,604
Water Supply and Sanitation Improvement Project (GOSL/WB)	3,117
Jaffna Kilinochchi Water Supply and Sanitation Project (GOSL/ADB)	3,106
Greater Matale Water Supply Project (GOSL/France)	1,629
Kandy City Wastewater Management Project (GOSL/JICA)	1,084
Ambathale Water Supply System Improvement & Energy Saving Project (GOSL/ France)	2,917
Deduru Oya Water Supply Project (GOSL/Korea)	563
Anuradhapura North Water Supply Project Phase 1 (GOSL/JICA)	649
Anamaduwa Water Supply Project (GOSL/Spain/HNB)	612
"Praja Jala Abhiman" Water Supply Scheme	399
Inter Provincial Projects / Programme	91

Source : Department of National Budget

^(a) Provisional

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 the depletion of forest cover.

Forest conservation

Government spent Rs. 500 million on forest conservation which included the activities such as the expansion of the forest coverage, establishment and management of industrial plantations, production of planting materials, and conversion of Pine plantations to native broad leave species and prevention of forest fire. In addition, a sum of Rs. 31 million was spent to protect rivers under the 'Surakimu Ganga' river protection program.

Wildlife conservation

Under the wildlife conservation, priority was given to mitigate human-elephant conflict for which Rs. 386 million was spent in 2022. Further, a sum of Rs. 97 million was allocated to construct electric fences, while spending Rs. 48 million to habitat enrichment of wildlife. In addition, Rs. 9 million was spent to improve road network in National Parks to facilitate tourists.

06

Cash Flow Management, Deficit Financing and Debt

6.1 Overview

In 2022, total cash inflows and outflows amounted to Rs. 1,876.8 billion and Rs. 4,233.4 billion. The overall net cash deficit of Rs. 2,356.6 billion was mainly financed by domestic sources. Accordingly, total domestic debt stock as at end of the year was amounted to Rs. 16.0 trillion while total foreign debt was amounted to Rs. 12.5 trillion. Total debt to GDP ratio increased to 113.8 percent in 2022 from 100.1 percent in 2021. Domestic and foreign debt as a percentage of GDP stood at 62.3 percent and 51.6 percent respectively 2022.

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 implementing agencies efficiently and effectively. Treasury cash flow management process transforms the Annual Budget approved by Parliament for a particularly financial year into an implementable cash flow. The fund flows include cash inflows in the form of revenue and borrowings and cash outflows in the form of expenditure, which comprise of both recurrent and capital payments including debt service payments.

6.2 Government Treasury Cash Flow Operations – 2022

The total receipts to the Treasury cash flow in the form of revenue and other sources amounted to Rs. 1,876.8 billion with the realization of 79 percent from the revenue estimate of Rs. 2,383.7 billion. Meanwhile, the cash outflow for both recurrent expenses and public investment in 2022 amounted to Rs. 4,233.4 billion including interest payment of Rs. 1,366.2 billion and excluding debt repayment as against the estimate of Rs. 4,741.5 billion representing 89.0 percent from the estimate.

The net borrowings amounted to Rs. 2,961.3 billion in 2022 which was used to finance the net cash deficit, mainly the interest payments. In addition, part of the bank overdraft was also settled during the year in 2022 resulting in a decrease in the year end negative cash balance up to Rs. 84.2 billion from the opening negative cash balance of Rs. 831.6 billion. The cash outflow for debt repayments in 2022 amounted to Rs. 1,449.2 billion as against the estimate of Rs. 1,510.5 billion.

Table 6.1 | Government Treasury Cash Flow Operations – 2022

Item	2020	2021	2022	
	Actual	Actual	Revised Estimate	Actual
Opening Cash balance as at 1st January	-274.3	-488.2	-831.6	-831.6
Total cash inflow from revenue and other receipts	1,323.8	1,389.8	2,383.7	1,876.8
Tax Revenue	1,197.6	1,269.4	1,852.0	1,701.9
Non Tax Revenue	125.4	120.3	521.7	174.7
Grant Receipts	0.8	0.1	10	0.2
Total cash outflow for recurrent payments	-2,587.4	-2,713.1	-3,635.9	-3,220.4
Personal Emoluments	-915.9	-970.0	-1,137.6	-1,081.7
Pension payments	-254.1	-251.6	-318.0	-290.4
Samurdhi payments	-52.5	-55.4	-97.4	-84.6
Fertilizer Subsidy	-36.2	-21.1	-98.4	-46.7
Other Recurrent	-372.1	-363.8	-605.2	-350.8
Interest	-956.6	-1051.2	-1,379.3	-1,366.2
Total cash outflow for capital payments	-584.9	-718.0	-1,105.6	-1,013.0
Other Capital payments	-580.3	-706.2	-1,070.1	-1,000.9
Grant payments	-1.2	-2.3	-14.8	-3.5
Advance to Public Officers	-3.4	-9.5	-20.7	-8.6
Net cash surplus / (deficit)	-1,848.5	-2041.3	-2,357.8	-2,356.6
Utilization of gross borrowing	2,530.8	2,989.4	4,507.0	4,410.5
Debt repayment	-968.8	-1,315.5	-1,510.5	-1,449.2
Utilization of Net borrowing	1,562.0	1,673.9	2,996.5	2,961.3
Balance proceeds of ISB/FCTFF previous year	51.40	-	-	4.60
Adjustment account balance (Temporary Employed Balance, net deposits, etc.)	21.2	24.0	-	138.1
Closing Cash balance as at 31st December	-488.2	-831.6	-192.9	-84.2

Source : Department of Treasury Operations

6.3 Government Borrowing Programme – 2022

Parliament approved the borrowing limit of Rs. 3,200 billion as specified in the Appropriation Act, No. 30 of 2021 and it was subsequently increased to Rs. 3,844 billion in the Appropriation Act, No. 21 of 2022 and further increased up to Rs. 4,507 billion in the Appropriation Act, No. 42 of 2022 for financing the resource gap in the Budget 2022. The Actual gross borrowing in 2022 was Rs. 4,337.6 billion of which Rs. 3,554.2 billion was from domestic sources and the rest of Rs. 783.4 billion was from foreign sources.

6.4 Financing of the Budget

In a economic classification, the overall budget deficit of Rs. 2,459.9 billion was financed mainly through domestic sources in 2022. Financing through domestic sources amounted to Rs. 2,035.1 billion or 8.4 percent of GDP in 2022, while net foreign financing accounted Rs. 424.8 billion or 1.8 percent of GDP in 2022. The net domestic financing decreased by 1.7 percent to Rs. 2,035.1 billion in 2022 from Rs. 2,071.8 billion in 2021 while the net foreign financing increased significantly Rs. 424.8 billion in 2022 from the net repayment of Rs. 13.9 billion in 2021.

Foreign Financing Commitments

Despite the measures taken by the Government in early 2020 to stabilize the economy hampered by the Easter Sunday attack in 2019 and the Covid-19 pandemic during 2020–21

period, which has caused to decline in foreign earning inflows coupled with increasing debt burden mainly due to International Sovereign Bonds (ISBs) maturities due in 2022 and hiking exchange rate pressure from first quarter of 2022, the Government was compelled to adopt a debt standstill policy in 2022 to stabilize the economy, which further closed the access to the market in the short run, the Government was able to secure foreign financing commitments in the form of Official Development Assistance (ODA), mainly from India and Asian Development Bank (ADB) for importing essential goods. Government obtained total ODA commitment amounting to USD 1,915.2 million by entering into 15 agreements with foreign development partners and lending agencies from 1st January to 31st December in 2022, of which, USD 1,805.5 million in the form of loans together with USD 109.7 million grants.

During this period, India leads by its commitments amounting to USD 1,555 million, followed by the ADB (USD 203 million), the United States of America (USD 73 million), Kuwait (USD 32.9 million), Germany (USD 17.6 million), European Union (EU) (USD 13.9 million), Korea (USD 12 million) and Japan (USD 7.8 million), respectively.

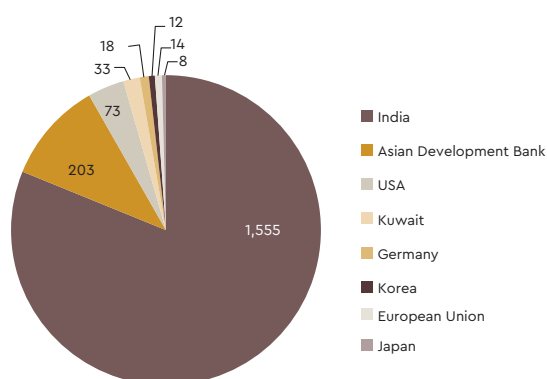
The highest amount of commitment was made for the trade sector which amounted to USD 1,000 million or 52 percent of the total commitments, followed mainly by the power and energy sector (USD 500 million or 26 percent) and the humanitarian assistance sector (USD 203 million or 10 percent).

Table 6.2 | ODA Commitment 2022, by Development Partner (USD Million)

Development Partner	USD Million		
	Loan	Grant	Total
Bilateral	1,605.5	92.8	1,698.3
India	1,555.0	–	1,555.0
USA	–	73.0	73.0
Kuwait	32.9	–	32.9
Germany	17.6	–	17.6
Korea	–	12.0	12.0
Japan	–	7.8	7.8
Multilateral	200.0	16.9	216.9
Asian Development Bank	200.0	3.0	203.0
European Union	–	13.9	13.9
Total	1,805.5	109.7	1,915.2

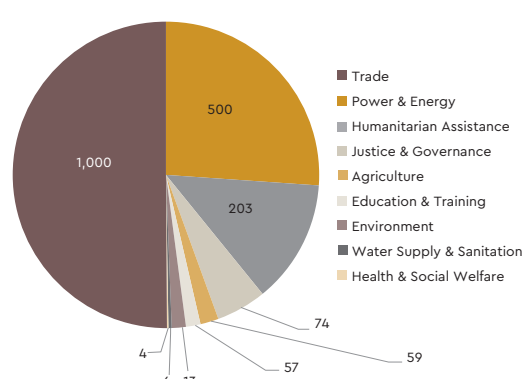
Source: Department of External Resources

Figure 6.1 | Commitments 2022 by Major Development partners (USD Million)



Source : Department of External Resources

Figure 6.2 | Commitments 2022 by Major Economic Sector (USD Million)



Source : Department of External Resources

Table 6.3 | Foreign financing ODA commitments with terms from 1st January to 31st December 2022

Development Partner/ Lending Agency	Instrument Type	Agreement Date (DD/MM/YYYY)	Project /Program/ Instrument Name	Amount Committed (million)					Financial Terms			Other Terms	
				Currency	In Instrument Currency	Rupees	USD	Type	Annual Rate (%)	Margin (100 basis points)	Other Charges	Grace Period (Years)	Maturity /Availability Period from the Date of Signing (Years)
Bilateral													
Kuwait	Loan	3/2/22	Construction and Equipping Faculty of Medicine at University of Moratuwa Project	KWD	10.0	6,638.9	32.9	Fixed	1	Not Applicable	Commitment fee 0.5%	5	25
Germany	Loan	27/1/2022	Establishment of a Vocational Training Center in Matara Project	EUR	15.7	3,561.6	17.6	Fixed	2	Not Applicable	Null	10	30
	Loan	2/2/2022	Short-Term Line of Credit	USD	500.0	100,710.3	500.0	Variable	SOFR Daily Compound	1.5	Management fee 0.5% Commitment fee 0.5%	1	1.5
India	Loan	17/3/2022	Importation of Essential Commodities for year 2022	USD	1000.0	267,862.1	1000.0	Variable	SOFR 3 Months	1.6	Upfront Fee 0.5% Legal Fee USD 3,500.0	3	4
	Loan	10/6/2022	Dollar Credit Line from Exim Bank for Procurement of Urea Fertilizer	USD	55.0	19,789.0	55.0	Variable	SOFR Daily Compound	2	Commitment fee 0.5% Management Fee 0.5%	3	3
USA	Grant	31/08/2022	A Democratic, Prosperous, and Resilient Sri Lanka Programme	USD	65.0	23,474.6	65.0						3
	Grant	16/12/2022	USAID climate change adaptation project	USD	8.0	2,905.4	8.0			Not applicable			3

Table 6.3 | Foreign financing ODA commitments with terms from 1st January to 31st December 2022

Development Partner/ Lending Agency	Instrument Type	Agreement Date (DD/MM/YYYY)	Project /Program/ Instrument Name	Amount Committed (million)					Financial Terms			Other Terms	
				Currency	In Instrument	Currency	Rupees	USD	Type	Annual Rate (%)	Margin (100 basis points)	Other Charges	Grace Period (Years)
Korea	Grant	28/09/2022	Strengthening Socioeconomic Resilience of Communities Affected by the Covid-19 Pandemic in the Central and Uva Provinces of Sri Lanka	USD	6.0	2,177.4	6.0			Not applicable			3
	Grant	18/10/2022	TVET Career Platform Project in Sri Lanka	USD	6.0	2,180.3	6.0						3
Japan	Grant	4/4/2022	Project for Upgrading the Phytosanitary Certification in Sri Lanka for facilitating the exports of perishable plant commodities	JPY	500.0	1,337.4	3.7			Not applicable			2
	Grant	18/08/2022	Grant Assistance for Sri Jayawardenepura General Hospital	JPY	500.0	1,267.7	4.1						2
Multilateral													
Asian Development Bank	Loan	9/9/2022	Food Security and Livelihood Recovery Emergency Assistance Project	USD	200.0	72,400.0	200.0	Variable	SOFR	0.7	Commitment fee 0.15%	8	32
	Grant	9/9/2022	Food Security and Livelihood Recovery Emergency Assistance Project	USD	3.0	1,086.0	3.0			Not applicable			2
European Union	Grant	16/12/2022	Strengthening Social Cohesion and Peace Project (SCOPE)	EUR	8.0	3,096.6	8.5			Not applicable			3
	Grant	16/12/2022	Green Policy Dialog Facility Project (GPDF)	EUR	5.0	1,935.4	5.4						3
Total						510,422.7	1,915.2						

Source: Department of External Resources

Notes: SOFR = Secured Overnight Financing Rate

Financial values committed in difference currencies have been converted into USD and LKR as per the daily average exchange rates prevailed on each agreement date

Foreign Financing Disbursements and Utilization

Total foreign financing disbursements during the period from 1st January to 31st December 2022 amounted to USD 2,400.9 million. Of which, USD 2,390.7 million was disbursed as loans and USD 10.2 million was disbursed by way of grants.

The majority of the disbursements recorded in 2022 were from the loan agreements signed with India, which accounted for almost 38 percent of the total disbursements, followed by ADB (31 percent) and the World Bank (WB) (19 percent).

Table 6.4 | Disbursements of Foreign Loans and Grants from 1st January to 31st December 2022

Development Partner	Disbursements ^(a) (USD million)		
	Loan	Grant	Total
Bilateral	1,151.5	3.5	1,155.0
India	925.5	-	925.5
Japan	75.6	-	75.6
China	65.4	-	65.4
France	35.8	-	35.8
Netherlands	24.1	-	24.1
Saudi Fund	8.6	-	8.6
Kuwait	5.6	-	5.6
Hungary	2.9	-	2.9
Korea	3.1	1.8	4.9
United Kingdom	2.0	-	2.0
Austria	1.4	-	1.4
Spain	1.2	-	1.2
Denmark	0.3	-	0.3
Germany	-	1.7	1.7
Multilateral	1,239.2	6.7	1,245.9
Asian Development Bank	740.7	0.8	741.5
World Bank	450.2	5.9	456.1
Asian Infrastructure Investment Bank	35.9	-	35.9
OPEC Fund	6.3	-	6.3
International Fund for Agricultural Development	6.1	-	6.1
Total	2,390.7	10.2	2,400.9

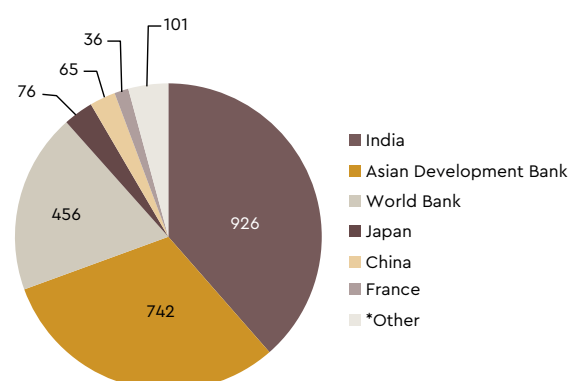
Source: Department of External Resources

^(a) Provisional

For conversion of disbursements made in different currencies into USD, the exchange rates as at 30th December 2022 have been used

The majority of the disbursements was utilized in the projects implemented in the power and energy sector accounting for almost 24 percent of the total disbursements, followed by the road and bridges (21 percent), trade (14 percent), health and social welfare (7 percent), humanitarian assistance (7 percent), water supply and sanitation (5 percent), ground transport (5 percent), irrigation (4 percent), education (4 percent) and agriculture (3 percent).

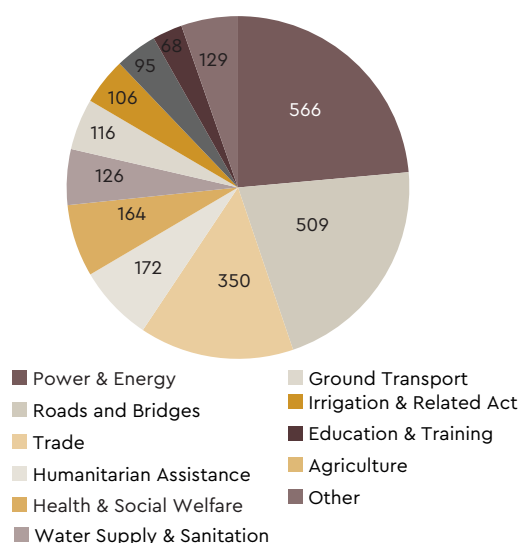
Figure 6.3 | Lender wise Disbursements 2022 (USD Million)



Source : Department of External Resources

*Other = Netherlands, Saudi Fund, Kuwait, Hungary, Korea, UK, Austria, Spain, Denmark, Germany, Asian Infrastructure Investment Bank, OPEC Fund, International Fund for Agricultural Development.

Figure 6.4 | Sector wise Disbursements 2022 (USD million)



Source: Department of External Resources

** Other = Disaster Management, Environment, Housing & Urban Development, Labour & Vocational Training, Land Development, Livestock Development, Plantation, Ports & Shipping, Rural Development, Science & Technology

Committed Undisbursed Balance (CUB)

As at 31st December in 2022, the total undisbursed balance of foreign financing available from the loans committed that are to be utilized in the next 3–5 years, was USD 6.8 billion. The major portion of the balance is to be disbursed from the projects committed with China and others are from ADB, India, Japan and WB, respectively.

Almost 20 percent of the CUB is to be utilized in the roads and bridges sector whereas 18 percent is for water supply and sanitation and 12 percent in the ground transport sector.

Table 6.5 | Committed Undisbursed Balance as at 31st December 2022

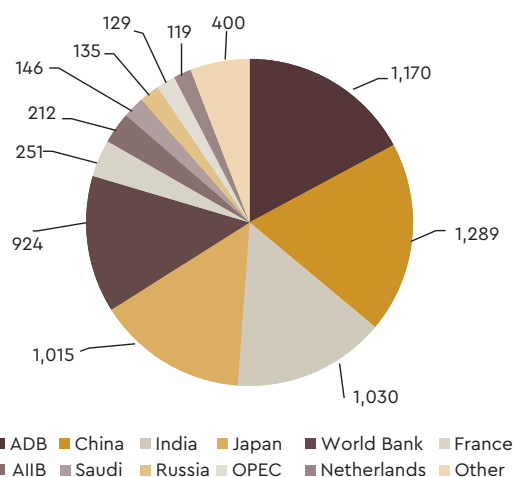
Economic sector	CUB ^(a) (USD Million)
Roads and Bridges	1,394.1
Water Supply & Sanitation	1,209.1
Ground Transport	831.8
Trade	660.0
Education & Training	471.7
Health & Social Welfare	345.0
Power & Energy	307.8
Irrigation & Related Activities	279.5
Housing & Urban Development	241.9
Agriculture	202.8
*Other	874.9
Total	6,818.6

Source: Department of External Resources

^(a) Provisional

*Other=Defense, Disaster Management, Environment, Justice, Labour & Vocational Training, Land Development, Livestock Development, Media, Ports & Shipping, Rural Development, Science & Technology, SME Development, Sports Development

Figure 6.5 | CUB -2022 by Major Development Partners (USD million)



Source : Department of External Resources

6.5 Central Government Debt

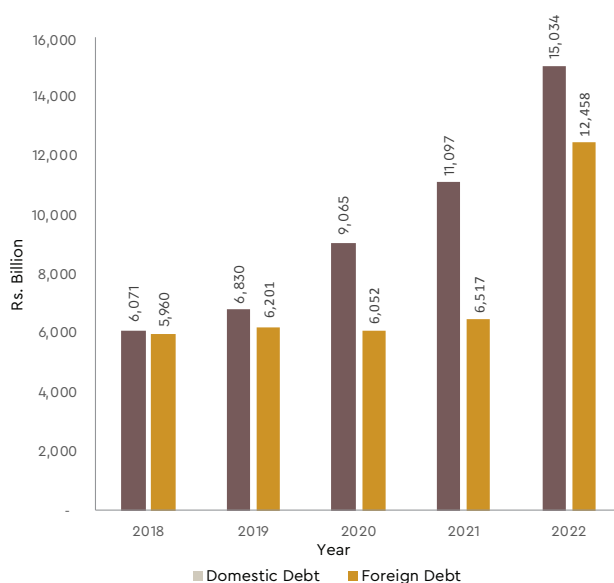
The total outstanding central government debt, in nominal terms, increased notably by 56.1 percent to Rs. 27,492.0 billion by the end 2022 compared to Rs. 17,614.2 billion by the end 2021. This was mainly due to the sharp depreciation of the Sri Lankan Rupee by 44.8 percent against the USD during 2022 and the announcement of a debt standstill for selected debt payments while commencing negotiations with the International Monetary Fund (IMF). Also, the increase in the debt stock in 2022 was further tightened with the absorption of selected State Owned Enterprises (SOEs) debt to the Central Government. The total debt stock as a percentage of GDP increased by 13.7 percentage points to 113.8 percent at the end 2022 from 100.1 percent at the end 2021.

Foreign debt as a percentage of GDP increased to 51.6 percent of GDP by the end 2022 compared to 37.0 percent of GDP at the end 2021 due to the depreciation of the Sri Lanka rupee against major currencies during 2022. However, the domestic debt as a percentage of GDP declined slightly by 0.8 percentage points to 62.3 percent at the end 2022 compared to 63.1 percent at the end 2021.

Of the total debt, domestic debt increased by 35.5 percent to Rs. 15,033.9 billion at the end of 2022 from Rs. 11,097.2 billion at the end of 2021 while foreign debt increased significantly by 91.2 percent from Rs. 6,517.0 billion at the end 2021 to Rs. 12,458.2 billion at the end 2022.

The share of domestic debt in the total debt stock decreased to 54.7 percent at the end of 2022 from 63.0 percent recorded at the end of 2021. In contrast, of the total debt stock, the share of foreign debt increased to 45.3 percent at the end of 2022 from 37.0 percent at the end of 2021 due to the depreciation of Sri Lanka Rupee against the USD during 2022.

Figure 6.6 | Central Government debt



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

Outstanding short term domestic debt stock significantly increased by 35.9 percent to Rs. 4,267.7 billion at the end of 2022 from Rs. 3,139.8 billion at the end of 2021 due to the significantly enhanced Treasury bills stock by 81.2 percent, to Rs. 4,113.9 billion by end 2022, compared to Rs. 2,270.5 billion recorded at the end of 2021. The share of short-term debt in total domestic debt stock increased slightly to 28.4 percent by the end of 2022 from 28.3 percent reported at the end of 2021. Furthermore, the share of Treasury Bills in total domestic debt stock increased to 27.4 percent at the end of 2022 from 20.5 percent at the end of 2021.

The medium and long term domestic debt stock increased by 24.2 percent to Rs. 9,882.1 billion by the end of 2022 from Rs. 7,957.4 billion recorded at the end of 2021. However,

the share of medium and long term debt in the total domestic debt stock further declined to 65.7 percent in 2022 from 71.7 percent at the end of 2021 due to the continued dependency on short term instruments for deficit financing in 2022 than medium and long term financing. The share of Treasury Bonds of the total outstanding domestic debt stock declined to 57.9 percent at the end of 2022 from 62.8 percent at the end of 2021.

The banking sector debt increased by 62.5 percent to Rs. 8,525.7 billion at the end of 2022 from Rs. 5,247.9 billion in 2021 due to the increased debt to commercial banks and the Central Bank. Meanwhile, nonbank sector debt also increased by 27.8 percent to Rs. 6,164.1 billion at the end of 2022 compared to Rs. 4,822.1 billion at the end of 2021. Of the total domestic debt, the share of the banking sector debt increased to 56.7 percent by the end of 2022 from 47.3 percent at the end of 2021 whereas the share of the non-banking sector debt declined to 41.0 percent by the end of 2022 from 43.5 percent by the end 2021.

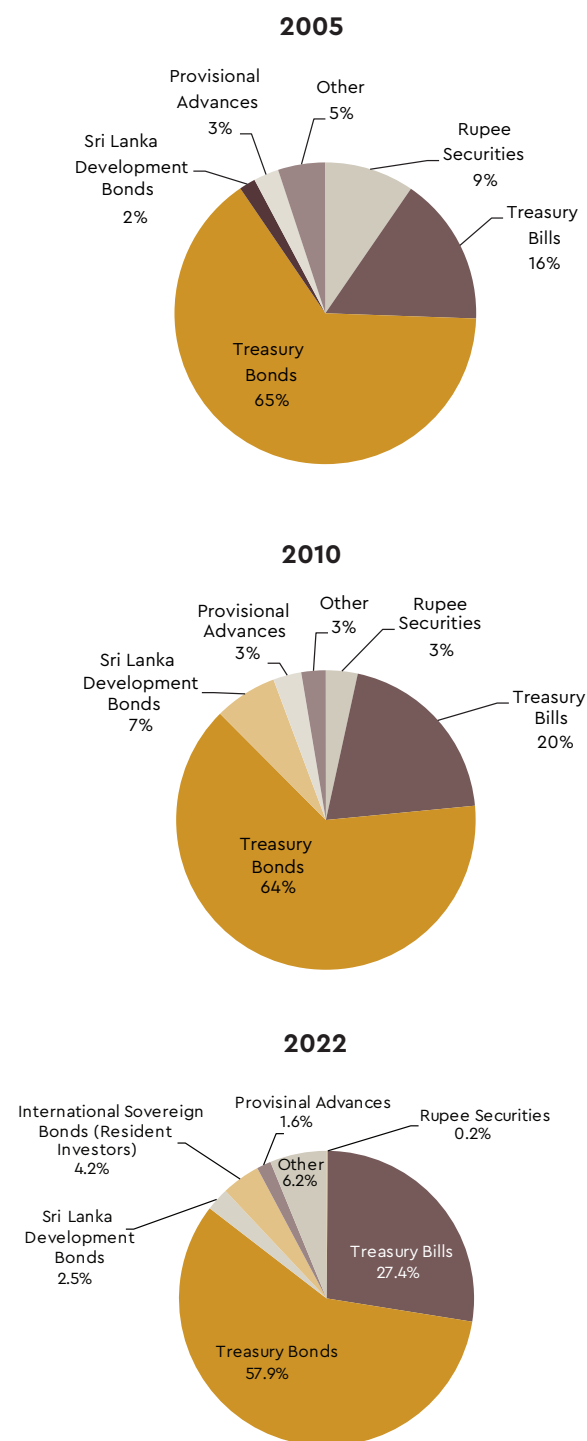
6.5.1 Domestic Debt

The outstanding domestic debt excluding the rupee denominated Treasury Bills and Bonds issued to non-residents, increased by 35.5 percent to Rs. 15,034 billion at end 2022 from Rs. 11,097.2 billion at end 2021.

Composition by Type

As at end 2022, Treasury Bonds, Treasury Bills and Sri Lanka Development Bonds (SLDBs) stood at 57.9 percent, 27.4 percent and 2.5 percent, respectively of the outstanding domestic debt. The stock of Treasury Bonds increased by 25.0 percent to Rs. 8,709.0 billion in 2022 while the stock of Treasury Bills increased by 81.0 percent to Rs. 4,113.9 billion, compared to 2021. The outstanding stocks of SLDBs declined by 16.0 percent in 2022. The share of provisional advances obtained from the CBSL increased to 57.0 percent in 2022 from 1.4 percent in 2021.

Figure 6.7 | Composition of Domestic Debt by Type

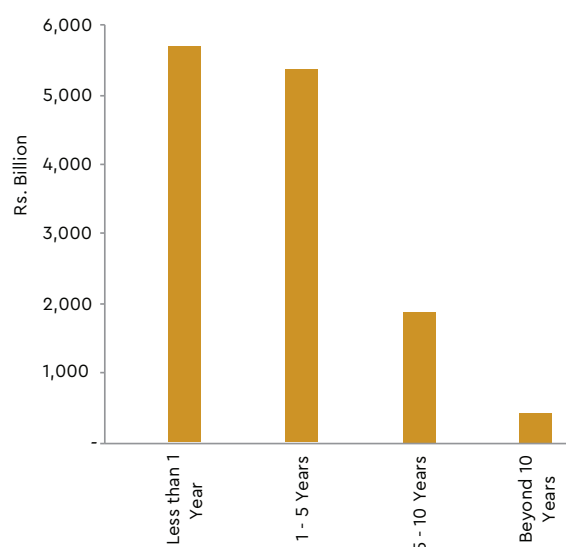


Sources: Central Bank of Sri Lanka & Department of Treasury Operations

Composition by Maturity Profile

The share of domestic debt matured within a year from the total outstanding domestic debt represented 42.7 percent while the balance 57.3 percent represented the maturities beyond 2022. The total medium to long-term debt portfolio included 88.1 percent of Treasury Bonds and the remaining 11.9 percent consisted of SLDBs, ISBs held by the residents and offshore banking units and 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 62.5 percent and by 27.8 percent, respectively at the end 2022. Out of the total outstanding domestic debt, the share of banking sector increased to 56.7 percent in 2022 whereas the share of non-banking sector decreased to 41.0 percent as at end 2022, compared to 2021. However, the domestic debt owned by the Central Bank increased by 81.0 percent due to the significant increase in Treasury Bill holdings while the commercial banks' holdings also increased by 54.6 percent in 2022 particularly due to the increase in Treasury Bond holdings as against the previous year. Further, Treasury Bill holdings of commercial banks increased by 15.6 percent in 2022.

Table 6.6 | Central Government Domestic Debt

Source	Rs. Million				
	2018	2019 ^(a)	2020 ^(a)	2021 ^{(a) (b)}	2022 ^{(a) (c) (d)}
Total Domestic Debt	6,071,001	6,830,260	9,065,068	11,097,223	15,033,876
Short Term	1,134,553	1,270,374	2,197,594	3,139,794	4,267,724
Treasury bills ^(e)	746,887	873,943	1,620,705	2,270,508	4,113,907
Provisional Advances from the Central Bank	198,633	236,609	153,079	150,129	235,639
Import Bills held by Commercial Banks	0	131	155	9	0
Other Liabilities to the Banking Sector Net of Bank Deposits ^(f)	189,034	159,691	423,656	719,148	-81,822
Medium and Long Term	4,936,447	5,559,887	6,867,473	7,957,430	9,882,058
Rupee Loans	24,088	24,088	24,088	24,088	24,088
Treasury bonds ^(g)	4,197,323	4,606,232	5,713,300	6,966,218	8,709,057
Sri Lanka Development Bonds^(h)	614,219	559,284	486,870	455,203	382,092
International Sovereign Bonds ^{(h) (i)}	n.a.	202,099	415,756	372,612	635,443
Offshore Banking Units	100,512	168,011	227,414	139,301	131,372
Other	305	173	41	7	7
Other Domestic ^(j)	n.a.	n.a.	n.a.	n.a.	884,093
By Debt Instrument	6,071,001	6,830,260	9,065,068	11,097,223	15,033,876
Rupee Loans	24,088	24,088	24,088	24,088	24,088
Treasury bills ^(e)	746,887	873,943	1,620,705	2,270,508	4,113,907
Treasury bonds ^(g)	4,197,323	4,606,232	5,713,300	6,966,218	8,709,057
Sri Lanka Development Bonds ^(h)	614,219	559,284	486,870	455,203	382,092
International Sovereign Bonds ^{(h) (i)}	n.a.	202,099	415,756	372,612	635,443
Provisional Advances from the Central Bank	198,633	236,609	153,079	150,129	235,639
Other ^{(f) (j)}	289,851	328,006	651,269	858,466	933,651
By Institution ^{(k) (l)}	6,071,001	6,830,260	9,065,068	11,097,223	15,033,876
Banks (Excluding Licensed Specialized Banks)	2,171,879	2,737,223	4,542,155	5,247,919	8,525,718
Central Bank					
By Debt Instrument ^(b)	244,129	310,909	876,818	1,565,494	2,833,607
Treasury bills	44,234	25,873	654,611	1,391,281	2,575,717
Treasury bonds ^(m)	1,563	48,872	70,575	25,471	22,461
Other	198,331	236,165	151,632	148,742	235,429
Commercial Bank					
By Debt Instrument	1,927,750	2,426,313	3,665,337	3,682,425	5,692,111
Rupee loans	15,870	15,870	15,870	15,870	15,870
Treasury bills ^{(b) (l)}	456,038	628,846	769,946	568,597	657,308
Treasury bonds ^{(b) (l)}	581,616	727,227	1,366,883	1,459,183	3,116,024
Sri Lanka Development Bonds ^(h)	584,081	523,831	444,173	406,317	333,611
International Sovereign Bonds ^(h)	n.a.	202,099	415,756	372,612	635,443
Other ⁽ⁱ⁾	290,145	328,442	652,710	859,845	933,853
Non Bank Sector					
By Debt Instrument	3,466,671	3,825,703	4,210,099	4,822,098	6,164,063
Rupee Loans ⁽ⁿ⁾	8,218	8,218	8,218	8,218	8,218
Treasury bills^(b)	176,319	137,043	145,416	220,481	837,279
Treasury bonds ^(b)	3,251,990	3,644,981	4,013,761	4,544,506	5,270,079
Sri Lanka Development Bonds ^(h)	30,137	35,453	42,697	48,886	48,480
Other	7	7	7	7	7
By Institution ^{(b) (l)}	3,466,671	3,825,703	4,210,099	4,822,098	6,164,063
Licensed Savings Banks	410,401	537,175	707,538	807,352	821,593
Licensed Finance Companies	27,633	24,807	12,821	20,401	58,297
Corporations ^(o)	102,684	90,438	60,592	86,324	393,536
Insurance Companies	191,431	198,018	215,737	267,738	373,766
Superannuation Funds ^(p)	2,501,306	2,751,295	2,998,034	3,378,200	3,953,808
Government Institutes, Funds and State Owned Enterprises^(q)	152,527	155,808	132,340	170,757	240,282
Local Individual	34,942	28,086	27,046	37,567	255,521
Other ^(r)	45,748	40,076	55,992	53,759	67,260
Repurchase Transaction Allocations ^{(l) (s)}	432,451	267,334	312,814	1,027,207	344,096 (t)
Treasury bills	70,297	82,182	50,731	90,149	43,604
Treasury bonds	362,154	185,152	262,082	937,058	300,492

Sources: Ministry of Finance, Economic Stabilization and National Policies, Central Bank of Sri Lanka

(a) 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.

(b) Revised

(c) Provisional

(d) The outstanding central government debt excludes several debt service payments that became overdue after 12 April 2022, the date of which the Interim Policy regarding the servicing of Sri Lanka's external public debt was announced by the Ministry of Finance, Economic Stabilization and National Policies. These debt service payments comprise of overdue interest payments of affected debt which deemed to be capitalized as per the Interim Policy and several overdue interest payments in relation to SLDBs.

(e) Excludes Treasury bills held by non resident investors.

(f) Includes liabilities of the Central Government to commercial banks reported in the Monetary Survey of the Central Bank

(g) Excludes Treasury bonds held by non resident investors and includes Government Treasury bonds of Rs. 78,441 million issued for CPC in January 2012, of which Rs. 21,778 million matured on 01 January 2017 and Rs. 25,217 million matured on 01 January 2022 and current outstanding is Rs. 31,446 million. the

(h) Several interest payments that fell overdue after the debt standstill may not be included in the outstanding balance for 2022 since recording of these debt service payments in the debt recording systems is not yet finalized.

(i) Represents ISB outstanding owned by the Licensed Commercial Banks

(j) Data for 2022 includes outstanding balance of the government guaranteed foreign currency debt of the Ceylon Petroleum Corporation that was absorbed into central government debt w.e.f. December 2022, which amounted to Rs. 884,093.4 million

(k) 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 of businesses and individuals

(l) Institution wise classification was revised from the Annual Report 2022 based on records of the Central Depository System and the data for 2018-2021 have been revised accordingly.

(m) The CBSL introduced outright purchase of Treasury bonds through Open Market Operations w.e.f. 06 September 2019

(n) Includes sinking fund

(o) Includes the holdings of Standalone Primary Dealers, leasing companies, private companies, mutual funds, etc.

(p) Includes the holdings of EPF, ETF, pension funds, provident funds, etc.

(q) Includes the holdings of Government authorities, Government departments, Ministries, etc.

(r) Includes the holdings of societies, clubs, associations, etc.

(s) Includes securities holdings under Repurchase agreements for which absolute ownership could not be established

(t) Holdings under repurchase transactions with respect to Open Market Operations, have been allocated to the respective Licensed Commercial Bank or Standalone Primary Dealer

6.5.2 Outstanding Central Government Foreign Debt

At the end of 2022, the total outstanding external debt of the Central Government amounted to USD 35.96¹ billion. Of which, 37 percent of the total outstanding debt is to be matured within next five years, almost 51 percent is to be matured 6 -20 years and 12 percent to be matured after twenty years.

6.6 Debt Service payments

In nominal terms, the total debt service payments significantly increased due to the notable increase in debt repayments and interest payments related to domestic debt.

In nominal terms, the total debt service payments increased by 25.9 percent to Rs. 2,997.6 billion in 2022 compared to Rs. 2,380.6 billion in 2021. Total domestic debt service payments which accounted for 83.7 percent of total debt service payments notably increased by 57.4 percent to Rs. 2,510.3 billion in 2022 whereas total foreign debt service payments marginally declined by 38.0 percent to Rs. 487.4 billion in 2022. The total debt repayments increased by 7.5 percent to Rs. 1,432.5 billion in 2022 from Rs. 1,332.2 billion in 2021 combined with the total interest payments by 49.3 percent to Rs. 1,565.2 billion in 2022 from Rs. 1,048.4 billion in 2021.

Total domestic repayments increased significantly by 34.3 percent to Rs. 1,073.7 billion in 2022 from Rs. 799.7 billion in 2021 mainly due to the increase in maturing of Treasury Bonds and SLDBs. Foreign debt repayment declined by 32.6 percent to Rs. 358.7 billion in 2022 from Rs. 532.5 billion in 2021. This was mainly due to the debt standstill of the Government in April 2022.

Interest payments on domestic debt increased notably by 80.8 percent to Rs. 1,436.6 billion in 2022 from Rs. 794.6 billion in 2021 due to the increased domestic borrowings with the limited foreign financing receipts and the rise in domestic interest rates. In contrast, interest

payments on foreign debt declined by 49.3 percent to Rs. 128.6 billion in 2022 from Rs. 253.7 billion in 2021.

As a percentage of government revenue, total debt service payments dropped to 148.9 percent in 2022 from 162.6 percent in 2021. The total debt repayments fell to 71.2 percent in 2022 from 91.0 percent in 2021 whereas the total interest payment as a percentage of government revenue increased to 77.7 in 2022 from 71.6 percent in 2021. Total debt service payments as a percentage of GDP declined to 12.4 percent in 2022 from 13.5 percent in 2021. Debt repayments to GDP ratio decreased to 5.9 percent in 2022 from 7.6 percent in 2021. In contrast, interest payments as a percentage of GDP increased to 6.5 percent in 2022 from 6.0 percent in 2021.

6.6.1 Domestic Debt Service Payments

Domestic debt service payments increased by 57.5 percent to Rs. 2,510.2 billion in 2022 reflecting an increase in amortization payments on the domestic debt by 34.3 percent to Rs. 1,073.7 billion and the rise in interest payments on the domestic debt by 80.8 percent to Rs. 1,436.6 billion in 2022, over the previous year.

Domestic debt service payments as a percentage of GDP increased to 10.4 percent in 2022 from 9.1 percent in 2021. Domestic debt service payments recorded 126.8 percent of Government revenue in 2022, compared to 109.4 percent in 2021.

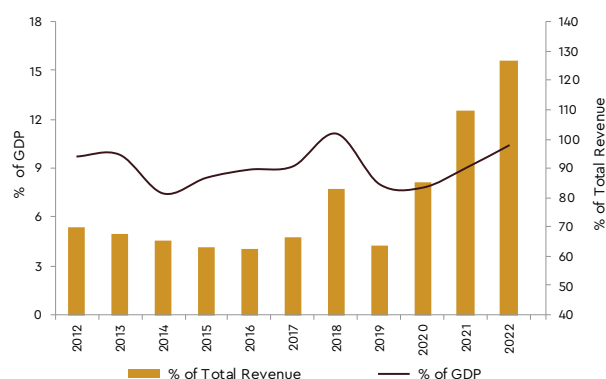
Table 6.7 | Domestic Debt Service Payments

Rs. Million			
Year	Principal payments	Interest payments	Total
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	799,695	794,633	1,594,328
2022	1,073,712	1,436,569	2,510,281

Source : Central Bank of Sri Lanka

¹ Provisional, Only the Central Government outstanding Foreign Debt are depicted including unpaid Principal accumulated after debt standstill policy was adopted.

Figure 6.9 | Domestic Debt Service Payments as a % of GDP and as a % of Total Government Revenue: 2012- 2022

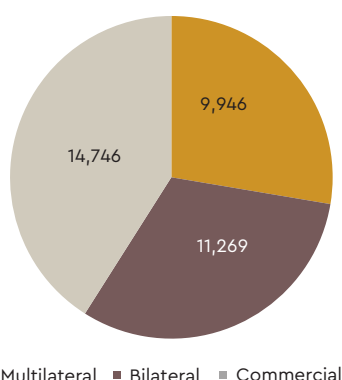


Sources: Central Bank of Sri Lanka and Department of Treasury Operations

6.6.2 Foreign Debt stock and Foreign Debt Service Payments

Total Central Government external debt as at the end of December 2022 amounted to USD 35.96¹ billion. Composition of external debt as per lender category is depicted in the Figure 6.10.

Figure 6.10 | Composition of Central Government External Debt – as of 31st December 2022 (USD Million)



■ Multilateral ■ Bilateral ■ Commercial

Source : Department of External Resources

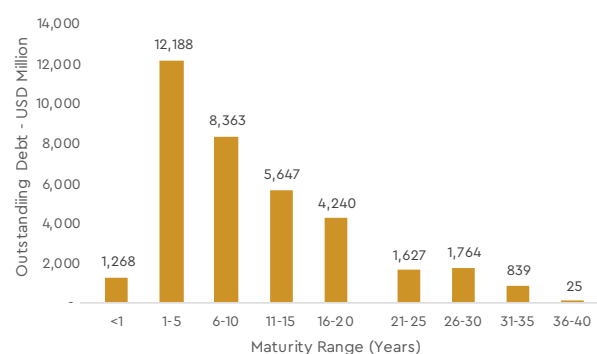
Commercial debt represented the majority of the total Central Government external debt (41 percent), which consists of ISBs and Term Loan Facilities followed by the Bilateral debt (31 percent) and Multilateral debt (28 percent). Of which, 37 percent of the total outstanding debt is to be matured within next five years, almost 51 percent is to be matured 6 -20 years and 12 percent to be matured after twenty years.

¹ Provisional, Only the Central Government outstanding Foreign Debt are depicted including unpaid Principal accumulated after debt standstill policy was adopted.

Total debt service payments² from 1st January to 31st December in 2022 was amounted to USD 1,955.7 million of which, USD 1,456.3 million was in lieu of principal repayments and the balance USD 499.4 million for the payment of interest.

In line with the interim policy adopted by the Government, the servicing of the external debt of affected bilateral and commercial creditors have been temporary suspended for an interim period commencing from 12th April, 2022. Accordingly, Principal amount of USD 1,849 million and Interest of USD 842 million have been accumulated as unpaid debt service by end 2022.

Figure 6.11 | Remaining Maturity of Foreign Loans as at the end of December, 2022



Source: Department of External Resources

Note: This includes ISB & Foreign currency term loan facilities.

Table 6.8 | Maturity Structure of ISBs

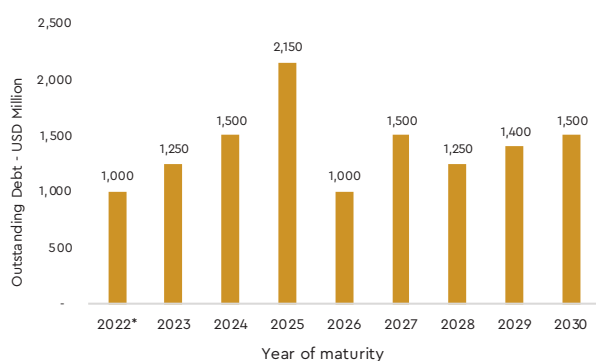
Date of Issuance (DD/MM/YYYY)	Amount (USD Million)	Interest Rate (%)	Tenure (Years)	Maturity Date (DD/MM/YYYY)
*25/07/2012	1,000	5.88	10	25/07/2022
03/06/2015	650	6.13	10	03/06/2025
03/11/2015	1,500	6.85	10	03/11/2025
18/07/2016	1,000	6.83	10	18/07/2026
11/05/2017	1,500	6.20	10	11/05/2027
18/04/2018	1,250	5.75	5	18/04/2023
18/04/2018	1,250	6.75	10	18/04/2028
14/03/2019	1,000	6.85	5	14/03/2024
14/03/2019	1,400	7.85	10	14/03/2029
28/06/2019	500	6.35	5	28/06/2024
28/06/2019	1500	7.55	10	28/03/2030

Source: Department of External Resources

* Not paid due to the debt standstill policy

² Debt Service = Principal Payments + Interest Payments.

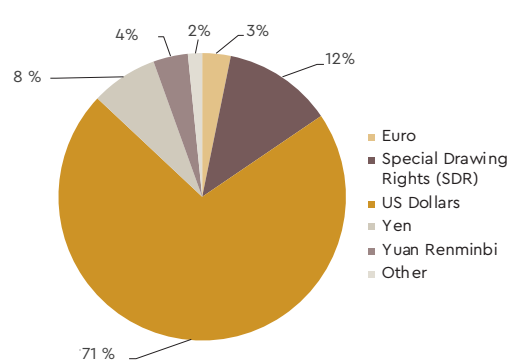
Figure 6.12 | Maturity Structure of ISBs



Source: Department of External Resources

* Not paid due to the debt standstill policy

Figure 6.13 | Composition of External Debt by Currency



Source : Department of External Resources

The majority of the outstanding debt was in USD which amounted for almost 71 percent of the total outstanding debt, followed by the Special Drawing Rights (SDR) at 12 percent, Japanese Yen at 8 percent and Chinese Yuan Renminbi at 4 percent.

Table 6.9 | Grant Disbursements in 2022

Development Partner		Description	Disbursements ^(a) (Million)			
			Currency	Amount	Rupee	USD
Bilateral						
Korea	Project for Establishment of National College of Education (NCoE)	USD	1.6	581.1	1.6	
	Construction Courses in Technical Colleges and Colleges of Technology in Sri Lanka	USD	0.2	74.5	0.2	
Germany	Completion of Maternity Hospital Galle	EUR	1.6	528.6	1.7	
Multilateral						
Asian Development Bank	Supporting Electricity Supply Reliability Improvement Project	USD	0.1	38.7	0.1	
	Skills Sector Enhancement Programme – Additional Financing	USD	0.6	219.7	0.6	
World Bank	Additional Financing for Agriculture Sector Modernization Project	EUR	5.2	1,850.2	5.4	
	Local Development Support Project Funded by European Union (IBRD/IDA)	EUR	0.5	170.0	0.5	
			Total	3,462.8	10.1	

Source: Department of External Resources

Note: For conversion of disbursements made in different currencies into USD & LKR, the exchange rates as at 30th December 2022 have been used

^(a) Provisional

Annexure 6.1 | Loan Disbursements with Financial Terms January – December 2022

Annexure C-1 | Loan Disbursements With Financial Terms January - December 2022											
Development Partner/ Lending Agency	Project	Currency	Amount Disbursed* (million)			Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) years
			In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)			
Bilateral											
Agency Francaise De Development (France)	Implementation of Ambatale Water Supply System Improvement and Energy Saving Project	USD	14.4	4,924.6	14.4	Variable	LIBOR -6 Month	1.76	Commitment Fee 0.5%, Appraisal Fee USD 350,000.0	8	25
	Implementation of Sanitation Hygiene Initiative for Towns Project – Phase I	EUR	1.4	506.6	1.4	Variable	EURIBOR -6 Month	1.31	Commitment Fee 0.5%, Appraisal Fee EUR 380,000.0	7	25
	Implementation of Anuradhapura Integrated Urban Development Project	EUR	2.8	1,006.0	2.9	Variable	EURIBOR -6 Month	1.25	Commitment Fee 0.5%, Appraisal Fee EUR 260,000.0	7	20
	Rathmalana Moratuwa Waste Water Disposal Project Stage 1 Phase II	EUR	0.5	114.2	0.6	Variable	EURIBOR -6 Month	1.00	Commitment Fee 0.5%, Appraisal Fee EUR 375,000.0	7	25
	Development of Mini Diary Cooperatives with French Soft Loan	EUR	1.1	255.7	1.2	Fixed	0.0016	N/A	Null	10	33
	Kandy City Wastewater Management Project	JPY	481.0	1,083.5	3.9	Fixed	Tranche 1- 0.65% Tranche 2- 0.01%	N/A	Commitment Fee 0.10%	10	40
	Habarana-Veyangoda Transmission Line Project	JPY	640.7	1,136.8	5.6	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	309.8	626.7	2.6	Fixed	Tranche 1–1.4% Tranche 2- 0.01%	N/A	Commitment Fee 0.10%	7	25
	New Bridge Construction Project over the Kelani River	JPY	772.5	1,392.2	6.7	Fixed	Tranche 1–0.1% Tranche 2- 0.01%	N/A	Null	10	40
Government of Japan	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPY	6,450.6	16,010.8	50.0	Fixed	0.30%	N/A	Front End Fee Yen 49,860.0	10	40
	Anuradhapura North Water Supply Project (Phase 2)	JPY	16.6	30.1	0.1	Fixed	1.40%	N/A	Front End Fee Yen 46,274.0	7	25
	Rural Infrastructure Development Project in Emerging Regions	JPY	607.7	1,069.0	5.3	Fixed	Tranche 1- 1.4% Tranche 2- 0.01%	N/A	Front End Fee Yen 25,914.0	7	25
	Kalu Ganga Water Supply Expansion Project (I)	JPY	91.9	183.6	0.8	Fixed	Tranche 1- 1.4% Tranche 2- 0.01%	N/A	Front End Fee Yen 63,620.0	7	25
	Health and Medical Service Improvement Project	JPY	92.4	199.4	0.8	Fixed	Tranche 1- 0.1% Tranche 2- 0.01%	N/A	Front End Fee Yen 21,278.0	12	40
Government of Kuwait	Reconstruction of 25 Bridges Project	KWD	0.7	591.1	2.0	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	0.7	564.2	2.2	Fixed	1.50%	N/A	Null	7	26
	Kalu Ganga Development Project (Supplementary)	KWD	0.4	264.4	1.3	Fixed	1.50%	N/A	Service Fee 0.5%	5	25
Government of Korea	Deduru Oya Water Supply Project	KRW	3,344.5	563.9	2.8	Fixed	0.15%	N/A	Null	11	40
	Ruwanwella Water Supply Project	KRW	370.6	91.6	0.3	Fixed	0.15%	N/A	Null	10	40

Annexure 6.1 | Loan Disbursements with Financial Terms January – December 2022

Development Partner/ Lending Agency	Project	Amount Disbursed* (million)				Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) years
		Currency	In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)			
Kingdom of Spain	Implementation of Anamaduwa Integrated Water Supply Project	EUR	1.1	356.4	1.2	Fixed	0.15%	N/A	Management Fee EUR 14,750.94, Commitment Fee 0.10%	5	41
Saudi Fund for Arab Economic Development	Road Network Development Project- (Saudi Fund)	SAR	1.2	73.8	0.3	Fixed	2.00%	N/A	Null	5	20
	Improvement of Peradeniya – Badulla – Chenkaladi Road Project	SAR	15.0	921.1	4.0	Fixed	2.00%	N/A	Null	5	25
	Wayamba University Township Development Project	SAR	9.7	720.3	2.5	Fixed	2.00%	N/A	Null	5	25
	Kalu -Ganga Development Project – Additional Finance	SAR	6.4	451.9	1.5	Fixed	2.00%	N/A	Null	5	25
	Construction of Faculty of Medicine Project at the Sabaragamuwa University	SAR	1.3	85.8	0.3	Fixed	2.00%	N/A	Null	5	25
	Dollar Credit Line 318 M of the development of railway Sector	USD	31.1	11,277.7	31.1	Fixed	1.75%	N/A	Management Fee USD 1,590,000.0, Commitment Fee 0.50%	7	22
Government of India	Restoration of Northern Railway Services	USD	1.3	474.7	1.3	Variable	LIBOR -6 Month	0.50	Management Fee 0.5%, Commitment Fee 0.50%	6	26
Export Import Bank of India	Dollar Credit Line on KKS Harbour	USD	0.2	55.2	0.2	Fixed	1.75%	N/A	Commitment fee 0.5%, Management fee USD 226,350.0	5	25
	short -Term Line of Credit 500M	USD	497.3	158,723.4	497.3	Variable	SOFR Daily Compound	1.50	Commitment fee 0.5% Management fee USD 2,500,000.0	1	1.5
	Doller Credit line from Indian Exim bank for the procurement of Urea Fertilizer	USD	45.6	16,454.8	45.6	Variable	SOFR Daily Compound	2.00	Commitment fee 0.5%, Management fee USD 275,000.0	3	3
State Bank of India	Importation of essential Commodities for year 2022 (USD -1000)	USD	350.0	123,822.0	350.0	Variable	SOFR – 3 Months	1.60	Upfront Fee 0.5%, Legal Fee USD 3,500.0	3	4
Calyon Credit Agricole CIB (France)	Implementation of Greater Matale Water Supply Project (Syndicated loan with Natixis, BNP Paribas and Unicredit Bank Austria)	EUR	13.6	3,119.2	15.4	Variable	EURIBOR -6 Month	1.70	Commitment Fee 0.75%, Management Fee EUR 618,640.17	3	15
	Development of General Hospital Kaluthara	EUR	5.5	1,924.7	5.7	Variable	EURIBOR -6 Month	1.50	Null	4	13
	Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District.	EUR	1.3	420.3	1.3	Variable	EURIBOR -3 Month upto 30/01/2019 & EURIBOR -6 Month up to 03/01/2031	1.45	Null	4	13
Co-op Centrale Raiffeisen-Boerenleen bank (Netherlands)	Reconstruction of Rural Bridges (EUR 44.3)	EUR	1.3	378.8	1.4	Variable	EURIBOR – 6	1.45	Management Fee EUR 221,507.07 Commitment Fee 0.25%	2	12
	Construction of Rural Bridges with Financial Assistance from Netherlands	EUR	0.6	207.3	0.6	Variable	EURIBOR – 6	1.45	Commitment Fee 0.25%, Arrangement fee EUR 104,493.2	5	15
Deutsche Bank AG (United Kingdom)	Reconstruction of Rural Bridges USD 50.9 Mn (UKEF)	USD	2.0	447.7	2.0	Variable	LIBOR – 6 Month for USD	1.50	Other Payments USD 254,590.24, Commitment Fee 0.25%	3	12
Hungary	Construction of Flyovers at Kohuwela and Getambe	EUR	2.7	774.9	2.9	Interest Free			Null	9	27

Annexure 6.1 | Loan Disbursements with Financial Terms January – December 2022

Development Partner/ Lending Agency	Project	Amount Disbursed* (million)				Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) years
		Currency	In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)			
HSBC (With Guarantee of EKF Denmark)	Establishment of Dairy Processing Plant at Badalgama-	EUR	0.2	69.4	0.3	Variable	LIBOR – 6 Month for USD	Tranche 1- 1.9, Tranche 2 – 5.0	Tranche 1 -Structuring Fee USD 99,759.0, Tranche 2- Structuring Fee USD 285,759.0, Upfront Fee USD 2,234,919.0, T2- Commitment Fee 0.5%	3	13
ING Bank N.V	Strengthening of the Health Delivery Service in the Northern Province under Financial Assistance of the Netherlands (DRIVE)	EUR	14.1	4,228.7	15.1	Variable	EURIBOR -06	0.90	Other Payment EUR 1,040,760.93, Management Fee EUR 225,000.0, Commitment Fee 0.36%	4	14
	Kandy North Pathadumbura integrated Water Supply Project	CNY	50.8	1,619.9	8.0	Fixed	2.00%	N/A	Management Fee CNY 4,091,383.75, 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 in the Central & Uva Provinces in Sri Lanka	USD	5.8	1,170.8	5.8	Variable	LIBOR -6 Month for USD	2.90	Management Fee USD 424,944.77, Insurance premium USD 1,359,823.25, Commitment Fee 0.25%	4	15
	Central Expressway Project section – 1 from Kadawatha to Meerigama	USD	51.6	13,266.9	51.6	Fixed	2.50%	N/A	Management Fee USD 2,473,621.39, Commitment Fee 0.25%	6	20
	Implementation of Kirama-Katuwana Integrated Water Supply Scheme	EUR	0.8	277.5	0.8	Interest Free			Management Fee EUR 47,185, Handling Fee EUR 1,440, Upfront Fee EUR 58,981, OeKB Guarantee Charge EUR 1,159,970.79, Commitment Fee 0.4%	6	18
UniCredit Bank Austria AG	Supply of Firefighting Vehicles/Equipment for the Colombo Municipal Council	EUR	0.5	115.8	0.6	Interest Free			Management Fee EUR 46,426.50, Legal Fee EUR 15,141.75, Upfront Fee EUR 45,136.88, OeKB Guarantee Charge EUR 1,384,568.11, Commitment Fee 0.4%, Other Payment 1,440.0	8	22
Multilateral	Greater Colombo Wastewater Management Project (OCR)	USD	2.2	725.2	2.2	Variable	LIBOR -6 Month for USD	0.20	Commitment Fee 0.15%	5	26
	Greater Colombo Wastewater Management Project (ADF)	SDR	(0.004)	(1.7)	(0.005)	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	Null	8	32
	Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	USD	13.3	4,654.5	13.3	Variable	LIBOR -6 Month for USD	0.30	Commitment Fee 0.15%	6	25
	Jaffna & Kilinochchi Water Supply & Sanitation Project ADF	SDR	1.1	431.5	1.5	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	Null	8	32
Asian Development Bank	Grater Colombo Water Wastewater Management Improvement Project 1	USD	(0.01)	(1.8)	(0.01)	Variable	LIBOR -6 Month for USD	0.40	Commitment Fee 0.15%	5	25
	Greater Colombo Water & Wastewater Management Improvement Project 1	SDR	0.1	35.5	0.2	Fixed	1% During Disbursing Period, 1.5% During Repaying Period	N/A	Null	8	31

Annexure 6.1 | Loan Disbursements with Financial Terms January – December 2022

Development Partner/ Lending Agency	Project	Amount Disbursed* (million)				Annual Interest Rate			Other Payments	Grace Period (Years)	
		Currency	In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)		Grace Period (Years)	Maturity (Including Grace Period) years
Asian Development Bank	Southern Road Connectivity Project	USD	6.6	1,887.4	6.7	Variable	LIBOR -6 Month for USD	0.40	Commitment Fee 0.15%	5	25
	Greater Colombo Water & Wastewater Management Project-2.	USD	10.8	3,865.3	10.8	Variable	LIBOR -6 Month for USD	0.40	Commitment Fee 0.15%	4	25
	Greater Colombo Water & Wastewater Management Project-2	SDR	3.0	1,393.8	3.9	Fixed	2.00%	N/A	Null	4	24
	Green Power Development & Energy Efficiency Improvement Project	SDR	0.8	358.2	1.1	Fixed	2.00%	N/A	Null	5	25
	Green Power development & Energy Efficiency Improvement Project	USD	12.0	4,129.9	12.0	Variable	LIBOR -6 Month for USD	0.50	Commitment Fee 0.15%	5	20
	Mahaweli Water Security Investment Program – Tranche 1	USD	9.1	2,597.0	9.1	Variable	LIBOR -6 Month for USD	0.50	Commitment Fee 0.15%, Service Fee 0.1%	5	26
	Integrated Road Investment Program – Tranche 3	USD	(0.0003)	(0.1)	(0.0003)	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	0.004	2.1	0.006	Fixed	2.00%	N/A	Null	5	24
	Grater Colombo Water and Wastewater Management Improvement Investment Programme – Project 3 (OCR)	USD	8.8	3,075.2	8.8	Variable	LIBOR -6 Month for USD	0.50	Commitment Fee 0.15%	5	25
	Technical Assistance Loan Agreement – (Transport Project Preparatory Facility)	SDR	1.0	457.2	1.3	Fixed	2.00%	N/A	Null	5	25
	Local Government Enhancement Sector Project – Additional Financing	USD	5.1	1,682.8	5.1	Fixed	2.00%	N/A	Null	5	25
	Jaffna Kilinochchi Water Supply Project – Additional Financing	USD	0.4	126.9	0.4	Fixed	2.00%	N/A	Null	6	25
	Jaffna Kilinochchi Water Supply Project – Additional Financing	USD	6.4	2,065.4	6.4	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15%	7	30
	Integrated Road Investment Program – Tranche 4	USD	50.0	14,500.0	50.0	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15%	7	30
	Mahaweli Water Security Investment Program – Tranche 2	USD	87.8	29,591.9	87.8	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15%	5	19
	Mahaweli Water Security Investment Program – Tranche 2	USD	4.2	1,349.4	4.2	Fixed	2.00%	N/A	Null	5	24
	Skills Sector Enhancement Program – Additional Financing	USD	4.8	1,392.9	4.8	Fixed	2.00%	N/A	Null	5	25
	Skills Sector Enhancement Program – Additional Financing	USD	3.2	928.6	3.2	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15%	5	20
	Health System Enhancement Project	USD	3.4	1,239.0	3.4	Fixed	2.00%	N/A	Null	5	25
	Technical Assistance Loan Agreement (Urban Project Preparatory Facility)	USD	0.1	22.4	0.1	Fixed	2.00%	N/A	Null	5	24
	South Asia Sub regional Economic Cooperation Port Access Elevated Highway Project (SSADSEC)	USD	57.0	17,812.8	57.0	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15%	8	28

Annexure 6.1 | Loan Disbursements with Financial Terms January – December 2022

Development Partner/ Lending Agency	Project	Amount Disbursed* (million)				Annual Interest Rate			Other Payments	Grace Period (Years)	
		Currency	In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)		Grace Period (Years)	Maturity (Including Grace Period) years
Asian Development Bank	Science and Technology Human Resource Development Project	USD	16.5	5,707.8	16.5	Fixed	2.00%	N/A	Null	5	25
	Science and Technology Human Resource Development Project	USD	2.5	841.5	2.5	Variable	LIBOR -6 Month for USD	0.70	Maturity premium USD 166,040.0 and Commitment Fee 0.15%	8	29
	Railway Efficiency Improvement Project	USD	8.2	2,858.7	8.1	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	36.5	12,198.7	36.5	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15%	10	13
	Secondary Education Sector Improvement Programme-Results-Based Lending	USD	44.0	15,983.6	44.0	Variable	LIBOR -6 Month for USD	0.70	Commitment Fee 0.15% Maturity Premium USD 400,000.0	5	26
	Second Integrated Road Investment Program – Tranche 3	USD	77.4	18,504.3	77.4	Variable	LIBOR -6 Month for USD	0.50	Commitment Fee 0.15%	9	29
	Responsive COVID-19 Vaccines for Recovery Project – Rapid Response Component	USD	66.0	13,325.5	66.0	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	21.8	5,859.8	21.8	Variable	LIBOR -6 Month for USD	0.50	Commitment Fee 0.15%	8	29
	Health System Enhancement Project – Additional Financing	USD	3.2	1,151.0	3.2	Variable	LIBOR -6 Month for USD	0.50	Commitment Fee 0.15%	8	29
	Food Security and Livelihood Recovery Emergency Assistance project	USD	171.5	62,311.7	171.5	Variable	SOFR	0.70	Commitment Fee 0.15%	8	32
Asian Infrastructure Investment Bank	Reduction of Landslide Vulnerable by Mitigation Measures Projects	USD	7.6	2,729.0	7.6	Variable	LIBOR -6 Month	1.30	Front End Fee USD 200,000.0, Commitment Fee 0.25%	6	30
	Support to Colombo Urban Regeneration Projects	USD	28.3	9,493.2	28.3	Variable	LIBOR -6 Month	1.40	Front End Fee USD 500,000.0, Commitment Fee 0.25%	9	30
	Metro Colombo Urban Development Project [MCUDP]	USD	3.3	1,183.5	3.3	Variable	LIBOR -6 Month for USD	0.70	Front End Fee USD 532,500.0	5	24
	Primary Health Care System Strengthening Project	USD	31.8	11,524.0	31.8	Variable	LIBOR -6 Month for USD	Null	Commitment Fee 0.25%, Frontend Fee USD 500,000.0	6	32
World Bank (IDA/IBRD)	COVID 19 Emergency Response & Health Systems Preparedness [IBRD Funded]	USD	16.1	5,780.9	16.0	Variable	LIBOR -6 Month for USD	Null	Commitment Fee 0.25%, Frontend Fee USD 87,500.0	5	30
	Accelerating Higher Education Expansion & Development Operation (AHEAD) programme	USD	9.9	2,700.1	9.9	Variable	LIBOR -6 Month for USD	1.15	Commitment Fee 0.25%, Frontend Fee USD 167,500.0	10	24
	Accelerating Higher Education Expansion & Development Operation (AHEAD) programme	SDR	3.8	1,837.9	5.1	Fixed	1.25%	N/A	Commitment Fee 0.5%, Service Fee 0.75%	5	24
	Climate Resilience Multiphase Programmatic Approach	USD	0.6	177.5	0.6	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.25%, Front End Fee USD 230,000.0	5	30
	Additional Financing for Water Supply & Sanitation Improvement Project	USD	5.6	1,938.3	5.6	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.25%, Front End Fee USD 100,000.0	5	17
	Inclusive Connectivity & Development Project	USD	296.8	106,727.5	296.8	Variable	LIBOR -6 Month for USD	Variable	Commitment Fee 0.25%, Front End Fee USD 1,250,000.0	10	28
	Sri Lanka Integrated Watershed and Water Resources Management Project-Concessional Loan	SDR	3.6	1,322.3	5.0	Fixed	1.25%	N/A	Commitment Fee 0.25%, Service Fee 0.75%	5	29

Annexure 6.1 | Loan Disbursements with Financial Terms January – December 2022

Development Partner/ Lending Agency	Project	Currency	Amount Disbursed* (million)			Annual Interest Rate			Other Payments	Grace Period (Years)	Maturity (Including Grace Period) years
			In loan currency	Rupees	USD	Interest Type	Rate	Margin (100 basis points)			
World Bank (IDA/IBRD)	Third Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project	USD	6.0	1,808.4	6.0	Variable	LIBOR -6 Month for USD	Null	Commitment Fee 0.25%, Front End Fee USD 250,000.0	5	18
	Water Supply and Sanitation Improvement Project	SDR	7.4	2,868.5	10.2	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Early Childhood Development Project	SDR	6.4	2,392.5	8.8	Fixed	1.25%	N/A	Service Fee 0.75%, Commitment Fee 0.50%	5	25
	Additional Financing for Strategic Cities Development Project	SDR	(1.4)	(649.0)	(1.8)	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Ecosystem Conservation and Management Project	SDR	1.5	720.0	2.0	Fixed	1.25%	N/A	Service Fee 0.75%	5	25
	Social Safety Nets Project	SDR	0.4	114.2	0.5	Fixed	2.68%	N/A	Frontend Fee USD 134,250.0, Commitment Fee 0.25%	5	24
International Development Association of the World Bank	Agriculture Sector Modernization Project	SDR	8.1	2,685.1	11.2	Fixed	1.25%	N/A	Service Fee 0.75%	5	24
	Transport Connectivity and Asset Management Project	SDR	10.2	3,900.1	13.9	Fixed	1.25%	N/A	Commitment Fee 0.5%, Service Fee 0.75%	4	24
	General Education Modernization Project	USD	11.0	2,771.0	11.0	Variable	LIBOR -6 Month for USD	Null	Commitment Fee 0.25%	6	22
	Climate Smart Irrigated Agriculture Project	USD	8.2	2,694.0	8.2	Variable	LIBOR -6 Month for USD	Null	Frontend Fee USD 312,500.0, Commitment Fee 0.25%	12	27
	Local Development Support Project	USD	2.3	838.9	2.3	Variable	LIBOR -6 Month for USD	Null	Frontend Fee USD 175,000.0, Commitment Fee 0.25%	12	25
	Kandy Multimodal Transport Terminal Development Project – Non Concessional Loan	USD	0.5	165.7	0.5	Variable	LIBOR -6 Month for USD	Null	Frontend Fee USD 12,500.0, Commitment Fee 0.25%	4	9
International Fund for Agricultural Development	Additional Financing for the COVID 19 Emergency Response & health systems	USD	2.9	692.7	2.9	Variable	LIBOR -6 Month for USD	Null	Frontend Fee USD 104,750.0, Commitment Fee 0.25%	5	30
	Financial Sector Modernization Project	SDR	0.4	103.8	0.5	Fixed	3.36%	N/A	Frontend Fee XDR 138,500.0, Commitment Fee 0.25%	5	23
	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	SDR	2.4	1,009.7	3.3	Fixed	2.00%	N/A	Null	5	25
	Implementation of Smallholder Agribusiness Partnership (SAP) Program Loan No 2000001843	USD	2.8	911.5	2.8	Fixed	2.00%	N/A	Null	5	24
	Road Network Development Project (OPEC Fund)	USD	0.5	162.0	0.5	Fixed	3.10%	N/A	Service Fee 1%	5	20
	Colombo National Highways Project	USD	2.0	585.7	2.0	Fixed	4.60%	N/A	Null	5	20
OPEC Fund for International Development	Western Province Road Development Project	USD	1.5	508.2	1.5	Fixed	2.60%	N/A	Service Fee 1%	5	20
	Kalu Ganga Development Project (Additional Loan)	USD	0.7	195.5	0.7	Fixed	2.50%	N/A	Service Fee 1%	5	20
	Technological Education Development Programme	USD	1.0	296.2	0.9	Fixed	2.50%	N/A	Service Fee 1%	5	20
	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	USD	0.7	181.3	0.7	Fixed	2.50%	N/A	Service Fee 1%	5	20
Grand Total				775,487.2	2,390.8						

Source: Department of External Resources

Note:

N/A = Not Applicable, LIBOR = London Interbank Offer Rate, EURIBOR = Euro Interbank Offer Rate, SOFR = Secured Overnight Financing Rate
For conversion of disbursements made in different currencies into USD, the exchange rates as at 30th December 2022 have been used

* Provisional



PART III

Development Finance for Balanced and Inclusive Growth



07

Development
Finance

7.1 Overview

Small and Medium-sized Enterprises (SMEs) have been powerful economic growth drivers that contribute more than 20 percent of exports, 45 percent of employment, and 52 percent of the GDP in Sri Lanka in 2022. Despite playing such a major role in the economy, they have been severely impaired by sub-optimal growth and lack of access to finance, among others. This has been further distressed by the ramifications of the economic crisis that erupted in 2022. However, the Government continued to facilitate SMEs through the mobilization of financial resources to alleviate the adverse effects of the crisis amidst the severe cash flow issues confronted by the new Government.

The SME sector was severely affected by the high inflation, pressure for salary hikes, depreciation of the Sri Lankan Rupee, lack of raw materials, power shortages and high financing costs, upward tariff adjustments on utility services and import restrictions, among others. As such, SMEs were in difficulty meeting their financing needs and servicing their loans. Hence, a number of moratorium schemes were implemented to assist SMEs despite the potential negative impact of such moratoriums on the banking sector in the long run. Therefore, in the latter part of 2022, banks were allowed to decide how to treat affected SMEs on a case-by-case basis. In addition, the General Treasury implemented financial and non-financial programmes in order to facilitate the affected SMEs. In 2022, thirteen banks implemented three primary components: (i) SME Credit Line; (ii) Emergency Response Facility and; (iii) Tea Smallholder Credit Line of the Small and Medium-sized Enterprises Line of Credit (SMELoC) project. Due to such assistance, many SMEs were able to continue their activities despite the challenges stemming from the economic disturbances.

Under the non-financial support programmes for strengthening the institutional and legislative framework, actions are being taken to register the National Credit Guarantee Institution (NCGI) with the Department of Registrar of Companies. After receiving approval, the institution will be established with thirteen Participatory Financial Institutions (PFIs) to assist SMEs in overcoming obstacles,

in particular, the lack of adequate acceptable collateral.

In addition, given the importance of revitalizing the industrial sector to re-energize the economy, the General Treasury supported the implementation of special programme to assist the Small and Medium Industries (SMIs). In accordance with the Cabinet decision dated March 7, 2022, the Ministry of Finance and the State Bank of India signed the credit facility agreement on March 17, 2022, in order to obtain a USD 1 billion credit facility. The purpose of this agreement was to aid Sri Lankan importers, who had difficulties in opening Letters of Credit to import food and other necessities due to the shortage of foreign currency in the domestic banking system and in the market. Essential foods, pharmaceuticals, industrial raw materials, and fuel are imported from India, using Indian Credit Line (ICL) proceeds. This was done after analyzing the factors that would boost the economy while easing the impact on low income households during the crisis.

Having considered the importance of the agriculture sector to the economy, steps were taken to ensure the sector's viability by supporting the Government's fertilizer subsidy policy for paddy cultivation and other crops. The Government's fertilizer subsidy policy for paddy cultivation has shifted from a "100 percent organic fertilizer policy" to a "70:30 chemical-organic hybrid fertilizer policy" effective from the 2022/23 Maha season. To fulfill the 70 percent chemical fertilizer requirement, the Government obtained Credit facilities from India and the World Bank to import 65,000 metric tonnes and 105,000 metric tonnes of Urea fertilizer, respectively. In addition, 40,000 metric tonnes of Muriate of Potash (MOP) fertilizer was imported with funding support from the Asian Development Bank (ADB). Further, several programmes were implemented in 2022 to promote the plantation industry and assist livestock developers.

Food and nutrition security has been a major challenge to the Government during 2022. Accordingly, Minimum Guaranteed Prices, managing Maximum Retail Prices (MRPs) at the desirable level and making adjustments to the Special Commodity Levy (SCL) were used to manage food security and nutrition requirements. Paddy Marketing Board (PMB) implemented the Government Paddy

Purchasing and Disposal Program in 2022, releasing approximately 42,080 metric tonnes of rice to the market. Further, considering the increase in prices of rice in the market, SCL on rice imports has been reduced with effect from November 02, 2021 to encourage the importation to assure the availability of rice in the market at an affordable price. However, considering the availability of adequate stocks of rice in the market, and the expected increase in rice production in 2022/2023 Maha Season, the Government took steps to suspend the issuance of import control licenses for the importation of all types of rice except for the Basmathi with effect from December 2022 until further notice.

7.2 Financial Assistance for MSMEs

7.2.1 Local Funded Loan Schemes

Enterprise Sri Lanka interest subsidy loan scheme

The 'Enterprise Sri Lanka' programme was implemented during the period from 2017 to 2019. However, the liability of interest subsidy payments of disbursed loans has to be borne by the General Treasury until the year 2033. Accordingly, Rs. 3,103.5 million was paid as interest subsidies for banks in the year 2022.

Table 7.1 | Interest Subsidy Settlement for "Enterprise Sri Lanka Programme" – 2022

Bank	Rs. Million Total Interest Subsidy Settled
Bank of Ceylon (BOC)	886.7
Peoples' Bank	236.9
National Savings Bank (NSB)	270.7
Regional Development Bank (RDB)	290.6
Sri Lanka Savings Bank	2.6
State Mortgage & Investment Bank	0.4
National Development Bank (NDB)	54.5
Sampath Bank PLC	199.3
Hatton National Bank PLC (HNB)	370.9
Seylan Bank PLC	205.5
Union Bank of Colombo PLC	13.8
DFCC Bank PLC	51.9
Nations Trust Bank (NTB)	3.6
Pan Asia Bank PLC	12.5
Commercial Bank of Ceylon PLC	503.6
Total	3,103.5

Source: Department of Development Finance

SME financing through the commercial and specialized banks

While supporting the Government to implement its loan schemes, both the commercial and specialized banks implement various loan schemes by utilizing their funds at the market interest rates supporting SMEs. In 2022, approximately Rs. 619,900 million worth of loans have been granted through their loan schemes to fulfill the financial needs of the SMEs.

Table 7.2 | Funds Disbursed by Commercial and Specialized Banks to SMEs – 2022

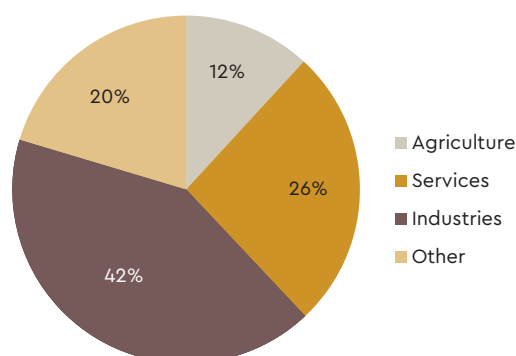
Rs. Million

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	1,140	19,273	223	414	3,181	19,547	651	2,130	5,195	41,364
People's Bank	305	1,004	115	433	152	1,198	1,011	4,777	1,583	7,412
Regional Development Bank	5,402	6,476	4	4	4,952	6,783	3,900	5,288	14,258	18,551
Sanasa Development Bank Ltd.	15	33	2	7	3	6	104	200	124	246
HDFC Bank	–	–	2	50	3	62	–	–	5	112
State Mortgage and Investment Bank	25	30	8	9	71	164	7	9	111	212
National Development Bank PLC	206	1,428	278	2,521	773	9,949	847	4,399	2,104	18,298
DFCC Bank Ltd.	2,856	4,577	4,338	13,834	2,304	8,191	2,343	5,919	11,841	32,521
Commercial Bank of Ceylon PLC	2,974	17,574	5,814	40,398	31,538	111,742	3,101	26,138	43,427	195,852
Sampath Bank Ltd.	1,135	7,718	8,006	62,029	6,628	46,245	12,412	49,616	28,181	165,609
Seylan Bank PLC	231	5,200	197	2,329	594	5,240	1,987	14,255	3,009	27,025
Hatton National Bank PLC	719	5,530	3,231	21,844	5,248	34,396	3	11	9,201	61,780
Nations Trust Bank PLC	140	1,355	487	2,941	538	4,253	195	960	1,360	9,510
Standard Chartered Bank	–	–	2,186	8,167	14	344	3	400	2,203	8,911
Pan Asia Banking Corporation PLC	16	361	18	288	51	620	42	988	127	2,257
Union Bank of Colombo Ltd.	38	525	144	4,984	89	1,195	939	10,051	1,210	16,755
Cargills Bank	16	361	18	288	51	620	42	988	127	2,257
Amana Bank	549	1,903	336	1,561	1,931	7,593	17	163	2,833	11,220
Total	15,767	73,349	25,407	162,101	58,121	258,147	27,604	126,294	126,899	619,891

Sources : Respective Banks

In 2022, eighteen state and private banks provided 126,899 loans to the SME sector. Out of the total loan amount granted, around 12 percent has been disbursed for the agriculture sector and around 42 percent and 26 percent have been disbursed for the industry and services sectors, respectively, while the balance of 20 percent has been disbursed for SMEs in other sectors.

Figure 7.1 | Sector-wise SME loan disbursements



Sources : Respective Banks

7.2.2 Donor Funded Loan Schemes

Small and Medium-sized Enterprises Line of Credit (SMELoC) Project

There are three major loan components implemented under the SMELoC Project: (i) SME Credit Line attached with Women Entrepreneur Finance Initiative (We-Fi) Grant

to provide investment loans for SMEs; (ii) Emergency Response Component (ERC) to provide permanent working capital loans for affected MSMEs, due to COVID-19 pandemic and the prevailing economic downturn; and (iii) Tea Smallholder Credit Line attached with Japan Fund for Poverty Reduction (JFPR) Grant to provide investment loans to tea smallholders for new planting, replanting, infilling, irrigation, nursery development and mechanization, among others.

In addition to the initially joined ten Participating Financial Institutions (PFIs) i.e Bank of Ceylon, People's Bank, Regional Development Bank, Hatton National Bank, Commercial Bank, Sampath Bank, Seylan Bank, National Development Bank, DFCC Bank and Nations Trust Bank, three new banks i.e Pan Asia Bank, Union Bank of Colombo PLC and the Sanasa Development Bank joined as PFIs to implement this project in 2022.

I. SME credit line and We-Fi grant

Under SME Credit Line, around Rs. 5,700 million was disbursed among 692 SMEs as investment loans and We-Fi grants during the year 2022 and out of which Rs. 251 million was disbursed among 343 women entrepreneurs as We-Fi grants by blending it with the investment loans.

Table 7.3 | Progress of The SME Credit Line and We-Fi Grant for The Period from January 01, 2022 to December 31, 2022

Rs. Million

Bank	SME Credit Line				We-Fi Grant			
	Amount Allocated	No. of Loans	Loan Disbursement Amount	% Disbursed	Amount Allocated	No. of Loans	Granted Amount	% Granted
BOC	333.7	82	268.6	80.5	34.0	70	27.3	80.4
People's Bank	333.7	41	306.0	91.7	20.0	25	16.2	81.0
RDB	967.7	196	532.1	55.0	86.2	121	44.7	51.9
NTB	823.5	32	544.1	66.1	21.3	6	9.2	43.3
Commercial Bank	626.5	31	372.2	59.4	54.5	9	27.4	50.3
HNB	967.7	59	682.2	70.5	40.6	23	26.5	65.3
Seylan Bank	333.7	16	204.8	61.4	20.0	8	10.0	50.2
DFCC Bank	967.7	29	420.8	43.5	50.7	14	33.5	66.0
Sampath Bank	333.7	19	274.7	82.3	14.0	5	8.0	57.1
NDB	967.7	36	686.0	70.9	33.3	12	18.6	55.8
SDB	307.8	99	307.8	100.0	9.2	35	9.2	100.4
Union Bank of Colombo PLC	634.0	37	607.6	95.8	18.4	13	17.5	94.8
Pain Asia Bank	307.8	15	241.1	78.3	9.2	2	3.0	32.1
Total	7,905.2	692	5,447.9	68.9	411.4	343	251.1	61.0

Source: Department of Development Finance

II. Emergency Response Component (ERC)

Under this component, around Rs. 19,348 million was provided for 3,842 MSMEs affected by COVID-19 by the end of the year 2022 as working capital loans to re-energize their businesses. Through this ERC facility, Rs. 4,867 million worth of loans were provided for agriculture and agro processing sector, while Rs. 483 million and Rs. 684 million worth of loans were disbursed among MSMEs in Animal Husbandry and Fisheries sectors, respectively. Moreover, Rs. 6,981 million worth of loans were provided to re-energize the industry sector and, Rs. 719 million and Rs. 5,615 million worth of loans were granted to tourism and other service oriented MSMEs, respectively in 2022.

Moreover, ADB agreed to repurpose USD 13.5 million allocated under the SME Credit Line, as additional finance for 'ERC' to facilitate the MSMEs affected due to the economic downturn. This USD 13.5 million was allocated, among eight banks, i.e Bank of Ceylon, Hatton National Bank, Commercial Bank, Regional Development Bank, Sampath Bank, National Development Bank, Nations Trust Bank and Seylan Bank equally in October 2022. The eligible sectors for obtaining loans under new additional financing of ERC are agriculture and agro-processing, fisheries (offshore and inland), ornamental fisheries, aquaculture, livestock, animal husbandry, poultry, tourism and other export-oriented sectors and the banks are in the process of disbursing loans under this additional financing of ERC.

Table 7.4 | Progress of the SMELoC – Emergency Response Component as at December 31, 2022

Rs. Million

Name of Participating Financial Institution (PFI)	Allocated Amount	Emergency Response Component		
		Loan Disbursement		% Disbursed
		No. of Loans	Loan Amount	
Bank of Ceylon	1,934.30	421	1,934.3	100
People's Bank	1,936.1	407	1,936.1	100
RDB	1,942.5	1,155	1,942.5	100
NTB	1,929.6	232	1,929.6	100
Commercial Bank	1,930.3	300	1,930.3	100
HNB	1,930.3	284	1,930.3	100
Seylan Bank	1,930.3	261	1,930.3	100
DFCC Bank	1,942.7	266	1,942.7	100
Sampath Bank	1,941.0	248	1,941.0	100
NDB	1,930.8	268	1,930.8	100
Total	19,347.9	3,842	19,347.9	100

Source: Department of Development Finance

III. Tea Smallholder Credit Line & Japan Fund for Poverty Reduction (JFPR) grant

Under the Tea Smallholder Credit Line, Rs. 1,515 million was provided to 982 tea smallholders for new planting, replanting, irrigation, infilling nursery development and mechanization as

investment loans and JFPR grants. Out of that, 660 tea smallholders were provided with nearly Rs. 86 million worth of JFPR grants for new planting and replanting of tea. Further, 56 percent of Rs. 1,515 million was provided for replanting and 31 percent was provided for new planting.

Table 7.5 | Progress of the Tea Smallholder Loan Scheme for the period from 01.01.2022 to 31.12.2022

Rs. Million

Name of PFI	Allocated Amount	Disbursement of Loans			JFPR Grant			
		No. of Loans	Amount	% Disbursed	Allocated Amount	No. of Loans	Granted Amount	% Granted
BOC	420.4	283	343.0	81.6	24.4	190	18.4	75.4
People's Bank	369.9	45	62.9	17.0	13.8	28	3.1	22.5
RDB	497.3	363	380.2	76.5	29.6	219	23.4	79.1
NTB	79.6	4	31.8	39.9	1.0	3	0.6	60.0
Commercial Bank	171.9	52	99.5	57.9	13.8	43	8.3	60.1
HNB	279.6	99	197.3	70.6	18.5	85	12.8	69.2
Seylan Bank	442.5	31	68.5	24.5	42.4	23	5.6	13.2
DFCC Bank	279.6	37	70.4	-	17.3	35	6.4	37.0
Sampath Bank	233.4	17	46.8	20.1	13.2	13	2.2	16.7
NDB	442.5	16	72.5	16.4	20.7	6	2.0	9.7
SDB	30.7	31	30.7	100.0	1.5	12	1.5	100.0
Union Bank of Colombo PLC	200.0	2	17.5	8.8	12.3	1	0.5	4.1
Pain Asia Bank	30.7	2	7.8	25.4	1.5	2	0.7	46.7
Total	3,478.1	982	1,428.9	41.1	210.0	660	85.5	40.7

Source: Department of Development Finance

Rooftop Solar Power Generation Line of Credit (RSPGLoC) Project

The RSPGLoC project is implemented under the financial assistance of ADB to move from the usage of fossil fuel to renewable energy sources 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 the year 2021 and this target was achieved by providing 70 MW to the national grid at the completion of 1st phase of this project in 2022.

Further, considering the emerging energy crisis and the demand that has created for power generation through solar panels, a request has been made for obtaining additional financing from the ADB and the discussions in this regard are in progress.

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

National Credit Guarantee Institution (NCGI)

The Cabinet of Ministers has approved NCGI's incorporation as a public limited company under the Companies Act, No. 7 of 2007. The Shareholder Agreement (SHA) and Articles of Association (AoA), which are required to establish the institution, have been finalized with the ADB's Technical Assistance (TA) and approved in consultation with the ADB, Central Bank of Sri Lanka (CBSL), and other relevant Treasury Departments. Thirteen PFIs, (ten Licensed Banks and three Non-Bank Financial Institutions) have expressed their willingness to join as the initial equity contribution shareholders of the NCGI.

Actions are being taken to register the company's name with the Department of the Registrar of Companies; once approval is received, the institution will be established, and the Board of Directors will be appointed in accordance with the Articles of Association. In this regard, three nominations from the Ministry of Finance and one from the CBSL have been obtained. After establishing the institution, steps will be taken to sign the SHA with the PFIs, in the first half of the year 2023.

GIZ – SME Development Programme

The GIZ-SME Development Programme started in 2012 with financial assistance from the German International Cooperation (GIZ) to improve the overall business conditions of SMEs and to encourage foreign investments. The programme is currently implementing a multi-donor action co-financed by the European Union and the Federal Ministry of Economic Cooperation and Development of Germany. In the third phase of this programme, Euro 9.2 million was provided as GIZ grants. The total expenditure of the programme in 2022 was Rs. 617.2 million.

7.3. Support to Enhance the Productivity of the Agriculture Sector

7.3.1. Fertilizer Subsidy

Fertilizer for paddy

The fertilizer subsidy policy of the government for paddy cultivation has been changed to a "70 percent chemical and 30 percent organic fertilizer policy" in the 2022/23 Maha Season from a "100 percent organic fertilizer policy". The policy change was taken considering the substantial reduction of paddy harvest due to the utilization of 100 percent organic fertilizer and the recommendation of the Department of Agriculture on the usage of both chemical and organic fertilizer.

Due to the shortage of foreign currency, the availability of an adequate amount of chemical fertilizer could not be ensured in the 2021/22 Maha Season as well as in the 2022 Yala Season. However, the Government managed to obtain USD 55 million under the Indian Credit Line facility to import 65,000 metric tonnes of Urea fertilizer for the 2022 Yala Season. From the 2022 Yala Season, this urea fertilizer has been distributed at a subsidized price of Rs. 10,000 per 50 kg bag. In addition, eco-friendly fertilizer worth Rs. 6,608 million was distributed in the 2021/22 Maha Season and Rs. 16,245 million was distributed in the 2022 Yala Season to farmers at 100 percent subsidized price in the form of compost, liquid fertilizer, bio fertilizer and special fertilizer.

Under the 'new 70:30 hybrid fertilizer policy' commenced in the 2022/23 Maha Season, the Government was able to import 105,000 metric tonnes of Urea fertilizer under the financial assistance of the World Bank and 40,000 metric tonnes of MOP fertilizer under the financial assistance of ADB to manage the chemical fertilizer requirement. Urea imported under World Bank assistance was also distributed to farmers at Rs. 10,000 per 50 kg bag while the MOP imported under ADB funds were distributed at Rs. 19,500 per 50 kg bag. In order to ensure farmer's affordability of MOP fertilizer, Rs. 10,000 per hectare upto 2 hectares was deposited directly to the bank accounts of farmers to purchase MOP fertilizer. In addition, actions have been taken to distribute Rs. 16,000 million worth of organic fertilizer to paddy farmers in the 2022/23 Maha Season under the supervision of District Secretariats in order to fulfill the 30 percent fertilizer requirement.

Fertilizer for other crops

Subsidized fertilizer was not provided for crops other than paddy in 2022 and the private sector was empowered to fulfill the fertilizer requirement for Other Field Crops (OFC). However, Urea Fertilizer amounting to 3,105 metric tonnes and 8,770 metric tonnes were distributed for Tea Smallholders and maize cultivation, respectively, at Rs. 15,000 per 50 kg bag, utilizing the urea imported by the government to fulfill the urgent fertilizer requirement of these crops.

Loan scheme for local organic fertilizer manufacturers

As per the Cabinet Decision dated April 27, 2021, the General Treasury was directed to provide the required financial support to implement

the proposals of the Cabinet Memorandum including the proposal of providing subsidies to organic fertilizer producers and farmers who are utilizing organic fertilizer. Accordingly, a special loan scheme for manufacturers of organic fertilizer, pesticides and herbicides was introduced in collaboration with Bank of Ceylon, People's Bank and Regional Development Bank.

Accordingly, 25 loans amounting to Rs. 162 million were granted by the above three banks to qualified manufacturers of local organic fertilizers, pesticides and herbicides. Interest subsidy of such loans is being paid by the General Treasury at present. Further, the General Treasury has released Rs. 4.5 million as an interest subsidy for this loan scheme.

7.3.2. Encouraging Plantation Sector

Assistance to smallholder planters

In order to increase the production of the main export crops by strengthening the capacity of the smallholder planters, the Government provided subsidies for new planting, re-planting, preparation for land, plant protection and other activities in relation to tea, rubber and coconut smallholders. Accordingly, Rs. 2,357 million was distributed among 316,363 tea, rubber and coconut smallholder planters, out of which Rs. 1,643 million was provided for 39,007 tea planters in the year 2022, while Rs. 164 million and Rs. 288 million have been distributed among 42 rubber plantation companies and 2,364 rubber planters, respectively. In addition, Rs. 262 million was provided to 274,950 coconut growers under this subsidy programme.

Table 7.6 | Performance of Smallholder Plantation Sector, 2019-2022

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.)
2019	122,900	226	180,959	137,608	75	22,537	443,538	3,086	101,499
2020	157,910	279	169,865	137,834	78	25,815	443,538	2,792	122,514
2021	157,971	299	196,198	138,622	77	33,920	456,137	3,382	166,034
2022	158,007	252	246,633	138,511	71	44,971	460,339	3,352	262,934

Sources: Ministry of Plantation Industries

7.3.3. Support for Livestock Developers

Poultry Sector

The main constraint faced by the poultry industry is the lack of domestic production of maize, which is the main ingredient of poultry feed. Maize was cultivated in an extent of 77,979 hectares in the 2021/22 Maha Season

and around 6,178 hectares in the 2022 Yala season. The yield in the 2021/22 Maha and the 2022 Yala Seasons were around 236,927 metric tonnes and 22,112 metric tonnes, respectively. Due to the unavailability of adequate fertilizers and pesticides in 2022, a considerable reduction in maize production was observed in 2022, compared to 2021.

Table 7.7 | Maize Cultivation

Year	Maha		Yala	
	Extent (ha)	Production (Mt)	Extent (ha)	Production (Mt)
2015	60,950	230,870	9,020	30,240
2016	57,090	207,070	10,540	36,890
2017	44,515	163,733	8,029	32,011
2018	63,926	242,935	6,969	27,106
2019	57,380	220,425	6,114	22,959
2020	66,486	267,767	11,763	45,754
2021	97,122	435,159	11,402	45,185
2022	77,979	236,927	6,178	22,112

Source: Department of Development Finance

Since the annual requirement of maize is around 600,000 metric tonnes, the importation of maize or its substitutes such as wheat grain, sorghum, barley etc. was facilitated in 2022 to fulfill the demand arising from the poultry industry. Accordingly, around 184,611 metric tonnes of maize and 34,141 metric tonnes of wheat grain had been imported in 2022 for poultry feed manufacturing.

products in the market. These five warehouses have a combined storage capacity of about 17,200 metric tonnes. They offer a wide range of supplementary facilities, including drying, cleaning, and testing for grain quality, in addition to the storage facility. The most intriguing aspect is the provision of warehouse receipt financing to farmers, which enables them to use their stock as collateral to obtain a loan at a concessionary rate.

7.3.4. Other Agriculture – Support Schemes

Government storage facilities for agricultural products

Under World Bank and the Government of Sri Lanka (GoSL) funds, five warehouses were constructed with modern technology and an innovative system in the major agricultural districts of Anuradhapura, Moneragala, Mannar, Kilinochchi and Polonnaruwa. Farmer's Grain Preservation Centers (FGPCs) established in these 5 districts offer state-of-the-art, high-quality storage facilities for farmers to store their paddy, maize, soybean, sesame, black gram, pepper, peanut, and other agricultural products during the harvesting season until a just and reasonable price is received for their

Due to effective public finance management, the operational cost has been reduced by around 3.16 percent to Rs. 43 million in 2022 from Rs. 44.36 million in 2021. By reflecting a slight increase in the operational incomes of those five projects, Rs. 22 million has been contributed to the Consolidated Fund in 2022. The net financial benefit to farmers due to the storing process has increased by about 49 percent while they received Rs. 261 million in financial support from the RDB through the warehouse financing receipt programme in 2022. In 2021, farmers had only utilized Rs. 133 million from the warehouse receipt financing programme. It elaborates that farmers tend to move towards the banking sector to resolve their liquidity problems in the present financial crisis.

