



20	26	Public Investment Programme
20	30	

**DEPARTMENT OF NATIONAL PLANNING**  
**MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT**  
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## Introduction

Sri Lanka is gradually but steadily emerging from its deepest economic crisis since independence. To help the recovery, development planning should prioritize the dual objectives of immediate economic recovery and long-term sustainable growth to ensure resilience against future crises, while uplifting society.

The new government which took office in September 2024 marks the beginning of a new phase of development, departing from conventional policy approaches, providing economic opportunities to all. Hence, development planning should incorporate the underlying socio-economic and political conditions that prompted this policy shift, as overlooking these factors risks a recurrence of past policy failures.

Aligning with the vision articulated in the National Development Policy Framework – ‘A Thriving Nation: A Beautiful Life’ and as per the Public Financial Management Act, No. 44 of 2024, the Department of National Planning has formulated the Public Investment Programme (PIP) 2026–2030, a detailed five-year strategic framework aimed at addressing persistent structural weaknesses and evolving development challenges, aligning with the international development agendas, including the Agenda 2030. It is developed following a rolling plan approach, which enables annual review and adjustment based on past performance and future projections.

The PIP 2026–2030 aims for inclusive and resilient growth and a systematic transformation by strategically placing emphasis on accelerating economic growth through critical areas: human capital formation, agriculture, digital economy, entrepreneurial and innovation ecosystem, tourism, and green economy geared towards the production economy.

The PIP 2026–2030 outlines prioritized investments and coordinated policy measures across key sectors to enhance economic diversification, institutional robustness, and fiscal sustainability. Emphasizing evidence-based planning and adaptive management, this programme is designed to drive inclusive growth, improve public service delivery, and strengthen Sri Lanka’s resilience in a rapidly changing global environment.

The strategic priorities defined in the PIP 2026–2030 will undergo regular review and be modified as needed to adapt to evolving internal and external conditions. The objectives and deliverables associated with these strategic priorities will serve as key performance indicators to monitor progress systematically. They will also provide transparent benchmarks that enable all stakeholders to assess and understand the pathways through which Sri Lanka achieves sustained economic prosperity.



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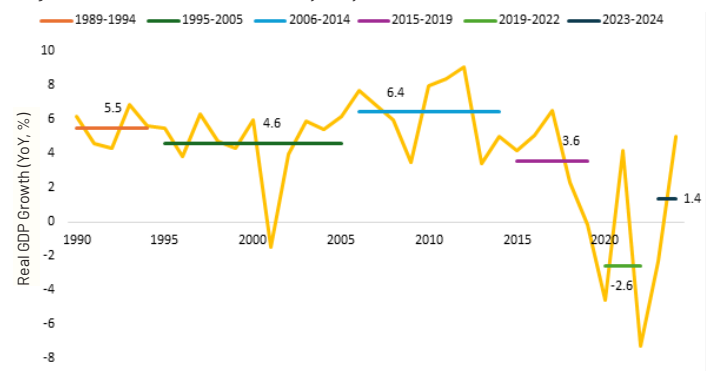
## BUILDING A RESILIENT ECONOMY

## 1.1 Recent Economic Performance

Sri Lanka's economy shows signs of gradual recovery, with a notable 5% growth and per-capita GDP of USD 4,516 in 2024 (Figure 1.1). This has been supported by the improved macroeconomic fundamentals, including low inflation and a stable exchange rate alongside continued adherence to structural reforms implemented under the International Monetary Fund's Extended Fund Facility (EFF) programme.

The sectoral composition of GDP in Sri Lanka has remained relatively stable over the two periods, 2015-2019 and 2020-2024 (Table 1.1). Agriculture and manufacturing contribution to economic growth remain 8% and 20%, respectively while services share shows a marginal increase from 64% to 66%, indicating a modest reorientation of growth dynamics toward service-based activities.

Figure 1.1. Sri Lanka's Economic Growth Trajectory: 1990-2024



Source: Annual Reports of Central Bank of Sri Lanka 2022 and 2024

Table 1.1: Gross Domestic Product at Constant (2015) Prices (Rs. Billion)

	2015	2019	2020	2021	2022	2023	2024
Agriculture, forestry & fishing	951	950	941	951	911	926	937
Manufacturing, mining and quarrying and other industry	2,318	2,694	2,601	2,765	2,381	2,268	2,456
Manufacturing activities (O/W)	1,871	2,147	2,092	2,247	1,962	1,900	2,045
Construction	1,099	1,240	1,123	1,173	927	735	877
Wholesale and retail trade, transportation and storage	2,863	3,269	3,110	3,150	3,226	3,330	3,461
Information and communication	221	322	358	418	416	361	379
Financial and insurance activities	451	631	675	745	608	579	572
Real estate activities (including ownership of dwelling)	466	610	604	631	554	521	543
Professional, scientific, technical administration	262	297	288	302	248	254	263
Public administration, defense, education, human health	1,036	1,125	1,148	1,173	1,169	1,162	1,149
Other services (excluding own services)	971	1,053	984	993	995	998	1,013
Equals Gross Value Added (GVA), at basic price	10,637	12,190	11,832	12,299	11,437	11,135	11,651
(+) Taxes on products	979	1,100	812	878	776	796	873
(-) Subsidies on products	50	44	48	51	52	54	52
Equals GDP at market price	11,567	13,206	12,596	13,126	12,161	11,878	12,472

Source: National Accounts of Sri Lanka, 2024, Department of Census and Statistics

Total consumption expenditure is increasing alongside the economic recovery (Table 1.2). Moderation in private expenditure reflects subdued real consumption due to disinflationary pressures. Despite a slight setback in 2024, private consumption increased from 61.2% of GDP in 2021 to 70.8% in 2023. This sharp increase reflects rising household expenditures, mainly due to rising food prices and transportation costs from fuel price adjustments and supply disruptions. The national savings grew

significantly from 26.3% in 2023 to 28.3% in 2024. This is owing to increase in both domestic savings and net primary and secondary income from rest of the world. This change could have driven by easing inflation, tighter fiscal discipline, and a notable rise in net income from abroad, particularly higher remittances and lower interest payments after debt restructuring.

Table 1.2: Consumption, Investment and Savings (% of GDP)

	2019	2020	2021	2022	2023	2024
Total consumption	71.7	73.3	70.7	76.3	77.6	75.7
Private	62.7	62.9	61.2	69.1	70.8	68.7
Government	9.0	10.4	9.5	7.2	6.8	7.0
Total investment	34.1	32.9	36.7	27.3	24.6	27.0
National savings	32.0	31.3	33.0	26.0	26.3	28.3
Domestic	28.3	26.7	29.3	23.7	22.4	24.3
Net primary & secondary income from rest of the world	3.7	4.7	3.6	2.3	3.9	4.0

Source: Annual Reports 2020 and 2024, Central Bank of Sri Lanka



**Inflation** in Sri Lanka moderated significantly, falling from a peak of over 70% year-on-year in mid-2022 to 4.5% by the end of 2023, and further to around 2.7% by mid-2024. This sharp decline reflects tight monetary conditions, currency stabilization, and easing global food and energy prices. Core inflation also fell, indicating broad-based easing of price pressures.

Sri Lanka's **fiscal position** improved moderately in 2023, with the overall budget deficit narrowing to 8.3% of GDP from 10.2% in 2022. In 2024, the deficit was 6.8% of GDP, reflecting ongoing fiscal consolidation efforts. The primary deficit narrowed but remained negative, reflecting challenges in expenditure management and revenue generation. The government targets to achieve and maintain a primary surplus of at least 2.3% of GDP by 2025.

Sri Lanka's **external sector** improved, posting a current account surplus supported by sustained remittance growth, a strong recovery in services exports, especially tourism and continued moderation of merchandise imports due to subdued domestic demand and import rationalization. Gross official reserves increased to USD 6.1 billion in 2024 from USD 4.4 billion in 2023. In 2024, the Sri Lankan rupee remained relatively stable after a 12% appreciation in 2023, reversing the previous year's sharp depreciation. This reflected improved market confidence, driven by policy progress, strong remittance and tourism inflows, and lower forex demand due to import controls. The current account surplus was USD 1.2 billion in 2024 compared to USD 1.4 billion in 2023. The merchandise trade deficit widened to USD 6.07 billion in 2024, up from USD 4.90 billion in 2023, as import growth outpaced export earnings. However, this was still below the 2015–2019 annual average deficit of approximately USD 9 billion.

Achieving long-term **debt sustainability** requires continued fiscal consolidation. Under the ongoing fiscal reform agenda, Sri Lanka targets reducing public debt to below 95% of GDP by 2032, in line with IMF-supported objectives.

A well-executed **structural reform agenda** is critical for economic resilience. This mainly focuses on digitalization, skills development, sustainable infrastructure and promoting public-private partnerships.

## 1.2 Development Outlook: Strategic Areas of Focus

With greater stability, Sri Lanka aims to accelerate growth and drive structural transformation. Macroeconomic stabilization, driven by fiscal discipline, external rebalancing, and credible monetary policy, has laid the foundation for investment, export diversification, and innovation-led growth. To sustain momentum, key reforms must boost productivity, deepen financial markets, modernize infrastructure, and support private sector growth. Henceforth, the PIP 2026–2030 sets the strategic investment path for inclusive resilient and sustainable medium-term growth.

*China, South Korea, Singapore, and Vietnam prioritize **productivity-focused** public investment to sustain growth. China's public investment of around 7–9% of GDP during key growth phases is used to improve infrastructure, industrial parks, innovation zones, education and R&D reforms. South Korea invested 5–7% of GDP in export-led industrialization, infrastructure modernization, and human capital via vocational training and innovation. Singapore's public investment ranged 15–20% of GDP, and it focuses on development of infrastructure, smart city and workforce skills together with strong public-private partnerships. Vietnam invested 7–8% of GDP in export-enabling infrastructure, education, and institutional reforms to attract foreign direct investment and boost manufacturing and trade competitiveness.*

*These investments underscore the importance of shifting focus from **quantity to quality of public investment** in improving education and creating digital and green economies together with the private sector. Therefore, Sri Lanka needs to recalibrate its macroeconomic policies to ensure that public investment supports economic growth and fosters long-term structural transformation.*

## 1.3 Towards Inclusive and Resilient Growth

The PIP 2026–2030 sets out a vision for national renewal through four transformative pathways: economic, social, environmental and governance (Box 1). Accordingly, Sri Lanka's economy is projected to grow from an estimated USD 99 billion in 2024 to USD 120 billion by 2030, targeting an average annual real GDP growth of around 3.1%. Tax revenue of 12.4% of GDP in 2024 targets 14.2% improvement by 2030. The significant trade deficit is primarily driven by energy and food imports. Forex reserves are around USD 6.1 billion in 2024. The PIP aims to improve the trade balance by boosting exports and substituting imports, particularly in agriculture and fisheries while enhancing services related to digital economy and entrepreneurial ecosystem.

Advancing human capital and science is key to sustainable development. Sri Lanka faces unemployment (4.4%), low female labor participation (33%), and an aging population. The PIP targets 150,000 new jobs annually through skill development and vocational training to address a 40% skills

gap and harness the silver dividend.

Environmental sustainability is a core focus of the PIP. Sri Lanka aims increasing forest cover from 29% to 32% and renewable energy from 40% to 70% by 2030. Carbon emissions of 0.7 tons per capita are targeted for a 30% cut by 2030, aligning with global climate goals.

Sri Lanka's Corruption Perceptions Index of 36/100 signals the need for greater transparency and integrity. Redirecting military expenditure toward productive sectors remains a key concern.

In conclusion, PIP 2026–2030 offers a balanced strategy to drive growth and sustainability. Its success depends on political will, strong institutions and strategic public and private investment aligned with global best practices.

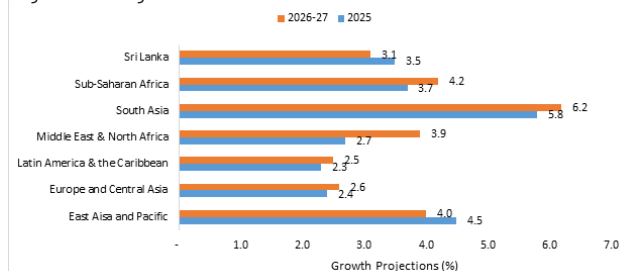
### Box 1: Towards A Thriving Nation and A Beautiful Life

<b>Economic</b>	Restoring growth momentum
<ul style="list-style-type: none"> <li>• Key economic sectors, high-impact industries and MSMEs</li> <li>• Development planning that encourages public, private and public-private partnerships in investment</li> </ul>	
<b>Social</b>	Citizen's welfare and compassionate society
<ul style="list-style-type: none"> <li>• Increased access to quality education, health and social protection</li> <li>• Poverty elimination</li> <li>• Increased regional presence in economic activities</li> </ul>	
<b>Environment</b>	Creating a green economy
<ul style="list-style-type: none"> <li>• Promote energy sustainability and ecological resilience</li> <li>• Application of principles of circular economy</li> <li>• Climate finance</li> </ul>	
<b>Governance</b>	Policy consistency and quality /strong institutions
<ul style="list-style-type: none"> <li>• Strengthening transparency and public sector integrity</li> <li>• Ensuring national and public security</li> <li>• Non-aligned foreign policy</li> </ul>	

## 1.4 Developments in the World Economic Situation

Sri Lanka's 2024-2025 economic recovery faces challenges from rising global tensions and policy changes. The reintroduction of protectionist measures, including a 44% tariff on all Sri Lankan goods starting July 2025 by USA, threatens the apparel sector which makes up nearly 40% of export earnings. This shock risks weakening export competitiveness and complicating fiscal and growth prospects. With a confluence of adverse global shocks, tariff barriers in key export markets, geopolitical conflict affecting external employment, and global monetary tightening, Sri Lanka faces heightened external vulnerability. A 70% downward revision in growth forecasts by the World Bank underscores the significant uncertainty impacting global development initiatives (Figure 1.3). The government is engaging with partners such as the IMF and key trade partners to negotiate relief and diversify trade and labour markets.

Figure 1.3: Regional Outlook



Source: 2025 Growth Forecasts of Economies, World Bank and Department of National Planning, Department of Fiscal Policy.

## 1.5 Medium-Term Perspectives

The PIP 2026-2030 outlines a focused investment strategy to address barriers to inclusive, resilient and sustainable growth. A key focus is uplifting the society and providing opportunities for all while strengthening governance and transparency through robust anti-corruption measures to reduce significant economic and social costs.

Table 1.4. Indicative Macroeconomic Targets 2030

Indicator	2025	2026	2027	2028	2029	2030
Real GDP Growth (%)	3.5	3.1	3.1	3.1	3.1	3.1
Investment (% of GDP)	32.2	32.5	32.9	32.8	32.6	32.5

Indicator	2025	2026	2027	2028	2029	2030
Private	28.2	28.5	28.8	28.6	28.4	28.2
Government	4.0	4.0	4.1	4.2	4.2	4.3
National savings (% of GDP)	31.7	32.6	33.1	33.1	33.0	32.9
Private	32.6	33.2	33.0	33.0	32.8	32.5
Government	-0.7	-0.1	0.1	0.3	0.5	0.5
Govt Expenditure (% of GDP)	20.5	22.0	21.5	21.0	20.5	20.0
Revenue and Grants (% of GDP)	15.1	15.5	15.6	15.6	15.6	15.9
Fiscal Deficit (% of GDP)	-5.0	-4.5	-4.0	-3.8	-3.5	-3.0
Current Account Balance (% of GDP)	-0.8	-1.5	-1.2	-1.0	-1.0	-1.0
Exports	13.6	14.1	14.4	14.8	14.3	14.4
Imports	21.9	22.7	22.7	22.9	22.0	21.9
Inflation (%)	5.5	5.0	4.8	4.5	4.3	4.0
Public Debt (% of GDP)	95.0	95.0	90.0	90.0	88.0	85.0
Unemployment Rate (%)	4.4	4.2	4.2	4.1	4.1	4.1
GDP (USD Billion)	99	100	101	107	113	120
GDP per capita (USD)	4,700	4,800	4,800	4,900	4,900	5,000

Source: Department of National Planning, Department of Fiscal Policy and IMF 4th Review

Table 1.5. Public Investment Programme 2026-2030 (LKR Million)

Sector	Allocation 2025	Projections					Cumulative 2026-2030
		2026	2027	2028	2029	2030	
Human Resource Development							
Educa- tion	42,694	44,871	49,920	61,876	65,928	76,863	300,752
Higher Educa- tion	42,956	45,146	50,226	54,310	58,727	63,502	273,214
Skills Educa- tion	4,500	4,730	5,262	6,523	6,952	8,106	31,708
Labour	1,739	1,828	2,020	2,177	2,346	2,528	10,945
Health	102,180	107,391	133,995	150,602	169,268	190,247	761,124
Sports	5,000	5,255	5,849	6,325	6,841	7,399	31,821
Cultural & Heri- tage	5,355	5,628	6,142	6,577	7,044	7,543	33,040
Technol- ogy & Re- search	9,871	10,374	11,098	13,624	14,376	16,600	66,164
ICT	3,950	4,151	5,873	7,161	8,733	10,648	37,232
Agriculture							
Agricul- ture	46,057	48,406	52,300	64,203	67,750	78,229	311,562
Live- stock	2,736	2,876	3,107	3,525	3,999	4,537	18,084
Land & Land Devel- opment	5,966	6,270	6,775	7,758	8,884	10,174	39,948