Table 7.8 | Progress of Grain Preservation Centers – 2021 – 2022

Year	Buttala WH		Polonnaruwa WH		Anuradhapura WH		Kilinochchi WH		Mannar WH	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Operational Income (Rs. Million)	2.54	7.24	5.03	3.48	1.73	2.02	7.81	7.25	3.16	2.20
Operational Cost (Rs. Million)	6.23	6.86	7.65	9.60	8.11	8.07	11.75	8.42	10.62	10.05
Annual grain inflow (storing) (Mt)	652.10	520.61	484.00	295.30	984.30	1,485.00	1,267.60	1,034.00	414.65	523.65
Annual grain outflow (Mt)	596.56	533.44	494.00	176.30	701.20	893.40	1,267.60	998.30	399.55	274.66
Net financial benefit for farmers (Rs. Million)	9.52	12.09	1.40	0.02	18.60	35.70	5.80	6.80	5.80	6.80
No. of registered farmers	1,030.00	1,141.00	144.00	159.00	935.00	1,010.00	130.00	246.00	282.00	389.00
Warehouse receipt finance (Rs. Million)	56.51	90.99	5.88	11.77	49.36	112.60	9.94	12.66	11.95	33.20

Source: Department of Development Finance

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, big onions, potatoes and chillies. The scheme covers the losses caused due to droughts, floods and wild elephants up to a maximum land extent of five acres for paddy and 2.5 acres for other commercial crops and the insurance coverage per acre is Rs. 40,000. During the the 2021/22 Maha season, Rs. 657.1 million has been paid for 31,542 farmers as compensation for crop damages in cultivated land areas of 42,872 acres. In addition, Rs. 244.8 million has been paid to 13,755 farmers in 2022 as compensation for crop damages that occurred in the 2021 Yala Season in cultivated areas of 14,054 acres. The General Treasury has provided Rs. 600.0 million to Agriculture and Agrarian Insurance Board (AAIB) for this purpose. Further, it has been estimated that the compensation for the 2022 Yala season would be nearly Rs. 150.0 million and this amount will be paid to farmers as per the availability of funds.

Table 7.9 | Progress of Compulsory Crop Insurance Scheme – 2022

No	District Office	2021/22-Maha	
		No. of Farmers	Indemnity (Rs. Million)
1	Ampara	1,025	28
2	Anuradhapura	3,530	83
3	Badulla	1,796	49
4	Batticaloa	112	5
5	Colombo	–	–
6	Galle	142	1
7	Gampaha	531	6
8	Hambantota	251	4
9	Jaffna	5,816	79
10	Kalutara	229	3
11	Kandy	281	2
12	Kegalle	718	3
13	Kilinochchi	630	8
14	Kurunegala	3,771	54
15	Mannar	2,578	77
16	Matale	398	4
17	Matara	170	2
18	Monaragala	2,367	69
19	Mullaithivu	945	17
20	Nuwaraeliya	267	2
21	Polonnaruwa	2,751	81
22	Puttalam	2,018	53
23	Rathnapura	363	3
24	Trincomalee	508	14
25	Vavuniya	345	10
Total		31,542	657

Source: AAIB

Writing off the non-performing loans obtained by paddy farmers with less than two hectares

The agricultural workforce, which amounts to around 30 percent of the total labour force, was severely affected by the economic crisis. In addition, switching from chemical fertilizer to organic fertilizer, exacerbated the situation. Due to the decline in paddy production in two consecutive seasons and increase in interest rates, small-scale paddy farmers in particular found difficulties to repay the bank loans they obtained for their cultivation. Even though the Government provided chemical fertilizer, it was not possible to get the funds required to carry out cultivation activities as expected.

Hence, the Government decided to write off Non-Performing Loans (NPLs) that were obtained by paddy farmers who cultivated two hectares or less of paddy lands, by May 31, 2022. The total sum of Rs. 675.9 million for 28,711 farmers were approved by the General Treasury for BOC, Peoples' Bank and RDB under this scheme. Out of which, the General Treasury reimbursed the sum of Rs. 350 million for the respective banks in the year 2022 and information of writing off loans is detailed in Table 7.10. This reduced the financial burden of paddy farmers, encouraging them to engage in the cultivation of paddy from the 2022/23 Maha season onwards.

Table 7.10 | Progress of Writing off Paddy Farmers' Loans

Bank	Estimates to be write-off		Written off as at 31/12/2022	
	No. of Farmers	Amounts (Rs. Million)	No. of Farmers	Amounts (Rs. Million)
BOC	8,097	208	7,478	197
Peoples Bank	14,512	129	14,512	129
RDB	6,102	340	5,479	297
Total	28,711	676	27,469	623

Source: Respective Banks

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 aiming to give them a stable and secure retirement life. The gap between 15 percent interest and the normal fixed deposit interest rate was paid by the General Treasury to the respective banks.

However, with the tightened monetary policy stance adopted by the Central Bank of Sri Lanka, Licensed Banks were in a position to offer an interest rate exceeding the 15 percent for the fixed deposits holders including 'Senior Citizens' accounts. Since there was an opportunity for senior citizens also to earn more than 15 percent interest income for their fixed deposits, the implementation of this scheme was discontinued effective from October 01, 2022.

The total outstanding interest subsidy amount to be paid for banks from 2nd quarter of 2021 to 3rd quarter of 2022 was Rs. 113,042 million and out of which Rs. 10,000 million worth of interest subsidy payments were made in 2022 by the ways of issuing Treasury Bonds and cash to settle a portion of the outstanding amount for the 2nd quarter of 2021. Accordingly, the outstanding interest subsidy amount to be settled for banks upto 4th quarter of 2022 is Rs. 114,293 million.

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

Year	Rs. Million	
	Total Interest Subsidy Settled	
2015	3,714.5	
2016	14,519.0	
2017	13,462.2	
2018	13,579.4	
2019	18,082.7	
2020	31,151.8	
2021 1st & 2nd quarters	22,985.8	
Total outstanding amount settled	117,495.4	

Source: Department of Development Finance

7.4.2 Providing Rs. 2.00 incentive per dollar on converted inward workers' remittances

As proposed by the Budget 2021, an additional Rs. 2 per dollar has been paid for the foreign exchange remittances sent by Sri Lankans, who had been employed abroad or resided in Sri Lanka and earned foreign currency income by rendering services abroad in nature of employment, to banks in Sri Lanka with the objective of promoting inward workers' remittances. Accordingly, Rs. 6,175 million was reimbursed during the year 2022 to banks to settle the outstanding amount to be paid from December 2020 to December 31, 2021.

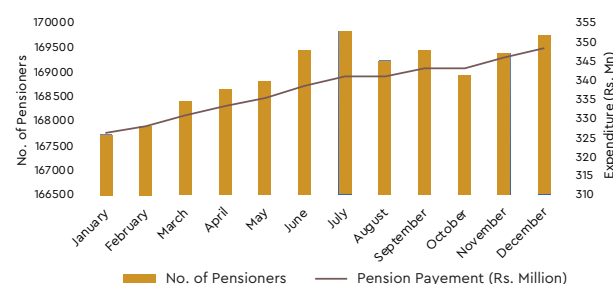
The instructions were issued to terminate this programme and revoke the respective circulars issued in this regard due to the decision taken by the CBSL to allow the exchange rate to be determined on the market forces with effect from March 07, 2022.

7.4.3 Pension Scheme for Farmers

The Agriculture and Agrarian Insurance Board (AAIB) has established the farmers' pension scheme to safeguard elderly farmers who have contributed to the agricultural development of the country. Approximately, 959,254 farmers have been registered under the farmers' pension scheme and around 168,000 farmers on average receive benefits monthly. In 2022, Rs. 4,053 million was distributed among 169,741 qualified farmers as monthly pension payments under this scheme. Since farmers' contribution to the scheme is not adequate for the scheme to operate as a self-financing scheme, the gap in funds is provided by the General Treasury to the AAIB annually. Accordingly, the General Treasury has provided Rs. 4,158 million to pay pensions for farmers for the year 2022.

As per the instructions issued by the Extra Ordinary Gazette Notification No. 1853/49 dated March 14, 2014, the existing Farmers' Pension and Social Welfare Scheme was re-designed and re-launched on October 31, 2022 with the objective of operating the new farmers' pension scheme as a self-financed scheme. Accordingly, 503 new farmers have registered under this new farmers' pension scheme during the year 2022.

Figure 7.2 | Progress of Farmers' Pension Scheme – 2022

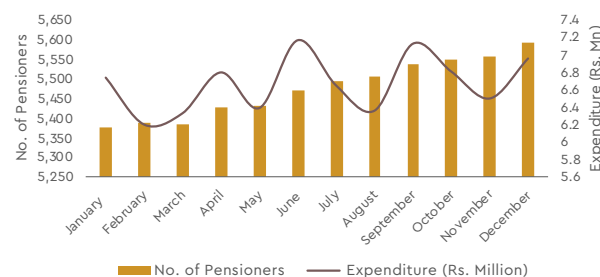


Source: AAIB

7.4.4 Pension Scheme for Fishermen

The fishermen's pension scheme operated as a self-sustained scheme is being implemented by the AAIB as a contributory pension scheme for fishermen. There are nearly 69,000 registered fishermen under this scheme and, Rs. 80 million was distributed among 5,592 fishermen as their monthly pension during the year 2022.

Figure 7.3 | Progress of Fishermen's Pension Scheme – 2022



Source: AAIB

Under the existing scheme, the minimum and maximum monthly pension of a fisherman are Rs. 1,000 and Rs. 4,000, respectively. Since this amount is not sufficient when compared with the current cost of living, the necessary arrangements are being made to implement a new pension scheme for fishermen, as a more beneficial and self-financing scheme, in cooperation with the AAIB.

7.5 Food Security

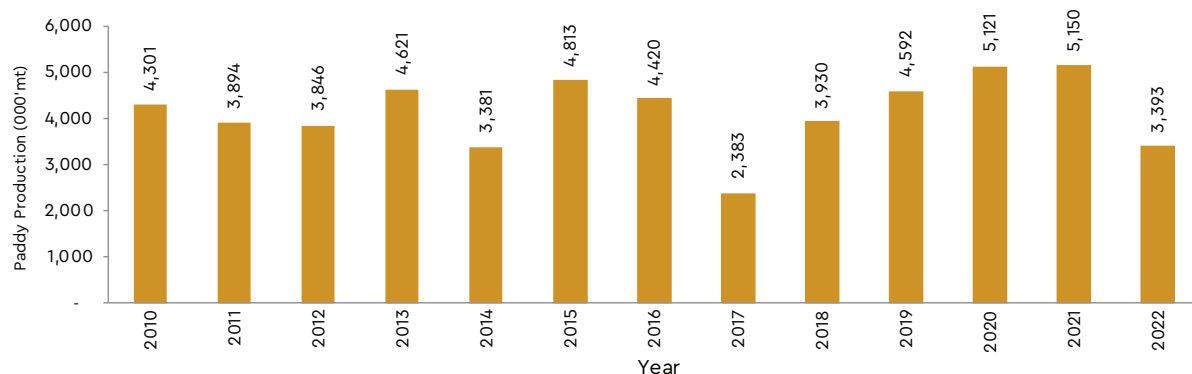
7.5.1 Government Paddy Purchasing Programme

Paddy production is a key determinant of food security in Sri Lanka as rice is the staple food of the country. High priority was given by the Government to facilitate paddy sector by providing various incentives including fertilizer

subsidy, quality seed paddy at subsidized prices, extension services and ensuring Government Guaranteed price for paddy. Accordingly, the paddy production in the country increased over the period. However, paddy cultivation in 2022 was adversely affected due to fertilizer and fuel shortages. As a result, paddy production in 2022 decreased

by 34.1 percent to 3.39 million metric tonnes in 2022 from 5.15 million metric tonnes in 2021. As shown in the Chart 7.4, paddy production in 2022 was the lowest recorded annual paddy production during the last five year period. Therefore, the Government intervention was at a minimal level for purchasing paddy to ensure a reasonable price for farmers.

Figure 7.4 | Total Paddy Production 2010 – 2022



Source: Department of Agriculture

Considering the low level of paddy production, the Government Paddy Purchasing Programme in 2022 was implemented only through the Paddy Marketing Board (PMB) by utilizing Rs.

6,500 million of funds arranged by the General Treasury through the Bank of Ceylon. The PMB purchased 78,355 metric tonnes of paddy from farmers island-wide during the year.

Table 7.12 | Paddy purchased under the Government Paddy Purchasing Programme 2018 – 2022

Season	Variety of Paddy			Value (Rs. Million)
	Nadu (Mt)	Samba (Mt)	Total (Mt)	
2017/18 Maha	4,605	–	4,605	175
2018 Yala	2,077	5	2,082	79
Total	6,682	5	6,687	254
2018/19 Maha	31,522	16,749	48,271	1,886
2019 Yala	–	–	–	–
Total	31,522	16,749	48,271	1,886
2019/20 Maha	34,408	17,844	52,252	2,597
2020 Yala	9,636	37	9,673	512
Total	44,044	17,881	61,925	3,109
2020/21 Maha	51,616	541	52,157	2,447
2021 Yala	13,423	147	13,570	683
Total	65,039	688	65,727	3,130
2021/22 Maha	63,376	7,903	71,279	6,450
2022 Yala	4,632	2,444	7,076	890
Total	68,008	10,347	78,355	7,340

Source : Paddy Marketing Board and respective District Secretaries

Table 7.13 | Government Guaranteed Price of Paddy 2018 – 2022

Season	Guaranteed Price (Rs/Kg)		
	Nadu	Samba	Keeri Samba
2017/18 Maha	38	41	50
2018 Yala	38	41	50
2018/19 Maha	38	41	50
2019 Yala	38	41	50
2019/20 Maha	50	50	50
2020 Yala	50	50	50
2020/21 Maha	56	56	56
2021 Yala	55	52	55
2021/22 Maha	90	92	95
2022 Yala	120	125	130

Source : Department of Development Finance

7.5.2. Paddy Disposal Programme

Considering the continued higher retail prices of rice in the market in 2022, the Government made rice available in the market at an

affordable price under the Maximum Retail Price (MRP). For this purpose, the Government Paddy Disposal Programme has been implemented by PMB in 2022 releasing approximately 42,080 metric tonnes of rice to the market through the sales network of Lanka Sathosa Limited and private supermarkets at a price below the MRP.

7.5.3. Paddy Purchasing by the Private Sector

Both state and private sector banks supported the private sector's paddy purchasing process by providing required funds, and it was the main source of funds utilized by the private sector for paddy purchasing programmes throughout the period. The total number and the value of loans granted to the private sector by state and private banks to purchase paddy in 2022 have decreased by 32 percent and 8 percent respectively compared to the year 2021.

Table 7.14 | Progress of Granting Loans for Purchasing Paddy for Private Sector (2021–2022)

Name of the Bank	2021		2022		Comparison	
	No of Loans	Loan Amount (Rs. Million)	No of Loans	Loan Amount (Rs. Million)	No of Loans as a %	Total Loan Amount as a %
People's Bank	72	4,218	35	628	(51)	(85)
BOC	471	19,025	407	21,976	(14)	16
RDB	67	211	100	991	49	369
Sub-Total-State Banks	610	23,454	542	23,595	(11)	1
Commercial Bank	851	6,398	912	7,954	7	24
Sampath Bank	279	5,788	80	4,354	(71)	(25)
DFCC Bank	87	618	33	288	(62)	(53)
Seylan Bank	94	8,671	128	1,448	36	(83)
Pan Asia Bank	–	–	3	7	–	–
Amana Bank	818	3,092	161	1,797	(80)	(42)
NDB	22	131	65	4,029	195	2,979
NTB	78	1,483	67	1,750	(14)	18
HNB	176	838	57	1,236	(68)	47
Sub-Total-Private Banks	2,405	27,018	1,506	22,863	(37)	(15)
People's Leasing and Finance PLC	2	3	–	–	(100)	(100)
Sub-Total Financial Institutions	2	3	–	–	(100)	(100)
Grand Total	3,017	50,476	2,048	46,458	(32)	(8)

Source : Respective Banks

7.5.4. Developing other Local Food Crops

The Government implemented measures to achieve self-sufficiency in the production of 15 selected local crops including green gram, soya beans, turmeric, cowpea, onions, ginger, peanut, potatoes, dried chilies, etc. and related agro based industries in 2020 and 2021. As such, the Government continued the control of imports imposed on certain crops which

could be grown locally such as black gram, green gram, tamarind, pepper, cinnamon, cloves, ginger, turmeric, etc. in 2022 as well.

In particular, in September 2022, during the local harvesting season of big onion, the Government increased the SCL for big onion from Rs. 10 per kg to Rs. 50.00 per kg for protecting local farmers by controlling imports. With all such efforts, the production of identified

local crops have increased considerably, and in particular, local production of turmeric, sesame and ginger have achieved the self-sufficiency in 2022.

7.5.5. Cost of Living

Food and nutrition security has been a major challenge to the Government during 2022 due to the adverse economic conditions

prevailed in the country. Hence, the Government continuously faced the challenge of protection of consumers and producers in 2022. Accordingly, as implemented in 2021, the continuation of Minimum Guaranteed Prices, managing MRP at the desirable level and making adjustments to the SCL were used to manage those issues in 2022.

Table 7.15 | Several measures taken to control Cost of Living 2021/22

Commodity	Description of Special Commodity Levy (SCL)/ Maximum Retail Price (MRP)	Effective Date
Big Onion	SCL was reduced from Rs 40/- to Rs 10/- per kg	01.01.2022
	and increased from Rs.10/- to Rs. 50/- per kg	23.09.2022
Mysore Dhal	SCL was continued as 25 cents per kg for another 1 year	14.10.2022
Maize	SCL was removed	25.01.2023
Rice	MRPs were imposed	
Keeri Samba	Rs. 260/- per kg	
White/Red Samba	Rs. 230/- per kg	02.09.2021
White/Red Nadu	Rs. 220/- per kg	
White/Red	Rs. 210/- per kg	10.06.2022
Raw Rice (Local)		
Rice	SCL was removed	09.12.2022
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	14.10.2022
Sugar	SCL was continued as 25 cents per kg for another 1 month	15.06.2022
Potato	SCL was reduced from Rs. 50/- to Rs. 20/- per kg	01.01.2022
Black Gram – whole	SCL was continued as Rs. 200/- per kg for one year	03.03.2022
Egg	MRPs were imposed	
	White Egg Rs.44- per egg	20.01.2023
	Brown Egg Rs.46- per egg	

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

In 2022, as a holistic approach for addressing the challenges of assuring the food security and containing the cost of living, "Multi-Sector Combined Mechanism for ensuring Food Security and Nutrition" has been approved by the Cabinet of Ministers. This Multi-Sector Combined Mechanism was implemented with the establishment of a National Food Security and Nutrition Council and Combined Mechanism for Food Security and Nutrition at Provincial, District and Divisional levels.

Under this mechanism, National Food Security and Nutrition Council (NFSNC), National Combined Mechanism for Food Security and Nutrition (NCMFSN), Technical Advisory Committee for Food Security and Nutrition (TACFSN), Provisional Combined Mechanism for Food Security and Nutrition (PSCMFSN), District Combined Mechanism for Food Security and Nutrition (DisSCFSN), Divisional Combined

Mechanism for Food Security and Nutrition (DivCMFSN), Village Center for Economic Revival, Food Security and Nutrition (VERCFSN) were established in 2022.

In August 2022, the Government took actions to re-establish the "Cabinet Sub-Committee on Cost of Living" and establish the "Food Security Committee" to make recommendations to the Cabinet of Ministers on policies and practical solutions to maintain the cost of living while ensuring the availability of essential goods amidst the economic downturn.

However, amidst problems such as excessive imports, disruption of the market, losses to producer etc, the "Food Policy Committee", chaired by the Secretary to the President was established instead of the "Cabinet Sub-Committee on Cost of Living" and the "Food Security Committee" as per the Cabinet

Memorandum No. 22/1495/601/014 and decision dated October 03, 2022. Accordingly, the "Food Policy Committee" was specifically designated as the focal point to provide strong policy approach and effective facilitation of inter-agency coordination to help resolve the issues related to the Cost of Living and in a broad sense of food security in 2022.

7.5.5.1. Import of rice

Considering the increased prices of rice in the market, Special Commodity Levy on rice imports has initially been reduced from Rs. 65 per kg to 25 cents on November 02, 2021 to assure the availability of rice in the market by encouraging rice imports.

However, in 2022, considering the upward trend in prices of rice prevailed in the market, in particular Nadu and Samba rice to the range of Rs. 130–180 per kg and Rs. 160–190 per kg, respectively at the beginning of the year, the government took measures to continue the import of rice to the country in 2022 as a strategic approach to assure the availability of rice in the market at an affordable level.

Even though, up to the festive season of April, 2022 the prices of local rice in the market increased at a considerably higher rate, after the end of the festive season, the prices of rice in the market were relatively stable. However, as the monthly rice consumption in the country is around 200,000 metric tonnes, and the total annual requirement of rice is around 2,400,000 metric tonnes, it had been estimated that there would be a shortage of around 600,000 metric tonnes of rice in the year 2022. Therefore, the Government continued the import of rice up to December 2022.

Accordingly, both government institutions and private sector institutions have imported around 922,620 metric tonnes of rice in total from November 02, 2021 to February 15, 2023. The Government facilitated the State Trading Corporation (STC) to import rice from India by issuing Treasury Guarantees to People's Bank with the value of Rs. 1,350 million in January 2022 and Rs. 5,135 million in February 2022. Out of the total imports, a quantity of 80,842 metric tonnes of rice has been imported to the country by STC as at February 15, 2023, and

sold to the consumers through Lanka Sathosa outlets, Cooperative society network, STC Q shops and private sector super markets.

Table 7.16 | Progress of Rice Imports

District	Rice imports (MT)		
	The Government through STC	The private sector	Total quantity
10.11.2021 – 31.12.2021	15,252	120,843	136,095
01.01.2022 – 31.12.2022	65,590	715,049	780,639
01.01.2023 – 15.02.2023		5,886	5,886
Total	80,842	841,778	922,620

Source: Sri Lanka Customs

However, considering the quantities of rice in the market and the estimated harvest in the 2022/23 Maha season predicted by the Ministry of Agriculture taking in to account the availability of fertilizer and other agro-chemicals, fuel and seeds to the farmers, the policy decision was taken to categorize the importation of all types of rice (Except Basmati Rice) under import Control License (ICL) system and to suspend the issuance of Licenses until further notice by the Imports and Exports Regulations No. 23 of 2022 published in the Extraordinary Gazette Notification No. 2309/40 dated December 9, 2022.

'Gama Samaga Pilisandara'– Rural Development Programme

In order to assure the trickling-down of benefits of the development among the entire community in the society, the Government has paid its attention to expedite the regional development initiatives through the Budget 2022 under the Medium-Term Budgetary Framework 2022–2024.

Accordingly, based on the identified needs in the regional and rural development of the country, the Government has allocated Rs. 85,000 million to implement the 'Gama Samaga Pilisandara' (Discussion with the Village) Rural Development programme as per the Budget 2022.

A seminar series on ensuring the home economy and food security through strengthening rural production economy have been organized by the Government covering all the Divisional Secretariats in the country. However, due to

the adverse economic situation prevailed in the country in 2022, this programme has been terminated.

Securing home economy

The Government has allocated Rs. 31,000 million in the Budget 2022 to provide relief to the people under the Home Economy Security Programme by assessing the critical issues faced in assuring the food security among the village level people during the COVID-19 pandemic situation.

Accordingly, Rs. 1,000 million has been allocated for the provision of a nutrition basket for pregnant mothers for a period of 24 months. And also, Rs. 15,000 million has been allocated for implementing a programme on providing a relief basket for economically disadvantaged

families at the Grama Niladhari division level to alleviate the pressure of the rising cost of living, whereas the balance Rs. 15,000 million has been allocated for the establishment of a mini supermarket chain (Home Shop) for women entrepreneurs.

Implementation process was commenced by Ministry of Trade, Commerce and Food Security with the identified implementing agencies of particular Divisional Secretariats, State Ministry of Cooperative Services, Marketing Development and Consumer Protection and State Ministry of Women and Child Development to complete the programme in 2022.

However, due to the adverse economic situation prevailed in the country in 2022, the implementation process of the "Home Shop" programme has been terminated.

Table 7.17 | The Implementation Progress of the Home Shop Programme

Commodity	Physical Progress			Financial Progress (Rs Mn)	Responsible Institute
	Unit	Target	Progress		
Construction of home shops	Nos	14021	45	2894	Divisional Secretariats
Completion of other infrastructure such as fixing shelves, purchasing equipment for home shops, installation of computer systems etc. *	%	14021	-	-	State Ministry of Cooperative Services, Marketing Development and Consumer Protection
Training of women Entrepreneurs *	Nos	14021	-	-	State Ministry of Women and Child Development
Functioning of home shops	Nos	45	23		Beneficiaries

Source: Ministry of Trade, Commerce and Food Security

*Terminated as per the Budget Circular No. 03/2022 dated 26.04.2022

Out of the commenced 45 Home Shops, 23 have been fully completed whereas 22 Home Shops have partly been completed.

Based on the budgetary allocation of Rs. 4,591 million, the programme of Nutrition Allowance for Pregnant and Lactating Mothers has been implemented by the Ministry of Women, Child Affairs and Social Empowerment covering all districts with a cost of Rs. 3,694 million in 2022.

7.6. Facilitating Housing for Middle Income Earners

In 2021, the "Sonduru Kedella" housing loan scheme was introduced as a Budget proposal to support the low- and middle-income earners

of the emerging workforce for purchasing a housing unit from housing complexes constructed by Urban Development Authority (UDA), Urban Settlement Development Authority (USDA) and National Housing Development Authority (NHDA).

Accordingly, it was expected to provide Loan facilities through BOC, People's Bank and NSB at a concessionary interest rate. Total number of 4,053 housing units were scheduled to be constructed by UDA, NHDA and USDA, and 479 housing units have been reserved in 2021.

However, due to the increased interest rates, granting subsidized loans by participatory banks have been delayed in 2022.

Box 7.1 : Indian Credit Line (ICL) of USD 1,000 Million

The Credit Facility Agreement between the GoSL and the State Bank of India (SBI) was signed on March 17, 2022 to obtain a loan of USD 1,000 million for the importation of essential items from India under the approval of the Cabinet of Ministers which was granted at its meeting held on March 05, 2022. The objective of this agreement was to facilitate Sri Lankan importers who faced many difficulties in opening Letters of Credit to import foods and other essential items due to the shortage of foreign currency in the banking system and the market. Concerning the severe economic crisis at the time, analyzing the factors that help to boost the economy of the country, the credit facility was initially allotted among three sectors namely, Industrial Raw Materials (USD 500 million), Essential Commodities (USD 300 million) and Pharmaceuticals (USD 200 million) and later considering the shortage of food and fuel in the country, based on the requirements arisen from time to time, the allocation was revised several times and finally revised as: Essential Commodities (USD 371 million), Pharmaceuticals (USD 235 million), Industrial Raw Materials (USD 194 million) and Fuel (USD 200) million.

Importation requirements and the importers are identified and recommended by reviewing the applications received from importers to the main committee which was established under the Ministry of Trade, Commerce and Food Security following the initial recommendation received from three subcommittees which have been established under the respective line Ministries for the three main sectors, Essential Commodities, Industrial Raw Materials, and Pharmaceuticals. Main committee recommended invoices along with the importer and exporter details are forwarded for approval of the High Commission of India (HCI) and approved invoices are conveyed to importers to start the importation by the Indian Credit Facility Coordination Unit (ICFCU) which has been established under the Ministry of Finance (MoF) to facilitate the implementation of the ICL. Once the importation completed, ICFCU facilitates for payment for the exporters through HCI and SBI. Further, Special Investigation Unit (SIU) has been established under the Sri Lanka Customs to facilitate the clearance of goods imported under the ICL.

Accordingly, as of December 31, 2022, applications totaling USD 826 million had been submitted to the HCI by ICFCU for approval, accounting for 82.6 percent of the total allocation. Out of which, USD 590 million worth of applications have been approved. USD 345 million worth of goods have been imported into the country and out of that USD 328 million Payment Authorizations have been issued to HCI to process exporters' payments.

Summary of Indian Line of Credit Facility as of December 31, 2022

Category	Total Allocation	Sent for Approval to HCI	Approved Value	Goods Received	USD Million	
					Payment Authorizations (PA) Issued	% of PA Issued from goods received
Industrial Raw Materials	194	128	64	26	22	83.5
Pharmaceuticals	235	184	130	44	33	75.6
Essential Commodities	371	297	196	75	73	97.2
Fuel	200	200	200	200	200	100.0
LP Gas		17	-			
Total	1,000	826	590	345	328	95.0

Source: Indian Credit Facility Coordinating Unit



08

Performance of
State Owned
Enterprises

8.1 Overview

State Owned Enterprises (SOEs) play an important role in meeting strategic development objectives, primarily the supply of essential services on a commercial basis and optimization of strategic resources. However, despite the significant presence of SOEs in the Sri Lankan context, SOEs have not yielded the desired benefits to the economy. Several factors have contributed to these failures including mispricing of products and services leading to accumulated losses, inefficient operations, weak human resources management including over-staffing and industrial actions, weak governance, and management. The weak financial positions of key SOEs left them vulnerable to the shocks that emanated from the 2022 economic crisis. Furthermore, SOE weaknesses exacerbated the impacts of the crisis as shortages of fuel, electricity, and other key commodities were affected by the inability of relevant SOEs to raise finance due to weak balance sheets.

The financial weaknesses in SOEs have other important implications for the economy, particularly in the banking sector. The long-standing absence of cost-reflective pricing, especially in the energy sector has created a legacy debt stock which has been financed by state owned banks. The accumulation of such debts has created stress on these banks and by extension the creating systemic risks in the entire banking sector. Much of the bank debt from these SOEs is guaranteed by the Government creating fiscal risks. The risk arising from these large contingent liabilities crystallised during the 2022 crisis as the guaranteed foreign exchange debt of the Ceylon Petroleum Corporation (CPC) was taken onto the Government balance sheet.

Furthermore, there are cross liabilities between SOEs (particularly CPC, Ceylon Electricity Board (CEB), and Sri Lankan Airlines (SLA)), leading to transmission of balance sheet risk among entities. Considering the systemic financial risks and major fiscal risks associated with SOEs, the restructuring of SOEs is identified as a crucial component of Government policy and is also reflected in the Extended Fund Facility (EFF) programme agreed with the International Monetary Fund (IMF).

Several SOE reforms have already been implemented, particularly the introduction of automatic cost reflective pricing for fuel on a monthly basis and electricity on a biannual basis. Measures have also been taken to introduce competition in the petroleum retail sector and to initiate the unbundling of the electricity sector. Nonetheless, there are several more steps required in the reform journey, particularly in terms of addressing residual weakness in SOE balance sheets and improving corporate governance.

In addition to restructuring of the key fiscally significant SOEs (CPC, CEB, SLA), the Government also intends to restructure several other SOEs. This is intended to reduce fiscal leakage in the case of loss making SOEs, to divest non-strategic assets in the context of overall objectives to make public debt sustainable, and to rationalize the role of the state in commercial activity.

To drive the SOE reform process forward an SOE restructuring unit was established under the Ministry of Finance. An SOE policy has also been approved by the Cabinet and a holding company will be set up to own shares of SOEs on behalf of the Government. SOEs will be required to adhere to transparency and Governance standards that are similar to those of companies listed on the Colombo Stock Exchange. Fit and proper standards will be applied to directors of SOE Boards. State bank lending to SOEs will be subject to more rigorous rules to mitigate the concentration risks arising from SOE debt. Government will divest shares in SOEs where there is limited case for Government engagement in commercial activity. Measures have already been taken to issue for Proposals (RFPs) for divestment of Government owned shares in several SOEs. In some cases where there is a justification for joint state ownership, the public private partnership (PPP) model will be utilized and a new PPP unit has been established at the Ministry of Finance.

In 2022, the financial performance of SOEs was weaker than historical trends. In terms of the overall outturn of the key 52 SOEs, the overall loss increased by sixfold to Rs. 744.7 billion in 2022. However, 34 SOEs recorded a collective net profit of Rs. 214 billion in spite

of challenging economic conditions. The other 18 SOEs recorded a collective loss of Rs. 958.7 billion in 2022. The major cause of these losses was the foreign exchange loss experienced by the key SOEs including the CEB and CPC due to the sharp rupee depreciation in 2022. The

banking and finance sector was also adversely affected by overall economic conditions as the profitability of this sector declined by 25 percent in 2022. The total collection of levies and dividends reduced to Rs. 28 billion in 2022 compared to Rs. 30.6 billion in 2021.

Table 8.1 | Financial Outturn of Key SOEs

Sector	Number of SOEs	Total Revenue 2022 ^(a)	Rs. Million	
			PBT/ (LBT) 2021 ^(b)	PBT/ (LBT) 2022 ^(b)
Energy	2	1,457,258	-115,955	-876,922
Water	1	35,464	-3,054	-3,064
Ports	1	68,408	25,601	57,026
Commuter Transportation	1	58,269	-3,054	484
Aviation	2	373,098	-167,125	-65,743
Construction	3	9,719	-1,453	-844
Banking and Finance	7	1,143,432	137,350	102,405
Insurance	4	92,958	19,775	25,021
Lotteries	2	39,519	3,957	4,657
Livestock	2	17,216	489	-338
Plantations	6	7,692	234	1,406
Non-Renewable Resources	3	8,291	1,512	6,304
Health	4	71,807	4,124	807
Media	3	3,902	-560	-1,147
Marketing and Distribution	11	99,102	315	5,290
Total	52	3,486,135	-97,845	-744,658

Sources : SOEs and Department of Public Enterprises

^(a)Provisional

^(b)Profit Before Tax/(Loss Before Tax) – Provisional

Table 8.2 | Levy/ Dividend Income from SOEs

	Rs. Million				
	2018	2019	2020	2021	2022
Levy	37,230	22,634	14,769	25,919	22,004
National Savings Bank	500	2,000	1,000	3,500	-
Bank of Ceylon	4,500	-	1,250	1,500	-
People's Bank	3,200	2,200	2,500	1,977	441
Telecommunication Regulatory Commission	21,850	8,950	5,000	8,500	13,200
Regional Development Bank	-	169	-	-	-
State Timber Corporation	100	50	-	100	320
State Pharmaceuticals Manufacturing Corporation	50	-	-	100	100
National Insurance Trust Fund	2,750	3,268	782	1,824	1,608
Geological Survey and Mines Bureau	1,700	2,300	-	2,000	1,000
National Gem and Jewellery Authority	25	25	-	15	35
Board of Investment	250	250	156	-	416
National Lotteries Board	-	-	-	900	361
Securities and Exchange Commission	-	53	-	-	-
Sri Lanka Standard Institution	-	-	-	-	10
Sri Lanka Export Credit Insurance Corporation	15	15	-	25	50
Central Engineering Consultancy Bureau	25	25	-	25	-
Sri Lanka Tourism promotion Bureau	1,000	500	-	-	-
Civil Aviation Authority	800	800	-	50	1,000
State Pharmaceutical Corporation	-	-	-	-	350
National Transport Medical Institute	165	200	-	110	290
Sri Lanka Bureau of Foreign Employment	200	650	-	-	1,200
National Transport Commission	100	50	-	-	10

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

Rs. Million

	2018	2019	2020	2021	2022
Sri Lanka Tourism development Authority	-	200	-	-	-
Sri Lanka Land Reclamation and Development Authority	-	29	-	-	-
Sri Lanka Ports Authority	-	900	-	-	1,015
National Medicine Regulatory Authority	-	-	81	147	400
Road Development Authority	-	-	4,000	4,000	-
Land Reforms Commission	-	-	-	1,100	-
Condominium Management Authority	-	-	-	25	50
National Institute of Business Management	-	-	-	16	33
Sri Lanka Ayurvedic Drugs Corporation	-	-	-	5	-
Post Graduate Institute of Management	-	-	-	-	90
Other SOEs	-	-	-	-	25
Dividends	4,598	5,025	2,854	4,672	6,087
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	-	-	-	-
National Development Bank	1	1	1	1	1
Sri Lanka Savings Bank	86	-	-	-	-
Commercial Bank	-	-	-	-	0.17
Sri Lanka Insurance Corporation Ltd	1,856	1,720	695	899	1,511
Airport and Aviation Services Ltd	300	500	-	-	500
Lanka Mineral Sands Ltd	35	130	-	700	759
Lanka Phosphate Ltd	5	7	-	20	20
Independence Television Network Ltd	12	-	-	-	-
Lanka Leyland Ltd	45	13	2	3	13
Rakna Arakshaka Lanka Ltd	40	37	-	-	-
Manthai Salt Ltd- (National Salt Company)	-	-	2	15	-
Ceylon Fertilizer Ltd	21	15	304	29	15
Colombo Commercial Fertilizer Ltd	20	10	-	-	10
Paranthan Chemicals Company Ltd	11	-	10	3	50
STC General Trading Company	-	-	-	-	11
Sri Lanka Telecom PLC	795	947	947	1,331	1,805
De La Rue Lanka Ltd	106	133	-	345	313
Lanka Electricity Company Ltd	305	501	-	327	218
Lanka Industrial Estates Ltd	78	82	82	82	-
Ceylon Agro Industries	19	23	77	95	24
Lanka Logistics Limited	1	-	-	-	-
Plantation Companies	95	172	12	98	95
Lanka Thripasha Ltd	-	-	-	-	10
Others	4	12	-	2	10
Total	41,828	27,659	17,623	30,591	28,091

Sources: SOEs and Department of Public Enterprises

Table 8.3 | Asset Base of Key SOEs

Sector	Number of SOEs	Total Assets as at 31.12.2021 ^(a) (Rs. Million)	Total Assets as at 31.12.2022 ^(a) (Rs. Million)	Growth (%)
Energy	2	1,426,969	1,554,791	8.96
Water	1	784,602	954,578	21.66
Ports	1	492,621	728,551	47.89
Commuter Transportation	1	13,541	36,488	169.46
Aviation	2	304,988	374,501	22.79
Construction	3	40,433	41,881	3.58
Banking and Finance	7	8,812,280	9,795,946	11.16
Insurance	4	312,859	331,668	6.01
Lotteries	2	12,057	12,842	6.51
Livestock	2	27,080	27,670	2.18
Plantations	6	16,640	18,600	11.78
Non-Renewable Resources	3	7,206	12,524	73.80
Health	4	72,803	97,380	33.76
Media	3	6,542	5,641	-13.77
Marketing and Distribution	11	110,697	128,515	16.10
Total	52	12,441,318	14,121,576	13.51

Sources: SOEs and Department of Public Enterprises

^(a) Provisional

8.2 Energy

8.2.1 Ceylon Electricity Board

The Ceylon Electricity Board (CEB) faced a tumultuous year in 2022 as foreign exchange shortages caused significant supply chain challenges as sufficient imported raw materials could not be sourced. Furthermore, the cost of key imports (fuel and coal) increased significantly due to currency depreciation and global commodity trends influenced by the Russia-Ukraine conflict. As a result, the CEB was unable to provide continuous electricity supply with extensive power outages experienced during the year.

As a result of these power outages, electricity consumption decreased by 4.6 percent compared to the year 2021. However, the revenue generated from electricity sales for 2022 increased by 24 percent to Rs. 308.5 billion compared to Rs. 248.8 billion in 2021, primarily due to the upward price revision that took place in August 2022. The failure to revise electricity tariffs since 2014 contributed to acute liquidity issues faced by the CEB, which have hindered the required investments in the sector. The Government took measures to increase the end-user electricity tariff by 75 percent in August 2022 as the first step in implementing an automatic semi-annual cost-recovery-based electricity tariff methodology.

End user electricity tariff was again revised with an average increase of 66 percent with effect from February 15, 2023 in order to fully reflect cost recovery adjustments. Going forward, the CEB will have a regular biannual tariff revision which will be on a forward looking cost recovery basis. This would ensure that future losses would be eliminated and the fiscal burden arising from the CEB would be reduced.

As a result of higher fuel and coal prices in the international market coupled with the rupee devaluation during the year 2022, the direct generation cost was more than doubled, in comparison to the preceding year. Even though the electricity tariff was increased, CEB incurred an operating loss of Rs. 167.2 billion for the year 2022 due to the delayed and limited tariff increase being inadequate to fully compensate for the significant increase in generation cost. The average cost per unit at the selling point increased to Rs. 33.65 per KWh during the year 2022 compared to Rs. 19.42 per KWh in 2021. The generation mix in the year 2022 largely remained the same at thermal (coal) (35%), hydro (33%), NCRE & Wind (17%) and thermal (fuel) (15%) in 2021.

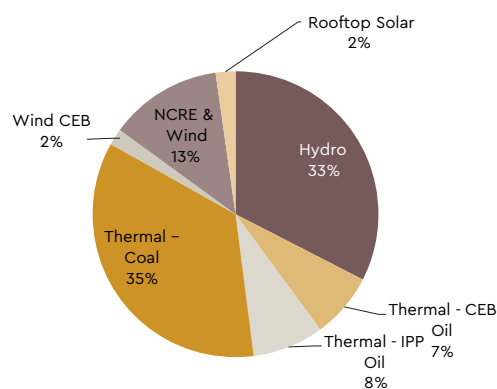
Table 8.4 | Installed capacity and power generation of CEB – 2020 – 2022

Description	2020			2021			2022 ^(a)		
	Installed capacity MW	Generation Percentage on Total Generation	GWh	Installed capacity MW	Generation Percentage on Total Generation	GWh	Installed capacity MW	Generation Percentage on Total Generation	GWh
Hydro	1,399	24	3,929	1,383	33	5,658	1,413	33	5,383
Thermal – CEB Oil	654	9	1,515	654	7	1,279	654	8	1,384
Thermal – IPP Oil	614	16	2,717	433	8	1,400	270	7	1,128
Thermal – Coal	900	39	6,365	900	35	6,111	900	35	5,730
Wind CEB	31	0	8	104	2	326	104	2	362
NCRE & Wind	672	10	1,589	711	13	2,214	743	12	2,061
Rooftop Solar	275	2	269	416	2	389	535	3	528
Total	4,545	100	16,392	4,601	100	17,377	4,619	100	16,576

Source : Ceylon Electricity Board

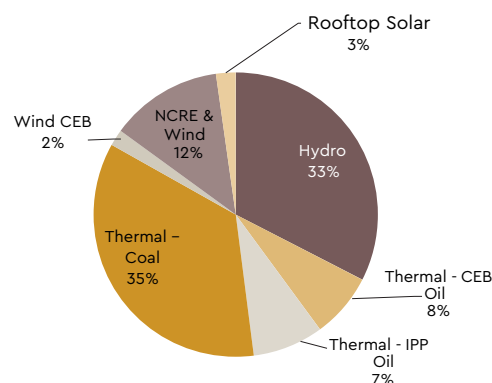
^(a) Provisional

Figure 8.1 | Generation Mix – 2021



Source : Ceylon Electricity Board

Figure 8.2 | Generation Mix – 2022



Source: Ceylon Electricity Board

During the year 2022, the Government took a policy decision to re-classify the selected foreign currency debts on the CEB balance sheet obtained from the China Exim Bank into the Government Balance sheet. Accordingly, the outstanding loan balance of Rs. 214.7 billion (USD 591.4 million) as at the end of December 2022 obtained for the construction of the Norochcholai power plant was transferred into the Government Books of Accounts. Further, action was also taken to convert the debts amounting to Rs. 146.5 billion, which were recorded as sub-loans in the CEB financial statements, into equity investment by the Government in CEB as at end December 2022. An exchange loss of Rs. 94.7 billion recorded on the above transaction due to the recognition of the loan in the CEB's book of accounts at the historic exchange rate which was at a significantly lower value than the exchange rate that prevailed at the end of 2022. This has resulted to increase CEB's net loss to Rs. 261.9 billion in 2022.

Further, in light of the challenged liquidity positions of both the CEB and CPC, the Government channeled Rs. 80 billion to the CEB to settle its outstanding debts to CPC during the year 2022. Nonetheless due to large legacy debts, as of the end of the year 2022, CEB's total outstanding debt to CPC and Independent Power Producers (IPP) remained elevated at Rs. 193.1 billion. In the meantime, the total debt liability of the CEB to the state banks and project loans stood at Rs. 220.7 billion at the end of year 2022.

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

Rs. Million

	2018 (Restated)	2019 (Restated)	2020 (Restated)	2021	2022 ^(a)
Operational Statement					
Revenue	240,488	255,008	249,066	261,373	321,433
Sale of Electricity	229,571	242,950	238,911	248,776	308,457
Other Income	10,917	12,058	10,155	12,597	12,976
Expenditure	270,883	352,367	309,552	295,512	488,613
Direct Generation Cost	164,873	218,469	183,213	157,374	325,245
IPP (With NCRE)	84,497	118,665	110,213	85,690	121,244
CEB – Fuel Cost (Oil & Coal)	80,376	99,803	73,000	71,684	204,001
Generation, Transmission & Distribution O&M Cost	56,902	73,121	67,701	76,189	71,510
Corporate Expenses	5,683	6,969	7,009	8,047	16,115
Interest on Borrowings and Delayed Payments	13,036	22,526	19,522	20,431	41,749
Depreciation	30,388	31,283	32,107	33,471	33,994
Operating Profit /(Loss)	-30,395	-97,358	-60,486	-34,139	-167,180
Exchange Gain/(Loss)	–	–	–	–	-94,689
Net Profit/ (Loss)	-30,395	-97,358	-60,486	-34,139	-261,869
Liquidity Position					
Borrowings from Banks	68,388	93,796	49,681	32,701	54,832
Payments to Banks	19,695	62,130	20,568	26,938	34,108
Outstanding Debt to Banks	288,606	333,245	416,143	428,300	220,743
Purchases from CPC and IPP	124,104	173,423	137,762	100,630	176,989
Payments to CPC and IPP	128,760	115,181	147,122	96,598	152,790
Outstanding to CPC and IPP	79,365	141,904	128,883	141,094	193,087
Operational Statistics					
Units Sold (GWh)	14,091	14,611	14,285	15,214	14,519
Units Generated (GWh)	15,985	16,556	16,392	17,378	16,575
Cost per Unit (Rs.)	19.22	24.12	21.67	19.42	33.65
Sales per Unit (Rs.)	16.29	16.63	16.72	16.35	21.25

Source: Ceylon Electricity Board

^(a) Provisional

Moreover, the Government has appointed a high-level committee to recommend reforms to the institutional framework of the CEB and its subsidiaries. A comprehensive report in this regard was submitted to the Cabinet of Ministers and approval was granted to implement the proposed recommendations of the committee.

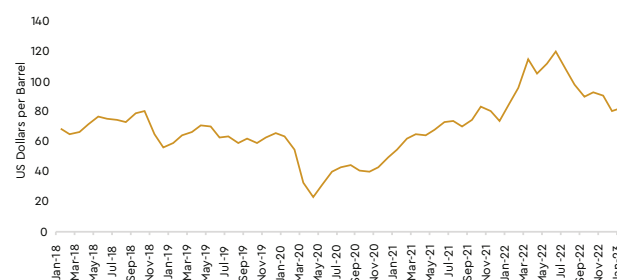
8.2.2 Ceylon Petroleum Corporation

The petroleum industry in general, is subject to uncertainty and volatility within global economic and political contexts. Major volatility in oil-producing regions in 2022 have created constraints such as logistical bottlenecks, sanctions on trade, destruction of capital infrastructure on the supply side, and high volatility in consumer demand.

In this uncertain context, Brent crude oil price increased by around 26 percent to USD 120 per barrel at the end of June 2022, from USD 95 per barrel in early February 2022, recording the

highest price in the last decade. The volatility of global oil prices has compounded Sri Lanka's economic challenges in 2022. However, pricing trends reversed course in August 2022, with Brent crude oil price dropping by almost 32 percent to USD 81 per barrel by the end of December 2022.

Figure 8.3 | Crude Oil (petroleum) Brent Price in 2018-2022 (USD)



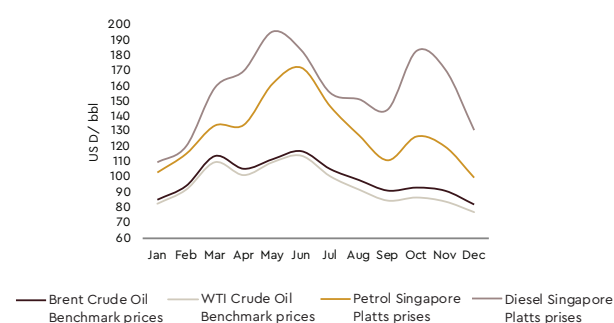
Source: tradingeconomics

CPC struggled to meet the demand in 2022 as supply was highly curtailed due to the foreign exchange shortage faced by the banking system. In this context, India and Sri Lanka entered into an agreement for a credit line worth USD 700 million with an aim to facilitate fuel importation which was crucial to reactivate the supply chain. Subsequently, the Ministry of Power and Energy introduced a fuel rationing system utilizing a unique QR code which was a turning point in managing demand and ensuring sufficient supply to enable regular economic activity and eliminate queues and the associated social unrest.

Due to the supply chain disturbances, the total import quantity of crude oil and petroleum products of the country was limited to 4.6 million MT in 2022 which was a 20 percent decline on a year-on-year basis. The CPC imported only 0.7 million MT of crude oil and 2.7 million MT of refined products in 2022 compared to 1.2

million MT of crude oil and 3.1 million MT of refined products in 2021. Nevertheless, the total fuel import bill of the country for 2022 increased by 31 percent over 2021, to USD 4.9 billion due to the increase of world market oil prices. Accordingly, the oil import bill of the CPC also increased by 50 percent to USD 3.3 billion in 2022.

Figure 8.4 | Average Crude Oil Prices 2022



Source: Central Bank

Table | 8.6 Financial Outturn of Ceylon Petroleum Corporation

	2018	2019	2020	2021	Rs. Million 2022 ^(a)
Total Revenue	605,952	660,646	530,878	613,733	1,193,288
Octane 92	172,088	195,216	178,196	215,754	405,061
Octane 95	28,669	26,580	21,085	23,491	23,182
Diesel	220,922	238,967	188,937	218,286	488,831
Super Diesel	11,589	10,877	8,949	10,809	27,096
HF 800cc	30,456	13,438	-	-	-
HF 1500cc	8,774	16,912	18,525	16,807	62,345
HF 3500cc/Super Oil	-	33,652	49,444	19,982	6,662
LSHF	19,295	10,799	1,852	12,387	28,756
Naptha	14,270	16,803	11,260	15,216	6,468
Kerosene	15,351	17,598	15,162	17,928	19,561
JET- A-1	64,090	58,857	19,401	30,721	82,127
Other Products	6,746	6,892	6,060	12,452	4,360
Other Income	13,702	14,055	12,007	19,900	38,839
Total Expenditure	712,095	672,483	528,507	695,549	1,808,341
Cost of Sales	579,617	626,599	454,880	588,823	1,108,952
Sales and Distribution	14,914	17,981	15,782	29,108	39,441
Administration	5,296	4,886	3,683	6,991	5,106
Finance Cost	12,065	14,699	20,911	25,645	119,537
Depreciation	726	984	2,670	2,684	2,647
Other Cost(Excise Duty & NBT)	16,760	15,732	8,740	9,079	5,648
Exchange Rate Variation	82,717	-8,398	21,841	33,220	527,010
Profit/(Loss) Before Tax	-106,143	-11,837	2,371	-81,816	-615,053
Outstanding debts to Banks	562,457	566,225	529,187	693,040	87,749

Sources : Ceylon Petroleum Corporation

^(a) Provisional

The CPC's overall cost of sales increased by 88 percent to Rs. 1,109 billion in 2022 from Rs. 589 billion in 2021. This was influenced by the higher cost of imported fuel and currency depreciation.

The Government re-introduced a cost-reflective pricing formula at the end of May 2022 as a strategic move to minimize operational losses and address CPC liquidity issues. Despite the regular price adjustments since May, the CPC recorded an operating loss of Rs. 6.2 billion for the full year in 2022, compared to a loss of Rs. 41.3 billion in 2021.

Furthermore, the depreciation of the Sri Lankan Rupee against the USD also adversely affected the performance of CPC. Due to the high level of foreign currency denominated liabilities on the CPC balance sheet, any depreciation of the currency translates into a foreign exchange loss for the CPC. The adverse exchange rate impact recorded its historically highest level in 2022 with a foreign exchange loss of Rs. 527 billion compared to Rs. 33.2 billion in 2021. Meanwhile, the CPC's finance cost increased by 3.5 times to Rs. 119.5 billion in 2022, compared to Rs. 25.6 billion in 2021 due to local currency depreciation. As a result, CPC ended up with a record net loss of Rs. 615 billion and thereby increasing the accumulated loss to Rs. 1,031.3 billion at the end of December 2022.

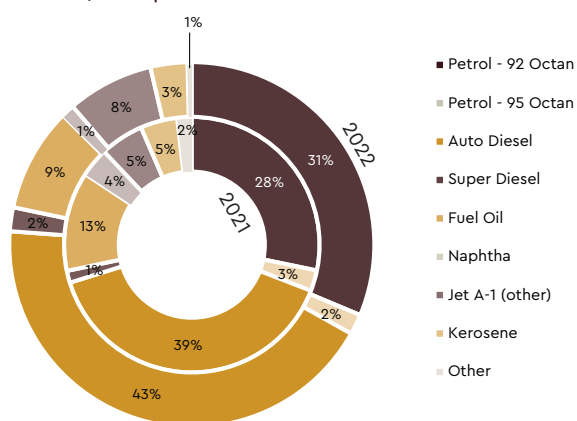
In addition, the weak financial position and liquidity constraints of CEB and Sri Lankan Airlines had a knock-on impact on the CPC's balance sheet as these two entities were unable to fully finance their fuel purchases from CPC. The total outstanding liability including CEB and SLA to the CPC increased to Rs. 226 billion. This asset on the CPC balance sheet was in turn financed by the state banks, resulting in a higher liability of CPC to the Bank of Ceylon and People's Bank. This illustrates the adverse nexus between the balance sheets of the large SOEs and the banking system. The Government is in the process of identifying strategies to address the weaknesses in the balance sheets of each of these entities, which has also been identified as a priority in the IMF EFF programme.

As an initial step, the Government decided to restructure CPC's balance sheet by transferring the outstanding balance of the Government-guaranteed foreign currency denominated debt stock of the CPC, to the central Government debt stock. This amounted to USD 2.44 billion (Bank of Ceylon: USD 1.34 billion and People's Bank: USD 1.09 billion), as of end December 2022. Nonetheless the CPC has residual liabilities to the Government for its on-lending of the Indian Line of Credit facility (USD 697 million), liabilities to the National Iran Oil Company (USD 251 million), and the Bank of Ceylon (Rs. 87 billion), respectively with regard to importation of petroleum products. The treatment of these residual liabilities and cross liabilities between the CEB, SLA, and CPC would be addressed in the Government's overall strategy for restructuring the balance sheets of key SOEs.

Another important reform initiative was the Petroleum Products (Special Provisions) (Amendment) Act, No. 27 of 2022 which allows global suppliers to enter the Sri Lankan market thereby liberalizing the petroleum retail sector.

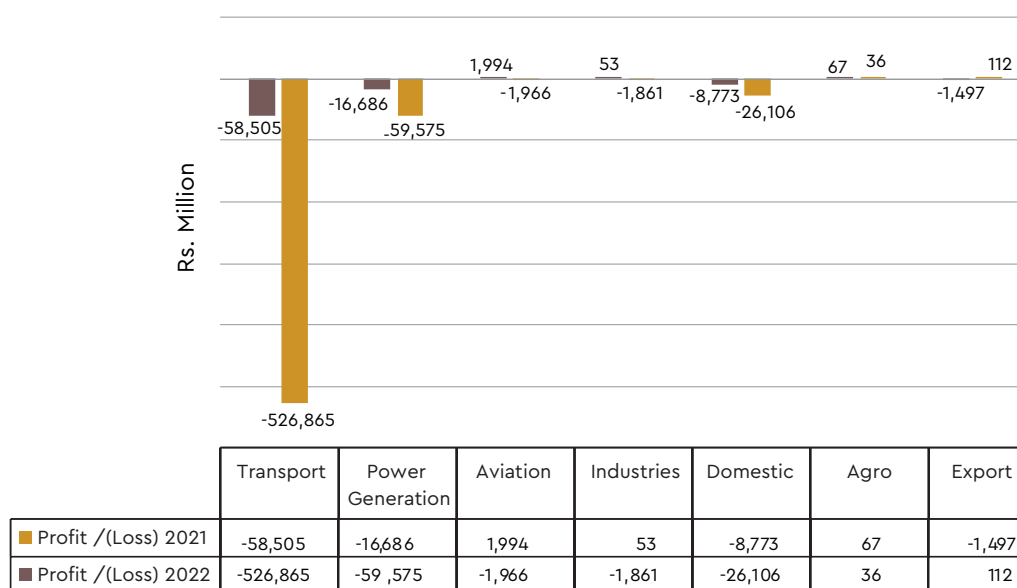
The Government has called for Expressions of Interest (EOI) from established companies in petroleum-producing countries for the importation, storage, distribution, and sale of petroleum products through the predetermined distribution dealers operated in Sri Lanka. This landmark reform is expected to introduce competition in petroleum retail in Sri Lanka, driving efficiencies, reducing costs, and improving service standards for the benefit of Sri Lanka's consumers.

Figure 8.5 | Composition of Product Portfolio



Source: Ceylon Petroleum Corporation

Figure 8.6 | Sector wise Profitability



Source: Ceylon Petroleum Corporation

The CPC's sales volume decreased by almost 1,080 million liters in 2022 due to weaker economic activity including power generation. As per the sector-wise analysis of petroleum sales, transport, power generation and the domestic sector recorded considerable losses amounting to Rs. 526.9 billion, Rs. 59.6 billion and Rs. 26.1 billion, respectively in 2022 compared to Rs. 58.5 billion, Rs. 16.7 billion and Rs. 8.8 billion in 2021.

8.3 State Banks

During 2021, Sri Lankan banks rebounded from impact of the pandemic with strong revenue growth and improved profitability. However, the context changed dramatically in 2022 due to a series of shocks in the operating environment, including sharp economic contraction, downgrading of the sovereign rating, liquidity constraints in both rupee and foreign exchange markets, spiraling inflation which required sharp interest rate increases, and so on.

In the local banking industry, state-owned banks play a crucial role in promoting financial inclusion, supporting economic growth, and ensuring stability in the banking sector while working closely with the Government to implement policies and programs that

promote development and social welfare of the country. The state banks having almost 49 percent of the total assets of the banking sector (comprising licensed commercial banks and licensed specialized banks) continued to dominate the banking industry in 2022.

However, due to the adverse macro-economic conditions that prevailed in the economy and other negative factors affecting the banking industry in 2022, the state banks faced significant pressure in managing liquidity, profitability, and capital adequacy.

During 2022, the total profitability of the state-owned banking sector decreased by 43.5 percent to Rs. 59.2 billion compared to the Rs. 104.9 billion in 2021. This was mainly due to the drop in net interest margin and increased impairment of investments in foreign currency denominated Government securities. The state banks contributed to 30.8 percent of the total profit earned by Sri Lanka's banking sector in 2022.

The state banks' combined branch network, including service delivery points, expanded to 1,924 by addition of 4 new branches in 2022 while almost all the banks adopted digital platforms to serve their customers.

Table 8.7 | Financial Position and performance of the Major State Banks

Description	Banking Sector	Bank of Ceylon		People's Bank		National Savings Bank	
		Value	Share (%)	Value	Share (%)	Value	Share (%)
Assets (LKR Bn.)	19,400	4,336	22.3	2,972	15.3	1,617	8.3
Deposits (LKR Bn.)	15,300	3,335	21.7	2,372	15.5	1,477	9.6
Profit before Tax (LKR Bn.)	192.2	30.9	16.0	21.3	11.1	4.5	2.3
Profit after Tax (LKR Bn.)	151.7	31.9	21.0	17.2	11.3	2.5	1.6
Tier 1 Capital Adequacy Ratio (%)	12.3	12.4	-	11.9	-	14.6	-
Total Capital Adequacy Ratio (%)	15.3	15.3	-	16.3	-	16.8	-
ROA before tax (%)	1.0	0.7	-	0.8	-	0.2	-
Interest Margin (%)	4.0	3.1	-	2.7	-	2.0	-

Source : State Banks

8.3.1 Bank of Ceylon

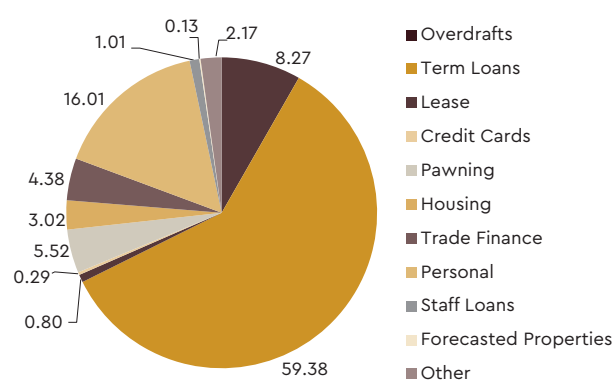
The Bank of Ceylon (BoC) continued to be the largest bank in the industry with an asset base of Rs. 4,336 billion and a deposit base of Rs. 3,334.7 billion. In 2022, both the total assets and the deposits increased by 14.0 percent and 16.3 percent, which are below the industry average increase of 15.4 percent and 18.8 percent, respectively.

Despite the increase in total operating income by 28.4 percent in 2022 over the previous year, the BoC's profit decreased by 28.3 percent to Rs. 30.9 billion in 2022 compared to Rs. 43.1 billion in 2021 mainly due to the escalated impairment charges for loans and other assets.

BoC's total loans and advances to customers decreased by 3.7 percent to Rs. 2,325.5 billion at the end of 2022 from Rs. 2,413.7 billion at the end of 2021 as against the industry average decline of 5.7 percent. However, BoC managed to maintain its impaired (Stage 3) ratio at 5.2 percent in 2022, while the industry average was 11.3 percent.

BoC has also reached a Rs. 3,334.7 billion deposit base with a 16.3 percent expansion in 2022. However, the Current Account Savings Account (CASA) ratio has reduced to 29 percent as at end 2022, compared to 36 percent at the end previous year reflecting a high cost of funding.

Figure 8.7 | Loans and Advances to the Customers – By product



Source: Bank of Ceylon

During the first week of February 2023 the Fitch Ratings upgraded the Long-Term Foreign Currency Issuer Default Rating (IDR) of the Bank to 'CC' from 'RD (Restricted Default)' and Short-Term IDR to 'C' from 'RD', while the national rating of the Bank continued to be at A(Ika). During the year 2022, BoC was named as the No.1 Banking Brand for the 14th consecutive year by Brand Finance Lanka with a Brand value of Rs. 53.9 billion.

Table | 8.8 Financial Outturn of Bank of Ceylon

	2018	2019	2020	2021	Rs. Million 2022 ^(a)
Total Income	221,021	239,116	247,164	290,362	513,149
Interest Income	195,394	220,477	226,311	260,513	456,267
Interest Expense	129,836	145,331	151,535	149,261	329,921
Net Interest Income	65,558	75,146	74,776	111,252	126,346
Other Income	25,627	18,640	20,853	29,848	57,686
Total Operating Expenses	57,769	64,100	72,077	97,911	153,055
Personnel Expenses	17,351	18,365	18,190	24,982	28,991
Other Expenses	40,418	45,736	53,887	72,929	124,064
Profit/ (Loss) Before Tax	33,416	29,685	23,552	43,190	30,977
Key Performance Indicators					
Investments	626,078	650,433	785,832	1,125,018	1,601,082
Deposits	1,770,975	2,005,212	2,474,775	2,866,894	3,334,774
Loans and advances	1,429,107	1,549,805	1,988,409	2,413,762	2,325,594
Non-Performing Advances (Gross)	53,754	77,133	98,564	251,158	324,630
ROA (%)	1.6	1.3	0.9	1.27	0.76
ROE (%)	17.3	16.8	11.9	21.03	14.06
NPL Ratio (%)	3.6	4.8	4.8	4.4	-
Impaired (Stage 3) ratio (%)	-	-	-	5.08	5.27

Sources: Bank of Ceylon

^(a) Provisional

8.3.2 People's Bank

People's Bank's (PB) asset base grew by 12.3 percent to Rs. 2,972 billion in 2022 compared to the industry growth rate of 15.4 percent. Furthermore, the deposit base of the bank increased by 14.5 percent to Rs. 2,372 billion against the industry average of 18.8 percent growth. Lending to customers decreased by 2.9 percent to Rs. 1,783.1 billion compared with the industry average decline of 5.7 percent in 2022.

The net interest income of PB decreased by 8.1 percent to Rs. 75.7 billion in 2022 mainly due to the drop in net interest margin to 2.7 percent in 2022 from 3.4 percent in 2021. Even with the decrease in the net interest income and higher provisions made for impairments, the bank was able to achieve Rs. 21.3 billion profits in 2022, compared to Rs. 30.3 billion in 2021 due to the increase in net fee and commission income by Rs. 7.9 billion.

The Capital Adequacy Ratio for Tier -1 capital of PB at the end of 2022 has been recorded as 11.9 percent, which is well above the minimum regulatory requirement of 8.5 percent.

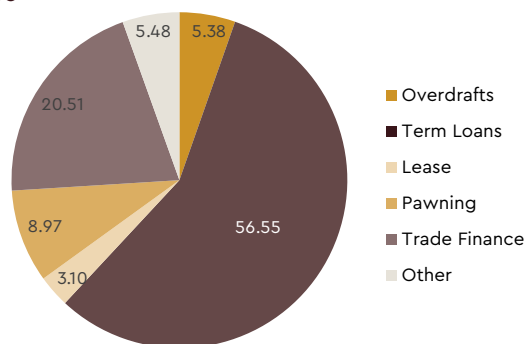
Table 8.9 | Financial Outturn of People's Bank

	2018	2019	2020	2021	Rs. Million 2022 ^(a)
Total Income	181,284	199,729	190,982	207,250	357,229
Interest Income	166,441	186,714	179,717	197,330	321,936
Interest Expense	111,035	125,508	118,784	114,869	246,178
Net Interest Income	55,406	61,207	60,934	82,461	75,758
Other Income	14,479	12,588	10,781	11,265	35,293
Total Operating Expenses	45,479	54,129	50,487	63,339	89,712
Personnel Expenses	19,905	19,494	19,722	22,772	26,603
Other Expenses	25,574	34,635	30,765	40,567	63,109
Profit/ (Loss) Before Tax	24,406	19,666	21,227	30,387	21,338
Key Performance Indicators					
Deposits	1,422,961	1,491,386	1,835,099	2,071,533	2,371,519
Loans and advances (gross)	1,334,420	1,386,481	1,723,466	1,835,697	1,783,107
Non Performing Advances	31,472	43,569	53,745	59,995	79,335
ROA (before tax) (%)	1.5	1.1	1.0	1.2	0.8
ROE (after tax) (%)	20.3	13.9	14.4	19.9	12.2
NPL Ratio (%)	2.5	3.3	3.2	3.2	-
Impaired (Stage 3) ratio (%)	-	-	3.5	4	12.8

Sources: People's Bank and Department of Public Enterprises

^(a) Provisional

Figure 8.8 | Loans and Advances to the Customers - By type



Source: People's Bank

8.3.3 National Savings Bank

National Savings Bank (NSB) operates with a strong branch network of 262 branches and 4,064 post offices/sub post offices across the island. At the end of 2022, the NSB's asset base

reached Rs. 1,616.7 billion with a 2.4 percent growth in comparison with the previous year. Moreover, the deposit base and the lending portfolio recorded as Rs. 1,476.7 billion and Rs. 578.6 billion, respectively at the end December 2022, an increase of 3.4 percent and 7.4 percent, respectively over 2021.

In 2022, NSB recorded a profit before tax of Rs. 4.5 billion, with a decrease of 84 percent compared to 2021 mainly due to the decrease in net interest income by 40 percent from Rs. 54.6 billion in 2021 to Rs. 32.5 billion in 2022.

The Personal/pawning and other loans category contributed to 48.0 percent of the Bank's loan portfolio whilst construction and infrastructure sectors are the other major sectors that contributed to 32.0 percent and 11.0 percent, respectively to the loan book.

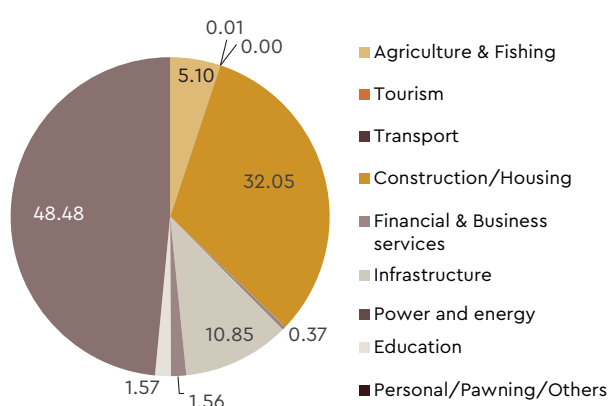
Table 8.10 | Financial Outturn of National Savings Bank

	Rs. Million				
	2018	2019	2020	2021	2022 ^(a)
Total Income	111,902	121,929	127,547	134,939	174,638
Interest Income	110,507	118,730	122,512	131,438	173,021
Interest Expense	85,622	89,898	87,622	76,809	140,477
Net Interest Income	24,885	28,832	34,890	54,630	32,544
Other Income	1,254	3,067	4,881	3,293	2,614
Total Operating Expenses	18,197	21,438	24,126	29,368	30,649
Personnel Expenses	9,263	10,158	9,967	12,867	13,791
Other Expenses	8,934	11,280	14,159	16,501	16,858
Profit Before Tax	7,941	10,462	15,645	28,555	4,510
Key Performance Indicators					
Number of Branches	255	256	259	261	262
Number of Post Offices/Sub Post Offices	4,062	4,063	4,063	4,064	4,064
Investments	565,841	647,760	798,811	980,672	978,772
Deposits	839,574	1,016,574	1,237,124	1,428,467	1,476,740
Loans and advances	422,895	454,395	516,795	538,942	578,648
Non Performing Advances	6,136	7,224	14,532	16,282	22,985
ROA (%)	0.78	0.95	1.24	1.93	0.28
ROE (%)	10.95	14.34	20.67	33.92	3.4
NPL Ratio (%)	1.44	1.57	2.79	2.97	-
Impaired (Stage 3) ratio (%)	-	-	-	2.54	2.83

Sources: National Savings Bank

^(a) Provisional

Figure 8.9 | Loans and Advances to the Customers - By type



Source: 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 in the Colombo Stock Exchange.

The lending portfolio of HDFC grew by 2.1 percent to Rs. 42.7 billion against a growth of 5.7 percent in the industry. However, the Non Performance Loan (NPL) ratio of the bank increased from 32.4 percent in 2021 to 35.6 percent in 2022 due to persistent unfavorable economic conditions that prevailed during the year. The deposit base of the bank also increased by 0.9 percent to Rs. 50.3 billion whilst the average growth in the industry stood at 18.8 percent.

HDFC's profit before tax recorded a decrease of 57.1 percent to Rs. 377 million for the year 2022 with a decline in the net interest margin to 4.3 percent. This resulted in a return on equity of 5.9 percent in 2022 as against 9.0 percent in 2021. Though the net assets per share of the bank increased Rs. 104.7, the share price as at end December, 2022 was recorded as Rs. 27.8.

Table 8.11 | Financial Outturn of Housing Development and Financial Corporation Bank

Rs. Million

	2018	2019	2020	2021	2022 ^(a)
Total Income	7,120	8,090	7,856	7,004	8,856
Interest Income	6,679	7,683	7,456	6,612	8,407
Interest Expense	4,441	4,783	4,475	3,556	5,679
Net Interest Income	2,238	2,900	2,981	3,056	2,728
Other Income	441	407	400	392	449
Total Expenses	2,050	2,532	2,313	2,570	2,800
Personnel Expenses	1,114	1,164	1,174	1,387	1,541
Other Expenses	936	1,368	1,139	1,183	1,259
Profit/ (Loss) Before Tax	629	775	1,068	878	377
Key Performance Indicators					
Investments	9,396	12,440	17,406	18,709	17,179
Deposits	37,016	42,504	47,947	49,813	50,245
Loans and advances	37,949	41,216	41,192	41,837	42,708
Non Performing Advances	8,899	11,623	13,134	13,190	14,615
ROA (%)	1.14	0.9	2.36	1.93	1.10
ROE (%)	12.56	9.63	12.99	9.02	5.88
NPL Ratio including EPF (%)	21.31	25.26	33.03	32.44	35.56

Sources: Housing Development and Financial Corporation Bank

^(a) Provisional

8.3.5 State Mortgage and Investment Bank

The State Mortgage and Investment Bank (SMIB), a licensed specialized bank, has been in the mortgage loan business for housing and housing-related purposes since 1931. The bank's deposit base has increased to Rs. 49.1 billion at the end 2022 recording a growth of 7.4 percent over 2021.

The total assets increased by 7.0 percent to Rs. 57 billion by the end of 2022 mainly due to the increase in loans and advances by 3 percent to

Rs. 39.3 billion. The Bank's loan portfolio stood at Rs. 39.3 billion recording an increase of 3.1 percent over Rs. 38.1 billion of 2021, which is below the industry growth of 5.7 percent. The asset quality of the bank has deteriorated during the year 2022 reflecting an increase in the NPL ratio from 9.2 percent in 2021 to 10.2 percent.

Due to the decrease in net interest income coupled with fee and commission income, SMIB recorded a net loss before tax of Rs. 48.3 million in 2022 against the profit before tax of Rs. 405 million recorded in 2021.

Table 8.12 | Financial Outturn of State Mortgage and Investment Bank

	Rs. Million				
	2018	2019	2020	2021	2022 ^(a)
Total Income	5,659	6,125	6,260	5,425	7,520
Interest Income	5,525	5,982	6,077	5,253	7,402
Interest Expense	3,578	3,951	3,960	2,951	5,463
Net Interest Income	1,947	2,031	2,117	2,302	1,939
Other Income	134	143	183	172	118
Total Expenses	1,601	1,674	1,728	2,069	2,105
Personnel Expenses	824	882	873	1,084	1,090
Other Expenses	777	792	855	985	1015
Profit/ (Loss) Before Tax	480	500	572	405	-48
Key Performance Indicators					
Investments	7,172	9,729	14,248	13,792	15,568
Deposits	34,272	38,872	45,388	45,738	49,140
Loans and advances	34,225	35,893	36,857	38,102	39,275
Non Performing Advances	8,602	7,544	8,412	7,598	7,675
ROA (%)	0.99	1.1	1.15	-0.39	-0.54
ROE (%)	4.9	4.7	6.09	-1.98	-3.59
NPL Ratio including EPF (%)	21.76	21.21	22.94	19.84	19.33

Sources: State Mortgage and Investment Bank

^(a) Provisional

8.3.6 Pradeshiya Sanwardana Bank

With a branch network of 272, Pradeshiya Sanwardana Bank (PSB) operates with the objective of improving the living standards of the rural community by providing accessible and affordable credit facilities.

Gross Loans and Advances increased to Rs. 210 billion during the year 2022, which is a 12.3 percent growth compared to the year 2021.

Despite the increase the industry average NPL ratio (stage 3 impairment) to 11.3 percent by the end 2022, the bank has improved the NPL ratio to 8.5 percent from 8.7 percent recorded in 2021. The deposit base also increased by 9.3 percent to Rs. 201.5 billion by the end of 2022. The PSB recorded a significant increase in profit to Rs. 1.8 billion in 2022 compared to Rs. 0.8 billion in 2021 mainly due to the increase in net interest income.

Table 8.13 | Financial Outturn of Pradeshiya Sanwardana Bank

Rs. Million

	2018	2019	2020	2021	2022 ^(a)
Total Income	26,070	27,508	24,354	24,497	35,918
Interest Income	24,865	26,357	23,182	23,555	34,977
Interest Expense	12,959	13,904	12,294	9,806	19,537
Net Interest Income	11,906	12,453	10,888	13,749	15,440
Other Income	946	872	900	942	940
Total Expenses	10,749	12,104	10,775	13,915	14,557
Personnel Expenses	5,878	5,932	5,983	7,325	8,524
Other Expenses	4,871	6,172	4,792	6,590	6,033
Profit/ (Loss) Before Tax	2,103	1,222	1,013	776	1,823
Key Performance Indicators					
Investments	38,709	55,465	55,400	60,630	68,418
Deposits	141,560	149,600	172,883	184,392	201,545
Gross Loans and advances	137,770	144,694	167,099	187,438	210,564
Non Performing Advances	7,263	13,711	16,658	16,322	17,817
ROA (%)	2.08	1.6	0.21	0.27	0.71
ROE (%)	10.7	3.4	2.72	2.07	5.07
NPL Ratio (%)	5.4	9.63	10.11	8.71	8.46

Sources: Pradeshiya Sanwardana Bank

^(a) Provisional

8.3.7 Employees' Trust Fund Board

Employees' Trust Fund Board (ETFB) was established to provide social security by way of multiple benefits to its members. At the end of 2022, the number of members of the ETFB was 2.4 million. The total contribution received from employers on behalf of their employees increased by 17.4 percent to Rs. 34.8 billion in 2022, compared to Rs. 29.7 billion in 2021.

In 2022, Rs. 477.0 million was paid as benefit claims and Rs. 87.6 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, 198,797 refund claims were

processed in 2022 and the total amount paid on refund claims was Rs. 25.0 billion.

The investment portfolio grew up to Rs. 442.5 billion by recording an increase of 7.8 percent, compared to Rs. 410.5 billion in 2021. The majority of the investments made by ETFB are placed in Government securities which was 94 percent as at end 2022, compared to 86.7 percent as at end 2021 ensuring a steady stream of secured returns.

Moreover, in 2022, ETFB earned a total income of Rs. 46.1 billion which largely consisted of interest income. In 2022, the fund earned a net profit of Rs. 43.4 billion and declared a total dividend plus interest rate of 8.75 percent to all members, which amounted to Rs. 36.9 billion.

Table 8.14 | Financial Outturn of Employees' Trust Fund Board

Rs. Million

	2018	2019	2020	2021	2022 ^(a)
Total Income	22,885	32,076	34,729	35,490	46,122
Investment Income(net)	22,456	31,647	33,697	35,202	45,677
Other Income	429	429	1032	288	445
Total Expenditure	2,315	2,315	2,229	2,330	2,694
Operating Expenses	1,792	1,792	1,776	1,836	2,120
Member Expenses	523	523	453	494	575
Profit/ (Loss) Before Tax	20,570	29,764	32,345	33,159	43,428
Profit for Distribution	15,383	25,411	28,007	28,569	36,978
Key Performance Indicators					
Interest on Member Fund 3%	9,193	9,423	10,423	11,553	12,679
Dividend	15,322	15,706	17,371	9,627	24,302
Total Rate of Interest & Dividend (%)	8	8	8	7.25	8.75

Sources: Employee's Trust Fund Board

^(a) Provisional

8.4 Water

8.4.1 National Water Supply and Drainage Board

In line with the Government's National Policy Framework which outlines the provision of clean and safe drinking water for every household by 2025, the Board continued to increase the piped borne water and safe drinking water supply coverage in the country to 60.4 percent and 96 percent, respectively. The National Water Supply and Drainage Board (NWS&DB) provided 153,127 new connections to the system through the completion of 3 large scale water supply development projects and 1 local bank funded project in the year 2022. As a result, the total connections increased to 2.9 million from 2.8 million as at the previous year.

Moreover, in 2022, NWS&DB was able to produce 818 million cubic meters (m³) of drinking water at a cost of Rs. 23.1 billion and distributed 614 million m³ with a unit cost of production at a rate of Rs. 67.7 in 2022 against the production cost per unit of Rs. 60.6 in year 2021 due to the increase of electricity and material cost. However, the average sales price per unit stood at Rs. 45 resulting in a loss of Rs.

22.7 per unit. Therefore, a cost-reflective tariff revision for the water and sewerage system was approved by the Cabinet of Ministers, and the new tariff structure was implemented from September 2022 after 10 years.

The tariff revision, substantially increased the revenue of the NWS&DB to Rs. 35.5 billion at the end of 2022 compared to Rs. 28.9 billion at the end of 2021 which resulted in a reduction in the operational loss to Rs. 1.2 billion by 63 percent. However, NWS&DB recorded a net loss of Rs. 3.1 billion for the year under review similar to the previous year due to the increased cost of borrowings for water supply projects under the high interest rates that prevailed during the year.

The General Treasury extended its budgetary support to facilitate the settlement of local and foreign-funded project loans amounting Rs. 20 billion in 2022 including the repayment of loan component on behalf of the NWS&DB.

Even though 24 water supply projects were on going in the year 2022 with an aim of improving the safe drinking water of the country, due to the adverse economic condition the NWS&DB has faced difficulties in achieving the targeted outcomes.

Table 8.15 | Financial outturn of National Water Supply and Drainage Board

	Rs. Million				
	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	24,806	26,079	27,761	28,935	35,464
Water	22,744	23,995	25,608	25,735	33,122
Water Related Income	2,062	2,084	2,154	3,200	2,342
Cost of Sales	-15,821	-16,614	-16,754	-19,163	-23,145
Gross Profit	8,985	9,465	11,007	9,772	12,320
Other Income	1,061	1,259	1,482	1,796	1,289
Administrative Expenses	-10,957	-12,059	-12,035	-13,715	-14,449
Other Operating Expenses	-906	-765	-839	-998	-313
Operating Profit/ (Loss)	-1,817	-2,100	-385	-3,145	-1,153
Finance Income	1,574	1,454	1,571	843	2,007
Other Expenses + Taxes	-325	-531	-677	-752	-3,917
Net Profit/ (Loss)	-568	-1,177	509	-3,054	-3,064
Key Performance Indicators					
Connections (Nos. Million)	2.0	2.2	2.6	2.8	2.9
Water Production (m ³ Million)	732	746	782	815	818
Water Sales (m ³ Million)	527	590	597	605	614
Non-Revenue Water (percent)	24.96	24.88	24.63	25.82	25.24
Water Supply Projects (Nos.)	343	348	331		
Safe Drinking Water Supply Coverage (Percent)	90	92	93	94.4	96

Sources: National Water Supply & Drainage Board

^(a) Provisional

8.5 Ports

8.5.1 Sri Lanka Ports Authority

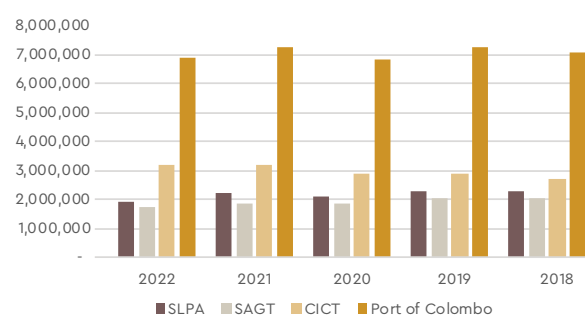
Sri Lanka Ports Authority's (SLPA) throughput (Container operations) has reduced from 2.2 million total TEU's in 2021 to 1.9 million in 2022

due to the slowdown in global trade volumes and adverse economic conditions of the country. Further, total Metric Tons (MT) handled by SLPA has reduced from 40.65 million MT in 2021 to 33.82 million MT in 2022.

	SLPA	SAGT	CICT	Port of Colombo (POC)
Total Handled TEU 2022	1,925,895	1,752,236	3,184,053	6,862,184
Total Handled TEU 2021	2,198,334	1,838,693	3,212,331	7,249,358
% Change	-12.40%	-4.70%	-0.90%	-5.30%

The overall number of ship arrivals at the port of Colombo has decreased when compared to the ship arrival statistics of previous years as smaller containerized vessels have been replaced by mega containerized vessels in the shipping industry. However, SLPA revenue has increased from Rs. 45.5 billion in 2021 to Rs. 68.4 billion in 2022 mainly due to increased tariff after 7 years to meet the tariff rates of private port operators and regional operators' tariff levels. As a result, SLPA's profit after tax has increased from Rs. 20.7 billion in 2021 to Rs. 42.3 billion in 2022 by 105 percent.

Figure 8.10 | Total Handled TEU by Colombo Port



Sources: Sri Lanka Ports Authority

Table 8.16 | Financial outturn of Sri Lanka Ports Authority

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Total Revenue	38,546	40,770	38,931	45,454	68,408
Navigation	10,583	11,567	10,957	10,793	18,395
Stevedoring	18,257	18,582	17,847	20,441	28,901
Wharf Handling	5,607	5,910	5,317	6,260	8,014
Port Facilities	3,226	3,696	3,443	6,176	9,250
Other	873	1,015	1,365	1,785	3,848
Other Income	11,577	11,150	11,314	12,310	22,546
Total Expenditure	30,241	37,040	29,715	32,899	43,745
Operational Expenses	15,276	16,517	16,300	16,812	22,339
Repair and Maintenance Expenses	5,837	5,868	5,646	7,048	8,382
Administrative Expenses	8,868	15,025	7,770	9,039	13,024
Net Finance Income / (Cost)	-131	287	849	2,005	5,626
Profit/(Loss) Before Tax and Foreign Exchange Loss	20,013	17,514	21,379	26,871	52,835
Foreign Exchange Gain/(Loss)	-11,317	1,359	-1,051	-1,270	4,191
Income tax	-	3,486	2,603	2,676	13,261
Differed tax	4,449	423	1,015	2,230	445
Contribution to the Consolidated Fund	-	600	-	-	1,000
Profit/ (Loss) After Tax	4,247	11,646	18,738	20,695	42,319
Outstanding debts to Banks	12,884	10,990	9,322	7,355	6,411
Outstanding debts to Government/Foreign Loan	66,335	59,985	55,907	52,896	87,810
Interest on Loans	2,257	2,372	1,532	800	2,400
Key Performance Indicators					
TEU's Handled by Port of Colombo (Nos Million)	7.05	7.23	6.85	7.25	6.86
Ship Arrivals (Nos)	5,457	5,458	4,762	4,603	4,537
Colombo (Nos)	5,079	5,001	4,335	4,411	4,366
Galle (Nos)	143	283	248	54	41
Trincomalee (Nos)	235	174	179	138	130

Sources: Sri Lanka Ports Authority

^(a) Provisional

8.6 Insurance

The insurance industry consists of 21 local insurance companies and 6 foreign-based companies. The State presence is visible in the insurance sector through the Sri Lanka Insurance Corporation Ltd. (SLIC), Agricultural and Agrarian Insurance Board (AAIB), National Insurance Trust Fund (NITF), and Sri Lanka Export Credit Insurance Corporation (SLECIC).

In 2022, the insurance industry grew by 10.3 percent in Gross Written Premium to Rs. 257.6 billion from Rs. 233.5 billion at the end of 2021. The value of total assets of the insurance sector increased by 7.4 percent to Rs. 947.3 billion in 2022, compared to Rs. 881.8 billion in 2021.

8.6.1 Sri Lanka Insurance Corporation Limited

Being the largest state-owned insurance company in the country, Sri Lanka Insurance

Corporation Ltd. (SLIC) holds an asset base of Rs. 274 billion and the largest life fund of Rs. 159 billion in the insurance industry at the end of 2022.

SLIC recorded a revenue of Rs. 63.7 billion in 2022, a marginal decrease, compared to Rs. 64.1 billion in 2021. Gross Written Premium (GWP) declined to Rs. 41.3 billion in 2022 from Rs. 43.2 billion in 2021 as insurance sector growth of 10.3 percent. The GWP from the life insurance business also decreased by 4.7 percent to Rs. 20.9 billion in 2022 from Rs. 22 billion in 2021. SLIC reported a GWP of Rs. 20.3 billion for non-life insurance in 2022, a decrease of 4.3 percent, compared to Rs. 21.3 billion in 2021. Meanwhile, the declared dividends amounted to Rs. 0.9 billion in 2022.

The overall profitability of SLIC shows a moderate increase of 6.4 percent to Rs. 12.5 billion in 2022, whereas the industry recorded a growth of 19.4 percent.

Table 8.17 | Financial Outturn of Sri Lanka Insurance Corporation Ltd.

Rs. Million

	2018	2019	2020	2021	2022 ^(a)
Revenue	44,380	48,608	52,614	64,062	63,685
Gross written premium	31,738	33,794	39,421	43,231	41,272
Net earned premium	28,005	29,772	34,206	38,397	37,024
Benefit, Losses & Expenses	-28,407	-31,270	-34,888	-42,255	-36,452
Investment income	13,059	17,671	16,511	23,392	13,794
Other Income	3,316	1,165	1,897	2,273	12,867
Other Operating & Administrative Expenses	-8,822	-9,134	-9,755	-10,082	-14,757
Profit/ (Loss) Before Tax	7,150	8,205	7,972	11,725	12,476
Net Profit for the year	5,245	7,028	5,788	10,041	10,546
Key Performance Indicators					
Claims ratio – General (%)	67	61	51	60	63
Capital Adequacy ratio- Life (%)	440	434	459	490	316
Capital Adequacy ratio- General (%)	208	208	223	240	244
Life Fund	107,108	118,000	134,013	152,585	155,769

Sources: Sri Lanka Insurance Corporation Ltd.

^(a) Provisional

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 8.18 | Financial Outturn of National Insurance Trust Fund

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Total Revenue (Rs.Mn)	15,003	17,717	18,862	18,969	25,109
Gross Written Premium	9,684	12,693	9,818	10,631	11,483
Contribution received for Agrahara	4,017	4,839	5,469	6,283	6,809
Crop insurance levy collected	2,138	1,780	1,627	2,194	2,573
Net earned premium income	13,653	16,448	17,475	17,379	20,012
Other income	1,350	1,269	1,387	1,590	5,097
Reinsurance premium ceded	-2,486	-1,191	-1,102	-590	-684
Insurance Claims & Benefits	-9,691	-12,079	-7,955	-10,761	-14,693
Underwriting & acquisition cost	-1,609	-2,056	-1,615	-1,864	-1,996
Total Expenditure	415	574	427	408	411
Staff Related Costs	219	240	226	225	245
Administration & Other Expenses	196	334	201	183	166
Income over Expenditure	3,289	3,008	8,866	5,936	8,010
Key Performance Indicators					
Agrahara Claims received(Nos)	185,870	230,029	218,422	226,639	243,812
Agrahara Claims paid(Nos)	166,675	214,381	209,108	212,646	173,820
Agrahara premium collected	4,017	4,839	5,469	6,283	6,809
Agrahara Claims paid	4,033	5,257	4,173	6,380	6,247

Sources: National Insurance Trust Fund

^(a) Provisional

NITF's revenue has significantly increased from Rs. 19.0 billion in 2021 to Rs. 25.1 billion in 2022 mainly due to increase in investment income by Rs. 3.5 billion. GWP also increased by 8.5 percent to Rs. 11.5 billion in 2022, compared to Rs. 10.6 billion in 2021. NITF's profit has increased by 35 percent to Rs. 8.0 billion in 2022 from Rs. 5.9 billion in 2021. Nevertheless, Agrahara Medical Scheme and Motor Insurance Scheme recorded a loss of Rs. 2.3 billion and Rs. 146 million, respectively in 2022. NITF's investments in Government securities increased from Rs. 18.2 billion in 2021 to Rs. 25.6 billion in 2022 recording, a growth of 40.6 percent which enabled to enhance the investment income under high interest rate regime. NITF paid Rs. 1.6 billion of levies to the Consolidated Fund in 2022.

8.7 Commuter Transportation

8.7.1 Sri Lanka Transport Board

Passenger transport service consists of all passenger movements by means of public (buses and trains) and private modes of transport via own vehicles such as cars, vans, motorcycles, three wheels etc. Around 38 percent of citizens use public transportation, while the rest depends on their own vehicles in order to fulfill the transport needs. The biggest bus fleet is owned by the Sri Lanka Transport Board (SLTB) consisting nearly 7,000 buses. SLTB functions as the largest public transport provider with a head office, 12 regional offices, 107 main depots, 09 sub-depots, 12 provincial workshops, 21 driver training schools, and employs around 26,800 individuals. Moreover, the SLTB provides transport services that are

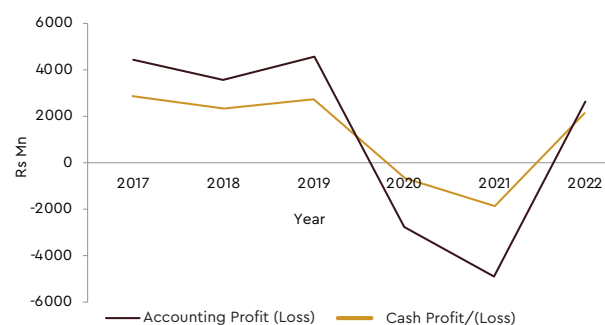
under-provided by the private sector. This includes transport in uneconomical routes in remote areas through Gemi Seriya, night-time services by Nisi Seriya, and provides low-cost transportation services to school children through Sisu Seriya.

SLTB reported a 48 percent increase in its operated kilometers in the year 2022 by recording 351 million operated kilometers using 4,330 buses compared to 237 million kilometers using 3,232 buses in 2021. Further, the revenue of SLTB increased by threefold to Rs. 58.3 billion in 2022 from Rs. 14.6 billion in previous year, primarily due to the increase in bus fares to reflect higher operating costs.

The General Treasury supported SLTB with Rs. 8.8 billion of imprest out of Rs. 9.4 billion

of budgetary allocation for the year 2022 as subsidy for season tickets and un-economic routes. Even though the operational expenses of SLTB increased rapidly to Rs. 68 billion in 2022 from Rs. 28.6 billion in 2021 due to the increase in fuel prices and spare parts, the SLTB recorded a net profit of Rs. 0.5 billion in 2022.

Figure 8.11 | Performance of Sri Lanka Transport Board



Source: Sri Lanka Transport Board

Table 8.19 | Financial Outturn of Sri Lanka Transport Board

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Income	43,647	42,938	31,128	26,817	70,379
Operational Income	30,914	29,282	17,996	14,565	58,269
Other income	12,733	13,656	13,132	12,252	12,110
Expenditure	41,351	40,237	31,787	28,686	68,256
Salary	19,436	20,143	18,274	16,174	21,481
Fuel	14,634	13,879	9,535	8,026	37,344
Other Running Cost	4,428	4,794	3,085	2,808	6,868
Overhead	2,245	1,037	629	1,475	2,360
Finance Cost	608	384	264	203	203
Profit/(Loss) Before Gov. financial Assistance	2,296	2,701	-659	-1,869	2,123
Gov. financial Assistance	1,225	1,474	1,127	1,217	642
Cash Profit	3,521	4,175	468	-652	2,765
Depreciation	2,170	2,265	2,507	2,355	2,184
Production Loss	56	20	66	47	97
Profit/ (Loss) Before Tax	1,295	1,890	-2,105	-3,054	484
Key Performance Indicators					
Fuel Cost per km	31.91	31.70	30.93	33.01	104.54
No. of Employees per bus	6	6	7	8	6
Avg. buses operated per day	5,227	5,079	3,961	3,232	4,330
Operated km Mn	446	431	308	237	351
Bus Fleet Age Analysis					
Less than 5 yrs	2,559	2,423	1,001	740	521
5>10 yrs	968	1,134	2,420	2,273	2,467
10 > 15 yrs	1,786	2,109	2,155	1,830	1,326
Over 15 Yrs	1,629	1,608	1,382	951	2,775
Total	6,942	7,274	6,958	5,794	7,089

Sources: Sri Lanka Transport Board and

^(a) Provisional

8.8 Aviation

8.8.1 Airport and Aviation Services (Sri Lanka) Limited

Airport & Aviation Services (Sri Lanka) (Private) Limited (AASL) performs statutory duties under the mandate granted by the Civil Aviation Act, No. 14 of 2010 by providing certain specific

aeronautical services in Sri Lanka. As the statutory service provider of the Government, AASL develops the airport infrastructure utilizing its own funds and Government backed foreign loans and grants. AASL has deployed an asset base over Rs. 165 billion and a workforce of 3,900 employees.

Table 8.20 | Financial Outturn of Airport and Aviation Services (Sri Lanka) Ltd.

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	28,739	29,857	11,676	11,199	33,784
Aeronautical	5,234	5,431	2,291	2,299	6,195
Non Aeronautical	19,725	20,221	5,486	5,087	19,812
Other Income	3,780	4,205	3,899	3,813	7,777
Expenditure	18,279	14,635	15,409	11,954	27,350
Personal Expenses	7,458	8,117	7,415	7,305	10,001
Admin. & Estab. expenses	1,666	2,053	2,088	1,141	2,097
Depreciation	2,694	2,856	2,853	2,648	2,367
Repairs and Maintenance Expenses	398	463	266	354	476
Finance Expenses	6,063	1,146	2,787	506	12,409
Net Profit before tax	10,460	15,222	-3,733	-755	6,434
Total Assets	100,834	108,274	103,216	126,844	179,530
Total Liabilities	72,356	69,044	66,233	85,530	134,273
Total Equity	28,479	39,231	36,983	41,314	45,257
Total Borrowings	49,208	47,560	46,773	64,725	106,273
Borrowings during the year	1,391	2,150	684	19,833	2,544
Key Performance Indicators					
Aircraft Movements (Nos)	67,308	96,812	38,145	47,391	59,451
Passengers Movements (Nos) (Million.)	11.0	10.0	2.4	1.5	5.5
Transits passengers (Nos) (Million.)	1.5	1.7	1.5	1.7	1.0
Cargo Movements (MT)	279,560	261,367	151,141	201,680	173,597

Sources: Airport and Aviation Services (Sri Lanka) Ltd

^(a) Provisional

AASL's revenue tripled from pandemic levels in 2020 and 2021 of Rs. 11.7 billion and Rs. 11.1 billion, respectively, to Rs. 33.8 billion in 2022, exceeding the pre-pandemic level of Rs. 29.9 billion in 2019 by approximately 14 percent. Although the revenue from aeronautical services increased by 14 percent from Rs. 5.4 billion in 2019 to Rs. 6.2 billion in 2022, the revenue from non-aeronautical services decreased by 2 percent, from Rs. 20.2 billion in 2019 prior to the pandemic level to Rs. 19.8 billion in 2022.

The increase in financial expenses from Rs. 0.5 billion in 2021 to Rs. 12.4 billion in 2022 is the primary reason for the 129 percent expenditure growth from Rs. 11.9 billion in 2021 to Rs. 27.3 billion in 2022.

However, AASL was able to record Rs. 6.4 billion profits before tax in 2022, positioning itself as a profitable entity after two years as a loss-making entity.

8.8.2 SriLankan Airlines Ltd.

Although the global aviation sector was on its path to recovery following the pandemic, Sri Lankan Airlines (SLA) suffered in 2022 as a result of the political and economic unrest in Sri Lanka. The number of tourist arrivals dropped significantly, forcing the airlines to concentrate more on transit traffic linking to markets in the Indian subcontinent, the Far East, the Middle East, and Europe.

From June to August 2022, there was a major Jet fuel supply deficit in the entire country. In order to maintain connectivity of the nation in

a situation where many international airlines had halted or reduced services to Sri Lanka, SLA was forced to use "tankering" (carrying extra fuel for the return sector) and operate via additional stops for re-fueling. The loss of passenger revenue due to disruptions in passenger connectivity on long-haul flights caused by flight diversions via India for re-fueling and the loss of cargo revenue due to payload restrictions have significantly increased SLA's operational costs.

Table 8.21 | Financial Outturn of SriLankan Airlines Ltd.

	Rs. Million				
	2018/19	2019/20	2020/21	2021/22	2022/2023 ^(a)
Total Revenue	184,653	183,514	71,847	134,273	370,295
Passenger	147,900	147,673	16,328	77,999	293,004
Cargo	15,828	15,745	27,328	43,975	51,019
Excess Baggage	1,074	1,166	197	1,157	3,067
Other Income	15,538	15,566	6,841	9,805	19,461
Finance income	90	317	525	638	
Other income and gains	4,223	3,046	20,629	699	3,743
Total Expenditure	228,676	230,712	117,079	300,643	442,472
Aircraft fuel cost	60,673	55,328	10,569	42,759	155,522
Employee cost	20,368	21,205	16,206	15,970	24,911
Airport, aeronaut and passenger expenses	29,780	29,217	7,440	19,272	48,388
Aircraft Maintenance and overhaul costs	26,333	22,820	13,695	23,088	41,877
Rentals on Leased Aircraft	0	19,485	16,929	12,722	13,654
Selling, Marketing and advertising expenses	15,775	14,541	2,034	7,180	24,342
Crew Expenses	6,582	6,557	1,680	3,231	7,686
Other Operating Expenses	14,302	13,836	4,272	6,862	13,209
Realized/Unrealized Exchange (Gain)/Loss	3,414	6,119	20,229	145,433	63,713
Depreciation and Amortization	1,349	1,214	1,685	1,314	1,251
Net Financial Cost	19,331	40,390	22,339	22,812	47,917
Compensation for cancellation of aircraft lease agreement	30,769	-			
Profit/ (Loss) Before Tax	-44,023	-47,199	-45,231	-166,370	-72,177
Accumulated Profit/(Losses)	-223,488	-316,477	-371,734	-537,505	-609,682
Serious loss of Capital	Yes	Yes	Yes	Yes	Yes
Key performance Indicators					
Passenger carried (RPK Million)	15,689.19	14,547.97	748.13	4,968.59	11,793.72
Aircraft Fleet (Nos)	27	25	24	24	23
Passenger Capacity (ASK Million)	18,925	18,041	3,816	10,144	15,188
% of Fuel Cost on Total Revenue	34%	31%	21%	32%	42%
Passenger Load Factor	82.9	80.64	19.60	48.98	77.65

Sources: SriLankan Airlines Ltd - Financial Year ended 31/03/2023

^(a) Provisional

The SLA generated passenger revenues of Rs. 293 billion for 2022/2023, a 97 percent recovery of the pre-COVID passenger revenues for the same period. Passengers carried during the period were 3.2 million with an emphasis on running profitable routes and including additional locations that weren't previously directly connected to Sri Lanka, such as Frankfurt in Germany, Seoul in South Korea, and Sydney in Australia.

As a result of the increased year-end impairment of the financial assets and liabilities with the currency devaluation, SLA incurred a substantial exchange loss of Rs. 63.7 billion. Further, the high finance cost of Rs. 47.9 billion and operational cost enhancement led the SLA group to have a net loss of Rs. 72.2 billion in 2022/2023.

SLA is carrying an unsustainable level of debt. As of February 28, 2023, the entire debt, when converted to USD, was USD 834 million (90 percent is in foreign currency). Additionally, the USD lease liabilities are revalued and capitalized.

The Government is in the process of restructuring SLA both in terms of driving operational efficiency and addressing challenges in the SLA balance sheet. The Cabinet has approved a strategy to restructure the airline in order to eliminate the fiscal risks arising from the entity and to address its legacy debt. Globally reputed transaction advisors are expected to support this process.

8.9 Construction

The Sri Lankan construction industry has made a limited contribution to the GDP in 2022 compared with the previous years due to the economic downturn of the country. Total turnover of State Engineering Corporation (SEC), Central Engineering Consultancy Bureau (CECB) and State Development and Construction Corporation (SD&CC) has recorded an almost 24 percent decrease in revenue compared to 2021.

Being the three major SOEs engaged in the construction industry, SEC, CECB and SD&CC undertake most of the Government contracts. However, liquidity constraints, suspension and termination of contracts, rapid increase of construction material prices, scarcity of the construction materials and import restrictions, have prevented these three entities from engaging in new contracts which has hampered their capacity to make use of the skilled workforce, which is their asset.

8.9.1 State Engineering Corporation

State Engineering Corporation of Sri Lanka (SEC) has work in hand projects worth of Rs. 9.5 billion in 2022 such as Construction of the Faculty of Nursing at Sri Jayewardenepura, Soysapura Housing Scheme – Stage III and Construction of Quarters Building for New Prison Complex at Palkelele.

Table 8.22 | Financial Outturn of State Engineering Corporation

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	3,416	4,427	2,162	2,955	2,693
Construction	3,092	3,768	1,608	2,594	2,255
Consultancy	186	192	155	338	413
Other Income	138	467	399	23	25
Expenditure	5,272	5,388	3,414	4,552	3,633
Operating Expenditure	2,354	2,429	916	1,568	999
Staff Cost	2,119	2,192	1,593	1,922	1,772
Financial Cost	258	391	406	220	557
Other Expenditure	541	376	499	842	304
Profit/ (Loss) Before Tax	-1,856	-961	-1,252	-1,597	-940
Outstanding Debts to Banks	2,121	2,370	2,130	2,130	2,737
Receivables	5,268	6,591	5,385	5,928	6,492

Sources: State Engineering Corporation's

^(a) Provisional

Revenue decreased by 9 percent to Rs. 2.7 billion in 2022 from Rs. 3 billion in 2021 and expenditure also decreased by 20 percent. SEC recorded a loss of Rs. 0.9 billion in 2022 which is a decrease of 41 percent from 2021. Limitations in releasing Government funds during 2022 have increased the SEC's receivables by 10 percent to Rs. 6.5 billion thus creating significant liquidity issues for the entity. This has resulted in an increase of outstanding debt to banks by 28 percent from Rs. 2.1 billion to Rs. 2.7 billion.

Cabinet of Ministers has granted the approval to implement the Voluntary Compensatory Retirement Scheme (VRS) for 1,056 employees and to provide financial assistance of Rs. 0.5 billion to pay the salary bills for the period from August to October 2022.

8.9.2 Central Engineering Consultancy Bureau

Central Engineering Consultancy Bureau (CECB) has been engaged in consultancy services since 2016 focusing on the objectives that have been set out at the initiation of the entity, while Central Engineering Services (Pvt) Limited being a fully owned subsidiary of CECB engaged in construction activities.

CECB has completed Rs. 5.3 billion worth of Government projects out of the total completed projects worth of Rs. 5.7 billion during the year 2022. Work-in-hand consultancy project at the end of the year 2022 amounts to Rs. 3.7 billion and construction projects amounts to Rs. 20.6 billion.

Table 8.23 | Financial Outturn of Central Engineering Consultancy Bureau

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Total Revenue	10,128	8,032	6,557	6,362	5,105
Construction	7,033	5,128	4,124	3,947	2,748
Consultancy	2,634	2,420	2,008	2,117	1,748
Other Income	157	170	162	122	228
Finance Income	304	314	263	176	381
Total Expenditure	9,602	7,691	6,296	6,314	5,036
Operating Expenditure	7,987	6,005	4,548	4,620	3,441
Staff Cost	1,602	1,682	1,743	1,689	1,591
Financial Cost	13	4	5	5	4
Others	-	-	-	-	-
Profit/ (Loss) Before Tax	526	341	261	48	69
Key performance Indicators					
Receivables	11,485	11,741	9,683	9,683	9,446
Payables – without bank debts	13,575	13,390	12,528	11,278	10,990
Investments	3,254	3,174	3,420	3,223	3,314

Sources: Central Engineering Consultancy Bureau

^(a) Provisional

Revenue decreased by 20 percent to Rs. 5.1 billion in 2022 from Rs. 6.4 billion in 2021. In 2022, CECB has recorded a profit of Rs. 69 million which is a 43 percent increase compared to 2021. The total receivables of CECB stood at Rs. 9.4 billion at the end of the year 2022.

8.9.3 State Development & Construction Corporation

During 2022, State Development & Construction Corporation (SD&CC) has completed Government projects worth of Rs. 0.3 billion and the value of projects in hand at the end of the year was Rs. 10.2 billion. Among the projects completed, there were 14 rural bridges valued at Rs. 71 million.

Table 8.24 | Financial Outturn of State Development & Construction Corporation

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	3,082	4,318	1,782	4,483	2,730
Construction	2,878	4,192	1,449	4,216	2,546
Consultancy	12	40	10	6	9
Other Income	192	86	323	261	176
Expenditure	3,064	5,432	2,039	4,386	2,704
Operating Expenditure	2,696	4,854	1,338	3,812	2,182
Staff Cost	148	177	161	109	214
Financial Cost	145	224	209	259	122
Other Expenditure	75	177	331	206	185
Profit/ (Loss) Before Tax	19	-844	-257	96	27
Outstanding Debts to Banks	1,497	1,680	1,854	1,989	1,982
Receivables	437	559	333	557	578

Sources: State Development & Construction Corporation

^(a) Provisional

Total revenue of SD&CC amounted to Rs. 4.5 billion recorded in 2021, a decrease by 39 per cent to Rs. 2.7 billion while total expenditure in 2022 has also decreased from Rs. 4.4 billion to Rs. 2.7 billion by 38 percent resulting in a decrease of profit from Rs.96 million in 2021 to Rs. 27 million in 2022. Long delays in payment of Government contracts has resulted in an increase of SD&CC's receivables to Rs. 578 million by 4 percent. Total outstanding debts to banks has decreased only by Rs. 7 million to Rs. 1,982 million during the year 2022 resulting in serious liquidity issues at SD&CC.

8.10 Lotteries

Sri Lankan lotteries market is categorized as a duopoly market that has split the market share between the National Lotteries Board (NLB) and Development Lotteries Board (DLB) both of which are fully owned by the Government. Being the key market players, the NLB and DLB hold 51.8 percent and 48.2 percent of market share respectively in 2022. NLB's product portfolio consists of 14 brands of lotteries (13 passive and 1 instant) while DLB's product portfolio consists of 10 brands (9 passive and 1 instant). Pursuant to the Establishment Acts of the two entities, NLB contributes directly to the Consolidated Fund, while DLB contributes its profit to the President Fund, part of which is transferred to Mahapola Higher Education Trust Fund.

The total income of lottery sales during the year 2022 amounted to Rs. 40.3 billion, while the prizes declared by both entities amounted to Rs. 20.6 billion. The revenue of the boards has significantly increased in 2022 compared to previous year, enabling an increase in the contribution to the Consolidated Fund and the President's Fund.

In 2022, both entities faced challenges associated with high inflation, namely, higher cost of printing, transport, and the non-availability of raw materials. Amidst these challenges, both entities shifted towards digital platforms, especially using Short Message Services (SMS). Furthermore, the DLB has developed a mobile application for online lottery sales.

8.10.1 National Lotteries Board

During the year 2022, NLB has achieved a lottery sale income amounting to Rs. 21.2 billion which is an increase of 22.6 percent compared to 2021. The declared prizes in 2022 increased by 28.6 percent to Rs. 10.7 billion, compared to Rs. 8.4 billion in 2021. As a result, the NLB recorded a profit amounting to Rs. 1.4 billion in 2022, compared to Rs. 1 billion in 2021. During the year, NLB contributed Rs. 2.6 billion to the Consolidated Fund, out of which over 47 percent has been generated by the lottery "Mahajana Sampatha". NLB produced 58 super prize winners in 2022 and distributed Rs. 1.2 billion among them.

Table 8.25| Financial Outturn of the National Lotteries Board

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	19,962	22,238	18,034	17,299	21,696
Lottery Sale Income	20,438	22,079	18,041	17,292	21,209
Less Direct Taxes – Excise Duty	–	–	–	–	–
Less Indirect Taxes – VAT	890	911	430	409	641
– SSCL	–	–	–	–	120
Other Income	414	1,070	423	416	1,248
Expenditure	18,924	20,397	16,599	16,295	20,306
Main Agency and Agency Commission	3,826	4,278	3,607	3,458	4,315
Prizes Declared	9,835	10,608	8,668	8,352	10,741
Tickets Printing Cost	507	531	443	425	874
Distribution, Sales & Marketing	1,534	1,508	893	1,074	921
Admin Expenses	752	809	773	812	840
Finance Cost	43	25	10	12	6
Contribution to Consolidated Fund and National Kidney Fund	2,427	2,638	2,205	2,162	2,609
Profit/ (Loss) Before Tax	1,038	1,841	1,435	1,004	1,390
Income Tax	–	862	352	43	305
Profit/ (Loss) After Tax	1,038	979	1,083	961	1,085
Key performance indicators					
Agency and Dealer network	3100	4279	3607	3257	3145
Contribution to consolidated fund as a % of revenue	12	12	12	12	12

Sources: National Lotteries Board

^(a) Provisional

NLB is equipped with an island-wide agency network comprising of 115 dealers including 3 SMS dealers, 3,030 agents, and approximately 19,500 sellers by the end of 2022. In line with the core strategy of creating wealth for all stakeholders, NLB has developed a strong product portfolio in lottery industry by continuously expanding its market segments

8.10.2 Development Lotteries Board

Development Lotteries Board (DLB) recorded a 24 percent increase in revenue compared to preceding year amounting to Rs. 19.1 billion, while recording a profit of Rs. 3.2 billion which is an increase of 11.9 percent in 2022 in contrast with Rs. 2.9 billion recorded in 2021. The net prize payout of the year stood at Rs. 9.9 billion, which is an increase of 20.4 percent compared to 2021. The Board produced 51 super jackpot winners in the year 2022 totaling Rs. 0.6 billion.

The DLB provides scholarships for university students through Mahapola Scholarship Trust Fund. Similarly, the health sector is also supported by the funds generated through DLB by assisting patients facing financial hardships. DLB has contributed Rs. 3.2 billion to the President Fund which is an increase of 12 percent compared to the contribution made in 2021.

DLB operated with an agency network of 88 distributors, 2,517 agents and approximately 19,048 sales assistants island-wide at the end of 2022. Moreover, the DLB has implemented several strategies such as lottery shops for niche markets, modification of lotteries, capturing untapped markets and reducing the inactive dealer ratios in order to increase the market share.

Table 8.26 | Financial Outturn of Development Lotteries Board

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	16,422	17,606	15,522	15,816	19,839
Lottery sale income	16,583	17,799	15,400	15,730	19,754
Less Indirect Taxes – VAT	730	734	367	366	683
Other Income	202	194	158	110	321
Prize Write back	367	347	331	342	447
Expenditure	13,687	14,709	12,528	12,863	16,572
Agency Commission	2,899	3,428	2,884	2,947	2,946
Prizes Declared	8,296	8,903	7,703	7,866	9,884
Draw Cost	575	584	510	542	751
Tickets Printing Cost	402	460	451	434	844
Distribution, Sales & Marketing	1,051	792	473	537	1,542
Admin Expenses	464	542	507	537	605
Profit/ (Loss) Before Tax	2,735	2,897	2,994	2,953	3,267
Income Tax	553	235	11	83	56
Profit/ (Loss) After Tax	2,182	2,662	2,983	2,870	3,211
Contribution to President Fund	2,058	2,428	2,297	2,305	3,211
Key performance Indicators					
Agency and Dealers Network	2,900	3,000	2,810	2,946	2,605
Contribution to President fund as a % of revenue	12.73	14.00	17.90	18.20	16.80

Sources: Development Lotteries Board

^(a) Provisional

8.11 Livestock and Dairy

Livestock plays a diverse role in the Sri Lankan agriculture sector, accounting for around 1 percent of the national GDP. Among the subsectors of livestock, the dairy sector has been identified as a national priority in socio-economic development. In this context, being state-owned entities, the National Livestock Development Board (NLDB) and Milco (Pvt) Limited (MILCO) play a vital role in manufacturing and marketing livestock products, including dairy products.

According to contemporary data, Sri Lanka exports approximately 1,610 metric tons of milk and milk products while importing 88,482 metric tons of milk and milk products at a cost of Rs. 63.1 billion. Imported milk products include milk and milk cream, milk cream fat, condensed milk, cheese, curd, butter and other fats, buttermilk and curdled milk and whey and whey powder. As of 2022 48 percent of Sri Lanka's milk requirement was met by domestic production. Annual milk production decreased by 1.3 percent in 2022 compared to 2021. Sri Lanka produced 419 million liters of cow milk and 87 million liters of buffalo milk in 2022 on

average while incurring Rs. 68.3 million on importing milk and milk products during the year.

8.11.1 Milco (Pvt) Ltd

MILCO is a fully Government-owned company being operated with the view of achieving growth in fresh milk production while strengthening livelihoods of the local dairy farmers. In 2022, MILCO has collected 19.7 percent of the total milk production of the country.

In the year under review, MILCO's milk production sales revenue increased by 5.8 percent to Rs. 13.1 billion from Rs. 12.4 billion, driven by an increase in the prices of the milk products and other income escalated to Rs. 216 million from Rs. 80 million compared to the year 2021.

MILCO's profitability dramatically decreased in 2022 compared to the previous year by 243 percent recording a loss of Rs. 471 million in 2022 from Rs. 329 million profits in 2021 mainly due to a 29 percent decrease in milk collection. This is the highest-ever loss reported by MILCO

over the last 3 years, resulting in earnings per share reducing from Rs. 10.31 in 2021 to Rs. -15.14 in 2022. There was a considerable increase in bank debt to Rs. 1,230 million in 2022 coupled with a significant 444.8 percent rise in finance cost, driven by the overdraft facility obtained for working capital purposes.

MILCO produced 2,060 metric tons of milk powder in 2022 which is far below the potential of the entity, since the Ambewela factory has the annual capacity to produce 6 times higher than the quantity produced in 2022.

Table 8.27 | Financial Outturn of Milco (Pvt) Ltd.

Rs. Million

	2018	2019	2020 ^(a)	2021 ^(a)	2022 ^(a)
Revenue	12,024	10,394	11,191	12,473	13,340
Sale of Milk Production	11,612	10,314	11,105	12,393	13,112
Other Income	412	80	86	80	216
Expenditure	12,708	11,256	10,984	12,144	13,811
Direct Expenses	11,385	9,918	9,813	10,944	12,241
Selling & Distribution	475	399	349	412	469
Administration	641	688	695	742	927
Finance cost	189	196	120	29	158
Other Expenditure	18	55	7	17	16
Profit/(Loss) Before Tax	-683	-863	208	329	-471
Outstanding Debt to Banks	1,659	1,289	753	35	1,230
Key Performance Indicators					
Milk Collection (ltrs. Million)	91	67	67	68	48
Earnings per share Rs.	-21.39	-27.01	6.51	10.31	-15.14

Sources: Milco Pvt. Ltd

^(a) Provisional

8.11.2 National Livestock Development Board

The National Livestock Development Board (NLDB) was established in 1973 and commenced its field operations in 1974. The NLDB manage with 32 livestock and coconut integrated farms aiming to enhance the socio- economic standards of the citizens by producing quality breeding materials, livestock, and agricultural products whilst imparting practical and theoretical knowledge of livestock to the farmers by the training center located at Digana.

NLDB farms are equipped with pure and hybrid breeders of cows, buffaloes, pigs, goats, sheep, rabbits, parent broilers, commercial broilers, ducks, turkeys, quails together with a network of 41 NLDB milk outlets and 16 farm based sales centers which sell animal products such as milk, eggs, meat products, and milk-based products such as yoghurt, butter and cheese.

In addition, NLDB has 3,908 hectares of coconut cultivation including 10 farms located in the coconut triangle with production of 17.68 million nuts in 2022 with part of the production converted to coconut oil for local consumers. Sri Lanka Poultry Development Company (Pvt) Ltd. is a subsidiary while Mahaweli Livestock Enterprises Limited operates as an associate of NLDB, the liquidation of which has been approved by the Cabinet.

The overall contribution of NLDB to the national milk production is around 1.5 percent by end of 2022, with the total annual milk production of 6.43 million liters.

Although, NLDB recorded a 12.5 percent increase in revenue earned in 2022 compared to the previous year, a slight decrease in profit before tax was recorded amounting to Rs. 133 million due to increased cost of production given the price increase of animal feed.

Table 8.28 | Financial Outturn of National Livestock Development Board

Rs. Million

	2018	2019 ^(a)	2020 ^(a)	2021 ^(a)	2022 ^(a)
Revenue	2,742	2,807	3,232	3,651	4,104
Expenditure	3,331	3,170	3,329	3,560	4,471
Direct Expenditure	2254	2,099	2,231	2,451	3,219
Administrative Expenditure	843	983	1030	1046	1202
Distribution Expenditure	2	15	26	28	14
Other Expenditure	52	18	16	18	24
Finance Expenditure	181	55	26	16	12
Profit/(Loss) Before Tax	-589	-362	-1.1	160	133
Outstanding Debt to Banks	202	257	142	141	94
Key Performance Indicators					
Neat Cattle Milk (lt,'000)	15,834	12,432	12,000	9,774	6,433
Buffaloes Milk (lt,'000)	715	649	580	587	629
Goat Milk (lt,'000)	13.5	14.8	15	14	12
Curd Production (lt,'000)	515	533	420	431	348
Yoghurt (80ml Cups) (Nos,'000)	415	350	410	644	591

Sources: National Livestock Development Board

^(a) Provisional

8.12 Marketing and Distribution

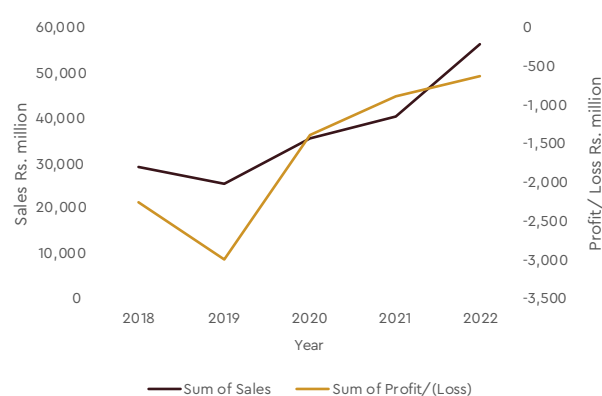
8.12.1 Lanka Sathosa Ltd

Lanka Sathosa Limited (LSL) is the largest Government owned retail store network operating with 440 outlets and over 4,300 employees providing essential items to consumers at affordable prices. Although, LSL accounts for almost 5 percent of the market share, rapid expansion in private sector super market networks has curtailed growth in LSL's market share. However, the year 2022 saw an improved financial performance by LSL even though the company continued to incur losses.

The company's gross profit ratio increased to 11.7 percent in 2022 compared to the 10.9 percent in the previous year. LSL recorded an operating profit amounting to Rs. 432 million in 2022, which is an increase of 182 percent over 2021. Revenue also increased significantly by 39.7 percent to Rs. 56.5 billion in 2022, compared to Rs. 40.4 billion in 2021. However, due to higher interest costs, LSL recorded a loss of Rs. 615 million in 2022, albeit a reduction

of 31 percent compared to the loss in the previous year. LSL had elevated liabilities over its assets attributable to financing raised for the import of rice in 2014/15. However, as part of the restructuring of LSL, the General Treasury has taken over the responsibility of servicing loans borrowed by LSL from the state banks amounting to Rs. 11.47 billion.

Figure 8.12 | Sales Vs Profit/Loss



Sources: Lanka Sathosa Ltd

Table 8.29 | Financial Outturn of Lanka Sathosa Ltd.

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	30,070	26,242	36,799	41,458	57,354
Sales	29,166	25,492	35,579	40,473	56,541
Indirect Income	904	750	1,220	985	813
Operational Expenses	31,387	27,885	37,682	41,936	56,922
Cost of Sales	25,518	22,263	31,806	36,217	49,920
Other Expenditure	5,869	5,622	5,876	5,719	7,002
Operational Profit/Loss	-1,317	-1,643	-883	-478	432
Financial Expenses (Net)	933	1,339	503	403	1,046
Profit/ (Loss) Before Tax	-2,250	-2,982	-1,386	-880	-615
No. of Outlets	403	423	416	437	440

Sources: Lanka Sathosa Ltd

^(a) Provisional

8.13 Plantation

The plantation sector plays an important role in the Sri Lankan economy in terms of contribution of exports and employment creation in particular. The sector has undergone significant transformation over the last several decades, with most estates now operating under private ownership. Nonetheless, the state continues to play a role in the sector with a number of plantation companies operating under state ownership.

Sri Lanka State Plantations Corporation (SLSPC) and Janatha Estates Development Board (JEDB) were established in 1958 and 1976 respectively as fully Government owned entities to strengthen the contribution of the state plantation sector towards the national economy. 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. The Government has retained the ownership of Kurunegala Plantations Limited (KPL), Chilaw Plantations Limited (CPL), Elkaduwa Plantations Limited (EPL) and Kalubovitiyana Tea Factory Limited (KTFL) from the above RPCs, in order to strengthen the state plantation sector contribution towards the national economy.

CPL comprises of 85 coconut estates in total extent of 5,733.23 hectares located in Puttalam, Kurunegala & Gampaha districts, out of which 3,815.94 hectares of productive extent mainly focused on coconut and intercrops such as cashew, rambutan, cinnamon, pepper and

dragon-fruits in addition to animal husbandry. KPL manages a total land extent of 4,971.12 hectares comprising 07 estates in the Kurunegala, Gampaha and Anuradhapura districts. The coconut bearing land extent is 3,124.60 hectares as the main crop while tea and rubber being secondary crops and minor-crops such as black pepper, cinnamon, mango and rambutan. CPL and KPL have recorded profit before tax of Rs. 514 million and Rs. 511 million in 2022 while earning a total revenue of Rs. 975 million and Rs. 1,065 million respectively.

EPL consists of 10 estates covering the bearing extent of 2,320 hectares including tea, rubber, coconut and minor crops such as mango, cocoa, rambutan, pepper, cinnamon and cloves. EPL recorded its highest profit before tax of Rs. 553 million in 2022. This is an increase of 73.4 percent compared to preceding year. However, the total green leaf production and the yield per hectare (green leaf) decreased by 16 percent and 15 percent respectively in 2022 compared to previous year, due to the shortage of chemical fertilizer.

KTFL revenue from tea production amounted to Rs. 2,637 million, which is a significant increase of 153.3 percent compared to the preceding year, primarily due to higher net sales average of made tea. KTFL recorded a profit of Rs. 380 million in 2022 compared to a loss of Rs. 2.76 million in the previous year.

JEDB manages 3,572 hectares of 16 tea estates and 02 rubber estates while the SLSPC covers the management of 4,200 hectares of 16 tea

estates and 01 rubber estate. As the main crop, the tea production by JEDB and SLSPC amounted to 1,210 metric tons and 1,327 metric tons respectively, while tea yield per hectare was 432 kg and 545 kg respectively. JEDB

made a loss of Rs. 18 million in 2022, continuing a trend of losses during the past 5 years. SLSPC made a profit of Rs. 17 million, reversing a trend of losses in the previous 4 years.

Table 8.30 | Financial Outturn of State Owned Plantation Enterprises

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Kurunegala Plantations Ltd (KPL)	Operational Performance				
	Coconut Production (Nuts Mn)	13	16	11	15
	Rubber Production (Kg)	113,085	107,280	107,088	91,545
	Yield per Ha.- Coconut (Nuts)	4,018	5,212	3,284	5,142
	– Rubber (Kg)	652	677	655	561
	Financial Performance (Rs.Mn)				
	Total Revenue	613	499	685	932
	Coconut Sales	532	403	583	798
	Rubber Sales	27	29	30	37
	Total Cost of Sales	356	386	409	412
	Net Profit/ (Loss) Before Tax	221	120	214	468
	Dividends	50	15	50	75
Chilaw Plantations Ltd (CPL)	Operational Performance				
	Coconut Production(Nuts Mn)	8	15	12	15
	Yield per Ha (Nuts)	2,823	5,025	3,854	4,454
	Financial Performance (Rs.Mn)				
	Total Revenue	350	446	673	1,050
	Coconut Sales	291	348	592	802
	Cost of Sales	350	356	398	521
	Net Profit/ (Loss) Before Tax	-35	64	283	511
	Dividends	-	10	50	80
Elkaduwa Plantations Ltd. (EPL)	Operational Performance				
	Green Leafs (MT)	3,144	2,530	2,519	2,108
	Coconut Production (Nuts Mn)	0.91	1.18	0.83	1.06
	Rubber Production (Kg)	98,978	87,582	104,231	124,590
	Yield per Ha.	880	810	686	595
	– Green Leaf(Kg)				
	– Coconut (Nuts)	3,204	4,128	2,900	3,695
	– Rubber (Kg)	360	319	380	454
	Financial Performance (Rs.Mn)				
	Total Revenue	333	260	311	324
	Tea Sales	273	200	321	209
	Coconut Sales	32	28	39	52
	Rubber Sales	26	23	31	54
	Total Cost of Sales	399	379	334	366
	Net Profit/ (Loss) Before Tax	-34	-61	36	318
	Treasury Grants- Recurrent	95	-	-	-
Sri Lanka Cashew Corporation (SLCC)	Operational Performance				
	Yield per Ha	150	190	160	140
	Average Price (Rs/Kg)	400	390	280	360
	Financial Performance (Rs.Mn)				
	Total Revenue	119	100	109	139
	Net cashew sale	100	83	109	139
	Net Profit/ (Loss) Before Tax	18	-30	-11	-20
	Treasury Grants – Recurrent	50	60	60	65
	– Capital	55	70	85	64

Table 8.30 | Financial outturn of State Owned Plantation Enterprises Contd...

		2018	2019	2020	2021 ^(a)	2022 ^(a)
Janatha Estate Development Board (JEDB)	Operational Performance					
	Tea Production (MT)	1,435	1,371	1,486	1,636	1,210
	Rubber Production (MT)	389	363	444	404	364
	Yield per Ha. - Tea (Kg)	507	487	535	583	432
	- Rubber (Kg)	682	601	826	793	697
	Financial Performance (Rs.Mn)					
	Total Revenue	896	878	1,134	1,480	1,895
	Cost of Production	1,374	1,635	1,484	1,970	1,914
	Net Profit/ (Loss) Before Tax	-477	-757	-350	-490	-18
Sri Lanka State Plantation Corporation (SLSPC)	Treasury Grants - Recurrent	425	468	0	30	0
	Operational Performance					
	Tea Production (MT)	1,576	1,405	1,742	1,803	1,327
	Rubber Production (MT)	33	28	29	19	15
	Yield per Ha. -Tea (Kg)	546	478	601	634	545
	-Rubber (Kg)	510	432	474	272	360
	Financial Performance (Rs.Mn)					
	Total Revenue	598	536	767	845	966
	Cost of Production	720	786	865	1,028	863
Kalubowitiyana Tea Factory Ltd (KTF)	Net Profit/ (Loss) Before Tax	-147	-330	-149	-232	17
	Treasury Grants - Recurrent	158	222	0	0	0
	- Capital	0	0	0	14	178
	Operational Performance					
	Made Tea Production (MT)	1,460	1,454	1,716	1,508	1,548
	Sales Quantity (MT)	1,501	1,401	1,704	1,512	1,539
	Financial Performance (Rs.Mn)					
	Total Revenue	971	937	1,175	1,041	2,637
	Cost of Production	931	907	1,141	1,036	2,375
Lanka Sugar Company Ltd (LSCL)	Net Profit/ (Loss) Before Tax	-53	43	-15	-3	380
	Operational Performance					
	Sugar Production (MT)	42,770	41,175	39,696	48,177	36,738
	Sprit Production (000 Liters)	9,787	5,212	8,819	13,037	11,790
	Financial Performance (Rs.Mn)					
	Total Revenue	6,243	7,546	8,978	12,313	19,314
	Sugar Sale	3,149	5,458	3,882	5,994	9,326
	Sprit Sales	3,094	2,065	4,739	6,272	9,948
	Net Profit/ (Loss) Before Tax	164	-1,297	951	1256	6,086

Sources : SOEs

^(a) Provisional

8.14. Health

8.14.1 State Pharmaceuticals Corporation

State Pharmaceuticals Corporation (SPC) is the sole importer and the major supplier of 780 varieties of pharmaceuticals in the generic form for the Medical Supplies Division (MSD), ensuring timely and continuous supply of quality assured pharmaceuticals and healthcare items to the Government hospitals while spanning its geographical footprint in the open market operations through 52 Osusala outlets, 111 franchised Osusala outlets, and 51 distributors.

SPC's revenue which had grown at a compound annual growth rate of nearly 25 percent steadily for the five years up to 2021, dipped

by 15 percent in 2022. Imports restrictions due to shortages of foreign exchange in the market and constrained fiscal space were among the major reasons for this decline.

The MSD being the main contributor to the SPS's revenue recorded 80 percent contribution from the total revenue in 2022. The decline in finance cost from Rs. 580 million in 2021 to Rs. 14 million in 2022 due to the relief measures extended by the Ministry of Health, supported the SPC's bottom line which resulted in a profit before tax of Rs. 1.2 billion. However, this was a 61 percent decline when compared to Rs. 3.2 billion recorded in 2021.

SPC faces liquidity challenges as receivables from MSD amounted to Rs. 51.6 billion by the end 2022, albeit recording a slight reduction of 3 percent compared to year 2021.

Enhanced management information systems and improving procurement practices would be necessary in order to improve financial performance of the entity.

Table 8.31 | Financial Outturn of State Pharmaceuticals Corporation

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	38,895	51,885	63,122	80,300	50,919
MSD	31,437	42,960	54,324	70,853	40,973
SPC	7,458	8,925	8,798	9,447	9,946
Expenditure	37,222	49,479	60,173	76,616	49,780
Operational	34,998	46,888	57,457	73,491	46,060
Administration	1,532	1,620	1,754	1,967	2,057
Other	692	971	962	1,158	1,663
Other Income	74	91	287	89	107
Net Finance Income	-62	-321	-690	-573	-6
Profit Before Tax	1,685	2,176	2,546	3,199	1,239
Key Performance Indicators					
No of Procurement	7,901	7,773	7,269	5,336	3,741
No of Osusala Outlets	40	45	45	50	52
No of Distributors	48	49	53	51	51
No of Authorized Dealers	4	4	4	5	-
No of Franchised Osusala	102	103	104	94	111

Sources: State Pharmaceuticals Corporation

^(a) Provisional

8.14.2 State Pharmaceuticals Manufacturing Corporation

State Pharmaceuticals Manufacturing Corporation (SPMC) has developed formulas for 94 pharmaceutical items applying the international quality standards of British Pharmacopoeia (BP) and the United States Pharmacopoeia (USP). The total production output of 3,302 million units of tablets/capsules

was recorded in the year 2022 as the highest output of SPMC.

SPMC supplies joint venture products with five joint venture companies through shareholder agreements. Given the weak foreign exchange position in the country, SPMC and other local manufacturers played a vital role to fulfill the shortage of pharmaceuticals requirement in the Government hospitals in 2022.

Table 8.32 | Financial Outturn of State Pharmaceutical Manufacturing Corporation

Rs. Million

	2018	2019	2020	2021 ^(a)	2022 ^(a)
Revenue	4,622	5,647	7,648	8,539	16,620
MSD	3,929	4,693	6,639	6,963	13,928
SPC	24	6	7	94	108
Other	669	948	1,002	1,482	2,584
Operating Expenditure	4,319	5,090	6,588	7,471	15,410
Cost of Sales	3,991	4,743	6,281	7,099	14,559
Administration	242	238	247	244	332
Selling & Distribution	76	99	49	109	473
Other Operating	10	10	11	19	19
Other Income	6	7	7	14	18
Net Finance Income	51	28	94	157	352
Profit/ (Loss) Before Tax	360	592	1,161	1,239	1,586
Key Performance Indicators					
No of Production – tablets/capsules (Mn)	1,897	2,400	3,015	3,043	3,302

Sources: State Pharmaceuticals Manufacturing Corporation

^(a) Provisional

Due to the depreciation of the rupee, the cost of pharmaceutical materials and other overheads increased by almost 100 percent. In this context, the Ministry of Health increased prices of the units of tablets/capsules on multiple occasions. As a result, SPMC's total revenue increased by 94 percent to Rs. 16.6 billion in 2022 from Rs. 8.5 billion in 2021.

Out of the total revenue, 84 percent was attributable to the MSD in 2022, increasing to Rs. 13.9 billion from Rs. 7 billion in 2021.

SPMC recorded a profit of Rs. 1.6 billion in 2022 compared to Rs. 1.2 billion in 2021, an increase of 26 percent. Accordingly, SPMC paid Rs. 100 million as a levy to the General Treasury.

Table 8.33 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
Insurance			
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 increased by 63.1 percent to Rs. 443.8 million in 2022 from Rs. 272.0 million in 2021. The profit before tax of SLECIC increased to Rs. 1,883.6 million in 2022 from Rs. 334.4 million in 2021, mainly due to the considerable increase in exchange gain reported during the year.	SLECIC should focus on new strategies to boost export earnings with more proactive approaches.
Agricultural & Agrarian Insurance Board (AAIB)	Operate Agricultural Insurance Scheme, Farmers Pension Scheme, and Fishermen Pension Scheme	The net surplus of AAIB increased by 48.9 percent to Rs. 2,650.8 million from Rs. 1,779.6 million in 2021 mainly due to the increase in operating profit in Agricultural Insurance Scheme.	High dependency on the National Budget due to mismatch in the cash inflows and outflows of insurance premiums and payments.
Non Renewable Resources			
Lanka Mineral Sands Ltd (LMSL)	Mining, processing and marketing of heavy mineral sands. Manufacturing and selling other by-products create as a result of refining and processing mineral sands.	LMSL's revenue increased significantly by 178 percent to Rs. 7,563 million in 2022 from Rs. 2,720 million in 2021. As a result, the profit before tax has also drastically increased to Rs. 6,160 million in 2022 from Rs. 1,387 million in 2021.	Despite exporting raw products, LMSL needs to seek new avenues for value addition catering to the foreign market demand in order to gain more benefits and foreign exchange to the country.
Kahatagaha Graphite Lanka Ltd (KGLL)	Excavate, process and sell Graphite as industrial raw material.	KGLL's revenue in the year 2022/23 increased sharply to Rs. 182 million by 48 percent compared to preceding year of Rs. 123 million due to the Rupee depreciation. As a result, KGLL's profit of the year increased drastically to Rs. 70 million compared to Rs. 8 million in 2021/22.	KGLL should focus on the value addition projects in order to gain the foreign exchange to the country.
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 decreased to Rs. 546 million in 2022/23 from Rs. 741 million 2021/2022. Consequently, LPL's profit has been declined by 52 percent to Rs. 74 million for the year under review.	LPL needs to explore the possibilities of new product development in order to enhance the use of the natural resource.

Table 8.33 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Health			
Sri Lanka Ayurvedic Drugs Corporation (SLADC)	Operate 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's revenue increased by 17 percent to Rs. 936 million in 2022 compared to Rs. 800 million in 2021 due to the introduction of new marketable product varieties. Administration and selling & distribution increased by 17 and 22 percent respectively. SLADC recorded Rs. 14 million profit in 2022 compared to a loss of Rs. 14 million in 2021.	The scarcity of herbs as raw materials has been a major challenge for SLADC. SLADC should expand its herbal cultivation to ensure the availability of raw material while using modern processing methods 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 increased by 18 percent to Rs. 3,332 million in 2022 compared to Rs. 2,815 million in 2021. However, SJGH recorded a loss of Rs. 2,033 million for the year 2022 despite the budgetary support of Rs. 2,280 million.	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 to compete with the private sector.
Media			
Independent Television Network (ITN)	ITN group is the pioneer television station in Sri Lanka which broadcasts and produces a variety of programs in Sinhala, Tamil and English languages including news, teledramas, documentaries, educational programmes, children entertainment programmes, reality TV, religious programmes etc. via ITN, Vasantham TV, ITN FM and Vasantham FM.	Revenue for the year 2022 slightly increased to Rs. 1,536 million. Programme expenses increased by 15 percent and marketing expenses increased by 11 percent in 2022 to Rs. 579 million and to Rs. 97 million respectively. As a result of the above, the net loss has increased by 7.8 percent to Rs. 370 million in 2022.	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 at least to breakeven point.
Sri Lanka Rupavahini Corporation (SLRC)	Produce and broadcast informative, educational and entertaining programmes via the channels namely Rupavahini, channel Eye and Nethra TV.	Revenue decreased by 12 percent to Rs. 1,320 million in the year 2022 in compared to 2021. Distribution cost decreased by 45 percent to Rs. 69 million in 2022. Net loss of Rs. 227 million recorded in 2021 increased to Rs. 541 million in 2022 by 138 percent. During 2022, Rs. 25 million budgetary support given by the General Treasury to cover the recurrent expenses. In 2021, Rs.362 million given for recurrent expenses.	SLRC should adopt strategies to improve the quality of their programmes and to expand the coverage and improve its ratings. SLRC should implement strategies which are identified in their Business Plan effectively in order to reach the breakeven point.

Table 8.33 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Sri Lanka Broadcasting Corporation (SLBC)	As the oldest radio station in Sri Lanka, SLBC engages in broadcasting activities through 6 National channels, (Sinhala National Service, Tamil National Service, Commercial Service, City FM, Thendral Service, English Service); 6 Regional channels (Raja Rata FM, Ruhunu FM, Kandurata FM, Pierei FM, Yal FM, Wayabha Service) and 1 community radio channels (Dambhana) with a view to providing its service as the pioneer radio broadcasting network in Sri Lanka.	Revenue increased by 7.5 percent to Rs. 1,046 million and administration expenses reduced by 6.2 percent to Rs. 3,545 million in 2022 compared to the previous year. SLBC has recorded a net loss Rs. 236 million in 2022 against the profit of Rs. 11 million recorded in 2021. During 2022, Rs. 40 million in budgetary support was given by the General Treasury. In 2021, Rs. 497.8 million was given to cover the recurrent expenses.	SLBC should adopt strategies to improve the quality of their programmes and to expand the coverage and improve its ratings. SLBC should implement strategies identified on their Business Plan effectively in order to reach at least to breakeven point.
Marketing & Distribution			
Sri Lanka Handicraft Board (SLHB)	SLHB aims to improve the traditional handicraft industry by making gift and souvenir items for both local and international markets. Further, it tries to broaden the production market network of handicraft items by preserving and developing the traditional skills of Sri Lankan craftsmen. Currently, 11 branches are located island-wide trading gifts and souvenir boutiques.	Even though the prevailed socio-political unrest within the country in 2022, SLHB was able to secure the revenue stream. The Board recorded a revenue of Rs. 288 million in 2022 which is a growth of 132 percent compared to the previous year's revenue of Rs. 124 million. However, the Board recorded a loss of Rs. 53 million, an increase of 51 percent from last year's loss of Rs. 35 million due to inflationary pressure.	The Board should plan to expand its geographical footprint by expanding its sales outlets in island-wide tourist destinations focusing on foreign customer base. Similarly, a clear shift towards digital platform and expanding the Board's online presence by enhancing the digital capabilities through e-commerce, social media marketing are essential matters to consider during this period.
State Timber Corporation (STC)	Extracting and purchasing timber and converting them into value-added products. Sale of logs, sawn timber, finished products, and reforestation.	"Revenue decreased by 16 percent to Rs. 4,743 million in 2022 compared to Rs. 5,696 million in 2021. Moreover, net profit decreased by 72 percent to Rs. 315 million in 2022 compared to Rs. 1,136 million in 2021. STC paid a Levy amounting to Rs. 320 million in 2022."	"STC should focus to gain competitive advantage through the infusion of technology is required to ensure sustainability of the entity. Regular training of skilled labour is a key factor of the STC to cater the changing market patterns (Eg. Furniture)"
STC General Trading (STC)	STC engaging with the offering various products such as retail, supplying chemicals and allied products, office supplies, construction materials, agricultural products, motor cycles, machinery & equipment and automotive tire and services ranging from household equipment to industrial machinery products.	STC recorded a significant increase in net profit amounting to Rs. 473 million in 2022 compared to Rs. 60 million profit in 2021. Further, a significant improvement in the sale of chemical & allied products and essential foods was experienced in 2022.	STC has to continue its business improvement strategies while enhancing its product range according to the current requirements.

Table 8.33 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
State Printing Corporation (SPC)	SPC engages with primarily the printing of school text books, exercise books and lottery tickets.	"Revenue decreased by 49 percent to Rs. 825 million in 2022 from Rs. 1,633 million in 2021. Further, net loss increased by 35 percent to Rs. 380 million in 2022 compared to Rs. 281 million in 2021."	SPC needs to re-engineer its business process to sustain the business.
Hotel Developers Lanka Ltd (HDL)	HDL engages in the hospitality trading business.	HDL recorded a loss of Rs. 633 million in 2022 compared to a Rs. 976 million loss for the previous year mainly due to improvement in the tourism sector.	The Restructuring process with Selandiva Investment Ltd has been halted. However, as per the Cabinet decision directions, HDL is under the broader SOE restructuring program.
Fisheries			
Ceylon Fishery Harbours Corporation (CFHC)	CFHC provides fishing communities with infrastructural facilities and services connected to fishing harbors through its harbors spread around the country.	CFHC recorded a loss of Rs. 37.5 million in 2022 compared to Rs.136.22 million loss accounted in 2021 as a result of increase in revenue and other income by 395 percent and 88 percent respectively.	The current contribution to the GDP needs to be increased by making the best use of the resources in the fishing harbors.
Ceylon Fisheries Corporation (CFC)	CFC specializes in buying fish from fishermen and selling it to the market to keep the price of fish controlled.	CFC recorded a loss of Rs. 42 million in 2022 compared to Rs. 64 million loss in the previous year mainly due to increase in fish sales income in the year under review by 42 percent.	Entire business restructuring is needed in the areas including purchasing, marketing, working capital management, strengthening internal control system, etc. to protect the business viability of CFC.
Fertilizer			
Colombo Commercial Fertilizer Co. Ltd (CCFL)	CCFL primarily involved in importing, blending and marketing fertilizer required for paddy, tea, coconut, rubber and other crops.	Revenue decreased significantly by 94.4 percent from Rs. 770 million in 2021/22 to Rs.42.8 million in 2022/23 resulted due to the shortage of fertilizer created through import restrictions. Similarly, profit has also decreased by 74 percent to Rs. 61 million in 2022/23 from Rs. 234 million in 2021/22.	The two entities play a vital role in order to maintain agricultural productivity which is crucial to maintain the food security in the country. As such collaborative approach is needed to meet the market demand with proper supply chain management strategies.
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 decreased significantly by 65.9 percent from Rs. 1,210 million in 2021/22 to Rs. 413 million in 2022/23 mainly due to less supply of fertilizer. However profit after tax has increased to Rs.115 million in 2022/23 from Rs. 0.5 million in 2021/22 mainly due to the interest income.	

Sources: SOEs and Department of Public Enterprises

Annexure 8.1 | Profitability of Key 52 State Owned Enterprises

Rs. Million

Enterprise		Profit/(Loss) Before Tax			Business Turnover 2022 ^(b)	Budgetary Support 2022	
		2020	2021 ^(b)	2022 ^(b)		Recurrent	Capital
1	Bank of Ceylon	23,552	43,190	30,977	513,149	-	-
2	People's Bank	21,227	30,387	21,338	357,229	-	-
3	National Savings Bank	15,645	28,555	4,510	174,638	-	-
4	State Mortgage & Investment Bank	572	405	-48	7,520	-	-
5	HDFC Bank	1,068	878	377	8,856	-	-
6	Pradeshiya Sanwardena Bank	1,013	776	1,823	35,918	-	-
7	Employee's Trust Fund Board	32,345	33,159	43,428	46,122	-	-
8	Sri Lanka Insurance Corporation	7,972	11,725	12,476	63,685	-	-
9	National Insurance Trust Fund	8,866	5,936	8,010	25,109	-	-
10	Sri Lanka Export Credit Insurance Corporation	265	334	1,884	444	-	-
11	Agriculture and Agrarian Insurance Board	1,257	1,780	2,651	3,720	4,158	-
12	Ceylon Electricity Board	-60,486	-34,139	-261,869	308,457	-	90,800**
13	Ceylon Petroleum Corporation	2,371	-81,816	-615,053	1,148,801	-	-
14	Sri Lanka Ports Authority	20,328	25,601	57,026	68,408	-	-
15	National Water Supply and Drainage Board	509	-3,054	-3,064	35,464	-	20,000**
16	Airport and Aviation Services (SL) Ltd	-3,733	-755	6,434	26,007	-	-
17	Sri Lankan Airlines Ltd ^(a)	-45,230	-166,370	-72,177	347,091	-	-
18	Sri Lanka Transport Board	-2,105	-3,054	484	58,269	8,800	642
19	State Engineering Corporation	-1,252	-1,597	-940	2,668	466	-
20	Central Engineering Consultancy Bureau	261	48	69	4,496	-	-
21	State Development and Construction Corp.	-257	96	27	2,555	-	-
22	Milco (Pvt) Ltd	208	329	-471	13,112	-	-
23	National Livestock Development Board	-1	160	133	4,104	-	-
24	Sri Lanka State Plantations Corporation	-149	-232	17	966	-	-
25	Janatha Estates Development Board	-350	-490	-18	1,895	-	-
26	Kurunegala Plantations Ltd	214	468	511	1,065	-	-
27	Chilaw Plantations Ltd	283	511	514	975	-	-
28	Kalubovitiyana Tea Factory Ltd *	-15	-3	380	2,637	-	-
29	Sri Lanka Cashew Corporation	-11	-20	2	154	78	29
30	Lanka Mineral Sands Ltd	69	1,387	6,160	7,563	-	-
31	Lanka Phosphate Ltd. ^(a)	150	117	74	546	-	-
32	Kahatagaha Graphite Lanka Ltd *	14	8	70	182	-	-
33	Development Lotteries Board	2,994	2,953	3,267	19,071	-	-
34	National Lotteries Board	1,435	1,004	1,390	20,448	-	-
35	State Pharmaceuticals and Manufacturing Corp.	1,161	1,239	1,586	16,620	-	-
36	Sri Lanka Ayurvedic Drugs Corporation	9	-14	14	936	-	-
37	State Pharmaceuticals Corporation	2,546	3,157	1,240	50,919	-	-
38	Sri Jayawardanepura General Hospital	174	-258	-2,033	3,332	2,280	45
39	Independent Television Network Ltd	-251	-344	-370	1,536	-	-
40	Sri Lanka Rupavahini Corporation	-236	-227	-541	1,320	25	-
41	Sri Lanka Broadcasting Corporation	-2	11	-236	1,046	40	-
42	Sri Lanka Handicraft Board	-106	-35	-53	288	-	-
43	State Timber Corporation	464	1,136	315	4,743	-	-
44	STC General Trading Company ^{(a)*}	-120	60	473	8,750	-	-
45	Lanka Sathosa Ltd	-1,386	-880	-615	56,541	-	-
46	State Printing Corporation	-44	-281	-380	825	-	-
47	Ceylon Fisheries Corporation	-48	-64	-42	4804	-	-
48	Ceylon Fishery Harbour Corporation	-236	-136	-38	494	501	46
49	Ceylon Fertilizer Company Ltd ^{(a)*}	188	0.5	115	413	-	-
50	Colombo Commercial Fertilizer Company Ltd ^{(a)*}	314	234	61	42.8	-	-
51	Hotel Developers Lanka PLC	-877	-976	-633	2,887	-	-
52	Lanka Sugar Company Ltd	951	1,256	6,086	19,314	-	-
Total		31,530	-97,845	-744,658	3,486,135	16,347	111,562

Sources: SOEs and Department of Public Enterprises

** Equity investments

^(a) Financial Year end 31 March – (i.e. 2022; 2002/2023)^(b) Provisional

* Draft

Annexure 8.2 | Submission of Annual Reports - SOEs

	2017	2018	2019	2020	2021
1 Bank of Ceylon	✓	✓	✓	✓	✓
2 People's Bank	✓	✓	✓	✓	✓
3 National Savings Bank	✓	✓	✓	✓	✓
4 State Mortgage & Investment Bank	✓	✓	✓	✓	X
5 HDFC Bank	✓	✓	✓	✓	X
6 Regional Development Bank (RDB)	✓	✓	✓	✓	X
7 Employee's Trust Fund Board	✓	✓	✓	✓	✓
8 Sri Lanka Insurance Corporation	✓	✓	✓	✓	X
9 National Insurance Trust Fund	✓	X	X	X	X
10 Ceylon Electricity Board	✓	✓	✓	✓	✓
11 Ceylon Petroleum Corporation	✓	✓	✓	✓	✓
12 Sri Lanka Ports Authority	✓	✓	✓	✓	✓
13 National Water Supply and Drainage Board	✓	✓	✓	✓	✓
14 Airport and Aviation Services (SL) Ltd	✓	✓	✓	✓	✓
15 Sri Lankan Airlines Ltd	✓	✓	✓	✓	✓
16 Sri Lanka Transport Board	✓	✓	✓	✓	✓
17 State Engineering Corporation of Sri Lanka	✓	X	X	X	X
18 Central Engineering Consultancy Bureau	✓	✓	✓	X	X
19 State Development and Construction Corporation	✓	✓	✓	X	✓
20 Milco (pvt) Ltd	✓	✓	X	X	X
21 National Livestock Development Board	✓	X	X	X	X
22 Ceylon Fisheries Corporation	X	X	X	X	X
23 Ceylon Fishery Harbour Corporation	✓	✓	✓	X	X
24 State Pharmaceuticals and Manufacturing Corporation	✓	✓	✓	✓	✓
25 SL Ayurvedic Drugs Corporation	✓	✓	✓	✓	✓
26 State Pharmaceuticals Corporation	✓	✓	✓	✓	✓
27 Sri Jayawardenapura General hospital	✓	✓	✓	✓	X
28 Independent Television Network Ltd	✓	✓	✓	✓	✓
29 SL Rupavahini Corporation	✓	✓	✓	✓	X
30 Sri Lanka Broadcasting Corporation	✓	✓	✓	✓	X
31 Ceylon Fertilizer Company Ltd	✓	✓	✓	✓	✓
32 Colombo Commercial Fertilizer Company Ltd.	✓	✓	✓	✓	X
33 State Timber Corporation	✓	✓	✓	✓	✓
34 STC General Trading Company	✓	✓	✓	X	X
35 Hotel Developers Lanka PLC	✓	✓	✓	✓	✓
36 Lanka Sugar Company Ltd	✓	X	X	X	X
37 Lanka Sathosa Ltd	✓	✓	✓	✓	X
38 Development Lotteries Board	✓	✓	✓	✓	X
39 National Lotteries Board	✓	✓	✓	✓	X
40 Lanka Mineral Sands Ltd	✓	✓	✓	✓	✓
41 Lanka Phosphate Ltd	✓	✓	✓	✓	✓
42 State Printing Corporation	✓	✓	X	X	X
43 Sri Lanka Export Credit Insurance Corporation	✓	X	X	X	X
44 Agriculture and Agrarian Insurance Board	✓	✓	✓	✓	✓
45 Sri Lanka State Plantations Corporation	✓	✓	✓	X	X
46 Kurunegala Plantations Ltd	✓	✓	✓	✓	✓
47 Janatha Estates Development Board	X	X	X	X	X
48 Chilaw Plantations Ltd	✓	✓	✓	✓	X
49 Kalubovitiyana Tea Factory Ltd	✓	✓	✓	X	X
50 Sri Lanka Cashew Corporation	✓	✓	X	X	X
51 Sri Lanka Handicraft Board	✓	✓	✓	✓	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 unprecedented economic crisis in the country has compelled the Government to manage and rationalize its public expenditure towards achieving revenue based fiscal consolidation and revamp weak public financial management processes and systems that are partly attributable to the crisis. The need for a robust and all-encompassing Public Financial Management System has been pressing more than ever before to bring in the necessary fiscal discipline in the public finances. Hence, it is important to introduce the new Public Finance Management Act as the overarching piece of legislation of the Government to ensure prudent fiscal discipline over public finances.

The lack of fiscal space engulfed by the inflationary pressures together with the imposition of import restrictions and exchange controls, resulted in most of the public sector capital projects to hold. Also, several measures have been taken to enable the smooth functioning of the government procurement process while ensuring transparency and accountability.

9.2 Revisiting the Public Finance Management Processes

The need for enacting a new Public Finance Management Bill (PFM Bill), covering different aspects of policy formulation related to public finance and filling many of the lacunas in the existing public financial framework while ensuring transparency and accountability in the processes and systems has been a cornerstone of the reform agenda of the Government. Several high-level consultations with the International Monetary Fund (IMF) have been undertaken and a road map has been agreed upon to submit the draft PFM bill to the Parliament towards the end of 2023. The Bill is expected to cover the areas budget formulation and execution, public procurement of fiscal rules, debt management policy, control measures for public expenditure, management asset management and measures for assuring transparency and accountability in the system. Alongside the development of the draft PFM bill, several other related laws, regulations and guidelines have also been initiated towards the latter part of 2023.

9.3 Procurement Management

The economic crisis prompted the Government to take immediate measures to ensure the uninterrupted functioning of Government procurement. These measures were instrumental in ensuring public safety and public health, in particular. Therefore, Health Sector Emergency Procurements Process (HSEPP) was introduced to tackle numerous practical issues that prevailed at that time including forex issues, import restrictions and price escalations etc. The prompt measures have effectively helped ease the shortage of most of the urgent and essential pharmaceuticals, medical equipment and devices.

In addition, due to the depleting foreign currency reserves and depreciation of the Sri Lankan Rupee, the suppliers have become reluctant to enter into contracts with the Government and to complete the contracts as per the contract agreements. Considering the situation, the Government established a Price Variation Committee in the General Treasury, limited to the goods and services in order to provide uninterrupted service to the general public. Further, a circular was issued regarding the grading system of the Construction Industry Development Authority (CIDA) to facilitate a level-playing field for the contractors.

Also, new Guidelines for the Procurement of Pharmaceuticals and Medical Devices of a Consumable Nature – 2022 were issued to facilitate the procurement of Pharmaceuticals and a limited range of medical devices of a consumable nature using a transparent, expeditious and efficient process that ensures value for money and fair dealing with the approval of the Cabinet of Ministers.

9.4 Electronic Government Procurement (e-GP)

Several measures have been taken during 2022 to broaden the application of e-GP System by Government entities. This system covers procurement steps from 'Invitation to Quotations' up to 'Quotation Opening' under Shopping Procedure. As of January 12, 2023, 342 Procuring Entities and 2,944 vendors have registered for the e-GP System and 2,159 e-Procurements have been carried out through the e-GP System.

For the implementation of recommendations issued by the Information and Communication Technology Agency (ICTA) and World Bank, the e-GP Secretariat has re-designed the development methodologies, technology and architecture of the e GP system. In order to accommodate these enhancements, the e-GP Secretariat has prepared an Addendum to the Original Contract for Design, Develop, Implementation and Maintenance of Electronic Government Procurement (e GP) system.

Accordingly, the Cabinet of Ministers has approved the signing of an Addendum to the Original Contract for Design, Develop, Implementation and Maintenance of Electronic Government Procurement (e GP) for the e-GP Secretariat, which is to be entered between the Secretary of the Ministry of Finance, Economic Stabilization and National Policies and the Developer of the e-GP System at the revised terms, conditions and contract value in the first quarter of 2023.

Furthermore, the European Union has agreed to provide USD 4 million under the project of Strengthening Public Finance Management and Accountability in Sri Lanka as a grant through the World Bank for the implementation of e-GP system for the period from April 2023 to March 2027. It is further planned to implement the e-GP system in all public institutions on full scale from the year 2026.

9.5 Control over Public Finance

Department of Public Finance has attended 25 meetings summoned by the Parliamentary Committee on Public Accounts (COPA) with the view of overseeing the operation of public institutions in accordance with Article 74 of the Constitution and Parliamentary Standing Order No. 119. Accordingly, officials of the Department of Public Finance participated in COPA meetings to assist them and, inform the relevant institutions to take corrective actions as directed by the COPA regarding the shortcomings in their Public Financial Management.

Upon receiving audit queries and audit reports from the Auditor General regarding the relevant public institutions in 2022, follow-up actions have been taken to inform the respective institutions to take remedial actions on queries made by the Auditor General within the stipulated period of time.

9.6 Financial Regulations and Public Finance Circulars

New public financial measures have been introduced by the Budget Speeches of 2022 and 2023. It has been decided to reduce the telephone cost of public institutions by 25 percent under the Expenditure Management Proposal in terms of Budget Proposal 5.4 in relation to the expenditure control in the year 2022. Accordingly, Table 4.1 in Section 4 of paragraph 4 in the Public Finance Circular No. 01/2020 dated August 28, 2020 under "Provision of Communication Facilities to Public Officers and Settlement of Bills" was amended and a new Public Finance Circular No. 01/2020 (i) was issued on January 12, 2022.

Further, the Public Finance Circular 01/2020 (ii) dated December 20, 2022 was issued as an amendment to paragraph 05 of part II of the existing Public Finance Circular No. 01/2020 dated August 28, 2020 based on the Proposal No. 35.1 of the Budget 2023.

9.7 Management of Statutory Funds and Trust Funds

The preparation of the Annual Budget, Financial Statements, and Performance Reports of Funds is conducted in conformity with Guidelines 04 and 05 of the Public Finance Circular No. 01/2020 dated August 28, 2020, which has introduced formats related to the preparation and submission of Financial Statements and Annual Reports of Statutory Funds and Trust Funds. Accordingly, in co-ordination with the Line Ministries, the monitoring and evaluation of the Funds have been carried out and follow-up actions have been taken regarding the audit queries and audit reports issued by the Auditor General on the Funds.

Table 9.1 | The Circulars issued by the Department of Public Finance

Circular	Description
Public Finance Circular 01/2020 (i) Date of issue : January 12, 2022 Provision of communication facilities for the public officers and settlement of bills	To reduce the telephone expenses of government institutions by 25 percent with the purpose of reducing the recurrent expenditure as proposed by Proposal 5.4 of Budget 2022
Public Finance Circular 01/2020 (ii) Date of issue : December 20, 2022 Amendment to the fees charged by the government Institutions for the service delivery	To increase fees and charges by 20 percent with effect from 2023 with the purpose of increasing non-tax revenue as proposed by Proposal 35.1 of Budget 2023
Public Finance Circular No. 01/2023 Dated January 13, 2023 – Guidelines for Procurement of Pharmaceuticals and Medical Devices of a Consumable Nature – 2022	To issue Guidelines for Procurement of Pharmaceuticals and Medical Devices of a Consumable Nature – 2022 by replacing previous Guidelines for the Procurement of Pharmaceuticals and Medical Devices – 2006 issued by the NPA Circular No. 10 dated 01st March 2007. These Guidelines came into force effective from February 01, 2023.
Public Finance Circular No. 04/2016(iv) Dated February 09, 2023 – Procurement of Works up to Rs. 50 million from Regional Contractor under Domestic Funds	To amend table under the paragraph 3.3 of the Public Finance Circular No. 04/2016 (iii), dated 18.02.2021, taking into consideration the economic situation in the country. This amendment will be in effect until 31st December 2023.

Box 9.1 | A Snapshot of the management of Non- Financial Assets of the Government

The Non-Financial Assets of the Government frequently lack proper maintenance. There has been inadequate record-keeping of these assets and ownership issues have also been a concern. To enhance the efficient management of these assets, the Comptroller General's Office initiated efforts to collect comprehensive information regarding vehicles, structures, buildings, lands, furniture & office equipment and plant & machinery, by issuing the Assets Management Circular No. 01/2017.

Vehicles: As of December 31, 2021, the Public Sector Institutions owned 84,247 motor vehicles, of which 77,678 were in running condition. Since mid 2019, the government suspended purchasing of new motor vehicles, except for utility vehicles required for development activities and other essential purposes and also the vehicles imported for the use of Sri Lanka Police. Accordingly, the existing motor vehicle fleet was managed to meet the government's requirements, thereby incurring no additional costs. However, as of August 31, 2020, there were 5,430 vehicles to be repaired and 4,073 vehicles to be disposed. To address this issue, Assets Management Circulars No. 05/2020 and 04/2022 were issued, and accordingly as of May 15, 2023, 2,241 vehicles were repaired and added to the running vehicle fleet which cost Rs. 915 million, while 1,742 vehicles were disposed of, generating revenue of Rs. 634 million. Moreover, the ownership issues of 284 vehicles were resolved as per the directives of Assets Management Circulars No. 02/2017 and 03/2018.

Progress of repair and disposal of vehicles not in running condition

Public Sector Institution	Reported as of 31st August 2020					Progress of repair as of 15th May 2023						Reported as of 31st August 2020					Progress of Dispose as of 15th May 2023					
	Vehicles to be repaired					Vehicles repaired					Cost of repair (Rs. Mn.)	Vehicles to be disposed					Vehicles disposed					Earnings from disposal (Rs. Mn.)
	SUV	Car	Double Cab	Van	Other	SUV	Car	Double Cab	Van	Other		SUV	Car	Double Cab	Van	Other	SUV	Car	Double Cab	Van	Other	
Government Agencies and Public Enterprises	485	183	517	148	2,253	353	160	433	113	1,336	915	380	475	346	142	2,893	95	283	138	71	1,083	566
Provincial Councils	24	21	66	29	347	18	21	50	18	179	80	59	45	125	41	924	23	22	35	15	230	68
Total	509	204	583	177	2,600	371	181	483	131	1,515	995	439	520	471	183	3,817	118	305	173	86	1,313	634

Motor Vehicle Fleet of the Government

Public Sector Institution	2017 ^(a)	As of December 31, 2019	As of December 31, 2021
Motor vehicles in running condition	64,518	76,661	77,678
Government Agencies and Public Enterprises	50,160	60,326	61,248
Provincial Councils and Local Governments	14,358	16,335	16,429
Motor vehicles not in running condition	9,303	5,533	6,569
Government Agencies and Public Enterprises	7,723	3,839	4,889
Provincial Councils and Local Governments	1,580	1,694	1,680
Total	73,821	82,194	84,247

*a - Government Agencies and Stated owned Enterprises : reported as at 31.12.2017,
Provincial Councils and local governments: reported as at 24.04.2018*

Box 9.1 | A Snapshot of the management of Non- Financial Assets of the Government contd...

Age analysis of the motor vehicle fleet the Government (as of 31.12.2021)

Type of Vehicles	0 – 5 Years	6 – 10 Years	More than 10 Years old	Year of Reg. not reported	Total
SUV	107	565	3,995	135	4,802
Car	361	1,994	5,250	340	7,945
Double cab	427	2,470	7,333	558	10,785
Van	188	644	2,208	217	3,257
Single Cab/Dual Purpose	282	988	4,466	255	5,991
Bus	384	1,459	2,933	3,554	8,330
Crew Cab	3	25	46	5	79
Lorry	514	1,387	3,665	206	5,772
Tractor	109	864	4,261	479	4,261
Other	6,832	7,381	16,360	2,399	33,022
Grand Total	9,257	17,777	47,074	10,139	84,247

Buildings: As of December 31, 2021, the owned and rented/leased building floor area of Public Sector Institutions is approximately 60.0 million square meters of which, 57 million square meters is owned floor area, and the remaining 2.9 million square meters is rented/leased. Meanwhile, 0.8 million square meters have been unutilized. The annual rent/lease cost amounts to Rs. 11.6 billion. Moreover, Public Sector Institutions have rented out 1.7 million square meters of their owned floor area, generating Rs. 6.2 billion income from Public Sector Institutions and Rs. 3.1 billion from private parties.

Buildings owned including rented out spaces and buildings rented/leased by the Public Sector Institutions (As of December 31, 2021)

Public Sector institution	Utilized Floor Area (sq. m.)			Unutilized Floor Area (sq. m.)	Annual Rental/ Lease Cost (Rs.)	Rented Out Space	
	Own	Rented/ Leased	Total			Floor Area (sq.m.)	Annual Income (Rs.)
Government Agencies and Public Enterprises	46,041,744	2,680,256	48,722,000	596,855	11,439,593,083	970,225	8,564,198,801
Provincial Councils and Local Governments	11,137,528	200,502	11,338,030	188,345	148,416,427	721,656	749,588,943
Total	57,179,272	2,880,758	60,060,030	785,200	11,588,009,510	1,691,881	9,313,787,745

Note: This information does not include information of garages, quarters, circuit bungalows, rest houses and other such non – residential buildings

Disposal of Scrap Materials: As per the instructions issued by the Assets Management Circular No. 10/2022, as of December 15, 2022, Rs. 54.4 million was earned from disposal of Scrap Materials.

Disposal of Scrap Materials (as of December 15, 2022)

Description	Identified quantity (Mt)	Disposed quantity (Mt)	Sales income (Rs. Mn.)
Iron or Steel	2,832	116	12.1
Other Metal	299	40	11.7
Other Scrap	-	-	30.6

Revenue from Sale of Non-Financial Assets: Sales of Non-Financial Assets revenue increased to Rs. 584.2 million in 2022 compared to Rs. 188.4 million in 2021, following the efforts made for disposal of vehicles not in running condition and scrap materials.

Sale of Non-Financial Assets Revenue (Rs. Million)

Non-Financial	2020	2021	2022
Sale of Non-Financial Assets – vehicles	201	128.3	226.4
Sale of Non-Financial Assets – Other	56	60.1	357.8
Total	257	188.4	584.2

Valuation of Non-Financial Assets: A guideline for valuation of non-financial assets of the government was introduced by issuing the Assets Management Circulars No. 04/2018, No. 02/2019 and 05/2021.

Online system for Non- Financial Assets Management: An integrated online software system is also being designed and developed to establish a centralized database of Non-Financial assets of the government, to facilitate more effective allocation and use of these resources.

10

Human Resource Management

10.1 Overview

In 2022, the Government maintained a consistent public service delivery amidst the economic crisis and political upheaval including trade union actions, protests and public anxiety. The crisis has also provided a platform to take much-needed and much-neglected reform in human resource management in the public sector. As such, the Government has taken bold and far-sighted actions to maneuver the expenditure on salary and wages on a sustainable path while achieving the optimum cadre for the public sector.

The expenditure rationalization has been a catalyst in the fiscal consolidation process of the Government. As such, several measures were taken to curtail the non-essential public expenditure other than paying salaries, pensions, social welfare and debt servicing. New recruitments to the public sector were halted during the year and essential cadre recruitments were done through a special committee chaired by the Secretary to the Prime Minister. The Government presented two major proposals to minimize the size of the public sector. As such, the Public Administration Circular No. 14/2022 and Public Enterprises

Circular No. 05/2022 were issued to grant five year no pay leave for public officers to travel abroad and to engage in employment in a foreign country or within Sri Lanka. Further, in 2022, the Government decided to make the compulsory retirement age of public servants 60 years in order to attract youth into the sector.

Expenditure on salaries and wages together with the payment for pensions accounted for more than half of the government revenue. Such expenditure on salaries and wages, in nominal terms, increased by 13.1 Percent to Rs. 956.2 billion in 2022 from Rs. 845.7 billion in 2021 to manage for about 1.39 million public servants. The pension bill increased by nearly 15 percent to Rs. 309.1 billion in 2022 from Rs. 269.8 billion in 2021. The total salaries and wages including pension payments amounted about 5.2 percent of GDP in 2022 compared to 6.3 percent of GDP in 2021. Therefore, maintaining such a large public service relative to the total population of the country has become a foremost issue in public finance management due to the limited fiscal space engulfed with the economic crisis. This has warranted an efficient management of human resources in the public sector, among others.

Table 10.1 | Public Sector Cadre Composition 2014–2022

Administrative level		2014	2015	2016	2017	2018	2019	2020	2021	2022	Increase/ Decrease % 21/22
National	App	844,948	858,680	874,046	880,971	892,509	906,264	1,006,276	1,013,419	1,018,019	0.45
	Act	703,600	722,950	754,548	756,339	742,960	740,574	805,802	792,317	783,238	-1.15
Provincial Councils and Local Authorities	App	392,698	394,812	412,560	428,433	440,560	444,348	444,174	446,025	441,748	-0.96
	Act	377,445	374,330	372,033	385,311	392,528	400,897	390,061	389,105	398,528	2.42
Total Public Service	App	1,227,646	1,253,492	1,286,606	1,309,404	1,333,069	1,350,612	1,450,450	1,459,444	1,459,767	0.02
	Act	1,081,045	1,097,280	1,126,581	1,141,650	1,135,488	1,141,471	1,195,863	1,181,422	1,181,766	0.03
State Owned Enterprises	App	245,339	244,800	234,220	242,194	248,625	251,419	251,440	255,545	255,650	0.04
	Act	221,213	219,583	226,695	233,849	235,145	236,293	227,253	219,838	212,117	-3.51
Total Public Sector	App	1,482,985	1,498,292	1,520,826	1,551,598	1,581,694	1,602,031	1,701,890	1,714,989	1,715,417	0.02
	Act	1,302,258	1,316,863	1,353,276	1,375,499	1,370,633	1,377,764	1,423,116	1,401,260	1,393,883	-0.53
Rate of Utilization of the Approved Cadre (%)		88	88	88	88	87	86	84	82	81	
Cumulative Number of Pensioners		546,379	564,472	579,414	585,670	617,386	639,984	660,934	672,196	676,430	0.63

Sources: Department of Management Services,

Department of Pensions

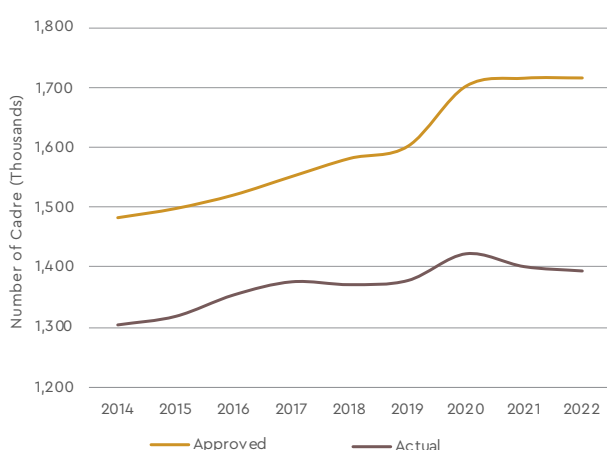
App – Approved Cadre

Act – Actual Number of Employees

10.2 Cadre Management in 2022

At the end of 2022, the total number of deployed employees in the public sector was 1,393,883, a slight drop of 0.53 percent compared to 2021. This drop was due to the suspension of new recruitments, reduction of new cadre positions, and retirements. The cadre utilization rate against the total number of approved cadre positions remained at 81 percent at the end of 2022, a 1 percent decline compared to 2021. The decline in cadre utilization was mainly due to the restrictions imposed on public expenditure curtailment by the Government.

Figure 10.1 | Total cadre of Public Sector (2014–2022)



Source: Department of Management Services

Table 10.2 | Public Sector Cadre Utilization – 2022

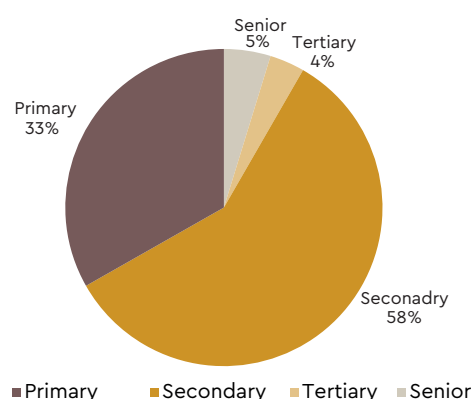
Institutional Category	Approved Cadre	Existing Cadre	Rate of utilization of the approved Cadre
Ministries, Departments and Special Spending Units, Tri-Forces	1,018,019	783,238	77%
Provincial Councils	441,748	398,528	90%
State Owned Enterprises	255,650	212,117	83%
Total	1,715,417	1,393,883	81%

Source: Department of Management Services

10.3 Distribution of Public Service Cadre by Service Level (excluding Tri-forces and SOEs)

As per the classification based on the Public Administration Circular No. 06/2006, public service is provided under four main levels of staff comprising senior, tertiary, secondary and primary. These service levels include professions related to unskilled, skilled professional, managerial and administrative employment categories.

Figure 10.2 | Distribution of Public Service Cadre (Approved Cadre excluding Tri-forces and SOEs)



Source: Department of Management Services

The analysis of the service level distribution of the public sector cadre reveals that the dominance of the secondary service level employees further continued at the rate of 58 percent in 2022. This sector mainly consists of Teachers, Development Officers and Health Workers. The distribution of the public sector employment category has significantly departed from the traditional pyramid shape of employment category within the institutions due to the excessive growth of the secondary level. The large size of uneven distribution of the above category with disproportionate supervisory level has caused widespread underutilization of the middle level workforce in the government sector. Addressing the issue, a policy decision was taken to recruit suitable personnel for the educational sector among the existing development officers in the government service.

Box 10.1 | Optimum Academic Cadre for Education Sector

- Schools**

Ensuring a high quality and technically competent human resource for the education sector, steps were taken in 2022 to create a school based optimum academic cadre based on Education Ministry Circular No. 06/2021 to provide required physical and human resources to the education sector. Approving school based cadre has been identified as necessary for a systematic human resource development aimed at guaranteed continuous education for students. The number of required Teacher cadre positions was computed against the number of students, number of classes and number of subjects in each school, in terms of Circular No. 06/2021. Accordingly, school-based Teacher cadre positions were determined for 396 national schools and 9,644 provincial schools excluding 87 provincial schools.

Table 10.3 | Distribution of National and Provincial Schools in 2022

Type of School		Number of National / Provincial Schools			Total
		Students 0 – 10	Students 11 – 1,000	Students Above 1,000	
National Schools		0	64	332	396
Provincial Schools	Western	2	1,067	200	1,269
	Central	12	1,020	46	1,078
	Southern	9	1,380	71	1,460
	Northern	11	1,003	66	1,080
	Eastern	32	892	28	952
	North Western	0	1,117	87	1,204
	North Central	4	955	74	1,033
	Uva	0	756	40	796
	Sabaragamuwa	17	810	32	859
	Total	87	9,064	976	10,127

Sources : Department of Management Services
Ministry of Education

The new approach would support preventing unnecessary mobilizing of teachers in National and Provincial schools due to informal transfers. Simultaneously, it shares equal opportunities for all schools and leads to develop a proper transfer scheme systematically. The total number of academic cadre positions identified in respect of 2022 terms of Education Circular No. 06/2021 is detailed in Table 10.4.

Table 10.4 | School based Academic Cadre distribution in 2022

Type of School		Number of Schools	Total Students	Academic Cadre in terms of Education Circular No. 06/2021
National Schools		396	1,708,935	44,083
Provincial	Western	1,267	686,828	40,169
	Central	1,451	459,612	35,139
	Southern	1,029	373,440	26,448
	Northern	920	235,819	20,046
	Eastern	1,066	334,679	24,118
	North Western	1,204	310,303	31,002
	North Central	796	308,536	18,699
	Uva	842	239,950	20,312
	Sabaragamuwa	1,069	311,269	25,854
	Total	10,040*	4,969,371	285,870

* Excluding 87 provincial schools with less than 10 student

Sources : Department of Management Services
Ministry of Education

In order to ensure the effective utilization of existing cadre in the Public Sector, a policy decision has been taken to fill vacant positions of Teachers including school-based cadre positions from the graduates already employed in the Public Service.

Box 10.1 | Optimum Academic Cadre for Education Sector contd...

- **Pirivenas**

At present, 825 registered Pirivenas established under the provisions of the Pirivena Education Act, No. 64 of 1979 and the Pirivena Regulations No. 01 of 1980, are operating island wide and classified as Mulika Pirivenas (Primary), Maha Pirivenas, Pirivena Vidyayathana, Special Pirivenas, Dwibhasha Pirivenas (Bilingual), and Buddhist Seelamatha Pirivenas. The number of lay and clergy students in these Pirivenas is about 71,427 and the teachers engaged in the teaching process are 7,591. Steps were taken to regularize the 7,500 of Piriven cadre for the first time in 2022 by following the proper evaluation process. The Government has allocated about Rs. 6 billion for Piriven education for the year 2023.

Box 10.2 | Need for reviewing the existing modality of Project Management Units (PMUs)

In accordance with the provisions of Management Services Circular No. 01/2019, Project Management Units (PMUs) have been established under the preview of different line ministries as a modality of implementing foreign and locally funded development projects. These specific units have been created with the purpose of having a designated team which directly and engages full time in specific project activities so that the aforesaid projects can be completed within the given timeline enabling to achieve the expected economic and social project benefits. In addition, PMUs facilitated the need for acquiring people with specialized knowledge and experience regarding specific project activities where required skills were not available within the project implementation agencies.

By the end of the year 2022, there were about 260 mega projects worth Rs. 5.8 trillion being implemented by various line ministries, departments and State-Owned Enterprises (SOEs) with financing from local and foreign resources. Out of the aforesaid 260 mega projects, 133 projects had been implemented through PMUs.¹

However, it was recently noticed that the objectives of establishing Project Management Units have been disoriented with various project related issues. The main concern was the cost of maintaining these PMUs. It became a trend to establish PMUs for each and every project for which sometimes the need for a separate PMU cannot be justifiable where the mandate of a specific project implementing agency is to do such kind of project activities. In addition, delays in project implementation due to inadequate consideration of project preparedness and project readiness criteria also resulted in significant additional projects cost.

These issues have been multiplied by the recent economic constraints faced by the country. As a consequence of the preemptive default declared by the Ministry of Finance on April 12, 2022, funding from bilateral lenders which facilitated many development projects all over the country stalled. Due to the non-disbursement of funding for ongoing project works and uncertainty of future funding, planned activities of many foreign funding projects couldn't be continued and completed. Further, development activities carried out with local funding or through budgetary allocation have also been controlled with strict financial controls over capital and recurrent expenditure.

¹ Report dated November 24, 2022 submitted by the Committee appointed to review POs and PMUs

Box 10.2 | Need for reviewing the existing modality of Project Management Units (PMUs) contd..

The above situation hindered the implementation of development projects that subsequently resulted in the suspension or cancellation of project activities. On the other hand, it raised the question of the necessity of continuing PMUs any further.

Accordingly, a committee was appointed to review the activities of the Project Offices (POs) and Project Management Units (PMUs) that have been established for various purposes as per the directions given by the Budget proposal No. 10.5 of the Interim Budget Speech 2022. The committee submitted recommendations to the Cabinet of Ministers in November 2022. With the approval of the Cabinet of Ministers, said recommendations will be implemented by relevant authorities in the year 2023. Main recommendations include closing down 55 PMU's and suspension of 32 PMU's. Further, Committee recommended rescinding the Management Services Circular No. 01/2019. Accordingly, a new modality that supports project implementation would be prepared and this modality will facilitate in achieving desired project objectives within the prevailing implementation structure of the ministries and especially with a minimum cost to the country.

PART IV

Financial Statements



Financial Statements

Note to Readers

Financial Statements of the Government for the year ended 31st December 2022 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flow, Statement of Changes in Net Assets / Equity, applied Accounting Policies and Notes thereto are forwarded herewith.

The Statement of Financial Position shows the assets and liabilities of the Government whereas Statement of Financial Performance shows government's affairs in relation to revenue collection and use of resources as provided by Appropriation Act No. 30 of 10th December 2021 for 2022 as amended by Act No. 21 of 09th September 2022, and Act No. 42 of 30th November 2022, of nineteen (19) Special Spending Units, twenty nine (29) Government 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 fifty (50) 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



K.M. Mahinda Siriwardana
Secretary, Ministry of Finance, Economic
Stabilization and National Policies, and
Secretary to the Treasury

General Treasury
Colombo - 01
23 March, 2023

Statement of Financial Performance

for the Year ended 31st December 2022

	Note	Actual 2022 Rs.	Actual 2021 Rs.
REVENUE			
Tax Revenue		1,751,132,076,743	1,298,019,059,952
Income Tax	1	534,020,830,117	302,115,199,047
Taxes on Domestic Goods & Services	2	872,866,921,923	643,085,821,017
Taxes on International Trade	3	344,244,324,703	352,818,039,888
Non Tax Revenue & Others	4	247,656,485,315	168,882,688,007
TOTAL REVENUE (a)		1,998,788,562,058	1,466,901,747,959
LESS : EXPENDITURE			
Salaries, Wages and Other Employment Benefits	5	712,944,725,052	611,993,870,409
Other Goods & Services	6	239,834,649,098	218,380,545,886
Subsidies, Grants and Transfers	7	1,021,054,450,565	878,372,338,301
Interest Payments	8	1,565,189,627,374	1,048,382,440,515
Other Recurrent Expenditure	9	213,436,451	213,890,682
Total Recurrent Expenditure (b)		3,539,236,888,540	2,757,343,085,792
REVENUE DEFICIT (a) - (b)		1,540,448,326,483	1,290,441,337,833
Public Investments	10	1,014,292,931,441	789,636,210,652
BUDGET DEFICIT		2,554,741,257,924	2,080,077,548,485
FINANCING THE BUDGET DEFICIT			
Foreign Borrowings	11	783,326,415,649	516,606,370,092
Foreign Debt Repayments		(358,504,739,872)	(530,507,831,086)
NET FOREIGN BORROWINGS		424,821,675,777	(13,901,460,995)
Foreign Grants	12	33,402,403,963	6,739,545,252
TOTAL FOREIGN FINANCING		458,224,079,740	(7,161,915,743)
Domestic Borrowings	13	4,218,528,886,900	2,519,420,543,584
Domestic Debt Repayments	14	(1,073,950,438,577)	(801,708,208,303)
NET DOMESTIC BORROWINGS		3,144,578,448,323	1,717,712,335,281
Domestic Grants	15	2,645,500	-
Recoveries from On-lending	16	60,482,742,905	15,155,729,205
Sale of Capital Assets		584,212,972	188,384,750
Net Change in Deposit Accounts and Liabilities		(294,583,038,486)	19,598,069,646
(Increase)/ Decrease in Cash & Cash Equivalents		(769,547,833,029)	334,584,945,346
TOTAL FINANCING		2,554,741,257,924	2,080,077,548,485

Statement of Financial Position

as at 31st December 2022

	Note	Actual 2022 Rs.	Actual 2021 Rs.
Non Financial Assets (a)	17	2,093,287,997,716	1,850,007,342,256
Lands		1,010,203,611,484	992,116,029,261
Buildings		375,071,254,691	348,232,804,726
Other Assets		708,013,131,541	509,658,508,269
Financial Assets (b)		2,710,511,445,614	988,010,842,020
Advances to Public Officers	18	30,469,406,491	31,356,235,383
Advances to Government Departments	19	16,093,892,983	15,727,677,353
Membership Fees	20	2,900,368,322	2,900,368,322
On Lending	21	491,552,273,430	173,491,458,394
Capital Contributions to State Owned Enterprises	22	2,165,981,657,905	760,777,405,378
Rent & Work Advance	23	1,666,563,995	2,256,451,263
Stamps Stock Account		1,847,282,488	1,501,245,927
Total Assets (c)=(a)+(b)		4,803,799,443,330	2,838,018,184,276
Statutory & Other Funds (d)		(22,477,362,524,574)	(14,979,010,260,682)
Consolidated Fund	24	73,639,939,070	(990,490,932,444)
Contingency Fund		500,000,000	500,000,000
Foreign Loan Revolving Funds	25	72,489,344,533	48,852,791,091
Miscellaneous Funds	26	2,807,316,389	2,426,012,245
Net Assets Adjustment Account	27	(22,626,799,124,566)	(14,040,298,131,574)
Liabilities (e)		27,281,161,967,904	17,817,028,444,958
Bank Balance	28	28,905,752,213	798,453,585,243
Advance from the Central Bank	29	235,638,700,400	150,128,800,400
Government Borrowings	30	27,379,287,617,613	16,826,830,788,866
Deposits	31	101,151,327,336	82,313,142,224
Accounts Operating with Government Departments	32	(478,331,952,972)	(14,137,207,250)
Sundry Accounts	33	14,510,523,313	(26,560,664,524)
Total Funds and Liabilities (f)=(d)+(e)		4,803,799,443,330	2,838,018,184,276

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



K.M. Mahinda Siriwardana
Secretary, Ministry of Finance, Economic Stabilization
and National Policies, and Secretary to the Treasury

Statement of Cash Flow

for the Year ended 31st December 2022

Total Budget Estimate 2022 Rs.		Actual 2022 Rs.	Actual 2021 Rs.
Cash Flow from Operating Activities			
1,852,000,000,000	Tax Receipts	1,751,132,076,743	1,298,019,059,952
60,885,000,000	Fees, Fines, Penalties and Licenses	65,917,167,274	39,199,989,240
34,700,000,000	Profits	22,004,727,426	25,918,973,952
141,115,000,000	Other Receipts	146,321,290,402	92,625,878,430
	- Advances to Public Officers	886,828,892	257,488,840
	- Advances to Government Departments	-	55,397,250
	- Deposits	18,838,185,112	4,059,864,141
	- Accounts Operating with Government Departments	-	25,258,647,012
	- Sundry Accounts	41,071,187,837	84,494,311
2,088,700,000,000	Total Cash flow from Operating Activities (a)	2,046,171,463,688	1,485,479,793,128
Less – Cash disbursed for:			
1,012,440,658,365	Personal Emoluments & Operating Payments	952,779,374,151	830,374,416,294
1,147,780,882,824	Subsidies & Transfer Payments	1,021,054,450,565	878,372,338,301
1,429,479,838,000	Finance Costs	1,565,403,063,825	1,048,596,331,197
	- Advances to Government Departments	366,215,630	-
	- Stamps Stock Account	346,036,561	162,610,162
	Accounts Operating with Government Departments	464,194,745,722	-
3,589,701,379,189	Total Cash disbursed for Operating Activities (b)	4,004,143,886,453	2,757,505,695,954
(1,501,001,379,189)	NET CASH FLOWS FROM OPERATING ACTIVITIES (c)=(a)-(b)	(1,957,972,422,765)	(1,272,025,902,826)
Cash Flows from Investing Activities			
7,000,000,000	Interest	7,325,545,826	6,465,927,143
6,300,000,000	Dividends	6,087,754,385	4,671,919,242
700,000,000	Divestiture Proceeds & Sale of Physical Assets	584,212,972	188,384,750
271,000,000,000	Recoveries from On Lending	60,482,742,905	15,155,729,205
285,000,000,000	Total Cash flow from Investing Activities (d)	74,480,256,089	26,481,960,340
Less – Cash disbursed for:			
1,180,382,539,009	Purchase or Construction of Physical Assets & Acquisition of Other Investment	1,014,292,931,441	789,636,210,652
1,180,382,539,009	Total Cash disbursed for Investing Activities (e)	1,014,292,931,441	789,636,210,652
(895,382,539,009)	NET CASH FLOW FROM INVESTING ACTIVITIES (f)=(d) – (e)	(939,812,675,353)	(763,154,250,312)
(2,396,383,918,199)	NET CASH FLOW FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	(2,897,785,098,118)	(2,035,180,153,138)
Cash Flow from Financing Activities			
2,472,242,400,590	Local Borrowings	4,218,528,886,900	2,519,420,543,584
785,083,995,745	Foreign Borrowings	783,326,415,649	516,606,370,092
10,000,000,000	Grants Received	33,405,049,463	6,739,545,252
	- Foreign Loan Revolving Funds	23,636,553,442	-
	- Miscellaneous Funds	381,304,143	381,689,949
	- Advance from the Central Bank	85,509,900,000	-
3,267,326,396,335	Total Cash flow from Financing Activities (h)	5,144,788,109,597	3,043,148,148,877
Less – Cash disbursed for:			
1,135,470,000,000	Repayment of Local Borrowings	1,073,950,438,577	801,708,208,303
375,000,000,000	Repayment of Foreign Borrowings	358,504,739,872	530,507,831,086
	- Foreign Loan Revolving Funds	-	7,386,630,695
	- Advance from the Central Bank	-	2,950,271,000
	- Conversion of Domestic Term Loan Facility to Treasury Bills	45,000,000,000	-
1,510,470,000,000	Total Cash disbursed for Financing Activities (i)	1,477,455,178,450	1,342,552,941,085
1,756,856,396,335	NET CASH FLOW FROM FINANCING ACTIVITIES (j)=(h) – (i)	3,667,332,931,147	1,700,595,207,792
(639,527,521,864)	Net movement in Cash (k)=(g) + (j)	769,547,833,029	(334,584,945,346)
	Opening Cash Balance as at 01st January	(798,453,585,243)	(463,868,639,897)
	Closing Cash Balance as at 31st December	(28,905,752,213)	(798,453,585,243)

Statement of Changes in Net Assets / Equity

for the Year ended 31st December 2022

Rs.

Description	Attributable to Government Entities				Total Net Assets / Equity
	Consolidated Fund	Contingency Fund	Foreign Loan Revolving Fund	Miscellaneous Funds	
Balance as at 31st December 2020	(636,307,917,453)	500,000,000	56,239,421,786	2,044,322,296	(577,524,173,371)
	(636,307,917,453)	500,000,000	56,239,421,786	2,044,322,296	(577,524,173,371)
Changes in Net Assets/ Equity for 2021					
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
Balance as at 31st December 2021	(990,490,932,444)	500,000,000	48,852,791,091	2,426,012,245	(938,712,129,108)
Changes in Net Assets/ Equity for 2022					
Net Change in Consolidated Fund	1,064,130,871,515				1,064,130,871,515
Net Change in Contingency Fund		-			-
Net Change in Foreign Loan Revolving Fund			23,636,553,442		23,636,553,442
Net Change in Miscellaneous Funds				381,304,143	381,304,143
Balance as at 31st December 2022	73,639,939,070	500,000,000	72,489,344,533	2,807,316,388	149,436,599,992

Current year Actual vs Budget

Rs '000

	Original Budget	Revised Budget	Actual	Variance	%
Revenue					
Tax Revenue	1,987,000,000	1,852,000,000	1,751,132,077	100,867,923	5
Income Tax	496,000,000	558,000,000	534,020,830	23,979,170	4
Taxes on Domestic Goods & Services	1,027,960,000	968,968,000	872,866,922	96,101,078	10
Taxes on International Trade	463,040,000	325,032,000	344,244,325	(19,212,325)	-6
Non Tax Revenue & Others	244,000,000	250,000,000	247,656,485	2,343,515	1
Foreign Grants	10,000,000	9,900,000	33,402,404	(23,502,404)	-237
Domestic Grants	-	100,000	2,646	97,355	97
Recoveries from On-lending	19,000,000	271,000,000	60,482,743	210,517,257	78
Sale of Capital Assets	500,000	700,000	584,213	115,787	17
Total Revenue	2,260,500,000	2,383,700,000	2,093,257,922	290,342,078	12
Expenditure					
Salaries, Wages and Other Employment Benefits	739,601,934	731,474,117	712,944,725	18,529,392	97
Other Goods & Services	255,644,580	280,966,541	239,834,649	41,131,892	85
Subsidies, Grants and Transfers	1,211,226,685	1,147,780,883	1,021,054,451	126,726,432	89
Interest Payments	1,379,349,984	1,630,349,984	1,565,189,627	65,160,357	96
Other Recurrent Expenditure	50,129,854	926,480	213,436	713,043	23
Total Recurrent Expenditure	3,635,953,037	3,791,498,005	3,539,236,889	252,261,117	93
Public Investments	1,084,926,963	1,180,382,539	1,014,292,931	166,089,608	86
Foreign Debt Repayments	375,000,000	375,000,000	358,504,740	16,495,260	96
Domestic Debt Repayments	1,135,470,000	1,135,470,000	1,073,950,439	61,519,561	95
Total Expenditure	6,231,350,000	6,482,350,544	5,985,984,998	496,365,546	92

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 2022 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 2022 to 31st December 2022.