Plantation	8,858	9,310	11,616	13,302	15,233	17,444	67,739
Fisheries	5,427	5,704	7,117	8,150	9,333	10,687	41,501
Industry, Trade & Investment & Tourism							
Industry, Trade & Investment	39,906	41,941	48,168	52,924	58,152	63,900	266,986
Infrastructure							
Roads	373,092	392,120	422,823	449,225	477,275	507,078	2,253,581
Land Transport	52,730	55,419	59,759	72,923	76,495	87,802	353,113
Port and Aviation	7,994	8,402	9,909	11,032	12,282	13,674	55,797
Power & Energy	20,081	21,105	24,843	27,633	30,735	34,186	139,733
Irrigation	78,171	82,158	98,637	110,800	124,462	139,808	561,517
Water Supply & Sanitation	84,575	88,888	95,467	101,428	107,761	114,490	509,003
Housing	20,346	21,384	23,334	24,866	26,497	28,236	124,723
Urban Development	32,164	33,804	42,179	48,301	55,311	63,340	245,963
Governance	102,796	108,039	128,430	140,307	153,168	167,089	704,010
Finance	125,787	132,202	138,944	146,031	153,478	161,306	731,961
Environmental Management	10,735	11,282	13,888	15,801	17,980	20,460	80,339
Social protection	10,004	10,514	13,119	15,023	17,204	19,701	76,502
Regional Development	69,330	72,866	82,693	90,312	98,633	107,720	455,075
<b>Total</b>	<b>1,315,000</b>	<b>1,382,065</b>	<b>1,553,491</b>	<b>1,712,718</b>	<b>1,854,846</b>	<b>2,033,298</b>	<b>8,583,136</b>

Source: Department of National Planning

## 1.6 Planning Targets

The main planning targets for the 2026-2030 period are as follows:

- The GDP is projected to grow at an average annual rate of 3.1%. Achieving this would require sustained structural reforms, improvements in productivity and scaling up of public and private investment.
- Gross Domestic Capital Formation (GDCF) is expected to remain around 32.7% of GDP, amounting to approximately Rs. 13,365 billion over the period. The private sector is anticipated to contribute to 87% of this investment.
- Total government revenue is projected to increase to 15.4% of GDP by 2030. Fiscal deficit is expected to decline progressively to 3.7% of GDP enhancing macroeconomic stability.
- The current account balance of the budget is projected to reach a deficit of 0.4% of GDP by the end of the period, indicating continued efforts to enhance revenue mobilization and control recurrent expenditures, despite remaining below the threshold for a surplus.
- Export earnings from goods and non-factor services are expected to reach approximately 14.4% of GDP, driven by enhanced market access, and continued efforts to diversify and upgrade the export base.
- The national savings ratio is projected to average 32.9% of GDP over the specified five-year period, reflecting enhanced income generation and a gradual strengthening of the national savings effort.
- As per the Table 1.5, the total public investment planned for the period 2026-2030 amounts to approximately Rs. 8,583 billion at current prices. Of this, around 49% is expected to be allocated to physical infrastructure development, including roads, transport, ports and aviation, power and energy, irrigation, water supply, housing and urban development. Human resource development receives 18% of the total public investment including education, health and other social infrastructure. In addition, finance, governance and agriculture receive 9%, 8% and 6% of total investment, respectively.

## Performance Metrics, Priority Sectors, Ecosystem Elements and Enablers



02

HUMAN CAPITAL  
FOR WELL-BEING,  
INCLUSIVITY AND  
FUTURE TALENTS

Human capital development and advancement of science and technology are crucial determinants of economic well-being and social achievements in the new development era. Investing in people through nutrition, healthcare, quality education, career opportunities and skills help to develop human capital. This is a key to ending poverty, and creating inclusive society and leading to achieve sustainable society.

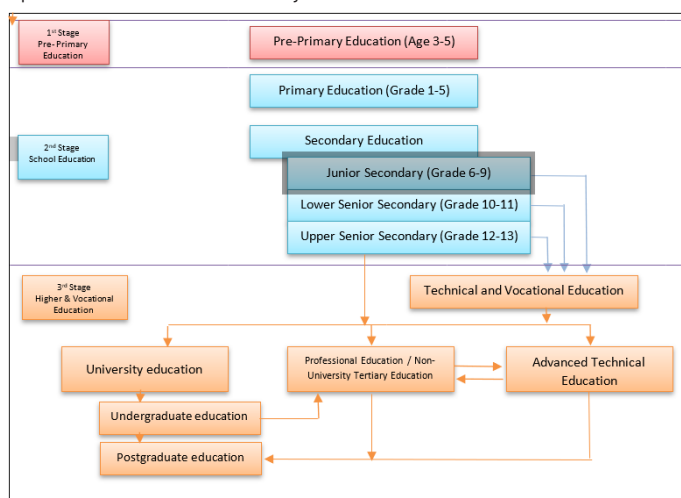
The government aims to increase the current Human Capital Index (HCI) level of 60% by investing in health, education, and child development.

## 2.1 General Education

### 2.1.1 Overview

The education system of a country plays a vital role in achieving sustainable development by creating responsible citizens enriched with social and cultural values, which eventually develops the quality and relevance of a country's workforce. In, Sri Lanka's education system is structured into distinct stages: pre-primary, general education (primary and secondary), higher and vocational education. Institutes such as pre-schools, schools, universities, and other higher education and vocational institutes make a significant contribution to enhance the knowledge, skills, attitudes, and competencies of the citizens.

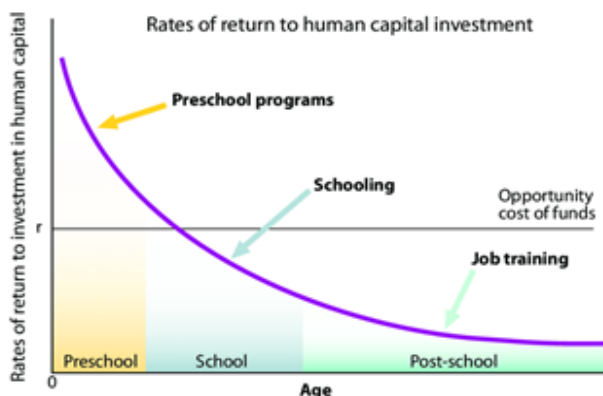
#### Span in Sri Lankan Education System



Early childhood is a crucial period of growth and development as experiences gained during this stage can influence an individual's entire lifespan. Accordingly, it is widely recognized that early childhood is the best period to invest in human capital development. However, available data reveal that participation in early childhood development education (ECDC) remains limited, with enrollment rates ranging from only 55% to 60%.

The Heckman curve clearly illustrates that the rate of return on investments in human capital decreases with age. Therefore it is important to allocate resources more in early childhood initiatives to yield greater benefits.

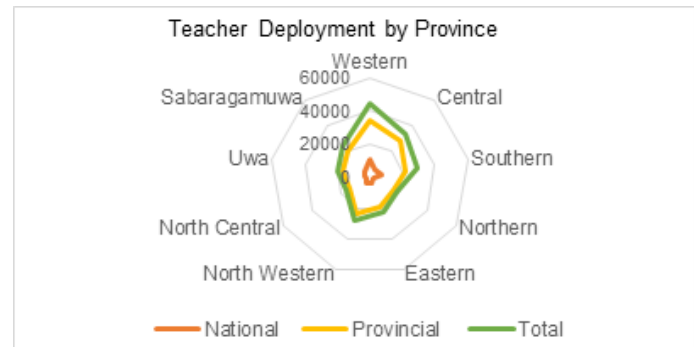
Figure 2.1.1: Rates of Return to Human Capital Investment



Source: Heckman, J.J. (2008). School skill and Synapses, "Economic Inquiry", 46(3) 289-324

The current school student population is approximately 3.88 million and students are served by a teaching workforce of 237,787 in 2023. However, there is a shortage of teachers across provinces, especially science, technology, engineering, and mathematics (STEM) teachers. Further, over 287,000 students annually enroll in to Grade 1 but the enrollment rate has shown a declining trend suggesting that rather than focusing on

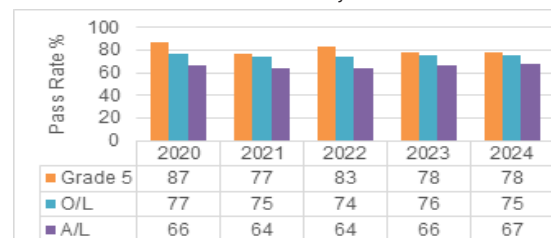
establishing new schools, efforts should be directed toward enhancing the quality of education by making better use of existing resources.