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 – 30(I) and 30(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. 1,292,180,874,993 was recorded in 2022 and Rs. 1,583,335,901,659 was recorded in 2021. (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	Revenue Title	Actual Revenue	
2022	Code		2022	2021
Rs.			Rs.	Rs.
	NOTE – 1	INCOME TAX		
471,000,000,000	1004.01.01	Income Tax	453,905,241,708	249,836,958,394
1,000,000,000	1004.01.02	Dividend Tax	250,702,924	483,446,628
3,000,000,000	1004.01.03	Remittance Tax	1,001,848,659	1,510,442,259
475,000,000,000	1004.01.00	Total Corporate Tax (a)	455,157,793,290	251,830,847,280
35,000,000,000	1004.02.01	PAYE	25,546,114,363	15,352,750,512
18,000,000,000	1004.02.99	Other	23,991,056,550	20,950,495,642
25,000,000,000	1004.03.00	Withholding Tax	19,838,833,378	12,410,497,839
10,000,000,000	1004.03.01	On Interest	320,626,859	355,769,899
15,000,000,000	1004.03.99	On Fees & Other	19,518,206,519	12,054,727,940
–	1004.04.00	Economic Service Charge	201,752,669	728,114,581
–	1004.04.01	Domestic	174,028,987	685,452,346
–	1004.04.02	Imports	27,723,682	42,662,235
1,100,000,000	1004.05.00	Capital Gain Tax	5,315,389,458	667,876,234
3,900,000,000	1004.06.00	Tax on Voluntary Disclosure	3,969,890,410	174,616,959
83,000,000,000	1004.02.00	Total Non-Corporate Tax (b)	78,863,036,827	50,284,351,766
558,000,000,000		Total Income Tax (a+b)	534,020,830,117	302,115,199,047
	NOTE – 2	TAXES ON DOMESTIC GOODS & SERVICES		
533,000,000,000	1002.01.00	Value Added Tax	463,071,659,532	308,213,044,594
75,000,000,000	1002.01.01	Financial Services	63,468,269,737	67,317,686,840
161,000,000,000	1002.01.02	Other Services	116,010,177,196	78,509,090,906
81,000,000,000	1002.01.03	Manufacturing	112,140,773,801	39,635,391,764
216,000,000,000	1002.01.04	Imports	171,452,438,798	122,750,875,084
–	1002.02.00	Goods and Services Tax	–	244,534
–	1002.02.01	Services	–	226,963
–	1002.02.02	Manufacturing	–	17,571
–	1002.03.00	National Security Levy	11,309,942	322,006
–	1002.03.01	Services	11,309,942	322,006
185,000,000,000	1002.04.00	Excise (Ordinance) Duty	165,187,536,555	138,637,149,955
185,000,000,000	1002.04.01	Liquor	165,187,536,555	138,637,149,955
189,000,000,000	1002.05.00	Excise (Special Provisions) Duty	177,335,591,602	168,224,272,972
110,000,000,000	1002.05.01	Cigarettes	104,160,061,906	88,538,841,088
55,000,000,000	1002.05.03	Petroleum Products	53,073,534,123	55,339,152,821
18,000,000,000	1002.05.04	Motor Vehicles	14,503,582,079	18,112,683,180
6,000,000,000	1002.05.99	Other	5,598,413,494	6,233,595,883
36,000,000	1002.06.00	Tobacco Tax	39,488,794	37,023,211
–	1002.09.00	Turnover Tax	7,473,447	18,742,858
–	1002.10.00	Social Responsibility Levy	–	5,820
16,000,000,000	1002.11.00	Telecommunication Levy	14,995,182,044	12,839,826,732
–	1002.12.00	Nation Building Tax	413,427,560	433,734,254
–	1002.12.01	Services	332,880,335	273,030,817
–	1002.12.02	Manufacturing	19,403,725	81,590,738
–	1002.12.03	Imports	61,143,500	79,112,699

Notes to the Financial Statements contd...

Total Budget Estimate	Revenue		Actual Revenue	
2022	Code	Revenue Title	2022	2021
Rs.			Rs.	Rs.
262,000,000	1002.13.00	Tele dramas, Films and Commercials Levy	215,020,000	438,470,000
1,500,000,000	1002.14.00	Cellular Tower Levy	1,540,379,201	1,432,520,834
450,000,000	1002.15.00	SMS Advertising Levy	220,075,482	430,294,304
35,000,000,000	1002.16.00	Social Security Contribution Levy	36,111,030,506	-
6,000,000,000	1003.00.00	License Taxes and Other	10,792,545,942	10,122,059,935
1,000,000,000	1003.01.00	Luxury Motor Vehicle Tax	1,331,926,748	1,217,807,846
2,000,000,000	1003.03.00	Betting & Gaming Levy	5,244,762,337	1,939,352,796
3,000,000,000	1003.04.00	Share Transaction Levy	4,215,856,857	6,964,477,149
-	1003.05.00	Construction Industry Guarantee Fund Levy	-	422,144
2,699,000,000	1003.07.00	Other Licenses	2,905,290,759	2,230,320,811
2,100,000,000	1003.07.02	Registration Fees Relevant to the Department of Registrar General	2,166,590,031	1,707,162,817
130,000,000	1003.07.03	Private Timber Transport	133,201,789	126,523,836
30,000,000	1003.07.04	Tax on Sale of Motor Vehicles	32,755,603	56,288,899
22,000,000	1003.07.05	License Fees Relevant to the Ministry of Defence	42,416,904	24,085,658
160,300,000	1003.07.06	License Fees Relevant to the Dept. of Fisheries & Aquatic Resources	185,602,364	64,606,538
-	1003.07.08	Company Registration Levy	-	330,000
-	1003.07.09	Carbon Tax	9,104,097	16,795,744
106,000,000	1003.07.10	Vehicle Entitlement Levy	108,004,802	75,703,249
-	1003.07.11	Debt Repayment Levy	81,798,840	7,565,402
150,700,000	1003.07.99	Other	145,816,328	151,258,669
9,500,000	1003.08.00	Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court	10,182,454	5,540,875
11,000,000	1003.10.00	Migrating Tax	10,728,103	17,032,375
500,000	1003.11.00	Remittance Fee	-	5,214,948
968,968,000,000		Total Taxes on Domestic Goods & Services	872,866,921,923	643,085,821,017
	NOTE - 3	TAXES ON INTERNATIONAL TRADE		
42,000,000,000	1001.01.00	Import Duties	50,009,441,350	64,339,318,422
32,000,000	1001.02.00	Export Duties	41,318,861	47,422,019
3,000,000,000	1001.03.00	Import & Export Licenses Fees	3,086,778,409	2,934,678,721
177,000,000,000	1001.04.00	Ports & Airports Development Levy	180,595,424,536	154,125,248,777
68,000,000,000	1001.05.00	Cess Levy	70,317,622,393	75,543,498,942
66,000,000,000	1001.05.01	Import Cess Levy	68,075,067,309	73,320,213,280
2,000,000,000	1001.05.02	Export Cess Levy	2,242,555,084	2,223,285,662
35,000,000,000	1001.08.00	Special Commodity Levy	40,193,739,154	55,827,873,007
325,032,000,000		Total Revenue from Taxes on International Trade	344,244,324,703	352,818,039,888
1,852,000,000,000		Total Tax Revenue	1,751,132,076,743	1,298,019,059,952

Notes to the Financial Statements contd...

Total Budget Estimate	Revenue	Revenue Title	Actual Revenue	
2022	Code		2022	2021
Rs.			Rs.	Rs.
	NOTE – 4	NON-TAX REVENUE AND OTHERS		
18,147,000,000	2001.00.00	Revenue from Departmental Enterprises (a)	19,916,735,341	10,014,652,890
8,900,000,000	2001.01.00	Railways	10,335,603,441	2,678,724,988
9,100,000,000	2001.02.00	Postal	9,268,542,792	7,152,220,923
80,000,000	2001.03.00	Stores Advance Accounts (Explosive Items)	247,000,000	110,000,000
67,000,000	2001.04.00	Prisons Industrial and Agricultural Advance Account	65,589,108	73,706,979
55,000,000,000	2002.00.00	Return on Government Assets (b)	41,279,734,766	42,146,717,771
7,000,000,000	2002.01.00	Rent	5,861,707,128	5,089,897,433
1,300,000,000	2002.01.01	Rent on Government Building & Housing	1,504,677,796	1,288,512,491
3,000,000,000	2002.01.02	Rent on Crown Forests	2,081,315,722	1,183,922,361
100,000,000	2002.01.03	Rent from Land and Other	113,025,610	105,312,901
1,400,000,000	2002.01.04	Lease Rental from Regional Plantation Companies	1,216,494,535	1,096,941,065
1,200,000,000	2002.01.99	Other Rental	946,193,464	1,415,208,615
7,000,000,000	2002.02.00	Interest	7,325,545,826	6,465,927,143
5,450,000,000	2002.02.01	On-Lending	5,597,585,565	5,019,894,636
1,550,000,000	2002.02.99	Other	1,727,960,261	1,446,032,507
34,700,000,000	2002.03.00	Profits	22,004,727,426	25,918,973,952
6,300,000,000	2002.04.00	Dividends	6,087,754,385	4,671,919,242
105,153,000,000	2003.00.00	Sale Proceeds & Charges (c)	115,145,566,883	63,807,299,246
90,000,000	2003.01.00	Departmental Sales	119,168,958	97,730,681
54,644,000,000	2003.02.00	Administrative Fees & Charges	64,202,561,363	28,175,701,055
300,000,000	2003.02.01	Audit Fees	489,581,029	348,678,099
431,000,000	2003.02.03	Fees Under Registration of Persons	552,262,863	198,886,160
300,000,000	2003.02.04	Fees of Department of Survey	319,289,778	408,123,680
800,000,000	2003.02.05	Service Charges of Government Press	928,554,129	756,670,731
18,000,000	2003.02.06	Fees Under the Fauna & Flora Protection Ordinance	26,791,472	17,417,277
23,500,000,000	2003.02.07	Fees of Passports, Visas & Dual Citizenship	23,834,534,358	8,663,181,641
16,500,000,000	2003.02.08	Embarkation Levy	22,248,864,840	3,350,052,053
83,000,000	2003.02.09	Fees of Department of Valuation	234,658,165	115,316,600
242,000,000	2003.02.10	Fees of Registrar of Companies	128,132,962	119,840,939
65,000,000	2003.02.11	Legal Fees from Corporations & Statutory Bodies	108,727,032	143,779,404
45,000,000	2003.02.12	Fees Recovered Under the Public Contract Act	29,066,000	50,344,000
100,000,000	2003.02.13	Examinations & Other Fees	69,225,436	281,757,367
7,000,000,000	2003.02.14	Fees Under the Motor Traffic Act & Other Receipts	6,554,422,058	6,417,147,456
–	2003.02.15	Registration Fees on Motor Vehicle Transfers Under the Issuing Motor Vehicle Permits on Concessionary Terms	77	1,071,398
15,000,000	2003.02.16	Air craft Rentals	14,591,537	10,574,308
147,000,000	2003.02.17	Fee on Local Sale of Garments	196,200,390	144,681,585
600,000,000	2003.02.18	Fees Relevant to the Department of Agriculture	783,736,614	567,969,837
300,000,000	2003.02.19	Fees Relevant to the Botanical Gardens	388,379,319	135,038,572
198,000,000	2003.02.21	Fees Relevant to the Ministry of Petroleum Industries	187,216,484	225,267,081

Notes to the Financial Statements

Total Budget Estimate 2022 Rs.	Revenue Code	Revenue Title	Actual Revenue	
			2022 Rs.	2021 Rs.
-	2003.02.22	Merchant Shipping Secretariat Fees	49,745,845	-
-	2003.02.23	Casino Licence Fees	2,000,000,000	-
4,000,000,000	2003.02.99	Sundries	5,058,580,975	6,219,902,866
3,656,000,000	2003.03.00	Fines and Forfeits	6,387,050,559	5,749,186,542
2,056,000,000	2003.03.01	Fines and Forfeits – Customs	4,549,141,645	4,091,286,910
1,600,000,000	2003.03.02	Fines and Forfeits – Other	1,837,908,914	1,657,899,632
-	2003.04.00	Public Officer's Motor Cycle Premium	909,850	2,910,000
23,100,000,000	2003.05.00	Treasury Bonds Premium	22,648,682,855	14,852,720,870
4,053,000,000	2003.06.00	Revenue from the United Nations' Peacekeeping Operations	2,447,153,974	6,309,683,670
310,000,000	2003.07.00	Programme for Purchasing of Paddy	219,195,182	453,206,587
1,300,000,000	2003.08.00	Sale of Hydro Power	59,974,294	538,063,129
18,000,000,000	2003.99.00	Other Receipts	19,060,869,849	7,628,096,711
37,000,000,000	2004.00.00	Social Security Contributions (d)	37,415,664,245	34,618,641,924
24,000,000,000	2004.01.00	Central Government	23,872,352,903	22,574,815,424
13,000,000,000	2004.02.00	Provincial Councils	13,543,311,342	12,043,826,499
34,700,000,000	2005.00.00	Current Transfers (e)	33,898,784,081	18,295,376,177
31,000,000,000	2005.01.00	Central Bank Profits	30,007,245,202	15,011,741,716
3,700,000,000	2005.99.00	National Lotteries Board and Other Transfers	3,891,538,878	3,283,634,461
250,000,000,000		Total Non – Tax Revenue & Other Revenue (a)+(b)+(c)+(d)+(e)	247,656,485,315	168,882,688,007
2,102,000,000,000		Total Revenue (Note 1 – 4)	1,998,788,562,058	1,466,901,747,959

Notes to the Financial Statements contd...

Budget Estimate 2022 Rs.	Object Code	Object Title	Actual 2022 Rs.	2021 Rs.
	NOTE-5	OBJECT CODE WISE CLASSIFICATION OF SALARIES, WAGES & OTHER EMPLOYMENT BENEFITS		
		Personal Emoluments		
410,734,817,278	1001	Salaries and Wages	398,594,571,290	347,402,903,157
45,930,395,527	1002	Overtime and Holiday Payments	45,299,117,103	40,738,553,697
274,808,904,629	1003	Other Allowances	269,051,036,660	223,852,413,555
731,474,117,434		Total	712,944,725,052	611,993,870,409
	NOTE - 6	OBJECT CODE WISE CLASSIFICATION OF OTHER GOODS AND SERVICES		
		Travelling Expenditure		
16,033,304,493	1101	Domestic	15,051,113,074	14,590,629,171
1,271,509,335	1102	Foreign	1,080,673,007	1,306,253,451
17,304,813,828		Total (a)	16,131,786,081	15,896,882,622
		Supplies		
4,143,209,523	1201	Stationery and Office Requisites	3,816,094,546	3,469,940,660
37,968,478,380	1202	Fuel	37,454,639,383	16,596,193,633
54,214,872,608	1203	Diets and Uniforms	35,167,559,650	33,485,959,263
79,716,600,000	1204	Medical Supplies	75,718,354,640	77,001,042,894
9,280,506,623	1205	Other	7,152,471,786	9,165,243,715
185,323,667,134		Total (b)	159,309,120,006	139,718,380,165
		Maintenance Expenditure		
4,855,884,832	1301	Vehicles	4,279,738,472	3,893,572,071
3,977,038,699	1302	Plant and Machinery	2,961,247,396	2,725,800,792
1,376,693,090	1303	Buildings and Structures	1,156,715,580	1,316,166,048
10,209,616,621		Total (c)	8,397,701,448	7,935,538,911
		Services		
7,332,424,971	1401	Transport	6,598,423,502	6,984,155,505
4,368,841,382	1402	Postal and Communication	4,006,425,141	3,787,266,034
15,738,948,995	1403	Electricity and Water	14,676,308,199	11,370,501,844
8,749,522,459	1404	Rents and Local Taxes	7,601,652,297	7,519,294,866
159,872,000	1406	Interest Payment for Leased Vehicles	111,322,755	117,779,962
772,563,910	1408	Lease Rental for Vehicles Procured Under Operational Leasing	660,042,333	774,305,568
31,006,269,630	1409	Other	22,341,867,336	24,276,440,408
68,128,443,348		Total (d)	55,996,041,563	54,829,744,188
280,966,540,931		TOTAL EXPENDITURE ON OTHER GOODS AND SERVICES (a+b+c+d)	239,834,649,098	218,380,545,886
	NOTE - 7	OBJECT CODE WISE CLASSIFICATION OF TRANSFERS, GRANTS & SUBSIDIES		
		Transfers		
302,826,581,578	1501	Welfare Programmes	230,882,212,933	164,623,427,265
319,519,794,013	1502	Retirement Benefits	309,766,325,434	270,695,746,359
77,964,745,601	1503	Public Institutions	75,900,096,872	71,712,135,627
99,402,979,250	1504	Development Subsidies	74,413,276,928	56,784,628,730
2,726,528,665	1505	Subscriptions and Contributions Fee	2,387,391,686	2,185,689,735
2,548,691,476	1506	Property Loan Interest to Public Servants	2,191,342,417	2,325,596,612
312,306,000,000	1507	Grants to Provincial Councils	298,737,421,000	284,602,350,000
6,020,117,970	1508	Other	5,293,149,224	3,257,605,473
24,465,444,271	1509	Contribution to Contingencies Fund	21,483,234,070	22,185,158,500
1,147,780,882,824		Total	1,021,054,450,565	878,372,338,301

Notes to the Financial Statements contd...

Budget Estimate 2022 Rs.	Object Code	Object Title	Actual 2022 Rs.	2021 Rs.
NOTE - 8 OBJECT CODE WISE CLASSIFICATION OF INTEREST PAYMENTS AND DISCOUNTS				
885,349,984,000	1601	Domestic Debt	837,513,737,610	679,380,661,872
130,000,000,000	1602	Foreign Debt	128,621,067,120	253,749,688,761
615,000,000,000	1603	Discounts on Treasury Bills and Treasury Bonds	599,054,822,645	115,252,089,883
1,630,349,984,000		Total	1,565,189,627,374	1,048,382,440,515
NOTE - 9 OBJECT CODE WISE CLASSIFICATION OF OTHER RECURRENT EXPENDITURE				
197,281,072	1701	Losses and Write off	164,610,945	180,505,867
673,845,670	1702	Contingency Services	-	175,498
55,353,173	1703	Implementation of the Official Languages Policy	48,825,506	33,209,317
926,479,914		Total	213,436,451	213,890,682
3,791,498,005,104		Grand Total (Notes 5 to 9) Total Recurrent Expenditure	3,539,236,888,540	2,757,343,085,792
NOTE - 10 OBJECT CODE WISE CLASSIFICATION OF PUBLIC INVESTMENT				
Rehabilitation and Improvements of Capital Assets				
11,323,489,410	2001	Buildings and Structures	6,540,846,766	14,017,365,584
11,576,658,637	2002	Plant, Machinery and Equipment	7,313,395,570	9,490,969,326
5,542,185,613	2003	Vehicles	4,973,379,389	5,374,090,903
28,442,333,660		Total (a)	18,827,621,725	28,882,425,813
Acquisition of Capital Assets				
18,533,255,824	2101	Vehicles	13,403,761,383	18,165,290,387
4,495,722,073	2102	Furniture and Office Equipment	2,739,938,393	6,167,474,182
16,241,074,668	2103	Plant, Machinery and Equipment	9,346,681,628	16,036,726,085
46,547,292,033	2104	Buildings and Structures	36,754,879,154	53,386,935,638
15,195,835,622	2105	Lands and Land Improvements	7,023,903,138	28,443,319,941
6,767,102,000	2106	Software Development	4,906,080,539	1,460,965,545
556,762,940	2108	Capital Payment for Leased Vehicles	352,866,563	519,821,269
108,337,045,160		Total (b)	74,528,110,798	124,180,533,046
Capital Transfers				
79,281,477,967	2201	Public Institutions	72,946,831,126	76,643,701,439
47,836,580,075	2202	Development Assistance	39,300,549,758	23,832,738,423
11,442,000,000	2203	Contribution to Provincial Councils	5,846,861,800	15,190,994,800
1,540,006,525	2204	Transfers Abroad	1,540,006,525	858,433,726
1,919,150,000	2205	Capital Grants to Non-Public Institution	1,307,937,453	2,274,706,069
142,019,214,568		Total (c)	120,942,186,663	118,800,574,457
Acquisition of Financial Assets				
139,864,052,000	2301	Equity Contribution	139,824,087,785	56,531,143,957
313,091,161,338	2302	On-Lending	298,864,137,572	22,030,171,923
452,955,213,338		Total (d)	438,688,225,357	78,561,315,880
Capacity Building				
7,098,168,674	2401	Staff Training	6,319,128,207	5,774,359,511
7,098,168,674		Total (e)	6,319,128,207	5,774,359,511

Notes to the Financial Statements contd...

Budget Estimate 2022 Rs.	Object Code	Object Title	Actual	
			2022 Rs.	2021 Rs.
		Other Capital Expenditure		
21,733,000	2501	Restructuring	18,317,447	914,495,324
–	2502	Investments	–	921,469
–	2503	Contingency Services	–	6,720,641
16,813,453,820	2504	Contribution to Provincial Councils	14,134,759,131	18,512,921,205
25,927,969	2505	Procurement Preparedness	14,549,791	49,881,676
335,717,486,494	2506	Infrastructure Development	271,129,449,783	295,832,081,354
10,842,928,012	2507	Research and Development	8,993,843,637	7,284,926,576
78,109,034,315	2509	Other	60,696,738,903	110,835,053,700
441,530,563,610		Total (f)	354,987,658,691	433,437,001,945
1,180,382,539,009		TOTAL EXPENDITURE ON PUBLIC INVESTMENTS (a+b+c+d+e+f)	1,014,292,931,441	789,636,210,652
4,971,880,544,113		Total Expenditure (Notes 5 to 10)	4,553,529,819,982	3,546,979,296,444

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

Funding Agency	Project	Loan Key	Loan Currency	2022		2021	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
ASIAN DEVELOPMENT BANK (ADB)				228,233,108,367		155,171,878,361	
1	Greater Colombo Wastewater Management Project (OCR)	2009028	USD	2,171,900	733,601,832	4,065,373	802,623,845
2	Greater Colombo Wastewater Management Project (ADF)	2009029	XDR			323,143	91,201,341
3	Jaffna & Kilinochchi Water Supply & Sanitation Project (OCR)	2011001	USD	5,929,628	2,023,672,937	794,723	159,652,369
4	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR	1,122,135	431,175,180	3,022,322	851,922,930
5	Northern Road Connectivity Project (ADF)	2012029	XDR			221,707	87,698,035
6	Northern Road Connectivity Project (ADF)	2012030	USD			479,829	97,086,390
7	Clean Energy and Network Efficiency Improvement Project	2013015	USD			33,457	6,065,809
8	Greater Colombo Water Wastewater Management Improvement Project	2013042	USD			4,060,803	767,931,119
9	Greater Colombo Water Wastewater Management Improvement Project	2013043	XDR	125,278	35,451,511	2,264,648	638,721,630
10	Southern Road Connectivity Project	2014017	USD	7,057,726	2,043,325,622	8,875,207	1,756,451,312
11	Integrated Road Investment Programme	2014041	XDR			7,239,926	2,051,171,118
12	Greater Colombo Water and Wastewater Management Programme-2	2014029	USD	5,942,377	2,110,973,200	16,783,543	3,359,432,919
13	Greater Colombo Water and Waste Water Management Programme-3	2014030	XDR	2,941,089	1,291,889,997	1,159,652	327,784,926
14	Green Power Development & Energy Efficiency Improvement Programme	2014036	XDR	1,465,416	531,502,309	408,140	106,108,647
15	Green Power Development & Energy Efficiency Improvement Programme	2014037	USD	16,412,395	4,560,050,010	2,390,044	440,510,389
16	Integrated Road Investment Programme -Tranche 2 (OCR)	2015010	USD			564,959	111,274,678
17	Mahaweli Water Security Investment Programme	2015025	USD	9,061,294	2,610,608,369	11,444,924	2,219,342,949
18	Mahaweli Water Security Investment Programme	2015024	XDR			10,081,557	2,815,417,581
19	Integrated Road Investment Programme - Tranche 3	2015036	USD			18,553,345	3,554,165,252
20	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016033	XDR	4,415	2,128,295	403,598	115,143,695
21	Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016034	USD	6,947,030	2,334,381,682	22,558,032	4,545,623,309
22	Transport Project Preparatory Facility	2016035	XDR	961,480	435,669,021	1,986,917	544,456,568
23	Local Government Enhancement Sector Project – Additional Financing	2016036	USD	5,064,647	1,697,811,746	13,543,242	2,664,605,473
24	Second Integrated Road Investment Programme- Tranche I	2017037	USD			59,362	11,084,530
25	Jaffna Kilinochchi Water Supply Project - Additional Financing	2017039	USD	5,185,237	1,612,395,722	6,819,203	1,366,290,396
26	Integrated Road Investment Programme - Tranche 4	2017040	USD	50,000,000	14,749,215,000	34,338,319	6,895,597,297
27	Mahaweli Water Security Investment Programme – Tranche 2	2018018	USD	87,799,050	29,583,608,470	56,962,131	11,238,660,936
28	Mahaweli Water Security Investment Programme – Tranche 2	2018019	USD	4,168,308	1,354,479,991	8,469,115	1,673,046,980
29	Second Integrated Road Investment Programme – Tranch 01	2017036	USD			14,456	2,884,981
30	Skills Sector Enhancement Programme – Additional Financing	2018020	USD	4,800,000	1,392,870,000	13,800,000	2,770,552,440
31	Health System Enhancement Project	2018045	USD	3,413,066	1,238,970,395	6,701,478	1,340,560,458

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

	Funding Agency	Project	Loan Key	Loan Currency	2022		2021	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
32		South Asia Sub regional Economic Cooperation Port Access Elevated Highway Project (SASEC)	2019012	USD	56,695,001	17,680,016,080	23,567,647	4,719,585,974
33		Science & Technology Human Resource Development Project	2019030	USD	2,486,091	841,504,512	3,420,141	682,151,578
34		Second Integrated Road Investment Programme - Tranche 2	2019048	XDR			88,210,468	17,066,335,737
35		Technical Assistance Loan Agreement	2019007	USD	61,325	17,343,121	856,870	168,250,871
36		Rooftop Solar Power Generation Project	2018037	USD			20,308,790	4,099,542,192
37		Railway Efficiency Improvement Project	2019040	USD	8,155,390	2,858,727,348	14,304,234	2,858,697,734
38		Science & Technology Human Resource Development Project	2019029	USD	19,518,474	5,699,643,464	23,868,685	4,720,543,670
39		Jaffna & Kilinochchi Water Supply Project - Additional Financing	2017038	USD	333,839	91,482,717	7,225,870	1,438,828,119
40		Small and Medium-Sized Enterprises Line of Credit Project-Additional Financing	2020017	USD	36,500,000	12,198,742,900	120,500,000	22,702,220,700
41		Secondary Education Sector Improvement Programme -Results - Based Lending	2020018	USD	44,010,000	15,983,551,800	52,260,000	10,521,490,122
42		Responsive COVID-19 Vaccines for Recovery Project - Rapid Response Component	2021027	USD	66,000,000	13,325,472,600	18,000,000	3,600,000,000
43		Second Integrated Road Investment Programme - Tranche 3	2021009	USD	77,398,391	18,505,198,051	122,601,609	24,899,663,997
44		Skills Sector Enhancement Programme - Additional Financing	2018021	USD	3,200,000	928,580,000	9,200,000	1,847,034,960
45		Health System Enhancement Project - Additional Financing	2021029	USD	3,206,510	1,152,107,833	12,059,376	2,434,462,405
46		Food Security and Livelihood Recovery Emergency Assistance Project	2022026	USD	171,545,119	62,311,650,742		
47		Responsive COVID-19 Vaccines for Recovery Project - Project Investment Component	2021028	USD	21,832,279	5,865,305,913		
ASIAN INFRASTRUCTURE INVESTMENT BANK						4,829,130,318		4,324,621,136
48		Reduction of Landslide Vulnerable by Mitigation Measures Projects	2019019	USD	1,820,447	595,794,572	2,822,477	566,639,849
49		Support to Colombo Urban Regeneration Project	2019020	USD	14,154,739	4,233,335,746	18,986,277	3,757,981,287
BOERENLEEN BANK						2,510,768,457		3,904,219,259
50		Development of General Hospital Kaluthara	2016012	EUR	5,515,174	1,924,713,457	1,181,252	269,320,528
51		Reconstruction Rural Bridges (EUR 44.3)	2018040	EUR	1,279,569	378,789,773	4,660,481	1,088,591,135
52		Construction of Rural Bridges with Financial Assistance from Netherlands	2019047	EUR	571,428	207,265,227	10,792,599	2,546,307,595
HSBC BANK PLC (UK)						448,689,024		2,100,000,000
53		Upgrading Health Facilities in Selected Hospitals of Sri Lanka	2019018	USD	2,382,462	448,689,024	10,396,537	2,100,000,000
HSBC (WITH GUARANTEE OF EKF DENMARK)						69,405,816		57,678,570
54		Establishment of Dairy Processing Plant at Badalgama	2015019	EUR	228,454	69,405,816	245,863	57,678,570
INTERNATIONAL DEVELOPMENT ASSOCIATION						28,262,784,946		57,146,366,595
55		Climate Resilience Improvement Management Programme	2014010	XDR	1,266,332	361,678,616	4,808,905	1,332,803,200
56		Strategic Cities Development Project	2014019	XDR			3,018,210	847,553,074
57		Water Supply and Sanitation Improvement Project	2015028	XDR	7,436,186	2,863,184,339	18,854,640	5,354,743,200
58		Early Childhood Development Project	2015030	XDR	6,440,551	2,397,661,195	2,555,975	724,076,822

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

Funding Agency	Project	Loan Key	Loan Currency	2022		2021	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
59	Additional Financing for Strategic Cities Development Project	2016027	XDR			8,505,799	2,399,944,450
60	Additional Financing for Climate Resilience Improvement Project	2016028	XDR			1,917,039	542,000,800
61	Ecosystem Conservation and Management Project	2016029	XDR	1,502,889	719,500,000	4,850,736	1,369,570,400
62	Social Safety Nets Project	2016043	XDR	359,713	114,117,861	6,233,048	1,735,513,517
63	Agriculture Sector Modernization Project	2017001	XDR	6,248,155	1,788,242,382	9,952,150	2,816,447,968
64	Transport Connectivity & Asset Management Project	2017023	XDR	10,192,707	3,904,743,516	15,477,098	4,379,430,373
65	Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017017	XDR	12,838,400	4,438,440,649	-	-
66	Financial Sector Modernization Project	2017024	XDR	2,233,332	631,233,378	750,000	211,388,265
67	General Education Modernization Project	2018033	USD	10,988,592	2,774,083,423	23,256,750	4,613,669,968
68	Climate Smart Irrigated Agriculture Project	2019021	USD	8,150,000	2,819,006,605	23,116,565	4,594,464,427
69	Local Development Support Project	2019027	USD	2,336,103	834,131,976	24,209,868	4,798,042,224
70	Covid 19 Emergency Response & Health Systems Preparedness Project	2020009	USD	8,624,446	1,732,358,963	27,705,270	5,528,850,437
71	Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan	2020016	USD	3,027,967	711,907,261	25,304,692	5,017,694,028
72	Additional Financing for the COVID 19 Emergency Response and Health Systems Preparedness - Concessional Loan	2020015	USD			19,857,110	5,561,771,916
73	Second Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project-IDA	2021013	XDR			18,712,080	5,318,401,526
74	Kandy Multimodal Transport Terminal Development Project -Non Concessional	2021016	USD	472,500	168,106,589		
75	Sri Lanka Integrated Watershed and Water Resources Management Project-Concessional Loan	2021007	USD	5,733,341	1,926,107,300		
76	Sri Lanka Integrated Watershed and Water Resources Management Project	2021008	USD	392,385	78,280,893		
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT					153,613,874,349		24,541,856,304
77	Metro Colombo Urban Development Project	2012011	USD	11,291,694	2,845,047,763	11,000,000	2,185,849,800
78	Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017019	USD	14,910,000	3,712,403,546	12,077,500	2,364,062,520
79	Primary Health Care System Strengthening Project	2019001	USD	31,816,125	11,524,040,730	42,018,058	8,606,637,669
80	Covid 19 Emergency Response and Health System Preparedness Project	2020010	USD	26,066,267	7,783,264,859	1,288,332	258,849,004
81	Second Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness Project	2021012	USD			53,968,671	10,854,691,036
82	Additional Financing for Water Supply & Sanitation Improvement Project	2021030	USD	5,407,435	1,896,865,897	100,000	19,998,150

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

Funding Agency	Project	Loan Key	Loan Currency	2022		2021	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
83	Inclusive Connectivity & Development Project	2021032	USD	296,843,013	107,674,996,126	1,250,000	251,768,125
84	Third Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness	2021031	USD	86,759,447	17,957,283,429		
85	Climate Resilience Multiphase Programmatic Approach	2021025	USD	810,000	219,972,000		
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT					2,075,814,402		1,791,819,251
86	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	2016016	XDR	2,953,352	1,154,245,134	1,522,044	431,353,340
87	Implementation of Smallholder Agribusiness Partnership (SAP) Programme	2017014	USD	2,834,078	910,594,782	6,445,214	1,276,753,197
88	Construction of Four Grid Substations Maliboda, Nawalapitiya, Wewalwatta and Ragala	2015021	EUR	46,606	10,974,485	407,445	83,712,714
NORDEA BANK FINLAND					4,228,656,748		2,356,624,048
89	Strengthening of Health Delivery Service in the Northern Province under Financial Assistance of the Netherlands	2019038	EUR	14,063,427	4,228,656,748	10,179,414	2,356,624,048
ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)					1,932,997,986		3,466,164,536
90	Road Network Development Project	2012024	USD	327,180	84,745,574	388,497	75,465,382
91	Colombo National Highways Project	2013023	USD	4,556,573	1,067,163,016	4,671,219	904,747,332
92	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	2015015	USD	759,822	191,628,154	6,791,753	1,334,824,429
93	Western Province Road Development Project	2015014	USD	1,494,745	474,436,438	1,975,082	379,487,177
94	Kalu Ganga Development Project (Additional Loan)	2017030	USD	517,771	115,024,804	3,975,985	771,640,215
RAIFFISEN ZENTRAL BANK					-		45,712,943
95	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	2017025	EUR	-	-	193,742	45,712,943
UNICREDIT BANK AUSTRIA AG					265,808,531		2,330,178,045
96	Implementation of Kirama Katuwana Integrated Water Supply Scheme	2018003	EUR	440,557	150,000,000	2,084,663	478,873,366
97	Supply of Freight Vehicles Equipment For the Colombo Municipal Council	2019008	EUR	515,850	115,808,531	7,737,750	1,851,304,679
CALYON CREDIT AGRICOLE CIB					1,500,000,000		2,821,778,423
98	Implementation of Greater Matale Water Supply Project	2016019	EUR	6,582,828	1,500,000,000	12,070,810	2,821,778,423
CO-OP CENTRALE RAIFFEISEN-BOERENLEENBANK					420,332,434		434,158,233
99	Pilot Project on Establishment of a Groundwater Monitoring Network in Three Selected District.	2017034	EUR	1,256,054	420,332,434	1,857,680	434,158,233
CHINA DEVELOPMENT BANK CORPORATION					-		5,110,480,941
100	Improvement and Rehabilitation of Priority Roads Project 3 (Phase i)	2014001	USD	-	-	13,533,826	2,526,580,831
101	Improvement and Rehabilitation of Priority Roads Project 3 (Phase ii)	2014034	USD	-	-	13,834,687	2,583,900,110

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

Funding Agency	Project	Loan Key	Loan Currency	2022		2021	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
GOVERNMENT OF FRANCE					7,935,571,646		7,016,564,514
102	Implementation of Ambathale Water Supply System Improvement & Energy Savings Project	2014027	USD	10,766,404	3,632,108,506	2,160,690	2,240,741,427
103	Implementation of Sanitation Hygiene Initiative for Towns Project – Phase I	2016021	EUR	1,370,476	506,566,188	817,642	182,829,997
104	Green Power Development & Energy Efficiency Improvement Investment Programme	2015023	EUR	1,420,000	326,960,538	–	–
105	Implementation of Green Power Development & Energy Efficient Improvement Investment Programme -Tranch 2	2018046	EUR	8,000,000	1,936,282,400	4,576,496	915,794,231
106	Development of Mini Dairy Cooperatives with French Soft Loan	2018047	EUR	1,593,252	379,875,303	8,289,186	1,710,902,237
107	Implementation of Anuradhapura Integrated Urban Development Project	2016039	EUR	2,819,123	1,005,281,161	2,361,564	539,678,085
108	Rathmalana-Moratuwa Wastewater Disposal Project- Stage I – Phase II	2019010	EUR	500,000	148,497,550	6,332,306	1,426,618,536
GOVERNMENT OF GERMANY					136,734,494		480,401,365
109	Construction of the Mahamodara Maternity Hospital Galle	2012022	EUR	601,215	136,734,494	2,160,690	480,401,365
GOVERNMENT OF INDIA					529,899,937		2,316,585,956
110	India Dollar Credit Line Agreement	2008006	USD			3,832,617	760,839,570
111	Restoration of Northern Railway Services	2012003	USD	1,338,183	474,714,825	7,359,219	1,413,457,414
112	Dollar Credit Line on KKS Harbour	2018002	USD	161,949	55,185,112	743,245	142,288,972
GOVERNMENT OF KUWAIT					2,034,704,159		3,197,225,708
113	Reconstruction of 25 Bridges Project	2014002	KWD	723,408	633,775,794	2,341,922	1,496,885,475
114	Building Complex for the Faculty of Healthcare Sciences, Eastern University, Sri Lanka	2016017	KWD	815,097	652,338,883	2,322,931	1,496,267,030
115	Kalu Ganga Development Project (Supplementary)	2017033	KWD	1,133,283	748,589,482	183,847	114,190,989
116	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	2005048	KWD			83,405	54,247,280
117	South Eastern University of Sri Lanka Development Project Phase 1 "B"	2011030	KWD			55,903	35,634,934
SAUDI FUND FOR ARAB ECONOMIC DEVELOPMENT					2,446,421,491		3,398,454,668
118	Road Network Development Project	2012025	SAR	2,121,501	112,565,880	9,717,579	480,187,980
119	Improvement of Peradeniya-Badulla – Chenkaladi Road Project	2015026	SAR	15,169,047	885,845,619	50,757,738	2,536,570,983
120	Kalu Ganga Development Project (Additional Finance)	2018024	SAR	6,379,381	451,932,348	5,908,213	310,486,242
121	Wayaba University Town Ship Development Project	2017032	SAR	15,870,374	910,289,742	828,769	41,072,152
122	Construction of Faculty of Medicine Project at the Sabaragamuwa University	2019043	SAR	1,279,706	85,787,901	561,937	30,137,311

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

				2022		2021	
Funding Agency	Project	Loan Key	Loan Currency	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
GOVERNMENT OF JAPAN					30,448,816,654		20,370,190,477
123	Kandy City Wastewater Management Project	2010016	JPY	480,994	1,083,509,501	1,746,519	3,126,185,075
124	Habarana Veyangoda Transmission Line	2012006	JPY	1,706,337	3,086,554,782	306,441	539,982,109
125	Anuradhapura North Water Supply Project	2013020	JPY	309,846	626,713,382	884,110	1,607,388,679
126	New Bridges Construction Project Over the Kelani River	2014003	JPY	772,536	1,392,166,800	5,563,941	10,066,027,765
127	Anuradhapura North Water Supply Project (Phase 2)	2016037	JPY	16,569	30,082,923	1,687	3,038,678
128	Establishment of Light Rail Transit Project System in Colombo (I)	2019011	JPY			141,811	264,297,437
129	National Transmission and Distribution Network Development and Efficiency Improvement Project	2015018	JPY	10,223,613	22,810,147,553	923,183	1,626,095,316
130	Rural Infrastructure Development Project in Emerging Regions	2017015	JPY	607,732	1,067,005,203	1,443,970	2,640,646,629
131	Heath and Medical Service Improvement Project	2018032	JPY	92,417	169,003,612	72,588	131,399,624
132	Kalu Ganga Water Supply Expansion Project	2017016	JPY	91,926	183,632,897	201,774	365,129,163
GOVERNMENT OF THE REPUBLIC OF KOREA					968,126,395		2,769,263,703
133	Establishment of Colombo Central Vocational Training Center and Gampaha College of Technology Project in Sri Lanka	2013033	KRW			2,578,250	454,207,335
134	Deduru Oya Water Supply Project	2014038	KRW	3,344,465	563,876,787	11,015,067	1,886,395,576
135	Ruwanwella Water Supply Project	2014039	KRW	370,638	91,621,733	1,670,820	277,450,474
136	Technological Education Development Programme	2018023	KRW	1,169,264	312,627,874	761,310	151,210,318
THE EXPORT - IMPORT BANK OF CHINA					16,057,544,486		24,964,230,106
137	Construction Extension of Southern Expressway Section 2 from Beliatttha to Wetiya Project	2016015	USD			35,980,703	7,023,874,607
138	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
139	Widening & Improvement of 64.31Km of Roads and Reconstruction of 13 Bridges in Central & Uva Provinces in Sri Lanka	2018022	USD	5,814,951	1,170,751,504	34,053,908	6,788,822,045
140	Kandy North Pathadumbara Integrated Water Supply	2017041	EUR	50,798,397	1,619,916,631	346,713,167	10,721,379,576
141	Central Expressway Project Section - I from Kadawatha to Meerigama	2019015	USD	51,569,653	13,266,876,351		
DEUTSCHE BANK AG					447,708,842		2,127,084,766
142	Reconstruction of Rural Bridges USD 50.9Mn (UKEF)	2019006	USD	1,972,574	447,708,842	11,006,881	2,127,084,766
THE EXPORT - IMPORT BANK OF INDIA					189,018,446,773		15,882,530,000
143	Dollar Credit Line 318M of the Development of Railway Sector	2017013	USD	32,552,228	11,570,994,540	79,254,804	15,882,530,000
144	Dollar Credit Line from Indian EXIM Bank for the Procurement of Urea Fertilizer - USD 55 Million	2022020	USD	45,559,332	16,454,775,052		

Notes to the Financial Statements contd...

NOTE - 11 - FOREIGN BORROWINGS - 2022

Funding Agency	Project	Loan Key	Loan Currency	2022		2021	
				Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
145	Short-Term Line of Credit USD 500M	2022009	USD	497,329,343	160,992,677,181		
	KINGDOM OF SPAIN				530,766,869		1,074,828,567
146	Implementation of Anamaduwa Integrated Water Supply Project	2016023	EUR	1,994,043	530,766,869	4,576,929	1,074,828,567
	GOVERNMENT OF PAKISTAN				1,158,123		9,950,164
147	Pakistan Line of Credit	2006071	USD	3,265	1,158,123	55,860	9,950,164
	STATE BANK OF INDIA				104,436,620,931	-	-
148	Importation of Essential Commodities for Year 2022 (USD -1000Mn)	2022011	USD	299,565,139	104,436,620,931	-	-
	EXPORT & IMPORT BANK OF HUNGARY				774,898,947		2,636,192,865
149	Construction of Flyovers at Kohuwela and Getambe	2021001	EUR	2,653,126	774,898,947	11,199,656	2,636,192,865
	REFUNDS						
	ASIAN DEVELOPMENT BANK (ADB)				(158,476,997)		(134,514,411)
150	Greater Colombo Wastewater Management Project (ADF)	2009029	XDR	(3,726)	(1,742,930)		
151	Greater Colombo Water Wastewater Management Improvement Project	2013042	USD	(5,095)	(1,848,816)		
152	Integrated Road Investment Programme - Tranch 3	2015036	USD	(291)	(89,560)		
153	Southern Road Connectivity Project	2014017	USD	(426,135)	(154,760,840)		
154	Transport Project Preparatory Facility	2016035	XDR	(76)	(34,851)		
155	Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR			(428,337)	(120,291,646)
156	Northern Road Connectivity Project (ADF)	2012029	USD			(51,466)	(10,288,069)
157	Northern Road Connectivity Project (ADF)	2012030	USD			(19,683)	(3,934,696)
	INTERNATIONAL DEVELOPMENT ASSOCIATION				(671,089,477)		-
158	Additional Financing for Strategic Cities Development Project	2016027	XDR	(1,362,985)	(648,952,937)		
159	Climate Resilience Improvement Management Programme	2014010	XDR	(109,596)	(22,136,540)		
	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT				(2,809,002)		(89,955,000)
160	Primary Health Care System Strengthening Project	2019001	USD			(450,000)	(89,955,000)
161	Metro Colombo Urban Development Project	2012011	USD	(7,807)	(2,809,002)		
	Total				783,326,415,649		351,622,570,092
	Note:						
	Project Loans (8343)				783,326,415,649		351,622,570,092
	Foreign Currency Term Financing Facility (9190)				-		164,983,800,000
	Total				783,326,415,649		516,606,370,092

Notes to the Financial Statements contd...

NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2022 Rs.	2021 Rs.
Grants Received in the form of Cash for Projects		
DONOR		
Asian Development Bank (ADB)	2,385,568	1,572,058
The Government of Japan (JICA)	39,575,240	18,008,980
International Labour Organization (ILO)	6,323,654	1,777,871
United States Agency for International Development (USAID)	20,065,000	4,454,769
United Nations Industrial Development Organization (UNIDO)	8,049,016	69,566,968
United Kingdom(UK)	103,003,064	144,572,867
United Nations Development Programme (UNDP)	400,097,330	151,261,902
United Nations Educational, Scientific Cultural Organization (UNESCO)	16,228,622	1,431,550
United Nations Fund for Population (UNFPA)	29,191,517	28,002,754
United Nations Children's Fund (UNICEF)	464,988,113	98,787,537
World Health Organization (WHO)	132,195,712	208,619,537
World Food Programme (WFP)	932,204,815	518,707,345
World Bank (WB)	335,648,442	491,638,875
United Nations Environment Programme (UNEP)	13,005,504	15,163,354
GAVI	-	7,162,349
South Asian Association for Regional Cooperation (SAARC)	92,492,218	60,850,331
Food and Agricultural Organization (FAO)	44,960	975,749
Government of Korea	551,449,700	6,021,503
Government of Norway (NORAD)	7,692,216	3,300,780
European Union (EU)	-	54,273,602
Government of China	2,001,730	10
Universal Postal Union Head Office	105,200	618,120
United Nations High Commissioner for Refugees (UNHCR)	-	1,340,901
UN Habitat	-	1,188,296
Sri Lanka	2,000,000	13,689,620
Government of India	-	4,467,117
Switzerland (Swiss Confederation)	24,257,449	786,480
International Fund for Agricultural Development (IFAD)	-	1,927,922
Asia - Pacific Coconut Community	-	3,938,482
Canada	-	-
Australia	2,660,931	-
South Asia Co-operative Environment Programme (SACEP)	32,000,000	-
Total (a)	3,217,665,999	1,914,107,629
Grant Received through Special Foreign Currency Accounts		
International Development Association (IDA)	2066724993	656,231,800
Asian Development Bank (ADB)	597725925.2	671,351,513
Total (b)	2,664,450,918	1,327,583,313

Notes to the Financial Statements contd...

NOTE - 12 - FOREIGN GRANTS

Donor	Actual	
	2022 Rs.	2021 Rs.
Grants Received in Materials & Equipments		
The Government of Japan (JICA)	12,810	730,435,706
World Food Programme (WFP)	5,889,613,818	17,429,504
United States Department of Agriculture USDA (USA)	1,656,065,876	865,631,198
Government of China	11,942,050,589	-
Total (c)	19,487,743,093	1,613,496,408
Direct Payments		
Government of Japan (JICA)	1,137,388,099	592,594,184
Government of India	218,699,747	77,968,930
Government of German (GIZ)	1,398,229,085	406,662,450
Government of China	480,977,897	-
Government of Korea	219,152,963	299,664,335
United States Agency for International Development (USAID)	3,112,355,331	149,501,759
Asian Development Bank (ADB)	226,000,000	257,496,620
France	14,936,103	100,469,625
(Swiss Confederation) Switzerland	126,121,982	-
Australia	1,003,322,459	-
GFATM	61,119,060	-
Asian Countries - Reco Asia	34,241,227	-
Total (d)	8,032,543,952	1,884,357,902
Grand Total = (a)+(b)+(c)+(d)	33,402,403,963	6,739,545,252

Notes to the Financial Statements contd...

	Actual	
	2022 Rs.	2021 Rs.
NOTE – 13 – DOMESTIC NON BANK BORROWINGS		
Net Borrowings through Treasury Bills – 8085	1,855,672,243,371	649,336,272,156
Treasury Bonds – 9093	2,373,044,861,000	1,761,978,900,000
Net Borrowings through Foreign Currency Banking Unit (Non Project) – 9107	(77,701,206,502)	(102,351,724,827)
Sri Lanka Development Bonds – 9105	67,441,067,797	207,504,403,894
Foreign Currency Banking Unit (Project) 9196 – Note 30(I)	71,921,234	2,952,692,361
Domestic Term Loan Facility – 9210	–	–
	4,218,528,886,900	2,519,420,543,584
Net Borrowings through Treasury Bills – 8085		
Borrowings through Treasury Bills	9,942,825,710,000	3,821,418,520,000
Less: Total Repayments	8,087,153,466,629	3,172,082,247,844
Net of Borrowings/Repayment	1,855,672,243,371	649,336,272,156
Net Borrowings through Foreign Currency Banking Unit (Non Project) – 9107		
Borrowings through Foreign Currency Banking Unit	339,369,736	29,509,453,492
Less: Total Repayments	78,040,576,238	131,861,178,319
Net of Borrowings/Repayment	(77,701,206,502)	(102,351,724,827)
NOTE – 14 – DOMESTIC DEBT REPAYMENTS		
Treasury Bonds – 9093	618,838,035,500	513,555,150,000
Sri Lanka Development Bonds – 9105	447,510,020,205	275,827,931,188
Foreign Currency Banking Unit (Project) – 9196	2,963,046,701	2,685,790,944
Ministry of Defence -Suhurupaya Loan – 9198	568,919,602	568,919,602
Retirement Gratuity Loan Account – 9207	4,070,416,569	4,070,416,569
Domestic Term Loan Facility – 9210	–	5,000,000,000
	1,073,950,438,577	801,708,208,303
Note : –	(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	
	2022 Rs.	2021 Rs.
NOTE – 15 – DOMESTIC GRANTS		
Direct Payments		
Dart Global Logistics (Pvt) Ltd.	2,645,500	–
Total	2,645,500	–

Notes to the Financial Statements contd...

	Actual	
	2022 Rs.	2021 Rs.
NOTE – 16 – RECOVERIES FROM ON-LENDING		
National Development Bank	1,040,464,389	224,913,298
Sri Lanka Ports Authority	6,674,775,802	6,107,132,237
Development Finance Corporation of Ceylon	4,939,464,256	2,127,772,038
Hatton National Bank	972,350,794	282,007,146
Colombo Municipal Council	154,793,476	248,471,672
Sampath Bank	1,038,290,122	397,371,465
Commercial Bank	2,133,750,957	733,268,082
Seylan Bank	666,033,376	54,522,625
Regional Development Bank	1,066,460,904	300,291,044
Nations Trust Bank	820,963,026	26,072,383
Ceylon Petroleum Corporation	–	37,979,695
Sri Lanka Savings Bank	–	254,165,067
Local Loan Development Fund	277,866,430	237,588,591
Bank of Ceylon	751,118,027	127,599,362
People's Bank	805,264,456	140,154,424
Revolving Funds of Central Bank with Regional Development Banks	753,213,301	2,461,326,344
Airport & Aviation Service (Ltd)	1,255,352,631	1,092,575,727
Sarvodaya Economic & Enterprises Dev. Service	28,000,000	13,000,000
Litro Gas Lanka Limited	25,846,233,846	–
Ministry of Agriculture	10,986,225,637	–
Other Institutions	375,378,450.01	30,755,712
Sub Total (a)	60,248,159,276	14,896,966,910

Notes to the Financial Statements contd...

NOTE 17 – STATEMENT OF NON-FINANCIAL ASSETS 2021

Building- 9151:	375,071,254,691
Machinery- 9152:	391,099,777,383
Land- 9153:	1,010,203,611,484
Biological- 9155:	121,170,370
Intangible- 9154:	6,701,795,977
WIP- 9160:	307,165,808,191
Lease- 9180:	2,924,579,620
Grand Total:	2,093,287,997,716

Ledger	Category	Item	Code	Closing Balance 2021	Opening Balance Addition During the Year	Opening Balance 2022	Transfer In	Purchases	Disposals	Closing Balance 2022
9151->	1.1-Dwellings		61111	38,083,895,436	3,821,637,703	41,905,533,139	13,474,318	163,869,272	676,009,125	41,406,867,603
		House Boats	****6111101	30,190,724	2,039,999	32,230,723	-	-	-	32,230,723
		Garages	****6111102	256,345,569	32,945,030	289,290,599	-	2,916,718	500,000	291,707,317
		Mobile Home	****6111103	5,182,067	-	5,182,067	-	687,068	-	5,869,134
		Housing Schemes/ Flats	****6111104	10,025,233,584	1,339,725,561	11,364,959,145	-	65,914,506	168,210,333	11,262,663,317
		Rest Houses	****6111105	1,255,831,701	160,330,800	1,416,162,501	-	314,496	-	1,416,476,997
		Hotels & Restaurants	****6111106	489,432,289	26,525,515	515,957,804	-	-	50,000,000	465,957,804
		Quarters	****6111107	22,673,155,138	1,860,900,617	24,534,055,754	13,474,317.79	41,056,094	457,298,792	24,131,287,375
		Circuit Bungalows	****6111108	3,348,524,365	399,170,182	3,747,694,547	-	52,980,390	-	3,800,674,937
9151->	1.2-Non Residential Building		61112	301,147,130,815	27,339,747,166	328,486,877,981	3,970,668,180	8,720,502,290	10,688,429,935	330,489,618,517
		Office Building	****6111201	171,093,320,409	26,022,668,991	197,115,989,400	3,970,668,180	7,152,701,667	10,531,424,910	197,707,934,338
		Schools	****6111202	49,710,654,149	521,221,837	50,231,875,985	-	1,306,395,242	4,161,368	51,534,109,859
		Hospitals	****6111203	63,743,832,666	114,892,018	63,858,724,684	-	23,518,064	144,659	63,882,098,088
		Building for Public Entertainment	****6111204	3,128,329,753	327,665,070	3,455,994,823	-	137,391,723	145,492,502	3,447,894,044
		Warehouse	****6111205	5,660,815,359	207,017,443	5,867,832,803	-	93,680,620	6,260,004	5,955,253,419
		Airport	****6111206	87,575	-	87,575	-	-	-	87,575
		Markets	****6111208	228,141,741	62,139,500	290,281,241	-	6,814,974	-	297,096,215
		Laboratories & Research Stations	****6111209	3,387,479,467	67,402,815	3,454,882,282	-	-	-	3,454,882,282
		Factories	****6111210	4,194,469,697	16,739,493	4,211,209,189	-	-	946,493	4,210,262,697
9151->	1.3-Other Structure		61113	2,711,377,916	62,557,289	2,773,935,205	-	43,451,255,318	43,050,421,952	3,174,768,571
		Highways Street Road	****6111301	62,338,674	-	62,338,674	-	815,813	-	63,154,487
		Bridges	****6111302	7,636,394	-	7,636,394	-	1,350,460	-	8,986,854
		Tunnel	****6111303	4,450,002	-	4,450,002	-	-	-	4,450,002
		Railways Subways	****6111304	8,393,205	-	8,393,205	-	43,428,257,804	43,039,754,087	396,896,922
		Air Field Runways	****6111305	134,000	-	134,000	-	-	-	134,000
		Harbors Dams & Other Water Works	****6111306	143,460,417	-	143,460,417	-	3,232,192	-	146,692,609
		Structures Associated with Mining Subsoil Assets	****6111307	47,097,740	2,276,250	49,373,990	-	-	2,720	49,371,270

Notes to the Financial Statements contd...

Ledger	Category	Item	Code	Closing Balance 2021	Opening Balance Addition During the Year	Opening Balance 2022	Transfer In	Purchases	Disposals	Closing Balance 2022
		Communication Line Power Line & Pipelines	****6111308	1,232,840,275	244,304	1,233,084,579	-	16,844,282	625,113	1,249,303,748
		Outdoor Sport & Recreation Facilities	****6111309	523,047,264	18,562,280	541,609,544	-	754,768	9,512,280	532,852,033
		Sewerage Treatment Complex	****6111310	296,798,518	4,839,391	301,637,908	-	-	-	301,637,908
		Pumping Station	****6111311	253,119,968	6,514,150	259,634,118	-	-	527,752	259,106,366
		Farms and Agriculture Related Assets	****6111312	132,061,458	30,120,914	162,182,373	-	-	-	162,182,373
	9151-Sub Total			341,942,404,167	31,223,942,158	373,166,346,325	3,984,142,498	52,335,626,880	54,414,861,012	375,071,254,691
9152->	2.1-Transport Equipment		61121	236,936,530,970	15,211,223,973	252,147,754,943	3,192,602,787	971,518,209	2,941,967,370	253,369,908,569
		Passenger vehicle	****6112101	84,312,874,443	8,463,541,171	92,776,415,613	3,022,477,183	209,267,453	1,869,789,040	94,138,371,210
		Cargo vehicle	****6112102	14,570,977,306	6,113,644,953	20,684,622,259	-	129,676,261	505,453,831	20,308,844,689
		Agricultural vehicle	****6112103	2,391,558,446	161,986,275	2,553,544,721	-	12,773,680	26,331,339	2,539,987,062
		Industrial Vehicle	****6112104	5,070,311,435	68,649,480	5,138,960,915	-	122,536,507	1,044,500	5,260,452,922
		Ambulance	****6112105	5,422,901,441	328,981,493	5,751,882,934	8,670,204	659,940	7,095,591	5,754,117,487
		Ships	****6112106	29,252,826,003	-	29,252,826,003	-	2,921,654	-	29,255,747,657
		Railway locomotives	****6112107	38,448,200,000	-	38,448,200,000	-	408,729,923	-	38,856,929,923
		Aircraft	****6112108	54,263,920,881	15,183,501	54,279,104,381	-	83,836,391	515,566,549	53,847,374,223
		Motor cycle	****6112109	3,202,961,015	59,237,101	3,262,198,116	161,455,400	1,116,400	16,686,520	3,408,083,396
9152->	2.2-Other Machinery & Equipment		61122	112,430,888,140	15,047,713,981	127,478,602,121	3,341,333,394	7,748,314,119	838,380,820	137,729,868,814
		Office Equipment	****6112201	10,730,431,835	665,148,533	11,395,580,367	100,404,652	1,911,030,153	180,633,520	13,226,381,652
		Computer Equipment	****6112202	13,287,938,146	1,375,970,285	14,663,908,431	66,592,556	975,483,889	204,006,789	15,501,978,087
		Electrical Equipment	****6112203	9,313,308,307	1,615,863,534	10,929,171,841	17,542,652	913,240,895	120,673,056	11,739,282,332
		Communication Equipment	****6112204	4,031,234,627	363,181,888	4,394,416,515	3,007,422,544	1,383,401,324	10,152,561	8,775,087,823
		Furniture	****6112205	17,394,526,131	2,176,137,927	19,570,664,058	20,335,076	744,292,863	230,798,739	20,104,493,258
		Musical Instruments	****6112206	704,657,726	26,835,910	731,493,636	31,500	143,322,252	1,178,000	873,669,388
		Medical Equipment	****6112207	32,134,830,006	8,332,418,831	40,467,248,837	41,084,650	772,350,891	13,031,825	41,267,652,553
		Sports Equipment	****6112208	476,528,827	26,660,186	503,189,013	-	57,553,552	10,959,260	549,783,304
		Paintings Sculptures & Other Antiques	****6112209	11,758,525	844,357	12,602,882	-	109,600	-	12,712,482
		Books Periodical & Journals	****6112210	64,818,063	4,965,947	69,784,010	-	721,829	9,700	70,496,139
		Laboratory Instruments	****6112211	7,897,512,344	272,515,264	8,170,027,608	23,253,129	158,071,233	20,996,286	8,330,355,685
		Industrial & Manufacturing Equipment	****6112212	5,083,294,076	14,925,611	5,098,219,687	64,377,350	343,798,557	5,520,107	5,500,875,487
		Construction Equipment	****6112213	2,207,580,875	11,828,170	2,219,409,045	-	59,130,426	413,730	2,278,125,741
		Broadcasting Equipment	****6112214	383,010,734	38,725,255	421,735,989	62,800	8,431,698	31,500	430,198,986

Notes to the Financial Statements contd...

Ledger	Category	Item	Code	Closing Balance 2021	Opening Balance Addition During the Year	Opening Balance 2022	Transfer In	Purchases	Disposals	Closing Balance 2022
		Defence Equipment	****6112215	7,658,203,584	15,311,424	7,673,515,008	215,635	203,141,737	32,181,273	7,844,691,107
		Agricultural & Dairy Farm Equipment	****6112216	462,737,109	82,216,038	544,953,146	-	12,330,088	449,000	556,834,235
		Fire Protection Equipment	****6112217	588,517,225	24,164,822	612,682,047	10,850	61,903,130	7,345,474	667,250,553
	9152-Sub Total			349,367,419,110	30,258,937,954	379,626,357,064	6,533,936,181	8,719,832,328	3,780,348,190	391,099,777,383
9153-->	4.1-Land		61410	437,620,168,083	11,632,293,027	449,252,461,110	60,214,604	2,416,498,181	2,354,266,068	449,374,907,827
		Land	****614100	437,620,168,083	11,632,293,027	449,252,461,110	60,214,604	2,416,498,181	2,354,266,068	449,374,907,827
9153-->	4.1-Urban or Built-Up Land		61411	466,516,054,465	3,192,946,000	469,709,000,465	-	-	125,873,000	469,583,127,465
		Commercial and Services	****6141101	3,051,596,850	-	3,051,596,850	-	-	-	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	56,068,316,115	3,192,946,000	59,261,262,115	-	-	125,873,000	59,135,389,115
9153-->	Water		61414	87,584,591,712	630,904,378	88,215,496,090	1,165,178,352	1,556,084,586	115,967,836	90,820,791,193
		Streams and Canals	****6141401	15,738,790,071	-	15,738,790,071	-	11,582,000	-	15,750,372,071
		Lakes	****6141402	617,000,000	-	617,000,000	-	-	-	617,000,000
		Reservoirs	****6141403	71,227,792,063	630,904,378	71,858,696,441	1,165,178,352	1,536,979,919	108,445,169	74,452,409,544
		Bays and Estuaries	****6141404	1,009,578	-	1,009,578	-	7,522,667	7,522,667	1,009,578
9153-->	Barren Land		61416	395,215,000	42,520,000	437,735,000	-	-	12,950,000	424,785,000
		Sandy Areas Other than Beaches	****6141603	395,215,000	42,520,000	437,735,000	-	-	12,950,000	424,785,000
	9153-Sub Total			992,116,029,260	15,498,663,405	1,007,614,692,665	1,225,392,956	3,972,582,766	2,609,056,903	1,010,203,611,484
9154-->	5.3 Other Non Financial-Intangible		61133	2,060,785,092	-	2,060,785,092	-	4,687,738,967	46,728,082	6,701,795,977
		Computer Software	****6113301	1,989,319,106	-	1,989,319,106	-	4,683,653,100	46,728,082	6,626,244,123
		Licenses	****6113302	8,052,603	-	8,052,603	-	1,907,051	-	9,959,653
		Patents & Copyrights	****6113303	-	-	-	-	-	-	-
		Broadcast Rights	****6113305	917,649	-	917,649	-	-	-	917,649
		Service Contracts	****6113306	62,495,734	-	62,495,734	-	2,178,817	-	64,674,551
	9154-Sub Total			2,060,785,092	-	2,060,785,092	-	4,687,738,967	46,728,082	6,701,795,977
9155-->	5.2 Other Non Financial-Biological		61132	121,170,370	-	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
	9155-Sub Total			121,170,370	-	121,170,370	-	-	-	121,170,370
9160-->	1.4-WIP-Building & Structure		61114	115,344,549,180	102,562,699,889	217,907,249,070	87,468,061,580	7,001,914,761	5,211,417,219	307,165,808,191
		WIP-Building & Structure	****611140	64,823,286,441	308,330,863	65,131,617,304	451,250,734	3,232,151,120	4,758,721,364	64,056,297,795
		House Boats	****611141	3,733,820	-	3,733,820	-	-	-	3,733,820
		Hospitals	****6111410	2,568,449,628	-	2,568,449,628	-	149,207,366	-	2,717,656,994

Notes to the Financial Statements contd...

Ledger	Category	Item	Code	Closing Balance 2021	Opening Balance Addition During the Year	Opening Balance 2022	Transfer In	Purchases	Disposals	Closing Balance 2022
		Building for Public Entertainment	****6111411	688,714,183	-	688,714,183	-	152,190,689	-	840,904,873
		Warehouse	****6111412	1,856,941,056	-	1,856,941,056	-	43,681,445	-	1,900,622,501
		Airport	****6111413	-	-	-	-	-	-	-
		Crematorium	****6111414	83,007	-	83,007	-	-	-	83,007
		Markets	****6111415	4,300,901	2,709,718	7,010,620	-	5,271,768	-	12,282,388
		Laboratories & Research Stations	****6111416	4,300,901	-	4,300,901	-	6,847,440	-	11,148,341
		Factories	****6111417	13,562,782	1,650,354	15,213,136	-	7,208,502	-	22,421,638
		Highways Street Road	****6111418	302,334	91,172,012,562	91,172,314,896	81,379,886,772	-	-	172,552,201,668
		Bridges	****6111419	24,744,321	9,717,915,046	9,742,659,367	4,887,611,621	118,549	-	14,630,389,537
		Garages	****611142	24,744,321	-	24,744,321	-	155,882	-	24,900,203
		Railways Subways	****6111421	-	-	-	-	477,900	-	477,900
		Air Field Runways	****6111422	636,380	-	636,380	-	67,626	-	704,006
		Harbors Dams & Other Water Works	****6111423	2,991,260	-	2,991,260	-	12,796,841	-	15,788,101
		Structures Associated with Mining Subsoil Assets	****6111424	4,023,641	-	4,023,641	-	-	-	4,023,641
		Communication Line Power Line & Pipelines	****6111425	47,723,719	92,600	47,816,319	-	4,153,648	-	51,969,967
		Outdoor Sport & Recreation Facilities	****6111426	943,542,661	14,065,314	957,607,975	-	12,673,926	37,693,297	932,588,604
		Sewerage Treatment Complex	****6111427	19,301,531	-	19,301,531	-	-	-	19,301,531
		Pumping Station	****6111428	156,634,794	-	156,634,794	-	-	-	156,634,794
		Farms and Agriculture Related Assets	****6111429	3,262,086	-	3,262,086	-	-	-	3,262,086
		Mobile Home	****611143	59,646,783	824,550	60,471,333	-	683,964	-	61,155,297
		Rest Houses	****6111430	2,488,956	-	2,488,956	-	-	-	2,488,956
		Housing Schemes/ Flats	****611144	3,223,613	-	3,223,613	-	-	-	3,223,613
		Hotels & Restaurants	****611145	4,937,614	-	4,937,614	-	1,175,360	-	6,112,974
		Quarters	****611146	5,207,804,130	502,577,951	5,710,382,081	35,979,633	559,378,230	-	6,305,739,944
		Circuit Bungalows	****611147	169,891,702	21,651,000	191,542,702	-	3,719,640	-	195,262,343
		Office Building	****611148	34,569,469,572	799,226,994	35,368,696,566	713,332,819	2,760,359,281	82,523,231	38,759,865,435
		Schools	****611149	4,135,807,045	21,642,937	4,157,449,981	-	49,595,583	332,479,328	3,874,566,237
	9160-Sub Total			115,344,549,180	102,562,699,889	217,907,249,070	87,468,061,580	7,001,914,761	5,211,417,219	307,165,808,191
9180->	2.3-Lease Asset		61123	1,168,658,903	-	1,168,658,903	-	1,755,920,717	-	2,924,579,620
		Lease-Passenger Vehicle	****6112301	993,758,903	-	993,758,903	-	562,488,257	-	1,556,247,160
		Lease- Cargo Vehicle	****6112302	174,900,000	-	174,900,000	-	70,000	-	174,970,000
		Lease- Agricultural vehicle	****6112303	-	-	-	-	655,974,211	-	655,974,211
		Lease-Ambulance	****6112305	-	-	-	-	537,388,250	-	537,388,250
		Lease-Motor Cycle	****6112309	-	-	-	-	-	-	-
	9180-Sub Total			1,168,658,903	-	1,168,658,903	-	1,755,920,717	-	2,924,579,620
	Grand Total			1,802,121,016,082	179,544,243,407	1,981,665,259,489	99,211,533,215	78,473,616,419	66,062,411,407	2,093,287,997,716

Notes to the Financial Statements contd...

	Actual	
	2022	2021
	Rs.	Rs.
NOTE - 18 ADVANCES TO PUBLIC OFFICERS		
Advances to Public Officers Transferred to Provincial Councils (7004)	191,466,910	191,466,910
Advances to Public Officers of the Central Government (8493)	30,277,939,580	31,164,768,473
	30,469,406,491	31,356,235,383
NOTE - 19 ADVANCES TO GOVERNMENT DEPARTMENTS		
Treasury Authorized Advance Account (7000)	16,093,892,983	15,727,677,353
	16,093,892,983	15,727,677,353
NOTE - 20 MEMBERSHIP FEES PAID		
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
	2,900,368,322	2,900,368,322

Notes to the Financial Statements contd...

NOTE – 21 – ON LENDING

	Name of the Institution	Balance as at 01.01.2022 Rs.	New Loan During 2022 Rs.	Amount Settled During 2022 Rs.	Balance as at 31.12.2022 Rs.
1	Sri Lanka Ports Authority	49,691,147,097	55,185,112	6,674,775,802	46,087,006,058
	Add / (Less) : Parity Variance	3,015,449,651			40,321,328,508
	Balance	52,706,596,748	55,185,112	6,674,775,802	86,408,334,566
2	Development Finance Corporation of Ceylon	19,564,210,260	560,145,383	4,939,464,256	15,044,229,566
	Add / (Less) : Parity Variance	106,946,330			1,126,933,005
	Add / (Less) : Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(247,608,150)			(227,324,680)
	Balance	19,423,548,439	560,145,383	4,939,464,256	15,943,837,890
3	Regional Development Bank (Lankaputhra Dev. Bank)	2,701,986,562	-	340,639,314	2,556,743,009
	Add / (Less) : Parity Variance	195,395,762			2,275,560,211
	Balance	2,897,382,324	-	340,639,314	4,832,303,220
4	People's Bank	5,663,436,834	372,864,248	805,264,456	5,164,209,227
	Add / (Less) : Parity Variance/Adjustment	0			-
	Less: Revolving Recoveries/ Disbursement	(66,827,399)			(52,465,575)
	Balance	5,596,609,435	372,864,248	805,264,456	5,111,743,652
5	National Development Bank	10,326,189,612	1,409,560,498	1,040,464,389	10,428,960,682
	Add / (Less) : Parity Variance/Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(266,325,038)			(321,969,975)
	Balance	10,059,864,574	1,409,560,498	1,040,464,389	10,106,990,707
6	Colombo Municipal Council	2,105,283,566	221,620,576	154,793,476	2,172,110,666
	Add / (Less) : Parity Variance/Adjustment	-			-
	Balance	2,105,283,566	221,620,576	154,793,476	2,172,110,666
7	National Water Supply & Drainage Board	1,195,834,546	1,651,389,131	-	2,847,223,677
	Add / (Less) : Parity Variance/Adjustment	-			-
	Balance	1,195,834,546	1,651,389,131	-	2,847,223,677
8	Sampath Bank Ltd.	7,605,510,127	954,616,308	1,038,290,122	7,130,150,239
	Add / (Less) : Parity Variance/Adjustment	0	-	-	(0)
	Less: Revolving Recoveries/ Disbursement	(391,686,073)			(196,199,967)
	Balance	7,213,824,054	954,616,308	1,038,290,122	6,933,950,272
9	Hatton National Bank PLC	7,885,280,991	1,566,261,427	972,350,794	8,268,287,464
	Add / (Less) : Parity Variance/Adjustment	-			-
	Less: Revolving Recoveries/ Disbursement	(210,904,160)			(46,996,560)
	Balance	7,674,376,831	1,566,261,427	972,350,794	8,221,290,904
10	Commercial Bank of Ceylon PLC	9,559,341,974	1,124,821,561	2,133,750,957	8,199,395,920
	Add / (Less) : Parity Variance	18,472,778	-	-	206,751,625
	Add / (Less) : Adjustment				25,000,000
	Less: Revolving Recoveries/ Disbursement	(369,489,436)			(182,274,322)
	Balance	9,208,325,316	1,124,821,561	2,133,750,957	8,248,873,223
11	Nations Trust Bank	4,505,119,058	1,210,766,677	820,963,026	4,894,922,709
	Less: Revolving Recoveries/ Disbursement	-			-
	Balance	4,505,119,058	1,210,766,677	820,963,026	4,894,922,709
12	Seylan Bank PLC	5,289,499,151	924,722,998	666,033,376	5,323,972,676
	Less: Revolving Recoveries/ Disbursement	(224,216,096)			(203,358,340)
	Less: Adjustment				(22,800,000)
	Balance	5,065,283,055	924,722,998	666,033,376	5,097,814,336
13	Sri Lanka Savings Bank	254,108,992	-	-	254,108,993
	Add / (Less) : Parity Variance/Adjustment	1			-
	Balance	254,108,993	-	-	254,108,993

Notes to the Financial Statements contd...

NOTE – 21 – ON LENDING

	Name of the Institution	Balance as at 01.01.2022 Rs.	New Loan During 2022 Rs.	Amount Settled During 2022 Rs.	Balance as at 31.12.2022 Rs.
14	Sarvodaya Economic & Enterprises Dev. Service	620,395,760	-	28,000,000	592,395,760
15	Local Loan Development Fund	4,438,342,575	-	277,866,430	4,160,476,145
16	Bank of Ceylon	6,177,437,792	1,273,841,089	751,118,027	6,637,067,606
	Add / (Less) : Parity Variance/Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(63,093,249)			(60,031,255)
	Balance	6,114,344,544	1,273,841,089	751,118,027	6,577,036,351
17	Regional Development Bank (Kandurata)	1,350,657	-	-	251,000
	Add / (Less) : Parity Variance/Adjustment	-	-	-	-
	Less: Revolving Recoveries/ Disbursement	(1,099,657)			(251,000)
	Balance	251,000	-	-	-
18	Sanasa Development Bank (IFAD 283)	11,114,479	-	-	11,114,479
	Add / (Less) : Parity Variance/Adjustment	-			-
	Balance	11,114,479	-	-	11,114,479
19	Sanasa Development Bank	483,267,400	277,428,687	-	687,235,637
	Add / (Less) : Parity Variance/Adjustment	-			(6,000,000)
	Less: Revolving Recoveries/ Disbursement	(73,460,450)			(76,120,500)
	Balance	409,806,950	277,428,687	-	605,115,137
20	Regional Development Bank	6,836,000,832	1,576,303,944	725,821,590	7,476,566,529
	Less: Revolving Recoveries/ Disbursement	(209,916,660)			(190,801,431)
	Add / (Less) : Adjustment	2			3,800,000
	Balance	6,626,084,175	1,576,303,944	725,821,590	7,289,565,098
21	Min.of Agricultural Dev. Agrarian Services	2,267,918,905	-	6,639,655	2,261,279,249
22	Alliance Finance Company Ltd.	30,866,774	-	15,509,909	15,356,865
	Add / (Less) : Parity Variance/Adjustment	-			-
	Balance	30,866,774	-	15,509,909	15,356,865
23	Revolving Funds with Central Bank of Sri Lanka	11,528,816,370	733,865,749	753,213,301	13,895,038,322
	Add: Parity Variance/ Adjustment	260,943,138		-	169,289,278
	Add: Revolving Recoveries/ Disbursement	2,124,626,368			1,557,793,604
	Balance	13,914,385,875	733,865,749	753,213,301	15,622,121,204
24	HDFC / NHDA	102,311,881	-	15,388,281	86,923,600
	Add / (Less) : Parity Variance/Adjustment	(0)			-
	Balance	102,311,881		15,388,281	86,923,600
25	Airport & Aviation Services (Sri Lanka) Ltd	9,159,661,099	-	1,255,352,631	7,595,616,344
	Add / (Less) : Parity Variance/Adjustment	(308,692,125)	-	-	4,767,686,776
	Balance	8,850,968,975	-	1,255,352,631	12,363,303,120
26	Pan Asia Banking Corporation PLC		247,350,000	-	247,350,000
	Add / (Less) : Adjustment				-
	Balance		247,350,000	-	247,350,000
27	Union Bank of Colombo PLC		592,550,000	-	592,550,000
	Add / (Less) : Adjustment				-
	Balance		592,550,000	-	592,550,000
28	Litro Gas Lanka Limited	-	25,520,777,225	25,846,233,846	(325,456,620)
	Add / (Less) : Parity Variance				325,456,620
	Balance		25,520,777,225	25,846,233,846	0
29	Ceylon Petroleum Corporation		228,770,919,566		228,770,919,566
	Add / (Less) : Parity Variance				30,361,398,477
	Balance		228,770,919,566	-	259,132,318,043
30	Ministry of Agriculture (Fertilizer)		29,799,147,396	10,986,225,637	18,812,921,758
	Add / (Less) : Parity Variance/Adjustment				
	Balance		29,799,147,396	10,986,225,637	18,812,921,758

Notes to the Financial Statements contd...

NOTE - 21 - ON LENDING

Name of the Institution		Balance as at 01.01.2022	New Loan During 2022	Amount Settled During 2022	Balance as at 31.12.2022
		Rs.	Rs.	Rs.	Rs.
On Lending Based on Foreign Aids		171,292,948,831	298,844,137,572	60,248,159,276	489,443,331,627
31	Central Bank – SEPI Loan Scheme	160,242,106	20,000,000	75,340,059	104,901,916
	Add / (Less) : Adjustment	(132)			(131)
	Balance	160,241,975	20,000,000	75,340,059	104,901,785
32	Local Loans & Development Fund	90,219,520	–	17,123,537	73,095,983
	Add / (Less) : Adjustment				(0)
	Balance	90,219,520	–	17,123,537	73,095,983
33	Sri Lanka Rubber Manufacture & Dev. Corporation	773,340,000	–	6,228,375	767,111,625
34	AHF Loan Scheme 2004/2005	14,788,156	–	10,875,658	3,912,499
	Add / (Less) : Adjustment				0
	Balance	14,788,156	–	10,875,658	3,912,499
35	Petroleum Development Authority of Sri Lanka	243,688,911	–	–	243,688,911
36	Department of Treasury Operations – (PLGF)	916,231,000	–	–	916,231,000
37	Urban Settlement Dev. Authority		–	125,016,000	(125,016,000)
	Add / (Less) : Adjustment				125,016,000
	Balance			125,016,000	–
On Lending Based on Domestic Funds		2,198,509,563	20,000,000	234,583,629	2,108,941,803
Total (Before Parity Variance/Adjustment)		170,463,885,998	298,864,137,572	60,482,742,905	412,167,158,209
Total Parity Variance		3,027,572,396	–	–	79,385,115,222
Total (After Parity Variance/Adjustment)		173,491,458,394	298,864,137,572	60,482,742,905	491,552,273,430

Notes to the Financial Statements contd...

NOTE - 22 : CAPITAL CONTRIBUTION OR SHAREHOLDINGS IN THE COMMERCIAL PUBLIC CORPORATIONS / STATE OWNED COMPANIES / OTHER COMPANIES / PLANTATION COMPANIES / DEVELOPMENT BANKS (8468 / 8548)

	Balance as at 01.01.2022	Additions/ Adjustments in 2022	Reductions/ Adjustments in 2022	Balance as at 31.12.2022
	Rs.	Rs.	Rs.	Rs.
Note - 22.1 (a) Capital Contribution in Commercial Public Corporations	556,263,998,278	1,404,756,925,152	1,022,280,600	1,959,998,642,830
Note - 22.1 (b) Contribution to the Central Bank of Sri Lanka	15,000,000	-	-	15,000,000
Note - 22.2 Shareholdings in Government Owned or Other Companies	193,563,349,886	-	-	193,563,349,886
Note - 22.3 Shareholdings in Plantation Companies	1,696,237,450	-	-	1,696,237,450
Note - 22.4 Shareholdings in Companies in Dollar Denomination	1,685,080,055	1,469,607,975	-	3,154,688,030
Note - 22.5 Shareholdings in Development Banks	7,553,739,709	-	-	7,553,739,709
Total	760,777,405,378	1,406,226,533,127	1,022,280,600	2,165,981,657,905

NOTE - 22.1 (a) - CAPITAL CONTRIBUTION IN COMMERCIAL PUBLIC CORPORATION

Name	Balance as at 01.01.2022	Additions/ Adjustment in 2022	Deduction/ Adjustment in 2022	Balance as at 31.12.2022
	Rs.	Rs.	Rs.	Rs.
1 Agriculture and Agrarian Insurance Board	50,000,000	-	-	50,000,000
2 Bank of Ceylon	25,000,000,000	730,000,000	-	25,730,000,000
3 Central Engineering Consultancy Bureau	500,000	-	-	500,000
4 Ceylon Ceramic Corporation	2,640,000	-	-	2,640,000
5 Ceylon Electricity Board	365,054,568,649	500,111,740,916	1,022,280,600	864,144,028,965
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	884,093,386,477	-	912,580,511,477
9 Coconut Development Authority	88,943,221	-	-	88,943,221
10 Condominium Management Authority	500,000	-	-	500,000
11 Co-operative Wholesale Establishment	5,488,810,250	-	-	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 Equipment and Machinery Organization	-	58,400,000	-	58,400,000
16 National Gem & Jewelry Authority	30,000,000	-	-	30,000,000
17 National Transport Medical Institute	62,099,697	-	-	62,099,697
18 National Films Corporation of Sri Lanka	10,000,000	-	-	10,000,000
19 National Institute of Business Management	57,175,766	-	-	57,175,766
20 National Livestock Development Board	6,801,995,542	-	-	6,801,995,542
21 National Lotteries Board	21,263,100	-	-	21,263,100
22 National Savings Bank	9,400,000,000	-	-	9,400,000,000
23 National Water Supply & Drainage Board	75,388,884,922	19,290,897,759	-	94,679,782,681
24 National Housing Development Authority	40,000,000	-	-	40,000,000
25 People's Bank	12,198,133,000	-	-	12,198,133,000
26 Paddy Marketing Board	2,807,734,713	-	-	2,807,734,713
27 Sri Jayewardenapura General Hospital	1,016,825,162	-	-	1,016,825,162
28 Sri Lanka Bureau of Foreign Employment	691,161,789	-	-	691,161,789
29 Sri Lanka Institute of Hotel Management	454,850,952	-	-	454,850,952
30 Sri Lanka Ayurvedic Drugs Corporation	5,000,000	-	-	5,000,000
31 Sri Lanka Broadcasting Corporation	440,239,085	40,000,000	-	480,239,085
32 Sri Lanka Cashew Corporation	427,287,074	-	-	427,287,074
33 Sri Lanka Cement Corporation	966,971,844	-	-	966,971,844
34 Sri Lanka Transport Board	3,944,890,550	-	-	3,944,890,550
35 Sri Lanka Export Credit Insurance Corporation	30,000,000	-	-	30,000,000
36 Sri Lanka Handicraft Board	69,629,000	-	-	69,629,000
37 Sri Lanka Land Reclamation & Development Corporation	1,000,000	-	-	1,000,000

Notes to the Financial Statements contd...

NOTE – 22.1 (a) – CAPITAL CONTRIBUTION IN COMMERCIAL PUBLIC CORPORATION CONTD...

Name		Balance as at 01.01.2022	Additions/ Adjustment in 2022	Deduction/ Adjustment in 2022	Balance as at 31.12.2022
		Rs.	Rs.	Rs.	Rs.
38	Sri Lanka Ports Authority	7,535,916,027	-	-	7,535,916,027
39	Sri Lanka Rupavahini Corporation	735,743,000	25,000,000	-	760,743,000
40	Sri Lanka Tourism Promotion Bureau	33,069,157	-	-	33,069,157
41	Sri Lanka Tea Board	672,012,202	-	-	672,012,202
42	State Development & Construction Corporation	16,671,650	-	-	16,671,650
43	State Engineering Corporation of Sri Lanka	298,000,000	407,500,000	-	705,500,000
44	State Mortgage & Investment Bank	889,813,000	-	-	889,813,000
45	State Pharmaceuticals Corporation of Sri Lanka	59,055,258	-	-	59,055,258
46	State Pharmaceuticals Manufacturing Corporation	690,079,000	-	-	690,079,000
47	State Printing Corporation	15,000,000	-	-	15,000,000
48	State Timber Corporation	41,503,668	-	-	41,503,668
49	Telecommunication Regulatory Commission	526,214,744	-	-	526,214,744
50	Urban Development Authority	1,257,651,060	-	-	1,257,651,060
Total (22.1)		556,263,998,278	1,404,756,925,152	1,022,280,600	1,959,998,642,830

NOTE – 22.1 (b) – CENTRAL BANK OF SRI LANKA

Name		Balance as at 01.01.2022	Additions/ Adjustment in 2022	Reduction/ Adjustment in 2022	Balance as at 31.12.2022
		Rs.	Rs.	Rs.	Rs.
1	Central Bank of Sri Lanka	15,000,000	-	-	15,000,000

NOTE – 22.2 – SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

Company	Number of Shares			As at 31.12.2022	Nominal Value per Share Rs.	Value of the Investment as at 01.01.2022 Rs.	Value of the Investment as at 31.12.2022 Rs.	Percentage of Share holdings by the Treasury
	As at 01.01.2022	Additions/ Adjustments	Deductions/ Adjustments					
1 Airport & Aviation Services (Sri Lanka) Ltd	200,000			200,000	100.00	20,000,000	20,000,000	98.00
2 BCC Lanka Ltd.	10,000,000			10,000,000	10.00	100,000,000	100,000,000	100.00
3 Bogala Graphite Lanka PLC	254,500			254,500	10.00	2,545,000	2,545,000	0.54
4 Lanka Building Materials Corporation Ltd.	1,000,000			1,000,000	10.00	10,000,000	10,000,000	100.00
5 Ceylon Agro-Industries Ltd.	11,903,402			11,903,402	5.00	59,517,010	59,517,010	5.62
6 Ceylon Fertilizer Co. Ltd.	50,245,608			50,245,608	10.00	502,456,080	502,456,080	100.00
7 Ceylon Hotels Corporation PLC (Preference Shares Only)	1,200,000			1,200,000	2.00	2,400,000	2,400,000	2.00
8 Ceylon Shipping Corporation Ltd.	5,000,000			5,000,000	10.00	50,000,000	50,000,000	100.00
9 Ceylon Shipping Lines Ltd	-			-	-	-	-	-
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
	3,164			3,164	113.60	359,430	359,430	
13 Cultural Publication Company Ltd.	600			600	100.00	60,000	60,000	-

Notes to the Financial Statements contd...

NOTE – 22.2 – SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

Company	Number of Shares			Nominal Value per Share Rs.	Value of the Investment as at 01.01.2022 Rs.	Value of the Investment as at 31.12.2022 Rs.	Percentage of Share holdings by the Treasury
	As at 01.01.2022	Additions/ Adjustments	Deductions/ Adjustments				
14 CWG Hambanthota 2018	10,000,000			10.00	100,000,000	100,000,000	79.00
15 Distance Learning Center Ltd	14,206,509			10.00	142,065,090	142,065,090	99.99
16 Galadari Hotels (Lanka) PLC	292,200			10.00	2,922,000	2,922,000	0.058
17 Hotel Developers (Lanka) PLC	2,046,645,686			10.00	20,466,456,860	20,466,456,860	100.00
18 Human Resources Services Agency (Guarantee) Ltd.	-			-	5,000,000	5,000,000	100.00
19 Kingsbury PLC (Hotel Services Ltd)	2,263			10.00	22,630	22,630	0.0128
20 Hunas Falls Hotels PLC	1			10.00	10	10	-
21 Independent Television Network Ltd.	9,500,000			10.00	95,000,000	95,000,000	100.00
22 Information & Communication Technology Agency of Sri Lanka (Pvt) Ltd.	2			10.00	20	20	100.00
23 Kahatagaha Grafite Lanka Ltd.	1,300,000			10.00	13,000,000	13,000,000	100.00
24 Kalubowitiyana Tea Factory Ltd.	4,637,500			10.00	46,375,000	46,375,000	99.90
25 Kantale Sugar Industries Ltd.	2,689,993			100.00	268,999,300	268,999,300	100.00
26 Lafarge Mahaweli Cement (Pvt) Ltd.	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			10.00	10,000	10,000	5.00
28 Lanka Canneries Ltd.	40,002			100.00	4,000,200	4,000,200	9.09
29 Lanka Cement Ltd.	22,246,000			10.00	222,460,000	222,460,000	13.00
30 Lanka Coal Company (Pvt) Ltd.	400,000			10.00	4,000,000	4,000,000	20.00
31 Lanka Electricity Company (Pvt) Ltd.	49,880,000			10.00	498,800,000	498,800,000	43.56
32 Lakdiwa Engineering Company (Pvt) Ltd.	2			10.00	20	20	100.00
33 Lanka Fabrics Ltd.	210,000			10.00	2,100,000	2,100,000	93.30
34 Lanka Hydraulic Institute Ltd.	50,000			10.00	500,000	500,000	4.54
35 Lanka Industrial Estates Ltd.	7,800,000			10.00	78,000,000	78,000,000	48.84
36 Lanka Layland (Pvt) Ltd	1,289,900			6.94	8,951,906	8,951,906	100.00
	860,000			0.01	8,600	8,600	
37 Lanka Logistics and Technologies Ltd.	800,205			10.00	80,002,050	80,002,050	100.00
38 Lanka Mineral Sands Ltd.	80,000,000			10.00	800,000,000	800,000,000	100.00
39 Lanka Phosphate Limited	7,251,000			10.00	72,510,000	72,510,000	100.00
40 Lanka STC General Trading Co. Ltd.	10,000,000			10.00	100,000,000	100,000,000	100.00
41 Lanka Textile Mills Emporium Ltd.	700,000			10.00	7,000,000	7,000,000	-

Notes to the Financial Statements contd...

NOTE – 22.2 – SHAREHOLDING IN STATE OWNED OR OTHER COMPANIES

		Number of Shares			Nominal Value per Share	Value of the Investment as at 01.01.2022 Rs.	Value of the Investment as at 31.12.2022 Rs.	Percentage of Share holdings by the Treasury	
Company	As at 01.01.2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2022					
42	Lanka Sathosa Ltd.	87,095,381			87,095,381	10.00	870,953,810	870,953,810	98.00
43	Mantai Salt Ltd.	300,000			300,000	100.00	30,000,000	30,000,000	100.00
44	Mihin Lanka (Private) Ltd	51,406,108			51,406,108	100.00	14,476,251,900	14,476,251,900	100.00
45	MILCO (Pvt) Ltd – Kiriya Milk Industries	31,945,403			31,945,403	10.00	319,454,030	319,454,030	99.99
		8,169,034,183			8,169,034,183	1.00	8,169,034,183	8,169,034,183	
46	National Paper Company Ltd	32,300,000			32,300,000	10.00	323,000,000	323,000,000	100.00
47	National Development Bank PLC	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.	1,236,356,324			1,236,356,324	100.00	123,635,632,410	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 Thriposha 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
Total		13,583,208,445			13,583,208,445		193,563,349,886	193,563,349,886	

Notes to the Financial Statements contd...

NOTE – 22.3 – SHAREHOLDING IN PLANTATION COMPANIES

Company	Number of Shares				Nominal Value Per Share	Value of the Investment as at 01.01.2022	Value of the Investment as at 31.12.2022	Percentage of Share holdings by the Treasury
	As at 01.01.2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2022				
					(Rs.)	(Rs.)	(Rs.)	
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 Malwatta 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	-
Total	177,437,314	-	-	177,437,314		1,696,237,450	1,696,237,450	

NOTE – 22.4 – SHAREHOLDING IN COMPANIES IN US DOLLAR DENOMINATION

Company	Number of Shares				Nominal Value per Share	Value of the Investment as at 01.01.2022	Value of the Investment as at 31.12.2022	Percentage of Share holdings by the Treasury
	As at 01.01.2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2022				
					(Rs)	(Rs)	(Rs)	(Rs)
1 Asian Reinsurance Corporation	980	-	-	980	US\$1000	194,530,000	364,174,664	
2 Ceylon Shipping Agency	24,500	-	-	24,500	1 (Singapore Dollar)	3,586,555	6,806,828	99.00
3 International Finance Corporation	7,491			7,491	US\$1000	1,486,963,500	2,783,706,539	
Total	32,971	-		32,971		1,685,080,055	3,154,688,030	

Exchange Rate (Buying Rate) as at 01.01.2022 / 31.12.2022

Currency	01.01.2022	31.12.2022
	Rate	Rate
US Dollar	198.50	371.61
Singapore Dollar	146.39	277.83

Notes to the Financial Statements contd...

NOTE – 22.5 – SHAREHOLDING IN DEVELOPMENT BANKS

Company	Number of Shares				Nominal Value per Share	Value of the Investment as at 01-01-2022	Value of the Investment as at 31.12.2022	Percentage of Share holdings by the Treasury
	As at 01.01.2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2022				
1 Pradeshiya Sanwardhana Bank	337,744,671	–	–	337,744,671	10.00	3,377,446,710	3,377,446,710	87.00
	158,013,356		–	158,013,356	26.43	4,176,292,999	4,176,292,999	
Total	495,758,027	–	–	495,758,027		7,553,739,709	7,553,739,709	

NOTES – 22.2, 22.3, 22.4, 22.5 – SUMMARY

Company	Numbers of Shares	Nominal Value of Shares as at 31.12.2022 (Rs.)
1 General	13,583,208,445	193,563,349,886
2 Plantation	177,437,314	1,696,237,450
3 Shares in Dollar Value	32,971	3,154,688,030
4 Development Banks	495,758,027	7,553,739,709
Total	14,256,436,757	205,968,015,075

Notes to the Financial Statements contd...

NOTE - 23 - RENT AND WORK ADVANCE ACCOUNT - 2022

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
1	His Excellency the President	9188/1/0/1/0/1/0	Rent	-	21,293,616	21,293,616	-
	Ministry of Justice	9188/110/0/1/0/8/0	Rent	-	6,515,600		6,515,600
	Ministry of Justice	9188/110/0/1/0/9/0	Rent	-	1,350,000		1,350,000
	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	76,777,416		70,499,768	6,277,648
	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
110	Ministry of Justice	9188/110/0/2/0/4/0	Mobilization	34,570,651		34,570,651	-
	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
118	Ministry of Agriculture	9188/118/0/1/0/1/0	Rent	63,000,000			63,000,000
119	Ministry of Power	9188/119/0/1/0/3/0	Rent	9,550,000			9,550,000
123	Ministry of Urban Development and Housing	9188/123/0/2/0/2/0	Mobilization	-	122,941,256		122,941,256
	Ministry of Urban Development and Housing	9188/123/0/2/0/3/0	Mobilization	-	50,000,000		50,000,000
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/18/0	Mobilization	-	1,635,615		1,635,615
130	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/16/0	Mobilization	6,454,796		6,454,796	-
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/17/0	Mobilization	21,292,213		5,042,674	16,249,539
	Ministry of Public Services, Provincial Councils and Local Government	9188/130/0/2/0/8/0	Mobilization	48,969,787		48,969,787	-
149	Ministry of Industries	9188/149/0/1/0/1/0	Rent	-	15,398,840		15,398,840
	Ministry of Youth and Sports	9188/194/0/2/0/3/0	Mobilization	-	15,358,239		15,358,239
194	Ministry of Youth and Sports	9188/194/0/2/0/4/0	Mobilization	-	5,399,007		5,399,007
	Ministry of Youth and Sports	9188/194/0/1/0/1/0	Rent	-	21,293,616		21,293,616

Notes to the Financial Statements contd...

NOTE - 23 - RENT AND WORK ADVANCE ACCOUNT - 2022

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
219	Department of Sports Developments	9188/219/0/2/0/14/0	Mobilization	-	-	-	-
	Department of Sports Developments	9188/219/0/2/0/18/0	Mobilization	7,186,874	-	-	7,186,874
	Department of Sports Developments	9188/219/0/2/0/22/0	Mobilization	6,816,230	-	-	6,816,230
	Department of Sports Developments	9188/219/0/2/0/23/0	Mobilization	10,519,528	-	-	10,519,528
	Department of Sports Developments	9188/219/0/2/0/24/0	Mobilization	5,000,000	-	-	5,000,000
	Department of Sports Developments	9188/219/0/2/0/25/0	Mobilization	1,398,300	-	-	1,398,300
	Department of Sports Developments	9188/219/0/2/0/27/0	Mobilization	5,000,000	-	-	5,000,000
	Department of Sports Developments	9188/219/0/2/0/28/0	Mobilization	1,623,155	-	-	1,623,155
	Department of Sports Developments	9188/219/0/2/0/32/0	Mobilization	3,276,231	-	-	3,276,231
	Department of Sports Developments	9188/219/0/2/0/33/0	Mobilization	28,529,654	-	-	28,529,654
222	Sri Lanka Army	9188/222/0/1/0/26/0	Rent	-	5,541,667	1,266,667	4,275,000
	Sri Lanka Army	9188/222/0/1/0/25/0	Rent	-	937,500	937,500	-
	Sri Lanka Army	9188/222/0/1/0/24/0	Rent	-	3,000,000	3,000,000	-
	Sri Lanka Army	9188/222/0/1/0/23/0	Rent	-	2,040,000	1,020,000	1,020,000
	Sri Lanka Army	9188/222/0/1/0/17/0	Rent	14,000,000	8,000,000	14,000,000	-
	Sri Lanka Army	9188/222/0/1/0/19/0	Rent	(8,000,000)	-	-	-
	Sri Lanka Army	9188/222/0/1/0/20/0	Rent	10,000,000	-	-	-
	Sri Lanka Army	9188/222/0/1/0/22/0	Rent	1,000,000	86,750	181,125	2,813,125
	Sri Lanka Army	9188/225/0/2/0/1/0	Mobilization	9,444,469	-	9,444,469	905,625
	Sri Lanka Army	9188/228/0/2/0/75/0	Mobilization	-	12,813,520	-	12,813,520
225	Department of Police	9188/228/0/2/0/76/0	Mobilization	-	12,145,000	12,145,000	-
	Courts Administration	9188/228/0/2/0/78/0	Mobilization	-	4,660,710	3,274,444	1,386,266
	Courts Administration	9188/228/0/2/0/77/0	Mobilization	-	52,992,450	5,614,702	47,377,748
	Courts Administration	9188/228/0/2/0/74/0	Mobilization	-	8,670,570	-	8,670,570
	Courts Administration	9188/228/0/2/0/55/0	Mobilization	4,220,031	-	4,220,031	-
	Courts Administration	9188/228/0/2/0/56/0	Mobilization	2,700,556	-	2,700,556	-
	Courts Administration	9188/228/0/2/0/58/0	Mobilization	9,257,126	-	1,706,073	7,551,053
	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	8,384,893	-	7,146,995	1,237,899
	Courts Administration	9188/228/0/2/0/1/0	Mobilization	6,503,989	-	-	6,503,989
228	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	8,750,394	-	5,858,339	2,892,055
	Courts Administration	9188/228/0/2/0/52/0	Mobilization	8,652,118	-	5,433,983	3,218,135
	Courts Administration	9188/228/0/2/0/53/0	Mobilization	6,346,140	-	1,881,539	4,464,601
	Courts Administration	9188/228/0/2/0/53/0	Mobilization	-	-	-	-

Notes to the Financial Statements contd...

NOTE - 23 - RENT AND WORK ADVANCE ACCOUNT - 2022

Head No.	Ministry/Department	Account No.	Type	Opening Balance	Additions	Settlements	Closing Balance
	Courts Administration	9188/228/0/2/0/61/0	Mobilization	6,315,171		5,842,995	472,176
	Courts Administration	9188/228/0/2/0/63/0	Mobilization	5,503,350			5,503,350
	Courts Administration	9188/228/0/2/0/62/0	Mobilization	8,862,025		1,864,959	6,997,066
	Courts Administration	9188/228/0/2/0/67/0	Mobilization	14,069,452		12,160,787	1,908,665
	Courts Administration	9188/228/0/2/0/65/0	Mobilization	42,597,983		7,518,189	35,079,794
	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		4,541,974	6,830,322
	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	5,310,388	2,033,719		3,276,669
	Courts Administration	9188/228/0/2/0/71/0	Mobilization	-	8,232,043		8,232,043
	Courts Administration	9188/228/0/2/0/72/0	Mobilization	-	4,309,716		4,309,716
	Courts Administration	9188/228/0/2/0/73/0	Mobilization	-	19,923,425		19,406,291
	Courts Administration	9188/228/0/2/0/59/0	Mobilization	6,767,565		517,134	-
	Courts Administration	9188/228/0/2/0/60/0	Mobilization	4,135,000		6,767,565	-
	Courts Administration	9188/228/0/2/0/51/0	Mobilization	92,440,650		4,135,000	-
	Courts Administration	9188/228/0/2/0/15/0	Mobilization	4,226,716		11,416,475	81,024,175
	Courts Administration	9188/228/0/2/0/16/0	Mobilization	25,247,249		4,226,716	-
	Courts Administration	9188/228/0/2/0/20/0	Mobilization	141,672		25,247,249	-
	Courts Administration	9188/228/0/2/0/21/0	Mobilization	14,059,099		141,672	-
	Courts Administration	9188/228/0/2/0/23/0	Mobilization	14,553,658		5,292,027	8,767,072
	Courts Administration	9188/228/0/2/0/24/0	Mobilization	30,000,000		13,566,071	987,587
	Courts Administration	9188/228/0/2/0/25/0	Mobilization	19,753,363		30,000,000	-
	Courts Administration	9188/228/0/2/0/26/0	Mobilization	48,919,200		42,968,389	19,753,363
	Courts Administration	9188/228/0/2/0/27/0	Mobilization	22,910,036			5,950,811
	Courts Administration	9188/228/0/2/0/28/0	Mobilization	36,108,755		13,806,681	22,910,036
	Courts Administration	9188/228/0/2/0/29/0	Mobilization	82,660,986			22,302,074
	Courts Administration	9188/228/0/2/0/30/0	Mobilization	12,095,935			82,660,986
	Courts Administration	9188/228/0/2/0/32/0	Mobilization	25,000,000			12,095,935
	Courts Administration	9188/228/0/2/0/37/0	Mobilization	744,455		744,455	25,000,000
	Courts Administration	9188/228/0/2/0/38/0	Mobilization	19,219,814			-
	Courts Administration	9188/228/0/2/0/39/0	Mobilization	90,960		90,960	19,219,814
	Courts Administration	9188/228/0/2/0/40/0	Mobilization	14,882,757		1,646,883	-
	Courts Administration	9188/228/0/2/0/41/0	Mobilization	553,807		553,807	13,235,874
	Courts Administration	9188/228/0/2/0/42/0	Mobilization	998,317		998,317	-
	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	4,904,278			4,904,278
	Courts Administration	9188/228/0/2/0/47/0	Mobilization	119,651,813		44,240,700	75,411,113
	Courts Administration	9188/228/0/2/0/48/0	Mobilization	3,469,050		1,569,923	1,899,127
	Courts Administration	9188/228/0/2/0/49/0	Mobilization	3,050,456		2,197,612	852,844

Notes to the Financial Statements contd...

NOTE - 23 - RENT AND WORK ADVANCE ACCOUNT - 2022

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	9188/256/0/2/0/5/0	Mobilization	181,760,836		181,760,836	-
256	District Secretariat - Gampaha	9188/256/0/2/0/7/0	Mobilization	15,275,415		15,275,415	-
	District Secretariat - Gampaha	9188/256/0/2/0/8/0	Mobilization	11,910,351		2,500,542	9,409,809
	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	677,989		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, Waste Disposal and Community Cleanliness	9188/411/0/2/0/2/0	Mobilization	122,941,256		122,941,256	-
411	State Ministry of Urban Development, Waste Disposal and Community Cleanliness	9188/411/0/2/0/3/0	Mobilization	50,000,000		50,000,000	-
	Total			2,256,451,263	404,539,140	994,426,408	1,666,563,995

Notes to the Financial Statements contd...

	2022 Rs	2021 Rs
NOTE - 24 - CONSOLIDATED FUND		
Opening Balance of the Consolidated Fund as at 1st January	(990,490,932,444)	(636,307,917,452)
Add Receipts to the Consolidated Fund		
Total Cash flow from Operating Activities	2,046,171,463,688	1,485,479,793,128
Total Cash flow from Investing Activities	74,480,256,089	26,481,960,340
Total Cash flow from Financing Activities	5,144,788,109,597	3,043,148,148,877
Total Cash Receipts (a)	7,265,439,829,373	4,555,109,902,345
Less Total Payments of the Consolidated Fund		
Total Cash Disbursement for Operating Activities	4,004,143,886,453	2,757,505,695,954
Total Cash Disbursement for Investing Activities	1,014,292,931,441	789,636,210,652
Total Cash Disbursement for Financing Activities	1,477,455,178,450	1,342,552,941,085
Total Cash Payments (b)	6,495,891,996,344	4,889,694,847,691
Net Cash Flow (a) - (b)	769,547,833,029	(334,584,945,346)
Net Change in Deposit Accounts and Liabilities	294,583,038,486	(19,598,069,646)
Closing Balance of the Consolidated Fund as at 31st December	73,639,939,070	(990,490,932,444)
NOTE - 25 - FOREIGN LOAN REVOLVING FUNDS		
Reimbursable Foreign Aid Revolving Fund (8760)	2,350,990,022	2,512,164,731
IDA Revolving Fund (8814)	28,358,765,301	37,822,770,445
ADB Special Dolor Revolving Fund (8919)	25,784,992,942	3,529,991,278
CBSL Special Dollar Account (International Fund for Agr. Dev. Revolving Fund) (8974)	3,655,780,147	1,191,797,328
CBSL Revolving Fund (Yen) (9095)	2,445,184,181	2,312,951,750
Special Rupee Revolving Fund (9120)	-	-
Special Foreign Currency Revolving Fund (Euro Italy) (9121)	-	-
Special Rupee Revolving Fund (9122)	-	-
Special Foreign Currency Revolving Fund (9126)	1,865,248,513	1,415,898,108
Revolving Fund Account for Asian Infrastructures Investment Bank (9201)	8,028,383,427	67,217,451
	72,489,344,533	48,852,791,091
NOTE - 26 - MISCELLANEOUS FUNDS		
Public Service Provident Fund Account (8098)	(4,763,212)	(4,785,918)
Teachers' Widows & Orphans Pension Fund (8186)	2,812,079,601	2,430,798,164
	2,807,316,389	2,426,012,245
NOTE - 27 - NET ASSETS ADJUSTMENTS ACCOUNT		
Impact on Borrowings		
Capital Expenditure Investment- Appropriation Loan Account (8341)	(24,088,000,000)	(24,088,000,000)
Capital Investment Inland & Foreign Consolidated Loan Account (8342)	(7,665,018,983,130)	(3,779,702,051,390)
Treasury Bond Repayment Account (9103)	(8,692,134,561,000)	(6,937,927,735,500)
SL Development Bond Investment Account (9106)	(391,736,366,541)	(460,077,748,858)
Foreign Currency Banking Unit Investment Account (9108)	(131,371,686,555)	(139,301,491,000)
Treasury Bills Utilization Account (9109)	(4,126,383,805,527)	(2,270,711,562,156)
Lease Asset Investment Account (9183)	(1,865,352,404)	(478,415,689)
Foreign Currency Term Financing Facility (9191)	(797,588,901,000)	(445,520,567,580)
International Sovereign Bond Investment Account (9195)	(4,557,030,500,000)	(2,615,661,090,000)
Foreign Currency Banking Unit (Project) Investment Account (9197)	(24,500,433,325)	(20,247,148,867)
Suhurupaya Investment Account of Ministry of Defence (9199)	(4,551,356,819)	(5,120,276,421)
Treasury Bond Investment Account (Active Liability Management Act) (9203)	(30,000,000,000)	(30,000,000,000)
Retirement Gratuity Investment Account (9208)	(48,924,284,835)	(52,994,701,403)
Domestic Term Loan Facility Investment Account (9211)	-	(45,000,000,000)
Government Guaranteed Ceylon Petroleum Corporation Loan Investment Account (9215)	(884,093,386,477)	-
	(27,379,287,617,612)	(16,826,830,788,865)

Notes to the Financial Statements contd...

	2022 Rs	2021 Rs
Impact on Acquisition of Financial & Non Financial Assets		
Government Corporations Capital Fund (8467)	1,960,013,642,830	556,278,998,278
Government Shares Account (8547)	205,968,015,075	204,498,407,100
On-lent Loan Investment Account (9117)	491,552,273,430	173,491,458,394
Property Plant & Equipment Reserve Fund Account (9165)	1,783,197,609,905	1,691,898,208,559
Work in Progress Reserve Fund Account (9166)	307,165,808,191	156,940,474,795
Lease Asset Reserve Fund Account (9182)	2,924,579,620.06	1,168,658,903
Rental & Work Advance Reserve (9189)	1,666,563,995.21	2,256,451,263
	4,752,488,493,046	2,786,532,657,291
Balance as at 31st December	(22,626,799,124,566)	(14,040,298,131,574)

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 – 28 – BANK BALANCE

Treasury Authorized Imprest Account (7002)	3,873,026,057	4,277,980,931
Treasury Authorized Imprest Account- (RFA) (7003)	20,000,000	21,320,166
DST Cash Account (8020) Note – 28(i)	(71,841,927,200)	(821,576,593,794)
Crown Agent Current Account (8030)	83,233,029	42,329,765
Temporary Employed Balances of CBSL (8192)	(26,810,839,287)	(18,901,949,309)
Central Bank of Sri Lanka – IDA Special Dollar Accounts (8813)	21,188,592,725	20,019,713,552
ADB Loan SLCB Special Dollar Account (8918)	36,371,410,685	15,384,284,098
International Fund for Agriculture Development Special Dollar Account (8973)	3,931,290,283	1,085,976,249
Central Bank Special Yen Account (9094)	0.18	41,322,645
Special Foreign Currency French Development Agency Account (9125)	1,891,910,633	379,389,946
Central Bank Special Dollar Account for Asian Infrastructures Investment Bank (9200)	2,387,550,860	772,640,508
	(28,905,752,213)	(798,453,585,243)

NOTE – 28(i)**Sub Accounts of DST Accounts – (8020)**

Bank of Ceylon – 0002026450	(56,831,697,653)	(494,982,952,726)
Peoples Bank – 014100130110432	(27,432,497,948)	(337,159,872,907)
Central Bank of Sri Lanka – 50516	1,096,210,041	182,917
Central Bank of Sri Lanka – 45013	991,218,165	1,484,824,288
Central Bank of Sri Lanka – 50549		1.17
Central Bank of Sri Lanka – 50550	1,665,606,007	2,160,562,470
Central Bank of Sri Lanka – 50551	38,760,332	84,142,350
Central Bank of Sri Lanka – 50552	–	–
Central Bank of Sri Lanka – 50556	1,021,369,344	1,440,890,450
Central Bank of Sri Lanka – 50557	1,526,997,754	263,530,096
Central Bank of Sri Lanka – 50558	89,424,598	15,190,432
Central Bank of Sri Lanka – 50559	5,931,143,700	–
Central Bank of Sri Lanka – 73138	–	4,489,576,621
Central Bank of Sri Lanka – 73139	10,675	55,296,115
Bank of Ceylon – 0007041570	–	571,216,724
Bank of Ceylon – 0007041571	–	819,374
Bank of Ceylon – 0007041573	–	–
Bank of Ceylon – 0007041579	–	–
Bank of Ceylon – 89386794	61,527,785	–
	(71,841,927,200)	(821,576,593,794)

Notes to the Financial Statements contd...

	2022 Rs	2021 Rs
NOTE – 29 – ADVANCES FROM CENTRAL BANK OF SRI LANKA		
Advance from CBSL – Monetary Law Act (8176)	235,638,700,400	150,128,800,400
	235,638,700,400	150,128,800,400
NOTE – 30 – GOVERNMENT BORROWINGS		
Domestic		
Treasury Bills (8085)	4,126,383,805,527	2,270,711,562,156
Treasury Bonds (9093)	8,692,134,561,000	6,937,927,735,500
Rupee Loans (8249)	24,088,000,000	24,088,000,000
Sri Lanka Development Bonds (9105)	391,736,366,541	460,077,748,858
Local Loans in Foreign Currency (9107)	131,371,686,555	139,301,491,000
Foreign Currency Banking Units (Projects) (9196) Note 30(I)	24,500,433,325	20,247,148,867
Suhurupaya Loan Account of Ministry of Defence (9198)	4,551,356,819	5,120,276,421
Treasury Bond Account (Active Liability Management Act) (9202)	30,000,000,000	30,000,000,000
Retirement Gratuity Loan Account (9207)	48,924,284,835	52,994,701,403
Domestic Term Loan Facility (9210)	–	45,000,000,000
Lease Creditors (9181)	1,865,352,404	478,415,689
Government Guaranteed Ceylon Petroleum Corporation Loan Account (9214)	884,093,386,477	–
Total Borrowings – Domestic (a)	14,359,649,233,482	9,985,947,079,895
Foreign		
Foreign (Projects) (8343) Note 30(II)	7,665,018,983,131	3,779,702,051,391
Foreign Currency Term Financing Facility (9190) Note 30(III)	797,588,901,000	445,520,567,580
International Sovereign Bond (9194) Note 30(IV)	4,557,030,500,000	2,615,661,090,000
Total Foreign Borrowings (b)	13,019,638,384,131	6,840,883,708,971
Total Borrowings = (a)+(b)	27,379,287,617,613	16,826,830,788,866
NOTE – 31 – DEPOSITS		
Treasury General Deposit Account (6000)	101,161,327,336	82,323,142,224
Treasury Deposit Account for District Secretaries (6003)	(10,000,000)	(10,000,000)
	101,151,327,336	82,313,142,224
NOTE – 32- ACCOUNTS OPERATING WITH GOVERNMENT DEPARTMENTS		
General Manager – Railway Department (8003)	(260,367,731)	(1,000,515,781)
Director General of Customs (8005)	184,454,979	3,292,129
Cheques Return from Banks (8657)	(3,995,094)	(3,995,094)
Treasury Operations Department (9092)	307,160,351	309,808,730
Collection of GST (9098)	–	–
Non Operating Accounts (9100)	4,730,139,818	4,809,582,723
Agency Transaction in Postal Department (9184)	742,098,094	456,868,825
Value Added Control Account (9185)	190,781,637	195,044,111
Treasury Bond Premium Account (9186)	63,086,885,621	79,658,360,719
Treasury Bill Discount Account (9187)	(370,341,930,619)	(70,428,050,061)
Accrued Interest on Treasury Bond (9192)	33,492,191,245	14,767,541,757
Discount on Treasury Bill Issuance (9193)	(210,459,371,274)	(42,905,145,308)
	(478,331,952,972)	(14,137,207,250)
NOTE – 33 – SUNDRY ACCOUNTS		
Parity Variance Account on Crown Agent Account (8029)	138,407,100	112,162,211
Foreign Aid Expenditure Account (8301)	–	–
Stock Certificates received from Inland Revenue Commissioner as Capital Tax (8491)	–	–
Investment Account for National Housing Bonds (8859)	–	–
Public Service Mutual Guarantee Association (8013)	588,698	370,023
Fuel Price Stabilization Account (9209)	(1,022,280,600)	(26,673,196,758)
Exchange Gain / Loss on DST Accounts Foreign Currency (9206)	(190,076)	–
Foreign Sub Loan Balances Adjustment Account (9213)	15,393,998,191	–
	14,510,523,313	(26,560,664,524)

Notes to the Financial Statements contd...

Note - 30(i) FOREIGN CURRENCY BANKING UNIT LOAN (PROJECT) BALANCES (9196)

Loan Key	Project Name	Loan Currency	Balance as at 01-01-2022		Accounted during the year		Repayments		Parity / Adjustments	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
1	2011034 Kolonna - Balangoda Water Supply Project	EUR	4,282,207	971,465,695			924,464	320,385,872	648,131,667	3,357,743	1,299,211,490
2	2012005 Greater Dambulla Water supply Project I	USD	6,416,250	1,286,033,461			1,425,833	514,922,886	1,040,959,702	4,990,417	1,812,070,277
3	2013028 Upgrading of Peripheral Blood Bank -National Transfusion Service	USD	-	-					-	-	-
4	2013044 Implementation of Badulla, Haliella & Ella Integrated Water Supply Project	USD	-	-					-	-	-
5	2012013 Development of Hambantota General Hospital	EUR	2,634,872	597,749,697			292,764	110,926,070	419,408,335	2,342,108	906,231,962
6	2012014 Development of Nuwara Eliya District General Hospital	EUR	2,213,148	502,076,887			245,905	93,171,776	352,280,084	1,967,243	761,185,195
7	2013011 Construction of 210 Steel Bridges Project	USD	1,863,895	373,587,483			1,242,595	448,732,090	300,744,716	621,300	225,600,109
8	2014014 Moneragala - Buttala Integrated Water Supply Scheme	LKR	880,030,625	880,030,625			117,337,417	117,337,417		762,693,208	762,693,208
9	2015020 Kolonna - Balangoda Water Supply Project - Additional Financing	LKR	215,363,327	215,363,327			29,127,500	29,127,500		186,235,827	186,235,827
10	2015035 Establishment of Clinical Waste Management Systems in the Needy Hospitals Project	LKR	239,504,513	239,504,513			28,177,002	28,177,002		211,327,511	211,327,511
11	2016002 Anamaduwa Integrated Water Supply Project	LKR	862,290,793	862,290,793			109,556,840	109,556,840	(2,978,950)	821,676,236	821,676,236
12	2016042 Southern Expressway Sec 02 Bellatta to Wetiya	LKR	5,676,327,579	5,676,327,579			597,508,200	597,508,200		5,078,819,379	5,078,819,379
13	2017044 Pilot Project on Establishment of a Ground Water Monitoring Network in 03 Selected Districts	LKR	555,151,180	555,151,180			48,274,016	48,274,016		506,877,164	506,877,164
14	2017045 Procuring of 09 no Diesel Multiple Units Widening & Improvement of 64.31 Km roads &	USD	12,739,012	2,553,328,539			710,065	174,538,174	1,989,040,628	12,028,947	4,367,830,993
15	2018034 Reconstruction of 13 Bridges in the Central & Uva Province of SL	USD	11,235,189	2,251,911,760			961,829	183,638,333	1,662,086,456	10,273,360	3,730,359,884
16	2019031 Upgrading Health Facilities in selected Hospitals in Sri Lanka	LKR	2,241,006,300	2,241,006,300			186,750,525	186,750,525		2,054,255,775	2,054,255,775
17	2019037 Establishment of National and the Obstetrics Reference Center for the De Zoysa Maternity National Hospital Project	EUR	4,590,128	1,041,321,028					734,737,288	4,590,128	1,776,058,316
Total				20,247,148,867		71,921,234		2,963,046,701	7,144,409,926		24,500,433,326

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
AB Svensk Ex.Credit											
1	Ratmalana & Ja-Ela Wastewater Treatment Facilities Project (Sweden)	USD	34,682,783	6,951,601,814					5,630,903,062	34,652,048	12,582,504,876
Asian Development Bank (ADB)											
2	Special Assistance to Selected Projects	XDR	978,457	274,481,744			651,600	295,285,268	178,754,326	326,857	157,950,802
3	Aquaculture Development Project	XDR	953,152	267,383,040			635,800	288,125,191	174,099,731	317,352	153,357,580
4	Walawe Irrigation Improvement Project	XDR	1,174,182	329,387,518			469,600	230,003,610	241,099,214	704,582	340,483,122
5	Plantation Sector Project	XDR	5,000,222	1,402,687,901			1,666,400	816,179,764	1,024,532,341	3,333,822	1,611,040,477
6	Secondary Towns Power Distribution Project	XDR	1,600,252	448,910,846			533,600	261,349,928	327,889,381	1,066,652	515,450,299
7	Trunk Roads Improvement Project	XDR	3,223,885	904,380,757			805,800	333,336,808	599,892,674	2,418,085	1,170,936,624
8	Development Financing Project	XDR	2,958,465	829,923,653			740,000	340,192,401	582,322,595	2,218,465	1,072,053,847
9	Kirindioya Irrigation & Settlement Project	XDR	2,493,078	699,370,992			498,800	229,308,064	493,654,629	1,994,278	963,717,557
10	Agricultural Inputs Programme	XDR	5,172,142	1,450,915,654			1,034,600	475,625,754	1,024,141,279	4,137,542	1,999,431,180
11	Water Supply Sector Project	XDR	4,953,377	1,389,546,578			990,800	409,866,105	935,200,388	3,962,577	1,914,880,861
12	Land Use Planning Project	XDR	1,201,463	337,040,515			240,200	99,363,987	226,845,430	961,263	464,521,958
13	1st Small & Medium Industries Project	XDR	2,582,799	724,539,984			430,400	197,863,254	513,451,424	2,152,399	1,040,128,154
14	Emergency Road Restoration Project	XDR	1,392,268	390,566,109			253,400	121,246,913	281,028,837	1,138,868	550,348,033
15	Secondary Towns Power Distribution Project ii	XDR	6,601,218	1,851,807,261			1,100,000	538,764,846	1,345,373,188	5,501,218	2,658,415,603
16	Second Road Improvement Project	XDR	6,155,557	1,726,788,138			1,119,000	535,419,473	1,242,503,507	5,036,557	2,433,872,172
17	2nd Technical Education Project	XDR	4,271,386	1,198,230,977			711,600	348,531,876	870,536,500	3,559,786	1,720,235,601
18	Emergency Schools Restoration Project	XDR	2,784,514	781,125,995			428,600	163,522,210	520,871,159	2,355,914	1,138,474,944

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
19	1988062	Perennial Crops Development Project	XDR	2,840,096	796,718,341		437,000	180,774,617	547,734,607	2,403,096	1,163,678,332
20	1988063	2nd Development Financing Project	XDR	8,507,247	2,386,496,360		1,134,400	432,803,539	1,609,171,425	7,372,847	3,562,864,246
21	1989011	Smallholder Tea Development Project	XDR	3,421,066	959,694,789		489,000	202,285,555	659,486,151	2,932,066	1,416,895,385
22	1989067	Agriculture Rehabilitation Project	XDR	4,552,633	1,277,127,959		607,200	231,662,825	861,131,038	3,945,433	1,906,596,172
23	1989068	Agriculture Programme	XDR	21,633,324	6,068,690,266		2,704,200	1,324,479,909	4,403,123,939	18,929,124	9,147,334,297
24	1990025	Power System Expansion (Sector Loan) Project	XDR	17,964,103	5,039,381,652		2,113,600	817,495,425	3,437,731,210	15,850,503	7,659,617,438
25	1990046	Second Telecommunication Project	XDR	7,084,049	1,987,253,559		833,600	408,285,795	1,441,507,346	6,250,449	3,020,475,110
26	1990051	Financial Sector Programme	XDR	21,974,725	6,164,461,998		2,441,800	1,195,959,999	4,470,614,191	19,532,925	9,439,116,190
27	1991017	2nd Small & Medium Industries Project	XDR	7,440,222	2,087,168,907		783,200	360,052,284	1,489,831,147	6,657,022	3,216,947,770
28	1991029	3rd development Financing Project	XDR	12,935,285	3,628,671,981		1,293,400	497,229,203	2,494,396,611	11,641,885	5,625,839,389
29	1991034	Low-Income Housing Development Project	XDR	5,252,851	1,473,556,563		553,000	211,682,291	1,009,287,854	4,699,851	2,271,162,126
30	1991055	Second Agriculture Programme	XDR	7,677,368	2,153,694,561		767,800	293,905,357	1,479,199,651	6,909,568	3,338,988,854
31	1991056	Southern Province Rural Development Project	XDR	11,303,729	3,170,979,604		1,189,800	569,295,878	2,285,784,293	10,113,929	4,887,468,019
32	1991061	Special Operation -Merchant Bank	XDR	225,857	63,358,557		26,800	12,144,944	44,978,950	199,057	96,192,563
33	1992029	N-W Province Water Resources Development Project	XDR	5,334,355	1,496,420,453		484,800	185,576,083	1,032,660,864	4,849,555	2,343,505,234
34	1992039	Participatory Forestry Project	XDR	2,640,870	740,830,218		220,000	84,575,865	513,610,014	2,420,870	1,169,864,366
35	1992040	Second Health & Population Project	XDR	6,520,821	1,829,253,932		621,000	297,136,277	1,318,919,461	5,899,821	2,851,037,116
36	1993002	Fisheries Sector Project	XDR	7,831,034	2,196,801,499		712,000	272,119,875	1,515,529,453	7,119,034	3,440,211,076
37	1993003	Urban Development Sector Project	XDR	8,242,729	2,312,292,338		749,200	359,264,554	1,668,154,845	7,493,529	3,621,182,628

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
38	1993029	Second Water Supply & Sanitation Project	XDR	13,020,590	3,652,602,320		1,132,400	432,792,902	2,525,054,987	11,888,190	5,744,864,405
39	1993030	Secondary Education Development Project	XDR	10,655,611	2,989,166,290		888,000	343,459,471	2,074,406,131	9,767,611	4,720,112,950
40	1993041	Financial Management Training Project	XDR	3,902,163	1,094,654,528		325,200	125,780,429	759,662,151	3,576,963	1,728,536,250
41	1994026	Fourth Development Financing Project	XDR	25,871,079	7,257,487,099		2,069,800	792,296,571	5,036,570,608	23,801,279	11,501,761,136
42	1995006	Third Road Improvement Project	XDR	18,681,329	5,240,581,601		1,437,200	550,144,280	3,642,637,848	17,244,129	8,333,075,169
43	1996001	Plantation Reform Project	XDR	20,819,486	5,840,388,272		1,542,200	737,912,340	4,213,104,608	19,277,286	9,315,580,540
44	1996002	Second Power System Expansion Project	XDR	29,733,693	8,341,047,241		2,123,800	1,016,196,491	6,017,389,904	27,609,893	13,342,240,654
45	1996028	Emergency Rehabilitation Petroleum Facilities	XDR	9,831,729	2,758,046,879		702,400	336,084,572	1,989,706,710	9,129,329	4,411,669,017
46	1996059	NCP Rural Development Project	XDR	6,980,246	1,958,134,120		481,400	230,340,424	1,412,716,944	6,498,846	3,140,510,640
47	1998004	Upper Watershed Management Project	XDR	4,932,655	1,383,733,543		318,200	121,613,124	967,774,824	4,614,455	2,229,895,243
48	1998005	3rd Water Supply & Sanitation Sector	XDR	35,626,059	9,994,003,892		2,226,600	850,986,117	6,996,980,432	33,399,459	16,139,998,207
49	1998006	Southern Provincial Road Improvement Project	XDR	13,483,277	3,782,397,708		842,800	322,110,437	2,648,113,403	12,640,477	6,108,400,674
50	1998018	Second Perennial Crops Development Project	XDR	8,221,758	2,306,409,530		514,000	196,753,521	1,615,051,064	7,707,758	3,724,707,073
51	1998019	Science & Technology Personals Development Project	XDR	8,570,577	2,404,261,992		553,000	265,180,591	1,735,342,969	8,017,577	3,874,424,370
52	1998059	Urban Development & Low-Income Housing Sector	XDR	30,769,169	8,631,524,211		1,864,798	894,228,269	6,230,489,936	28,904,371	13,967,785,877
53	1999002	Coastal Resource Management Project	XDR	11,066,681	3,104,481,763		1,106,670	425,443,515	2,134,050,362	9,960,011	4,813,088,610
54	1999004	Road Network Improvement Project	XDR	43,314,011	12,150,667,292		2,547,800	979,465,409	8,528,714,960	40,766,211	19,699,916,843
55	1999005	Tea Development Project	XDR	15,838,267	4,443,031,482		960,000	435,042,752	3,181,804,439	14,878,267	7,189,793,169

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
56	1999045	Skills Development Project	XDR	5,418,062	1,519,902,320		541,804	208,288,826	1,044,795,650	4,876,258	2,356,409,144
57	1999057	Southern Transport Development Project	XDR	26,837,918	7,528,709,535		2,683,790	1,110,208,477	5,253,770,992	24,154,128	11,672,272,050
58	2000032	Forest Resources Management Sector Project	XDR	7,357,664	2,064,009,454		700,732	335,286,467	1,488,181,529	6,656,932	3,216,904,516
59	2000044	Secondary Education Modernization Project	XDR	16,547,557	4,642,005,113		1,575,958	755,720,561	3,348,610,465	14,971,599	7,234,895,017
60	2000045	Water Resources Management Project	XDR	561,565	157,533,099		53,484	25,591,041	113,583,664	508,081	245,525,723
61	2000055	Protected Area Mgt. & Wildlife Conserv. Project	XDR	3,619,016	1,015,224,861		344,668	165,278,960	732,354,345	3,274,348	1,582,300,246
62	2001001	Private Sector Development Sub Programme 1	XDR	12,442,845	3,490,530,332		4,147,616	2,031,445,178	2,549,512,081	8,295,229	4,008,597,235
63	2001003	Colombo Fort Efficiency and Expansion Project	XDR	2,882,933	808,735,180		240,244	99,382,191	567,703,479	2,642,689	1,277,056,468
64	2001004	North East Community Restoration & Dev. Project	XDR	8,781,462	2,463,420,570		731,788	302,720,124	1,729,234,593	8,049,674	3,889,935,039
65	2002001	Southern Province Rural Economic Adv. Project	XDR	9,342,713	2,620,865,861		778,558	322,067,557	1,839,755,221	8,564,155	4,138,553,525
66	2002002	Small & Medium Enterpr. Sector Dev. Programme	XDR	3,841,078	1,077,518,711		960,268	470,326,039	784,933,562	2,880,810	1,392,126,234
67	2002003	SME- Business Service Facility Project	XDR	562,318	157,744,305		46,860	22,951,383	114,297,658	515,458	249,090,579
68	2002006	Power Sector Development Project	XDR	29,036,931	8,145,587,967		2,233,610	852,181,164	5,659,064,872	26,803,321	12,952,471,675
69	2002007	Aquatic Resource & Quality Improvement	XDR	5,142,795	1,442,683,065		411,422	194,383,152	1,038,094,897	4,731,373	2,286,394,810
70	2002008	Plantation Development Project	XDR	3,064,115	859,561,268		245,128	117,288,923	619,978,598	2,818,987	1,362,250,943
71	2002009	Plantation Development Project	JPk	72,041	125,458,815		72,041	193,428,418	67,969,603	0	-
72	2003001	Road Sector Development	XDR	21,843,966	6,127,780,696		1,680,304	695,094,525	4,311,227,980	20,163,662	9,743,914,151

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
73	2003003	Aquatic Resource Dev. & Quality Improvement	JPk	297,803	518,623,551		43,009	110,259,562	289,388,791	254,794	697,752,780
74	2003004	Secondary Towns & Rural Community Water /Sanitation	XDR	24,711,926	6,932,315,408		1,900,916	931,042,470	5,021,949,009	22,811,010	11,023,221,947
75	2003005	Distance Education Modernization Project	XDR	13,425,679	3,766,239,944		994,496	380,087,258	2,621,108,347	12,431,183	6,007,261,034
76	2004002	Rural Finance Sector Development Programme	USD	4,830,257	968,146,914		504,966	142,870,821	745,280,210	4,325,291	1,570,556,303
77	2004003	Rural Finance Sector Development Programme	XDR	2,100,883	589,350,332		150,064	57,442,841	410,808,819	1,950,819	942,716,310
78	2004004	Conflict Affected Areas Rehabilitation Project	XDR	28,441,861	7,978,656,013		677,200	259,224,679	5,697,599,735	27,764,661	13,417,031,069
79	2004005	North east Coastal Community Div. Project	XDR	7,454,894	2,091,284,891		532,492	203,832,056	1,457,737,717	6,922,402	3,345,190,552
80	2004006	TA Loan -Road Project Preparatory Facility	XDR	5,830,746	1,635,670,717		416,482	191,464,881	1,172,190,332	5,414,264	2,616,396,167
81	2004007	North East Community Restoration & Development Project	XDR	4,902,077	1,375,155,651		115,400	44,173,846	982,138,230	4,786,677	2,313,120,035
82	2004008	Secondary Education Modernization II	XDR	13,998,981	3,927,065,463		965,446	462,961,192	2,834,237,985	13,033,535	6,298,342,257
83	2004010	Strengthening of the Fiscal Management Institutions Project	XDR	2,908,083	815,790,137		193,872	92,967,616	588,796,331	2,714,211	1,311,618,852
84	2004011	Modernization of Revenue Administration	USD	7,406,136	1,484,439,851		641,513	232,229,447	1,204,091,541	6,764,623	2,456,301,945
85	2004012	Conflict Affected Areas Rehabilitation Project	USD	21,327,890	4,274,829,875		748,120	211,627,504	3,409,517,635	20,579,770	7,472,720,006
86	2004013	TA for Financial Markets Programme for Private Sector Development	XDR	185,527	52,044,981		12,368	4,734,333	36,366,932	173,159	83,677,580

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan ID	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
87	2005001	Tsunami-Affected Areas Rebuilding Project	XDR	3,734,165	1,047,527,131	85,800	32,984,589	748,498,103	3,648,365		1,763,040,645	
88	2005002	North East Community Restoration & Development Project II	XDR	14,247,783	3,996,860,661	327,600	125,941,156	2,855,887,669	13,920,183		6,726,807,174	
89	2006001	Local Government Infrastructure Improvement Project	XDR	17,129,608	4,805,285,050	1,070,602	524,366,114	3,479,456,091	16,059,006		7,760,375,027	
90	2006002	Technical Education Development	XDR	8,627,895	2,420,341,192	539,242	264,113,305	1,752,543,449	8,088,653		3,908,771,337	
91	2006003	National Highways Sector Project AF	USD	103,206,713	20,686,113,957	7,515,861	2,736,635,964	16,796,827,738	95,690,852		34,746,305,731	
92	2006004	Secondary Towns & Rural Community Water /Sanitation Supp.1	XDR	22,299,044	6,255,441,549	1,311,708	642,456,507	4,528,962,491	20,987,336		10,141,947,533	
93	2007007	Colombo Port Expansion Project	USD	224,537,569	45,004,918,054	12,893,403	3,655,379,036	35,500,573,700	211,644,166		76,850,112,717	
94	2007012	Secondary Towns & Rural Community Water /Sanitation (OCR)	USD	8,807,196	1,765,259,798	546,963	199,157,218	1,433,270,705	8,260,233		2,999,373,285	
95	2007030	SME Regional Development Project	XDR	19,512,049	5,473,619,625	1,084,004	530,930,226	3,962,503,244	18,428,045		8,905,192,643	
96	2007031	Education for Knowledge Society Project	XDR	30,999,601	8,696,166,061	1,722,200	843,509,833	6,295,392,903	29,277,401		14,148,049,131	
97	2008003	Southern Transport Development Project -Supplementary	USD	69,168,468	13,863,698,964	3,682,497	1,340,851,132	11,255,763,163	65,485,971		23,778,610,996	
98	2009006	Clean Energy and Access Improvement Project	USD	94,345,402	18,910,007,536	4,346,053	1,582,461,513	15,352,117,662	89,999,349		32,679,663,785	
99	2009007	Clean Energy and Access Improvement Project	XDR	13,096,774	3,673,973,649	701,792	343,728,051	2,659,521,295	12,394,982		5,989,766,893	
100	2009008	Dry zone Urban Water and Sanitation Project	XDR	24,092,947	6,758,676,261	1,268,050	621,073,421	4,892,329,877	22,824,897		11,029,932,718	

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
101	2009018										
	Eastern & North Central Provincial Road Project	XDR	35,039,972	9,829,591,782			1,751,998	668,433,474	6,924,965,751	33,287,974	16,086,124,059
102	2009028										
	Greater Colombo Wastewater Management Project (OCR)	USD	62,888,203	12,604,921,717	2,171,900	733,601,832	2,537,882	721,892,005	10,085,811,557	62,522,221	22,702,443,101
103	2009029										
	Greater Colombo Wastewater Management Project (ADF)	XDR	10,632,218	2,982,604,016	(3,726)	(1,742,930)	531,664	202,844,613	2,101,188,039	10,096,828	4,879,204,512
104	2010019										
	ADB Funded Fiscal Management Efficiency Project	USD	24,508,187	4,912,269,024			919,016	283,489,438	3,936,684,354	23,589,171	8,565,463,939
105	2010020										
	N-E Community Restoration & Dev. Project II Supplementary	XDR	7,385,242	2,071,745,772			152,200	58,169,447	1,481,728,331	7,233,042	3,495,304,657
106	2010021										
	Conflict Affected Region Emergency Project	USD	131,155,100	26,287,915,030			2,225,731	804,671,413	21,332,299,637	128,929,369	46,815,543,254
107	2010025										
	Northern Road Connectivity Project (OCR)	USD	109,103,967	21,868,122,671			4,091,215	1,489,671,093	17,752,728,906	105,012,752	38,131,180,484
108	2010026										
	Northern Road Connectivity Project (ADF)	XDR	13,050,339	3,660,947,602			636,602	311,798,889	2,649,681,605	12,413,737	5,998,830,318
109	2010117										
	Kirindioya Irrigation & Settlement Project	XDR	387,840	108,798,860			389,491	148,728,420	39,131,728	(1,651)	(797,831)
110	2010119										
	Health & Population Project	XDR	134,043	37,602,426			133,316	57,116,590	19,514,164	-	(0)
111	2010120										
	Technical Education Project	XDR	276,408	77,539,382			276,408	130,219,483	52,680,101	-	-
112	2010121										
	Livestock Development Project	XDR	490,364	137,559,434			492,445	188,111,887	49,546,827	(2,081)	(1,005,625)
113	2011001										
	Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	USD	6,067,553	1,216,142,855	5,929,628	2,023,672,937	300,151	109,235,730	1,116,728,480	11,697,030	4,247,308,542
114	2011002										
	Jaffna & Kilinochchi Water Supply & Sanitation Project ADF	XDR	37,627,384	10,555,425,701	1,122,135	431,175,180	1,845,250	903,778,031	7,750,846,102	36,904,270	17,833,668,952

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
115	2011012 Sustainable Power Sector Support Project OCR	USD	74,619,816	14,956,333,184			2,619,244	953,705,224	12,141,499,419	72,000,572	26,144,127,379
116	2011013 Sustainable Power Sector Support Project ADF	XDR	4,920,213	1,380,243,362			234,296	114,754,955	998,940,003	4,685,917	2,264,428,410
117	2011015 Secondary Towns & Rural Com./Based Water Supply Add.	USD	3,371,596	675,781,857			110,903	40,381,383	548,589,638	3,260,693	1,183,990,112
118	2011016 Secondary Towns & Rural Com./Based Water Supply Add (XDR)	XDR	5,882,150	1,650,090,678			273,588	133,999,633	1,194,197,679	5,608,562	2,710,288,724
119	2011028 Local Government Enhancement Sector Project	XDR	32,471,829	9,109,163,243			1,510,318	739,732,951	6,592,450,819	30,961,511	14,961,881,110
120	2011035 National Highways Sector Project AF OCR	USD	70,673,667	14,165,391,629			2,180,667	618,019,001	11,323,120,712	68,493,000	24,870,493,339
121	2012029 Northern Road Connectivity Project (ADF)	XDR	41,779,120	11,720,091,979			1,816,484	751,428,367	8,342,932,841	39,962,636	19,311,596,453
122	2012030 Northern Road Connectivity Project (ADF)	USD	23,867,813	4,783,916,367			1,403,990	431,201,011	3,804,123,309	22,463,823	8,156,838,664
123	2013015 Clean Energy and Network Efficiency Improvement Project	USD	67,879,071	13,605,260,187			6,170,809	1,895,212,534	10,696,839,394	61,708,262	22,406,887,047
124	2013017 Clean Energy and Network Efficiency Improvement Project	XDR	16,602,304	4,657,362,821			721,840	298,604,915	3,315,337,872	15,880,464	7,674,095,778
125	2013021 Dry Zone Urban Water and Sanitation Project (ADF)	XDR	24,767,701	6,947,961,864			1,076,856	508,778,492	5,009,211,475	23,690,845	11,448,394,847
126	2013034 Education Sector Development Programme (OCR)	USD	75,010,163	15,034,571,904			4,286,295	1,549,452,794	12,195,424,396	70,723,868	25,680,543,506
127	2013035 Education Sector Development Programme (ADF)	XDR	49,441,425	13,869,560,692			2,996,450	1,433,742,335	10,008,311,740	46,444,975	22,444,130,097
128	2013042 Greater Colombo Water Wastewater Management Improvement Project 1	USD	59,651,458	11,956,168,415	(5,095)	(1,848,816)	3,508,909	1,183,511,138	9,613,262,615	56,137,455	20,384,071,076

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Rs.	Loan Currency Amount	Rs.
129	2013043	Greater Colombo Water Wastewater Management Improvement Project 1	XDR	8,676,056	2,433,851,598	125,278	35,451,511	382,666	175,919,007	1,774,863,967	8,418,667	4,068,248,069
130	2014005	Skills Sector Enhancement Programme – Results Based Lending	USD	42,857,144	8,590,020,000			2,380,952	866,976,190	6,974,265,715	40,476,192	14,697,309,525
131	2014006	Skills Sector Enhancement Programme – Results Based Lending	XDR	27,710,000	7,773,350,521			1,630,000	798,351,545	5,627,934,128	26,080,000	12,602,933,105
132	2014017	Southern Road Connectivity Project	USD	54,465,594	10,916,745,852	6,631,591	1,888,564,782	3,398,733	1,237,502,791	9,383,076,864	57,698,451	20,950,884,706
133	2014018	Southern Road Connectivity Project	XDR	2,693,914	755,710,519			163,200	79,933,114	547,168,161	2,530,714	1,222,945,566
134	2014029	Greater Colombo Water & Waste Water Management Pro-2	USD	50,405,376	10,102,941,072	5,942,377	2,110,973,200	2,962,830	1,001,439,149	8,172,124,536	53,384,924	19,384,599,659
135	2014030	Greater Colombo Water & Wastewater Management Programme-2	XDR	2,800,761	785,683,810	2,941,089	1,291,889,997	591,400	271,878,089	683,214,585	5,150,450	2,488,910,303
136	2014036	Green Power Development & Energy Efficiency Improvement Programme	XDR	6,023,655	1,689,786,393	1,465,416	531,502,309	938,400	449,005,926	1,393,271,830	6,550,671	3,165,554,606
137	2014037	Green Power Development & Energy Efficiency Improvement Programme	USD	20,921,075	4,193,290,647	16,412,395	4,560,050,010	2,640,308	954,889,073	4,798,982,768	34,693,163	12,597,434,352
138	2014041	Integrated Road Investment Programme	XDR	58,290,299	16,351,892,012			3,238,350	1,239,604,596	11,491,088,083	55,051,949	26,603,375,499
139	2015009	Integrated Road Investment Programme-Tranch 2 (ADF)	XDR	5,528,700	1,550,939,014			307,150	117,573,628	1,089,903,032	5,221,550	2,523,268,419
140	2015010	Integrated Road Investment Programme-Tranch 2 (OCR)	USD	88,706,018	17,779,684,457			4,668,738	1,311,645,936	14,046,738,630	84,037,280	30,514,777,152

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
141	2015024	Mahaweli Water Security Investment Programme-Tranche 1	XDR	36,209,258	10,157,605,592			2,679,400	1,282,040,154	7,327,446,509	33,529,858	16,203,011,947
142	2015025	Mahaweli Water Security Investment Programme-Tranche 1	USD	36,763,597	7,368,667,358	9,061,294	2,610,608,369	2,349,993	849,498,854	6,656,393,118	43,474,897	15,786,169,991
143	2015036	Integrated Road Investment Programme-Tranche 3	USD	167,248,515	33,522,255,462	(291)	(89,560)	8,362,416	2,349,355,771	26,520,215,744	158,885,808	57,693,025,874
144	2015037	Integrated Road Investment Programme-Tranche 3	XDR	16,824,500	4,719,694,545			885,500	338,959,615	3,321,648,151	15,939,000	7,702,383,081
145	2016014	Small and Medium-Sized Enterprises Line of Credit	USD	100,000,000	20,043,380,000			-	-	16,267,620,000	100,000,000	36,311,000,000
146	2016033	Greater Colombo Water and Wastewater Management Imp. Inv. Programme-3	XDR	545,447	153,011,708	4,415	2,128,295	179,000	87,671,734	111,747,978	370,863	179,216,246
147	2016034	Greater Colombo Water and Wastewater Management Imp. Inv. Programme-3(OCR)	USD	39,656,476	7,948,498,247	6,947,030	2,334,381,682	2,173,237	791,236,963	6,641,432,253	44,430,270	16,133,075,220
148	2016035	Technical Assistance Loan Agreement	XDR	9,058,009	2,540,998,796	961,556	435,634,170	873,550	361,363,076	1,804,462,134	9,146,015	4,419,732,024
149	2016036	Local Government Enhancement Sector Project (ADF)	USD	44,989,090	9,017,334,287	5,064,647	1,697,811,746	3,000,000	1,092,390,000	7,462,926,387	47,053,737	17,085,682,420
150	2016038	Capital Market Development Programme	USD	98,958,333	19,834,594,795			10,416,667	3,793,020,831	16,108,790,625	88,541,666	32,150,364,589
151	2017010	Project Design Advance for Northern Province Sustainable Fisheries Development Project	USD	609,919	122,248,407			174,262	63,454,022	99,397,072	435,657	158,191,457
152	2017036	Second Integrated Road Investment Programme Tranche 1	USD	59,860,238	11,998,015,020			-	-	9,737,836,176	59,860,238	21,735,851,196
153	2017037	Second Integrated Road Investment Programme Tranche 1	USD	90,000,000	18,039,042,000			-	-	14,640,858,000	90,000,000	32,679,900,000

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
154	2017038	Jaffna & Kilinochchi Water Supply Project – Additional Financing	USD	9,400,642	1,884,206,463	333,839	91,482,717	-	1,558,998,325	9,734,481	3,534,687,505
155	2017039	Jaffna & Kilinochchi Water Supply Project – Additional Financing	USD	7,222,261	1,447,585,267	5,185,237	1,612,395,722	-	1,445,305,567	12,407,498	4,505,286,556
156	2017040	Integrated Road Investment Programme – Tranche - 4	USD	98,539,656	19,750,677,605	50,000,000	14,749,215,000	-	19,436,341,707	148,539,656	53,936,234,312
157	2018005	Small and Medium-Sized Enterprises Line of Credit – Additional Financing	USD	75,000,000	15,032,535,000	-	-	-	12,200,715,000	75,000,000	27,233,250,000
158	2018018	Mahaweli Water Security Investment Programme – Tranche 2	USD	57,871,259	11,599,356,312	87,799,050	29,583,608,470	-	11,711,381,029	145,670,309	52,894,345,810
159	2018019	Mahaweli Water Security Investment Programme – tranche 2	USD	25,261,954	5,063,349,476	4,168,308	1,354,479,991	-	4,268,593,084	29,430,262	10,686,422,551
160	2018020	Skill Sector Enhancement Programme A/F	USD	53,230,000	10,669,091,174	4,800,000	1,392,870,000	-	9,009,312,126	58,030,000	21,071,273,300
161	2018021	Skill Sector Enhancement Programme A/F	USD	35,490,000	7,113,395,562	3,200,000	928,580,000	-	6,006,750,338	38,690,000	14,048,725,900
162	2018037	Rooftop Solar Power Generation Project	USD	50,000,000	10,021,690,000	-	-	-	8,133,810,000	50,000,000	18,155,500,000
163	2018045	Health System Enhancement Project	USD	20,550,571	4,119,029,130	3,413,066	1,238,970,395	-	3,343,437,047	23,963,638	8,701,436,572
164	2019007	Technical Assistance Loan Agreement	USD	3,055,206	612,366,474	61,325	17,343,121	-	501,933,696	3,116,530	1,131,643,291
165	2019012	South Asia Sub regional Economic Cooperation Port Access Elevated Highway Project (SASEC)	USD	55,797,922	11,183,789,496	56,695,001	17,680,016,080	-	11,983,499,782	112,492,923	40,847,305,358
166	2019029	Science & Technology Human Resource Development Project	USD	31,275,628	6,268,692,979	16,518,474	5,699,643,464	-	5,386,179,963	47,794,102	17,354,516,406

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key			Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment	Closing Balance as at 31.12.2022	
					Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
167	2019030	Science & Technology Human Resource Development Project	USD	9,088,644	1,821,671,546	2,486,091	841,504,512	-	-	1,539,725,970	11,574,735	4,202,902,029	
168	2019040		USD	16,450,843	3,297,305,054	8,155,390	2,858,727,348	-	-	2,778,736,907	24,606,233	8,934,769,309	
169	2019048		USD	150,000,000	30,065,070,000			-	-	24,401,430,000	150,000,000	54,466,500,000	
170	2020017		USD	120,500,000	24,152,272,900	36,500,000	12,198,742,900	-	-	20,657,254,200	157,000,000	57,008,270,000	
171	2020018	Secondary Education Sector Improvement Programme	USD	172,260,000	34,526,726,388	44,010,000	15,983,551,800			28,019,521,512	216,270,000	78,529,799,700	
172	2021009	Second Integrated Road Investment Programme	USD	122,601,609	24,573,506,416	77,398,391	18,505,198,051			29,543,295,533	200,000,000	72,622,000,000	
173	2021027	Responsive COVID-19 Vaccines for Recovery Project - Rapid Response Component	USD	18,000,000	3,607,808,400	66,000,000	13,325,472,600	-	-	13,567,959,000	84,000,000	30,501,240,000	
174	2021028	Responsive COVID-19 Vaccines for Recovery Project – Project Investment Component	USD	-	-	21,832,279	5,865,305,913			2,062,213,035	21,832,279	7,927,518,948	
175	2021029	Health System Enhancement Project – Additional Financing	USD	12,059,376	2,417,106,551	3,206,510	1,152,107,833	-	-	1,973,981,594	15,265,886	5,543,195,978	
176	2022026	Food Security and Livelihood Recovery Emergency Assistance Project	USD	-	-	171,545,119	62,311,650,742	-	-	(21,902,596)	171,545,119	62,289,748,146	
Agency Francaise De Development													
177	2005049	Trincomalee Integrated Infrastructure Project (TIIP)	EUR	24,971,341	5,665,023,708			3,121,418	708,112,682	3,497,480,284	21,849,923	8,454,391,309	
178	2007040	Construction Sector Support Project (for Post Tsunami Reconstruction)	EUR	5,000,000	1,134,305,000					800,345,000	5,000,000	1,934,650,000	

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834.3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
179	2008030	EUR	8,724,320	1,979,208,400					1,396,492,892	8,724,320	3,375,701,292
180	2014027	USD	28,144,790	5,641,167,302	10,766,404	3,632,108,506	781,800	234,393,335	4,806,282,012	38,129,395	13,845,164,485
181	2015021	EUR	21,503,442	4,878,292,326	46,606	10,974,485			3,449,093,099	21,550,048	8,338,359,910
182	2015023	EUR	17,830,268	4,044,992,397	1,420,000	326,960,538			3,076,553,162	19,250,268	7,448,506,097
183	2016021	EUR	2,868,059	650,650,805	1,370,476	506,566,188	-	-	482,799,501	4,238,535	1,640,016,494
184	2016039	EUR	3,603,713	817,541,937	2,819,123	1,005,281,161			662,364,665	6,422,836	2,485,187,763
Aust. & New Zealand Inv. Bank											
185	2010023	USD	18,073,604	3,622,561,489					2,940,145,513	18,073,604	6,562,707,002
186	2019019	USD	5,195,213	1,041,296,217	1,820,447	595,794,572			910,365,487	7,015,660	2,547,456,277
187	2019020	USD	25,515,469	5,114,162,408	14,154,739	4,233,335,746			5,057,151,237	39,670,208	14,404,649,391

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834.3)

STATEMENT OF FOREIGN LOAN BALANCES (USD)											
Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
Banco Bilbao Vizcaya Argentaria S.A.											
188	2012015	Veyangoda Railway Crossing Flyover Project (Spain)	EUR	503,213	114,159,380				80,548,819	503,213	194,708,199
189	2013003	Implementation of the Greater Rathnapura Water Supply Scheme	EUR	8,772,000	1,990,024,693			1,096,500	250,315,160	1,230,171,683	2,969,881,215
190	2015033	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	EUR	9,714,147	2,203,761,482			423,465	113,884,773	1,504,966,788	3,594,843,497
Bank Austria											
191	2006089	Enhancement & Strengthening of the Road Infrastructure by Construction of Five Bridges (Austria)	EUR	4,395,833	997,243,144			439,583	142,533,444	676,082,120	1,530,791,820
192	2007003	Greater Colombo Sewerage Rehabilitation System II (Austria)	EUR	3,946,123	895,221,455					631,651,802	1,526,873,257
193	2008021	Rehabilitation & Augmentation of Kirindi Oya Water Supply Project(Austria)	EUR	2,003,954	454,619,054			667,984	216,591,673	278,899,568	516,926,950
194	2008023	Supply of Modern Medical Equipment's for Teaching Hospital Kurunegala (Austria)	EUR	500,000	113,430,495					80,034,505	193,465,000
BNP Paribas											
195	2013032	Reconstruction of (7) Railway Steel Bridges Project	EUR	2,447,452	555,231,315			152,966	34,743,400	367,317,394	887,805,310

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834.3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
Co-Op Centrale Raiffeisen (Netherlands)											
196	2009031	EUR	1,060,183	240,514,185			1,060,183	244,787,568	4,273,383	(0)	-
197	2011026	USD	1,669,678	334,659,826			417,419	84,164,422	204,212,216	1,252,259	454,707,620
198	2012010	EUR	16,881,914	3,829,847,735			2,110,239	480,063,373	2,365,819,523	14,771,675	5,715,603,885
199	2013001	USD	9,708,906	1,945,993,010					1,579,408,013	9,708,906	3,525,401,023
200	2013024	EUR	7,401,182	1,679,039,779			925,148	207,436,658	1,034,169,142	6,476,034	2,505,772,263
201	2014032	USD	7,047,383	1,412,533,935			881,760	264,362,661	1,090,628,419	6,165,623	2,238,799,693
202	2014035	EUR	46,199,999	10,480,978,137					7,395,187,755	46,199,999	17,876,165,892
203	2016012	EUR	8,774,910	1,990,684,945	5,515,174	1,924,713,457			1,613,864,006	14,290,084	5,529,262,408
204	2016040	USD	5,467,316	1,095,835,242					889,401,976	5,467,316	1,985,237,218
205	2017034	EUR	15,046,763	3,413,523,767	1,256,054	420,332,434	876,772	266,368,751	2,401,312,548	15,426,045	5,968,799,998
206	2018040	EUR	38,413,034	8,714,419,123	1,279,569	378,789,773	2,215,071	502,502,291	5,910,474,663	37,477,531	14,501,181,268

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
207	2019047	EUR	10,792,599	2,163,201,629	571,428	207,265,227			2,026,616,239	11,364,027	4,397,083,095
Calyon Credit Agricole CIB (France)											
208	2008042	USD	8,178,695	1,639,286,930					1,330,479,017	8,178,695	2,969,765,947
209	2016019	EUR	87,175,497	19,776,720,278	6,582,828	1,500,000,000	2,835,754	646,383,004	14,550,333,428	90,922,572	35,180,670,702
210	2016020	EUR	75,766,232	17,188,403,139					12,127,824,977	75,766,232	29,316,228,116
China Development Bank (CDB)											
211	2010051	USD	47,035,770	9,427,558,137					7,651,600,344	47,035,770	17,079,158,481
212	2011007	USD	192,320,000	38,547,428,398			19,230,000	5,063,835,900	29,367,117,369	173,090,000	62,850,709,867
213	2012017	USD	90,674,900	18,174,314,757			10,000,000	2,633,300,000	13,752,848,156	80,674,900	29,293,862,913
214	2014001	USD	184,499,508	36,979,937,414			11,550,000	3,041,461,500	28,861,219,805	172,949,508	62,799,695,719
215	2014034	USD	65,267,186	13,081,750,053			3,850,000	1,013,820,500	10,233,264,761	61,417,186	22,301,194,314
Deutsche Bank AG											
216	2014028	USD	77,160,000	15,465,472,007					12,552,095,592	77,160,000	28,017,567,599
217	2019005	USD	12,729,512	2,551,424,488					2,070,788,661	12,729,512	4,622,213,149
218	2019006	USD	43,125,052	8,643,717,912	1,972,574	447,708,842	2,545,902	712,852,680	7,072,382,119	42,551,724	15,450,956,193

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
European Investment. Bank (EIB)											
219	2006093	DFCC Global Loan ii	USD	18,767,650	4,669,115,407		3,412,300	1,848,911,508	3,432,604,740	15,355,350	6,252,808,639
			EUR	4,000,000			2,250,000			1,750,000	
220	2013047	Sri Lanka SME & GREEN Energy Global Loan	USD	18,308,283	19,243,688,066		1,408,329	2,201,665,190	13,760,054,211	16,899,954	30,802,077,087
			EUR	68,650,361			4,903,597			63,746,764	
Export Development Bank of Iran (EDBI)											
221	2008027	Uma Oya Hydro Electric and Irrigation Project (Iran)	USD	32,902,548	6,594,782,646				5,352,461,414	32,902,548	11,947,244,060
Export Import Bank of China (EIBC)											
222	2003050	Rural Electrification Project VII	CNY	29,327,779	921,953,908		7,331,945	316,511,634	542,471,903	21,995,834	1,147,914,177
223	2007014	Supply of 100 Nos. Railway Passenger Carriages	CNY	14,639,795	460,219,544		7,319,898	315,991,605	237,781,417	7,319,897	382,009,356
224	2007015	Supply of 15 Nos. Diesel Multiple Units	CNY	20,842,303	655,202,828		10,421,152	449,869,167	338,523,328	10,421,151	543,856,990
225	2009009	Bunkering Facility & Tank Farm Project at Hambantota	USD	20,711,888	4,151,362,632		2,958,841	597,125,329	2,892,071,884	17,753,047	6,446,309,187
226	2009010	Colombo-Katunayake Expressway (CKE) Section A2	USD	21,191,271	4,247,447,077		2,648,909	534,577,721	3,020,047,919	18,542,362	6,732,917,275
227	2009011	Colombo-Katunayake Expressway (CKE) Section A1	USD	23,347,176	4,679,563,168		2,918,397	588,963,246	3,327,293,959	20,428,779	7,417,893,882
228	2009012	Colombo-Katunayake Expressway (CKE) Section A3	USD	15,933,781	3,193,668,325		1,991,723	401,950,609	2,270,783,176	13,942,058	5,062,500,892
229	2009013	Colombo-Katunayake Expressway (CKE) Section A4	USD	22,261,106	4,461,877,817		2,782,638	561,565,672	3,172,513,886	19,478,468	7,072,826,031
230	2010007	Supply of 13 Nos. Diesel Multiple Units to Sri Lanka Railway Project	CNY	365,184,843	11,480,023,689		21,481,461	927,330,030	7,384,429,569	343,703,382	17,937,123,228
231	2010029	Supply of Two Nos. MA 60 Aircrafts Project	CNY	158,522,068	4,983,331,434		8,806,782	380,178,653	3,210,158,645	149,715,286	7,813,311,426

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
	Procurement of Material for the Northern Province Power Sector Development Programme	USD	7,678,871	1,539,105,166			1,535,774	309,935,381	1,001,449,910	6,143,097	2,230,619,695
232	2010030										
	Northern Road Rehabilitation Project (A009) from Gaikulama to 230Km Post	USD	26,617,855	5,335,117,832			2,957,539	596,862,606	3,853,041,969	23,660,316	8,591,297,195
233	2010031										
	Northern Road Rehabilitation Project-11B	USD	17,712,374	3,550,158,628			1,771,238	357,454,381	2,595,682,191	15,941,136	5,788,386,438
234	2010032										
	Northern Road Rehabilitation Project (Mulativu-Kokkila)-11A	USD	16,037,879	3,214,533,064			1,781,987	359,623,659	2,321,547,750	14,255,892	5,176,457,155
235	2010033										
	Northern Road Rehabilitation Project-(AB020) (AB032) (AB016) (AB018)	USD	28,034,329	5,619,026,688			3,114,925	628,624,714	4,058,082,002	24,919,404	9,048,483,976
236	2010034										
	Northern Road Rehabilitation Project-A009 (From 230Km Post to Jaffna)	USD	26,441,501	5,299,770,658			2,937,945	592,908,169	3,827,514,105	23,503,556	8,534,376,594
237	2010035										
	Highway Section from Pinnaduwa to Kodagoda (30Km to 45Km)	USD	35,395,197	7,094,393,824			3,539,519	714,312,211	5,187,033,603	31,855,678	11,567,115,217
238	2011005										
	Highway Section from Kodagoda to Godagama (45Km to 61Km)	USD	26,366,447	5,284,727,120			2,636,643	532,102,325	3,863,904,255	23,729,804	8,616,529,050
239	2011006										
	Re.& Im.of 67Km Length of Navatkuli-Karaitivu-Mannar Road	USD	22,154,566	4,440,523,676			2,014,047	406,456,703	3,279,156,884	20,140,519	7,313,223,858
240	2011008										
	Re.& Im. Of 113Km Length of Puttalam-Marichchikade-Mannar Road	USD	34,836,331	6,982,378,702			2,903,027	585,861,624	5,198,785,558	31,933,304	11,595,302,636
241	2011009										

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan	Project Name	Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
242	2011014	Procurement of Materials for Lighting Uva Province	USD	5,549,941	1,112,395,649			1,109,988	224,007,286	723,803,138	4,439,953	1,612,191,501
243	2012001	Finance Material Required for Lighting Sri Lanka Eastern Province Project	USD	16,206,908	3,248,412,485			1,350,576	272,560,420	2,418,630,575	14,856,332	5,394,482,640
244	2013005	Matarata Beliattha Section of Matarata Kataragama Railway Extension Project	USD	176,923,079	35,461,365,032			7,692,307	1,552,388,564	27,540,409,153	169,230,772	61,449,385,621
245	2013022	Matarata-Beliatta Section of Matarata-Kataragama Railway Extension Project	CNY	488,461,539	15,355,374,632			19,538,461	843,452,939	9,960,142,117	468,923,078	24,472,063,810
246	2013041	Greater Kurunegala Water Supply and Sewerage Project	CNY	389,613,440	12,247,966,022			16,233,893	700,798,546	7,938,689,628	373,379,547	19,485,857,104
247	2014024	Construction of Outer Circular Highway Project Phase III from Kerawalapitiya to Kadawatha	USD	328,072,794	65,756,876,706			12,618,184	2,546,482,419	51,334,329,020	315,454,610	114,544,723,307
248	2014025	Construction of Extension of Southern Expressway, Section 4, from Mattala to Hambantota via Andarawewa Project	CNY	1,855,281,043	58,322,985,920			66,260,037	2,860,369,762	37,902,454,292	1,789,021,006	93,365,070,451
249	2014026	Hambantota Hub Development Project	CNY	1,450,871,836	45,609,897,200			51,816,851	2,236,873,996	29,640,578,525	1,399,054,985	73,013,601,729
250	2014040	Construction of Extension of Southern Expressway, Section 1 from Matarata to Beliattha	USD	619,717,234	124,212,280,020			22,132,758	4,466,623,655	97,243,242,505	597,584,476	216,988,898,870
251	2016015	Construction of Extension of Southern Expressway, Section 2 from Beliattha to Wetiya Project	USD	270,043,935	54,125,932,166			9,311,860	1,879,231,385	42,427,723,219	260,732,075	94,674,424,000
252	2017041	Kandy North Pathadumbara Integrated Water Supply	CNY	695,803,012	21,873,402,660					15,470,165,770	746,601,410	38,963,485,061
							1,619,916,631					

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
253	2017042	CNY	362,194,397	11,386,015,504					7,516,113,249	362,194,397	18,902,128,753
254	2018022	USD	67,352,493	13,499,716,180	5,814,951	1,170,751,504	3,541,206	714,652,752	11,326,168,476	69,626,239	25,281,983,408
Export Finance & Insurance Corporation											
255	2015034	USD	6,882,313	1,379,448,229					1,119,588,589	6,882,313	2,499,036,818
Export Import Bank of India											
256	2017013	USD	122,078,888	24,468,735,418	32,552,228	11,570,994,540			20,108,374,566	154,631,116	56,148,104,523
257	2018002	USD	743,245	148,971,451	161,949	55,185,112			124,528,568	905,194	328,685,131
Export Import Bank of USA											
258	2013025	USD	40,070,773	8,031,537,248					6,518,561,040	40,070,773	14,550,098,288
Export Import Bank of Hungary (EIBH)											
259	2013008	EUR	15,210,918	3,450,764,012					2,434,796,389	15,210,918	5,885,560,401
260	2013009	EUR	14,624,789	3,317,794,343					2,340,975,412	14,624,789	5,658,769,755
261	2021001	EUR	11,199,656	2,540,765,180	2,653,126	774,898,947			2,044,393,005	13,852,783	5,360,057,132

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
Fortis Bank											
262	2011029	EUR	1,769,057	401,329,958					283,171,127	1,769,057	684,501,085
Government of Canada											
263	1972003	CAD	25,000	3,930,846			12,500	2,946,190	2,364,697	12,500	3,349,353
264	1973003	CAD	220,144	34,614,078			76,000	17,912,835	21,921,883	144,144	38,623,125
265	1973004	CAD	80,749	12,696,472			20,188	4,758,097	8,288,836	60,561	16,227,211
266	1974005	CAD	137,500	21,619,648			27,500	6,481,618	14,336,273	110,000	29,474,303
267	1975004	CAD	157,500	24,764,324			26,250	6,186,999	16,590,877	131,250	35,168,202
268	1975005	CAD	1,350,000	212,265,630			150,000	35,354,280	144,626,490	1,200,000	321,537,840
269	1976002	CAD	842,654	132,493,728			91,054	21,461,094	90,357,298	751,600	201,389,931
270	1977004	CAD	825,000	129,717,882			150,000	32,700,353	83,847,500	675,000	180,865,030
271	1977009	CAD	1,375,000	216,196,476			125,000	29,461,900	148,200,675	1,250,000	334,935,251
272	1978005	CAD	3,250,000	511,009,850			250,000	58,923,800	351,758,550	3,000,000	803,844,600
273	1980014	CAD	15,360,000	2,415,111,152			960,000	226,267,392	1,669,610,293	14,400,000	3,858,454,053
274	1983008	CAD	3,162,500	497,251,823			137,500	32,408,090	345,699,454	3,025,000	810,543,187
Government of China											
275	2000073	CNY	20,000,000	628,724,000					415,032,000	20,000,000	1,043,756,000

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
276	2002076	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	30,000,000	943,086,000				622,548,000	30,000,000	1,565,634,000
277	2003077	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	50,000,000	1,571,810,000				1,037,580,000	50,000,000	2,609,390,000
278	2019015	Central Expressway Project Section 01 Kadawatha to Meerigama	USD	-	-	51,569,653	13,266,876,351		5,458,580,269	51,569,653	18,725,456,620
Government of France											
279	1997077	Expansion of Telephone Exchanges in Colombo	EUR	497,170	112,788,456		5,035	1,632,644	79,265,938	492,135	190,421,750
280	1997078	TA/Mainten. Water Treatment Plant Colombo	EUR	126,954	28,800,848		1,503	487,343	20,227,142	125,451	48,540,647
281	1997080	Cardio Thoracic Equipment for Kandy Hospital	EUR	599,154	135,924,675		20,667	6,701,207	94,610,506	578,487	223,833,974
282	1997081	Elihouse &F/S on Colombo North Water Sp	EUR	307,287	69,711,437		6,822	2,212,011	48,759,497	300,465	116,258,923
283	1997082	Modernization – Colombo Water Distrib. Network	EUR	118,224	26,820,415		1,387	449,730	18,837,056	116,837	45,207,741
284	1997084	Improvement of Government Film Unit	EUR	171,819	38,979,030		1,481	480,209	27,410,062	170,338	65,908,883
285	1998021	Water Treatment Plant at Anuradhapura	EUR	787,451	178,641,921		111,085	36,018,945	119,083,320	676,366	261,706,297
286	1998083	Modern. Rathmalana Air Traffic Control System	EUR	288,522	65,454,389		13,902	4,507,678	45,312,005	274,620	106,258,717
287	1998084	Expansion of E 10B Telecom Exchange - 1996	EUR	195,101	44,260,808		10,615	3,441,879	30,564,239	184,486	71,383,168

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Currency	Loan Amount	Currency	Loan Amount	Currency	Loan Amount		Currency	Rs.
288	1998090	Improvement of Government Film Unit	EUR	128,524	29,157,083	2,540	823,587	20,413,493	125,984	48,746,989	
289	1999100	Extension of Colombo Telecommunication Units	EUR	495,266	112,356,576	4,919	1,594,992	78,968,443	490,347	189,730,027	
290	1999102	Ambathale Water Treatment Plant Project	EUR	308,525	69,992,326	123,933	40,184,908	41,616,827	184,592	71,424,245	
291	1999103	Samanalawewa Transmission Project	EUR	50,832	11,531,762	5,552	1,800,081	7,788,448	45,280	17,520,128	
292	1999104	Mixed Credit for Telecomm. & CEB.	EUR	197,422	44,787,371	37,920	12,295,542	29,224,310	159,502	61,716,140	
293	2000100	Rehabilitation of Ambathale Water Plant	EUR	832,119	188,775,262	37,872	12,279,819	130,822,394	794,247	307,317,837	
294	2000101	Water Supply Network of Colombo	EUR	578,754	131,296,657	37,582	12,185,707	90,284,639	541,172	209,395,589	
295	2002052	Colombo Airport Telecommunicating Project	EUR	3,284	745,109			525,735	3,284	1,270,844	
296	2002053	Mixed Credit for Airport, Telecom, Irriga., NWSDB	EUR	22,675	5,144,082			3,629,571	22,675	8,773,653	
297	2002054	Nilwala Ganga Project	EUR	11	2,495			1,689,549	4,373	1,692,045	
298	2002055	Mixed Credit for Airport, Telecom, Irriga. NWSDB	EUR	13,011	2,951,729			2,082,686	13,011	5,034,415	
299	2005052	Greater Trincomalee Water Supply Project	EUR	11,557,035	2,621,840,508	82,086	26,616,244	1,844,777,583	11,474,949	4,440,001,846	
300	2007042	Spatial Information Infrastructure for Reconstruction Monitoring Project	EUR	4,169,509	945,898,981	187,176	60,691,200	655,676,327	3,982,333	1,540,884,108	
301	2010008	Provision of Oxygen Concentrators, Operating Theaters & Medical Equipment to Tsunami Affected & Remote Hospitals Project	EUR	6,055,678	1,373,797,166	191,570	62,115,940	957,318,082	5,864,108	2,268,999,308	
302	2012028	Widening and Reconstruction of 46 Bridges on National Road Network	EUR	18,160,643	4,119,941,858	275,215	89,237,556	2,889,704,740	17,885,428	6,920,409,043	

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834.3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Currency	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.
303	2018046	Implementation of Green Power Development & Energy Efficient Improvement Investment Program -Tranch 2	EUR	7,994,621	1,813,667,715	8,000,000	1,936,282,400		2,438,848,736	15,994,621	6,188,798,851
304	2018047	Development of Mini Dairy Cooperatives with French Soft Loan	EUR	10,967,559	2,488,111,491	1,593,252	379,875,303		1,992,167,876	12,560,811	4,860,154,670
Government of Germany											
305	1997065	Private Sector Infrastructure Development Project	EUR	1,297,656	294,387,465				207,714,447	1,297,656	502,101,912
306	1998037	Grib Substation Kelaniya & Rathmalana	EUR	4,019,352	911,834,309				643,373,422	4,019,352	1,555,207,731
307	1998057	Nawalapitiya Water Supply Project	EUR	2,204,972	500,222,062				352,947,497	2,204,972	853,169,559
308	1998058	Ampara Water Supply Project	EUR	1,317,387	298,863,786				210,872,874	1,317,387	509,736,660
309	1999026	Koggala water Supply Project	EUR	2,686,772	609,523,837				430,069,053	2,686,772	1,039,592,890
310	1999054	NDB IV Project	EUR	4,601,627	1,043,929,687				736,577,824	4,601,627	1,780,507,511
311	2000010	DFCC Bank (DFCC iii)	EUR	4,653,777	1,055,760,458				744,925,399	4,653,777	1,800,685,857
312	2001042	Colombo Grib Substation Project	EUR	5,644,462	1,280,508,230				1,312,702,054	6,702,014	2,593,210,284
313	2001049	Purchase of 16 Locomotives (11 a)	EUR	2,326,377	527,764,113				372,380,770	2,326,377	900,144,883
314	2001054	General Commodity Aid 1995 for Potash	EUR	2,692,053	610,721,763				430,914,180	2,692,053	1,041,635,943
315	2001058	Import of Commodities	EUR	1,309,930	297,172,138				209,679,248	1,309,930	506,851,386
316	2001060	Commodity Aid for Electro. Equip. for CBSL	EUR	260,759	59,155,989				41,739,390	260,759	100,895,379
317	2001061	Kirindioya Irrigation & Settlement Project	EUR	1,832,370	415,693,300				293,305,640	1,832,370	708,998,940
318	2001063	Railway Wagons for Fertilizer Distribution	EUR	1,670,904	379,062,998				267,459,964	1,670,904	646,522,962
319	2001064	Import of Commodities	EUR	1,973,587	447,729,966				315,910,129	1,973,587	763,640,095

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
320	2001065	EUR	3,170,011	719,151,774					507,420,413	3,170,011	1,226,572,187
321	2001067	EUR	1,022,583	231,984,256					163,683,877	1,022,583	395,668,133
322	2001068	EUR	1,725,609	391,473,392					276,216,514	1,725,609	667,689,906
323	2001100	EUR	51,129,188	11,599,218,703					8,184,197,900	51,129,188	19,783,416,603
324	2001101	EUR	18,659,086	4,233,018,890					2,986,741,242	18,659,086	7,219,760,132
325	2001102	EUR	24,611,542	5,583,399,280					3,939,545,093	24,611,542	9,522,944,373
326	2001103	EUR	570,604	129,447,703					91,335,948	570,604	220,783,651
327	2001104	EUR	511,804	116,108,322					81,923,923	511,804	198,032,245
328	2001105	EUR	2,625,997	595,736,360					420,340,650	2,625,997	1,016,077,010
329	2001106	EUR	2,092,208	474,640,490					334,897,706	2,092,208	809,538,196
330	2001108	EUR	2,172,992	492,967,147					347,828,582	2,172,992	840,795,729
331	2001110	EUR	586,452	133,043,042					93,872,753	586,452	226,915,795
332	2001111	EUR	507,202	115,064,262					81,187,253	507,202	196,251,515
333	2001112	EUR	1,425,481	323,385,936					228,175,242	1,425,481	551,561,178
334	2001113	EUR	824,204	186,979,798					131,929,549	824,204	318,909,347
335	2001115	EUR	4,159,872	943,712,867					665,866,654	4,159,872	1,609,579,521
336	2001116	EUR	450,960	102,305,336					72,184,787	450,960	174,490,123
337	2001117	EUR	1,698,000	385,210,074					271,797,221	1,698,000	657,007,295
338	2001118	EUR	434,599	98,593,482					69,565,770	434,599	168,159,252

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
339	2001122	NDB Small Loan Programme iii	EUR	573,670	130,143,291				91,826,741	573,670	221,970,032
340	2001123	Import of Commodities IX	EUR	455,561	103,349,039				72,921,183	455,561	176,270,222
341	2003047	NDB VI -Small and Micro Enterprises	EUR	1,476,757	335,018,620				236,382,966	1,476,757	571,401,586
342	2005043	DFCC IV Private Sector Development	EUR	4,032,919	914,911,997				645,545,283	4,032,919	1,560,457,280
343	2005044	NDB V- Private Sector Promotion Programme	EUR	4,032,919	914,911,994				645,545,281	4,032,919	1,560,457,275
344	2005051	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	EUR	4,546,238	1,031,364,094				727,711,767	4,546,238	1,759,075,861
345	2006040	DFCC V Credit Line for SME in the North and East	EUR	4,004,000	908,351,444				640,916,276	4,004,000	1,549,267,720
346	2010036	Reconstruction of Water Supply Galle District – Phase ii	EUR	1,210,204	274,548,117				193,716,163	1,210,204	468,264,280
347	2012022	Construction of Mahamodara Maternity Hospital, Galle	EUR	5,737,123	1,301,529,513	601,215	136,734,494		1,014,229,309	6,338,339	2,452,493,316
Government of India											
348	2001041	Line of Credit	USD	5,165,873	1,035,415,555			1,210,000	243,441,110	3,955,873	1,436,417,044
349	2003049	Indian Line of Credit	USD	7,368,887	1,476,973,980				1,198,742,579	7,368,887	2,675,716,559
350	2004040	Indian Line of Credit	USD	3,816,103	764,875,981			747,000	150,289,528	3,069,103	1,114,421,911
351	2008006	Indian Dollar Credit Line Agreement	USD	22,295,864	4,468,844,486			3,549,143	993,759,911	18,746,721	6,807,121,589
352	2008011	Upgrading of Railway Line Colombo – Matara	USD	2,234,455	447,860,333			1,362,324	381,450,639	872,131	316,679,516
353	2010010	Upgrading of Railway Line Colombo – Matara Phase II	USD	7,109,346	1,424,953,210			2,675,647	749,181,280	4,433,699	1,609,920,527
354	2010052	Railway Line Omanthai - Pallai, Madhu – Tallaimannar & Medawachchiya	USD	297,579,233	59,644,936,266						103,304,529,163
355	2012002	Greater Dambulla Water Supply Project i	USD	23,748,261	4,759,954,171						7,665,094,230

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
356	2012003	Restoration of Northern Railway Services	USD	292,443,316	58,615,525,299	1,338,183	474,714,825	7,332,934	2,053,221,612	46,975,320,070	286,448,564	104,012,338,581
357	2013046	Procurement of Two Advanced Offshore Patrol Vessels	USD	42,322,648	8,482,889,169					6,884,887,554	42,322,648	15,367,776,723
358	2022009	Short Term Line of Credit USD 500Mn	USD			497,329,343	160,992,677,181			19,592,580,647	497,329,343	180,585,257,828
359	2022011	Importation of Essential Commodities under Indian Credit Facility (USD 1000 Mn)	USD			299,565,139	104,436,620,931			4,338,476,645	299,565,139	108,775,097,576
360	2022020	Dollar Credit Line for India EXIM Bank for the Procurement of Urea Fertilizer USD 55 Mn	USD			45,559,332	16,454,775,052			88,274,129	45,559,332	16,543,049,181
Government of Japan												
361	1992008	Port of Colombo Extension Project III	JPY	486,884	847,908,485			486,884	1,098,458,992	250,550,507	-	-
362	1992009	Greater Colombo Flood Control & Env. Imp. (I)	JPY	254,658	443,486,907			254,658	574,533,914	131,047,007	-	-
363	1992010	Upper Kotmale Hydroelectric Power (Eng. S)	JPY	25,074	43,666,370			25,074	56,569,451	12,903,081	-	-
364	1993023	Baseline Road Project	JPY	480,604	836,971,866			120,151	209,230,951	359,359,626	360,453	987,100,541
365	1993024	Port of Colombo Extension Project IV	JPY	666,164	1,160,124,606			166,541	290,014,497	498,107,477	499,623	1,368,217,586
366	1993025	Transmission Sys. Augmentation & Dev. Project	JPY	64,188	111,783,402			16,047	27,944,246	47,994,972	48,141	131,834,128
367	1993026	Sri Lanka Japan Friendship Bridge Widening Project	JPY	211,088	367,609,752			52,772	91,897,161	157,835,775	158,316	433,548,366
368	1993027	The Regional Telecommunications Development Project	JPY	929,804	1,619,253,666			232,451	404,790,171	695,237,696	697,353	1,909,701,191
369	1993028	Greater Colombo Water Sup. Sys. Extension Project	JPY	327,088	569,623,752			81,772	142,397,761	244,571,875	245,316	671,797,866

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Rs.	Loan Currency Amount	Rs.
370	1994015	Greater Colombo Flood Control & Env. Project (II)	JKP	519,192	904,172,868		86,532	152,573,222	433,239,764		432,660	1,184,839,410
371	1994016	Industrial Estates Development Project	JKP	553,536	963,982,944		92,256	162,665,779	461,898,115		461,280	1,263,215,280
372	1994017	Kukule Ganga Hydroelectric Power Project	JKP	2,820,288	4,911,531,552		470,048	828,788,634	2,353,389,322		2,350,240	6,436,132,240
373	1994018	Port of Colombo North Pier Develop. Project	JKP	713,874	1,243,211,570		118,979	209,783,773	595,692,159		594,895	1,629,119,957
374	1994019	Walawe L.B. Irrigat Upgrading & Exp. Project	JKP	55,458	96,580,106		9,243	16,297,258	46,276,928		46,215	126,559,777
375	1994020	Coal Fired Thermal Development Project	JKP	98,484	171,509,886		16,414	28,941,165	82,179,974		82,070	224,748,695
376	1995028	Samanalawewa Hydro Electric Power Project	JKP	611,472	1,064,878,521		76,434	133,102,168	533,425,210		535,038	1,465,201,563
377	1995029	Walawe Left Bank Irriga. Upgra. & Exten . Project	JKP	486,880	847,901,520		60,860	105,981,604	424,735,854		426,020	1,166,655,770
378	1996053	Kelanitissa Combined Cycle Power Plant	JKP	3,269,860	5,694,461,190				3,260,050,420		3,269,860	8,954,511,610
379	1996054	Walawe Left Bank Irriga. & Exten Project (II)	JKP	2,101,450	3,659,675,162				2,095,145,642		2,101,450	5,754,820,804
380	1996055	Towns North of Colombo Water Supply Project	JKP	1,248,010	2,173,409,412				1,244,265,968		1,248,010	3,417,675,380
381	1996056	G.C. Flood Control & Enviro. Imp. Project (III)	JKP	1,432,780	2,495,186,379				1,428,481,665		1,432,780	3,923,668,044
382	1996057	Plantation Reform Project	JKP	994,140	1,731,294,810				991,157,580		994,140	2,722,452,390
383	1997032	Transmission & Substation Dev. Project	JKP	723,852	1,260,588,257		60,321	105,042,989	661,534,375		663,531	1,817,079,643
384	1997051	Baseline Road Project (II)	JKP	670,512	1,167,696,647		55,876	97,302,466	612,786,504		614,636	1,683,180,685
385	1997052	Telecom. Network Expansion Project in Colombo	JKP	2,442,888	4,254,289,453		203,574	354,503,764	2,232,575,701		2,239,314	6,132,361,390

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
386	1997053	Kalu Ganga Water Supply Project for Greater Colombo	JKP	3,246,792	5,654,288,275	270,566	471,163,632	270,566	471,163,632	2,967,270,269	2,976,226	8,150,394,912
387	1997054	Mahaweli System C. Upgrading Project	JKP	900,996	1,569,084,534	75,083	130,749,536	75,083	130,749,536	823,427,753	825,913	2,261,762,751
388	1997055	Small & Micro Ind. Leader & Entrepre. Project	JKP	1,583,436	2,757,553,794	131,953	229,782,954	131,953	229,782,954	1,447,115,356	1,451,483	3,974,886,196
389	1998053	Transmission & Substation Dev. Project II	JKP	989,188	1,722,670,902	65,972	148,839,429	65,972	148,839,429	954,395,543	923,216	2,528,227,016
390	1998054	Medium Voltage Distribution Network	JKP	1,191,094	2,074,290,202	82,341	185,769,530	82,341	185,769,530	1,147,799,420	1,108,753	3,036,320,092
391	1998055	Telecom. Network Expansion – Colombo Metro	JKP	99,176	172,715,003	7,084	15,982,212	7,084	15,982,212	95,461,150	92,092	252,193,941
392	1998056	Environmentally Friendly Solution Fund	JKP	1,320,594	2,299,814,452	38,841	87,629,180	38,841	87,629,180	1,297,895,320	1,281,753	3,510,080,592
393	1999029	Bandaranayake Inter. Airport Development Project	JKP	4,935,790	8,595,678,292	285,257	496,746,540	285,257	496,746,540	4,636,552,879	4,650,533	12,735,484,631
394	1999030	Road Network Improvement Project	JKP	1,269,492	2,210,820,328	72,247	125,810,926	72,247	125,810,926	1,193,646,046	1,197,245	3,278,655,448
395	1999031	Poverty Alleviation Micro Finance Project	JKP	533,792	929,598,766	33,362	58,096,587	33,362	58,096,587	498,925,372	500,430	1,370,427,551
396	1999032	Engineer . Service for the S.thern Highway	JKP	223,884	389,893,986	6,219	10,829,767	6,219	10,829,767	217,011,383	217,665	596,075,602
397	1999033	Reduction of Non Revenue Water Project	JKP	138,624	241,413,696	4,589	7,991,285	4,589	7,991,285	133,632,436	134,035	367,054,847
398	1999034	Urgent Upgrading of Colombo Port Project	JKP	656,880	1,143,956,511	36,600	63,735,240	36,600	63,735,240	618,415,495	620,280	1,698,636,766
399	2000015	Port of Colombo North Pier. Dev. Project II (Modification Agreement)	JKP	1,096,347	1,909,288,301	64,491	145,498,145	64,491	145,498,145	1,061,947,501	1,031,856	2,825,737,657
400	2001043	Small & Micro Ind. Leader & Entrepre. Project II	JKP	1,985,158	3,457,152,656	104,482	184,222,662	104,482	184,222,662	1,877,301,231	1,880,676	5,150,231,225
401	2001044	Impro. Nati. Blood Transfusion Services	JKP	636,368	1,108,234,872	31,612	55,736,515	31,612	55,736,515	603,625,979	604,756	1,656,124,336

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Rs.	Loan Currency Amount	Rs.
402	2001045	Southern Highway Construction Project	JKP	8,874,024	15,454,112,778		449,736	1,014,649,390	8,630,449,271		8,424,288	23,069,912,659
403	2001046	Greater Kandy Water Supply Project	JKP	2,969,109	5,170,703,321		76,131	171,759,149	2,923,476,066		2,892,978	7,922,420,238
404	2001051	Colombo City Electricity Distribution Development Project	JKP	3,052,680	5,316,242,247				3,043,521,933		3,052,680	8,359,764,180
405	2001052	Lunawa Envir. Improv. & Community Dev. Project	JKP	3,217,120	5,602,614,491				3,207,468,645		3,217,120	8,810,083,136
406	2002040	Upper Kotmale Hydro Power Project	JKP	21,943,159	38,214,010,952		535,199	1,207,462,464	21,619,149,270		21,407,960	58,625,697,759
407	2003041	Power Sector Restructuring Programme	JKP	2,086,813	3,634,184,840		90,731	204,698,209	2,036,783,927		1,996,082	5,466,270,557
408	2003042	Plantation Reform Project II	JKP	952,016	1,657,935,857		41,392	93,384,491	929,192,447		910,624	2,493,743,813
409	2003043	Provincial Road Improvement Project	JKP	3,246,381	5,653,572,491		141,147	318,441,747	3,168,552,532		3,105,234	8,503,683,277
410	2003044	Pro-poor Economic Advt. & Commu. Enht. (PEACE)	JKP	3,353,469	5,840,066,267		145,803	328,946,148	3,273,073,228		3,207,666	8,784,193,347
411	2003045	Power Sector Restructuring Project (Kerawalapitiya)	JKP	1,611,679	2,806,738,971		70,073	158,091,695	1,573,040,758		1,541,606	4,221,688,034
412	2003046	Small Scale Infrastructure Rehabilitation & Upgrading	JKP	5,382,299	9,373,273,709		234,013	527,956,729	5,253,264,232		5,148,286	14,098,581,212
413	2004044	Small Scale Infrastructure Rehabilitation & Upgrading (SIRUP II)	JKP	8,874,642	15,455,189,043				8,848,018,074		8,874,642	24,303,207,117
414	2004045	Small and Micro Industries Leader and Entrepreneur Promotion (SMI LE iii)	JKP	7,104,976	12,373,315,079				7,083,660,714		7,104,976	19,456,975,793
415	2004046	Environmentally Friendly Solution Fund (II)	JKP	3,210,478	5,591,047,442				3,200,846,807		3,210,478	8,791,894,249

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
416	2005040	Vavuniya Kilinochchi Transmission Line Project	JKP	966,743	1,683,582,941					963,842,764	966,743	2,647,425,705
417	2005041	Sri Lanka Tsunami Affected Area Recovery & Take off (STAART) Project	JKP	7,709,457	13,426,019,361					7,686,328,635	7,709,457	21,112,347,996
418	2006042	Pro – Poor Eastern Infrastructure Development Project	JKP	3,582,537	6,238,988,083			73,113	164,950,239	3,536,519,808	3,509,424	9,610,557,652
419	2006043	Tourism Resources Improvement Project	JKP	775,305	1,350,193,633			86,145	194,351,735	731,422,731	689,160	1,887,264,630
420	2007004	Greater Colombo Transport Development Project	JKP	16,568,601	28,854,218,647			534,471	1,205,820,023	16,261,066,390	16,034,130	43,909,465,014
421	2007005	Pro-Poor Rural Development Project	JKP	3,064,846	5,337,430,036			98,866	223,051,583	3,007,958,919	2,965,980	8,122,337,372
422	2007006	Water Sector Development Project	JKP	10,003,917	17,421,821,451			322,707	728,059,263	9,818,231,390	9,681,210	26,511,993,579
423	2008012	Greater Colombo Urban Transport Development Project - Phase 2(i)	JKP	5,057,964	8,808,444,307			93,666	165,151,891	4,951,437,656	4,964,298	13,594,730,072
424	2008013	Southern Highway Construction Project (ii)	JKP	14,439,460	25,146,319,597			424,690	748,813,408	13,981,941,462	14,014,770	38,379,447,651
425	2008014	Water Sector Development Project (ii)	JKP	6,857,324	11,942,029,742			201,686	355,612,755	6,640,047,684	6,655,638	18,226,464,671
426	2008015	Poverty Alleviation Micro Finance Project -ii	JKP	2,267,622	3,949,063,701			41,993	74,042,058	2,219,863,371	2,225,629	6,094,885,015
427	2008016	Energy Diversification Enhancement Project (Engineering Services)	JKP	403,546	702,775,360			11,869	20,927,421	390,759,525	391,677	1,072,607,465
428	2010013	Provincial /Rural Road Development Project (Central Province and Sabaragamuwa Province)	JKP	8,251,518	14,370,018,578			223,014	503,141,885	8,119,181,498	8,028,504	21,986,058,191

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
429	2010014	Provincial /Rural Road Development Project (Eastern Province)	JPK	3,697,362	6,438,955,922		64,866	146,344,183	3,654,978,549	3,632,496	9,947,590,288
430	2010015	Eastern Province Water Supply Development Project	JPK	4,529,278	7,887,737,150		79,461	179,271,962	4,477,357,900	4,449,817	12,185,823,088
431	2010016	Kandy City Wastewater Management Project	JPK	10,037,384	17,480,104,288	480,994	230,933	521,007,941	10,129,562,413	10,287,445	28,172,168,261
432	2010017	Upper Kotmale Hydro Power Project II	JPK	4,250,547	7,402,327,587		74,571	168,239,633	4,201,822,309	4,175,976	11,435,910,263
433	2011003	Greater Colombo Urban Transport Development Project - Phase II	JPK	28,997,792	50,499,654,762		491,488	1,108,846,077	28,673,704,818	28,506,304	78,064,513,503
434	2011004	Vavuniya Kilinochchi Transmission Line Project - Phase II	JPK	1,319,594	2,298,072,359		22,366	50,459,933	1,304,845,520	1,297,228	3,552,457,947
435	2011027	Emergency Natural Disaster Rehabilitation Project	JPK	6,872,820	11,969,016,034		114,547	258,429,487	6,796,944,064	6,758,273	18,507,530,611
436	2012006	Habarana Veyangoda Transmission Line Project	JPK	6,844,606	11,919,880,670	1,706,337	157,020	354,252,822	8,334,573,780	8,393,922	22,986,756,410
437	2012007	Improvement of Basic Social Services Targeting Emerging Regions	JPK	3,874,046	6,746,650,377		63,686	143,681,042	3,831,700,457	3,810,360	10,434,669,792
438	2013016	Greater Colombo Transmission and Distribution Loss Reduction Project	JPK	15,594,250	27,157,386,932		-	-	15,547,466,842	15,594,250	42,704,853,774
439	2013018	Major Bridges Construction Project of the National Road Network	JPK	7,795,288	13,575,494,731		-	-	7,771,902,860	7,795,288	21,347,397,591
440	2013019	Landslide Disaster Protection Project of the National Road Network	JPK	5,603,796	9,759,010,734		169,812	383,112,853	5,505,067,303	5,433,984	14,880,965,184
441	2013020	Anuradhapura North Water Supply Project (i)	JPK	3,763,104	6,553,445,528	309,846	139,621	314,998,938	3,906,260,615	3,933,329	10,771,420,587

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
442	2014003	New Bridge Construction Project over the Kelani River National Transmission and Distribution Network Development and Efficiency Improvement project Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPK	31,009,921	54,003,778,172	772,536	1,392,166,800	-	-	31,640,315,852	31,782,458	87,036,260,825
443	2015018		JPK	3,609,480	6,285,909,490	10,223,613	22,810,147,553	-	-	8,785,867,486	13,833,093	37,881,924,529
444	2016032		JPK	10,000,000	17,415,000,000	-	-	-	-	9,970,000,000	10,000,000	27,385,000,000
445	2016037	Anuradhapura North Water Supply Project (Phase 2)	JPK	121,890	212,271,226	16,569	30,082,923	-	-	136,816,808	138,459	379,170,958
446	2017015	Rural Infrastructure Development Project in Emerging Regions	JPK	2,035,900	3,545,519,225	607,732	1,067,005,203	-	-	2,627,061,911	2,643,632	7,239,586,339
447	2017016	Kalu Ganga Water Supply Expansion Project	JPK	250,503	436,250,711	91,926	183,632,897	-	-	317,859,084	342,429	937,742,693
448	2018032	Health and Medical Service Improvement Project	JPK	150,693	262,431,685	92,417	169,003,612	-	-	234,321,712	243,110	665,757,009
449	2019011	Establishment of Light Rail Transit Project System in Colombo (i)	JPK	2,905,813	5,060,473,811	-	-	-	-	2,897,095,831	2,905,813	7,957,569,642
Government of Korea												
450	1996042	Ratnapura-Balangoda Road Rehabilitation	KRK	6,127,990	1,033,179,113	612,799	104,088,200	612,799	104,088,200	657,078,018	5,515,191	1,586,168,931
451	1996043	Housing Project for Public Servants	KRK	2,041,350	344,171,610	204,135	34,673,759	204,135	34,673,759	218,885,183	1,837,215	528,383,034
452	2001048	Greater Galle Water Supply Project	KRK	17,627,860	2,972,057,195	881,393	193,466,969	881,393	193,466,969	2,037,693,683	16,746,467	4,816,283,909
453	2003048	Balangoda -Bandarawela Road Rehabilitation Project	KRK	11,401,783	1,922,340,696	475,075	80,694,815	475,075	80,694,815	1,300,875,480	10,926,708	3,142,521,361
454	2005042	Greater Galle Water Supply Project Phase II	KRK	10,461,474	1,763,804,516	-	-	-	-	1,244,915,406	10,461,474	3,008,719,922