Source: School Census Report 2023, Ministry of Education

The G.C.E. O/L and A/L examinations play a crucial role in determining student's eligibility for higher and vocational education, as well as for securing medium-level employment opportunities.

Figure 2.1.2: Student Performance in the Key National Examinations



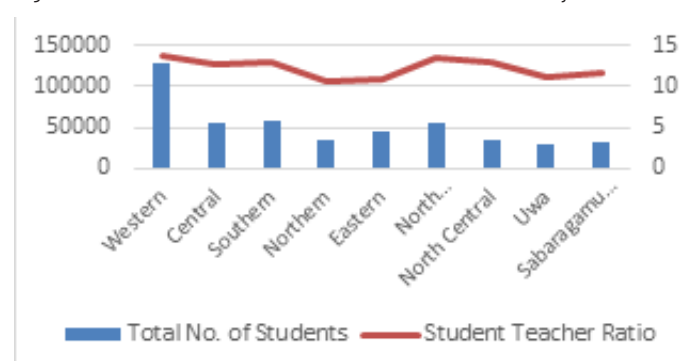
Accordingly, policies and plans has been developed to ensure the effective use of increased funding in the education sector. Accordingly, a number of student welfare programs is currently being implemented within the school system to ensure free education while minimizing regional disparities.

### 2.1.2 Issues and Challenges

Despite Sri Lanka has made significant efforts in promoting quality, equity, and excellence in education, a several issues and challenges still remain within the country's education system.

- Early Childhood Development Education (ECDE)
  - Limited enrolment and inequalities in access across provinces and among sectors, particularly for children with special needs.
  - Absence of a nationally accepted curriculum and standard guidelines, resulting in inconsistencies in the quality and content of early childhood development education.
  - Lack of a regulatory framework, which affects the clarity and governance of the sector.
  - Shortage of qualified teachers, and poor remuneration adversely affected on holistic development of young children.
- General Education
  - Disparities in human and physical resources among schools, both across and within the districts.
  - Inequalities of offering science, mathematics and language education, contributing to regional disparities in student performance at national level examinations.

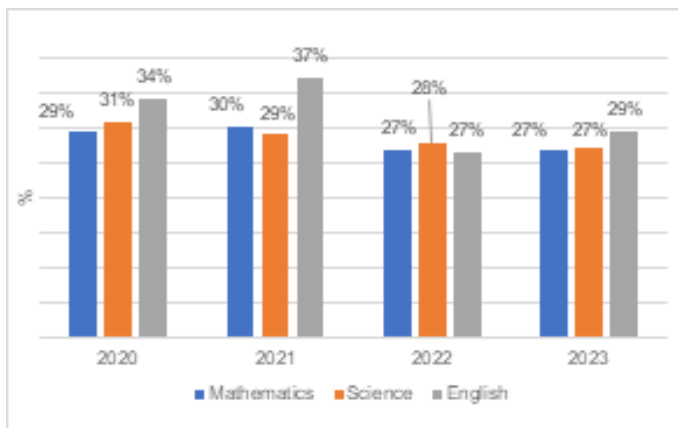
Figure 2.1.3: No. of Students and Student to Teacher Ratio by Provinces



Source: Ministry of Women and Child Development

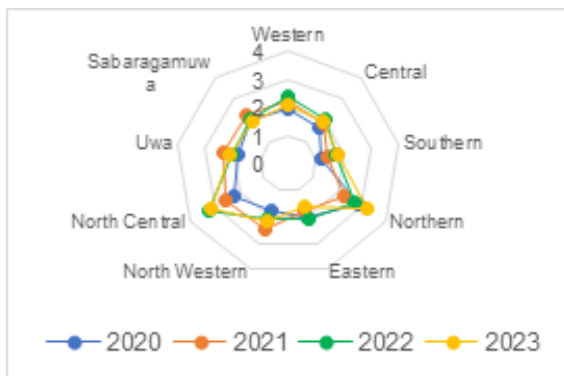


## Fail in Key Subjects (G.C.E O/L) 2020 to 2023



Source: Department of Examinations, Ministry of Education

## Fail in All Subjects (G.C.E. O/L) % -2023



Source: Department of Examinations, Ministry of Education

- Around 40,000 students drops out before completing the O/L examination, while around a further 80,000 leave the system after O/Ls.
- Poor quality of teachers due to lack of training and weaknesses in teacher deployment
- Curriculum development, curriculum content, curriculum delivery, and assessment mismatch with global labour market
- Exam oriented learning environment with students under intense stress
- Lack of guidance and counselling services for students
- Poor teaching- learning environment, particularly in schools of rural and remote areas
- Growing private tuition culture with high out of pocket expenditure for education

## 2.1.3 Policy Direction

**ECDE sector**

The successful integration of 05-year-old children into social life by attracting every child to Early Childhood Development Education, while recognizing the importance of developing in an environment that lays the foundation for lifelong learning, fostering physical, cognitive, psychosocial, and spiritual development.

**General Education Sector**

Create a well-planned, outcomes-based, sustainable and innovative education system that promotes 21st-century skills by modernizing the educational system to ensure free access, high-quality, equal and relevant education for creating responsible citizens who are accountable to society and equipped match with current and future global educational trends.

## 2.1.4 Medium Term Targets

- All children completing the age of 2½ - 3 years get Early Childhood Development Education.
- Ensure all teachers involved in Early Childhood Development Education receive professional training.
- Increase the primary gross enrollment ratio from 96% from 2022 to 100% by 2030.
- Increase the primary school completion ratio from 96% in 2022 to 100% by 2030.
- Increase survival rate from Grade 1 to grade 11 from 96% in 2023 to 100% by 2030.
- Increase the professionally qualified teachers in general education.
- Increase the percentage students qualifying for G.C.E. (A/L) from G.C.E. (O/L) 75% in 2023 to 100% by 2030.
- Increase the eligible students qualifying for university education in G.C.E. (A/L).
- Ensure that every child proficiency attained in languages, including Sinhala, Tamil, English, and at least one additional foreign language.
- Expand and diversify subject stream composition at the G.C.E. A/L towards STEM education.
- Ensure that all schools have access to sanitation facilities, electricity, and safe drinking water.
- Prepare students to achieve high rankings in international assessments such as the Trends in International Mathematics and Science Study (TIMSS) and the Programme for International Student Assessment (PISA) assessments.
- Leverage Information Communication Technology (ICT) to scale up the quality of learning in schools.

### 2.1.5 Key Strategies

#### Early Childhood Development Education

- Design a uniform national framework with national standardized guidelines on Early Childhood Development Education.
- Prepare mandate professional training for educators, establishing minimum qualification requirement.
- Develop initiatives that support multicultural diversity and adaptation.
- Establish a proper mechanism to regulate the Early Childhood Development Education sector.

#### General Education

- Ensure inclusive and equal access to quality education by all children to improve student outcomes.
- Foster smart, future-ready students at all levels of general education by integrating soft skills into school curricula.
- Develop a safe, decent and comfortable educational environment.
- Provide greater choices in a more flexible curriculum to align with the student's aptitudes and preferences, while promoting vocational education and training.
- Reduce the burden of curriculum and exams.
- Provide age appropriate sexual and reproductive health education tailored for school children
- Use appropriate modern teaching - learning methodologies including digital platforms.
- Promote students to engage in physical and recreational activities to promote a healthy nation.

#### Establish a proper mechanism to regulate the private sector participation.

- Establish a regulatory framework to ensure a proper educational management system, equitable resource allocation and improve allocation and operation efficiency.
- Enhance the accuracy and efficiency of processes in the examination cycle and strengthen the overall assessment system.
- Create a supportive and favorable working environment for teachers.

### 2.1.6 Investment Priority Areas

#### Early Childhood Development Education

- Facilitate to establish an Early Childhood Development Centers to attract all children aged 21/2 to 05 years within 2 km from their home complying accepted standards.
- Develop proper curriculum for Early Childhood Development Education
- Introduce mandatory professional training with minimum education qualifications for Early Childhood Development Education teachers and other related staff.

#### General Education

- Establish well-equipped schools by ensuring the availability of required physical infrastructure and qualified human resources, in order to maximize resource utilization by addressing inclusive education.
- Create a supportive learning environment to strengthen students' technical skills and digital literacy to thrive in a technology-driven world.
- Implement educational reforms to address 21st century skills, improve competencies in high-demand areas, and bridge gaps to meet the needs of the labour market.
- Ensure access to a primary school within 3km of one's home while developing a junior secondary and a senior secondary school systems covering 2 or 3 primary schools, considering population density and geographical factors.
- Implement career guidance programs that integrate industry engagement, practical learning, and career counseling to equip students with hands-on experience and essential skills for entering the labor market.
- Conduct teacher training programs aimed at enhancing instructional capacity by equipping educators with the essential skills, knowledge, and confidence.