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan ID	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
455	2005046	Re-Engineering Government Component of e-Sri Lanka Project	KRK	10,102,848	1,703,340,173	-	-	-	-	1,202,238,912	10,102,848	2,905,579,085
456	2006044	Administrative Complex in Hambantota Project	KRK	13,767,576	2,321,213,314	-	-	-	-	1,638,341,544	13,767,576	3,959,554,858
457	2007013	Greater Galle Water Supply Project Phase II (Supplementary)	KRK	5,226,166	881,131,587	-	-	-	-	621,913,754	5,226,166	1,503,045,341
458	2007016	Upgrading of Niyagama National Vocational Training Centre Project	KRK	4,838,358	815,747,159	-	-	-	-	575,764,602	4,838,358	1,391,511,761
459	2008040	Lanka Government Network Stage II Project	KRK	7,079,072	1,193,531,539	-	-	-	-	842,409,568	7,079,072	2,035,941,107
460	2008041	Improvement of Padeniya-Anuradhapura Road Project	KRK	64,500,652	10,874,809,927	-	-	-	-	7,675,577,588	64,500,652	18,550,387,515
461	2009004	Ruhunupura Water Supply Development Project	KRK	76,167,245	12,841,797,207	-	-	-	-	9,063,902,155	76,167,245	21,905,699,362
462	2010041	Hatton – Nuwara Eliya Road Improvement Project	KRK	41,486,588	6,994,638,737	-	-	-	-	4,936,903,972	41,486,588	11,931,542,709
463	2012027	Improvement of Padeniya-Anuradhapura Road Project (Supplementary Loan)	KRK	12,923,423	2,178,889,097	-	-	-	-	1,537,887,323	12,923,423	3,716,776,420
464	2013033	Establishment of Colombo Central Vocational Training Center & Gampaha College of Technology Project in Sri Lanka	KRK	20,356,331	3,432,077,464	-	-	-	-	2,422,403,429	20,356,331	5,854,480,893
465	2014038	Deduru Oya Water Supply Project	KRK	63,677,175	10,735,971,695	-	-	-	-	7,975,575,145	67,021,640	19,275,423,627
466	2014039	Ruwanwalla Water Supply Project	KRK	8,547,762	1,441,152,597	-	-	-	-	1,032,157,403	8,918,400	2,564,931,733

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
467	2015011	KRK	18,826,696	3,174,180,987	-	-	-	-	2,240,376,854	18,826,696	5,414,557,841
Government of Kuwait											
468	1995013	KWD	246,001	162,986,991	-	-	-	-	128,801,642	246,001	291,788,633
469	1999017	KWD	288,000	190,813,624	48,000	32,095,333	48,000	32,095,333	125,952,940	240,000	284,671,232
470	2000023	KWD	459,800	304,639,248	-	-	-	-	240,743,376	459,800	545,382,624
471	2005048	KWD	3,097,653	2,052,341,426	-	-	-	-	1,621,877,519	3,097,653	3,674,218,945
472	2007041	KWD	1,100,000	728,802,030	-	-	-	-	575,941,080	1,100,000	1,304,743,110
473	2009002	KWD	6,781,250	4,492,898,944	406,250	271,640,186	406,250	271,640,186	3,340,320,143	6,375,000	7,561,578,901
474	2011030	KWD	2,214,401	1,467,145,398	-	-	-	-	1,159,422,270	2,214,401	2,626,567,668
475	2014002	KWD	5,436,927	3,602,221,301	723,408	633,775,794	-	-	3,070,961,544	6,160,335	7,306,958,638
476	2016017	KWD	4,514,106	2,990,808,672	815,097	652,338,883	-	-	2,677,980,759	5,329,203	6,321,128,314
477	2017033	KWD	2,950,320	1,954,726,414	1,133,283	748,589,482	-	-	2,140,368,602	4,083,603	4,843,684,498
Government of Pakistan											
478	1991003	USD	480,000	96,208,224	-	-	-	-	78,084,576	480,000	174,292,800
479	2006071	USD	1,625,501	325,805,251	3,265	1,158,123	-	-	264,457,681	1,628,766	591,421,055

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
Government of Russia											
2010018	Russian Line of Credit (Russia)	USD	47,221,220	9,464,728,558			11,805,305	2,372,217,011	5,767,361,338	35,415,915	12,859,872,885
Go vernment of Spain											
2006087	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,980,000	1,583,489,780			-	-	1,117,281,620	6,980,000	2,700,771,400
2007001	Design Supply & Setting up of Two Water Treatment Plants at Galle & Negambo	EUR	12,929,224	2,933,136,768			-	-	2,072,702,387	12,937,325	5,005,839,155
2015032	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Bilateral Portion)	EUR	36,030,116	8,173,828,193			522,176	117,122,836	5,682,382,115	35,507,940	13,739,087,472
2016023	Implementation of Anamaduwa Integrated Water Supply Project	EUR	15,627,121	3,545,184,116	1,994,043	530,766,869	260,807	71,708,338	2,709,865,687	17,352,257	6,714,108,333
Government of the United States of America											
1979018	Agricultural Inputs Project	USD	52	10,475			-	-	(10,475)	-	-
1979068	Malaria Control Project	USD	98,977	19,838,277			98,977	26,511,882	6,673,604	-	-
1980028	Jaffna Market Town Water Supply	USD	73,400	14,711,885			-	-	11,940,469	73,400	26,652,354
1980034	Water Management Project	USD	232,194	46,539,558			31,708	7,271,672	33,530,636	200,486	72,798,523
1980115	Reforestation & Watershed Management Project	USD	408,887	81,954,706			-	-	66,516,146	408,887	148,470,852
1981024	Mahaweli Basin Development Phase - 2 - Maduruoya	USD	619,115	124,091,590			-	-	100,715,240	619,115	224,806,830
1981084	Mahaweli Sector Support	USD	465,574	93,316,668			465,574	139,584,776	46,268,108	-	-
1982018	Supply of Wheat PL 480-Title 1-1983	USD	1,363,609	273,313,388			-	-	221,826,799	1,363,609	495,140,187

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
493	1982019	Supply of Wheat PL 480-Title 1 -1982	USD	537,397	107,712,535	-	-	-	87,421,675	537,397	195,134,210
494	1982093	Mahaweli Basin Development Phase 2	USD	3,005,419	602,387,495	583,320	116,916,982	583,320	394,017,842	2,422,099	879,488,355
495	1982094	Mahaweli Sec. Support (Rupee Expenditure)	USD	1,453,258	291,282,039	355,242	104,790,721	355,242	212,209,309	1,098,016	398,700,626
496	1982100	Mahaweli Development Phase 2 & Maduruoya Project	USD	331,705	66,484,979	45,296	9,106,769	45,296	46,619,910	286,409	103,998,121
497	1983013	Private Enterprises Promotion Project	USD	165,679	33,207,742	22,625	5,957,715	22,625	24,694,448	143,054	51,944,476
498	1983016	Supply of Wheat PL 480-Title 1 -1984	USD	2,195,945	440,141,713	-	-	-	357,227,890	2,195,945	797,369,603
499	1983082	Mahaweli Sector Support	USD	2,672,822	535,723,914	364,990	73,769,698	364,990	376,042,756	2,307,832	837,996,972
500	1983083	Mahaweli Development Phase 2- Maduruoya System B. Project	USD	2,653,648	531,880,965	362,372	72,854,148	362,372	372,958,501	2,291,276	831,985,318
501	1983084	Malaria Control Project	USD	687,356	137,769,416	-	-	-	111,816,505	687,356	249,585,921
502	1983089	Water Management Project	USD	207,457	41,581,406	21,702	6,488,883	21,702	32,356,997	185,755	67,449,520
503	1984006	Mahaweli Development Phase 2- Maduruoya System B. Project	USD	4,585,412	919,071,516	543,757	109,398,956	543,757	657,892,829	4,041,655	1,467,565,389
504	1984007	Malaria Control Project	USD	704,223	141,150,161	-	-	-	114,560,387	704,223	255,710,548
505	1984008	Mahaweli Basin Development Ph-2 (Maduru Oya System B)	USD	1,798,735	360,527,386	168,063	33,939,403	168,063	265,525,352	1,630,672	592,113,335
506	1984013	Water Supply & Sanitation Project	USD	278,318	55,784,249	33,004	6,670,550	33,004	39,962,115	245,314	89,075,815
507	1984014	Diversified Agriculture Research Project	USD	502,217	100,661,361	26,155	6,590,317	26,155	78,792,002	476,062	172,863,047
508	1984016	Supply of Wheat PL 480-Title 1 -1985	USD	3,093,413	620,024,555	604,325	121,723,534	604,325	405,511,847	2,489,088	903,812,867

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
509	1984068 Water Supply & Sanitation Project	USD	869,583	174,293,833			66,680	13,465,579	130,713,876	802,903	291,542,130
510	1984072 Malaria Control Project	USD	411,021	82,382,459					66,863,307	411,021	149,245,766
511	1984074 Diversified Agriculture Research Project	USD	349,460	70,043,660			-	-	56,848,877	349,460	126,892,537
512	1984084 Mahaweli Development Phase 2- Maduroya System B Project	USD	46,807	9,381,733			3,946	797,120	6,978,696	42,861	15,563,309
513	1985009 Supply of Wheat PL 480-Title 1-1986	USD	4,898,867	981,898,605			-	-	796,929,146	4,898,867	1,778,827,751
514	1986002 Water Supply & Sanitation Project	USD	343,977	68,944,688			-	-	55,956,931	343,977	124,901,619
515	1986004 Supply of Wheat PL 480-Title 1-1987	USD	4,233,577	848,551,933			-	-	688,702,050	4,233,577	1,537,253,983
516	1986010 Irrigation System Management Project	USD	2,384,648	477,963,946			38,178	7,708,298	381,771,004	2,346,470	852,026,652
517	1986011 Agricultural Planning & Analysis Project	USD	345,914	69,332,917			24,297	4,888,363	52,337,922	321,617	116,782,476
518	1987009 Mahaweli Agriculture & Rural Development	USD	1,074,157	215,297,439			62,579	12,614,859	164,631,635	1,011,578	367,314,214
519	1987010 Mahaweli Downstream Support Project	USD	1,224,387	245,408,630					199,178,675	1,224,387	444,587,305
520	1987026 Supply of Wheat PL 480-Title 1-1988	USD	5,582,240	1,118,869,716					908,097,705	5,582,240	2,026,967,421
521	1987027 Irrigation System Management Project	USD	1,260,152	252,577,096			-	-	204,996,773	1,260,152	457,573,869
522	1988046 Supply of Wheat PL 480-Title 1-1989	USD	8,549,995	1,713,708,162			-	-	1,390,880,518	8,549,995	3,104,588,680
523	1988087 Mahaweli Agriculture & Rural Development	USD	204,256	40,939,842			-	-	33,227,603	204,256	74,167,445
524	1989019 Water Supply & Sanitation Project	USD	615	123,243			-	-	100,026	615	223,269
525	1989054 Supply of Wheat PL 480-Title 1-1990	USD	10,421,742	2,088,869,139			-	-	1,695,369,214	10,421,742	3,784,238,353
526	1992024 Supply of Wheat PL 480-Title 1-1992	USD	540,408	108,316,488			-	-	87,910,879	540,408	196,227,367
527	1993006 Supply of Wheat PL 480-Title 1-1993	USD	825,252	165,408,288			-	-	134,248,791	825,252	299,657,079

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
528	1994002	USD	2,240,957	449,163,365	-	-	-	-	364,550,393	2,240,957	813,713,758
	Supply of Wheat PL 480-Title 1 -1994										
529	1994040	USD	3,242,897	649,986,004	-	-	-	-	527,542,376	3,242,897	1,177,528,380
	Supply of Wheat PL 480-Title 1 -1995										
530	1995055	USD	1,990,899	399,043,428	-	-	-	-	323,871,864	1,990,899	722,915,292
	Supply of Wheat PL 480-Title 1 -1996										
531	1997013	USD	2,292,520	459,498,579	-	-	-	-	372,938,467	2,292,520	832,437,046
	PL 480 Title 1 for FY 1997										
532	1998007	USD	2,673,869	535,933,568	-	-	-	-	434,974,866	2,673,869	970,908,434
	PL 480 Title 1 for FY 1998										
533	2000031	USD	1,720,382	344,822,742	-	-	-	-	279,865,239	1,720,382	624,687,981
	Import of Wheat- PL 480-Title 1, 2000										
534	2001047	USD	2,984,725	598,239,830	-	-	-	-	485,543,766	2,984,725	1,083,783,596
	Import of Wheat- PL 480 Title 1, FY 2001										
HSBC (With Guarantee of EKF Denmark)											
535	2015019	EUR	32,916,092	7,467,377,623	228,454	69,405,816	2,859,701	658,881,914	4,840,213,895	30,284,845	11,718,115,421
	Establishment of Dairy Processing Plant at Badalgama										
HSBC Limited (Hong Kong)											
536	2018015	USD	73,650,283	14,762,006,134	3,068,762	616,821,122	3,068,762	616,821,122	11,483,671,225	70,581,521	25,628,856,237
	Procurement of 09 Nos Diesel Multiple Unit for Upcountry Line Operation of SLR										
HSBC Bank PLC (UK)											
537	2007027	JPY	560,000	975,239,998	-	-	-	-	558,320,002	560,000	1,533,560,000
	Regional Bridge Project HSBC Bank Plc(UK)										
538	2012023	USD	22,071,455	4,423,865,464	2,207,145	446,095,212	2,207,145	446,095,212	3,235,158,962	19,864,310	7,212,929,213
	Construction of 210 Permanent Rural Steel Bridges										
539	2013027	USD	32,730,589	6,560,316,266	2,975,508	889,676,913	2,975,508	889,676,913	5,133,727,969	29,755,081	10,804,367,322
	Regional Bridges Project-Phase II- Buyer's Credit Facility										
540	2019018	USD	50,145,177	10,050,788,380	2,382,462	448,689,024	2,382,462	448,689,024	8,573,833,510	52,527,639	19,073,310,914
	Upgrading Health Facilities in Selected Hospitals of Sri Lanka										
IBRD of World Bank											
541	2012011	USD	152,515,323	30,569,225,767	11,285,886	2,842,238,760	10,814,625	3,937,857,906	26,077,352,069	152,986,584	55,550,958,691
	Metro Colombo Urban Development										

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
542	2014013	USD	72,012,000	14,433,638,806			5,997,600	2,183,906,088	11,720,756,066	66,014,400	23,970,488,784
	Disaster Risk Management Development Policy Loan with a Catastrophe Differed Draw Down Option CAT-DDC										
543	2017019	USD	37,058,984	7,427,873,043	14,910,000	3,712,403,546	-	-	7,730,181,293	51,968,984	18,870,457,882
	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme										
544	2018036	USD	250,000	50,108,450			-	-	40,669,050	250,000	90,777,500
	PPF-Programmatic Preparation Advance No – P 4940										
545	2019001	USD	98,184,915	19,679,575,686	31,814,125	11,524,040,730	-	-	16,001,061,345	130,001,040	47,204,677,761
	Primary Health Care System Strengthening Project Framework Development										
546	2019022	USD	382,103	76,586,408			-	-	62,159,106	382,103	138,745,514
	& Infrastructure Financing to Support Public Partnership Project										
547	2020010	USD	1,375,832	275,763,152	26,066,267	7,783,264,859	-	-	1,905,472,554	27,442,099	9,964,500,565
	Covid 19 Emergency Response and Health System Preparedness Project										
548	2021012	USD	53,968,671	10,817,145,852					8,779,418,351	53,968,671	19,596,564,203
	Second Additional Financing for the Covid 19 Emergency Response & Health System Preparedness Project										
549	2021025	USD			810,000	219,972,000			74,147,100	810,000	294,119,100
	Climate Resilience Multiphase Programmatic Approach										
550	2021030	USD	100,000	20,043,380	5,407,435	1,896,865,897			82,895,605	5,507,435	1,999,804,882
	Additional Financing for Water Supply & Sanitation Improvement Project										

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
551	2021031	USD			86,759,447	17,957,283,429			13,545,939,328	86,759,447	31,503,222,757
Third Additional Financing for the COVID 19 Emergency Response & Health Systems Preparedness											
552	2021032	USD	1,250,000	250,542,250	296,843,013	107,674,996,126			315,015,629	298,093,013	108,240,554,005
Inclusive Connectivity & Development Project											
IDA of World Bank											
553	1973001	USD	270,000	54,117,126			180,000	55,282,581	33,845,355	90,000	32,679,900
554	1974001	USD	311,514	62,437,930			124,000	44,884,745	50,535,016	187,514	68,088,201
555	1974002	USD	1,125,000	225,488,026			450,000	157,770,000	177,381,225	675,000	245,099,251
556	1975001	USD	436,062	87,401,585			124,589	45,037,656	70,735,076	311,473	113,099,005
557	1975002	USD	2,479,406	496,956,706			619,852	174,237,524	352,503,434	1,859,554	675,222,617
558	1977001	USD	570,276	114,302,571			126,724	38,920,166	85,675,761	443,552	161,058,166
559	1977002	USD	1,696,754	340,086,840			339,340	118,972,604	271,776,340	1,357,414	492,890,576
Mahaweliganga Development Project (Phase 2)											
560	1977003	USD	1,518,000	304,258,509			276,000	77,540,075	224,264,186	1,242,000	450,982,620
4th Development Finance Corporation Project											
561	1977005	USD	1,244,652	249,470,318			226,300	75,695,042	195,998,497	1,018,352	369,773,773
562	1978001	USD	3,152,387	631,844,825			484,976	136,324,571	473,043,354	2,667,411	968,563,608
Tree Crop Rehabilitation (Tea) Project											
563	1979001	USD	3,854,578	772,587,766			513,938	144,540,129	584,972,153	3,340,640	1,213,019,790
564	1979002	USD	3,364,783	674,416,312			448,630	126,275,886	510,744,014	2,916,153	1,058,884,439
Road Maintenance Project											
565	1979003	USD	1,790,917	358,960,261			238,786	73,337,258	277,971,214	1,552,131	563,594,218
Agricultural Extension & Research Project											
566	1979004	USD	3,392,685	680,008,799			452,350	127,153,549	514,809,887	2,940,335	1,067,665,137
Small & Medium Industries Project											
567	1979074	DKK	230,850	7,041,894			30,780	5,526,154	8,895,042	200,070	10,410,782
568	1979077	GBP	227,275	61,499,638			30,303	11,399,883	36,045,516	196,972	86,145,271
Water Supply Project											

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
569	1980001	Mahaweli Ganga T.A. Project	USD	473,785	94,962,528		55,732	15,680,756	72,517,453	418,053	151,799,225
570	1980003	Road Passenger Transport Project	USD	13,166,831	2,639,077,957		1,549,036	435,836,769	2,015,296,329	11,617,795	4,218,537,517
571	1980004	Smallholder Rubber Rehabilitation Project	USD	2,840,760	569,384,404		334,198	94,029,949	434,803,274	2,506,562	910,157,728
572	1980005	Telecommunications Project	USD	7,650,000	1,533,318,570		900,000	253,224,000	1,170,897,930	6,750,000	2,450,992,500
573	1980006	Second Water Supply & Sewerage Project	USD	7,650,000	1,533,318,570		900,000	253,224,000	1,170,897,930	6,750,000	2,450,992,500
574	1980007	Sixth Power Project	USD	4,831,170	968,329,704		568,366	159,915,458	739,452,409	4,262,804	1,547,866,655
575	1980110	Mahaweliganga T.A. Project	DKK	67,680	2,064,525		8,460	1,471,781	2,488,811	59,220	3,081,555
576	1980120	Mahaweliganga T.A. Project	GBP	66,599	18,021,403		8,325	3,087,346	10,551,948	58,274	25,486,005
577	1981001	2nd Rural Development Project	XDR	6,167,922	1,730,256,933		685,318	263,836,483	1,183,000,229	5,482,604	2,649,420,679
578	1981002	Construction Industry Project	XDR	2,882,351	808,571,735		303,400	115,604,590	553,288,373	2,578,951	1,246,255,519
579	1981003	Village Irrigation Rehabilitation Project	XDR	5,010,321	1,405,520,931		527,384	256,789,652	1,017,608,985	4,482,937	2,166,340,264
580	1981004	Third Mahaweliganga Development Project	XDR	16,813,013	4,716,472,165		1,769,788	861,731,188	3,414,766,648	15,043,225	7,269,507,625
581	1982001	Second Small & Medium Industries Project	XDR	7,954,172	2,231,344,991		795,414	305,680,125	1,533,742,821	7,158,758	3,459,407,687
582	1982002	Seventh Power Project	XDR	9,013,904	2,528,626,218		901,388	433,938,240	1,825,614,622	8,112,516	3,920,302,600
583	1982003	Tea Rehabilitation & Diversification Project	XDR	3,910,269	1,096,928,748		372,314	141,862,917	754,159,133	3,537,001	1,709,224,964
584	1983001	Forest Resources Development Project	XDR	1,507,816	422,980,215		137,068	65,465,733	304,887,530	1,370,748	662,402,012
585	1983002	Third Rural Development Project	XDR	830,165	232,882,116		72,186	33,053,117	166,457,758	757,979	366,286,757
586	1983003	Industrial Development Project	XDR	7,969,500	2,235,644,784		693,000	330,987,192	1,611,647,727	7,276,500	3,516,305,319
587	1985005	Major Irrigation Rehabilitation Project	XDR	4,323,770	1,212,925,878		332,596	160,115,425	875,889,660	3,991,174	1,928,700,113
588	1985006	Fourth Tree Crops Project	XDR	22,882,500	6,419,115,601		1,695,000	645,846,353	4,465,405,796	21,187,500	10,238,675,044
589	1986007	Second Industrial Development Project	XDR	7,430,102	2,084,330,070		512,420	241,930,534	1,500,510,043	6,917,682	3,342,909,580

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
590	1986008 Municipal Management Project	XDR	3,823,982	1,072,722,804	263,720	128,408,456	776,151,289	3,560,262	1,720,465,637		
591	1986012 Water Supply & Sanitation Rehabilitation Project	XDR	13,963,500	3,917,112,234	963,000	454,664,342	2,819,930,629	13,000,500	6,282,378,522		
592	1986013 2nd Vocational Training Project	XDR	4,350,051	1,220,298,491	299,998	114,308,323	851,162,708	4,050,053	1,957,152,877		
593	1986014 9th Power Project	XDR	15,215,195	4,268,244,087	1,014,344	460,836,165	3,055,029,757	14,200,851	6,862,437,679		
594	1987005 Agricultural Research Project	XDR	5,505,892	1,544,540,904	367,030	176,704,857	1,115,474,306	5,138,862	2,483,310,353		
595	1988001 Third Small & Medium Industries Project	XDR	3,611,727	1,013,180,120	601,950	275,625,787	716,894,290	3,009,777	1,454,448,623		
596	1988007 Emergency Reconstruction & Rehabilitation Project	XDR	7,981,053	2,238,885,589	1,330,158	628,011,857	1,603,113,239	6,650,895	3,213,986,971		
597	1988014 Health & Family Planning Project	XDR	2,089,809	586,243,871	321,496	151,788,965	420,066,953	1,768,313	854,521,859		
598	1988045 Distribution & Transmission Project	XDR	3,563,813	999,738,909	548,276	258,859,341	716,352,452	3,015,537	1,457,232,021		
599	1988085 2nd Smallholder Rubber Rehabilitation Project	XDR	2,416,173	677,797,062	371,710	175,496,668	485,668,564	2,044,463	987,968,958		
600	1988086 3rd Industrial Development Project	XDR	7,772,887	2,180,489,933	1,195,824	495,720,721	1,493,539,314	6,577,063	3,178,308,527		
601	1989069 Forest Sector Development Project	XDR	2,382,382	668,317,962	317,640	145,443,605	474,894,274	2,064,742	997,768,631		
602	1990003 General Education Project	XDR	12,320,000	3,456,069,232	1,540,000	741,373,172	2,494,645,154	10,780,000	5,209,341,214		
603	1990009 Economic Restructuring Credit	XDR	27,148,384	7,615,803,197	3,193,678	1,227,340,594	5,187,440,770	23,954,706	11,575,903,373		
604	1990047 Public Manufacturing Ent. Adj. Credit	XDR	33,932,875	9,519,023,170	3,770,316	1,438,013,962	6,494,785,044	30,162,559	14,575,794,253		
605	1990048 Third Roads Project	XDR	9,751,163	2,735,445,939	1,083,458	496,102,598	1,949,249,628	8,667,705	4,188,592,970		
606	1991009 Poverty Alleviation Project	XDR	9,999,479	2,805,104,748	1,052,568	436,334,919	1,954,746,904	8,946,911	4,323,516,734		
607	1991022 Second Telecommunications Project	XDR	13,115,931	3,679,347,760	1,380,620	572,326,642	2,563,965,662	11,735,311	5,670,986,780		
608	1991023 Forth Small & Medium Industries Project	XDR	12,446,337	3,491,509,892	1,310,140	543,109,646	2,433,070,002	11,136,197	5,381,470,248		

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
609	2nd Power Distribution & Transmission Project	XDR	12,100,251	3,394,424,189			1,273,708	613,177,236	2,450,585,877	10,826,543	5,231,832,829
610	National Irrigation Rehabilitation Project	XDR	6,667,023	1,870,267,372			701,780	290,918,138	1,303,302,683	5,965,243	2,882,651,918
611	Second Agriculture Extension Project	XDR	2,373,676	665,875,704			226,058	106,729,506	478,671,529	2,147,618	1,037,817,727
612	Community Water Supply & Sanitation Project	XDR	7,326,780	2,055,345,740			666,068	253,792,089	1,417,177,557	6,660,712	3,218,731,208
613	Private Finance Development Project	XDR	18,126,553	5,084,953,000			1,576,218	601,176,002	3,514,028,243	16,550,335	7,997,805,241
614	Colombo Urban Transport Project	XDR	4,614,059	1,294,359,337			401,220	195,358,870	936,817,284	4,212,839	2,035,817,752
615	Colombo Environmental Improvement Project	XDR	9,554,901	2,680,389,514			707,764	338,038,697	1,932,951,091	8,847,137	4,275,301,908
616	Telecommunication Regular & Pub. Enterprise Ref.	XDR	4,382,186	1,229,313,145			302,218	116,143,333	858,439,228	4,079,968	1,971,609,040
617	Teacher Education & Teacher Deployment Project	XDR	25,206,583	7,071,079,096			1,738,384	846,440,199	5,116,163,888	23,468,199	11,340,802,785
618	Private Sector Infrastructure Development Project	XDR	22,908,016	6,426,273,381			1,587,858	769,251,970	4,645,759,288	21,320,158	10,302,780,699
619	Health Services Project	XDR	6,001,652	1,683,614,050			400,106	188,903,355	1,212,187,715	5,601,546	2,706,898,410
620	Environmental Action 1 Project	XDR	6,458,747	1,811,840,614			416,692	172,736,837	1,280,666,677	6,042,055	2,919,770,454
621	Energy Services Delivery Project	XDR	10,471,437	2,937,500,947			675,574	280,054,613	2,076,319,237	9,795,863	4,733,765,571
622	Second General Education Project	XDR	31,877,017	8,942,303,486			1,992,310	940,635,844	6,439,857,198	29,884,707	14,441,524,840
623	Mahaweli Restructuring & Rehabilitation Project	XDR	27,487,085	7,710,817,383			1,665,882	634,751,512	5,401,806,032	25,821,203	12,477,871,903
624	Year 2000 Emergency Assistance Project	XDR	7,635,925	2,142,068,652			436,334	166,383,717	1,503,454,827	7,199,591	3,479,139,762
625	North-East Irrigated Agriculture Project	XDR	13,430,301	3,767,536,405			746,126	359,193,379	2,721,173,973	12,684,175	6,129,516,998

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Loan	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment	Closing Balance as at 31.12.2022	
			Currency	Loan Amount	Currency	Rs.	Currency	Loan Amount	Rs.	Currency	Rs.
626	2000036	Legal & Judicial Reforms Project	XDR	8,737,060		2,450,964,655	472,274	227,357,741	1,770,279,292	8,264,786	3,993,886,207
627	2001020	Distance Learning Project	XDR	806,704		226,300,720	42,456	20,277,625	163,293,068	764,248	369,316,163
628	2001021	Land Titling & Related Services Project	XDR	2,442,856		685,282,491	128,570	61,406,961	494,483,045	2,314,286	1,118,358,575
629	2001022	Sri Lanka Central Bank Strengthening Project	XDR	18,436,767		5,171,975,900	945,474	391,939,828	3,672,479,086	17,491,293	8,452,515,158
630	2001024	Mahaweli Ganga T.A	EUR	165,313		37,503,109	21,313	6,798,226	25,013,099	144,000	55,717,982
631	2001025	Water Supply	EUR	807,209		183,124,263	100,912	36,816,906	126,980,145	706,297	273,287,502
632	2002022	Renewable Energy for Rural Economic Development Project	XDR	48,026,654		13,472,681,681	1,778,765	841,254,577	9,717,462,522	46,247,889	22,348,889,626
633	2003020	Economic Reform Technical Assistance Project	XDR	8,897,719		2,496,032,954	217,017	98,595,252	1,797,435,786	8,680,702	4,194,873,488
634	2003021	Poverty Reduction Support Credit	XDR	75,281,000		21,118,210,054	1,814,000	698,361,027	15,082,439,561	73,467,000	35,502,288,588
635	2003022	Improving Relevance & Quality of Undergraduate Education	XDR	23,828,006		6,684,353,845	574,169	221,045,823	4,773,906,622	23,253,837	11,237,214,644
636	2004020	Second North East Irrigated Agriculture Project (Yali Pubudamu SL)	XDR	35,537,708		9,969,218,908	836,181	379,893,410	7,179,885,043	34,701,527	16,769,210,541
637	2004021	E – Sri Lanka Development Project	XDR	25,629,485		7,189,713,226	596,034	229,463,752	5,136,948,158	25,033,451	12,097,197,632
638	2005020	North East Housing Reconstruction Project	XDR	43,946,000		12,327,956,044	1,022,000	389,710,998	8,804,404,513	42,924,000	20,742,649,559
639	2005021	Tsunami Emergency Recovery Project II	XDR	26,113,608		7,325,522,793	600,311	228,911,758	5,232,468,267	25,513,297	12,329,079,302
640	2006020	Road Sector Assistance Project	XDR	60,478,640		16,965,776,688	1,374,515	569,795,677	12,165,573,668	59,104,125	28,561,554,679
641	2007021	Puttalam Housing Project	XDR	7,853,764		2,203,178,214	1,570,753	651,144,991	1,484,176,980	6,283,011	3,036,210,204
642	2008020	Renewable Energy for Rural Economic Development Project	XDR	13,149,977		3,688,898,551	2,629,995	1,256,125,207	2,650,916,163	10,519,982	5,083,689,508
643	2008031	Dam Safety & Water Resources Planning	XDR	26,715,000		7,494,228,047	4,110,000	1,703,772,594	5,133,214,134	22,605,000	10,923,669,588

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan ID	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
644	2008033	Public Sector Capacity Building Project	XDR	5,877,732	1,648,851,100	901,987	375,029,302	1,130,663,484	4,975,745	2,404,485,282		
645	2008034	Additional Financing for North East Housing Reconstructions Project	XDR	17,026,669	4,776,407,875	2,619,487	998,867,973	3,184,604,980	14,407,182	6,962,144,882		
646	2008035	Additional Financing for Education Sector Development Project	XDR	3,789,417	1,063,026,583	582,988	222,353,834	708,806,170	3,206,429	1,549,478,918		
647	2008036	Additional Financing for Road Sector Assistance Project	XDR	38,733,296	10,865,661,793	5,958,969	2,470,249,986	7,442,496,852	32,774,327	15,837,908,658		
648	2009014	Additional Financing for Health Sector Development Project	XDR	11,563,165	3,243,757,923	1,541,755	592,501,453	2,191,502,418	10,021,410	4,842,758,887		
649	2009020	Seconded Community Development Livelihood Improvement Project	XDR	36,160,410	10,143,902,591	4,821,388	1,998,673,652	6,999,080,733	31,339,022	15,144,309,672		
650	2010001	Provincial Roads Project	XDR	50,357,730	14,126,607,123	6,294,716	2,609,431,859	9,775,892,599	44,063,014	21,293,067,863		
651	2010002	Emergency Additional Financing for Community Livelihoods in Conflict Affected Areas	XDR	6,077,932	1,705,012,689	759,742	345,165,351	1,210,121,711	5,318,190	2,569,969,049		
652	2010003	Emergency Northern Recovery Project	XDR	32,716,325	9,177,750,451	4,089,541	1,695,291,320	6,351,185,526	28,626,784	13,833,644,657		
653	2010024	Higher Education for the Twenty First Century Project	XDR	19,780,124	5,548,820,992	2,472,515	1,203,897,653	4,018,827,483	17,307,609	8,363,750,822		
654	2010042	Sustainable Tourism Development Project	XDR	86,765	24,339,761	10,846	5,280,924	17,628,359	75,919	36,687,196		
655	2010043	North East Local Services Improvement Project - Pura Neguma	XDR	28,009,230	7,857,292,218	3,295,204	1,366,004,276	5,451,550,599	24,714,026	11,942,838,541		

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
656	2010044										
	Small & Medium Enterprises Development Facility Project	XDR	28,778,598	8,073,119,092			3,385,717	1,403,526,169	5,601,295,708	25,392,881	12,270,888,650
657	2011010										
	Second Additional Financing for Road Sector Assistance Project	XDR	46,663,369	13,090,246,224			5,184,819	2,524,550,976	9,478,453,239	41,478,550	20,044,148,488
658	2011037										
	2nd & 3rd Additional Financing for Community Livelihood in Conflict Affected Areas	XDR	28,781,386	8,073,901,300			3,029,620	1,475,158,443	5,845,574,402	25,751,766	12,444,317,259
659	2012004										
	Additional Financing for E-Sri Lanka Development Project	XDR	5,925,332	1,662,204,346			234,175	114,022,540	1,202,020,388	5,691,157	2,750,202,194
660	2012012										
	Transforming the School Education System as the Foundation of a Knowledge Hub Project	XDR	52,959,234	14,856,394,663			2,093,000	1,019,106,872	10,743,377,827	50,866,234	24,580,665,619
661	2013030										
	Second Health Sector Development Project	XDR	112,688,762	31,612,026,512			4,262,494	2,012,465,133	22,519,950,145	107,854,008	52,119,511,524
662	2014010										
	Climate Resilience Improvement Management- CRIP	XDR	62,787,288	17,613,410,225	1,188,861	339,542,076	2,343,189	1,140,926,869	12,971,566,262	61,632,959	29,783,591,694
663	2014019										
	Strategic Cities Development Project	XDR	42,438,109	11,904,954,653			1,526,384	582,043,779	8,447,323,552	40,911,725	19,770,234,426
664	2014020										
	Additional Financing for Dam Safety & Water Resources Planning Project	XDR	49,249,426	13,815,700,218			1,716,796	654,651,770	9,075,456,169	46,015,322	22,236,504,618
665	2014022										
	Skills Development Project-(Portion A)	XDR	31,203,372	8,753,329,009			1,122,993	428,314,195	6,220,364,903	30,099,621	14,545,379,716
666	2015028										
	Water Supply and Sanitation Improvement Project	XDR	95,970,646	26,922,175,120	7,436,186	2,863,184,339	3,874,200	1,850,376,014	20,163,295,320	99,532,633	48,098,278,765
667	2015030										
	Early Childhood Development Project	XDR	20,273,053	5,687,100,133	6,440,551	2,397,661,195	1,174,800	561,102,096	4,817,745,415	25,538,804	12,341,404,647
668	2015031										
	Additional Financing for North East Local Services Improvement Project(NELSIP)	XDR	13,596,012	3,814,022,691			469,325	224,156,740	2,715,786,636	13,048,663	6,305,652,586

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (83/43)

Loan Key	Project Name	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment		Closing Balance as at 31.12.2022	
		Loan Currency	Rs.	Loan Currency	Rs.	Loan Currency	Rs.	Rs.	Rs.	Loan Currency	Rs.
669	2016027	XDR	15,309,877	4,294,804,852	(1,362,985)	(648,952,937)	581,612	285,100,498	3,097,903,918	13,365,280	6,458,655,336
670	2016028	XDR	27,972,838	7,847,083,247			921,286	381,912,717	5,358,033,097	26,535,819	12,823,203,627
671	2016029	XDR	19,514,975	5,474,440,238	1,502,889	719,500,000	833,436	381,620,614	3,941,629,482	20,184,428	9,753,949,106
672	2016030	USD	100,000,000	20,043,380,000					16,267,620,000	100,000,000	36,311,000,000
673	2016043	XDR	45,472,190	12,756,090,434	359,713	114,117,861	2,685,000	1,024,069,996	9,004,226,769	43,146,902	20,850,365,067
674	2017001	XDR	42,155,488	11,825,672,518	6,248,155	1,788,242,382	2,943,600	1,405,907,499	9,760,162,886	45,460,043	21,968,170,287
675	2017017	XDR	11,561,600	3,243,318,993	12,838,400	4,438,440,649	805,200	392,061,620	4,112,283,803	23,594,800	11,401,981,825
676	2017023	XDR	19,864,421	5,572,468,691	10,192,707	3,904,743,516	2,138,227	1,009,528,129	5,026,955,177	27,925,261	13,494,639,254
677	2017024	XDR	5,802,283	1,627,684,002	2,233,332	631,233,378	1,385,000	674,549,759	1,629,482,188	6,650,615	3,213,851,809
678	2018033	USD	43,272,944	8,673,360,623	10,988,592	2,774,083,423	-	-	8,255,462,327	54,261,536	19,702,906,373
679	2019021	USD	29,729,065	5,958,709,541	8,150,000	2,819,006,605			4,976,551,277	37,879,065	13,754,267,423
680	2019027	USD	26,613,228	5,334,190,454	2,336,103	834,131,976			4,343,469,112	28,949,331	10,511,791,543
681	2020009	USD	81,377,056	16,310,712,505	8,624,446	1,732,358,963	-	-	14,637,373,906	90,001,502	32,680,445,373

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
682	20200015	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan	XDR	33,049,470	9,271,205,635					6,699,662,796	33,049,470	15,970,868,431
683	20200016	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness Non Concessional Loan	USD	35,503,925	7,116,186,675	3,027,967	711,907,261			6,163,221,619	38,531,893	13,991,315,555
684	2021007	Sri Lanka Integrated Watershed & Water Resources Management Project - Concessional Loan	XDR			5,733,341	1,926,107,300	-	-	844,479,733	5,733,341	2,770,587,033
685	2021008	Sri Lanka Integrated Watershed & Water Resources Management Project - Non Concessional Loan	USD			392,385	78,280,893	-	-	64,198,180	392,385	142,479,073
686	2021013	Second Additional Financing for the Covid 19 Emergency Response & Health System Preparedness Project	XDR	18,712,080	5,249,208,113					3,793,241,752	18,712,080	9,042,449,865
687	2021016	Kandy Multimodal Transport Terminal Development Project Non Concessional	USD			472,500	168,106,589			3,462,886	472,500	171,569,475
International Fund for Agricultural Development (IFAD)												
688	1978004	Kirindioya Irrigation & Settlement Project	USD	1,800,000	360,780,840			300,000	108,454,890	292,339,050	1,500,000	544,665,000
689	1981006	Anuradhapura Dry Zone Agricultural Project	XDR	844,922	237,021,812			93,876	43,696,507	169,611,140	751,046	362,936,446
690	1982004	Coconut Development Project	XDR	767,309	215,249,437			76,726	35,713,683	154,182,473	690,583	333,718,227
691	1982009	Kirindioya Irrigation & Settlement Project	XDR	967,609	271,438,587			87,964	33,571,924	187,214,130	879,645	425,080,793

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
692	1983004	Badulla, Rural Development Project	XDR	2,868,557	804,702,251		260,780	99,528,056	555,011,372	2,607,777	1,260,185,567
693	1986026	Kegalle Rural Development Project	XDR	2,164,831	607,289,378		154,630	59,015,353	423,138,025	2,010,201	971,412,051
694	1988088	Small Farmers & Landless Credit Project	XDR	1,720,794	482,725,908		104,292	39,803,590	338,238,146	1,616,502	781,160,464
695	1991033	2nd Badulla Integrated Rural Development	XDR	4,347,819	1,219,672,276		222,964	92,973,421	866,601,291	4,124,855	1,993,300,146
696	1992051	N-W Province Dry Zone Participatory Development Project	XDR	2,389,088	670,199,164		113,764	47,438,277	476,769,665	2,275,324	1,099,530,552
697	1995040	North/Central Province Participatory Rural Development Project	XDR	2,519,552	706,797,576		179,968	75,044,586	498,830,623	2,339,584	1,130,583,613
698	1999007	Matale Regional Economic Advancement Project	XDR	4,418,505	1,239,501,568		259,912	108,380,314	878,482,653	4,158,593	2,009,603,907
699	2004022	Dry Zone Livelihood Support & Partnership Programme	XDR	11,485,916	3,222,087,846		499,390	220,874,386	2,307,929,840	10,986,526	5,309,143,300
700	2005022	Post Tsunami Coastal Rehabilitation & Resource Mgt. Programme	XDR	7,362,225	2,065,288,780		313,300	150,789,320	1,491,832,007	7,048,925	3,406,331,467
701	2005023	Post Tsunami Livelihood Support & Partnership Programme	XDR	1,222,000	342,801,671		52,000	25,027,273	247,617,922	1,170,000	565,392,320
702	2007011	Smallholder Plantations Entrepreneurship Development Programme	XDR	11,530,821	3,234,684,889		462,104	204,383,220	2,318,559,824	11,068,717	5,348,861,493
703	2008025	Post Tsunami Coastal Rehabilitation & Resource Mgt. Programme II	XDR	8,752,317	2,455,244,593		357,240	171,937,367	1,773,540,682	8,395,077	4,056,847,908

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
704	2008026										
	Post Tsunami Livelihood Support & Partnership Programme II	XDR	1,308,328	367,018,905			53,402	25,702,046	265,115,213	1,254,926	606,432,072
705	2010009										
	National Agribusiness Development Programme	XDR	12,891,653	3,616,432,219			460,416	221,595,326	2,612,450,187	12,431,237	6,007,287,080
706	2012008										
	Iranamadu Irrigation Development Project	XDR	14,347,813	4,024,921,506			478,334	228,484,588	2,905,867,850	13,869,479	6,702,304,768
707	2016016										
	Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	XDR	12,484,064	3,502,093,434	2,953,352	1,154,245,134	922,500	440,648,238	2,798,516,861	14,514,917	7,014,207,191
708	2017014										
	Implementation of Smallholder Agribusiness Partnership (SAP) Programme- Loan No 2000001843	USD	21,932,669	4,396,048,214	2,834,078	910,594,782	1,839,500	665,411,944	3,683,881,766	22,927,247	8,325,112,818
709	2019010										
	Rathmalana-Moratuwa Wastewater Disposal Project- Stage I – Phase II	EUR	6,332,306	1,776,370,775	500,000	148,497,550			718,755,843	6,832,306	2,643,624,168
KBC Bank											
710	2014007										
	Implementation of Monaragala- Buttala Water Supply Project	EUR	5,088,775	1,154,444,631					814,555,157	5,088,775	1,968,999,788
Nordea Bank Finland											
711	1996008										
	2 nd Power Dist & Transm. Project (Anuradapura)	EUR	3,045,907	690,997,488			217,565	64,137,510	467,510,441	2,828,342	1,094,370,419
712	1999055										
	The Skills Development Project	EUR	5,197,546	1,179,120,422			305,738	90,130,731	803,797,480	4,891,808	1,892,787,171
713	1999056										
	Southern Transport Development Project	EUR	3,026,222	686,531,749			178,013	52,477,740	468,003,499	2,848,209	1,102,057,509
714	2000052										
	Secondary Education Modernization Project	EUR	4,033,479	915,038,944			218,026	64,273,435	625,547,544	3,815,453	1,476,313,053

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (834/3)

STATEMENT OF FOREIGN LOAN BALANCES (USD)												
Loan Key		Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
715	2019038	Strengthening of Health Delivery Service in the Northern Province under Financial Assistance of the Netherlands	EUR	25,412,501	5,765,105,428	14,063,427	4,228,656,748			5,280,658,819	39,475,928	15,274,420,996
OPEC Fund for International Development (OFID)												
				-	-					-	-	-
716	2003076	Road Sector Development Project	USD	754,707	151,268,790			503,040	154,496,386	94,610,400	251,667	91,382,804
717	2010037	National Highway Sector Project	USD	4,533,420	908,650,598			533,320	176,502,254	720,327,967	4,000,100	1,452,476,311
718	2010038	Kalu Ganga Development Project	USD	13,496,161	2,705,086,885			328,418	108,689,977	2,184,942,305	13,167,743	4,781,339,213
719	2012024	Road Network Development Project	USD	22,685,512	4,546,943,417	327,180	84,745,574	2,666,660	882,531,127	3,638,689,985	20,346,033	7,387,847,850
720	2013023	Colombo National Highways Project	USD	20,193,478	4,047,455,555	4,556,573	1,067,163,016	3,333,320	1,204,961,847	3,866,972,586	21,416,732	7,776,629,310
721	2015014	Western Province Road Development Project	USD	9,961,573	1,996,635,908	1,494,745	474,436,438	1,133,320	318,377,808	1,595,689,099	10,322,998	3,748,383,637
722	2015015	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	USD	33,347,730	6,684,012,155	759,822	191,628,154	4,000,000	1,123,699,600	5,180,412,449	30,107,552	10,932,353,158
723	2017030	Kalu Ganga Development Project (Additional Loan)	USD	16,090,369	3,225,053,896	517,771	115,024,804	600,000	217,740,000	2,690,377,364	16,008,141	5,812,716,064
724	2018023	Technological Education Development Programme	USD	761,310	152,592,216	1,169,264	312,627,874			235,790,479	1,930,574	701,010,569
Raiffeisen Zentral Bank												
				-	-					-	-	-
725	2008038	Upgrading of Technical Education (SLIATE) (Austria)	EUR	5,500,000	1,247,735,499					880,379,513	5,500,000	2,128,115,012
726	2012009	Development of Nuwara Eliya District General Hospital (Netherlands)	EUR	14,289,514	3,241,733,612			1,786,189	406,344,509	2,002,522,584	12,503,325	4,837,911,687

Notes to the Financial Statements contd...

NOTE 30(I) – STATEMENT OF FOREING LOAN BALANCES (83/43)												
Loan Key	Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
727	2016001	Implementation of the Kochchikade Bridge Enhancement and Upgrading of Technical	EUR	8,694,412	1,972,422,951					1,391,705,799	8,694,412	3,364,128,750
728	2017025	Training Institute of Engineering Technology at Katunayaka	EUR	9,500,000	2,155,179,499					1,520,655,500	9,500,000	3,675,834,999
729	2017029	Obtaining 100 Ambulance Cars for Government Hospitals	EUR	9,851,393	2,234,896,772					1,576,902,559	9,851,393	3,811,799,331
Riggs National Bank Washington												
730	1994046	Sri Lanka –USAID Housing Guarantee Loan	USD	1,500,000	300,650,700					244,014,300	1,500,000	544,665,000
731	1997067	Sri Lanka –USAID Housing Guarantee Loan	USD	4,500,000	901,952,101			375,000	75,750,000	671,626,650	4,125,000	1,497,828,751
732	1998049	US Housing Guarantee loan for Pvt. Sector	USD	2,008,024	402,475,783			115,212	26,441,094	311,264,058	1,892,812	687,298,746
Saudi Fund (SF)												
733	2002058	Development Health Facilities – Colombo Hospital	SAR	514,143	27,448,264			514,143	27,769,241	320,977	-	-
734	2004043	Baticoloo – Trincomalee Road Project	SAR	6,545,630	349,447,652			1,333,000	71,996,257	225,975,083	5,212,630	503,426,478
735	2008001	Epilepsy Hospital & Health Centers Project	SAR	41,952,627	2,239,699,742			1,875,000	101,270,053	1,732,195,416	40,077,627	3,870,625,105
736	2008002	Development of Health Facilities in Colombo Project (Additional Loan)	SAR	6,111,315	326,261,126			275,000	14,852,941	252,252,649	5,836,315	563,660,834
737	2010028	Kalu Ganga Development Project	SAR	103,428,315	5,521,665,372			5,750,000	310,561,497	4,222,491,924	97,678,315	9,433,595,799
738	2012025	Road Network Development Project (Saudi Fund)	SAR	154,617,054	8,254,447,892			7,500,000	405,080,214	6,451,257,441	149,238,555	14,413,190,999

Notes to the Financial Statements contd...

NOTE 30(ii) – STATEMENT OF FOREIGN LOAN BALANCES (834.3)

STATEMENT OF FOREIGN LOAN BALANCES (USD)											
Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
739	2015026	SAR	103,540,676	5,527,663,934	15,169,047	885,845,619	5,625,000	303,810,160	4,811,819,612	113,084,723	10,921,519,004
	Improvement of Peradeniya – Badulla - Chenkaladi Road Project										
740	2015027	SAR	35,652,119	1,903,338,267			1,500,000	80,691,498	1,475,703,375	34,152,119	3,298,350,144
	Epilepsy Hospital & Health Centers Project (Additional Finance)										
741	2017032	SAR	1,418,240	75,714,728	15,870,374	910,289,742			683,698,764	17,288,614	1,669,703,233
	Wayaba University Township Development Project										
742	2018024	SAR	47,300,036	2,525,178,642	6,379,381	451,932,348			2,207,150,464	53,679,417	5,184,261,455
	Kalu Ganga Development Project (Additional Finance)										
743	2019043	SAR	561,937	29,999,805	1,279,706	85,787,901			62,074,876	1,841,643	177,862,582
	Constriction of Faculty of Medicine Project at the Sabaragamuwa University										
Standard Chartered Bank (United Kingdom)											
	Establishment of Neonatal and Obstetrics Reference Center for the De Soya Maternity Hospital Project										
744	2019032	EUR	4,497,663	1,020,344,212					719,936,339	4,497,663	1,740,280,551
Uni Credit Bank Austria											
	Augmentation of Mahiyangana Water Supply Project										
745	2013004	EUR	7,803,715	1,770,358,532					1,249,132,816	7,803,715	3,019,491,348
746	2013006	EUR	2,000,880	453,921,639			95,280	21,949,739	305,361,910	1,905,600	737,333,809
	Supply of 2nos Cardiac Catheterization System to Cardiology Dep. of the NHSL										
	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area										
747	2013045	EUR	9,975,000	2,262,938,468					1,596,688,270	9,975,000	3,859,626,738
748	2018003	EUR	9,318,000	2,113,890,875	440,557	150,000,000			1,511,987,860	9,758,558	3,775,878,735
	Implementation of Kirama- Katuwana Integrated Water Supply Scheme										

Notes to the Financial Statements contd...

NOTE 30(II) – STATEMENT OF FOREIGN LOAN BALANCES (8343)

Loan Key	Project Name	Loan Currency	Loan Balance as at 01-01-2022		Borrowings Accounted During the Year		Repayments During the year		Parity Adjustment Rs.	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
749	2018017	EUR	4,928,000	1,117,971,008					788,820,032	4,928,000	1,906,791,040
	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Highways in SL										
750	2019008	EUR	9,801,150	2,223,498,690	515,850	115,808,531			1,652,649,589	10,317,000	3,991,956,810
	Supply of Freight Vehicles Equipment for the Colombo Municipal Council										
Erste Bank- Austria											
			-	-	-	-			-	-	-
751	2018016	EUR	8,620,618	1,955,681,920					1,379,893,632	8,620,618	3,335,575,552
	Upgrading of Operation Theatres Icu Equipment under a Strain Soft Scheme										
Sub Total				3,779,702,051,391		783,326,415,649		248,139,905,585	2,831,837,417,648		7,146,725,979,103
Export Import Bank of China (EIBC)											
752	2005045	USD					100,000,000				36,311,000,000
	Puttalam Coal Power Project – Preferential Buyer's Credit										
753	2006045	USD						45,894,728			16,664,834,769
	Puttalam Coal Power Project – Buyer's Credit Facility										
754	2009027	USD						445,500,000			161,765,505,000
	Puttalam Coal Power Project – Phase II										
755	2007044	USD						69,710,622			25,312,623,870
	Hambantota Port Development Project										
756	2012032	CNY						673,428,367			35,144,744,957
	Hambantota Port Development Project – Phase II										
757	2012033	USD						484,615,385			175,968,692,304
	Hambantota Port Development Project – Phase II										
758	2013014	CNY						632,576,921			33,012,797,846
	Hambantota Port Development Phase I for Ancillary Work and Supply of Equipment Project										
759	2010006	CNY						653,654,787			34,112,805,282
	Mattala Hambantota International Airport Project										
Grand Total											7,665,018,983,131

Notes to the Financial Statements contd...

Note – 30 (III) FOREIGN CURRENCY TERM FINANCING FACILITY (9190)

Loan Key	Project Name	Loan Currency	Balance as at 01.01.2022		Accounted during the year		Repayments		Parity	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
1 2018044	Foreign Currency Term Financing Facility	USD	909,100,000	182,214,367,580	-	-	-	-	147,888,933,420	909,100,000	330,103,301,000
2 2020008	Foreign Currency Term Financing Facility	USD	500,000,000	100,216,900,000	-	-	-	-	81,338,100,000	500,000,000	181,555,000,000
3 2021002	Foreign Currency Term Financing Facility	USD	500,000,000	100,216,900,000	-	-	-	-	81,338,100,000	500,000,000	181,555,000,000
4 2021026	Foreign Currency Term Financing Facility	CNY	2,000,000,000	62,872,400,000	-	-	-	-	41,503,200,000	2,000,000,000	104,375,600,000
Total			3,909,100,000	445,520,567,580	-	-	-	-	352,068,333,420	3,909,100,000	797,588,901,000

Note – 30 (IV) INTERNATIONAL SOVEREIGN BOND (9194)

Loan Key	Project Name	Loan Currency	Balance as at 01.01.2022		Accounted during the year		Repayments		Parity	Closing Balance as at 31.12.2022	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
1 2012018	International Sovereign Bond	USD	1,000,000,000	200,433,800,000	-	-	-	-	162,676,200,000	1,000,000,000	363,110,000,000
2 2015008	International Sovereign Bond	USD	650,000,000	130,281,970,000	-	-	-	-	105,739,530,000	650,000,000	236,021,500,000
3 2015029	International Sovereign Bond	USD	1,500,000,000	300,650,700,000	-	-	-	-	244,014,300,000	1,500,000,000	544,665,000,000
4 2016024	International Sovereign Bond	USD	1,000,000,000	200,433,800,000	-	-	-	-	162,676,200,000	1,000,000,000	363,110,000,000
5 2016026	International Sovereign Bond	USD	500,000,000	100,216,900,000	-	-	500,000,000	100,489,900,000	273,000,000	-	-
6 2017012	International Sovereign Bond	USD	1,500,000,000	300,650,700,000	-	-	-	-	244,014,300,000	1,500,000,000	544,665,000,000
7 2018013	International Sovereign Bond	USD	1,250,000,000	250,542,250,000	-	-	-	-	203,345,250,000	1,250,000,000	453,887,500,000
8 2018014	International Sovereign Bond	USD	1,250,000,000	250,542,250,000	-	-	-	-	203,345,250,000	1,250,000,000	453,887,500,000
9 2019013	International Sovereign Bond	USD	1,000,000,000	200,433,800,000	-	-	-	-	162,676,200,000	1,000,000,000	363,110,000,000
10 2019014	International Sovereign Bond	USD	1,400,000,000	280,607,320,000	-	-	-	-	227,746,680,000	1,400,000,000	508,354,000,000
11 2019033	International Sovereign Bond	USD	500,000,000	100,216,900,000	-	-	-	-	81,338,100,000	500,000,000	181,555,000,000
12 2019034	International Sovereign Bond	USD	1,500,000,000	300,650,700,000	-	-	-	-	244,014,300,000	1,500,000,000	544,665,000,000
Total			13,050,000,000	2,615,661,090,000	-	-	500,000,000	100,489,900,000	2,041,859,310,000	12,550,000,000	4,557,030,500,000

Notes to the Financial Statements contd...

Note – 31 (I) – DEPOSIT ACCOUNTS BALANCES AS AT 31ST DECEMBER 2022 (6000 & 6003)

Category	Opening Balances as at 01.01.2022	Debits	Credits	Closing Balance as at 31.12.2022
6000/01	8,757,931,102	709,850,461	1,150,436,740	9,198,517,381
6000/02	693,354,327	821,949,558	676,408,164	547,812,934
6000/03	(929,023)	–	–	(929,023)
6000/04	–	–	–	–
6000/05	1,034	–	–	1,034
6000/06	22,581,109,497	8,484,469,854	10,239,798,427	24,336,438,070
6000/07	1,000,000,000	–	–	1,000,000,000
6000/08	493,956,379	49,687,109	54,452,526	498,721,797
6000/09	–	–	–	–
6000/10	1,657,743,026	3,361,782,171	4,223,485,989	2,519,446,845
6000/11	1,046,832,317	1,043,243,084	4,652,538,675	4,656,127,908
6000/12	–	–	–	–
6000/13	12,656,386,421	136,886,985,932	153,605,937,019	29,375,337,507
6000/14	1,551,869,877	15,357,650,349	15,057,821,763	1,252,041,291
6000/15	158	158	–	–
6000/16	13,208,754,472	5,160,845,376	3,700,240,275	11,748,149,370
6000/17	3,172,799,933	5,167,828,688	4,757,808,623	2,762,779,868
6000/18	14,793,847,579	26,158,986,986	24,152,184,587	12,787,045,180
6000/19	351,366,305	206,176,995	199,880,269	345,069,579
6000/20	358,118,821	1,124,680,324	901,329,100	134,767,597
6000/286	–	–	–	–
6000/130/43	–	13,322	13,322	–
6000/180/12	–	–	–	–
Sub Total	82,323,142,224	204,534,150,367	223,372,335,479	101,161,327,336
6003/1	(10,000,000)	–	–	(10,000,000)
6003/15	–	–	–	–
6003/54	–	–	–	–
6003/63	–	–	–	–
Sub Total	(10,000,000)	–	–	(10,000,000)
Grand Total	82,313,142,224	89,076,256,302	68,082,191,295	101,151,327,336

Explanatory Notes

Note 16 – Statement of Non-Current Assets

As stated in the Statement of Financial Position as at 31st December 2022, 18 Special Spending Units, 29 Government Ministries, 95 Departments and 25 District Secretariats have reported non-financial assets at cost or revalued amount amounting to Rs. 2,093,287,997,715.84. 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 2023.

Note 30(II) – Foreign Loan Balances (8343)

Foreign loans are included the loans outstanding as at 31.12.2022 which were recorded in the CS-DRMS cutoff date 18.01.2023.

Schedule IV – Total Revenue and Expenditure of Provincial Councils

Total Revenue of Rs. 69,987,296,980 and Total Expenditure of Rs. 355,442,370,463 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 2022 for accounting of accumulated discount value of the Treasury bonds issued prior to 2016.

Defunct Institutions

Institutions namely Common Wealth Games Hambanthota (Pvt) Limited, Lanka Cement Limited, Lanka Fabrics Limited, Mihin Lanka (Pvt) Limited, Sri Lanka Cement Corporation, State Resource Management Corporation Limited and State Trading Corporative Wholesale Company Limited 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...

SCHEDULE I – STATEMENT OF CONTINGENT LIABILITIES

SCHEDULE I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
1	Urban Development Authority	National Savings Bank				2,770.00	6-Nov-09	5-Nov-24		492.00
2	Road Development Authority	Commercial Bank				829.25	1-Sep-11	31-Mar-30		829.25
3	General Sir John Kotelawala Defence University	Bank of Ceylon				85.00	29-Aug-11	31-Dec-26		23.10
4	Road Development Authority	People's Bank				1,291.08	14-Mar-12	20-Apr-30		1,291.08
5	Road Development Authority	People's Bank				785.39	21-Mar-12	28-Apr-30		785.39
6	Road Development Authority	People's Bank				4,647.57	21-Mar-12	02-May-30		4,647.57
7	Road Development Authority	People's Bank				1,656.01	21-Mar-12	02-May-30		1,656.01
8	Road Development Authority	National Savings Bank				1,600.33	31-Dec-20	01-Apr-32		1,600.33
9	Road Development Authority	Commercial Bank				840.62	15-Nov-12	31-Mar-30		840.62
10	Road Development Authority	Commercial Bank				873.27	26-Dec-12	31-Mar-30		873.27
11	Road Development Authority	Hatton National Bank				1,386.37	28-Dec-12	01-Apr-32		1,386.37
12	Road Development Authority	National Savings Bank				891.41	31-Dec-20	01-Apr-32		891.41
13	Road Development Authority	DFCC Bank				367.32	31-Dec-12	31-Mar-30		367.32
14	Road Development Authority	Hatton National Bank				2,283.87	14-May-13	01-Apr-32		2,283.87
15	General Sir John Kotelawala Defence University	Bank of Ceylon				750.00	7-Jun-13	30-Jun-28		183.16
16	Road Development Authority	Hatton National Bank				1,301.55	11-Jul-13	01-Apr-34		1,301.55
17	Road Development Authority	Hatton National Bank				1,323.38	11-Jul-13	01-Apr-34		1,323.38
18	Road Development Authority	Hatton National Bank				734.21	5-Aug-13	01-Apr-34		734.21

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
19	Road Development Authority	Secure the Loan Facility				5-Aug-13	01-Apr-34	1,769.27		1,769.27
20	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	1,541.38		1,541.38
21	Road Development Authority	Secure the Loan Facility				30-Aug-13	01-Apr-34	1,147.84		1,147.84
22	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-32	325.86		325.86
23	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	1,178.22		1,178.22
24	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	1,510.58		1,510.58
25	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	2,538.76		2,538.76
26	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	1,214.30		1,214.30
27	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-32	1,062.50		1,062.50
28	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	1,196.73		1,196.73
29	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	2,556.02		2,556.02
30	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	838.28		838.28
31	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	1,018.01		1,018.01
32	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	357.14		357.14
33	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	4,786.43		4,786.43
34	Road Development Authority	Secure the Loan Facility				28-Nov-13	01-Apr-34	1,292.84		1,292.84
35	National School of Business Management Limited	Secure the Loan Facility				18-Dec-13	31-Dec-28	8,600.00		7,145.00
36	Road Development Authority	Secure the Loan Facility				27-Dec-13	31-Mar-32	529.19		529.19
37	Road Development Authority	Secure the Loan Facility				27-Dec-13	01-Apr-34	1,492.31		1,492.31

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
38	Road Development Authority	National Savings Bank	Secure the Loan Facility			2,935.67	31-Dec-20	01-Apr-34		2,935.67
39	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			4,282.29	11-Feb-14	01-Apr-34		4,282.29
40	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			560.41	13-Feb-14	01-Apr-34		560.41
41	Road Development Authority	National Savings Bank	Secure the Loan Facility			5,217.03	31-Dec-20	01-Apr-34		5,217.03
42	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			693.93	14-Mar-14	01-Apr-34		693.93
43	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,350.00	31-Dec-20	01-Apr-34		1,350.00
44	Road Development Authority	National Development Bank PLC	Secure the Loan Facility			376.74	25-Mar-14	01-Apr-34		376.74
45	Road Development Authority	Hutton National Bank	Secure the Loan Facility			401.65	25-Mar-14	01-Apr-34		401.65
46	Road Development Authority	Commercial Bank	Secure the Loan Facility			544.11	3-Apr-14	31-Mar-34		544.11
47	Road Development Authority	National Savings Bank	Secure the Loan Facility			2,397.94	31-Dec-20	01-Apr-34		2,397.94
48	Road Development Authority	National Savings Bank	Secure the Loan Facility			677.25	31-Dec-20	01-Apr-34		677.25
49	Road Development Authority	National Savings Bank	Secure the Loan Facility			1,113.19	31-Dec-20	01-Apr-34		1,113.19
50	Road Development Authority	National Savings Bank	Secure the Loan Facility			947.84	31-Dec-20	01-Apr-34		947.84
51	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			713.50	31-Dec-20	01-Apr-35		713.50
52	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,279.16	31-Dec-20	01-Apr-35		1,279.16
53	Road Development Authority	National Savings Bank	Secure the Term Loan Facility			1,718.35	31-Dec-20	01-Apr-35		1,718.35

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
54	Road Development Authority	Secure the Term Loan Facility				15-Jul-14	31-Mar-34	1,668.68		1,668.68
55	Road Development Authority	Secure the Term Loan Facility				31-Dec-20	01-Apr-35	1,451.49		1,451.49
56	Road Development Authority	Secure the Term Loan Facility				31-Dec-20	01-Apr-35	319.76		319.76
57	Road Development Authority	Secure the Term Loan Facility				31-Dec-20	01-Apr-34	1,059.03		1,059.03
58	Road Development Authority	Secure the Term Loan Facility				31-Dec-20	01-Apr-34	787.27		787.27
59	Road Development Authority	Secure the Term Loan Facility				31-Dec-20	01-Apr-35	1,229.27		1,229.27
60	Road Development Authority	Secure the Loan Facility				31-Dec-20	01-Apr-34	744.83		744.83
61	Road Development Authority	Secure the Loan Facility				26-Aug-14	01-Apr-34	385.83		385.83
62	Road Development Authority	Secure the Term Loan Facility	44.71			22-Sep-14	30-Sep-27	19.40		
63	Road Development Authority	Secure the Term Loan Facility				31-Dec-20	01-Apr-35	1,108.00		1,108.00
64	Sri Lanka Land Reclamation & Development Corporation	Secure the Loan Facility				26-Sep-14	31-Oct-28	2,000.00		1,734.58
65	Sri Lanka Land Reclamation & Development Corporation	Secure the Loan Facility				13-Jul-15	31-Oct-28	1,500.00		
66	National Water Supply & Drainage Board	Secure Term Loan Facility				12-Nov-14	31-May-29	1,148.06		1,002.99

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
67	National Water Supply & Drainage Board	Secure Short Term Loan Facility				14-Nov-14	30-Nov-29	2,792.07		2,557.05
68	National Water Supply & Drainage Board	Secure Term Loan Facility				9-Dec-14	31-Dec-29	2,800.00		2,215.39
69	National Water Supply & Drainage Board	Secure Term Loan Facility				9-Dec-14	31-Dec-29	2,900.00		2,458.39
70	National Water Supply & Drainage Board	Secure Term Loan Facility				30-Dec-14	30-Jun-29	3,041.00		4,001.25
71	National Water Supply & Drainage Board	Secure Term Loan Facility				31-May-16	30-Jun-29	1,870.50		
72	Airport & Aviation Services (Sri Lanka) Limited	Loan Facility		28,969.00		28-Mar-12	28-Mar-52		15,909.77	
73	Airport & Aviation Services (Sri Lanka) Limited	Loan- SLP 114		45,428.00		9-May-16	09-May-56		-	
74	National Water Supply & Drainage Board	Secure the Loan Facility				28-Jul-14	31-Jan-30	1,500.00		2,359.87
75	National Water Supply & Drainage Board	Secure the Loan Facility				3-Jun-16	31-Jan-30	1,500.00		
76	Ceylon Electricity Board	Secure Term Loan Facility				29-Apr-15	30-Apr-23	3,850.08		-
77	National Water Supply & Drainage Board	Secure Term Loan Facility				29-Sep-15	31-Dec-30	1,074.13		1,584.03
78	National Water Supply & Drainage Board	Secure the Term Loan Facility				21-Feb-19	31-Dec-30	2,506.30		
79	National Water Supply & Drainage Board	Secure Term Loan Facility				28-Jan-16	30-Jul-30	1,015.00		1,257.18
80	National Water Supply & Drainage Board	Secure Term Loan Facility				22-Jan-21	30-Jul-30	485.03		
81	National Water Supply & Drainage Board	Secure Term Loan Facility				4-Mar-16	15-Sep-30	2,890.00		2,895.47
82	National Water Supply & Drainage Board	Secure Term Loan Facility				29-Jan-21	15-Sep-30	847.66		

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
83	National Water Supply & Drainage Board	Secure Term Loan Facility				4-Mar-16	15-Sep-30	948.00		980.83
84	National Water Supply & Drainage Board	Secure the Term Loan Facility				16-Nov-20	15-Sep-30	33.00		
85	Telecommunications Regulatory Commission of Sri Lanka	Buyers Credit Loan	88.66			18-May-13	31-Jul-26	14.06		
86	National Water Supply & Drainage Board	Secure Term Loan Facility				29-Sep-15	31-Mar-30	3,014.83		6,605.82
87	National Water Supply & Drainage Board	Secure Term Loan Facility				24-May-16	31-Mar-30	3,936.67		
88	National Water Supply & Drainage Board	Secure the Loan Facility				7-Oct-19	31-Mar-30	1,141.36		
89	National Water Supply & Drainage Board	Secure the Loan Facility				29-Jul-16	31-Jan-31	300.00		292.46
90	National Water Supply & Drainage Board	Secure the Term Loan Facility				21-Feb-19	31-Jan-31	454.79		
91	National Water Supply & Drainage Board	Secure the Loan Facility				29-Jul-16	31-Jul-31	397.00		340.06
92	National Water Supply & Drainage Board	Secure Term Loan Facility				16-Aug-16	11-Jul-31	937.87		2,796.90
93	National Water Supply & Drainage Board	Secure the Total Term Loan Facility				6-Nov-17	11-Jul-31	1,358.98		
94	National Water Supply & Drainage Board	Secure the Term Loan Facility				4-Jan-19	11-Jul-31	829.40		
95	National Water Supply & Drainage Board	Secure the Term Loan Facility	29.10			31-Aug-16	28-Feb-31			4,414.47
96	National Water Supply & Drainage Board	Secure the Term Loan Facility	16.20			31-Aug-16	28-Feb-31			2,308.75
97	National Water Supply & Drainage Board	Sovereign Guarantee	164.90			28-Sep-16	28-Sep-31		91.58	
98	National Water Supply & Drainage Board	Sovereign Guarantee	91.80			28-Sep-16	28-Sep-31		60.80	

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
99	National Water Supply & Drainage Board	China Development Bank	48.77			9-Sep-16	20-Mar-32	150.08		
100	National Water Supply & Drainage Board	Bank of Ceylon	34.43			28-Nov-16	28-Nov-31			5,184.40
101	National Water Supply & Drainage Board	Hatton National Bank		23.42		9-Dec-16	14-Dec-30			3,055.02
102	National Water Supply & Drainage Board	People's Bank				13-Feb-17	13-Feb-32			560.97
103	Airport & Aviation Services (Sri Lanka) Limited	Hongkong & Shanghai Banking Co.Ltd.	44.14			1-Mar-17	01-Mar-32	29.50		
104	Road Development Authority	National Savings Bank				31-Dec-20	1-Apr-35			11,200.00
105	Road Development Authority	National Savings Bank				31-Dec-20	01-Apr-35	7,500.00		7,500.00
106	National Water Supply & Drainage Board	Bank of Ceylon	9.67			19-Oct-17	23-Oct-32			1,559.78
107	National Water Supply & Drainage Board	Bank of Ceylon	18.10			19-Oct-17	23-Oct-32			3,047.87
108	National Water Supply & Drainage Board	China Development Bank	13.70			21-Aug-17	21-Aug-42	40.50		
109	Road Development Authority	Sampath Bank				20-Dec-17	31-Dec-32	14,500.00		13,181.82
110	Ceylon Electricity Board	Asian Development Bank	90.00			29-Jun-17	15-May-41	48.88		
111	Ceylon Electricity Board	Asian Development Bank	150.00			10-Jul-17	15-Nov-41	98.60		

Notes to the Financial Statements contd...

SCHEDULE I – STATEMENT OF CONTINGENT LIABILITIES
SCHEDULE I (a) – STATEMENT OF BANK GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
112	Road Development Authority	Secure the Total Term Loan Facility				24-Jan-18	31-Jan-33	1,387.00		1,051.18
113	National Water Supply & Drainage Board	Sovereign Guarantee		50.6		28-Mar-18	31-Aug-29		34.76	
114	National Water Supply & Drainage Board	Secure the Term Loan Facility		7.62		6-Apr-18	10-Apr-33			1,192.49
115	State Development and Construction Corporation	Secure the Loan Facility				8-Jun-18	11-Jun-33	1,126.81		990.60
116	State Engineering Corporation	Secure the Term Loan Facility				30-Jun-18	30-Jun-33	1,280.26		1,999.99
117	State Engineering Corporation	Secure the Term Loan Facility				22-Oct-18	30-Jun-33	719.74		
118	Ceylon Electricity Board	Sovereign Guarantee	160.00			22-Nov-17	15-Sep-37	132.50		
119	National Water Supply & Drainage Board	Secure the Term Loan Facility				13-Jul-18	31-Jul-33	128.32		128.32
120	State Engineering Corporation	Secure the Term Loan Facility				6-Aug-18	8-Aug-28	300.00		300.00
121	Ceylon Petroleum Corporation	Secure the Term Loan Facility	7.73			31-Aug-18	15-Sep-31	6.95		
122	State Printing Corporation	Secure the Loan Facility				7-Sep-18	15-Sep-23	185.00		24.63
123	Ceylon Shipping Corporation Ltd	Secure the Loan Facility	71.91			7-Sep-18	3-Jun-34	53.71		
124	Road Development Authority	Secure the Term Loan Facility				13-Aug-18	15-Aug-33	10,000.00		22,000.00
125	Road Development Authority	Secure the Term Loan Facility				3-Sep-18	15-Aug-33	5,766.52		

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
126	Road Development Authority	Secure the Term Loan Facility				11-Sep-18	15-Aug-33			
								4,150.00		
127	Road Development Authority	Secure the Term Loan Facility				17-Sep-18	15-Aug-33			
								1,854.99		
128	Road Development Authority	Secure the Term Loan Facility				9-Apr-19	15-Aug-33			
								228.49		
129	National Water Supply & Drainage Board	Secure the Term Loan Facility				25-Sep-18	15-Sep-33			
								382.24		382.24
130	Building Materials Corporation Ltd	Secure the Term Loan Facility				22-Oct-18	19-Oct-33			
								500.00		500.00
131	Road Development Authority	Secure the Term Loan Facility				12-Dec-18	20-Dec-33			
								5,000.00		9,000.00
132	Road Development Authority	Secure the Term Loan Facility				28-Dec-18	20-Dec-33			
								4,000.00		
133	National Water Supply & Drainage Board	Secure the Commercial Loan			12.3	12-Dec-18	4-Jul-23		3.86	
134	National Water Supply & Drainage Board	Secure the Export Credit Facility			70.7	12-Dec-18	03-Oct-33		57.33	
135	Road Development Authority	Secure the Term Loan Facility				14-Feb-19	12-Mar-34			
								5,000.00		5,000.00
136	National Water Supply & Drainage Board	Term Loan Facility				25-Jul-17	26-Jul-35			
								4,500.00		
137	National Water Supply & Drainage Board	Secure the Term Loan Facility				18-Feb-19	26-Jul-35			
								6,500.00		12,033.56
138	National Water Supply & Drainage Board	Term Loan Facility				16-Feb-21	26-Jul-35			
								4,000.00		

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 31.12.2022										
Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.		USD Mn.	Euro Mn.	J.Yen Mn.
139	National Water Supply & Drainage Board	Secure the Term Loan Facility				603.00	21-Feb-19	31-Jul-31		387.68
140	Airport & Aviation Services (Sri Lanka) Limited	Secure the Debenture				4,000.00	22-Mar-19	21-Mar-34		4,000.00
141	Road Development Authority	Secure the Term Loan Facility				10,000.00	4-Apr-19	15-Apr-34		23,958.33
142	Road Development Authority	Secure the Term Loan Facility				5,000.00	7-May-19	15-Apr-34		
143	Road Development Authority	Secure the Term Loan Facility				5,000.00	6-Jun-19	15-Apr-34		
144	Road Development Authority	Secure the Term Loan Facility				5,000.00	21-Jun-19	15-Apr-34		
145	Ceylon Petroleum Corporation	Sovereign Guarantee	43.78				26-Jun-19	31-Jan-31	24.89	
146	Sri Lankan Airlines Limited	Sovereign Guarantee	175.00				26-Jun-19	25-Jun-24	175.00	
147	Ceylon Electricity Board	Loan Facility	41.97				2-Jul-19	23-Apr-26	26.53	
148	Ceylon Electricity Board	Secure the Term Loan Facility				5,000.00	24-Feb-20	28-Feb-23		4,820.00
149	Ceylon Electricity Board	Secure the Term Loan Facility				10,000.00	26-Mar-20	7-Apr-23		9,133.33
150	Sri Lanka Rupavahini Corporation	Secure the Long Term Loan Facility				200.00	10-Jun-20	15-Jun-24		93.02

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
151	National Water Supply & Drainage Board	National Savings Bank				30-Jun-20	15-Jul-35	15,000.00		15,000.00
152	National Water Supply & Drainage Board	Secure the Term Loan Facility								
153	National Water Supply & Drainage Board	Secure the Term Loan Facility				9-Jul-20	15-Jul-35	2,500.00		5,041.77
154	General Sir John Kotelawala Defence University	Secure the Term Loan Facility				25-Aug-20	15-Jul-35	3,351.94		
155	National Water Supply & Drainage Board	Secure the Loan Facility	44.00			23-Jul-20	17-Sep-33	26,907.85		35,463.29
156	National Paper Corporation	Secure the Term Loan Facility				31-Jul-20	15-Aug-35	2,874.69		1,362.84
157	Road Development Authority	Working Capital Facility				22-Oct-20	31-Dec-35	40.00		27.69
158	Ceylon Electricity Board	Secure the Term Loan Facility				22-Oct-20	30-Jun-35	10,000.00		10,000.00
159	National Water Supply & Drainage Board	Secure the Term Loan Facility				26-Nov-20	15-Dec-28	5,000.00		5,000.00
160	Road Development Authority	Secure the Term Loan Facility				9-Dec-20	15-Dec-35	15,000.00		15,000.00
161	Road Development Authority	Secure the Term Loan Facility				30-Dec-20	31-Dec-35	10,000.00		10,000.00
162	National Water Supply & Drainage Board	Secure the Term Loan Facility				5-Jan-21	01-Jan-36	10,000.00		10,000.00
163	National Water Supply & Drainage Board	Secure the Term Loan Facility				20-Jan-21	15-Jul-29	968.36		815.01
164	National Water Supply & Drainage Board	Secure the Term Loan Facility				10-Feb-21	1-Jul-31	6,046.03		5,727.82
165	National Water Supply & Drainage Board	Secure the Term Loan Facility				11-Feb-21	1-Jan-31	1,471.36		1,389.62

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
165	National Water Supply & Drainage Board	National Savings Bank				11-Feb-21	31-May-29	710.61		710.61
166	Road Development Authority	National Savings Bank				19-Feb-21	20-Feb-36	5,000.00		10,000.00
167	Road Development Authority	National Savings Bank				15-Mar-21	20-Feb-36	5,000.00		
168	Ceylon Electricity Board	National Savings Bank				24-Feb-21	31-Dec-22	2,500.00		625.00
169	Ceylon Electricity Board	People's Bank				3-Mar-21	26-Jun-29	6,500.00		4,231.06
170	Bank of Ceylon & People's Bank	Asian Infrastructure Investment Bank (AIIB)	180.00			21-Mar-21	21-Mar-27	180.00		
171	Road Development Authority	Bank of Ceylon				9-Jun-21	10-Jun-36	10,000.00		10,000.00
172	National Paper Corporation	People's Bank				25-Jun-21	30-Jun-26	100.00		63.81
173	Sri Lanka Insurance Corporation	Sri Lanka Insurance Corporation	12.00			22-Aug-22	24-Sep-23	12.00		
174	Road Development Authority	National Savings Bank				15-Jul-21	15-Jul-36	3,250.00		3,250.00
175	Sri Lankan Airlines Limited	Bank of Ceylon	30.00			4-Jul-22	15-Jul-23	-		
176	Sri Lankan Airlines Limited	People's Bank	30.00			4-Jul-22	31-Jul-23			2,357.90
177	Road Development Authority	National Savings Bank				29-Jul-21	30-Jul-36	10,000.00		10,000.00
178	Northsea Limited	Sri Lanka Savings Bank				22-Sep-21	15-May-26	60.00		59.33
179	Ceylon Fisheries Corporation	Bank of Ceylon				28-Sep-21	31-Mar-22	50.00		8.62

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
180	Road Development Authority	National Savings Bank				13-Oct-21	11-Oct-36			
		For Debenture								
										10,000.00
181	Sri Lanka State Plantation Corporation	People's Bank				15-Oct-21	15-Oct-22			
		Secure the Loan Facility								100.00
182	Road Development Authority	Bank of Ceylon				1-Nov-21	1-Nov-36			
		Secure the Term Loan Facility								360.66
183	Road Development Authority	National Savings Bank				9-Nov-21	11-Oct-36			
		For Debenture								
										11,800.00
184	Road Development Authority	Bank of Ceylon				12-Nov-21	25-Jun-35			
		Secure the Term Loan Facility								11,000.00
185	Road Development Authority	Bank of Ceylon				12-Nov-21	14-Jul-35			
		Secure the Term Loan Facility								14,000.00
186	Road Development Authority	People's Bank				12-Nov-21	15-Jul-35			
		Secure the Term Loan Facility								25,000.00
187	Road Development Authority	People's Bank				12-Nov-21	25-Aug-35			
		Secure the Term Loan Facility								
188	Janatha Estates Development Board	Bank of Ceylon				25-Nov-21	2-Dec-26			
		Working Capital Facility								180.31
189	Techno Park Development Company Private Limited	National Savings Bank				30-Nov-21	29-Nov-26			
		Secure the Term Loan Facility								750.00
190	National Water Supply & Drainage Board	National Savings Bank				2-Dec-21	31-May-36			
		Working Capital Facility								2,000.00
191	Ceylon Fisheries Corporation	Bank of Ceylon				3-Dec-21	15-Aug-22			
		Secure the Term Loan Facility								150.00
192	Ceylon Fisheries Corporation	Bank of Ceylon				29-Dec-21	15-Oct-22			
		Secure the Term Loan Facility								
193	Northsea Limited	Bank of Ceylon				4-Jan-22	31-Dec-22			
		Secure Term Loan Facility								8.63
194	Road Development Authority	Bank of Ceylon				10-Jan-22	31-Mar-30			
		Secure the Loan Facility								1,433.67

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
195	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-30	2,063.00		1,604.16
196	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-30	2,007.64		1,473.59
197	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-34	315.56		1,378.00
198	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	1,413.16		
199	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	354.58		1,473.59
200	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	1,494.31		
201	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	670.75		3,061.52
202	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	3,139.25		
203	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	385.64		1,565.50
204	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	1,636.31		
205	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	299.25		1,330.00
206	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	1,363.75		
207	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	3,330.95		2,716.93
208	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-32	2,173.92		1,761.35
209	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-34	1,253.93		987.57
210	Road Development Authority	Secure the Loan Facility				10-Jan-22	31-Mar-34	2,249.99		1,707.99
211	Road Development Authority	Secure the Term Loan Facility				10-Jan-22	31-Mar-34	1,894.95		1,671.11
212	Road Development Authority	Secure the Term Loan Facility				10-Jan-22	31-Mar-35	2,123.65		1,884.57

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees			Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022		
			USD Mn.	Euro Mn.	J.Yen Mn.			USD Mn.	Euro Mn.	J.Yen Mn.
213	Road Development Authority	Secure Term Loan Facility				10-Jan-22	31-May-35			1,045.18
214	Road Development Authority	Secure Term Loan Facility				10-Jan-22	31-May-35			
215	Paddy Marketing Board	Secure the Term Loan Facility				3-Mar-22	15-Feb-23			759.08
216	Lanka Coal Company (Pvt) Ltd	To Open the Letter's of Credit to Facilitate the Coal Imports				22-Mar-22	22-Oct-22			-
217	Techno Park Development Company Private Limited	Secure the Term Loan Facility				29-Mar-22	28-Feb-29			750.00
218	State Engineering Corporation	Short Term Loan Facility				30-Mar-22	15-May-23			100.00
219	Urban Development Authority	Secure the Credit Facilities				21-Apr-22	14-Sep-22			2,189.88
220	Northsea Limited	Secure the Loan Facility				30-May-22	20-May-23			28.77
221	Sri Lankan Airlines Limited	Secure the Loan Facility	7.50			16-Jun-22	7-May-23			1,387.50
222	Sri Lankan Airlines Limited	Secure the Loan Facility	5.00			16-Jun-22	15-May-23	5.00		
223	Reigenoal Development Bank	Secure the Term Loan Facility	50.00			14-Jun-19	31-Dec-22	50.00		
224	Ceylon Electricity Board	Secure the Term Loan Facility	12.30			15-Jul-13	-	5.07		
225	Litro Gas Lanka Limited	Working Capital Facility				8-Sep-22	31-Dec-23			-
226	State Printing Corporation	Secure the Credit Facilities				27-Sep-22	15-Sep-24			964.94
227	National Water Supply & Drainage Board		102.54			4-Oct-17	-	35.64		

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 31.12.2022

Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022			
			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
228	Ceylon Petroleum Corporation	Secure the Foreign Currency Loans				100,000.00	11-Nov-22	31-Dec-23				87,749.00
229	Sri Lankan Airlines Limited	Secure the Term Loan Facility				1,351.90	14-Nov-22	11-Nov-23				1,351.89
230	Sri Lankan Airlines Limited	Secure the Term Loan Facility	5.38			-	14-Nov-22	11-Nov-23	5.38			
231	Lanka Coal Company (Pvt) Ltd	To Open the Letter's of Credit to Facilitate the Coal Imports				13,000.00	18-Nov-22	31-Aug-23				2,080.28
232	Lanka Coal Company (Pvt) Ltd	To Open the Letter's of Credit to Facilitate the Coal Imports				7,000.00	18-Nov-22	31-Aug-23				
233	Lanka Coal Company (Pvt) Ltd	To Open the Letter's of Credit to Facilitate the Coal Imports				8,000.00	18-Nov-22	31-Aug-23				
234	Lanka Sathosa Limited	Short Loan Facility				2,241.00	18-Nov-22	31-Dec-23				2,237.46
235	Paddy Marketing Board	Secure Short Term Loan Facility				500.00	22-Nov-22	15-Jan-23				-
Total in Issued Currency			1,823.27	164.59	74,397.00	715,173.91			1,266.07	95.95	15,909.77	627,242.01
CBSL Exchange Rates - As at 31.12.2022			371.6068	397.9840	2.8155				371.61	397.98	2.82	
Total in Rupees			677,541	65,506	209,465	715,174			470,479.75	38,184.97	44,793.96	627,242.01
Grand Total						1,667,685.18						1,180,700.69

Notes to the Financial Statements contd...