## Higher Education

### 2.2.1 Overview

Sri Lanka's higher education system comprises a network of state universities and higher education institutions governed under the Universities Act. The education system primarily offers free undergraduate education. In recent years, the University Grant Commission (UGC) has focused on enhancing access through digitized admissions, enhancing curriculum relevance, and addressing shortage of academic staff. Measures have also been introduced to strengthen governance, quality assurance, and employability by integrating internship and skill-based learning into the curriculum.

Anticipating, the university intake is projected to reach approximately 43,500 students in 2025. The Mahapola scholarships and bursaries have been increased in Budget 2025 to provide greater financial support to undergraduates from low-income households. These financial aids continue to assist university students from families with an annual income below Rs. 500,000, ensuring broader access to higher education for disadvantaged groups.

Table 2.2.1: Financial Assistance to University Students (2018-2024)

Year	2018	2019	2020	2021	2022	2023	2024
Mahapola (Rs. Mn)	1,304	1,269	1,366	1,138	952	1,192	1,141
Bursary (Rs. Mn)	521	695	759	862	873	1,023	1,459
Total (Rs. Mn)	1,825	1,964	2,125	2,000	1,825	2,215	2,600

Source: Annual Report 2024, Ministry of Finance

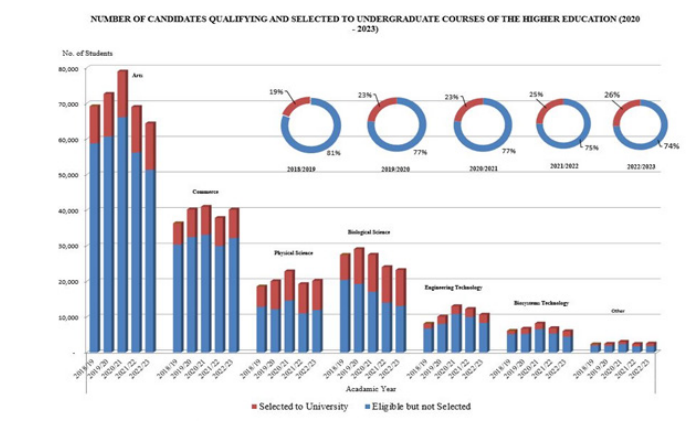
Additionally, an investment of Rs. 1.83 billion was made in an interest-free loan scheme benefiting 3,871 students enrolled across 18 non-state higher education institutions. These initiatives reflect the continued efforts to strengthen capacity, expand infrastructure, and enrich academic offerings within Sri Lanka's higher education sector.

### 2.2.2 Issues and Challenges

The higher education sector in Sri Lanka faces a range of longstanding challenges, as follows:

**Limited Access to Higher Education** - According to the UGC, approximately 44,000 students are admitted to state universities each year. However, this accounts for only about 26% of students eligible for university admission based on their G.C.E. Advanced Level examination results.

Figure 2.2.1: Number of Candidates Qualifying and Selected to Undergraduate Courses of the Higher Education (2020 - 2023)



Source: University Grants Commission

**Shortage of Academic Staff** - There is an ongoing shortage of academic staff, particularly at the senior level, in key faculties such as Medicine, Engineering, Agriculture, Science, and Management.



Table 2.2.2: Academic Staff in Universities (Approved Cadre and Actual Cadre as at 31.12.2024)

Institute	Approved Cadre				Actual Cadre				Requirement
	Senior	Tertiary	Other	Total	Senior	Tertiary	Other	Total	
PDN	1,163	468		1631	844	525		1,369	262
CMB	971	348		1,319	766	272	2	1,040	279
SJP	1,008	406		1,414	792	406		1,198	216
KLN	843	299		1,142	685	356		1,041	101
MRT	660	293	5	958	378	180	76	634	324
UJA	728	298		1,026	523	314		837	189
RUH	808	284		1,092	572	223		795	297
OUSL	441	223		664	359	201		560	104
EUSL	315	130	1	445	232	130		363	82
RUSL	435	123		558	258	190		448	110
SUSL	467	199		666	334	130	52	516	150
SEUSL	285	136		421	209	110		319	102
WUSL	321	153		474	249	140		389	85
UVPA	178	63		241	159	39		198	43
UWU	280	106		386	196	113		309	77
GWUUM	86	41	1	127	80	31		112	15
VAVUNIYA	103	32		135	70	29	23	122	13
TRINCO	83	28		111	66	22	3	91	20
Total	9,175	3,630	7	12,810	6,772	3,411	156	10,341	2,469

Note:

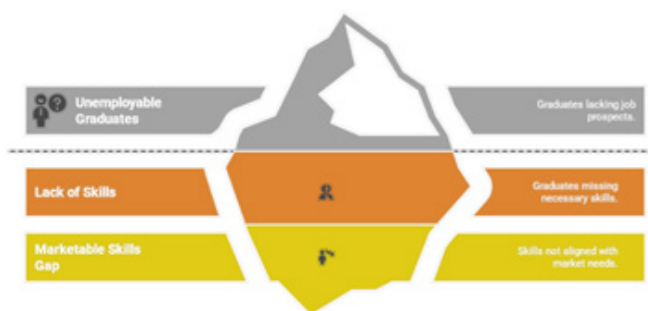
Senior Level: Senior Professor, Professor, Associate Professor, Senior Lecturer (Grade I), Senior Lecturer (Grade II), Lecturer

Tertiary Level: Temporary Demonstrator, Temporary Lecturer, Temporary Research Assistant, Temporary Tutor, Temporary Instructor

Source: University Grants Commission

**Skills Mismatch and Lack of Employability for Graduating Students** – A significant number of graduates face challenges in securing suitable employment due to a mismatch between their skills and labor market needs.

Graduate unemployment stems from deeper issues.



**Poor Performance in University Ranking** – At present, none of the Sri Lankan universities has not currently been positioned among the top 1,000 universities in the world.

Table 2.2.3: University Ranking 2020 – 2024

SN	Name of the University	Global Rank				
		2020	2021	2022	2023	2024
1	University of Colombo	1766	1591	1531	1487	1590
2	University of Sri Jayewardenepura	2383	2219	1962	2043	2189
3	University of Peradeniya	1829	1757	1972	1978	2015

4	Rajarata University	4178	3471	3216	2973	3382
5	University of Ruhuna	2339	2203	2464	2534	2665
6	University of Kelaniya	2731	2556	3005	3001	2964
7	University of Moratuwa	2104	2393	2394	2553	2900

Source: <https://www.webometrics.info/en/Asia/Sri%20Lanka%20>

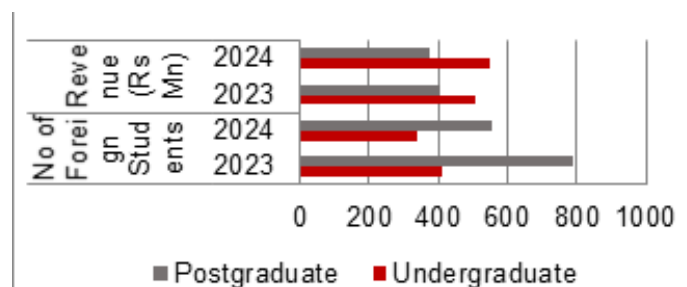
**Lack of Infrastructure Facilities and Underutilization of Existing Resources** – Infrastructure facilities need to be increased in parallel to student intake.

**Permanent Migration of Highly Skilled Persons** – The permanent migration of highly skilled persons creates significant financial costs and welfare losses for the country.

**Limited Engagement in Research and Development** – While certain universities in Sri Lanka have a research-oriented focus, there remains a pressing need to increase investment and strengthen engagement in research, innovation, and development.

**Low enrollment of foreign student** – Enrollment declined due to non-facilitative environment within state universities.

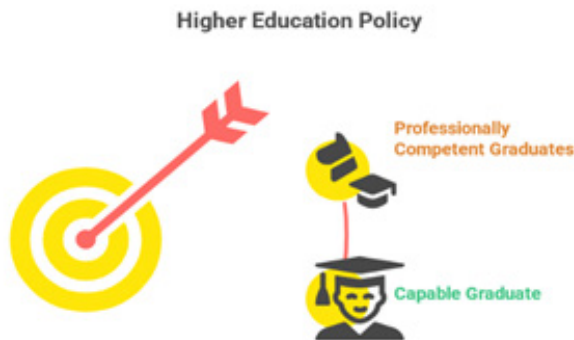
Figure 2.2.2: Foreign Students Enrollment



Source: Progress Report 2024, Higher Education, Ministry of Education

### 2.2.3 Policy Direction

The government's primary policy direction for university education focuses on enhancing the quality and relevance of academic programs to produce professionally competent and capable graduates who can effectively contribute to the country's socio-economic development.