SCHEDULED 1 (b) – STATEMENT OF LETTERS OF COMFORT ISSUED TO LOCAL BANKS AND THE LIABILITIES AS AT 31ST DECEMBER 2022

	Institution	Bank or Institution	LC Amount		Date of Issue	Date of Expiry	Outstanding Amount – Capital as at 31.12.2022	
			USD Mn	Rs. Mn			USD 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		1,200.00
5	Lanka Sathosa Limited	People's Bank		3,000.00	26-Aug-21	31-Aug-22		1,992.26
6	Sri Lankan Air Lines Limited	Bank of Ceylon	42.50		8-Oct-21	7-Oct-22	42.50	
7	Sri Lankan Air Lines Limited	People's Bank	42.50		8-Oct-21	7-Oct-22	42.50	
8	Mihin Lanka Limited	Bank of Ceylon	2.50		9-Dec-21	31-Dec-22	2.50	
9	Mihin Lanka Limited	People's Bank	2.50		9-Dec-21	31-Dec-22	2.50	
10	Mihin Lanka Limited	Bank of Ceylon		1,650.00	9-Dec-21	31-Dec-22		1,650.00
11	Mihin Lanka Limited	People's Bank		1,650.00	9-Dec-21	31-Dec-22		1,560.90
12	Mihin Lanka Limited	Bank of Ceylon	2.50		9-Dec-21	31-Dec-22	2.50	
13	Mihin Lanka Limited	People's Bank	2.50		9-Dec-21	31-Dec-22	2.50	
14	Sri Lankan Air Lines Limited	Bank of Ceylon	32.50		13-Dec-21	31-Dec-22	32.50	
15	Sri Lankan Air Lines Limited	People's Bank	32.50		13-Dec-21	31-Dec-22	32.50	
16	Sri Lankan Air Lines Limited	Bank of Ceylon	25.00		22-Feb-22	21-Feb-23	25.00	
17	Sri Lankan Air Lines Limited	People's Bank	25.00		22-Feb-22	21-Feb-23	25.00	
18	Sri Lankan Air Lines Limited	Bank of Ceylon		12,900.00	30-Jun-22	30-Jun-23		12,900.00
19	Sri Lankan Air Lines Limited	People's Bank		13,350.00	30-Jun-22	30-Jun-23		13,350.00
Total in Issued Currency			210.00	36,490.00			210.00	33,442.76
CBSL Exchange Rates – As at 31.12.2022			371.6068				371.6068	
Total in Rupees			78,037.43	36,490.00			78,037.43	33,442.76
Grand Total				114,527.43				111,480.19

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

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	1,500,000	721,680	48
103	Ministry of Defence	Strategic Defence Communication Network	15,000,000	11,874,072	79
		Rehabilitation and Reconstruction Activities of the Areas Affected by Floods and Landslides	233,000,000	228,214,980	98
111	Ministry of Health	Primary HealthCare Systems Strengthening Project (PSSP) – (GOSL-WB)	10,000,000	2,247,239	22
		Programme for Strengthening Primary Level Health Care	25,000,000	7,075,578	28
		Health Sector Training	5,000,000	5,000,000	100
		Upgrading of Nurses Training Schools	75,000,000	73,171,873	98
		Infrastructure Development of Pharmaceutical Zone at Arabokka, Hambantota	33,021,374	398,831	1
116	Ministry of Trade	Gap Financing of the Settlement of Outstanding Loans obtained from Bank of Ceylon & People's Bank by Lanka Sathosa and Co-operative wholesale Establishment to Import rice to Protect Consumers	4,200,000,000	4,131,117,900	98
		Establishment of Economics Centers	15,000,000	7,889,391	53
117	Ministry of Highways	Construction of Rural Bridges Using Old Bridge Component	1,496,000,000	907,820,633	61
		Rural Road Reawakening Programme (Maga Neguma)	5,000,000,000	3,810,653,483	76
		Greater Colombo Urban Transport Development Project Phase 1- (GOSL Japan)	200,000,000	199,861,993	100
		Sahasara Bus Modernization Programme	62,000,000	53,851,360	87
		Colombo – Rathnapura – Pelmadulla Expressway	200,000,000	76,800,000	38
		Elevated Highway from New Kelani Bridge to Athurugiriya	120,300,000	120,300,000	100
		Port Access Elevated Highway Project (GOSL – ADB)	18,024,702,000	18,009,639,506	100
		Port Access Elevated Highway Project (GOSL – ADB)	100,000,000	20,672,278	21
		Central Expressway – Section 01 (Kadawatha – Meerigama) (GOSL – China Exim Bank)	42,000,000,000	13,266,876,351	32
		Central Expressway – Section 01 (Kadawatha – Meerigama) (GOSL – China Exim Bank)	482,170,000	477,554,379	99
		Central Expressway – Section 02 (Meerigama – Kurunegala)	460,000,000	458,664,661	100
		Central Expressway – Section 03 (Pothuhera – Galagedera)	2,907,220,000	846,197,323	29
		Central Expressway – Section 04 (Kurunegala – Dambulla)	719,330,000	713,738,372	99
		Baseline Road – Phase III	215,000,000	18,450,664	9

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Road Maintenance Trust Fund	3,000,000,000	2,504,005,626	83
		Infrastructure and Road Safety-1	50,000,000	14,204,759	28
		Traffic Management	50,000,000	40,474,262	81
		Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL – SFD)	1,495,000,000	885,845,619	59
		Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL – SFD)	40,000,000	17,800,000	45
		Road Network Development Project (GOSL- SFD)	177,825,000	112,565,880	63
		Road Network Development Project (GOSL- SFD)	5,000,000	2,750,000	55
		Road Network Development Project (GOSL- OPEC)	188,000,000	84,745,574	45
		Road Network Development Project (GOSL- OPEC)	15,000,000	13,840,000	92
		Colombo District Road Development Project (GOSL-OFID)	1,150,000,000	1,067,163,016	93
		Colombo District Road Development Project (GOSL-OFID)	85,000,000	70,700,000	83
		Western Province National Highways (GOSL-OFID)	550,000,000	474,436,438	86
		Western Province National Highways (GOSL-OFID)	75,000,000	57,700,000	77
		Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL-OFID)	916,000,000	156,461,857	17
		Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL-OFID)	44,000,000	43,100,000	98
		Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL-OFID)	40,000,000	11,500,000	29
		Southern Road Connectivity Project (GOSL – ADB)	2,170,000,000	2,016,394,207	93
		Southern Road Connectivity Project (GOSL – ADB)	30,000,000	23,712,895	79
		Southern Road Connectivity Project (GOSL – ADB)	20,600,000	20,428,349	99
		Integrated Road Investment Programme – (i Road) (GOSL-ADB) Phase 1	15,282,800,000	14,492,054,896	95
		Integrated Road Investment Programme – (i Road) (GOSL-ADB) Phase 1	75,000,000	9,074,273	12
		Integrated Road Investment Programme – (i Road) (GOSL-ADB) Phase 2	27,017,200,000	27,017,093,780	100
		Integrated Road Investment Programme – (i Road) (GOSL-ADB) Phase 2	75,000,000	6,300,000	8

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Widening and Improvement of Roads and Bridges in Central and Uva Provinces (GOSL – EXIM China)	3,920,000,000	1,170,751,504	30
		Widening and Improvement of Roads and Bridges in Central and Uva Provinces (GOSL – EXIM China)	90,000,000	76,100,000	85
		Transport Project Preparatory Facility (GOSL-ADB)	75,000,000	37,867,104	50
		Transport Connectivity & Asset Management Project (GOSL –WB)	350,000,000	305,793,479	87
		Transport Connectivity & Asset Management Project (GOSL –WB)	17,510,000	13,500,788	77
		Marine Drive Extension up to Panadura	350,470,000	350,470,000	100
		Gap Financing of the Road Development Authority's Commitments	38,804,063,000	38,804,054,316	100
		Surveys, Investigations and Feasibility Studies	80,000,000	46,128,499	58
		Kandy Tunnel Construction Project GOSL- (EDCF Korea)	50,000,000	43,001,501	86
		Rehabilitation of the A 17 Road Corridor from Deniyaya to Rakwana (GOSL – OFID)	30,000,000	3,120,000	10
		Development of an Alternative Road Network to Access Main Roads and Expressways and to Ease the Traffic Congestion-2	53,113,640,000	52,529,631,543	99
		Inclusive Connectivity and Development Project (GOSL-WB)	2,233,298,000	1,942,341,165	87
		Inclusive Connectivity and Development Project (GOSL-WB)	70,000,000	47,830,403	68
		Kandy Multimodal Transport Terminal Development Project (GOSL – WB)	159,000,000	18,052,548	11
		Kandy Multimodal Transport Terminal Development Project (GOSL – WB)	100,000,000	7,730,903	8
		Widening & Improvements of Roads – Jaffna District	100,000,000	88,889,828	89
		Widening & Improvements of Roads – Kilinochchi District	100,000,000	58,939,477	59
		Widening & Improvements of Roads – Mannar District	100,000,000	69,976,236	70
		Widening & Improvements of Roads – Colombo District	200,000,000	120,851,267	60
		Widening & Improvements of Roads – Vavuniya District	100,000,000	56,758,150	57
		Widening & Improvements of Roads – Mullaitivu District	100,000,000	12,375,789	12
		Widening & Improvements of Roads – Batticaloa District	100,000,000	14,904,087	15
		Widening & Improvements of Roads – Trincomalee District	100,000,000	12,126,223	12
		Widening & Improvements of Roads – Kurunegale District	120,000,000	56,617,883	47

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Widening & Improvements of Roads – Puttalam District	120,000,000	60,438,318	50
		Widening & Improvements of Roads – Anuradhapura District	150,000,000	9,995,394	7
		Widening & Improvements of Roads – Pollonnaruwa District	100,000,000	12,902,458	13
		Widening & Improvements of Roads – Badulla District	120,000,000	109,065,954	91
		Widening & Improvements of Roads – Gampaha District	200,000,000	146,559,928	73
		Widening & Improvements of Roads – Monaragala District	120,000,000	8,437,407	7
		Widening & Improvements of Roads – Kegalle District	120,000,000	10,917,520	9
		Widening & Improvements of Roads – Rathnapura District	120,000,000	42,918,841	36
		Widening & Improvements of Roads – Tax Component	350,000,000	137,633,251	39
		Widening & Improvements of Roads – Kalutara District	200,000,000	22,837,674	11
		Widening & Improvements of Roads – Kandy District	190,000,000	46,859,818	25
		Widening & Improvements of Roads – Matale District	140,000,000	4,827,625	3
		Widening & Improvements of Roads – Matara District	140,000,000	108,308,979	77
		Widening & Improvements of Roads – Galle District	140,000,000	16,332,982	12
		Widening & Improvements of Roads – Hambantota District	140,000,000	132,804,914	95
		Reconstruction of 25 Bridges on National Highways (GOSL-Kuwait)	900,000,000	633,775,794	70
		Reconstruction of 25 Bridges on National Highways (GOSL-Kuwait)	30,000,000	29,474,803	98
		Second New Kelani Bridge Construction Project (GOSL – JICA)	1,442,000,000	1,392,166,800	97
		Second New Kelani Bridge Construction Project (GOSL – JICA)	85,000,000	84,170,000	99
		Establishment of Bridge Maintenance System and Bridge Assessment Unit in the Road Development Authority (GOSL – JICA)	5,000,000	2,500,000	50
		Design and Construction of Flyovers in Kohuwala and Gatambe (GOSL-Hungary)	2,404,000,000	774,898,947	32
		Design and Construction of Flyovers in Kohuwala and Gatambe (GOSL-Hungary)	30,000,000	23,767,324	79
		Construction of Flyovers over the Railway Line at Uttharananda Mawatha and Near the Slave Island Railway Station	3,431,200,000	3,430,584,099	100
		Reconstruction of Damaged/Weak Bridges on National Highways	350,000,000	188,310,000	54

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
118	Ministry of Agriculture	Landslide Disaster Protection Project of National Road Network (GOSL- JICA)	34,850,000	34,833,414	100
		Upgrading the National Fertilizer Secretariat's District Offices	20,000,000	7,059,975	35
		Facilitation and Promotion of Liquid Milk Consumption	25,000,000	14,291,326	57
		Development of Small and Medium Scale Livestock Development – 1	72,000,000	42,506,069	59
		Climate Smart Irrigated Agriculture Project (CSIAP) (GOSL/WB)	2,100,000,000	1,999,681,217	95
		Development of Mini Dairy Cooperative Societies	560,000,000	379,875,303	68
119	Ministry of Power	Development of Mini Dairy Cooperative Societies	200,000,000	1,369,401	1
		Supporting Electricity Supply Reliability Improvement Project – Package 08	26,000,000	26,000,000	100
123	Ministry of Urban Development and Housing	Renewable Energy Development	80,000,000	36,495,925	46
		Urban Development Authority	300,000,000	134,500,000	45
		Metro Colombo Solid Waste Management Project	2,700,000,000	2,700,000,000	100
		Beira Lake Rehabilitation and Redevelopment Project	29,000,000	29,000,000	100
		Improvement of Road Infrastructure in the Homagama Region (Tech City)	20,000,000	20,000,000	100
		Siyak Nagara / Urban Infrastructure & Township Development Programme	2,170,950,000	2,170,950,000	100
		Construction of Houses in Sobitha Thero Village in Anuradhapura – Indian Grant	40,000,000	18,074,481	45
		Construction of Houses in Sobitha Thero Village in Anuradhapura – Indian Grant	150,000,000	12,690,716	8
		Construction of 600 Houses under Model Village Housing Project in 25 Districts of Sri Lanka	45,000,000	23,665,000	53
		Housing Project (600 Houses) in Southern Province – 2017	20,000,000	10,000,000	50
		Housing Project (600 Houses) in Southern Province – 2017	120,000,000	18,855,000	16
		Housing Project (600 Houses) in Northern Province Sri Lanka – 2019	200,000,000	69,100,000	35
		Indian Grant Housing Project Phase II (600 Houses) in Southern Province – 2019	200,000,000	33,450,000	17
		Development of Training Infrastructure at Operator Training Center at Galkulma	25,000,000	8,084,000	32
		Renovation of Housing Scheme	25,000,000	25,000,000	100
		Implementation of UN Habitat Programme	3,750,000	1,474,883	39

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Middle Income Housing Project	15,000,000	15,000,000	100
		Estate Housing Programme	233,000,000	164,686,510	71
		Upgrading Vocational Training Centre in Hatton	5,000,000	4,292,397	86
		Indian Grant Assisted Housing Programme (Stage I)	95,000,000	34,854,600	37
		Indian Grant Assisted Housing Programme (Stage I)	165,000,000	154,032,738	93
		Infrastructure Development in the Plantation Sector	150,000,000	138,126,469	92
		Sri Lanka Land Development Corporation	500,000,000	500,000,000	100
		Weras Ganga Storm Water Drainage & Environment Improvement Project	480,000,000	479,999,789	100
		Restoration of Water Quality of Beira Lake	20,000,000	19,528,800	98
		Oliyamulla Storm water Drainage and Environment	200,000,000	154,970,400	77
		kolonnawa Storm Water Drainage and Environment	100,000,000	61,691,600	62
		Marine Environment Protection Authority	20,000,000	15,000,000	75
		Development of Strategic Cities- Jaffna - (GOSL-World Bank)	1,290,102,000	1,230,069,233	95
		Development of Strategic Cities- Jaffna - (GOSL-World Bank)	190,000,000	188,414,597	99
		Development of Strategic Cities- Anuradhapura – (GOSL-AFD)	850,000,000	847,216,935	100
		Development of Strategic Cities- Anuradhapura – (GOSL-AFD)	126,531,695	115,749,748	91
		Urban Regeneration Programme	1,190,000,000	1,189,880,000	100
		Urban Regeneration Programme	5,202,536,243	5,202,536,243	100
		Urban Regeneration Programme	647,285,000	647,285,000	100
		Metro Colombo Urban Development Project – (GOSL-World Bank)	2,345,490,000	2,312,568,124	99
		Metro Colombo Urban Development Project – (GOSL-World Bank)	775,000,000	624,865,620	81
		Urban Project Preparatory Facility (GOSI-ADB)	14,280,536	14,280,536	100
		Urban Project Preparatory Facility (GOSI-ADB)	405,720	405,720	100
		Light Rail Transit System Project (GOSL-JICA)	1,715,000	1,715,000	100
		Development of Strategic Cities- Kandy and Galle (GOSL-World Bank)	9,898,000	9,526,239	96
126	Ministry of Education	Providing Electricity Facilities (through National Grid or Solar) for the Schools	9,600,000	6,739,916	70
130	Ministry of Public Services, Provincial Councils and Local Government	Transport Connectivity and Asset Management Project (Provincial Road Development Project) (GOSL/WB)	4,367,000,000	4,365,397,405	100

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Transport Connectivity and Asset Management Project (Provincial Road Development Project) (GOSL/WB)	50,000,000	41,815,962	84
		Construction of Rural Bridges (GOSL/UK)	450,000,000	447,708,842	99
		Construction of Rural Bridges (GOSL/Netherlands)	400,000,000	378,789,773	95
		Construction of Rural Bridges (GOSL/Netherlands)	41,083,000	41,069,725	100
		Rural Bridges Project (GOSL/ DRIVE – Netherlands)	300,000,000	207,265,227	69
		Rural Bridges Project (GOSL/ DRIVE – Netherlands)	12,000,000	4,371,539	36
		Greater Colombo Wastewater Management Project (GOSL/ADB)	700,000,000	621,212,215	89
		Greater Colombo Wastewater Management Project (GOSL/ADB)	100,000,000	99,380,700	99
		Greater Colombo Water and Wastewater Investment Management Programme – Tranche 2 (GOSL/ADB)	1,027,700,000	1,017,612,433	99
		Greater Colombo Water and Wastewater Investment Management Programme – Tranche 2 (GOSL/ADB)	250,000,000	108,500,000	43
		Greater Colombo Water and Wastewater Improvement Investment Programme – Tranche 3 (GOSL/ADB)	1,000,000,000	423,570,499	42
		Greater Colombo Water and Wastewater Improvement Investment Programme – Tranche 3 (GOSL/ADB)	191,697,400	42,641,145	22
149	Ministry of Industries	Upgrading and Modernization of Main and Mini Industrial Estates	25,000,000	1,897,777	8
		Industrial Estates Development Programme	200,000,000	152,244,135	76
		Create Dedicated Zone for Textile Manufacturing and Related Industries - Eravur	160,000,000	160,000,000	100
		Establishment of Small and Medium Scale Industrial Zones	100,000,000	62,417,098	62
151	Ministry of Fisheries	Northern Province Sustainable Fishery Development Programme	10,000,000	14,000	0
		Fisheries Sector Infrastructure Development	2,000,000,000	1,473,102,982	74
		Fisheries and Aquatic Sector Development	1,000,000,000	610,770,905	61
		Fisheries Sector Infrastructure Development	276,000,000	205,354,069	74
161	Ministry of Wildlife and Forest Conservation	Wildlife Protection	600,000,000	509,388,568	85
		Ecosystem Conservation & Management Project	1,416,700,000	1,310,606,041	93
		Ecosystem Conservation & Management Project	10,000,000	3,849,156	38
		Forest Conservation	400,000,000	300,225,211	75

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
166	Ministry of Water Supply	Implementation of Rain Water Harvesting Programme	17,089,226	17,089,226	100
		Catchment Protection & Prevention of Pollution at Sources	2,910,774	1,000,000	34
		South Asia Conference on Sanitation Follow up Action – All Island Sanitation Programme	10,000,000	9,145,000	91
		Improvement of Rural Water Supply and Sanitation	45,853,481	38,188,858	83
		Prevention of Water Borne Diseases in Chronic Kidney Diseases Affected Areas	54,146,519	53,371,853	99
		Water Supply Facilities for Resettlement Village in Kegalle District	30,000,000	13,294,099	44
		Water Supply and Sanitation Improvement Project (GOSL-WB)	3,050,000,000	2,967,952,477	97
		Water Supply and Sanitation Improvement Project (GOSL-WB)	150,000,000	150,000,000	100
		China-Sri Lanka Grant Research Project (for the Investigation of Chronic Kidney Disease)	480,978,033	480,977,897	100
		China-Sri Lanka Grant Research Project (for the Investigation of Chronic Kidney Disease)	24,000,000	23,925,771	100
		WASH Knowledge and Skills Development of Teachers and Frontline Healthcare Workers (UNICEF)	10,000,000	8,020,439	80
		Project for Enhancement of Operational Efficiency and Asset Management Capacity of Regional Support Centre – Western South of NWS&DB in Sri Lanka(GOSL / JICA)	32,886,000	32,885,174	100
176	Ministry of Ports and Shipping	Provide infrastructure facilities for Industrial Zones/ Parks	2,500,000,000	697,074,501	28
		Port Access Elevated Highway Project (GOSL – ADB)	960,000,000	280,218,286	29
		Feasibility Study for Colombo North Port Development Project (GOSL – ADB)	737,178,000	506,136,839	69
		Feasibility Study for Colombo North Port Development Project (GOSL – ADB)	86,461,360	46,331,709	54
194	Ministry of Youth and Sports	Development of Sports Infrastructure	40,000,000	19,832,019	50
198	Ministry of Irrigation	Agriculture and Livestock Programme Implemented by Sri Lanka Mahaweli Authority	193,000,000	160,740,732	83
		Ridimaliyadda Integrated Development Project	40,000,000	33,997,280	85
		Welioya Integrated Development Project	40,000,000	37,666,000	94
		Rambakan Oya Integrated Development Project	60,000,000	46,635,988	78
		Rural Tank Development Project	993,000,000	780,082,968	79
		Minor Irrigation Development and Catchment Area Protection	1,500,000,000	819,672,318	55
		Lower Malwathuoya Multisector Development Project	517,000,000	495,635,834	96

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Gin Nilwala Diversion Project	25,000,000	19,191,728	77
		Productivity Enhancement and Irrigation System Efficiency Management Project	100,000,000	78,659,960	79
		Moragahakanda and Kaluganga Reservoir Project (GOSL – China, Kuwait & Saudi)	2,615,000,000	2,302,012,625	88
		Moragahakanda and Kaluganga Reservoir Project (GOSL – China, Kuwait & Saudi)	1,141,291,995	1,135,967,958	100
		Moragahakanda and Kaluganga Reservoir Project (GOSL – China, Kuwait & Saudi)	52,435,025	52,435,025	100
		Moragahakanda and Kaluganga Reservoir Project (GOSL – China, Kuwait & Saudi)	411,847,242	26,847,242	7
		Uma Oya Diversion Project	4,200,000,000	4,007,855,900	95
		Mahaweli Water Security Investment Programme (GOSL-ADB)	16,500,000,000	16,492,956,393	100
		Mahaweli Water Security Investment Programme (GOSL-ADB)	2,895,000,000	1,170,611,144	40
		Irrigation Development Plan for Peripheral Area of Settlers in Pelawatta Sugar Plantation Area	60,000,000	54,508,676	91
		Kivul Oya Reservoir Project	100,000,000	31,648,523	32
		Barrack Plane Lake Development Project – Nuwara Eliya	54,000,000	49,579,372	92
		Integrated Watershed and Water Resources Management Project (WB)	2,443,000,000	454,256,036	19
		Integrated Watershed and Water Resources Management Project (WB)	57,000,000	2,303,851	4
		Pilot Farm Land Consolidation Study Project (Japan)	50,000,000	29,460,479	59
		Pilot Farm Land Consolidation Study Project (Japan)	8,800,000	8,766,668	100
		Climate Resilience Multi-Phase Programmatic Approach (CResMIPA) - Flood Early Warning and Kelani Climate Resilience (WB)	540,000,000	75,937,719	14
		Climate Resilience Multi-Phase Programmatic Approach (CResMIPA) - Flood Early Warning and Kelani Climate Resilience (WB)	30,000,000	788,423	3
		Project Implements Under "Wari Saubhagya Programme"	2,333,425,737	524,291,902	22
		Talpitigala Reservoir	350,000,000	199,215,087	57
		Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure Rehabilitation Works	150,000,000	141,249,278	94
202	Department of Muslim Religious and Cultural Affairs	Contraction of Islamic Cultural Centers & Improvement of Mosque	6,000,000	5,888,179	98
204	Department of Hindu Religious and Cultural Affairs	Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples	31,000,000	31,000,000	100

Notes to the Financial Statements contd...

Schedule II – STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS – 2022

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
209	Department of National Archives	Archival Management Project	28,655,500	28,655,500	100
		Computerization of Indices at the National Archives of Sri Lanka	5,000,000	2,336,208	47
219	Department of Sports Development	Other Capital Expenditure	15,000,000	11,747,070	78
223	Sri Lanka Navy	Construction of Quay at Dockyard – Trincomalee	906,000,000	870,940,159	96
		Enhancement of Infrastructure Facilities at SLN Dockyard Incorporated with Floating Dock	20,000,000	16,418,995	82
		Other Capital Expenditure	130,000,000	114,153,691	88
237	Department of National Planning	Promoting Autonomy, Literacy and Attentiveness through Market Alliance (PALAM/A) Project in Sri Lanka	1,656,065,876	1,656,065,876	100
		Promoting Autonomy, Literacy and Attentiveness through Market Alliance (PALAM/A) Project in Sri Lanka	14,200,000	14,185,300	100
281	Department of Agrarian Development	Development of Minor Irrigation Systems and Abundant Paddy Lands – 1	735,000,000	325,917,005	44
282	Department of Irrigation	Ellewewa Reservoir	100,000,000	93,199,253	93
		Rehabilitation of Kudawilachchiya Reservoir	86,000,000	56,752,646	66
		Rehabilitation of Dematagalla Tank	10,000,000	1,653,003	17
		Uma Oya Downstream Development Project (Construction of Alikota Ara Storage Reservoir and Kuda Oya Storage Reservoir)	2,060,000,000	2,006,672,433	97
		Hibiliyakada Waththegedara Irrigation Infrastructure Development Project	271,000,000	221,610,430	82
284	Department of Wildlife Conservation	Other Capital Expenditure	2,000,000	1,869,168	93
		Improvement of Road Network in National Parks	19,000,000	8,522,405	45
		Habitat Enrichment for Wildlife	78,700,000	47,820,175	61
285	Department of Agriculture	Agricultural Extension and Training – 1	160,000,000	58,709,496	37
289	Department of Export Agriculture	Other Capital Expenditure	2,000,000	2,000,000	100
		Other Capital Expenditure	2,000,000	1,265,200	63
290	Department of Fisheries and Aquatic Resources	Habitat Enrichment for Fish Production in Coastal Area	11,300,000	2,753,819	24
311	Department of National Physical Planning	Physical Plans and Research Activities	5,200,000	2,894,352	56
322	Department of National Botanical Gardens	Development of Royal Botanical Garden Project	35,500,000	35,195,748	99
332	Department of National Community Water Supply	Improvement of Community Water Supply	100,000,000	72,359,668	72
		Development of Water Safety Plans for Community Managed Water Schemes	3,696,000	1,375,552	37
		"Praja Jala Abhiman" Water Supply Scheme	500,000,000	399,415,618	80
336	Merchant Shipping Secretariat	System of Issuing Certificate of Competencies & Seafarer Continuous Discharge Certificate with Biometric to Comply with Seafarer Identity	10,700,000	10,609,746	99
Total			332,225,744,737	271,129,449,783	

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2022

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
1	His Excellency the President	3,044,964	2,732,324	312,640	90	2,421,306	2,193,382	227,924	91	623,658	538,942	84,716	86
2	Office of the Prime Minister	1,442,750	1,310,447	132,303	91	1,209,450	1,082,133	127,317	89	233,300	228,314	4,986	98
4	Judges of the Superior Courts	423,876	410,144	13,732	97	413,076	405,476	7,600	98	10,800	4,667	6,133	43
5	Office of the Cabinet of Ministers	217,950	162,406	55,544	75	182,960	137,665	45,295	75	34,990	24,740	10,250	71
6	Office of the Public Service Commission	303,963	287,142	16,821	94	291,820	276,729	15,091	95	12,143	10,413	1,730	86
7	Judicial Service Commission	100,542	87,030	13,512	87	99,442	86,681	12,761	87	1,100	349	751	32
8	National Police Commission	153,010	145,562	7,448	95	147,839	141,183	6,655	95	5,171	4,378	793	85
9	Administrative Appeals Tribunal	32,105	30,789	1,316	96	31,905	30,589	1,316	96	200	200	0	100
10	Commission to Investigate Allegations of Bribery or Corruption	591,445	550,119	41,326	93	575,439	537,427	38,012	93	16,006	12,692	3,314	79
11	Office of the Finance Commission	100,876	87,345	13,531	87	97,826	84,518	13,308	86	3,050	2,827	223	93
13	Human Rights Commission of Sri Lanka	238,892	224,873	14,019	94	235,300	222,767	12,533	95	3,592	2,106	1,486	59
16	Parliament	3,439,810	3,248,024	191,786	94	3,300,810	3,199,458	101,352	97	139,000	48,566	90,434	35
17	Office of the Leader of the House of Parliament	65,150	64,383	767	99	63,570	63,007	563	99	1,580	1,376	204	87
18	Office of the Chief Govt. Whip of Parliament	159,085	122,422	36,663	77	157,785	121,649	36,136	77	1,300	773	527	59
19	Office of the Leader of the Opposition of Parliament	199,080	194,873	4,207	98	183,080	180,629	2,451	99	16,000	14,244	1,756	89
20	Election Commission	928,240	875,548	52,692	94	867,240	852,335	14,905	98	61,000	23,213	37,787	38
21	National Audit Office	2,132,580	2,089,740	42,840	98	2,112,080	2,074,682	37,398	98	20,500	15,057	5,443	73
22	Office of the Parliamentary Commissioner for Administration	28,850	25,375	3,475	88	28,650	25,370	3,280	89	200	5	195	3
25	Delimitation Commission	15,985	14,100	1,885	88	15,910	14,082	1,828	89	75	18	58	23
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	1,992,684	1,764,710	227,974	89	1,436,839	1,288,632	148,207	90	555,845	476,078	79,767	86
102	Ministry of Finance	4,065,231	2,862,678	1,202,553	70	2,019,178	1,618,546	400,631	80	2,046,053	1,244,131	801,922	61
103	Ministry of Defence	29,339,416	27,260,528	2,078,888	93	14,933,826	14,522,172	411,654	97	14,405,590	12,738,355	1,667,235	88
105	Ministry of Mass Media	749,900	565,857	184,043	75	468,000	431,769	36,231	92	281,900	134,089	147,811	48
110	Ministry of Justice	8,254,925	4,849,150	3,405,775	59	2,734,695	2,338,619	396,076	86	5,520,230	2,510,532	3,009,698	45
111	Ministry of Health	256,586,139	240,852,198	15,733,941	94	211,148,000	207,456,170	3,691,830	98	45,438,139	33,396,028	12,042,111	73
112	Foreign Ministry	17,860,010	14,798,255	3,061,755	83	17,379,611	14,704,722	2,674,889	85	480,399	93,533	386,866	19
116	Ministry of Trade	8,452,980	7,829,326	623,654	93	4,074,530	3,618,237	456,293	89	4,378,450	4,211,090	167,360	96
117	Ministry of Highways	272,061,800	214,962,402	57,099,398	79	11,142,478	10,253,258	889,220	92	260,919,322	204,709,144	56,210,179	78
118	Ministry of Agriculture	123,052,375	95,151,012	27,901,363	77	91,588,214	66,896,575	24,691,639	73	31,464,161	28,254,437	3,209,724	90
119	Ministry of Power	274,954,939	267,443,869	7,511,070	97	786,958	650,443	136,515	83	274,167,981	266,793,425	7,374,556	97
122	Ministry of Lands	3,385,000	2,573,046	811,954	76	653,000	581,738	71,262	89	2,732,000	1,991,309	740,691	73
123	Ministry of Urban Development and Housing	25,871,838	24,051,382	1,820,456	93	2,162,265	2,033,889	128,376	94	23,709,573	22,017,493	1,692,080	93
126	Ministry of Education	138,966,450	122,414,144	16,552,306	88	106,947,545	100,002,892	6,944,653	94	32,018,905	22,411,253	9,607,652	70

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2022

Head	Institution	Total			Recurrent			Provision			Capital			Rs.'000
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	
130	Ministry of Public Services, Provincial Councils and Local Government	64,096,000	56,149,599	7,946,401	88	42,691,624	39,891,973	2,799,651	93	21,404,376	16,257,625	5,146,750	76	
135	Ministry of Plantation	13,801,385	10,431,848	3,369,537	76	3,782,338	3,606,048	176,291	95	10,019,047	6,825,801	3,193,246	68	
149	Ministry of Industries	4,287,090	3,327,359	959,731	78	1,940,733	1,623,328	317,405	84	2,346,357	1,704,031	642,326	73	
151	Ministry of Fisheries	6,415,575	5,227,161	1,188,414	81	2,919,671	2,793,536	126,135	96	3,495,904	2,433,625	1,062,279	70	
160	Ministry of Environment	1,691,375	1,510,801	180,574	89	1,228,375	1,222,663	5,712	100	463,000	288,138	174,862	62	
161	Ministry of Wildlife and Forest Conservation	2,707,200	2,329,451	377,749	86	270,100	200,092	70,008	74	2,437,100	2,129,359	307,741	87	
166	Ministry of Water Supply	32,223,708	31,156,523	1,067,185	97	442,678	407,049	35,629	92	31,781,030	30,749,474	1,031,556	97	
171	Ministry of Women, Child Affairs and Social Empowerment	32,638,686	18,645,815	13,992,871	57	28,061,769	14,684,118	13,377,651	52	4,576,917	3,961,697	615,220	87	
176	Ministry of Ports and Shipping	6,413,614	2,799,698	3,613,917	44	930,898	870,906	59,992	94	5,482,716	1,928,791	3,553,925	35	
186	Ministry of Technology	3,728,240	2,426,751	1,301,489	65	1,185,065	1,007,147	177,918	85	2,543,175	1,419,604	1,123,571	56	
187	Ministry of Investment Promotion	144,600	121,105	23,495	84	137,440	116,372	21,068	85	7,160	4,733	2,427	66	
189	Ministry of Public Security	12,094,630	11,274,310	820,320	93	10,828,490	10,414,758	413,732	96	1,266,140	859,552	406,588	68	
193	Ministry of Labour	1,774,850	1,671,391	103,459	94	1,529,850	1,498,264	31,586	98	245,000	173,127	71,873	71	
194	Ministry of Youth and Sports	5,840,584	4,106,238	1,734,346	70	4,138,189	3,314,771	823,418	80	1,702,395	791,467	910,928	46	
198	Ministry of Irrigation	63,670,000	49,397,498	14,272,502	78	3,661,000	3,580,398	80,602	98	60,009,000	45,817,100	14,191,900	76	
201	Department of Buddhist Affairs	1,276,500	1,180,604	95,896	92	1,209,917	1,131,762	78,154	94	66,583	48,841	17,742	73	
202	Department of Muslim Religious and Cultural Affairs	153,000	122,010	30,990	80	137,000	107,589	29,411	79	16,000	14,421	1,579	90	
203	Department of Christian Religious Affairs	183,000	168,297	14,703	92	171,000	159,127	11,873	93	12,000	9,170	2,830	76	
204	Department of Hindu Religious and Cultural Affairs	247,000	225,334	21,666	91	211,500	190,385	21,115	90	35,500	34,949	551	98	
205	Department of Public Trustee	76,000	70,661	5,339	93	73,000	68,282	4,718	94	3,000	2,378	622	79	
206	Department of Cultural Affairs	875,000	747,465	127,535	85	760,000	710,546	49,454	93	115,000	36,920	78,080	32	
207	Department of Archaeology	1,388,000	1,185,860	202,140	85	1,271,720	1,100,421	171,299	87	116,281	85,439	30,842	73	
208	Department of National Museums	447,000	329,218	117,782	74	275,000	257,263	17,737	94	172,000	71,955	100,045	42	
209	Department of National Archives	281,000	191,034	89,966	68	168,000	134,974	33,026	80	113,000	56,060	56,940	50	
210	Department of Information	396,000	295,747	100,253	75	315,000	270,774	44,226	86	81,000	24,973	56,027	31	
211	Department of Government Printer	3,390,000	3,164,439	225,561	93	3,245,000	3,066,042	178,958	94	145,000	98,397	46,603	68	
212	Department of Examinations	4,709,000	4,580,546	128,454	97	4,619,000	4,550,821	68,179	99	90,000	29,724	60,276	33	
213	Department of Educational Publications	171,000	116,350	54,650	68	86,650	79,540	7,110	92	84,350	36,809	47,541	44	
214	University Grants Commission	61,564,000	58,017,056	3,546,944	94	56,864,000	54,974,913	1,889,087	97	4,700,000	3,042,143	1,657,857	65	
215	Department of Technical Education and Training	2,377,000	2,183,390	193,610	92	2,267,000	2,148,877	118,123	95	110,000	34,514	75,486	31	
216	Department of Social Services	825,500	775,392	50,108	94	786,250	758,898	27,352	97	39,250	16,494	22,756	42	
217	Department of Probation and Child Care Services	433,915	425,112	8,803	98	370,740	365,877	4,863	99	63,175	59,235	3,940	94	

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2022

Head	Institution	Total			Recurrent			Provision			Capital			Rs.'000	
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%		
219	Department of Sports Development	981,100	801,517	179,583	82	778,569	620,471	158,098	80	202,531	181,045	21,486	89		
220	Department of Ayurveda	1,959,646	1,867,242	92,403	95	1,924,044	1,839,206	84,838	96	35,602	28,036	7,566	79		
221	Department of Labour	2,944,000	2,578,282	365,718	88	2,489,000	2,298,071	190,929	92	455,000	280,211	174,789	62		
222	Sri Lanka Army	205,787,252	193,691,205	12,096,047	94	200,913,252	189,519,389	11,393,863	94	4,874,000	4,171,816	702,184	86		
223	Sri Lanka Navy	68,845,455	61,429,009	7,416,446	89	61,930,315	55,614,108	6,316,207	90	6,915,140	5,814,901	1,100,239	84		
224	Sri Lanka Air Force	55,235,705	42,016,452	13,219,253	76	42,963,415	37,434,505	5,528,910	87	12,272,290	4,581,947	7,690,343	37		
225	Department of Police	100,779,620	95,133,448	5,646,172	94	94,368,560	90,615,700	3,752,860	96	6,411,060	4,517,748	1,893,312	70		
226	Department of Immigration and Emigration	3,822,810	3,525,492	297,318	92	2,017,310	2,006,816	10,494	99	1,805,500	1,518,675	286,825	84		
227	Department of Registration of Persons	1,786,600	1,686,534	100,066	94	1,461,120	1,383,693	77,427	95	325,480	302,841	22,639	93		
228	Courts Administration	11,175,600	10,616,079	559,521	95	8,970,450	8,844,864	125,586	99	2,205,150	1,771,214	433,936	80		
229	Department of Attorney General	1,886,940	1,743,881	143,059	92	1,613,130	1,600,012	13,118	99	273,810	143,869	129,941	53		
230	Department of Legal Draftsman	136,830	133,196	3,634	97	135,680	132,510	3,170	98	1,150	686	464	60		
231	Department of Debt Conciliation Board	40,630	37,013	3,617	91	39,900	36,912	2,988	93	730	101	629	14		
232	Department of Prisons	9,105,600	8,395,923	709,677	92	8,705,890	8,068,960	636,930	93	399,710	326,963	72,747	82		
233	Department of Government Analyst	677,260	530,966	146,294	78	496,210	473,207	23,003	95	181,050	57,759	123,291	32		
234	Registrar of the Supreme Court	311,580	300,416	11,164	96	309,550	299,466	10,084	97	2,030	951	1,079	47		
235	Department of Law Commission	18,380	15,966	2,414	87	17,780	15,734	2,046	88	600	232	368	39		
236	Department of Official Languages	174,000	159,601	14,399	92	171,000	156,965	14,035	92	3,000	2,635	365	88		
237	Department of National Planning	189,919,620	165,615,564	24,304,056	87	132,855,675	109,099,855	23,755,819	82	57,063,945	56,515,709	548,237	99		
238	Department of Fiscal Policy	81,105	69,463	11,642	86	80,424	69,051	11,373	86	681	412	270	60		
239	Department of External Resources	2,739,552	2,630,874	108,678	96	338,018	232,797	105,221	69	2,401,534	2,398,077	3,457	100		
240	Department of National Budget	1,185,116	281,935	903,180	24	907,116	196,563	710,553	22	278,000	85,373	192,627	31		
241	Department of Public Enterprises	137,036,180	136,995,671	40,509	100	99,887	99,334	553	99	136,936,293	136,896,338	39,955	100		
242	Department of Management Services	119,920	92,859	27,061	77	117,520	92,055	25,465	78	2,400	804	1,596	34		
243	Department of Development Finance	39,700,110	32,639,955	7,060,154	82	20,959,605	20,333,264	626,341	97	18,740,505	12,306,692	6,433,813	66		
244	Department of Trade and Investment Policy	67,473	63,454	4,019	94	65,248	63,310	1,938	97	2,225	144	2,081	6		
245	Department of Public Finance	93,090	89,528	3,562	96	86,990	83,507	3,483	96	6,100	6,021	79	99		
246	Department of Inland Revenue	9,647,099	8,713,095	934,004	90	4,512,405	4,081,570	430,835	90	5,134,694	4,631,525	503,169	90		
247	Sri Lanka Customs	5,180,658	4,696,897	483,761	91	3,610,033	3,185,771	424,262	88	1,570,625	1,511,126	59,499	96		
248	Department of Excise	2,021,550	1,839,224	182,326	91	1,824,550	1,770,977	53,573	97	197,000	68,247	128,753	35		
249	Department of Treasury Operations	3,153,915,314	3,003,289,054	150,626,260	95	1,643,434,454	1,570,824,325	72,610,129	96	1,510,480,860	1,432,464,729	78,016,131	95		
250	Department of State Accounts	104,138	87,091	17,047	84	85,588	83,280	2,308	97	18,550	3,811	14,739	21		
251	Department of Valuation	577,700	537,805	39,895	93	548,000	523,969	24,031	96	29,700	13,836	15,864	47		
252	Department of Census and Statistics	1,636,000	1,104,582	531,418	68	1,090,300	1,035,829	54,471	95	545,700	68,753	476,947	13		
253	Department of Pension	360,515,000	350,069,784	10,445,216	97	360,473,000	350,053,607	10,419,393	97	42,000	16,177	25,823	39		
254	Department of Registrar General	2,622,000	2,526,697	95,303	96	2,524,000	2,481,590	42,410	98	98,000	45,108	52,892	46		

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2022

Head	Institution	Total			Recurrent			Provision			Capital			Rs.'000	
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%		
255	District Secretariat, Colombo	2,186,000	1,961,598	224,402	90	1,107,000	1,015,367	91,633	92	1,079,000	946,231	132,769	88		
256	District Secretariat, Gampaha	2,674,000	2,600,827	73,173	97	1,394,000	1,365,402	28,598	98	1,280,000	1,235,425	44,575	97		
257	District Secretariat, Kalutara	1,595,000	1,543,056	51,944	97	1,271,000	1,244,520	26,480	98	324,000	298,536	25,464	92		
258	District Secretariat, Kandy	2,450,000	2,349,594	100,406	96	1,679,000	1,608,973	70,027	96	771,000	740,622	30,378	96		
259	District Secretariat, Matale	1,098,000	1,071,980	26,020	98	891,000	870,260	20,740	98	207,000	201,720	5,280	97		
260	District Secretariat, Nuwara-Eliya	994,000	920,979	73,021	93	608,000	583,986	24,014	96	386,000	336,993	49,007	87		
261	District Secretariat, Galle	2,498,000	2,276,203	221,797	91	1,596,000	1,547,353	48,647	97	902,000	728,850	173,150	81		
262	District Secretariat, Matare	1,612,000	1,549,990	62,010	96	1,361,000	1,334,024	26,976	98	251,000	215,965	35,035	86		
263	District Secretariat, Hambantota	1,220,565	1,144,959	75,606	94	1,015,000	950,994	64,006	94	205,565	193,964	11,601	94		
264	District Secretariat/ Kachcheri – Jaffna	1,561,000	1,559,968	1,032	100	1,239,000	1,238,361	639	100	322,000	321,608	392	100		
265	District Secretariat/ Kachcheri – Mannar	440,000	400,936	39,064	91	317,500	291,913	25,587	92	122,500	109,024	13,476	89		
266	District Secretariat/ Kachcheri – Vavuniya	431,000	394,915	36,085	92	301,000	282,688	18,312	94	130,000	112,227	17,773	86		
267	District Secretariat/ Kachcheri – Mullaitivu	624,000	580,753	43,247	93	373,500	356,567	16,933	95	250,500	224,187	26,313	89		
268	District Secretariat/ Kachcheri – Killinochchi	509,000	483,351	25,649	95	359,000	337,898	21,102	94	150,000	145,453	4,547	97		
269	District Secretariat/ Kachcheri – Batticaloa	1,878,000	1,643,553	234,447	88	983,000	966,689	16,311	98	895,000	676,864	218,136	76		
270	District Secretariat, Ampara	1,794,000	1,750,035	43,965	98	1,273,000	1,241,928	31,072	98	521,000	508,107	12,893	98		
271	District Secretariat/ Kachcheri – Trincomalee	1,117,000	797,668	319,332	71	612,000	580,511	31,489	95	505,000	217,157	287,843	43		
272	District Secretariat, Kurunegala	2,923,000	2,791,688	131,312	96	2,405,000	2,321,902	83,098	97	518,000	469,786	48,214	91		
273	District Secretariat, Puttalam	1,314,000	1,214,394	99,606	92	915,000	875,631	39,369	96	399,000	338,763	60,237	85		
274	District Secretariat, Anuradhapura	1,505,000	1,469,534	35,466	98	1,158,000	1,131,410	26,590	98	347,000	338,124	8,876	97		
275	District Secretariat – Polonnaruwa	903,000	813,293	89,707	90	598,000	541,442	56,558	91	305,000	271,851	33,149	89		
276	District Secretariat – Badulla	1,604,000	1,292,128	311,872	81	987,000	918,699	68,301	93	617,000	373,428	243,572	61		
277	District Secretariat, Monaragala	940,000	784,608	155,392	83	669,000	645,192	23,808	96	271,000	139,416	131,584	51		
278	District Secretariat, Rathnapura	1,517,506	1,436,567	80,939	95	1,220,000	1,167,040	52,960	96	297,506	269,527	27,979	91		
279	District Secretariat, Kegalle	1,665,000	1,509,622	155,378	91	1,114,900	1,077,629	37,271	97	550,100	431,993	118,107	79		
280	Department of Project Management and Monitoring	127,500	82,786	44,714	65	89,000	82,590	6,410	93	38,500	196	38,304	1		
281	Department of Agrarian Development	10,052,700	9,212,326	840,374	92	8,839,200	8,686,591	152,609	98	1,213,500	525,736	687,764	43		
282	Department of Irrigation	9,662,000	8,691,339	970,661	90	3,595,500	3,553,971	41,529	99	6,066,500	5,137,367	929,133	85		
283	Department of Forests	2,209,000	2,113,564	95,436	96	1,643,000	1,581,485	61,515	96	566,000	532,078	33,922	94		
284	Department of Wildlife Conservation	2,256,000	2,161,466	94,534	96	2,029,000	2,013,459	15,541	99	227,000	148,007	78,993	65		
285	Department of Agriculture	6,987,800	6,405,773	582,027	92	5,367,800	5,138,752	229,048	96	1,620,000	1,267,022	352,978	78		
286	Department of Land Commissioner General	579,970	489,198	90,772	84	509,370	467,612	41,758	92	70,600	21,586	49,014	31		
287	Department of Land Title Settlement	582,646	578,794	3,852	99	573,146	572,241	905	100	9,500	6,553	2,947	69		
288	Department of Surveyor General of Sri Lanka	4,595,510	4,187,501	408,009	91	4,321,710	4,125,819	195,891	95	273,800	61,682	212,118	23		
289	Department of Export Agriculture	1,102,000	1,035,161	66,839	94	821,000	770,841	50,159	94	281,000	264,320	16,680	94		
290	Department of Fisheries and Aquatic Resources	1,025,725	988,590	37,135	96	718,119	693,618	24,501	97	307,606	294,972	12,634	96		

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2022

Head	Institution	Total			Recurrent			Provision			Capital			Rs.'000
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	
291	Department of Coast Conservation and Coastal Resource Management	527,745	490,210	37,535	93	336,660	324,443	12,217	96	191,085	165,768	25,318	87	
292	Department of Animal Production and Health	1,187,600	1,109,292	78,308	93	698,600	678,994	19,606	97	489,000	430,298	58,702	88	
293	Department of Rubber Development	1,114,000	1,026,678	87,322	92	398,000	359,866	38,134	90	716,000	666,812	49,188	93	
294	Department of National Zoological Gardens	749,000	691,408	57,592	92	569,000	545,499	23,501	96	180,000	145,909	34,091	81	
295	Department of Commerce	206,300	103,833	102,467	50	198,300	98,703	99,597	50	8,000	5,130	2,870	64	
296	Department of Import and Export Control	140,405	117,034	23,371	83	108,155	106,551	1,604	99	32,250	10,483	21,767	33	
297	Department of Registrar of Companies	80,690	76,661	4,029	95	80,690	76,661	4,029	95	0	0	0	0	
298	Department of Measurement Units, Standards and Services	170,300	169,321	979	99	170,300	169,321	979	99	0	0	0	0	
299	National Intellectual Property Office of Sri Lanka	48,000	46,651	1,349	97	48,000	46,651	1,349	97	0	0	0	0	
300	Department of Food Commissioner	452,000	100,842	351,158	22	88,400	84,613	3,787	96	363,600	16,229	347,371	4	
301	Department of Co-operative Development (Registrar of Co-operative Societies)	94,000	90,528	3,472	96	72,800	71,042	1,758	98	21,200	19,486	1,714	92	
302	Co-operative Employees Commission	21,700	19,400	2,300	89	20,300	18,232	2,068	90	1,400	1,168	232	83	
303	Department of Textile Industries	345,500	340,504	4,996	99	314,249	309,424	4,825	98	31,251	31,080	171	99	
304	Department of Meteorology	791,770	369,224	422,546	47	366,740	351,590	15,150	96	425,030	17,634	407,396	4	
306	Department of Sri Lanka Railways	42,697,150	42,531,431	165,719	100	23,546,800	23,512,620	34,180	100	19,150,350	19,018,811	131,539	99	
307	Department of Motor Traffic	2,555,000	1,835,894	719,106	72	1,585,000	1,329,384	255,616	84	970,000	506,509	463,491	52	
308	Department of Posts	16,726,000	16,275,630	450,370	97	16,374,000	16,100,875	273,125	98	352,000	174,755	177,245	50	
309	Department of Buildings	557,910	537,277	20,633	96	530,270	510,835	19,435	96	27,641	26,442	1,198	96	
310	Department of Government Factories	200,430	175,283	25,147	87	149,630	143,710	5,920	96	50,800	31,572	19,228	62	
311	Department of National Physical Planning	213,640	184,217	29,423	86	184,480	175,978	8,502	95	29,160	8,239	20,921	28	
312	Western Provincial Council	56,789,000	55,228,730	1,560,270	97	54,905,000	53,888,430	1,016,570	98	1,884,000	1,340,300	543,700	71	
313	Central Provincial Council	42,718,000	36,748,103	5,969,897	86	40,527,000	35,181,952	5,345,048	87	2,191,000	1,566,151	624,849	71	
314	Southern Provincial Council	40,582,000	39,309,460	1,272,540	97	38,566,000	38,013,960	552,040	99	2,016,000	1,295,500	720,500	64	
315	Northern Provincial Council	30,867,000	29,395,260	1,471,740	95	28,400,000	27,600,360	799,640	97	2,467,000	1,794,900	672,100	73	
316	North Western Provincial Council	38,791,000	37,367,260	1,423,740	96	36,526,000	35,819,700	706,300	98	2,265,000	1,547,560	717,440	68	
317	North Central Provincial Council	25,157,000	22,101,695	3,055,305	88	22,601,000	20,356,795	2,244,205	90	2,556,000	1,744,900	811,100	68	
318	Uva Provincial Council	29,711,000	28,466,060	1,244,940	96	26,958,000	26,605,660	352,340	99	2,753,000	1,860,400	892,600	68	
319	Sabaragamuwa Provincial Council	35,545,000	32,868,375	2,676,625	92	33,380,000	31,306,774	2,073,226	94	2,165,000	1,561,601	603,399	72	
320	Department of Civil Security	20,201,080	19,332,239	868,841	96	19,988,480	19,151,205	837,275	96	212,600	181,034	31,566	85	
321	Eastern Provincial Council	32,983,000	31,614,590	1,368,410	96	30,443,000	29,965,790	479,210	98	2,540,000	1,650,800	889,200	65	
322	Department of National Botanical Gardens	747,300	741,103	6,197	99	576,200	572,920	3,280	99	171,100	168,183	2,917	98	
323	Department of Legal Affairs	23,025	17,236	5,789	75	22,650	17,209	5,441	76	375	27	348	7	
324	Department of Management Audit	64,140	58,929	5,211	92	62,333	57,324	5,009	92	1,807	1,605	202	89	

Notes to the Financial Statements contd...

Schedule III – HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE – 2022

Head	Institution	Total			Recurrent			Capital			Rs.'000		
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision		Expenditure	Savings
325	Department of Sri Lanka Coast Guard	506,600	336,771	169,829	66	65,600	63,182	2,418	96	441,000	273,589	167,411	62
326	Department of Community Based Corrections	529,640	491,626	38,014	93	519,850	486,940	32,910	94	9,790	4,686	5,104	48
327	Department of Land Use Policy Planning	519,250	496,824	22,426	96	487,210	470,206	17,004	97	32,040	26,618	5,422	83
328	Department of Manpower and Employment	525,466	520,214	5,252	99	503,079	499,476	3,603	99	22,387	20,739	1,648	93
329	Department of Information Technology Management	318,290	213,796	104,494	67	316,040	212,323	103,717	67	2,250	1,473	777	65
331	Department of Samurdhi Development	83,368,300	54,021,518	29,346,782	65	83,203,600	53,921,970	29,281,630	65	164,700	99,548	65,152	60
332	Department of National Community Water Supply	941,176	787,174	154,002	84	331,930	311,730	20,200	94	609,246	475,444	133,802	78
333	Comptroller General's Office	35,610	33,875	1,735	95	35,324	33,589	1,734	95	287	285	1	100
334	Department of Multi-purpose Development Task Force	13,769,880	8,691,370	5,078,510	63	13,721,180	8,650,806	5,070,374	63	48,700	40,564	8,136	83
335	National Education Commission	72,000	61,630	10,370	86	61,000	57,245	3,755	94	11,000	4,386	6,614	40
336	Merchant Shipping Secretariat	108,800	100,129	8,671	92	95,800	88,808	6,992	93	13,000	11,321	1,679	87
Grand Total		6,482,350,544	5,985,984,998	496,365,546		3,791,498,005	3,539,236,889	252,261,117		2,690,852,539	2,446,748,110	244,104,429	

Notes to the Financial Statements contd...

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS - 2022

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
1	His Excellency the President	-	37,720,963	-	15,153,667	-	52,874,631
2	Office of the Prime Minister	-	63,194,415	-	1,072,039	-	64,266,454
4	Judges of the Superior Courts	-	502,732	-	-	-	502,732
5	Office of the Cabinet of Ministers	-	3,447,878	-	-	-	3,447,878
6	Office of the Public Service Commission	-	1,259,564	-	-	-	1,259,564
13	Human Rights Commission of Sri Lanka	-	2,998,677	-	345,311	-	3,343,988
16	Parliament	-	6,969,157	-	527,475	-	7,496,632
20	Election Commission	40,480	862,505	330,080	2,865,041	370,560	3,727,546
22	Office of the Parliamentary Commissioner for Administration	-	947,616	-	-	-	947,616
25	Delimitation Commission	-	8,159	-	-	-	8,159
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	202,526	13,478,830	672,928	26,094,242	875,454	39,573,072
103	Ministry of Defence	-	48,385,600	1,462,771	404,178,755	1,462,771	452,564,354
105	Ministry of Mass Media	-	1,188,727	-	44,914	-	1,233,641
110	Ministry of Justice	1,000	598,081	-	45,186,396	1,000	45,784,477
111	Ministry of Health	17,083,329	758,183,706	24,133,246	252,816,600	41,216,575	1,011,000,306
112	Foreign Ministry	-	108,719,237	-	12,116,155	-	120,835,392
117	Ministry of Highways	-	12,652,544	1,195,115,412	8,425,198,568	1,195,115,412	8,437,851,111
118	Ministry of Agriculture	-	1,888,756,909	-	26,114,596	-	1,914,871,505
119	Ministry of Power	-	1,354,367	-	-	-	1,354,367
122	Ministry of Lands	970	3,030,763	5,163,014	28,911,305	5,163,984	31,942,068
123	Ministry of Urban Development and Housing	-	2,109,154	-	247,043,385	-	249,152,540
126	Ministry of Education	11,328	1,891,330,966	22,697,604	236,431,182	22,708,931	2,127,762,148
130	Ministry of Public Services, Provincial Councils and Local Government	8,192,420	71,447,047	651,153,551	2,642,490,700	659,345,971	2,713,937,747
135	Ministry of Plantation	-	3,896,286	-	586,162,858	-	590,059,144
149	Ministry of Industries	-	553,111	-	45,161,183	-	45,714,294
151	Ministry of Fisheries	-	792,949	-	740,123,382	-	740,916,331
160	Ministry of Environment	-	1,748,616	-	5,508,000	-	7,256,616
166	Ministry of Water Supply	-	1,279,927	-	50,071,682	-	51,351,609
171	Ministry of Women, Child Affairs and Social Empowerment	1,032,498	4,903,060	3,329,771	9,412,397	4,362,270	14,315,457
187	Ministry of Investment Promotion	-	751,733	-	383,500	-	1,135,233
189	Ministry of Public Security	-	154,979,416	-	65,303,169	-	220,282,585
193	Ministry of Labour	21,019	1,912,961	-	-	21,019	1,912,961

Notes to the Financial Statements contd...

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS - 2022

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
194	Ministry of Youth and Sports	-	1,851,406	19,661,100	1,640,931	19,661,100	3,492,336
198	Ministry of Irrigation	28,787	681,061	45,975,000	1,902,408,913	46,003,787	1,903,089,974
201	Department of Buddhist Affairs	16,390	1,378,355	-	-	16,390	1,378,355
202	Department of Muslim Religious and Cultural Affairs	-	2,682,316	-	-	-	2,682,316
204	Department of Hindu Religious and Cultural Affairs	-	8,745,064	-	4,100,000	-	12,845,064
205	Department of Public Trustee	-	622,420	-	145,037	-	767,457
206	Department of Cultural Affairs	3,617	2,332,064	29,482,093	-	29,485,710	2,332,064
207	Department of Archaeology	-	8,803,477	-	2,127,397	-	10,930,873
210	Department of Information	-	6,238,826	-	13,383,320	-	19,622,146
211	Department of Government Printer	-	64,758,361	-	-	-	64,758,361
212	Department of Examinations	5,695,710	589,370	238,399	-	5,934,109	589,370
213	Department of Educational Publications	-	168,794	-	-	-	168,794
215	Department of Technical Education and Training	-	30,571,916	-	734,653	-	31,306,569
216	Department of Social Services	31,260	118,390	-	486,025	31,260	604,415
217	Department of Probation and Child Care Services	2,200	117,163	-	2,000	2,200	119,163
219	Department of Sports Development	-	12,711,347	-	7,369,500	-	20,080,847
221	Department of Labour	-	18,515,665	-	295,600	-	18,811,265
222	Sri Lanka Army	-	18,169,722,343	-	883,239,789	-	19,052,962,132
223	Sri Lanka Navy	2,930,255,864	88,316,772	181,373,278	345,687,153	3,111,629,141	434,003,925
224	Sri Lanka Air Force	-	2,378,083,341	-	3,656,250,030	-	6,034,333,371
225	Department of Police	35,717,700	974,609,001	6,269,750	108,892,369	41,987,450	1,083,501,370
227	Department of Registration of Persons	-	22,148,669	-	2,233,613	-	24,382,281
228	Courts Administration	-	125,245	-	2,155,317	-	2,280,562
230	Department of Legal Draftsman	-	1,003,431	-	-	-	1,003,431
232	Department of Prisons	1,112,799	1,077,089,032	112,500	7,067,880	1,225,299	1,084,156,913
233	Department of Government Analyst	17,735,730	-	59,642,549	-	77,378,279	-
234	Registrar of the Supreme Court	-	7,773,666	-	-	-	7,773,666
236	Department of Official Languages	-	2,643,582	-	6,000	-	2,649,582
237	Department of National Planning	-	736,672	1,762,204	1,185,023	1,762,204	1,921,695
238	Department of Fiscal Policy	-	522,970	-	-	-	522,970
240	Department of National Budget	-	1,354,080	-	-	-	1,354,080
242	Department of Management Services	-	562,262	-	-	-	562,262
243	Department of Development Finance	-	2,852,514	-	-	-	2,852,514

Notes to the Financial Statements contd...

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS - 2022

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
244	Department of Trade and Investment Policy	-	441,779	-	-	-	441,779
245	Department of Public Finance	-	189,996	-	-	-	189,996
246	Department of Inland Revenue	-	60,583,566	-	230,763	-	60,814,329
247	Sri Lanka Customs	-	13,988,230	-	10,695,233	-	24,683,463
248	Department of Excise	477,338	24,159,531	-	9,262,102	477,338	33,421,633
249	Department of Treasury Operations	-	180,208	-	-	-	180,208
250	Department of State Accounts	-	518,189	-	34,250	-	552,439
251	Department of Valuation	-	7,128,077	-	917,813	-	8,045,890
252	Department of Census and Statistics	-	7,414,031	-	6,658,253	-	14,072,284
253	Department of Pension	-	6,689,526,618	-	-	-	6,689,526,618
254	Department of Registrar General	-	41,975	-	-	-	41,975
256	District Secretariat, Gampaha	-	834,661	-	-	-	834,661
257	District Secretariat, Kalutara	4,853	1	-	566,900	4,853	566,901
258	District Secretariat, Kandy	-	1,500	517,534	163,807,409	517,534	163,808,909
259	District Secretariat, Matale	-	3,481,488	-	1,366,280	-	4,847,768
260	District Secretariat, Nuwara-Eliya	-	586,677	-	-	-	586,677
261	District Secretariat, Galle	-	968,747	-	31,501,750	-	32,470,498
265	District Secretariat/ Kachcheri - Mannar	-	1,884,739	-	2,011,331	-	3,896,070
266	District Secretariat/ Kachcheri - Vavuniya	-	66,118	-	-	-	66,118
267	District Secretariat/ Kachcheri - Mullaitivu	-	38,537	-	5,505,057	-	5,543,594
270	District Secretariat, Ampara	-	272,316	-	53,269,527	-	53,541,843
271	District Secretariat/ Kachcheri - Trincomalee	19,200	-	-	334,017	19,200	334,017
272	District Secretariat, Kurunegala	2,384	133,337	21,619,565	24,690,772	21,621,949	24,824,108
273	District Secretariat, Puttalam	-	524,407	9,047,310	-	9,047,310	524,407
276	District Secretariat - Badulla	67,913	547,624	-	122,434,884	67,913	122,982,508
277	District Secretariat, Monaragala	-	5,534	-	2,928,480	-	2,934,014
278	District Secretariat, Rathnapura	-	29,030	-	4,038,724	-	4,067,755
279	District Secretariat, Kegalle	-	3,216	-	19,144,133	-	19,147,349
280	Department of Project Management and Monitoring	-	596,610	-	-	-	596,610
281	Department of Agrarian Development	1,689,913	35,035,853	7,339,627	1,167,846	9,029,540	36,203,698
283	Department of Forests	-	167,635	-	821,802	-	989,437
285	Department of Agriculture	-	275,000	-	14,823,673	-	15,098,673
286	Department of Land Commissioner General	-	7,546,586	-	3,657,427	-	11,204,013

Notes to the Financial Statements contd...

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS - 2022

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
287	Department of Land Title Settlement	-	47,000	-	215,150	-	262,150
288	Department of Surveyor General of Sri Lanka	924,520	17,897,922	-	38,275	924,520	17,936,197
290	Department of Fisheries and Aquatic Resources	-	7,941,869	-	56,663,330	-	64,605,199
291	Department of Coast Conservation and Coastal Resource Management	-	578,755	-	20,979,166	-	21,557,921
294	Department of National Zoological Gardens	-	5,433,687	-	8,077,499	-	13,511,186
295	Department of Commerce	-	1,026,318	-	-	-	1,026,318
296	Department of Import and Export Control	48,537	625,305	-	-	48,537	625,305
301	Department of Co-operative Development (Registrar of Co-operative Societies)	-	30,700	-	2,633	-	33,333
302	Co-operative Employees Commission	-	18,383	-	-	-	18,383
303	Department of Textile Industries	-	51,000	-	-	-	51,000
306	Department of Sri Lanka Railways	-	39,437,062	-	26,184,023	-	65,621,085
307	Department of Motor Traffic	-	48,428,914	-	723,516,735	-	771,945,649
308	Department of Posts	-	8,064,003	-	509,500	-	8,573,503
309	Department of Buildings	-	566,385	-	-	-	566,385
310	Department of Government Factories	-	1,645,795	-	-	-	1,645,795
320	Department of Civil Security	-	76,091,061	-	6,698,555	-	82,789,616
322	Department of National Botanical Gardens	1,749,074	-	165,913	-	1,914,988	-
324	Department of Management Audit	-	126,193	-	-	-	126,193
326	Department of Community Based Corrections	-	1,433,965	-	-	-	1,433,965
327	Department of Land Use Policy Planning	60	171,032	-	1,026,460	60	1,197,492
328	Department of Manpower and Employment	23,047	258,959	192,472	-	215,518	258,959
329	Department of Information Technology Management	-	1,185,524	-	-	-	1,185,524
331	Department of Samurdhi Development	-	975,878	-	-	-	975,878
332	Department of National Community Water Supply	-	1,311,082	-	42,440,691	-	43,751,773
333	Comptroller General's Office	-	140,835	-	-	-	140,835
334	Department of Multi-purpose Development Task Force	5,075	193,147,053	-	-	5,075	193,147,053
Grand Total		3,022,197,539	35,242,201,725	2,287,457,671	22,174,347,495	5,309,655,210	57,416,549,220

Notes to the Financial Statements contd...

Schedule V – STATEMENT OF PROVINCIAL COUNCILS REVENUE AND EXPENDITURE REPORT – 2022

Category	Province							Total
	Western	Central	Southern	Northern	North Western	North Central	Uva	
Total Revenue	40,030,191,315	5,515,768,535	6,847,214,786	3,479,602,676	8,107,568,211	2,680,549,318	2,253,560,792	74,824,656,083
Recurrent Expenditure	83,244,313,471	49,471,718,175	48,535,253,230	29,569,140,747	46,007,253,750	26,283,578,476	28,623,042,948	382,828,355,686
Capital Expenditure	3,632,355,722	1,774,716,024	1,847,917,879	1,744,634,399	2,608,089,833	2,685,354,968	2,245,955,618	20,099,296,181
Total Expenditure	86,876,669,193	51,246,434,199	50,383,171,109	31,313,775,146	48,615,343,583	28,968,933,444	30,868,998,566	402,927,651,867

(Rs.)



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தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

TPD/A/DSA/IA/FA/2022/10

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

30 May 2023

Secretary

Ministry of Finance, Economic Stabilization and National Policies

Report of the Auditor General on the Financial Statement of the Government for the year ended 31 December 2022 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 statements of the Government for the year ended 31 December 2022 comprising the statement of financial position of the Government as at 31 December 2022 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 a 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. The annual detailed management audit report will be issued to the Chief Accounting Officer in terms of Section 11(2) of the National Audit Act, No. 19 of 2018. My report to Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 10 of the National Audit Act, No. 19 of 2018 will be tabled in due course.

In my opinion, except for the effects of the matters described in the Basis for Qualified Audit Opinion Paragraph in this report, the accompanying financial statements of the Government give a true and fair view of the financial position of the Government as at 31 December 2022 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

The following observations are made.

1.2.1 Accounting Deficiencies on the Preparation and Presentation of the Financial Statements of the Government

The following observations are made.

- (a) There was no direct relationship between the statement of financial performance and the statement of financial position included in the financial statements of the Government. That is, the statement of financial performance reflected only the actual position of the budget relating to the year under review and of them, deficits or surpluses relating to the year had not been computed and adjusted to the statement of financial position. Accordingly, the statement of financial performance and the statement of financial position were in contrast.
- (b) Even though a debit value of Rs.22,477,362,524,574 had been indicated as the total of statutory and other funds in the statement of financial position, only a credit value of Rs.149,436,599,992 had been indicated in the statement of changes in equity. The debit balance of Rs.22,626,799,124,566 of the Net Assets Adjustments Account which has a direct significant impact on the equity, had not been indicated in the statement of changes in equity.
- (c) Assets and liabilities included in the statement of financial position had not been classified as current and non-current. As such, the users of financial statements and interested parties were unable to get a clear view of the amount of external liabilities payable by the Government during the ensuing year.
- (d) According to the statement of financial position, the value of total external liabilities amounted to Rs.27,281,161,967,904. However, the value of total assets amounted to only Rs.4,803,799,443,330 in relation to the said value. As such, the total external liabilities exceeded the total assets by Rs.22,477,362,524,574.
- (e) Provision for depreciation had not been made according to the Prudence Accounting Concept by systematically allocating the depreciable value for non-financial assets totalling Rs.775,918 million throughout their useful life except for lands, work-in-

progress in the financial statements of the Government. Moreover, assets should be periodically reviewed so as to reflect the fair value. However, action had not been taken accordingly. As such, the opportunity of getting a specific understanding of the carrying amount obtained after deducting accumulated depreciation and accumulated impairment losses of these assets, if any, had been lost by the users of these financial statements.

- (f) A sum of Rs.33,405,049,463 was included as grants in the cash flow generated from financial activities in the cash flow statement included in the financial statements of the Government. Nevertheless, the said value comprised receipts of materials and equipment valued at Rs.19,487,743,093 as grants without cash inflow.
- (g) A balance of domestic and term loans amounting to Rs.45,000,000,000 had been converted to treasury bills in the year under review and no cash flow whatsoever was generated therefrom. However, it had been indicated under financial activities, considering as a cash inflow generated during the year under review. Moreover, this value had been included in domestic borrowings under budget financing in the statement of financial performance and net changes in domestic borrowings and deposits and liabilities.
- (h) The value of net changes in deposits and other liabilities included in the cash flow generated from financial activities in the cash flow statement of the year 2020, had been separately indicated in each relevant cash flow from the year 2021. Accordingly, the cash flows included in those values were included in the Consolidated Fund and as such, action had been taken to adjust the net changes in values of deposits and other liabilities to the Consolidated Fund as a total. Therefore, recording an elimination of Rs.294,583,038,486 from the Consolidated Fund as net changes in deposits and liabilities in the year under review was observed in Audit as conflict to the Article 150(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka.
- (i) A sum of Rs.1,022,280,600 recoverable as at 31 December 2022 to the Department of Treasury Operations from the Fuel Price Stabilization Fund, had been indicated as a negative value under a liability in the statement of financial position of the

financial statements of the Government for the year 2022 and erroneously indicated by naming as the Fuel Price Stabilization Account under miscellaneous accounts.

- (j) According to the financial statements of the Government, the value transferred in the year under review to the Government from the profit of the Central Bank of Sri Lanka was Rs.30,007,245,202 and according to the financial statements of the Central Bank of Sri Lanka, the said value was Rs.31,035,788,000. As such, a difference of Rs.1,028,542,798 was observed.
- (k) In the comparison of Government recurrent grants and capital grants provided to public enterprises with the values included in the financial statements of relevant institutions, the net value had been understated in the financial statements of the Government by Rs.38.5 million and Rs.16.52 million respectively.

1.2.2 Foreign Borrowings

The following observations are made.

- (a) According to the information made available to the Audit, the value of foreign borrowings realized in the year 2022 and the year 2021 or prior to that but unaccounted even by the end of the year 2022, were Rs.10,665.4 million and Rs.3.6 million respectively. However, according to computations of the Audit which was based on the information provided by the Treasury Operations Department and the foreign exchange rates as at the ending date of the year under review, the total value of foreign borrowings not so accounted was Rs.11,700.6 million as at 31 December 2022. Accordingly, a difference of Rs.1,031.5 million was observed. Therefore, as disbursed unaccounted loan balances remained in the year under review as well as in prior years were observed. Moreover, if any expenditure was incurred using unaccounted foreign borrowings. It was further observed that the said expenditure could remain excluded in the financial statements of the year under review.
- (b) Disbursements of Rs.17,305.2 million had been accounted in the year under review relating to 21 types of loans maintained outside the statement of financial position which were realized in the year 2021 or prior years and no disclosures whatsoever had been made thereon in the financial statements of the Government. Accordingly,

it was further observed that even though it was disbursed during the relevant year, contrary to the periodic Accountong concept certain foreign borrowings had not been accounted continuously.

- (c) According to Note No.30 (11) to the financial statements of the Government of the year under review, the opening balance of Loan No.2001042 had been indicated as Euro 5,644,462 without any disbursements or repayments in the year under review and the said loan balance had been indicated as Euro 6,702,014 as at 31 December 2022.
- (d) The loan amount of Rs.589 million remained unaccounted as at 31 December 2021 as per Report 854-1 relating to the loan agreement bearing No.2021007 under contractual commitments entered into by the Government in the year 2021, had been accounted, considering in the year 2022 as a realization in the current year and no disclosures thereon had been made in the financial statements. As such, it was observed that actual realizations during the year under review were not completely reflected by Notes No.11 and 30 (II) to the financial statements of the Government.
- (e) Loan balances amounting to Rs.518,293 million relating to 08 types of loans maintained completely outside the statement of financial position of the financial statements of the Government, had been accounted in the year under review. No disclosures whatsoever had been made thereon in the financial statements of the Government and the balances of the relevant 08 types of loans had been directly indicated in the closing balances of Note No.30 (II). Furthermore,
 - (i). Even though it is the normal practice of the Government to account the borrowings through the Consolidated Fund, the aforesaid 08 types of loans could not be accounted through the Consolidated Fund. Nevertheless, the loan instalments relating to these 08 types of loans had been paid through the Consolidated Fund.
 - (ii). It was observed that no expenditure whatsoever incurred by obtaining these 08 types of loans, had been accounted as expenditure in the financial statements of the Government during the period of obtaining the loan or during any other

period. Moreover, no asset whatsoever acquired by obtaining this loan, had been accounted in the financial statements of the Government.

- (f) Two different currency units had been used in the financial statements of the Government for two loan agreements in the preceding year. As such, the relevant loan balances had changed by Rs.340 million and Rs.285 million according to 854-1 Report of CS-DRMS system. Even though only the loan currency unit had been changed in the year under review in the opening balances relating to those two types of loans, the opening balances had not been rectified. As such, the relevant changes had been absorbed into the currency loss arisen in the year under review due to those loans. Therefore, differences were observed between currency losses by the said values according to financial statements of the Government and 854-1 Report of CS-DRMS system.
- (g) Even though a sum of EUR 500,000 had been received in the year under review relating to Loan No.2019010, the value thereof amounted to Rs.114,180,500 according to the 854-1 Report of CS-DRMS system while it was Rs.148,497,550 according to financial statements of the Government. As such, the loan value had been overstated by Rs.34,317,050 in the financial statements.
- (h) Even though the opening loan balance should be equal to the closing loan balance after adding the realizations during the year under review and deducting loan payments during the year under review in terms of the foreign currency unit included in Note No. 30(II) of the Financial Statement of the Government, a difference of Rs.1,327,324,971 related to 12 unequal loan agreements was observed.
- (i) When comparing the Foreign Currency Banking Unit Loan (Project) Balances presented in Note No. 30(I) of the Financial Statement of the Government with the 854-1 Report of CS-DRMS system, a difference of Rs.94,064,888 had been observed in the opening balances as at 01 January 2022 related to two loan agreements, and a difference of USD 454,444 had been observed in relation to the loan agreement number 2018034 when loan repayments are made. Further, even though an amount of Rs. 2,978,950 in relation to loan agreement No. 2016002 had

been adjusted to the Parity/Adjustments column, no disclosure had been made in the financial statements.

- (j) Even though the exchange loss of Rs. 5,232,909 million occurred in the conversion of foreign loan as at 31 December 2022 into local currency should be adjusted to the Financial Performance Statement, that value had been adjusted to the Net Assets Adjustment account. Furthermore, an exchange loss of the preceding year amounted to Rs. 363,647 million and it was Rs.5,232,909 million in the year under review, thus observing an increase of 1339 per cent in the year under review as compared with the preceding year.
- (k) Even though the value of loan repayments during the year under review was Rs.348,629 million though as per the Notes No. 30(ii), (iii) and (iv) to the Financial statement relating to foreign loans, a difference of Rs.9,874 million was observed since it was Rs. 358,504 million according to the Financial Performance Statement. Further, it was observed that the value is 369,825 million according to the 854-1 report of CS-DRMS system.
- (l) Even though information related to domestic loan repayments had been disclosed in a note in the Financial Performance Statement, no such note had been presented with the financial statements in relation to the foreign loan repayment value of Rs. 358,504 million paid in the year 2022.
- (m) When loan balance confirmations sent by the doners are compared with the Financial Statement of the Government and computerized debt management system 854-1 report, loan balances related to 07 and 37 loan categories had been overstated and understated by Rs.7,607,493,758 and Rs.13,082,627,225 respectively in Financial Statement of the Government.
- (n) When examining the loan balance confirmations received from the lending institutions, Euro 82,158 as Commitment Fee due, Euro 31,571 as Delay Interest, Euro 194,391 as Fees Overdue had been stated in certain loan balance confirmation letter.

- (o) Considering the disbursement period, it was observed that even though the disbursed foreign loans related to the year 2022 were included in the computerized debt management system 814-1 report printed on 02 May 2023, it was not included in the said report printed on 20 January 2023. Accordingly, the net worth of foreign loan amounting to Rs.27,392 million had also not been accounted for as disbursed loan in the Financial Statement of the Government. Further, among those loan balances, it was also observed the instances where loan disbursements in the said report printed on 02 May 2023 were less than the said report printed on 20 January 2023.
- (p) When analyzing the reports of the computerized CS-DRMS System operated by the Department of External Resources for the management of foreign debt, the following deficiencies were observed.
- (i) Even though the balances as at 31 December 2021 for loan numbers 2021008 and 2021016 had not been recorded according to the CS-DRMS 2000+Report 854-1 obtained in the year 2021, the following opening balances as at 01 January 2022 were observed in the reports obtained as at 31 December 2022.

Loan Number	Loan currency	Loan amount	Amount Rs.
-----	-----	-----	-----
2021008	USD	392,385	78,647,303
2021016	USD	12,500	2,505,423

Similarly, there were no opening balances for the above two types of loans as at 01 January 2022 according to the Financial Statement of the Government, and the following amounts had been accounted for as realized during the year under review. Accordingly, it was not clear in which year these loans had been realized.

Loan Number	Loan currency	Amount of Realized loan	Amount Rs.
-----	-----	-----	-----
2021008	USD	392,385	78,280,893
2021016	USD	472,500	168,106,589

- (ii) The loan balance related to loan number 2002054 was only EUR 11 or Rs. 2,495 as at 01 January 2022, and the loan balance related to this loan without any realization during the year under review was EUR 4373 or Rs. 1,692,045 as at 31 December 2022.
- (iii) Negative loan balances totaling Rs.1,803,456 in respect of two loan agreements had been observed in the Financial Statement of the Government and 854-1 report of CS-DRMS system.
- (iv) Negative loan disbursements totalling Rs.24,945,542 related to two loan agreements had been observed only in the Financial Statement of the Government, and according to the 854-1 report of CS-DRMS system, difference totalling Rs. 1,936,975,642 was observed between the Closing balances of the Previous year and the Opening Balances of the year under review.

Accordingly, it could not be satisfied through the debt management computerized system regarding the accuracy of the foreign loan balance remained as at any specific date.

1.2.3 Non-financial assets

The following observations are made.

- (a) Even though the total value of non-financial assets as at 31 December 2021 was Rs. 1,850,007 million according to the Financial Statement of the Government for the year 2021, the value as at 01 January 2022 was stated as Rs. 1,802,121 million according to the Financial Statement of the Government for the year 2022. Accordingly, the opening balance of non-financial assets for the year under review was understated by Rs.47,886 million.
- (b) The balance of non-financial assets of certain institutions, out of 84 institutions selected on sample basis, was Rs. 38,245 million and according to the ACA-6 form of the financial statements of those institutions, the balance was Rs. 21,382 million. Therefore, the value of non-financial assets as at 31 December 2022 was overstated by Rs.16,863 million in the Financial Statement of the Government.

- (c) The balance of non-financial assets of certain institutions, out of 84 institutions selected on sample basis, was Rs. 6,277 million, and according to the ACA-6 format of the financial statements of those institutions, the balance was Rs. 7,829 million. Therefore, the value of non-financial assets in the Financial Statement of the Government as at 31 December 2022 was understated by Rs. 1,552 million.
- (d) A difference of Rs.344 million was observed between the building value assessed and adjusted to opening balances during the year under review in the ACA-6 form for the year 2022 of 2 institutions which was selected on sample basis and the values contained in the valuation reports submitted for audit by the Valuation Department.

1.2.4 Rent and Work Advances

Even though the opening (31 December 2021) rent and work advance balance of Head 290 - Fisheries and Aquatic Resources Department and Head 247 - Sri Lanka Customs Department are stated as Rs.8,518,925 and Rs. 780,000 respectively according to Financial Statement of the Government, the opening balances of the rent and work advance account were not recorded in the financial statements in the year 2022 of those departments.

1.2.5 Capital Contribution

The following observations are made.

- (a) According to the direct balance confirmations submitted by 13 public corporations and shareholding public enterprises and public companies, the capital contribution of those entities as at 31 December 2022 was Rs.985,745 million, and according to the financial statements of the Government, the balance was Rs. 149,875 million. Therefore, the capital contribution in the financial statements of the Government as at 31 December 2022 had been understated by Rs. 835,870 million.
- (b) Differences were observed between the direct balance confirmations submitted as at 31 December 2022 and the financial statements of the Government in relation to the number of shares owned by the government in respect of 07 institutions.

Accordingly, the capital contribution of the Government as at 31 December 2022 had been understated by Rs.1,877 million in the state financial statements.

- (c) Although the value as at 31 December 2022 had been Rs. 5,148 million in the calculation made during the audit according to the number of shares owned by 02 state companies and according to their nominal value, it had been indicated as Rs. 14,556 million in the financial statements of the Government. Accordingly, the capital contribution had been overstated by Rs. 9,408 million as at 31 December 2022 in the financial statements of the Government.
- (d) Although 6,183,946 par value shares worth Rs. 175 million had been issued on 15 December 2022 by offsetting the loan amount of Rs. 175 million, which had been obtained from Lankaputra Development Bank in order to improve Capital Adequacy (Tier 1) of the Regional Development Bank and which had to be paid to the General Treasury, it had not been brought to accounts in the financial statements of the Government as at 31 December 2022.
- (e) The increase in capital contribution of Government-owned enterprises during the year under review was Rs.1,405,204 million according to the financial statements of the Government. A sum of Rs.109,625 million, that is 8 per cent, out of it, consisted of money released from the General Treasury for the payment of the recurrent expenditure of each institution, that is for loan and loan interest payments and salary and remuneration payments.

1.2.6 Foreign Grants

The following observations are made.

- (a) Total foreign grants received during the year under review under Note No. 12 Foreign Grants (Cash Receipts) to the financial statements for the year 2022 had been Rs. 3,218 million and according to the relevant deposit ledger, its total had been Rs. 3,190 million. Out of this difference, foreign grants amounting to Rs.27.7 million had been credited to the Government revenue during the year under review.

- (b) The value of foreign grants, which have been received as foreign grants to the Government of Sri Lanka as at 01 January 2022 and remained idle as at 31 December 2022 without being used for the relevant purpose had been Rs. 34.9 million.
- (c) Although it has been stated that all the transactions related to foreign aid should be carried out by the Director General of the Department of Foreign Resources of the Treasury according to the State Accounts Circular No. 30/94 dated 20 April 1994, foreign grants totaling to Rs.1,837,321,420 had been directly received for 20 projects of other ministries / departments in the year 2022 without making the Treasury aware of that as per the information obtained from an audit test check, and action had not been taken to make provision for those values and to include them in the financial statements.

1.2.7 Non-Disclosures in the Financial Statements

The following observations are made.

- (a) Even though the payments of Rs. 671,569 million as loan installments in relation to 391 loan agreements as at 13 April 2022 to the end of the year under review and Rs. 305,435 as the interest of the loans had been suspended according to the policy decision of temporarily suspending the payment of foreign loans issued by the Ministry of Finance on 12 April 2022, any disclosure had not been made in the financial statements of the Government on that and the relevant policy decision of temporarily suspending the payment of foreign loans.
- (b) Two (02) foreign loans amounting to Rs. 10,200 million, for which contracts had been entered during the year 2022, but not realized, had not been disclosed in the financial statements of the Government.
- (c) The Government's shareholding had not been classified as investment in listed companies in the Colombo Stock Exchange and investment in unlisted companies. Moreover, although the ownership value of companies listed in the Colombo Stock Exchange had been brought to accounts on the basis of its nominal value, their market value as at 31 December 2022 had not been disclosed in the financial statements.

1.2.8 Exceeding Limits

The following observations are made.

- (a) As per the Fiscal Management (Responsibility) (Amendment) Act No. 12 of 2021, the limit for issuance of treasury guarantee had been 15 percent as a percentage of the total GDP for the financial year under review together with the previous two financial years. Accordingly, even though guarantee should be issued within the limit of Rs. 2,826,300 million in relation to the year 2022, action had been taken to issue treasury guarantee up to 2,908,515 million. Accordingly, treasury guarantee amounting to Rs. 82,214 million had been issued exceeding the treasury guarantee limit in the year under review and it was 15.4 percent.
- (b) Instances of not following the limits, approved by the Parliament for advance works under the Third Schedule of the Appropriation Act No. 30 of 2021, of which details are mentioned below, were discovered as per the treasury books. Although the limits should have been revised by submitting them to Parliament by 31 May 2023 according to Section 8(1)(b) of the Act, evidence for verifying that those limits had been revised had not been submitted to audit even by 19 May 2022.
 - (i) Had spent by exceeding the maximum expenditure limit by a total of Rs. 1,070,283 in relation to 03 works of advances to public officers.
 - (ii) Subject No. 31002 - had spent an amount of Rs.196,900,472 by exceeding the maximum expenditure limit of the Work done advance account of the Department of Government Factory by Rs.76,900,472.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Responsibilities of Chief Accounting Officer on Financial Statements

The Chief Accounting Officer are responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for the determination of the internal control that 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 Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

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 Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibility on Audit of Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 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 / Department's / District Secretariat'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/ Accounting Officer regarding, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Operational review

2.1. Non-compliance with Laws, Rules and Regulations

Non-compliance with the following laws, rules and regulations was observed.

(a) Article 149 of the Constitution of the Democratic Socialist Republic of Sri Lanka

The Fuel Price Stabilization Fund had been established and maintained on the approval of the Cabinet of Ministers without obtaining the approval of Parliament even by 31 December 2022.

(b) Fiscal Management (Responsibility) Act No. 3 of 2003

- (i) Although the maximum liabilities at the end of a particular year should not exceed 80 percent of the estimated gross domestic product for that year in terms of the Fiscal Management (Responsibility) Act No. 3 of 2003, which had been amended by the Fiscal Management (Responsibility) (Amendment) Act No. 12

of 2021 and the Fiscal Management (Responsibility) (Amendment) Act No. 15 of 2013, that limit had exceeded up to 114.83 percent by 31 December 2022, Details are given below.

Liabilities	Value of Liabilities as at 31 December 2022 *
-----	-----
	Rs. Billion
Overdraft	84
Advances of the Central Bank	235
Public Debt	27,379
Liabilities Not Accounted for in the Financial Statements :	
- Unaccounted Foreign Loans	39
Total Liabilities	27,379
Estimated GDP	23,843
Total Liabilities as a Percentage of the Estimated GDP	114.83

* A sum of Rs. 1,292 billion being the value of letters of comfort and guarantees given to the banks in respect of loans obtained by public enterprises under guarantees of the Treasury, and liabilities amounting to Rs. 106 billion as per the statement of liabilities and commitments presented to the Audit by the Ministries, Departments, and special expenditure units, had not been included in the said liabilities.

- (ii) In terms of Section 3(a) of the Fiscal Management (Responsibility) Act No. 3 of 2003 , “Reduction of government debt to prudent levels, by ensuring that the budget deficit at the end of the year 2006, shall not exceed five per centum of the estimated gross domestic product and to ensure that such levels be maintained thereafter” had been mentioned as an objective underlying responsible fiscal management which need to be adhered to, by the Government in outlining the fiscal strategy of the government. Nevertheless, it was observed that the Ministry of Finance was not able to maintain the estimated budget deficit of the year under review by not exceeding the five per centum of the estimated GDP, and maintain the actual budget deficit below five per centum of the estimated GDP at the end of the year under review. Accordingly, those percentages remained 9.78

per centum and 10.71 per centum of the estimated budget deficit and actual budget deficit respectively in the year under review. Particulars are as follows.

Estimated GDP	Budget Deficit		Estimated Budget Deficit as a Percentage of the Estimated GDP	Actual Budget Deficit as a Percentage of the Estimated GDP
	Estimated	Actual		
-----	-----	-----	-----	-----
Rs Billion	Rs. Billion	Rs. Billion	Per Centum	Per Centum
23,843	2,333	2,554	9.78	10.71

(c) State Accounts Circular No. 243/2015 dated 24 June 2015

It was expected to close the deposit accounts of the Category, 6003 in terms of State Accounts Circular No. 243/2015 dated 24 June 2015, and instructions had been given that such activities be done through the annual estimate with effect from the year 2016. Nevertheless, a balance of Rs. 10 million was being brought forward under the deposit account number, 6003 without being settled even as at 31 December 2022.

(d) Financial Regulations of the Democratic Socialist Republic of Sri Lanka

The following observations are made.

- (i.) Debit balances totalling Rs. 3,893 million relating to 93 imprest accounts, remained unsettled contrary to Financial Regulation 373 as at 31 December 2022. A balance of Rs. 121 million therefrom continued to exist over several years, but no action had been taken even up to 31 December 2022 to settle those balances.
- (ii.) According to Financial Regulation 387, no overdraft facility should be obtained from any state bank. Nevertheless, overdraft facilities had been obtained through the account maintained by the Director General of Pensions at People's Bank on 09 May 2022, and an interest of Rs. 30,925,253 had been paid on the overdraft balance of Rs. 7,727,113,034 existed in the said account as at that date.

03. Management Activities

The following observations are made.

- (a) According to financial statements of the Government, the values of Treasury Bills and Treasury Bonds issued as at 31 December 2022, amounted to Rs. 4,126,383,805,527 and Rs. 8,692,134,561,000 respectively. Of them, the values of Treasury Bills and Treasury Bonds purchased by the Central Bank of Sri Lanka amounted to Rs. 2,575,716,725,527 and 22,461,378,516 respectively. Accordingly, it was observed that 62.42 per centum of the Treasury Bills and 0.26 per centum of the Treasury Bonds issued as at 31 December 2022 had been purchased by the Central Bank of Sri Lanka.
- (b) Following recommendations made by the Negotiation Committee appointed by the Cabinet to look into the demands of the contractor relating to the termination of Light Rail Transit Project, the Cabinet had decided on 22 November 2022 that a sum of USD 2,930,307.48 for the activities executed by OCG-JV Company, an interest of Rs. 3,733,128 relating to the delay in reimbursing the Value Added Tax, along with expenses totalling USD 492,749 on overhead costs including the termination of employment of the employees of OCG-JV Company as the project had been abandoned, be paid to the OCG-JV Company.
- (c) It was mentioned under No. 254 of the budget proposals of the year 2018 that preparation of financial statements be converted into accrual basis of accounting within 10 years from the improved cash basis of accounting being followed at present. Although the Department of State Accounts revised the timeframe of the activities given in the roadmap presented with respect to the said Cabinet approval, a formal approval was not sought thereon. According to the note of the Cabinet, progress of the relevant process should be reported to the Cabinet after a period of one month following the end of each year, but it was not done so even by 19 May 2023. The Audit was informed by the Department of state Accounts that, once a specific policy decision is taken on the said transformation process, approval on the revised roadmap would be sought.

- (d) Action had not been taken even in the year under review to settle the debit balance of Rs. 3,995,094 that had continued to exist over an extensive period as balances of cheques dishonored by banks relating to accounts being maintained by Government Departments.
- (e) A sum of Rs. 191,466,910 had continuously been shown in the financial statements as advances given under Advances to Public Officers to Government officers who had been transferred to Provincial Councils, but action had not been taken even in the year under review to settle the said value.
- (f) A debit balance totalling Rs. 70,959,434 under 08 Government approved Treasury advance accounts and a negative balance totalling Rs. 18,066,465 under 03 advance accounts, had continued to exist over several years without being settled.
- (g) There existed a negative balance of Rs. 455,036,103 in 06 advance accounts relating to 06 Heads as at 31 December 2022.
- (h) Although an opening balance of Rs. 1,221,599,026 existed in the stores and other advances account under Head 111-Ministry of Health, either an age analysis thereon or information in that connection was not made available to the Audit.
- (i) According to Paragraph 07 of the Gazette Extraordinary No. 1550/07 issued by the Ministry of Finance on 22 May 2008, a sum of Rs. USD 60 or an equivalent amount should be charged on every air ticket being sold or issued outside Sri Lanka in respect of flights originating from Sri Lanka irrespective of how the ticket is sold or issued; and, as per Paragraph 08 of the same Gazette, the surcharges so collected, should be credited to the consolidated fund as directed by the Director General of Civil Aviation. Accordingly, the Civil Aviation Authority had collected a sum of Rs. 16,982 million as surcharges during the period from 01 August 2008 to 31 December 2022 , but those funds had not been credited to the consolidated fund. Furthermore, the Director General of the Department of Public Enterprises had been informed along with the letter issued by the Department of Legal Affairs dated 07 April 2017 stating the opinion of the Attorney General's Department being "*this surcharge can be further recoverable, and there exists a legal liability that those surcharges be credited to the consolidated fund*". Nevertheless, no action had

been taken even up to the date of audit by the Department of Public Enterprises to recover the said surcharge from the Civil Aviation Authority.

- (j) According to the schedule of age analysis on Advances to Public Officers presented as at 31 December 2022, there existed a loan balance of Rs. 319 million remaining in arrears over 01-04 years relating to the officers who had either been transferred, deceased, retired, interdicted, permanently released to the Corporations, Boards and Provincial Councils, or who had vacated their services or whose services had been terminated or those belonging to other categories. The balance continued to exist over 05 years, amounted to Rs. 391 million.
- (k) According to financial statements of the Government, an on-lending balance of Rs. 491,552 million remained receivable as at 31 December 2022. Due to failure in settlement as per on-lending agreements relating to the relevant institutions, the value of on-lending installments receivable as at 31 December 2022 from 04 institutions with respect to 05 on-lending agreements, totaled 260,503 million; and, a total of Rs. 778 million therefrom continued to exist over 05 years.
- (l) A sum of Rs. 912 million remained receivable as interest for on-lending as at 31 December 2022. No interest amount whatsoever had been paid to the Treasury by 03 institutions for the year 2022 contrary to the relevant agreement. The value of interest that had not been settled over 05 years, totaled Rs. 616 million.
- (m) An on-lending balance totalling Rs. 318,061 had been provided during the year 2022, and of that, an on-lending balance of Rs. 285,191 million had been provided in the year under review as a new on-lending balance with respect to 06 institutions. The said on-lending balance represented 90 per cent of the total value given in the year under review.
- (n) According to financial statements of the Government, the increase in capital contribution of the enterprises owned by the Government amounted to Rs. 1,405,204 in the year under review. This was observed to have been an effect caused by the fact that 89 per cent of that amount being Rs. 1,246,401 million, was a value adjusted in the balance sheet of the Government of Sri Lanka under the

transfer of liabilities of the Government enterprises identified in accordance with the Cabinet Decision No. අමප/23/0154/604/014 dated 07 February 2023. Particulars are as follows.

No.	Institution	Amount Adjusted in the Balance Sheet of the Government under Identified Liabilities of the Government Enterprises
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		Rs.
1.	Ceylon Electricity Board	362,307,620,369
2.	Ceylon Petroleum Corporation	884,093,386,477
	Total	1,246,401,006,846

- (o) Foreign grants totalling Rs. 34,740,561 received from 04 donors relating to 05 projects during the year under review had been returned to the relevant donors without being utilized for the intended purpose.

4. Performance

4.1 Revenue Estimation

The Gross Domestic Production in 2022 was Rs. 24,148 billion and it was Rs. 16,809 billion in the year 2021. Accordingly, the Gross Domestic Production had increased by Rs. 7,339 billion or 43.66 per cent compared to the preceding year. As per the original annual budget estimate approved by Parliament for the year 2022, the revenue of the government was Rs. 2,213 billion and as per the interim budget presented in the year 2022, the revenue of the government was Rs. 2,084 billion, while it was Rs. 1,961 billion in the preceding year. Accordingly, the government budget estimate had been prepared by increasing the government revenue by Rs. 252 billion and Rs.123 billion or 12.85 per cent and 6.27 per cent, respectively, compared to the preceding year, in terms of the original estimate and the interim estimate.

The budget deficit was initially estimated based on that revenue estimate, but the Revenue Accounting Officer had revised the original estimate, stating the deficit as Rs. 2,102 billion, thus decreasing by Rs.111 billion. According to the aforementioned revenue estimate, the government revenue was 8.7 per cent of the GDP. Even though the

increase in the GDP should have been taken into account in the preparation of revenue estimates, it was observed that revenue had been estimated regardless of this factor.

The government revenue collected during the year 2022 was Rs. 1,999 billion and it was a decrease of Rs.103 billion than the revised revenue estimate. Accordingly, that decrease was Rs. 214 billion and Rs. 85 billion when comparing the original annual budget estimate presented to Parliament and the interim budget revenue estimate presented in the year 2022, respectively. The decrease in the revenue collection compared to the revenue stated in the revenue estimate presented to Parliament each year from 2012 to 2022 ranged from 4.04 per cent to 26.06 per cent and the highest percentage of the decrease was recorded in 2021.

It is stated in terms of Financial Regulations 85 (2) (b) that the Accounting Officer should only report to the Fiscal Policy Department for the purpose of revising the revenue estimate. However, it was observed that allowing the revision of a revenue estimate approved by Parliament without obtaining its approval has weakened the accountability for preparing realistic estimates.

4.2 Revenue Deficit

The revenue deficit in the financial statements presented to the Audit for the year under review was Rs. 1,540 billion and it was Rs. 1,290 billion in the preceding year. The highest revenue deficit from the year 2006 to 2022 was recorded in the year 2022. The government had failed to meet recurrent expenditure with the revenue collected each year during that period. The minimum deficit of the revenue amounting to Rs. 43 billion was recorded in 2007 and it represented 7.52 per cent of the government revenue collection. The total revenue deficit during that period amounted to Rs. 6,319 billion. To bridge the deficit, the government obtained local and foreign debts as well as foreign grants. Accordingly, sums totaling Rs. 28,218 billion were obtained during that period, including local loans of Rs. 20,484 billion, foreign loan of Rs. 7,487 billion and foreign grants of Rs. 246 billion. The revenue deficit was financed by a percentage ranging from 6.89 to 45.59 percent of the loans and grants obtained each year. Out of the loans and grants obtained, 20.25 percent, 45.59 percent, 42.39 percent, and 30.59 were used to meet the recurrent expenditure in 2019, 2020, 2021, and 2022, respectively, without making any investment.

Interest of Rs. 1,565 billion was paid in the year under review and it accounted for 44.22 per cent of the total recurrent expenditure. The interest payment in the preceding year amounted to Rs. 1,048 billion or 38.01 per cent of the total recurrent expenditure. Accordingly, the payment of interest had increased by Rs.517 billion compared to the preceding year. Furthermore, settlement of certain loan installments and interest had been suspended during the period from 13 April 2022 up to the end of the year under review following the interim policy decision taken by the Ministry of Finance, Economic Stabilization and National Policies on 12 April 2022 to suspend the settlement of foreign loans. Nevertheless, it was observed that the said deficit would have further increased had the payments relating thereto been made. The payment of interests, which stood at Rs.151 billion in the year 2006, had increased by 936 per cent to Rs. 1,565 billion by the year 2022. In order to finance the budget deficit, loans had to be obtained and the payment of interest therefor had increased annually. Out of the government revenue amounting to Rs. 1,999 billion collected during the year, Rs.1,565 billion or 78.29 per cent had to be paid as interests. This position was annually on the increase during the related period and it had rapidly increased from the year 2019.

The total of outstanding revenue recoverable as at the end of the year under review from the key institutions collecting revenue, such as, the Department of Inland Revenue, Sri Lanka Customs, Department of Excise, and Department of Motor Traffic, amounted to Rs. 971,330,513,621.

Revenue of Rs. 904 billions, which was supposed to be collected as at 31 December 2022 by the Inland Revenue Department, which recorded the highest outstanding revenue, remained in arrears without being collected. If it had been possible to collect that revenue in the year 2022, the revenue deficit of that year could have been reduced by Rs.636 billion or 41.30 per cent. The revenue that remained outstanding amounted to Rs.698 billion and 620 billion in the years 2020 and 2021, respectively. If it had been possible to collect that revenue in those years, the revenue deficit in the year 2020 could have been reduced by 46.47 per cent to Rs.606 billion, and in the year 2021 by 51.94 per cent to Rs.670 billion.

The reasons such as, inefficiencies in the Revenue Administration and Management Information System, tax appealing process is time-consuming, and lack of a special court

system relating to the recovery of outstanding taxes, had attributed to the delay of the Department of Inland Revenue in recovering outstanding taxes.

The failure to properly prepare revenue estimates, collect revenue in accordance with the prepared revenue estimates, and effectively manage expenditure had led the government to obtain public debts. Due to the annual increase in obtaining those loans, the interest costs of the loans had also increased annually, resulting in an increase in recurrent expenditure. Due to the failure to collect the estimated revenue as expected and the increase in the recurrent expenditure, the revenue was insufficient to meet the annual expenses, leading to an increase in the revenue deficit each year.

4.3 Budget Deficit

According to the financial statements of the Government, the budget deficit for the year 2022 stood at Rs. 2,555 billion, accounting for 10.58 percent of the GDP. The budget deficit for the year 2021 was Rs. 2,080 billion, representing 12.37 of the GDP. There was a budget deficit throughout the period from 2006 to 2022 and the budget deficit, which stood at Rs. 300 billion in the year 2006, had increased to Rs. 2,555 billion by 2022. During that period, the highest budget deficit was recorded in 2022. The budget deficit as a percentage of the GDP ranged from 5.55 per cent to 14.08 per cent from 2006 to 2022. The actual budget deficit, which should be 5 per cent of the actual GDP as stipulated in Section 3(a) of the Fiscal Management (Responsibility) Act, No.03 of 2003, was not maintained during any year within that period. It was possible to maintain that percentage at 5.55 per cent, 5.69 per cent, and 5.59 per cent in 2016, 2017, and 2018 respectively.

4.4 Increase in the Debt Balance

With the increase in the annual budget deficit, the quantity of borrowings had also increased. According to the financial statements of the government, the debt balance payable by the government as at the end of 2022 was Rs. 27,379 billion. The balance mentioned above included local debts amounting to Rs. 14,360 billion and foreign debts amounting to Rs. 13,020 billion. The public debt balance had reached Rs. 16,827 billion in 2021. Accordingly, the debt balance had increased by Rs. 10,552 billion, representing a 63 percent increase in 2022 compared to 2021. The debt balance, amounting to Rs. 2,431 billion in 2006, accounted for 82.72 per cent of the GDP and by the end of 2022, it

had reached to Rs. 27,379 billion, representing 113.8 percent of the GDP. Furthermore, in terms of Section 3 (f) of the Fiscal Management (Responsibility) Act, No.3 of 2003, the government's liability should be below 85 per cent. However, the government's debt liability, excluding other liabilities, had reached 113.38 per cent exceeding the aforementioned limit. This situation persisted in both 2020 and 2021 as well.

4.5 Public Investments

Despite the failure to collect sufficient revenue to settle recurrent expenditure during the period from 2006 to 2022, a sum of Rs. 9,213 billion was invested as public investments during that period. The analysis of the financial statements reveals that the funds required for the aforementioned investment were financed through public debts. A sum of Rs. 1,014 billion was invested in public investments in 2022. Compared to the public investments amounting to Rs. 790 billion made in the preceding year, an increase of Rs. 224 billion is observed during the year under review. The public investments of Rs. 1,014 billion of the year 2022 were stated as construction and purchase of physical assets and acquisition of other investments under the financial expenses of the cash flow generated from investment activities in the cash flow statement. The public investments totaling Rs. 9,213 billion from the year 2006 to 2022 were specified as construction and purchase of physical assets and acquisition of other investments in the cash flow statements. Nevertheless, only Rs.2,093 billion thereof were recognized and accounted for as non-financial assets in the statement of financial position of 2022. Accordingly, assets worth Rs. 7,120 billion, which accounted for 77 per cent of the total amount of Rs. 9,213 mentioned in the cash flow statements for the construction and purchase of physical assets and acquisition of other investments, were not recognized and brought to account. Furthermore, non-financial assets were not accounted for in the financial statements from the year 2005 to 2014, and their inclusion in the financial statements was initiated since the year 2015.

4.6 Public Debts

(a) Obtaining loans in excess of the amount scheduled as per the Government Loan Scheme

According to the scheme for obtaining loans for the year under review, the scheduled Treasury bond value stood at Rs. 1,976,800 million, whereas Treasury bonds worth

Rs. 2,373,044 million was obtained as at 31 December 2022. Accordingly, loans were obtained in excess of the scheduled amount by Rs. 396,244 million representing 20 per cent through Treasury bonds.

According to the loan scheme, eventhough it was not expected to obtain loans from foreign currency banking units, the actual loans borrowed from FCBU had been amounted to Rs.339 million. Further, the value of the Sri Lanka Development Bonds amounted to Rs. 66,686 million according to the loan scheme, but it had reached Rs. 67,441 million by the end of the year. Accordingly, the value of the Sri Lanka Development Bonds had increased by Rs. 755 million or 1,1 per cent in excess of the amount scheduled for the year under review.

- (b) The disbursement estimate and the actual disbursement value as per the Performance Plan for the year 2022 were as follows.

Development Partner	Disbursement Estimate 2022	Actual Disbursement Value 2022	Variance	Variance as a percentage of the Disbursement Estimate
	USD Mn.	USD Mn.	USD Mn.	%
World Bank	482	456.2	(25.8)	(5)
Asian Development Bank	550	741.4	191.4	35
China		101.3	101.3	
Japan		75.7	75.7	
Korea		4.9	4.9	
East Asian Countries	50	21.4	(28.6)	(57)
South Asian Countries	835	925.5	90.5	11
Russia, Australia and Western Countries	150	76	(74)	(49)
United Nations Agencies	8	11.1	3.1	39
Total	2,075	2,413.5	338.5	

The following observations are made in this connection.

- (i) Although the total value of the disbursement estimate for the year 2022 was USD 2,075 million, the actual disbursement value was USD 2,413.5 million.

Accordingly, the actual disbursement value had exceeded the disbursement estimate by USD 338.5 million or around 16 per cent.