### 2.2.4 Medium Term Targets

- Increase University Qualification Attainment from 23% to 30% by 2030, including university degree, vocational education (NVQ Levels 5 and 6) and other academic and professional qualifications
- Increase income earning opportunities by creating opportunities for international students in higher education sector.
- Increase the proportion of university graduates possessing skills demanded by the business sector by 40% (up from 34% in 2020)
- Position all state universities within the top 1,000 universities worldwide by 2030

### 2.2.5 Key Strategies

Sri Lanka is currently experiencing a human capital dividend, particularly among youth and women, who are comparatively well-educated relative to other countries. Experts in demography emphasize the importance of fully leveraging this potential to drive the country's socio-economic development. Therefore, it is crucial to develop smart, professionally qualified graduates aligned with both local and international labor market demands. The following three major strategies should be prioritized in expanding Sri Lanka's higher education sector.

#### Teaching and Learning

- Accreditation of Higher Education Programmes and Institutes.
  - Strengthen the accreditation of programmes and institutions to align with international educational standards ensuring quality and global recognition
- Enhancing Access and Quality of Education to Improve Student Outcomes
  - Expand access and raise the quality of higher education to meet international benchmarks. This includes strengthening industry collaboration, promoting good governance, adopting diverse teaching and learning approaches, improving student assessment systems, enhancing the university environment, and building the competencies of academic staff.
- Promoting a Flexible Higher Education System
  - Develop more diverse education and training pathways by offering trans-disciplinary programmes and redesigning existing courses with innovative approaches.
  - Enable flexible and dynamic curricula responsive to industry demand.
  - Allow flexible enrollment across universities, giving students the opportunity to pursue subjects at other higher education institutes during their studies
- Curriculum Reform for Increasing Employability
  - Review curricula based on student performance, relevance, market applicability and industry demand
- Introduce cross-disciplinary and cross-faculty courses aligned with student interests and labour market needs



- Create new programmes to address emerging fields such as healthcare, ICT, cosmetology, entrepreneurship and agriculture enhancing market share in these areas
- Upgrading the Sri Lanka Qualifications Framework (SLQF)
  - Update the SLQF to support horizontal and vertical student mobility across programmes and institutes and align it with the National Vocational Qualifications Framework (NVQF) to better evaluate student performance
- Expansion of Carrier Guidance Programmes
  - Strengthen carrier guidance to help students make informed decisions about their academic and professional pathways
- Promote Work-Integrated Learning (WIL)
  - Foster the integration of work-based learning within further education curricula to strengthen the alignment between academic instruction and real-world employment demands.

#### Research and Consulting

- Streamlining Research Institutes
  - Improve coordination among the country's approximately 80 research institutes for greater efficiency
- Expanding Engagement in Research and Development
  - Encourage academia to undertake market-oriented and economically effective research, promoting knowledge dissemination. Increase funding for university research through public-private partnerships to bridge the gap between research outputs and socio-economic outcomes (the innovation chasm).

#### Governance and Services

- Public Private Partnership for Higher Education
  - Introduce innovative financial mechanisms to expand student intake and reduce the outflow of young, qualified individuals seeking education abroad.
  - Establish branch campuses in underserved areas based on student demand and labour market needs
  - Attract private sector investment in higher education, particularly in untapped fields such as Medicine, IT and AI
- Enhancing Governance and Coordination of the Higher Education System
  - Strengthen governance and coordination across the higher education system, promote effective leadership and provide universities with greater financial autonomy.
  - Introducing Performance Management System to the Human Resource Management
- Innovative Financing for Higher Education
  - Develop diverse financial Modes including scholarships, grants and loans to support students in higher education
- Advancing Digital Literacy in Higher Education
  - Promote digital literacy across the higher education sector to prepare students for modern workplaces
- Strengthening International and Industry Collaboration
  - Build stronger partnerships with global and industry stakeholders to enhance educational quality, research and employability
  - Introduce Work Integrated Learning (WILL)

## 2.2.6 Investment Priority Areas

- Ensure the optimum utilization of existing infrastructure while providing essential new facilities such as laboratories, professorial units, workshops, and smart libraries.
- Rehabilitate and upgrade existing infrastructure, including common utilities, to enhance functionality and efficiency.
- Strengthen the development of university curricula to ensure relevance and alignment with national and global needs.
- Expand opportunities for postgraduate studies for medical professionals to meet emerging healthcare demands.
- Broaden and enhance existing student loan programs to increase access to higher education.
- Enhancing more investment on research, innovation and technological integration.

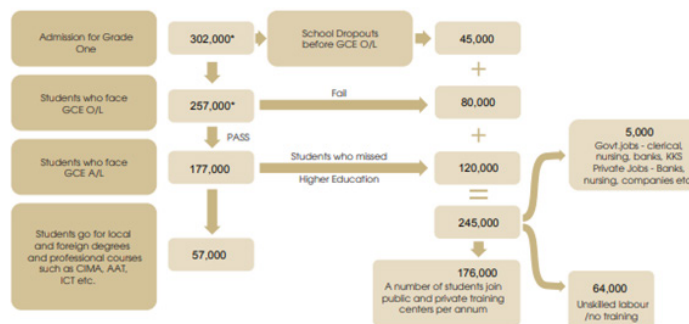
## 2.3 Skills Development and Vocational Education

### 2.3.1 Overview

Despite advances in education and social indicators, persistent challenges in labour market participation particularly among youth remain a pressing concern. Unemployment among educated youth continues to be high, with a 17 percent unemployment rate observed among those aged 20-29 years. Furthermore, the 2023 unemployment rate among individuals with G.C.E. Advanced Level (A/L) or higher qualifications stood at approximately 8 percent. These trends reflect a fundamental mismatch between the outputs of the education system and the demands of the labour market, as well as a limited integration between general education and vocational training.

The Figure 2.3.1 depicts around 60,000 young individuals enter the workforce each year without adequate vocational skills, resulting in widespread underemployment, low wages, and limited successive paths. This indicates the need to modernization of the vocational education system to align with the evolving needs of both local and international labour markets.

Figure 2.3.1 : Student flow and dropouts in the education



Source: PIP, 2017-2020

Thus, strengthening vocational and technical education, aligning training with market demands, and improving linkages between academic and skills-based pathways is essential to build a future-ready workforce and attract productive investment, ensuring access, quality and relevance.

### 2.3.2 Issues and Challenges

- Underutilization of available resources; It is observed that the majority of TVET centers in the country are not operating at maximum capacity due to many reasons: no proper career guidance for youth, not conducting valid, reliable and quality assured training programmes, no adequate advertising methodology about the training programmes less demanding courses.
- Limited modern training equipment in TVET institutions
- Curriculum innovation and limitations in human resource capabilities
- Introducing the distance and blended learning is another challenge in coping with the ongoing energy and economic crisis.
- Mainstreaming females into the formal labour market and certifying informal sector employees.
- Inclusive TVET is a challenge in taking care of vulnerable groups in the society. Further, persons with a disability or marginalized people are most likely to suffer from exclusion from any form of education.

### Curriculum and Human Resource Challenges



### 2.3.3 Policy Direction

Ensuring flexible access to the labour market and enhancing individuals' capacity to earn a sustainable and adequate income are fundamental to the well-being of all citizens. In an increasingly competitive global environment, building a productive, skilled, and adaptable workforce is essential for fostering inclusive and sustainable development

### 2.3.4 Medium Term Targets

- Attract all drop-outs of the education system to the TVET sector by 2030
- Increase 50% female participation in non-traditional vocational courses by 2030.
- Establish a fully functional centralized Digitalized Labour Market Information System (LMIS) by 2030.
- Increase TVET graduates by 25% 2030
- Decrease non skilled workforce by 50% by 2030.

### 2.3.5 Key Strategies

- Improve Accessibility to Technical Vocational Education
- Provide vocational and technical opportunities to needy students regardless of the academic performance
- Rationalize the existing vocational training institutes by introducing "One TVET" Concept and establish properly scattered technical university colleges
- Increase present scheme of NVQ certificate level 7 to 10 and revise Sri Lanka Qualification Framework (SLQF) accordingly
- Provide wider opportunity for existing workforce to upgrade their skills.
- Improve necessary infrastructure requires to upgrade the quality vocational education.
- Enhance Industry Linkages and Workforce Development matching with the global demand.
- Enhance Quality Assurance and Recognition.
- Establish a centralized digital system to link sector stakeholders for an integrated system.

### 2.3.6 Investment Priority Areas

- Expansion of Access and Inclusivity in TVET
- Modernization of Training Delivery and Institutional Capacity
- Modernize the system to enhance the social attractiveness
- Digitalization of vocational training institutions and liaise with Labour Market Intelligence
- Strengthening Industry Linkages and Workforce Development
- Enhancement of Quality Assurance and Regulatory Frameworks
- Improve Human, Physical, and Financial Resource Management in TVET

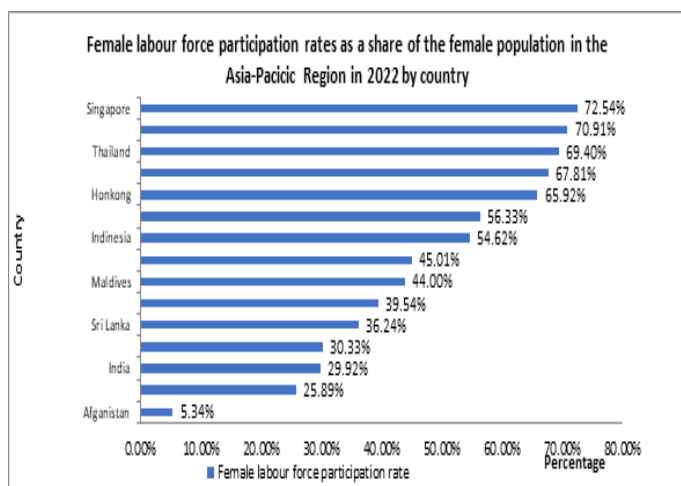
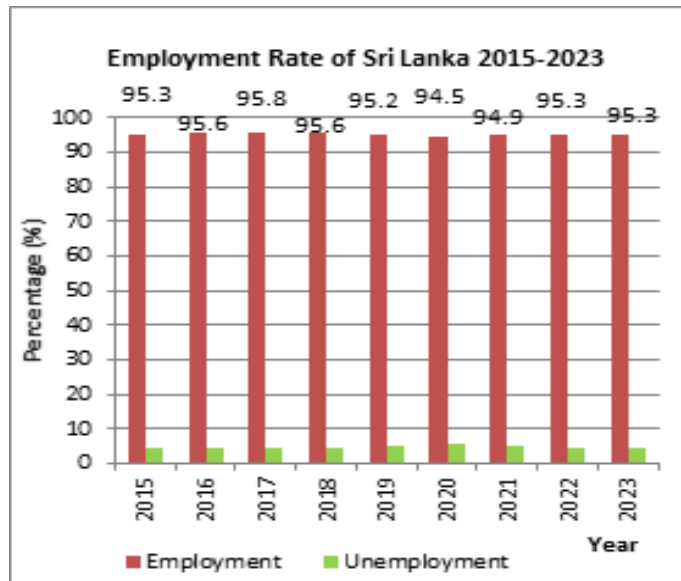
## 2.4 Labour

### 2.4.1 Overview

An efficient workforce – A respectable professional life

The labour force of Sri Lanka consists with 8.5 mn persons, which is equivalent to 40 percent of the total population. Labour force participation rate of Sri Lanka is 48.6 percent in 2023 while it is 68.6 percent for males and 31.3 percent for females. Higher proportion of employment is represented by private sector employees (44.5 percent to the employed population in 2023) and the self-employed (own account workers -32.8 percent to the employed population in 2023). The public-sector employment is 14.6 percent to the employed population in 2023.

Out of the total employed population, the highest share (48.4%) is reported from the Services sector, whereas Industry sector and Agriculture sector respectively distributed 25.5% and 26.1 in 2023. Unemployment in Sri Lanka has decreased to 4.7 percent in 2023 and 2022 from 5.5 percent in 2020. It is 5.1% in 2021.



### Foreign Employment

Migrant workers provide an invaluable contribution to the socio-economic development of the country. Foreign exchange earnings from them are immensely important to our country as the country is having an economic downturn. Moreover, foreign employment plays a prominent role in the economy in reducing unemployment. Migration for employment significantly boosts the economy through remittances, which were USD 5,491.5 million in 2021 and USD 5,970 million in 2023.

Furthermore, migration of Housemaids/ Domestic Housekeeping Assistant has notably decreased to 23.8 percent in 2022 from 40.9 percent in 2011. Meanwhile, the migration percentage of professionals and skilled labourers has significantly increased to 34.45 per cent in 2022 from 27.2 per cent in 2011.

### 2.4.2 Issues and Challenges

- Female labour force participation remains at a low level which was 31.3 percent in 2023 compared with male's participation rate of 70.5 percent.
- High youth unemployment and high unemployment in educated population.
- All workers are not covered through a Social Security Scheme.
- Simplification of labour laws.
- Due to the increase in the elderly population in the country's workforce, in the near future Sri Lanka has to face the social and economic issues caused by the aging of the population.
- Inadequacy in harmonization of training for both foreign and domestic needs absence of dialogue among different policy sectors like foreign employment, education, higher education and Technical and Vocational Education and Training (TEVT).

Sri Lanka has identified following issues in the foreign employment sector.

- Absence of an adequate mechanism to capture global labour market information and identify foreign employment opportunities.
- The competition from other countries for the foreign labour market is very high and the lack of trained workers to meet the modern technical requirements of today's world is one of the main challenges we face.
- Brain drain of "skilled workers" becomes an issue while policies in respect of migration for employment highlight the need to promote migration of skilled rather than unskilled.
- High concentration of overseas labour migration in low-skill job categories and to a few destinations. The high percentage of low-skill migrants lead to poor working conditions, hardships encountered due to harassment and low average levels of remittances.
- Institutional and legislative constraints in labour migration.
- Emerging competition to Sri Lanka as a source of migrant labour. Competition for the developing countries in South Asia, East Asia and Africa is visible for the supply of skilled and unskilled labour within the traditional Gulf country markets as well as in new destinations.
- Mass migration of professionals and skilled workers is likely to lead to a scarcity of labour in selected industries alongside a substantial drop in productivity, thus affecting the economic growth of the country significantly during the recovery phase and beyond.

### 2.4.3 Policy Directions

By promoting equitable and compassionate employer-employee relationships, it aims to ensure that workers at every level receive the acknowledgment and support they need to thrive. Therefore considering above facts, following priority areas have been identified:

- Protection of the dignity and the value of labour.
- Equal treatment and diversity in labour.
- Equal opportunities that are not subject to discrimination.

### 2.4.4 Medium Term Targets

No	Name of the Target	2023 Baseline	2030
1	Reduce youth unemployment rate (Age group 15-29 )	18.1 (2023)	15
2	Reduce educated unemployment rate [G.C.E (A/L) and above]	8% (2023)	6%
3	Substantially reduce the rate of Youth not in employment, education or training (NEET)	18.2% (2023)	16%
4	Reduce share of informal employment methodically	67.7% (2023)	60%

5	Reach unemployment rate below five per centum of the labour force	4.7% (2023)	4.3%
6	Reach female labour force participation rate not less than forty per centum by the year 2030, and not less than fifty per centum by the year 2040.	31.3 (2023)	40
7	Reduce population of unskilled labour of the workforce.	25% (2022)	21%
8	Eliminate all form of child labour	0.8 % (2022)	0.0%
9	Reduce fatal occupational injuries per 100,000 workers in promoting safe and secure working environments for all workers	0.6 (2023)	0.4
10	Reduce non-fatal occupational injuries per 100,000 workers in promoting safe and secure working environments for all workers	17.6 (2023)	16

#### 2.4.5 Key Strategies

- Promoting development oriented policies that support productive activities and decent job creation.
- Improving labour productivity by required skill development.
- Ensuring labor dignity through recognition and equal rights.
- Ensuring social security through appropriate mechanisms.
- Ensuring equal opportunities through enhancing inclusivity in labor force.
- Ensuring labor diversification through enhancing the availability of opportunities in labor market.

#### 2.4.5 Investment Priority Areas

Investment Priority Areas in the Labour Sector, focusing on areas that can promote decent work, enhance productivity, and support inclusive economic development:

- Skills Development and Vocational Training.
- Labour Market Information Systems (LMIS).
- Employment Generation and Entrepreneurship.
- Promoting Decent Work and Social Protection.
- Digital Transformation of Labour Administration.
- Inclusive Labour Market Participation.
- Labour Migration Governance.
- Industrial Relations and Social Dialogue.
- Labour law reforms.

### 2.5 Health

#### 2.5.1 Overview

Sri Lanka's health system has recorded impressive achievements in health by implementing high -impact, low-cost evidence-based interventions. These achievements are largely attributed to the strong focus on preventive and public health services delivered by robust network of 358 preventive healthcare units of MOH (Medical Officer of Health) and by providing free, publicly funded curative services provided through a three-tiered healthcare system comprising primary medical care units, secondary, and tertiary hospitals with over 1,160 Institutions Island wide, staffed by approximately 21,045 doctors and 40,775 nurses. This system focuses on curative care supported by welfare-oriented policies, contributing significantly to the country's high standards in health and social development, including education.