- (ii) Although estimates were not made to obtain loans from China, Japan and Korea as per the disbursement estimate, the actual borrowings stood at USD 101.3 million, USD 75.7 million, and 4.9 million, respectively.
- (iii) When comparing the actual realizable value of the loans obtained from the Asian Development Bank, the South Asian Countries and the United Nations Agencies with the disbursement estimates, there were excesses of 35 per cent, 11 per cent, and 39 per cent, respectively.
- (iv) The loans, which were expected to be obtained from the World Bank, East Asian Countries and Russia, Australia and the Western Countries, had decreased by 5 per cent, 57 per cent, and 49 per cent, respectively.

4.7 Profit and Dividends

The following observations are made.

- (i) Revenue of Rs. 34.7 billion and Rs.6.3 billion had been estimated from the profit revenue code 20.02.03.00 and the dividend revenue code 20.02.04.00, respectively for the year ended 31 December 2022. Out of that amount, the Public Enterprises Department was able to collect Rs.22 billion and Rs.6.08 billion, respectively during the year under review and it had been 63 per cent and 97 per cent of the estimated profit and dividend income, respectively.
- (ii) Although the capital contribution of the government owned business enterprises stood at Rs. 2,165,981,657,905 in the government's financial statements as at 31 December 2022, only profits and dividends amounting to Rs. 28,092,481,811 were received for that investment during the year under review, representing 1.3 of the investment value.

- (iii) Even though the number of Government owned business and other institutions which are under supervision of the Department of Public Enterprises as at 31 December 2022 stood at 300, revenue estimates for 63 institutions of them had been prepared and only 47 institutions had remitted profits and dividends to the Treasury.
- (iv) In terms of Section 10 (5) of the Finance Act, No.38 of 1971, all sums remaining out of the net surplus revenue of the state corporations should be credited to the Consolidated Fund. However, there observed instances where, the Public Enterprises Department had not taken adequate measures, according to the above provisions, to have such surplus credited to the Consolidated Fund from the public enterprises that reported such surplus.

4.8 Treasury Guarantee and Letters of Comfort

Treasury Guarantees worth Rs. 2,793,987 million and Letters of Comfort worth Rs. 114,527 million had been issued under 239 instances and 19 instances, respectively for external institutions as at 31 December 2022. According to the financial statements of the government for the year under review, it was observed that Treasury Guarantees worth Rs. 45,628 million and the Letters of Comfort worth Rs. 66,637 million issued to external institutions on 09 occasions and 13 occasions respectively had expired by 31 December 2022.

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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Mid Year Population	'000	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	22,181
Mid- Year Population by Age Group ^(e)	'000															
0 -14 Years		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	5,603
15- 64 Years		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	14,840
65 Years and Over		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	1,738
Growth of Population ^(e)	%	1.1	1.1	1.0	1.0	0.9	0.8	0.9	0.9	1.1	1.1	1.1	0.6	0.5	1.1	0.1
Density of Population	Persons per sq. km	332	326	329	333	324	327	331	334	338	342	346	348	350	353	354
Life Expectancy at Birth	Years	-	-	-	74.9	75.1	74.3	74.9	75.0	n.a.	75.5	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Birth Rate	Per '000	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	12.4
Crude Death Rate	Per '000	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	8.1
Infant Mortality Rate (IMR)	Per '000 Live Births	8.5	9.7	-	-	n.a.	8.2	n.a.	n.a.	n.a.	8.5	n.a.	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.	n.a.
Net Migration Rate	Per '000	-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	-9.7
Dependency Ratio	%	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	49.40
Dependency Ratio – 65 years and Over	%	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	11.71
Literacy Rate ^(b)	Overall % of Population	91.3	91.4	91.9	92.2	95.7	92.5	93.3	93.20	93.10	92.60	92.60	92.9	93.0	93.3	n.a.
Computer Literacy Rate ^(c)	% of Population	-	-	20.3	35.0	37.0	40.0	24.9	27.1	27.60	28.6	29.0	30.8	32.3	34.3	35.7 ^(f)
Average Daily Calorie Intake	Kilocalories	-	-	-	2,094	-	2,111	-	-	-	2,095 ^(d)	2,095 ^(d)	2,120 ^(d)	2,120 ^(d)	2,120 ^(d)	2,120 ^(d)

Source: Department of Census and Statistics, Department of Immigration and Emigration and Ministry of Education

^(a) Provisional^(b) Based on Quarterly Labour Force Survey conducted by DCS^(c) Computer Literacy Survey 2006/07, 2009, 2014 & 2017^(d) Household Income and Expenditure Survey in 2016 and 2019^(e) Based on Census of Population and Housing 2012, Department of Census and Statistics^(f) First 6 months^(g) As reported by Registrar General's Department

n.a. not available

Table 2 | Climate

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual Rainfall (Average) Total	mm	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	1,710
Highest Rainfall																
Cities with Highest Rainfall	mm															
Anuradhapura		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	106.6
Badulla		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	72.8
Batticaloa		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	120.4
Colombo		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	124.9
Hambantota		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	53.7
Kandy		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	118.6
Kurunegala		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	161.7
Nuwara Eliya		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	80.5
Ratnapura		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	247.1
Vavuniya		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	86.7
Annual Average Minimum Temperature	0c															
Low Country		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	24.3
Hill Country		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	17.2
Annual Average Maximum Temperature	0c															
Low Country		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	31.7
Hill Country		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	25.7

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 ^(a)				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) (%)			GDP Deflator (%)	Annual Average Price Change of CCPI (%)	Annual Average Price Change of NCPI (%)	End Year			Annual Average			
					Agriculture	Industry	Services				USD	Yen	Euro	USD	Yen	Euro	Indian Rs.	Indian Rs.
2008	4,410,682	40,715	218,167	2,014	6.0	13.4	29.4	57.2	16.3	22.6 ^(c)	-	113.14	1.25	108.33	1.05	159.31	2.52
2009	4,835,293	42,068	236,445	2,057	3.5	12.7	29.7	57.6	5.9	3.5 ^(d)	-	114.38	1.24	114.94	1.23	160.21	2.40
2010	6,413,668	56,728	310,214	2,400	8.0	8.5	26.6	54.6	7.3	6.2 ^(d)	-	110.95	1.36	113.06	1.30	150.10	2.49
2011	7,219,106	65,290	345,925	3,129	8.4	8.8	28.0	55.1	3.8	6.8 ^(d)	-	113.90	1.47	110.57	1.39	153.86	2.38
2012	8,732,463	68,436	427,559	3,351	9.1	7.4	30.1	55.6	10.8	7.5 ^(d)	-	127.16	1.48	127.60	1.60	164.00	2.39
2013	9,592,125	74,294	466,112	3,610	3.4	7.7	29.2	56.4	6.2	6.9 ^(d)	-	130.75	1.24	129.11	1.32	171.51	2.21
2014	10,361,151	79,359	498,828	3,821	5.0	8.0	28.3	56.9	2.9	3.2 ^(d)	-	131.05	1.10	130.56	1.24	173.59	2.14
2015 ^(a)	11,566,987	85,089	551,597	4,059	5.0	8.2	29.5	54.2	0.6	2.2 ^(f)	3.8 ^(f)	144.06	1.20	135.94	1.12	150.84	2.12
2016 ^(a)	12,812,975	88,001	604,300	4,150	5.1	7.3	30.5	53.4	5.4	4.0 ^(f)	4.0 ^(f)	149.80	1.29	145.60	1.34	161.16	2.17
2017 ^(a)	14,387,319	94,368	670,925	4,400	6.5	7.4	31.1	52.2	5.5	6.6 ^(f)	7.7 ^(f)	152.85	1.36	152.46	1.36	171.73	2.34
2018 ^(a)	15,351,933	94,450	708,442	4,360	2.3	7.6	30.1	53.6	4.3	4.3 ^(f)	2.1 ^(f)	182.75	1.65	162.54	1.47	191.71	2.37
2019 ^(a)	15,910,976	88,998	729,761	4,081	-0.2	7.3	29.2	55.7	3.9	4.4 ^(f)	3.5 ^(f)	181.63	1.67	178.78	1.64	200.14	2.54
2020 ^(a)	15,671,535	84,474	714,975	3,854	-4.6	8.2	28.2	57.7	3.3	4.6 ^(f)	6.2 ^(f)	186.40	1.80	185.52	1.73	212.06	2.50
2021 ^(a)	17,600,191	88,495	794,376	3,994	3.5	8.8	30.0	55.6	8.5	6.0 ^(f)	7.0 ^(f)	200.43	1.74	198.88	1.81	235.10	2.69
2022 ^(b)	24,147,726	74,404	1,088,667	3,354	-7.8	8.7	30.3	56.1	48.8	46.4 ^(f)	50.4 ^(f)	363.11	2.74	324.55	2.44	339.04	4.11

Source : Department of Census and Statistics

^(a) Revised^(b) Provisional^(c) 2002=100^(d) 2006/07=100^(e) National Accounts data from 2003 onwards based on the GDP estimates of the Department of Census and Statistics with base year 2002. From 2010 onwards, data is based on the year 2010 GDP estimates of the Department of Census and Statistics. National Accounts estimates were revised in 1982 and 1996 by Central Bank of Sri Lanka.^(f) 2013=100

Table 4 | Gross Domestic Product -Sectoral Composition (2015) Constant Prices

		Rs. Million										
Sector		2012	2013	2014	2015 (a)	2016 (a)	2017 (a)	2018 (a)	2019 (a)	2020 (a)	2021 (a)	2022 (b)
Agriculture, Forestry and Fishing		592,445	611,676	639,696	950,451	906,100	889,557	945,292	949,582	941,046	949,930	906,505
1	Growing of Cereals (except rice)	12,521	14,307	13,969	18,063	15,972	14,371	14,676	13,355	21,342	21,949	17,200
2	Growing of Rice	62,289	65,607	61,019	116,706	81,151	73,247	106,333	112,919	121,663	107,359	93,377
3	Growing of Vegetables	51,244	54,153	55,244	107,241	110,669	104,540	105,072	102,037	111,088	109,147	99,960
4	Growing of Sugar Cane, Tobacco and Other Non-perennial Crops	2,254	2,441	2,287	3,310	3,892	3,267	3,116	3,275	4,021	3,729	3,797
5	Growing of Fruits	38,248	37,385	40,888	60,865	59,191	63,514	70,906	77,200	81,823	72,949	73,310
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	62,201	53,424	64,158	104,257	103,335	85,798	89,706	102,800	92,197	102,490	111,315
7	Growing of Tea (Green Leaves)	72,100	74,734	73,936	80,361	70,662	73,767	75,219	72,733	67,971	73,741	62,005
8	Growing of Other Beverage Crops (Coffee, Cocoa etc.,)	1,319	1,321	1,538	1,396	1,492	1,407	1,748	1,302	1,613	1,352	1,229
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	44,426	50,833	57,505	83,404	86,234	86,727	91,543	90,880	93,776	98,021	101,235
10	Growing of Rubber	44,249	37,987	28,688	27,915	24,526	25,583	26,050	24,029	24,081	25,571	23,863
11	Growing of Other Perennial Crops	15,167	14,344	15,402	26,077	25,438	26,157	27,185	28,751	29,781	26,963	27,513
12	Animal Production	29,511	36,599	47,950	76,613	81,672	90,822	94,582	90,284	86,907	94,039	82,755
13	Plant Propagation and Support Activities to Agriculture	9,105	9,183	9,767	30,719	24,005	17,772	23,954	23,741	26,724	30,624	34,202
14	Forestry and Logging	38,188	43,044	47,451	44,507	46,078	51,611	44,606	43,133	42,587	44,440	51,611
15	Marine Fishing and Marine Aquaculture	97,063	103,879	105,822	153,055	154,249	151,558	149,782	141,700	111,307	112,814	95,451
16	Fresh Water Fishing and Fresh Water Aquaculture	12,560	12,435	14,072	15,962	17,536	19,417	20,815	21,444	24,166	24,742	27,682
Industries		2,035,600	2,119,080	2,218,711	3,416,358	3,670,106	4,145,813	4,101,467	3,933,728	3,724,566	3,937,880	3,309,764
17	Mining and Quarrying	184,468	198,447	201,613	260,710	296,763	331,386	322,522	318,658	284,079	287,969	198,661
18	Manufacture of Food, Beverages and Tobacco Products	507,121	507,127	513,960	827,248	838,355	855,603	896,813	929,371	980,863	1,014,150	869,715
19	Manufacture of Textile, Wearing Apparel and Leather Related products	244,496	264,527	276,800	407,635	419,018	441,181	463,618	469,028	416,312	473,911	512,399
20	Manufacture of Wood and Products of Wood and Cork, except Furniture	23,472	25,258	23,139	31,874	38,341	38,346	39,879	36,321	32,831	35,579	29,758
21	Manufacture of Paper Products, Printing and Reproduction of Media Products	24,738	24,925	24,968	48,578	53,085	56,009	57,716	54,064	51,896	56,811	52,069
22	Manufacture of Coke and Refined Petroleum Products	28,858	27,514	28,723	21,739	22,237	21,395	19,846	24,630	22,108	15,492	6,474
23	Manufacture of Chemical Products and Basic Pharmaceutical Products	75,582	81,982	82,243	74,478	80,785	84,781	88,399	90,144	92,157	95,793	82,350
24	Manufacture of Rubber and Plastic Products	83,307	82,187	71,909	90,681	91,787	102,246	101,890	98,429	81,182	97,436	67,507
25	Manufacture of Other Non-metallic Mineral Products	87,090	81,037	78,671	94,374	87,492	97,743	102,554	107,062	102,685	119,973	85,188

Table 4 | Gross Domestic Product - Sectoral Composition (2015) Constant Prices

Sector	Rs. Million										
	2012	2013	2014	2015	2016	2017	2018	2019	2020 ^(a)	2021 ^(a)	2022 ^(b)
26 Manufacture of Basic Metals and Fabricated Metal Products	24,591	26,589	24,882	50,239	66,089	76,380	84,102	80,312	77,859	81,174	58,781
27 Manufacture of Machinery and Equipment	30,849	30,845	32,064	49,144	58,083	63,885	64,638	66,114	65,187	73,090	59,181
28 Manufacture of Furniture	63,922	67,488	82,748	89,571	91,297	92,650	88,078	95,470	81,651	82,694	60,837
29 Other Manufacturing and Repair and Installation of Machinery and Equipment	41,962	44,443	55,993	85,625	88,689	97,692	97,155	96,432	87,586	101,048	79,088
30 Electricity, Gas, Steam and Air Conditioning Supply	75,262	76,789	80,298	150,038	154,072	159,607	175,518	184,041	180,176	188,924	177,783
31 Water Collection, Treatment and Supply	10,554	10,975	11,504	16,065	17,812	18,948	15,857	14,701	15,908	13,083	13,168
32 Sewerage, Waste, Treatment and Disposal Activities	14,572	15,511	17,355	19,692	23,196	25,562	27,271	29,253	28,960	27,992	29,088
33 Construction	514,757	553,438	611,842	1,098,666	1,243,005	1,582,397	1,455,612	1,239,700	1,123,127	1,172,761	927,719
Services	4,245,462	4,405,644	4,618,501	6,270,537	6,567,892	6,807,557	7,099,084	7,307,036	7,166,506	7,414,251	7,265,095
34 Wholesale and Retail Trade	848,686	859,977	884,094	1,417,861	1,453,289	1,509,059	1,579,590	1,636,752	1,650,889	1,675,083	1,672,370
35 Transport of Goods and Passenger including Warehousing	805,391	849,539	885,506	1,228,777	1,299,605	1,342,326	1,370,263	1,398,230	1,313,312	1,325,233	1,372,116
36 Postal Courier Activities	4,441	4,364	4,056	15,392	15,957	16,385	16,495	17,099	17,620	18,714	19,780
37 Accommodation, Food and Beverage Service Activities	134,160	126,392	131,481	200,624	213,001	219,701	230,929	216,976	128,556	130,743	166,059
38 Programming and Broadcasting Activities and Audio Video Productions	2,252	2,422	2,513	42,535	45,736	45,416	40,839	42,752	43,841	42,161	37,510
39 Telecommunication	26,450	27,395	30,986	65,274	70,727	79,288	87,840	103,325	118,845	135,663	139,919
40 IT Programming Consultancy and Related Activities	7,972	9,693	10,579	113,552	124,840	143,360	158,565	175,634	194,893	243,971	238,455
41 Financial Service Activities and Auxiliary Financial Services	364,688	386,009	420,223	370,616	405,268	439,437	511,418	510,367	557,357	596,106	530,274
42 Insurance, Reinsurance and Pension Funding	69,026	70,854	74,978	80,879	91,882	95,004	111,838	120,550	117,595	148,665	78,509
43 Real Estate Activities, Including Ownership of Dwelling	369,719	417,024	444,049	466,486	512,192	549,511	580,367	610,231	604,259	630,570	554,473
44 Professional Services	155,741	161,963	166,486	261,583	266,733	271,832	282,095	297,462	287,781	301,890	289,841
45 Public Administration and Defence; Compulsory Social Security	385,615	382,470	402,206	594,840	616,412	589,829	600,932	605,938	616,176	621,834	629,213
46 Education	167,107	157,477	173,751	240,037	256,481	269,953	267,448	283,605	284,751	290,475	301,510
47 Human Health Activities, Residential Care and Social Work Activities	173,898	146,551	147,962	201,179	207,484	219,153	228,368	235,136	246,735	260,482	238,638
48 Other Personal Service Activities	730,316	803,514	839,633	970,902	988,285	1,017,303	1,032,097	1,052,980	983,900	992,662	996,429
Gross Value Added (GVA), at basic prices	6,873,506	7,136,401	7,476,908	10,637,346	11,144,098	11,842,927	12,145,842	12,190,346	11,832,118	12,302,060	11,481,364
(+) Taxes less Subsidies on Products	715,011	709,801	758,522	929,642	1,007,442	1,093,685	1,089,616	1,015,930	763,432	735,874	536,484
Gross Domestic Product(GDP), at market prices	7,588,517	7,846,202	8,235,429	11,566,987	12,151,540	12,936,612	13,235,458	13,206,276	12,595,550	13,037,934	12,017,849

Source: Department of Census and Statistics

^(a) Revised

^(b) Provisional

Note: Re-based GDP estimates (base year 2015) of the Department of Census and Statistics have been used from 2015 onwards.

Table 5 | Savings, Investments and Selected External Sector Indicators

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ^(a)	2019 ^(a)	2020 ^(a)	2021 ^(a)	2022 ^(b)
Investment ^(c)	Rs. Mn	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	5,842,451	5,427,029	5,168,381	6,466,957	8,304,627
Savings ^{(c)(d)}	Rs. Mn	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	4,780,573	4,507,620	4,202,406	5,165,908	7,447,170
Savings – Investment Gap ^(c)	Rs. Mn	-430,970	-33,144	-121,475	-511,089	-501,869	-323,961	-259,437	-257,526	-254,159	-351,341	-1,061,878	-919,409	-965,975	-1,301,049	-857,457
Investment ^(c)	% of GDP	27.6	24.4	30.4	33.4	39.1	33.2	32.3	29.5	26.1	29.3	38.1	34.1	33.0	36.7	34.4
Savings ^{(c)(d)}	% of GDP	17.8	23.7	28.5	26.3	33.3	29.9	29.8	27.3	24.1	26.1	31.1	28.3	26.8	29.4	30.8
Savings – Investment Gap ^(c)	% of GDP	-9.8	-0.7	-1.9	-7.1	-5.7	-3.4	-2.5	-2.2	-2.0	-2.4	-6.9	-5.8	-6.2	-7.4	-3.6
Exports of Goods	USD Mn	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	13,106
Imports of Goods	USD Mn	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	18,291
Trade Balance	USD Mn	-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	-8,138	-5,185
Trade Balance	% of GDP ^(b)	-14.7	-7.4	-8.5	-14.9	-13.8	-10.2	-10.4	-9.9	-10.1	-10.2	-11.0	-9.0	-7.1	-9.2	-7.0
Exports of Goods & Services	USD Mn	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	16,169
Imports of Goods & Services	USD Mn	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	19,244
Exports and Imports of Goods & Services	USD Mn	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	-3,075
Foreign Remittances	USD Mn	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	3,789
Earnings from Tourism	USD Mn	342	350	576	830	1,039	1,715	2,431	2,981	3,518	3,925	4,381	3,607	682	507	1,136
Earnings from Computer and Information Services	USD Mn	230	245	265	355	564	604	628	677	724	786	848	899	971	1,168	1,066
Current Account Balance	USD Mn	-3,886	-214	-1,075	-4,615	-3,982	-2,541	-1,988	-1,883	-1,742	-2,309	-2,799	-1,848	-1,083	-3,284	-1,453
Current Account Balance	% of GDP	-9.5	-0.5	-1.9	-7.1	-5.8	-3.4	-2.5	-2.2	-2.0	-2.4	-3.0	-2.1	-1.3	-3.7	-2.0
Foreign Direct Investments including loans	USD Mn	889	601	516	1,066	1,382	1,438	1,635	1,160	1,078	1,839	2,071	1,189	670	784	821
Inflows	USD Mn	752	404	478	956	941	933	894	680	897	1,373	1,614	743	434	592	898
Outflows	USD Mn	62	20	43	60	64	65	67	53	237	72	68	77	15	17	15
Loans & Other	USD Mn	198	217	81	170	505	571	808	533	418	538	525	445	236	-1,503	-92
Portfolio Investments	USD Mn	60	(6)	(230)	(171)	2,126	2,068	2,065	686	993	1,771	129	2,313	2,383	-1,547	355
Inflows	USD Mn	548	375	819	452	2,116	2,068	2,065	686	993	1,771	129	2,313	2,383	-1,547	355
Outflows	USD Mn	488	381	1,049	623	(10)	0.0	(0.2)	...	...	...	...	...	...	...	...
Total Reserves	USD Mn	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	5,874
Gross Official Reserves	USD Mn	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	1,898
Total External Debt	USD Mn	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	51,775	49,678

Sources : Department of Customs and Central Bank of Sri Lanka

^(a) Revised^(b) Provisional^(c) Rebased GDP estimates (base year 2015) of the Department of Census and Statistics have been used from 2015 onwards.^(d) 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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(a)	2020 ^(a)	2021	2022 ^(b)
1. Revenue and Grants	725,566	834,188	983,003	1,067,533	1,153,306	1,204,621	1,460,892	1,693,557	1,839,562	1,932,459	1,898,808	1,373,308	1,463,810	2,012,589
1.1 Total Revenue	699,644	817,279	967,862	1,051,462	1,137,447	1,195,206	1,454,878	1,686,061	1,831,551	1,919,974	1,890,899	1,367,960	1,457,071	1,979,184
Tax	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	1,751,132
Non-Tax	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	228,052
1.2 Grants	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	33,405
2. Expenditure and Lending minus Repayments	1,201,927	1,280,206	1,433,182	1,556,497	1,669,396	1,795,866	2,290,394	2,333,883	2,573,056	2,693,228	3,337,896	3,040,996	3,521,735	4,472,556
2.1 Recurrent	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	3,519,633
o/w Arrears	-	-	-	-	-	-	-	-	-	-	123,428	-123,428	-	-
2.2 Capital and Net Lending	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	952,923
o/w Public Investment	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	1,014,293
Arrears	-	-	-	-	-	-	-	-	-	-	299,178	-299,178	-	-
3. Current Account Surplus(+)/ Deficit (-)	-179,931	-119,815	-57,043	-79,560	-67,733	-127,693	-246,779	-71,721	-96,161	-169,740	-533,683	-1,180,399	-1,290,441	-1,540,448
4. Budget Deficit	-476,361	-446,017	-450,180	-488,964	-516,090	-591,244	-829,502	-640,326	-733,494	-760,769	-1,439,088	-1,667,688	-2,057,925	-2,459,967
5. Financing of Budget Deficit	476,361	446,017	450,180	488,964	516,090	591,244	829,502	640,326	733,494	760,769	1,439,088	1,667,688	2,057,925	2,459,967
5.1. Total Foreign Financing (Net)	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	424,821
Gross Borrowings	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	783,326
Repayments	-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	-358,505
Arrears	-	-	-	-	-	-	-	-	-	-	179,878	-179,878	-	-
5.2. Total Domestic Financing (Net)	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	2,035,145
Non- Bank Financing (Net)	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	3,609,879
Gross Borrowings	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	12,315,871
Repayments	-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	-8,705,992
Sri Lanka Development Bond	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	-380,069
Bank Financing (Net)	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	-809,630
Other Borrowings (Net) ^(c)	11,280	10,230	-4,798	-	-	-	-	-	44,677	107,883	59,694	87,226	12,840	-385,035
Arrears	-	-	-	-	-	-	-	-	-	-	242,728	-242,728	-	-

Sources : Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Census and Statistics, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

^(a) Included arrears

^(b) Provisional

^(c) 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 ^(a)	2020 ^(a)	2021	2022 ^(b)
1. Revenue and Grants	15.0	13.0	13.6	12.2	12.0	11.6	12.6	13.2	12.8	12.6	11.9	8.8	8.3	8.3
1.1 Total Revenue	14.5	12.7	13.4	12.0	11.9	11.5	12.6	13.2	12.7	12.5	11.9	8.7	8.3	8.2
Tax	12.8	11.3	11.7	10.4	10.5	10.1	11.7	11.4	11.6	11.2	10.9	7.8	7.4	7.3
Non-Tax	1.7	1.4	1.7	1.6	1.4	1.4	0.9	1.7	1.1	1.4	1.0	1.0	0.9	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	0.0	0.03	0.04	0.1
2. Expenditure and Lending minus Repayments	24.9	20.0	19.9	17.8	17.4	17.3	19.8	18.2	17.9	17.5	21.0	19.4	20.0	18.5
2.1 Recurrent	18.2	14.6	14.2	13.0	12.6	12.8	14.7	13.7	13.4	13.6	15.2	16.3	15.6	14.6
o/w Arrears	-	-	-	-	-	-	-	-	-	-	0.8	-0.8	-	0.0
2.2 Capital and Lending minus Repayment	6.7	5.3	5.7	4.9	4.8	4.6	5.1	4.5	4.5	3.9	5.7	3.1	4.4	3.9
o/w Public Investment	6.8	5.6	5.8	5.1	5.0	4.7	5.2	4.6	4.6	4.1	4.0	5.2	4.5	4.2
Arrears	-	-	-	-	-	-	-	-	-	-	1.9	-1.9	-	0.0
3. Current Account Surplus(+) / Deficit (-)	-3.7	-1.9	-0.8	-0.9	-0.7	-1.2	-2.1	-0.6	-0.7	-1.1	-3.4	-7.5	-7.3	-6.4
4. Budget Deficit	-9.9	-7.0	-6.2	-5.6	-5.4	-5.7	-7.2	-5.0	-5.1	-5.0	-9.0	-10.6	-11.7	-10.2
5. Financing of Budget Deficit	9.9	7.0	6.2	5.6	5.4	5.7	7.2	5.0	5.1	5.0	9.0	10.6	11.7	10.2
5.1. Total Foreign Financing (Net)	1.7	3.0	2.7	2.4	0.9	3.0	3.2	3.3	2.7	3.0	3.4	-0.5	-0.1	1.8
Gross Borrowings	4.0	4.2	4.0	4.2	1.9	4.1	4.8	4.5	4.2	5.0	5.9	3.8	2.9	3.2
Repayments	-2.3	-1.2	-1.3	-2.1	-1.0	-1.0	-1.6	-1.1	-1.5	-2.0	-3.6	-3.2	-3.0	-1.5
Arrears	-	-	-	-	-	-	-	-	-	-	1.1	-1.1	-	-
5.2. Total Domestic Financing (Net)	8.1	3.9	3.6	4.5	3.3	2.7	4.0	1.6	2.4	1.9	5.6	11.2	11.8	8.4
Non-Bank Financing (Net)	3.8	3.0	0.6	2.2	2.7	1.9	1.7	3.1	0.8	1.8	3.0	11.4	10.8	14.9
Gross Borrowings	12.1	9.1	6.7	5.6	9.0	6.3	7.1	7.8	15.1	15.7	15.6	25.0	31.7	51.0
Repayments	-8.3	-6.1	-6.1	-4.8	-6.3	-4.4	-5.4	-4.7	-14.3	-13.9	-12.6	-13.6	-20.9	-36.1
Sri Lanka Development Bonds	3.0	0.8	0.3	1.2	1.5	0.2	1.9	-0.9	0.4	-0.8	-0.3	-0.5	-0.4	-1.6
Bank Financing (Net)	1.0	0.0	2.7	0.7	0.6	0.6	0.4	-0.5	0.9	0.2	1.0	1.3	1.3	-3.4
Other Borrowings (Net) ^(c)	0.2	0.2	-0.1	1.5	-	-	-	-	0.3	0.7	0.4	0.6	0.1	-1.6
Arrears	-	-	-	-	-	-	-	-	-	-	1.5	-1.5	-	-

Sources : Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Census and Statistics, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

^(a) Included arrears

^(b) Provisional

^(c) Include domestic grants, divestiture proceeds and other non market borrowings.

Note: Rebased GDP estimates (base year 2015) of the Department of Census and Statistics have been used from 2015 onwards.

Table 8 | Economic Classification of Government Revenue

Item	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
1. Tax Revenue	585,619	618,931	724,748	845,697	908,914	1,005,894	1,050,360	1,355,778	1,463,688	1,670,177	1,712,318	1,734,925	1,216,544	1,298,019	1,751,132
Income Tax	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	534,021
Personal and Corporate Income Tax	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	513,980
Corporate & Non Corporate	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	488,434
Pay-As-You-Earn (PAYE)	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	25,546
Economic Service Charge (ESC)	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	202
Tax on Interest Income	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	19,839
Value Added Tax (VAT)	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	463,072
Domestic (Net)	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	291,619
Import (net)	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	171,452
Excise Tax	100,971	97,604	129,864	204,822	223,960	250,700	256,690	497,623	454,952	469,500	484,242	399,477	321,933	306,861	342,523
Liquor	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	165,188
Cigarettes/Tobacco	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	104,160
Petroleum	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	53,074
Motor Vehicles	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	14,504
Other	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	5,598
Stamp Duties ^(b)	3,751	3,328	4,439	-	-	-	-	-	-	-	-	-	-	-	-
Ports & Airports Development Levy (PAL)	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	180,595
Debits Tax ^(c)	8,410	8,036	10,843	4,232	-	-	-	-	-	-	-	-	-	-	-
Import Duties	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	50,009
Cess Levy	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	70,318
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	40,194
Nation Building Tax (NBT) ^(d)	-	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	413
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	352
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	61
Social Security Contribution Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,111
Telecommunications Levy ^(e)	-	-	8,869	18,651	22,290	24,445	31,351	33,358	35,976	33,399	28,326	18,261	13,130	12,840	14,995
License Taxes & Other	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	18,881

Rs. Million

Table 8 | Economic Classification of Government Revenue contd...

Item	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
2. Non Tax Revenue	69,639	80,712	92,532	122,165	142,547	131,552	144,844	99,099	222,372	161,353	207,656	155,974	151,417	159,052	228,052
Rent	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	5,862
Interest	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	7,326
Profit and Dividends	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	28,092
Sales and Charges	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	90,050
Social Security Contributions	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	37,416
Central Bank Profit Transfers	8,000	20,000	15,000	22,000	43,000	26,350	11,500	-	5,000	-	15,000	-	24,009	15,012	30,007
Other	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	29,300
Total Revenue	655,257	699,642	817,279	967,862	1,051,461	1,137,446	1,195,206	1,454,877	1,686,060	1,831,530	1,919,974	1,890,899	1,367,961	1,457,071	1,979,184

Sources: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

^(a) Provisional

^(b) 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.

^(c) Debits tax was abolished with effect from April 2011.

^(d) 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.

^(e) 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														
	Item	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(a)	2020 ^(a)	2021	2022 ^(b)
1	Recurrent Expenditure	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	3,519,634
	1.1 Expenditure on Goods & Services	360,328	379,731	388,286	451,605	487,833	512,624	568,829	746,011	722,054	734,490	764,900	848,279	974,351	1,014,612	1,139,068
	Salaries and Wages	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	956,211
	Central Government	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	367,467
	Provincial Councils	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	268,864
	Defence	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	222,996
	Police and Public Security	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	96,884
	Other Purchases of Goods and Services	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	182,857
	Central Government	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	55,528
	Provincial Councils	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	29,874
	Defence	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	74,094
	Police and Public Security	10,024	11,727	12,527	13,079	11,040	9,424	21,200	7,832	18,006	16,726	16,341	19,889	19,936	20,136	23,361
1.2	Interest Payments	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	1,565,190
	Foreign	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	128,621
	Domestic	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	1,436,569
1.3	Subsidies and Transfers	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	815,376
	Households	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	719,467
	o/w Pensions	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	309,067
	Samurdhi	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	120,988
	Fertilizer Subsidy	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	56,810
	Sub National Governments	217	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non Financial Public Enterprises	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	28,949
	Institutions and other	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	66,961
1.4	Arrears	-	-	-	-	-	-	-	-	-	-	-	123,428	-123,428	-	-
2	Capital Expenditure	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	715,429
2.1	Acquisition of Fixed Capital Assets	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	445,521
2.2	Capital Transfers	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	269,909
	Institutions	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	229,425
	Non Financial Public Enterprises	22,432	197,50	20,345	35,168	50,860	27,193	28,322	42,473	32,066	13,394	17,911	20,704	34,365	27,801	19,194
	Sub National Governments	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	19,982
	Abroad	341	5	1	459	1,459	1,379	516	668	2,191	-144	-	-5,985	3,907	2,275	1,308
2.3	Arrears	-	-	-	-	-	-	-	-	-	-	-	299,178	-299,178	-	-
3	Lending Minus Repayments	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	237,495
3.1	Net Lending through Advance Accounts	1,457	1,932	2,126	854	-2,088	-1,019	1,249	-1,070	708	4,396	4,129	1,172	-529	-257	-887
3.2	Lending to Public Enterprises	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	298,864
3.3	Loan Repayments by Public Enterprises	-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	-60,483
3.4	Restructuring Expenditure	625	1,950	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		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	3,337,896	3,040,996	3,521,735	4,472,556

Sources : Department of National Budget, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

^(a) Included arrears^(b) Provisional

Table 10 | Composition of Government Debt

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(a)	2020 ^(a)	2021 ^(a)	2022 ^{(a)(b)(c)}
1. Foreign Debt	1,448,734	1,760,467	2,024,583	2,329,280	2,767,299	2,960,424	3,113,116	3,544,031	4,045,796	4,718,618	5,959,547	6,201,283	6,052,179	6,516,958	12,458,155
1.1 Project Loans ^(b)	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	3,789,126	7,347,329
1.2 Non-project Loans	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	5,110,826
Commodity	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	183,082
Other	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	4,927,744
2. Domestic Debt	2,140,228	2,400,955	2,565,662	2,804,085	3,232,813	3,832,825	4,277,783	4,959,197	5,435,073	5,664,214	6,071,001	6,830,260	9,045,068	11,097,223	15,033,876
2.1 Rupee Loans	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	24,088
2.2 Treasury Bills ^(d)	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	4,113,907
2.3 Treasury Bonds ^(e)	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	8,709,057
2.4 Sri Lanka Development Bonds (SLDBs)	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	382,092
2.5 International Sovereign Bonds	-	-	-	-	-	-	-	-	-	-	-	202,099	415,756	372,612	635,443
2.6 Central Bank Provisional Advances	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	235,639
2.7 Other ^(f)	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	933,651
Total	3,588,962	4,161,422	4,590,245	5,133,365	6,000,112	6,793,249	7,390,899	8,503,227	9,478,869	10,382,832	12,030,548	13,031,543	15,117,247	17,614,181	27,492,031
Government Debt to GDP Ratio^(g)															
Foreign Debt	32.8	39.9	31.6	32.3	31.7	30.9	30.0	30.6	31.6	32.8	38.8	39.0	38.6	37.0	51.6
Domestic Debt	48.5	28.2	40.0	38.8	37.0	40.0	41.3	42.9	42.4	39.4	39.5	42.9	57.9	63.1	62.3
Total Debt	81.4	9.0	71.6	71.1	68.7	70.8	71.3	73.5	74.0	72.2	78.4	81.9	96.5	100.1	113.8

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

^(a) 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 from 2019 onwards.

^(b) Provisional

^(c) The outstanding central government debt excludes several debt service payments that became overdue after 12 April 2022, the date of which the Interim Policy regarding the servicing of Sri Lanka's external public debt was announced by the Ministry of Finance, Economic Stabilization and National Policies. These debt service payments comprise of overdue interest payments of affected debt which deemed to be capitalised as per the Interim Policy and several overdue interest payments in relation to SLDBs.

^(d) Foreign loan debt statistics and classification of foreign debt for 2021 and 2022 are prepared based on the data sourced from the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS) maintained by the Ministry of Finance, Economic Stabilisation and National Policies, and extracted on 09 and 10 March 2023

^(e) Excludes outstanding Treasury bills held by non resident investors

^(f) Excludes Treasury bonds held by non resident investors and includes Government Treasury bonds of Rs. 4,397 million issued for CWE in November 2003 (matured on 14 November 2016) and Rs. 13,125 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 Rs. 25,217 million matured on 01 January 2022 and the current outstanding is Rs. 31,444 million

^(g) Several interest payments that fell overdue after the debt standstill may not be included in the outstanding balance for 2022 since recording of these debt service payments in the debt recording systems is not yet finalised.

^(h) Represents ISB outstanding owned by the Licensed Commercial Banks

⁽ⁱ⁾ Data for 2022 includes outstanding balance of the government guaranteed foreign currency debt of the Ceylon Petroleum Corporation that was absorbed into central government debt w.e.f. December 2022, which amounted to Rs. 884,093.4 million

^(j) Includes liabilities of the central government to commercial banks reported in the Monetary Survey of the Central Bank

^(k) Includes administrative borrowings arising from foreign loans channelled through government or semi-government agencies and outstanding borrowings from OBUs

^(l) Based on GDP estimate 2015 based year published by the Department of Census and Statistic

Table 11 | Domestic Production of Selected Items

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Plantation Crops																
Tea	(kg Mn)	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	251.5
Rubber	(kg Mn)	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	76.88	70.9
Coconut	(Nuts Mn)	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	3,391
Seasonal Crops																
Paddy	(t'000)	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	3,929.83	4,592.0	5120.9	5,150.0	3,393.0
Potatoes	(t'000)	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	47.6
Sweet Potatoes	(t'000)	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	45.0
Chilies -Green	(t'000)	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	63.0
Chilies -Dried	(t'000)	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.	n.a.
Big Onions	(t'000)	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	17.8
Red Onions	(t'000)	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	53.8	49.5
Maize	(t'000)	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	259.0
Green Gram	(t'000)	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	12.5
Black Gram	(t'000)	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	9.9
Kurakkan	(t'000)	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	10.9
Cowpea	(t'000)	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	14.8
Soya Beans	(t'000)	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	3.8
Gingerly	(t'000)	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	10.2
Ground Nuts	(t'000)	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	36.9	27.2
Other Agricultural Crops																
Sugar	(t'000)	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	81.0	79.0
Coffee	(t'000)	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	4.8
Cinnamon	(t'000)	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	23.8
Pepper	(t'000)	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	44.1
Cloves	(t'000)	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	5.7
Livestock and Fish																
Milk	(Ltr Mn)	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	506.4
Fish	(t'000)	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	397.2

Sources : Department of Census and Statistics, Ministry of Irrigation and Agriculture, Department of Export Agriculture and Central Bank of Sri Lanka

^(a) Revised^(b) Provisional

n.a. - not available

Table 12 | Value of Exports

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Agricultural Exports															
Tea	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	2,568
Black Tea	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	1,259
Bulk	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	1,184
Packets	643	616	567	534	512	561	563	504	473	605	553	490	479	491	487
Bags	321	301	607	667	640	693	754	593	547	669	620	590	523	555	517
Instant	147	156	209	229	203	217	238	183	188	188	185	191	172	199	180
Green Tea	11	10	13	15	11	15	19	16	17	17	20	23	22	26	25
Other	29	29	44	46	47	56	55	45	44	50	50	53	45	52	50
Rubber	118	74	-	-	-	-	-	-	-	-	-	-	-	-	-
Crepe Rubber	125	99	173	206	125	71	45	26	33	39	32	24	30	42	41
Smoked Sheets	51	30	73	116	64	47	35	23	26	23	24	16	15	28	29
Natural Rubber Latex	42	42	69	63	38	14	4	2	3	6	2	3	7	7	7
TSNR ^(c)	17	11	15	8	8	2	2	0	2	8	3	1	4	5	2
Other Natural Rubber	11	9	8	14	12	6	2	1	2	2	1	2	2	1	2
Coconut	4	7	9	5	2	3	1	1	1	1	1	2	2	2	2
Kernal Product	171	166	166	266	209	205	356	352	366	348	311	330	345	425	400
Other	82	58	56	136	80	86	214	222	216	190	149	161	163	201	180
Other Agricultural Exports	89	108	110	130	129	119	142	130	150	158	162	168	182	224	220
Vegetables	243	215	335	379	388	529	511	600	489	610	542	762	720	938	868
Fruits (Fresh or Dry)	13.0	11.7	23.4	16.9	13.3	24.9	40.1	30.5	26.5	28.5	28.2	32.0	36.6	29.0	27.0
Arecanut	13.9	12.1	14.5	17.1	18.1	29.1	44.2	38.0	34.7	41.5	39.2	41.1	33.1	38.0	38.0
Coffee	3.4	1.4	2.2	2.5	3.7	15.9	63.6	67.5	34.1	37.7	17.9	21.3	45.3	43.0	63.0
Pepper	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	0.3
Cinnamon ^(c)	26.2	20.6	42.7	32.1	70.2	128.3	72.4	149.0	76.4	88.0	77.7	50.4	52.2	119.0	81.0
Cloves ^(d)	82.6	74.1	82.9	128.9	135.5	138.6	139.8	139.6	171.4	218.4	228.5	187.5	227.3	251.0	227.0
Nutmeg and Maize	33.0	12.0	37.4	35.4	18.5	49.7	14.0	48.3	13.8	47.7	16.8	30.6	16.2	35.0	21.0
Cardamoms	9.0	8.1	16.0	28.2	23.0	31.2	29.8	33.3	39.9	35.2	28.8	35.8	29.0	40.0	33.0
Other Oil Seeds ^(e)	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	0.1
Betel Leaves	...	0.1	...	0.1	5.2	0.4	1.2	0.1	0.1	0.2	0.1	0.2	0.3	0.1	0.1
Cocoa	6.7	6.0	5.1	6.9	5.0	10.6	10.5	9.1	7.7	20.7	16.2	19.0	16.0	15.0	15.0
Unmanufactured Tobacco	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	0.1
Sesame Seeds	39.5	33.5	32.6	38.4	42.2	47.6	41.3	31.8	31.2	36.5	35.6	34.7	25.5	32.0	24.0
Cashew Nuts	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	11.0
Essential Oils	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	0.8
Cinnamon Bark Oil	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	5.0
Clove Oil	3.9	2.4	4.4	7.7	5.8	6.2	7.6	8.4	12.3	16.2	15.2	11.9	21.0	20.0	10.0
Other Minor Agricultural Crops	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	0.5
Seafood	5.8	27.6	52.4	38.4	28.7	33.5	32.9	34.1	24.5	24.6	25.8	303.1	232.4	325.0	322.0
Industrial Exports	165	171	192	185	198	234	253	163	170	241	266	262	190	274	269
Food, Beverages and Tobacco	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	10,465
Milling Industry Products	244	183	245	348	284	235	289	307	324	393	462	447	464	587	520
Vegetable, Fruit and Nut Preparations	62	40	71	142	90	37	43	31	26	29	30	43	44	47	46
Cereal Preparations	49	55	51	61	59	63	80	87	100	129	147	143	185	232	208
Fish Preparations	11	9	11	19	20	25	22	21	19	20	20	19	22	24	26
Manufactured Tobacco	1	1	1	...	...	1	1	0	0	1	10	19	12	21	11
Other	28	24	26	41	47	49	56	58	73	73	93	78	60	80	65
	93	54	85	85	67	61	88	109	105	141	162	145	141	183	164

Table 12 | Value of Exports contd...

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Textile and Garments															
Garments	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	5,952
Woven Fabrics	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	5,483
Yarn	66	55	70	85	92	124	90	102	107	119	148	162	122	234	230
Other Made Up Textile Articles	44	42	50	57	58	58	61	63	70	69	83	92	76	93	100
Petroleum Products															
Bunkers and Aviation Fuel	84	44	57	64	56	61	90	100	105	104	126	137	286	157	139
Other Petroleum Products	255	134	263	553	463	428	338	374	287	434	622	521	374	506	568
Ceramic Products															
Tiles	253	133	259	524	457	423	327	364	271	404	559	485	323	369	537
Tableware, Household Items and Sanitary ware	2	2	4	28	6	5	11	10	16	30	63	36	51	137	31
Other	49	36	40	38	36	40	41	35	34	34	31	30	24	37	38
Rubber Products															
Rubber Tyres	12	8	8	6	7	8	9	8	7	7	6	5	5	9	6
Surgical Gloves and Other Gloves	30	24	27	28	25	29	29	25	23	23	21	21	15	25	29
Other Rubber Products	7	4	5	5	4	3	3	3	4	4	4	4	3	4	3
Leather, Travel Goods and Footwear															
Footwear	542	385	558	885	860	888	890	761	768	835	875	866	786	1,050	977
Travel Goods	337	213	336	569	540	551	564	467	476	510	545	512	421	591	593
Other	117	114	137	181	177	195	176	165	176	198	188	207	248	365	296
Machinery and Mechanical Appliances															
Gems, Diamonds and Jewellery	88	58	85	135	143	141	150	130	116	128	143	147	117	94	88
Gems	56	47	60	65	55	77	139	136	166	158	148	103	54	59	86
Diamonds	22	17	20	17	12	29	87	86	118	108	89	52	16	15	24
Jewellery	23	20	27	31	27	28	31	29	29	33	35	35	27	34	47
Transport Equipment															
Road Vehicles	12	10	13	17	16	19	21	21	19	17	23	16	11	10	15
Ships, Boats and Floating Structures	322	187	259	312	297	312	343	294	318	371	435	400	338	501	581
Other	514	402	409	532	559	446	394	332	274	257	278	306	181	277	451
Printing Industry Products															
Other Industrial Exports	76	69	70	95	118	130	173	164	149	145	142	155	78	121	218
Chemical Products	418	317	322	414	417	295	198	148	105	94	120	134	95	144	216
Mineral Exports	20	17	17	22	24	21	22	19	20	18	15	17	8	12	16
Unclassified Exports	108	127	144	225	165	146	152	244	131	162	120	146	71	148	129
Total Exports															
	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	13,106

Sources : Department of Customs and Central Bank of Sri Lanka

^(a) Revised^(b) Provisional^(c) Includes Cinnamon Oil^(d) Includes Clove Oil^(e) Includes Soya beans, Mustard Seeds and Oil Seeds^(f) Technically Specified Natural Rubber

... negligible

Table 13 | Value of Imports

Category	USD Million														2022 ^(a)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Consumer Goods	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	3,849	2,811
Food and Beverages	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	1,606
Sugar	203	218	363	426	345	289	255	253	343	256	248	200	276	288	256
Milk and Milk Products	288	165	259	345	307	291	339	251	249	316	332	312	334	318	225
Rice	44	23	59	18	24	18	282	135	13	301	107	13	11	73	292
Flour	1	1	1	14	5	2	2	2	2	2	3	3	7	5	113
Fish	115	119	128	147	134	162	141	218	234	214	197	215	189	122	66
Other Food and Beverages	437	407	446	617	489	607	614	768	787	752	719	685	739	861	654
Potatoes	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	38.7
Chillies	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	112.5
Onions	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	112.9
Lentils	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	116.9
Green Gram	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	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	24.0
Chick Peas	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	17.3
Kurakkan	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	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	43.9
Spices ^(c)	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	136.6
Other	68.8	47.4	-	99.3	158.7	134.1	157.9	156.7	183.2	216.0	203.1	244.2	159.3	173.1	163.5
Non-food Consumables	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	1,205
Vehicles	239	93	455	881	495	582	897	1,360	795	773	1,574	816	283	13	12
Home appliances-Radio and Television Sets	64	24	45	118	118	103	86	120	136	141	124	102	84	126	29
Rubber Products	51	46	72	83	80	88	90	114	112	94	95	83	58	102	61
Medical and Pharmaceutical Products	212	202	217	348	372	378	381	460	526	520	532	553	596	883	533
Household and Furniture Items	75	61	88	127	117	125	134	150	182	186	169	172	147	161	116
Other	277	206	277	530	509	538	632	882	941	948	880	805	680	897	454
Garments	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	171.0
Other Articles of Plastics ^(b)	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	23.4
Printed Books	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	7.4
Fans	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	15.7
Washing Preparations	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	1.8
Powders, Makeup	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	3.4
Cookers	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	4.4

Table 13 | Value of Imports

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Intermediate Goods	9,019	6,159	8,054	12,274	11,578	10,554	11,398	9,638	9,869	11,435	12,488	11,370	9,077	12,309	12,439
Fertilizer	577	182	240	407	311	239	272	290	137	103	262	221	259	158	276
Petroleum	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	4,897
Chemical Products	508	432	520	702	670	734	808	870	856	835	904	831	831	1,074	966
Paper and Paper Boards	328	264	350	427	363	380	490	477	487	485	529	457	383	469	466
Wheat and Maize	402	269	265	429	364	323	405	357	249	357	374	346	384	418	303
Textile	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	3,065
Diamond and Precious Metals	545	277	378	1,076	588	483	175	162	514	772	573	201	117	144	204
Base Metal	275	167	239	354	440	406	478	471	456	629	683	563	460	866	323
Vehicle and Machinery Parts	159	127	176	223	211	210	228	264	281	295	296	270	239	349	255
Other Intermediate Goods	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	1,684
Semi Finished Products of Iron	137	72	91	157	256	238	168	151	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Polymer of Ethylene	103	76	103	109	99	106	142	147	144	134	149	126	116	144	128
Unmanufactured Tobacco	42	39	31	52	71	62	70	83	68	68	79	62	68	57	62
Palm Oil (Refined)	127	35	68	161	67	81	123	111	84	148	146	92	90	84	28
Investment Goods	2,852	2,093	2,758	4,286	4,590	4,253	4,152	4,567	4,981	4,895	4,690	4,603	3,563	4,463	3,031
Machinery and Equipment	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	1,969
Recorders and Primary Batteries	124	107	87	124	138	152	n.a.	17	17	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Medical Instrument and Appliance - Used	73	54	63	81	87	92	104	117	137	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Wire Cables (Electrical)	13	11	38	33	32	34	33	37	31	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Gas Cylinders (For Industries)	6	3	6	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Transport Equipment	481	357	593	1,065	992	668	707	931	663	675	668	597	348	399	132
Building Material	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	926
Iron Pipe & Tube	126	88	108	85	84	70	56	70	79	103	115	132	64	55	47
Other Investment Goods	4	3	4	4	5	6	5	6	8	8	6	8	3	6	3
Unclassified Imports	213	390	162	54	28	14	14	16	13	13	75	8	14	17	9
Total Imports	14,091	10,207	13,385	20,269	19,190	18,003	19,417	18,935	19,183	20,980	22,233	19,937	16,055	20,638	18,291

Source: Department of Customs, Central Bank of Sri Lanka

^(a) Provisional

^(b) Includes Plastic kitchenware, plastic furniture, plastic clothing articles and plastic stationary articles

^(c) Includes Chillies

n.a. - not available

... negligible

Table 14 | Import Quantities of Selected Items

Item	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Sugar	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	582.0	446.7
Milk Powder	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	49.5
Potatoes	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	153.8
Chilies – Red	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	47.7
Big Onions	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	263.8
Red Onions	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	14.4
Dhal	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	132.6
Rice	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	783.4
Maize	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	8.2	178.6
Green Gram	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	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	...	0.0
Peas	27.2	26.7	33.0	36.1	31.9	30.8	35.9	45.4	35.6	36.7	47.8	39.4	44.3	38.0	35.5
Chick Peas	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	16.3
Kurakkan	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	0.0
Cowpea	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	0.0
Soya Bean	2.4	1.8	1.6	...	0.1	1.1	...	7.3	7.1	3.2	6.4	8.2	9.2	2.1	3.6
Coriander	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	10.5
Turmeric	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	...	n.a.
Turmeric (Powder)	0.3	0.3	0.3	0.2	...	...	...	...	1.0	12.0	25.0	18.0	0.0	...	n.a.
Tamarind	0.1	0.1	0.9	0.7	...	...	...	1.1	0.1	0.4	0.5	0.03	0.0	...	0.0
Garlic	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	33.9
Apples	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	5.6
Grapes	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	8.1	4.2
Orange	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	2.4
Mandarin	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	5.7
Melon	0.1	0.1	...	-	...	...	-	...	...	...	0.3	0.05	0.0	...	...
Canned Fish	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	3.4
Maldiva Fish	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	1.5
Sprats	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	23.7
Other Dry Fish	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	1.7	0.8
Palm Oil	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	21.0
Coconut Oil	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	12.3

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

^(a) Provisional

n.a. - not available

... negligible

Table 15 | Value of Food Imports

Item	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Sugar	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	273.9	240.0
Milk Powder and Milk Products	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	316.1	210.0
Flour	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	4.9	120.1
Potatoes	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	37.1	36.1
Chilies – Red	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	92.5	109.7
Big Onions	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	99.2	71.5
Red Onions	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	11.5	5.9
Dhal	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	142.7	119.1
Rice	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	73.8	269.4
Maize	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	8.7	72.3
Green Gram	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	2.5	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	18.8	12.9	14.9	18.5	19.0	19.9	20.4	31.8	25.6	23.0	25.2	23.8	24.9	19.2	24.1
Chick Peas	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	17.3
Kurakkan	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	0.4	0.3	...	0.7	0.6	0.9	0.9	4.1	4.5	6.5	6.2	6.0	3.2	...	...
Soya Bean	0.9	0.7	0.8	...	0.1	...	...	3.4	3.0	8.0	2.8	3.7	4.7	1.6	2.6
Coriander	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	18.7	9.9
Turmeric	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)	0.2	0.5	0.6	0.2	...	...	...	...	...	...	...	...	...	...	...
Tamarind	...	...	0.2	0.2	...	...	...	0.4	...	0.2	0.1	0.1	0.0	...	...
Garlic	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	43.9	28.4
Apples	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	5.2
Grapes	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	14.7	5.8
Orange	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	1.5
Mandarin	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	2.0
Melon	0.2	0.2	...	...	...	...	-	...	0.4	0.6	0.2	0.2	0.0	...	...
Canned Fish	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	8.2
Maldiv Fish	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	2.9
Sprats	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	30.7
Other Dry Fish	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	24.6	...
Palm Oil	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	83.3	26.7
Coconut Oil	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	165.2	22.5

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

^(a) Revised^(b) Provisional

... negligible

Table 16 | Motor Vehicles

Item	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Motor Vehicle Imports															
Total	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	153,155
Motor Bicycles	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	147,962
Three-Wheelers	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	2,094	225
Tractors	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	4,083
Transport Vehicles (goods)	13,742	5,639	20,655	55,786	45,560	25,655	25,664	44,287	39,161	25,964	25,077	18,591	6,925	2,067	279
Passenger Vans and Buses	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	179
Motor Cars	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	1,979	291
Quadricycle	-	-	-	-	-	-	-	-	-	6	642	1,644	n.a.	n.a.	n.a.
Other	694	210	277	769	435	408	402	514	948	772	789	422	77	259	136
New Registration of Motor Vehicles															
Total	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	20,511
Motor Cars	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	1,489
Three Wheelers	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	29
Motor Cycles	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	9,060
Buses	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	404
Dual Purpose Vehicles	2,856	1,280	11,712	33,518	37,397	24,603	20,799	39,456	26,887	16,742	16,931	13,459	9,532	771	767
Goods Transport Vehicles - Lorries	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	1,292
Land Vehicles - Tractors	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	4,369
Land Vehicles - Trailers	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	2,560
Other	-	-	-	-	-	-	-	-	-	-	656	1,319	470	3	541
Total Vehicle Fleet *	3,390,993	3,595,068	3,954,311	4,479,732	4,877,027	5,203,678	5,633,234	6,302,141	6,793,177	7,247,122	7,727,921	8,095,224	8,297,852	8,331,702	8,352,213
Motor Cars	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	901,869
Three Wheelers	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	1,184,349
Motor Cycles	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	4,836,779
Buses	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	113,268
Dual Purpose Vehicles	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	450,090
Goods Transport Vehicles - Lorries	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	385,165
Land Vehicles - Tractors	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	396,415
Land Vehicles - Trailers	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	81,289
Other	-	-	-	-	-	-	-	-	-	-	656	1,975	2,445	2,448	2,989

Sources : Department of Customs and Department of Motor Traffic

^(a) Revised

^(b) Provisional

* Cumulative number of all vehicles registered in Sri Lanka

n.a. - not available

Table 17 | Power Sector

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Installed Capacity	MW	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	4,084
Hydro Power		1,345	1,379	1,383	1,401	1,584	1,625	1,665	1,680	1,726	1,745	1,793	1,399 ^(d)	1,793	1,799	1,827
Thermal		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	1,068
Coal		n.a.	n.a.	n.a.	300	300	300	900	900	900	900	900	900	900	900	900
Wind*		3	3	3	3	3	3	3	3	3	3	128	128	179	252	252
Other ^(c)		12	12	42	46	87	93	150	149	174	205	88	98	125	149	715
Maximum Demand	MW	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	2,708
Total sales by CEB	GWh	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	14,520
Generation **	GWh	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	15,942
Average Electricity Price	Rs	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	21.24
Average Cost of Electricity	Rs	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	33.65
Access to Electricity	000'	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	6,937
Access to Electricity	%	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	99.3

Source: Ceylon Electricity Board

^(a) Revised^(b) Provisional^(c) Including Solar, Dendro and BioMass^(d) 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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Total Road Length	km	113,573	113,674	114,272	114,768	115,272	115,383	117,012	116,407	118,059	119,480	119,490	100,638	155,996	144,937	144,937
National Roads		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	12,537
Class A		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	4,217
Class B		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	8,007
Expressways		-	-	-	95	95	121	161	170	170	170	170	218	272	313	313
Provincial Roads		16,532	16,532	16,973	17,429	17,614	17,614	19,083	18,397	18,353	18,900	18,900	n.a	18,924	18,400	18,400
Rural Roads		85,150	85,220	85,280	85,320	85,400	85,480	85,560	85,630	87,326	88,200	88,200	88,200	124,576	114,000	114,000
Total Roads Density	km/km ²	1.73	1.73	1.74	1.75	1.76	1.76	1.78	1.77	1.80	1.82	1.82	1.53	2.38	2.21	2.21
National Roads Density		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	0.19
Provincial Roads Density		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	0.28
Rural Roads Density		1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.31	1.33	1.34	1.34	1.34	1.90	1.74	1.74
Road Condition of National Roads as per IRI*																
Excellent	%	7	11	16	23	24	29	27	27	35	36	n.a	39	42	46	46
Good	%	23	24	27	23	29	36	27	28	29	30	n.a	26	27	29	29
Fair	%	18	17	13	10	10	8	9	9	10	13	n.a	9	9	7	7
Poor	%	41	37	33	26	17	13	16	16	11	10	n.a	10	9	8	8
Bad	%	11	11	11	18	20	14	22	20	15	11	n.a	16	14	11	11

Sources: Road Development Authority and Department of National Planning

*IRI = International Roughness Index

^(a) Revised

^(b) Provisional

n.a. - not available

Table 19 | Port Services

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Vessels Arrived *	No.	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	3,685	3,712
Colombo		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	3,180	3,287
Sri Lanka Ports Authority		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	1,286	1,304
South Asia Gateway Terminal		1,273	1,175	982	1,084	1,120	1,011	855	1,026	1,087	1,073	1,152	1,016	926	867	837
Colombo International Container Terminal		-	-	-	-	-	56	463	1,002	1,257	1,258	1,245	1,234	1,103	1,027	1,146
Galle		68	32	48	73	69	36	60	72	96	87	84	43	22	14	7
Trincomalee		322	310	109	126	161	134	127	164	216	233	189	142	135	117	95
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	9	34	139	335	295	281	230	270	314	374	374	323
KKS, Myliddy, Point Pedro & Karainagar		-	136	8	26	44	48	34	32	25	63	59	11	-	-	-
Total Cargo Handled	t '000	50,582	48,778	61,240	65,097	65,030	66,292	74,431	77,611	86,546	93,879	104,952	106,982	102,907	109,358	62,836
Colombo		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	103,826	58,630
Sri Lanka Ports Authority		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	31,722
South Asia Gateway Terminal		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	22,731
Colombo International Container Terminal		-	-	-	-	-	745	8,648	20,157	25,511	30,411	33,893	37,089	37,310	42,402	4,177
Galle		459	167	318	464	422	207	394	542	771	712	729	510	404	106	1
Trincomalee		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	3,177	2,089
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	-	15	20	119	474	292	355	213	494	1,239	1,750	2,249	2,116
KKS, Myliddy, Point Pedro & Karainagar		-	246	11	28	60	49	21	32	27	23	18	3	-	-	-
Total Container Traffic ^(b)	TEUs '000	3,687	3,464	4,137	4,263	4,187	4,306	4,908	5,185	5,735	6,209	7,047	7,228	6,855	7,249	6,862
Sri Lanka Ports Authority		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	1,926
South Asia Gateway Terminal		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	1,752
Colombo International Container Terminal		-	-	-	-	-	57	687	1,562	2,003	2,388	2,676	2,893	2,885	3,212	3,184
Transshipment Container **	TEUs '000	2,874	2,712	3,205	3,216	3,167	3,274	3,781	3,967	4,435	4,826	5,704	5,955	5,765	6,050	5,832
Sri Lanka Ports Authority		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	1,670
South Asia Gateway Terminal		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	1,523
Colombo International Container Terminal		-	-	-	-	-	44	540	1,213	1,504	1,769	2,041	2,296	2,291	2,600	2,640
Employment (Sri Lanka Ports Authority)	No.	13,715	13,367	12,828	11,008	10,200	9,886	9,598	9,550	9,651	9,414	9,748	9,759	9,293	8,997	8,516
Colombo		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	8,285	7,838
Galle		553	513	500	433	391	378	373	355	348	351	362	384	339	331	315
Trincomalee		614	591	598	466	436	426	419	417	402	401	400	400	387	381	363
Magam Ruhunupura Mahinda Rajapaksa Port		-	-	49	50	48	68	59	53	45	37	38	n.a	n.a.	n.a.	n.a.
Revenue (Sri Lanka Ports Authority) ***	Rs Mn	25,142	23,331	28,279	31,086	38,098	37,232	37,492	40,805	44,080	43,963	52,283	54,636	52,657	60,606	99,074

Source: Sri Lanka Ports Authority

^(a) Provisional

^(b) TEUs= Twenty-foot Equivalent Container Units

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

** Including Re-Stowing

*** For the comparison purpose Port of Hambanethota 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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Access to Pipe Borne Water	% population	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	60.4
Access to Safe Drinking Water	% population	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	96.0
Access to Piped Sewerage *	% population	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	2.1
Average Cost (per month)**	Rs.000'	880,770	946,918	1,066,353	1,160,719	1,331,254	1,440,848	1,607,839	1,774,605	1,934,313	2,077,083	2,334,333	2,413,636	2,439,912	2,797,781	3,488,250
Average Household Bill (per month)	Rs	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	810.29
Water Supply Connections	No.	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	2,905,541
Water Production	Mn m ³	440	449	470	490	525	547	575	600	649	686	707	746	782	815	818
Water Consumption	Mn m ³	299	309	322	342	368	381	411	436	483	508	531	560	589	605	612
Water Sales (Bill Revenue)	Rs Mn	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	32,533
Non- Revenue Water																
Colombo City	%	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	24.11
Island wide	%	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	25.2
Employees	No.	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	9,059
Employees	Per 1000 connections	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	3.1
Collection Efficiency (Collection/Billing)		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	1.0

Source: National Water Supply and Drainage Board

^(a) Revised^(b) 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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Telecommunication																
Fixed Access Services	No.	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	2,651,287
Wireline in Service		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	1,263,068
Wireless Access ^(c)		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	1,388,219
Cellular Phones ^(c)	No.	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	28,838,038
Telephone Density (Including Cellular Phones)	per 100 persons	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	142.0
Public Pay Phones	No. of Booths	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	n.a
Internet and Email Subscribers	No.	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	2,686,955
Mobile Broadband Subscribers *	No.	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	18,980,661
Internet Service Providers	No.	5	8	9	20	19	15	15	15	13	8	7	12	12	12	11
Postal																
Public Post Offices	No.	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	3,995
Main Post Offices		645	647	649	648	651	651	653	653	652	653	653	653	653	654	653
Sub Post Offices		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	3,342
Private Post Offices	No.	654	657	606	675	676	602	629	629	629	628	412	412	134	130	140
Private Agency Post Offices		488	494	491	512	516	497	524	524	524	523	307	307	n.a.	n.a.	n.a.
Rural Agency Post Offices		159	159	111	156	156	101	101	101	101	101	101	101	n.a.	n.a.	n.a.
Estate Agency Post Offices **		7	4	4	7	4	4	4	4	4	4	4	4	n.a.	n.a.	n.a.

Source: Department of Posts, Sri Lanka Telecom and Telecommunications Regulatory Commission of Sri Lanka

^(a) Revised^(b) Provisional^(c) 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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
International Prices (End Year)																	
Crude Oil																	
Brent	USD(bbl)	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	70.8	99.6
WTI	USD(bbl)	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	67.94	94.41
Dubai	USD(bbl)	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	68.80	97.00
Oman*	USD(bbl)	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	n.a
Refined Products (Singapore Plattes)																	
(Annual Avg)																	
Petrol	USD(bbl)	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	91.04
Diesel	USD(bbl)	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	118.38
Kerosene	USD(bbl)	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	119.47
Domestic Prices (End Year)																	
Petrol (92 Octane)**	Rs/ltr	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	370.00
Petrol (95 Octane)	Rs/ltr	120.00	133.00	133.00	133.00	155.00	167.00	170.00	158.00	128.00	128.00	128.00	149.00	161.00	161.00	207.00	510.00
Auto Diesel ^(d)	Rs/ltr	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	420.00
Super Diesel	Rs/ltr	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	510.00
Kerosene	Rs/ltr	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	365.00
Furnace Oil – 800 Sec	Rs/ltr	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	320.00
Furnace Oil – 1000 Sec	Rs/ltr	44.40	52.70	52.70	48.70	48.70	-	-	-	-	80.00	80.00	n.a	n.a	n.a	n.a	n.a
Furnace Oil – 1500 Sec	Rs/ltr	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	320.00
Furnace Oil – 3500 Sec	Rs/ltr	41.00	45.00	26.00	40.00	50.00	90.00	90.00	-	80.00	80.00	80.00	n.a	n.a	n.a	n.a	n.a
Quantity Imported																	
Crude Oil	t 000'	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	649
Refined Products ^(c)	t 000'	2,411	2,476	2,264	2,991	4,283	4,891	4,376	4,993	5,204	3,885	4,895	4,959	4,740	4,028	4,553	3,927
L.P. Gas	t 000'	156	144	146	163	180	199	197	198	277	345	387	413	430	437	422	290
Domestic Production																	
L.P. Gas	t 000'	16	16	24	23	24	17	22	28	10	9	19	22	27	25	17	6
Local Sales																	
Petrol (92 Octane)**	t 000'	487	490	518	573	676	726	733	767	911	1,036	1,109	1,179	1,269	1,139	1,238	1,119
Petrol (95 Octane)	t 000'	31	29	22	22	35	40	55	69	100	137	168	189	158	120	116	69
Auto Diesel ^(d)	t 000'	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	1,693
Super Diesel	t 000'	14	9	9	12	15	42	50	61	74	75	92	101	85	69	75	78
Kerosene	t 000'	168	151	151	165	169	143	126	122	130	137	161	210	206	176	185	98
Furnace Oil	t 000'	986	999	1,110	1,117	1,222	1,322	827	915	630	817	1,040	949	1,011	971	720	496
L.P. Gas	t 000'	197	174	194	210	228	228	218	232	293	356	412	435	474	189	457	294
Petroleum Tax Revenue	Rs Mn.	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	146,797
o/w Excise Duty	Rs Mn.	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	53,074

Source: Ceylon Petroleum Corporation, Central Bank of Sri Lanka and Energy Statistics on Index Mundi (www.indexmundi.com/commodities)^(a) Revised^(b) Provisional^(c) Including Coal Imports^(d) Including XtraMile Diesel

*Annual Average

**Including XtraPremium Euro 3

n.a. – not available

Table 23 | Petroleum Products Tax Structure

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Petrol																
Value Added Tax (VAT)	%	15	5	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	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(a)	Rs. 5 – Petrol 92 Octane, Rs. 26 – Petrol 95 Octane(a)	Rs. 5 – Petrol 92 Octane, Rs. 26 – Petrol 95 Octane(a)
Excise Duty	Rs. per ltr	20	25	25	25	25	27	27	27	27	27	27	27	27	27	27
Ports and Airports Development Levy (PAL)	%	3	3	3	5	5	5	5	5	7.5	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	1.5	1.5	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	10	15	Free	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (TT)	%	1	1	1	–	–	–	–	–	–	–	–	–	–	–	–
Diesel																
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	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. 5.85 – Auto Diesel Rs. 10.55 – Super Diesel	Rs. 5.85 – Auto Diesel Rs. 10.55 – Super Diesel	Rs. 11 – Auto Diesel Rs. 25 – Super Diesel (b)	Rs. 0 – Auto Diesel Rs. 15 – Super Diesel Rs. 15 – Super Diesel (b)	Rs. 0 – Auto Diesel Rs. 15 – Super Diesel Rs. 15 – Super Diesel (b)
Excise Duty	Rs. per ltr	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	Rs. 6 – Auto Diesel Rs. 13 – Super Diesel
Ports and Airports Development Levy (PAL)	%	3	3	3	5	5	5	5	5	7.5	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	1.5	1.5	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	10	15	Free	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (PTT)	%	1	1	1	–	–	–	–	–	–	–	–	–	–	–	–
Kerosene																
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	5	5	5	5	5	7.5	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	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	1	1.5	1.5	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	10	15	Free	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (PTT)	%	1	1	1	–	–	–	–	–	–	–	–	–	–	–	–
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	5	5	5	5	5	7.5	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	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	1	1.5	1.5	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	10	15	Free	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (PTT)	%	1	1	1	–	–	–	–	–	–	–	–	–	–	–	–

Table 23 | Petroleum Products Tax Structure Contd...

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
L.P.Gas																
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. 24 ltr	5% or Rs. 14 ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	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.	7.5 or Rs. 2,000 per mt.
Nation Building Tax (NBT)	%	-	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	1	1.5	1.5	-	-	-	-	-	-	-	-	-	-	-	-
Surcharge	%	10	15	Free	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Turnover Tax (PTT)	%	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-

Source: Department of Fiscal Policy
^(a) Rs. 45 duty waived for Petrol 92 Octane and Rs. 24 duty waived for Petrol 95 Octane
^(b) Rs. 25 duty waived 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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 ^(a)	2021 ^(b)	2022 ^(b)
Hospitals	No.	747	716	740	778	790	809	811	831	835	769	803	812	826	861	867
Public		612	555	568	592	593	603	601	610	610 ^(d)	612	612	603	609	618	617
Private		135	161	172	186	197	206	210	221	225 ^(e)	141	209	209	217	243	250
Central Dispensaries	No	417	461	476	475	480	481	484	475	475 ^(d)	496 ^(f)	n.a	499	514	542	544
Beds	No	66,835	68,905	69,501	69,731	73,437	79,945 ^(c)	82,604 ^(c)	76,781	76,781 ^(d)	83,275 ^(f)	76,824	77,964	77,121 ^(f)	78,228 ^(f)	78,228 ^(f)
Doctors	No.	14,192	15,165	15,503	16,464	17,190	18,486	19,873	20,280	21,168	22,091^(f)	n.a	18,130^(f)	19,615^(f)	20,209^(f)	21,045^(f)
Administrative MOO		131	136	138	240	211	143**	128	203	84	204	n.a	2,415	n.a	113	121
Specialist MOO		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	1860	1,890
Medical Officers		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	11,557	13,356
Dental Surgeons		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	821	825
RMO/AMO		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	n.a
Nurses	No.	22,977	26,351	27,494	29,234	30,217	30,928	31,527	32,272	32,499	34,221	34,714	38,276	37,634	39,091	40,775
Public Health Nursing Sisters (PHNS)	No.	210	328	365	326	364	331	n.a.	299	241	328	n.a	297	n.a	n.a	n.a
Public Health Midwives (PHM)	No.	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	n.a
Public Health Inspectors (PHI)	No.	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	n.a
Health Education Officers (HEOO)	No.	43	51	50	56	47	48	40	47	44	-	n.a	43	n.a	n.a	n.a
Professions Supplementary to Medicine (PSM)	No.	2,756	3,251	3,509	3,553	3,694	3,699	3,773	3,995	2,848	4,715^(f)	n.a	5,089	n.a	n.a	n.a
Medical Lab Technicians (MLTT)		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	1,374	1,457
Physiotherapists		241	268	322	328	339	319	340	400	367	618	n.a	656	n.a	584	588
Radiographers		385	464	477	485	534	536	531	551	421	610	n.a	617	n.a	502	517
Occupational Therapists		56	75	92	100	105	94	93	101	98	137	n.a	140	n.a	141	136
Pharmacists		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	1,217	1,238
Attendants	No.	7,184	8,358	8,189	8,403	8,375	8,091	8,096	8,689	8,268 ^(d)	9,218	8,614	8,531	8,384	8,334	8,310

Source: Ministry of Health and Indigenous Medicine

^(a) Revised^(b) Provisional^(c) Private and Public Hospitals^(d) Including line Ministry^(e) Including PGIM Trainees^(f) Government Only

* Excluding Specialist MOO attached to Anti Filaria 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

** Permanently employed

n.a. - not available

Table 25 | Education

Item	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
General Education																	
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	11,088	11,082
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	10,146	10,134
o/w National		328	330	334	340	342	342	350	352	352	353	353	353	373	373	396	396
Private		94	92	98	98	98	98	103	103	104	105	106	106	118	120	123	125
Private		658	691	697	719	720	734	734	747	749	754	753	763	801	816	819	823
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	4,259	4,235
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	4,049	4,024
National		730	749	759	785	800	793	797	797	806	803	811	839	798	n.a.	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.	n.a.
Private		114	115	115	117	122	126	130	131	136	136	136	142	138	139	141	141
Private		55	56	58	62	63	65	66	63	65	66	63	61	68	70	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	256,769	-
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	241,054	n.a.
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	n.a.
Private		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	7,347	n.a.
University Education																	
Universities	No.	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17	19
UGC ^(a)		15	15	15	15	15	15	15	15	15	15	15	15	15	15	17	17
MoHE		2	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	146,315	158,583
UGC ^(a)		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	119,068	128,638
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	26,255	28,824
MoHE		357	413	447	376	391	557	627	629	688	778	778	753	n.a.	n.a.	992	1,121
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	43,927	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	22,921	23,896
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	9,573	10,276
UGC ^(a)		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.	9,462	10,166
MoHE		50	52	55	48	53	66	69	78	82	93	93	114	n.a.	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	13,348	13,620
Graduate Output																	
First Degree	No.	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	24,810	26,074
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	7,564	10,124

Source: Ministry of Education and Ministry of Higher Education

OUSL-Open University of Sri Lanka

UGC^(a) - Universities under the University Grants Commission, including OUSLUGC^(b) - Universities under the University Grants Commission, excluding OUSL

MoHE - Buddhist and Pali University and Buddhasravaka Bhiksu University under Ministry of Higher Education

* Number of graduated has been decreased in 2012 as final exams have not been held in several faculties due to academic & Non academic Strikes in 2012.

^(a) Revised^(b) Provisional

n.a. - not available

Table 26 | Access to Banking and Finance

Category	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Domestic Commercial Banks	No.	11	11	11	12	12	12	13	13	13	13	13	13	13	13	13
State		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Private		9	9	9	10	10	10	11	11	11	11	11	11	11	11	11
Branches		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	2,871	2,878
State		637	640	640	654	675	1,356	1,361	1,366	1,377	1,373	1,376	1,392	1,397	1,400	1,406
Private		652	693	777	913	952	1,226	1,311	1,339	1,411	1,430	1,450	1,465	1,472	1,471	1,472
Other offices		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	3,793	3,794
State		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	3,531
Private		346	375	422	450	462	254	261	260	253	253	254	258	262	262	263
Automated Teller Machines (ATMs)		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	5,920	6,152
State		490	625	664	740	787	871	894	1,033	1,181	1,561	1,891	2,414	2,635	2,770	2,889
Private		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	3,150	3,263
Foreign Commercial Banks	No.	11	11	11	12	12	12	12	12	12	12	13	13	11	11	11
Branches		44	44	46	49	49	221	221	220	53	52	51	50	46	46	46
Other Offices		170	170	170	171	171	-	-	-	-	-	-	-	-	-	-
Automated Teller Machines (ATMs)		47	47	47	44	48	48	49	57	56	57	60	59	57	52	52
Specialized Banks ^(c)	No.	14	14	9	9	9	9	9	7	7	7	7	6	6	6	6
State		8	8	8	8	8	8	6	6	6	6	6	5	5	5	5
Private		6	6	1	1	1	1	3	1	1	1	1	1	1	1	1
Branches		448	465	500	515	527	645	652	624	683	691	696	700	704	705	706
State		229	239	270	280	287	390	541	546	595	600	602	606	609	611	612
Private		219	226	230	235	240	255	111	78	88	91	94	94	94	94	94
Other Offices		220	233	257	272	273	175	175	175	27	28	-	-	-	-	-
State		203	215	236	251	251	167	175	175	27	28	-	-	-	-	-
Private		17	18	21	21	22	8	-	-	-	-	-	-	-	-	-
Automated Teller Machines (ATMs)		97	119	158	158	180	180	180	295	320	333	376	401	432	466	474
Insurance Companies		16	18	19	22	22	22	21	28	29	27	26	28	28	27	27
Registered Finance Companies		34	35	36	39	47	48	48	46	46	45	43	42	40	39	37
Specialized Leasing Companies		22	21	21	16	13	10	8	7	7	6	5	4	3	3	1
Credit Cards Issued		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	240,653
Credit Cards In Use		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	2,054,896

Sources: Central Bank of Sri Lanka and Insurance Regulatory Commission of Sri Lanka

^(a) Revised^(b) Provisional^(c) 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	2008 ^(a)	2009 ^(a)	2010 ^(a)	2011 ^(a)	2012 ^(a)	2013 ^(a)	2014 ^(a)	2015 ^(a)	2016 ^(a)	2017 ^(a)	2018 ^(a)	2019 ^(a)	2020 ^(a)	2021 ^(a)	2022 ^{(a)(e)}
Labour Force																
Total Labour Force	000'	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	8,547
Labour Force Participation Rate	%	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	49.8
Employed Population by Industry																
Agriculture	000'	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	2,213	2,159
Industry	000'	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	2,110	2,158
Services	000'	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	3,791	3,831
Unemployment																
Unemployment No.	000'	433	471	400	335	310	353	348	383	363	359	373	411	468	440	399
By Gender																
Male	000'	194	223	185	142	147	164	165	158	154	156	164	185	339	316	316
Female	000'	239	248	215	193	163	189	183	225	209	203	209	226	720	676	556
By Age Group																
15-19 years	000'	68	68	59	43	43	48	49	56	58	46	53	54	n.a.	n.a.	n.a.
20-29 years	000'	260	277	240	211	184	208	206	222	221	215	229	242	n.a.	n.a.	n.a.
30-39 years	000'	58	71	59	53	49	53	54	61	48	53	56	59	n.a.	n.a.	n.a.
Over 40 years	000'	46	55	42	28	34	43	39	45	36	45	35	57	n.a.	n.a.	n.a.
By Level of Education																
Grade 5 & Below	000'	19	20	11	10	8	14	11	10	10	11	8	12	n.a.	n.a.	n.a.
Grade 6 - 10	000'	170	188	140	128	116	129	131	132	129	108	113	129	n.a.	n.a.	n.a.
GCE O/L	000'	101	109	91	66	84	78	78	94	80	89	80	98	n.a.	n.a.	n.a.
GCE A/L & Above	000'	142	154	159	131	102	132	128	148	144	151	171	172	n.a.	n.a.	n.a.
Unemployment Rate	%	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	4.7

Source: Department of Census and Statistics

(a) Data including Eastern provinces but excluding Northern Province

(b) Excluding Mullativu and Killinochchi districts

(c) All the districts are included

(d) Excluding Northern and Eastern provinces

(e) Provisional

Note: From year 2013 lower bound of working age has changed and therefore age 15 and above population is considered as working age population. Hence, this table provides 2011, 2012 and 2013 statistics considering the new lower bound (for the purpose of comparison)
n.a. - not available

Table 28 | Average Daily Wages and Strikes

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Paddy Cultivation																
Male	Rs. per day	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	2,156.00
Female		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	1,662.00
Tea Cultivation																
Male	Rs. per day	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	1,723.00
Female		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	1,250.00
Rubber Cultivation																
Male	Rs. per day	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	1,866.00
Female		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	1,410.00
Coconut Cultivation																
Male	Rs. per day	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	2,199.00
Carpentry																
Master Carpenter	Rs. per day	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	3,027.00
Skilled and Unskilled		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	2,036.00
Masonry																
Master Mason	Rs. per day	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	3,077.00
Skilled and Unskilled		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	2,054.00
Strikes																
No. of Strikes		51	8	15	27	34	42	38	51	41	33	51	25	28	21	11

Sources : Department of Labour and Central Bank of Sri Lanka

^(a) Revised^(b) Provisional

Table 29 | Poverty and Inequality

Index	Unit	Survey Period							
		1990/91	1995/96	2002	2006/07	2009/10	2012/13	2016	2019 ^(a)
Poverty Head Count Index									
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)

^(a) Based on Updated poverty line (based 2012/13 on NCPI)

Table 30 | Remittances and Departures for Foreign Employment

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Total Remittances	US\$ mn	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	5,490	3,789
By Country																
Middle East		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	1,936
European Union		525	603	724	885	1,071	1,160	1,270	1,222	1,282	1,311	1,312	1,263	1,350	1,032	705
Europe, Other		128	148	177	232	275	308	337	307	739	330	309	282	305	231	155
East Asia		175	203	247	401	509	557	611	698	333	824	849	826	870	686	481
North America		114	127	140	154	174	186	204	209	210	208	182	161	178	126	91
South and Central America		23	28	35	41	48	58	63	63	398	50	35	27	21	16	15
South East Asia		90	100	144	206	263	288	316	391	174	394	407	376	408	324	220
South Asia		32	40	58	51	90	83	91	98	109	107	154	134	114	93	76
Australia and New Zealand		55	57	82	103	132	147	161	161	51	172	154	175	178	143	102
Other		29	30	35	41	66	58	63	63	58	57	21	13	7	5	8
Total Departures	No.	250,499	247,126	267,507	262,961	282,447	293,218	300,703	263,443	242,816	211,992	211,211	203,087	53,713	122,887	310,970
Professional		2,835	2,832	3,057	3,844	4,448	5,151	5,372	6,251	6,578	6,379	9,005	9,861	2,929	8,575	14,512
Middle Level		8,667	6,388	6,884	6,134	9,280	16,510	20,778	6,951	8,234	7,127	6,530	5,725	1,480	4,267	8,130
Clerical and Related		6,791	6,719	7,923	9,906	16,184	26,561	29,267	12,501	10,862	9,271	9,434	9,163	2,484	6,570	12,135
Skilled		59,718	61,321	71,537	67,726	67,150	73,707	73,162	81,682	76,545	68,980	67,013	62,711	16,690	40,390	92,624
Semi Skilled		5,326	6,015	4,932	4,180	3,467	3,412	3,977	4,847	3,926	3,297	2,769	2,950	748	1,938	4,132
Unskilled		59,239	50,173	60,422	63,680	62,907	70,977	79,519	77,985	71,656	61,054	51,703	51,188	13,994	31,881	105,472
Housemaid Female		107,923	113,678	112,752	107,491	119,011	96,900	88,628	73,226	65,015	55,884	64,757	61,489	15,388	29,266	73,965

Sources : Sri Lanka Bureau of Foreign Employment and Central Bank of Sri Lanka

^(a) Revised^(b) Provisional

Table 31 | Welfare Payments and Development Subsidies

Description	Rs. Million														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Healthcare															
Pharmaceuticals (free medicine)	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	77,001	75,718
Empowering the Vulnerable and Needy															
Samurdhi	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	36,823
No. of Ben fisheries (Families Mn)	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	1.8
Assistance to Elderly (Over 70yrs age)	922	960	650	950	554	2,045	2,655	8,039	9,060	9,008	9,590	9,856	9,893	9,805	4,830
Daily Allowance for Differently Abled Students	70	74	71	80	80	123	138	220	247	195	31	26	-	10	21
Allowance for Disable People	75	74	75	394	403	513	479	936	1,114	1,083	43	41	4,293	4,311	2,153
Financial Supports for kidney patients	-	-	-	-	-	-	-	-	487	869	1,318	1,451	1,776	2,326	1,154
Empowering Government Security Forces															
Allowance for the Third Child of Soldiers	-	-	-	297	313	458	46	-	-	-	-	-	-	-	-
Death and Disabled Soldiers Compensation	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	40,244
Agriculture Development															
Fertilizer Subsidy	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	62,477
Paddy Purchasing (To Stabilize the Paddy Prices)	680	1,060	1,805	1,629	1,440	1,789	228	7,480	242	-	-	-	119	814	-
Commercial Crop Development															
Crop Subsidy															
Tea	232	211	191	171	182	272	331	7,292	549	445	615	588	737	1,177	462
Rubber	275	200	371	485	435	587	763	2,871	713	703	542	564	823	897	652
Coconut	222	237	269	293	353	403	485	471	709	598	653	641	734	322	213
Cashew	35	34	25	29	27	49	40	35	40	54	67	70	85	64	29
Minor Crops – (Cinnamon, Cocoa, Coffee, Pepper)	117	175	180	220	185	207	254	360	380	336	440	256	529	361	241
School Children and University Students															
School Uniforms	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	2,355
Season Tickets	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	6,400
School and Dharma School Text books	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	2,814	1,650
Grade 5 Scholarships, Mahapola and Bursary	565	578	645	777	790	801	852	1,390	1,914	1,344	2,136	2,571	2,125	2,791	2,725
Nutrition Program	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	1,685	3,308
Thripasa for Children and Expectant Mothers	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	716
Poshana Malla for Expectant Mothers	386	505	388	360	249	203	279	2,422	5,746	5,408	5,490	5,279	4,751	5,248	3,690
Morning Milk for Pre-school and school Children	35	167	178	249	205	230	197	189	106	167	256	327	297	n.a.	n.a.
Poshana Manpetha and Lama Saviya	24	30	30	18	17	19	21	49	30	-	-	-	76	110	148

Table 31 | Welfare Payments and Development Subsidies contd...

Description	Rs. Million													
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a) 2022 ^(b)
Disaster Assistance														
Flood and Drought Relief	323	738	264	649	153	148	521	271	132	5,854	5,279	406	235	303 83
Cooked Meals and Dry Rations	1,457	2,859	1,000	199	54	32	28	118	111	-	-	-	-	n.a. n.a.
Assistance to Religious Places														
Water for Religious Places	46	144	42	46	49	47	50	50	-	-	-	-	-	n.a. n.a.
Losses of Public Enterprises														
Petroleum (Ceylon Petroleum Corporation)	11,085	7,717	20,295	85,165	89,656	7,969	-	19,468	69,620	-	106,143	11,836	2,371	81,816 615,053
Kerosene	357	-	-	-	-	-	-	-	-	-	14,735	7,697	n.a	n.a n.a
Electricity (Ceylon Electricity Board)	33,870	7,440	-	19,266	61,164	-	15,737	-	14,499	49,231	28,865	85,309	60,433	34,739 261,869
Water	2,915	1,417	5,955	-	578	-	-	252	2,977	738	517	1,111	643	3,054 3,0674
Railway	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 n.a
Sri Lanka Transport Board	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	3,054 -
Transport Facilities														
SLTB Transport Facilities – Uneconomical Routes	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 2,400
Transportation Facilities for Armed Forces	200	598	208	257	182	169	276	300	289	321	219	262	218	142 139
Common Facilities														
Street Lighting	1,300	204	360	123	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25	6 -
Total	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	340,326 248,633

Sources : Department of National Budget, Department of Treasury Operations and Department of Public Enterprises

^(a) Revised^(b) Provisional

n.a. – not available

Table 32 | Tourism

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Tourist Arrivals by Country of Nationality		No.														
North America		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	719,979
Latin America & the Caribbean		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	49,410
		3,721	666	594	1,167	1,626	3,166	3,202	5,698	5,625	5,560	8,134	7,742	226	478	2,020
Western Europe		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	128,279
Eastern Europe		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	303,947
Middle East		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	18,107
Africa		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	4,679
Asia		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	179,661
Australasia		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	33,876
Tourist Arrivals by Purpose of Visit *		No.														
Leisure		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	428,838
Private & Official Business		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	30,057
Convention & Meetings		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	15,888
Visiting Friends & Relations		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	164,109
Religious & Cultural		11,523	9,127	5,150	2,321	22,371	65,004	200	1,202	390	281	168	484	53	22	299
Sports & Health		-	-	-	-	-	-	-	-	-	27,580	22,799	-	-	-	-
Other		26,441	12,718	7,782	12,178	5,018	35,689	60,932	128,582	50,515	1,982	1,334	31,376 ^(b)	4,969	4,709	80,787
Official Tourist Receipts *	USD Mn	342	349	575	830	1,038	1,715	2,431	2,981	3,519	3,925	4,381	3,610	682	507	1,136
Receipt Per Tourist Per Day *	USD	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	164.4
Average Duration (Nights)*	No.	10	9	10	10	10	9	10	10	10	11	11	10	9	15	9
Accommodation Capacity Hotels (Classified/ unclassified and Boutique Hotels)		No.														
Rooms		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	25,597
Beds*		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	53,757
Foreign Travel by Sri Lankans (Departures)		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	309,220	1,127,512

Table 32 | Tourism contd...

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^(a)
Revenue from Tourism																
Tourism Development Levy	Rs. Mn	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	n.a	n.a
Embarkation Tax on Foreign Tourists	Rs. Mn	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	n.a	n.a
Museums																
Number of Foreign Visitors		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	12,585
Revenue from Sale of Tickets	Rs. '000	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	2,236
Cultural Triangle																
Number of Foreign Visitors		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	216,847
Revenue from Sale of Tickets	Rs. Mn	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	1,540.5
Zoological Gardens																
Number of Foreign Visitors		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	57,596
Revenue from Sale of Tickets	Rs. Mn	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	133.1
Botanical Gardens																
Number of Foreign Visitors		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	103,322
Revenue from Sale of Tickets	Rs. '000	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	200,183
Wild Life Parks																
Number of Foreign Visitors		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	301,464
Revenue from Sale of Tickets	Rs. '000	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	1,219,166

Source: Sri Lanka Tourism Development Authority

^(a) Provisional^(b) 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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Total Livestock Population		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	25,105	23,558
Cattle	No. '000	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	1,128
Buffalo	No. '000	440	372	423	405	415	381	321	323	426	445	458	298	323	333	325
Goat/Sheep	No. '000	387	385	381	384	394	341	307	317	470	513	523	325	346	362	366
Swine	No. '000	89	81	84	82	89	81	105	70	125	155	190	91	93	99	100
Chicken	No. '000	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	22,767
Total Production																
Milk	Mn Lt.	208	233	248	258	299	329	334	374	454	483	495	448	415	513	506
Chicken meat	t '000	103	99	104	117	137	145	150	164	174	201	214	224	216	237	228
Eggs	Mn	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	1,954	1,849
Mutton	t	1,400	1,500	1,700	1,790	1,600	1,840	1,340	1,350	1,400	1,740	1,630	1,810	1,610	2,500	2,730
Pork	t	11,100	10,120	10,435	9,800	7,030	7,040	7,080	7,018	7,280	7,890	10,470	9,000	8,580	9,820	9,300
Domestic Demand																
Domestic Demand – Milk																
Milk Requirement	Mn. Ltrs per Year	738	746	754	767	742	740	938	1,035	1,166	1,207	1,264	1,139	1,157	n.a.	n.a.
Domestic Production	Mn Ltrs.	208	233	248	258	299	329	334	374	454	483	495	424	415	513	506
Domestic Production / Total Req. Ratio	%	28	31	33	34	40	44	36	36	35	40	39	37	36	n.a.	n.a.
Production Gap	Mn Ltrs.	530	513	506	509	443	411	604	632	713	724	769	715	743	n.a.	n.a.
Domestic Demand – Chicken																
Chicken Requirement	t'000 per year	261	261	264	267	260	262	149	165	174	201	214	n.a	n.a	n.a.	n.a.
Domestic Production	t'000	103	99	104	117	137	145	150	165	174	201	214	224	216	237	228
Production Gap	t'000	159	162	160	150	122	117	-	-	-	0	0	n.a	n.a	n.a.	n.a.
Domestic Demand – Egg																
Egg Requirement	Mn. per Year	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	n.a
Domestic Production	Mn.	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	1,954	1,849
Production Gap	Mn.	2,350	2,633	2,828	2,624	1,431	2,101	510	304	0	5	6	n.a	n.a	n.a	n.a
Per Capita Availability																
Milk	LME L per Year	10	11	12	12	15	16	16	18	21	23	23	21	22	23	23
Chicken Meat	kg per Year	5	5	5	6	7	7	7	8	8	9	10	10	10	11	10
Eggs	No. per Year	68	54	46	82	113	103	108	109	105	133	132	96	85	88	83
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	0.3	0.4	0.3	0.3	0.3	0.4	0.4	0.5	0.4	0.4	0.4	0.4
Beef	kg per Year	1.1	1.1	1.1	1.7	1.7	1.8	1.6	1.5	1.5	1.4	1.3	1.4	0.6	1.4	1.0

Table 33 | Livestock Sector contd....

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 ^(a)	2022 ^(b)
Imports																
Milk and Milk Products	t	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	54,299
	Rs. Mn	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	68,332
Poultry and Poultry Products	t	2,617	990	1,236	1,952	845	353	354	592	253	280	301	235	156	55	140
	Rs. Mn	229	85	150	300	148	112	99	129	100	167	162	121	84	19	131
Mutton and Mutton Products	t	293	270	285	169	338	386	350	503	485	545	517	907	933	680	152
	Rs. Mn	93	58	82	73	200	173	166	219	214	236	218	369	423	396	101
Pork and Pork Products	t	38	1	0	0	1	0	3	...	1	50	118	144	84	68	245
	Rs. Mn	21	0	1	0	1	0	1	0	0	31	73	103	55	53	289
Beef and Beef Products	t	30	22	29	61	28	36	36	51	72	151	139	121	81	37	62
	Rs. Mn	26	17	13	52	24	29	29	40	80	141	174	111	65	36	174

Source: Department of Animal Production and Health, Central Bank of Sri Lanka and Department of Census and Statistics

^(a) Revised^(b) Provisional

n.a. not available

... negligible

Table 34 | Fisheries Sector

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 ^(a)	2021 ^(a)	2022 ^(c)
Fishing Fleet Capacity (Total Boats)	No.	39,049	40,245	48,134	53,476	54,310	52,301	62,524	61,354	68,618	46,890	51,892	48,976	49,496	59,716	58,533
High Seas Boats	13	19	26	29	29	130	-	-	1,576	1,455	1,417	1,281	1,189	927	1,194	1,459
Multi Day Boats	2,529	2,604	2,679	3,843	3,950	3,950	4,111*	4,447*	3,456	3,833	2,779	4,601	3,696	4,228	4,170	3,603
One Day Boats	1,110	1,135	1,160	1,120	890	890	802	876	789	835	868	918	948	895	860	831
Out Board 6-8 m FRP	15,016	15,016	15,016	22,890	23,160	23,134	23,982	24,882	24,882	26,136	22,394	24,132	23,404	24,074	24,389	24,530
Motorized Traditional Boats	2,213	2,238	2,263	2,960	2,340	2,340	2,514	2,720	2,179	2,248	2,185	2,206	2,140	2,310	2,398	2,374
Non-Motorized Traditional Boats ^(b)	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	25,635	24,756	24,756
Beach Scene Boats	990	990	990	984	1,040	1,174	1,174	1,613	1,820	1,212	1,320	1,287	1,056	1,070	980	980
Annual Fish Production	t															
Marine Fish Catch	319,120	339,730	384,670	444,830	484,810	512,840	535,050	520,190	530,920	531,310	527,060	505,830	428,740	435,910	397,230	397,230
Coastal	274,630	293,170	332,260	385,270	417,220	445,930	459,300	452,890	456,990	449,440	439,370	415,490	326,930	331,675	280,610	280,610
Offshore and Deep Sea	165,320	180,410	202,420	222,350	257,540	267,980	278,850	269,020	274,160	259,720	249,020	242,580	182,560	178,260	149,440	149,440
Inland and Aquaculture	109,310	112,760	129,840	162,920	159,680	177,950	180,450	183,870	82,830	189,720	190,350	172,910	144,370	153,415	13,170	13,170
Fish for Dry or Smoking	t	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	116,620
		93,240	97,690	100,120	112,295	61,320	146,630	157,982	126,390	145,620	138,430	141,080	114,900	132,100	112,630	51,660

Source : Ministry of Fisheries and Aquatic Resources

^(a) Revised^(b) from 2014 number of nonmotorized Traditional Boats includes both marine and fresh water driven boats.^(c) Provisional

* Including High Sea Boats

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