Complementary Ayurvedic medicine services are provided by the Ayurveda Department operating 119 hospitals with a combined capacity of 5,345 beds nationwide, employing 2,303 qualified doctors in 2022; the Ayurvedic Medical Council reports a total of 26,650 registered Ayurvedic doctors in the country that same year.

While the state sector dominates healthcare delivery, handling approximately 95% of inpatient care and 50% of total outpatient care, the private sector also plays a significant role. However, Health Ministry records indicate a recent trend of increasing demand for both inpatient and outpatient services within government hospitals, believed to be primarily due to rising private healthcare costs.

Key health indicators are illustrated in below figure.

Figure 2.5.1: Comparison of Key Health Indicators of Sri Lanka

Country/region	Life Expectancy		Infant mortality rate	Maternal mortality ratio per 100,000 live birth	Medical Doctor per 1,000 population	Nurses & Midwives per 1,000 population	Hospital Bed per 1,000 population	Government health expenditure as a percentage of GNP
	Male	Female						
Sri Lanka	73.1	79.5	6	29	29	2.5	4.2	4.07
South Asia	66.1	69.7	31	138	138	1.5	0.6	3.05
OECD Members	78.1	83.4	6	22	22	10	5.1	8.58
European Union	77.7	83.3	3	6	6	9.5	4.6	10.91
East Asia Pacific	76	82	12	71	74	3.9	4.5	6.94

Source : World Bank, 2020

Sri Lanka's total expenditure on healthcare (both public and private) is 3.8% of GDP and out of which the public health expenditure amounts to 1.5% of GDP, which is similar to the average public health expenditure of lower-middle-income countries (1.5%) and is higher than her regional peers in South Asia (1% of GDP).



## Growing Concerns in Sri Lankan Health Sector



### 2.5.2 Issues and Challenges

- Sri Lanka's health system has a strong legacy of success, having delivered significant improvements in maternal and child health, and control of infectious diseases over the past decades. Universal access to government health services has been in place since the 1930s. However, Sri Lanka's Universal Health Coverage (UHC) score (67) remains slightly below the global average of 68, indicating gaps in service coverage, particularly for non-communicable diseases (NCDs) and emerging health needs.

Figure 2.5.2.1 - UHC SCI - Country comparison

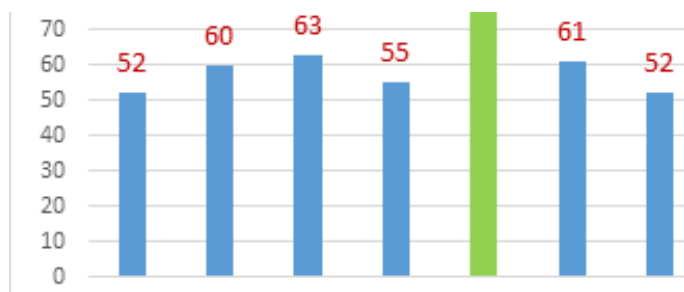


Figure 2.5.2.2 - Sri Lanka - in comparison with regional countries on UHC SCI (SDG 3.8.1)

Indicator	Period	Bangladesh	Brunei	India	Indonesia	Malaysia	Philippines	Singapore	Sri Lanka	Thailand
UHC Service Coverage Index (SDG 3.8.1)	2021	52	60	63	55	75	61	67	67	62
UHC Service Coverage sub-index on reproductive, maternal, newborn and child health	2021	59	83	68	78	83	66	91	76	89
UHC Service Coverage sub-index on infectious diseases	2021	53	60	69	48	70	47	89	66	84
UHC Service Coverage sub-index on non-communicable diseases	2021	51	47	54	44	61	58	77	60	67
UHC Service Coverage sub-index on service capacity and access	2021	44	57	64	55	95	79	98	66	90

#### SDG 3.8.1 UHC scoring of 14 indicators in 2021

The attention of the policy makers and relevant health authorities need to strengthen the following subsectors

Reproductive, maternal, newborn, and child health (RMNCH)

Care-seeking behaviour for suspected acute respiratory infection

Improve the coverage on infectious diseases

TB treatment coverage

HIV antiretroviral treatment (ART) coverage

Improve the coverage on non-communicable diseases

Prevention of cardiovascular diseases (CVDs)

Tobacco control

Improve the coverage on service capacity and access

Health worker density: comprising physicians, psychiatrists, and surgeons

International Health Regulations (IHR) core capacity index

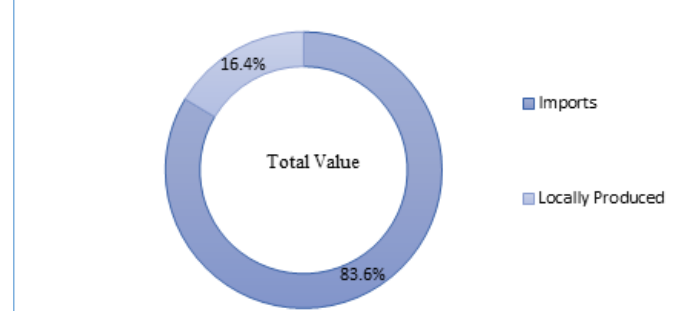
#### 3.8.2 Population expose to financial hardship

It is vital to improve efficiency, effectiveness and equity to avoid duplication, minimize wastages to ensure the minimum expose to economic hardship since we are providing Free Healthcare at the point of delivery

Note: UHC progress is tracked through two primary SDG indicators: SDG 3.8.1 (Coverage of Essential Health Services) and Catastrophic Health Spending (measured by Out-of-Pocket Expenditure).

- Sri Lanka is currently undergoing a demographic, epidemiological, and economic transition, marked by a rapidly aging population and a growing burden of NCDs and degenerative conditions. By 2030, over 25% of the population is expected to be 60 years or older, increasing demand for services related to conditions such as cardiovascular diseases, cerebrovascular conditions, diabetes, and both adult and pediatric cancers. This demographic shift necessitates urgent investments in geriatric care, including the creation, updating, and retaining of healthcare workers specialized in elderly care.
- The country's health system has demonstrated remarkable resilience during the COVID-19 pandemic, showcasing its capacity to manage emergencies. Which received commendation from the World Health Organization and other international bodies. However, Increasing in labour migration has significantly impact for the health sector due to migration of skilled professionals.
- The health system relies heavily on imported Pharmaceuticals and medical supplies. On average, 25% of the national health budget is allocated annually for medical procurement, of which 85% are imported. Figure xx illustrates the composition of Sri Lanka's pharmaceutical market by source.

Figure 2.5.2.3: SL Pharma Market 2019 (Percentage)



Source: Sri Lanka Chamber of Pharmaceutical Industry (2019)

- Mental and behavioral disorders are also on the rise, with substance abuse, post-COVID effects, excessive digital device use, and drug & alcohol addiction contributing to increased psychological disorders across age groups. Immediate interventions are required to prevent these issues from escalating to suicidal behavior, which has led to an increased demand for counselors and psychiatrists.
- Child malnutrition has emerged as a critical public health concern, especially among children under five years. Driven by food inflation and scarcity caused by the economic downturn resulting a deterioration in key nutrition indicators, stunting, wasting and underweight. The percentage of underweight children under five rose from 12.2% in 2021 to 15.3% in 2022, signaling an alarming reversal of previous gains.

### 2.5.3 Policy Direction

- Improve efficiency, effectiveness and equity of the health financing

Improve efficiency effectiveness and equity to avoid duplications, minimize wastage in health service delivery system by human resource management, digital transformation, cluster-based -care, partnership with private sector and institutional restructuring.

- Ensure uninterrupted medical supply and bio-medical equipment

Systems need to be in place to prepare estimates, procure and delivery of medical supplies and mechanism to monitor and evaluate the entire supply chain of medical supply while improving efficiency in NMRA.

- Strengthen human resources management

The health system must mobilize its available human resources, ensuring minimum staffing levels at all institutional levels. Action needs to be taken to secure the government's investment in training health professionals. This can be achieved by implementing mechanisms at key stages: entry into undergraduate programs, recruitment into the public health system, and exit due to migration.

Table 2.5.1: Required Targets for achieving SDG Goal per 10,000 population

Indicator	2020	2030
Physicians	9.8	17.9
Psychiatrists	4.6	12
Surgeons	27.4	38

Dental Surgeon	7.1	14
Midwives/Nurses	25.2	38.2
Pharmacists	1.7	4.7

Source: Ministry of Health, 2020

- Strengthen primary care facilities and enforce the referral system

In the absence of well-defined drainage / catchment areas and clear referral protocols, patients in Sri Lanka have been able to bypass primary care centers. This lack of a structured referral system increases out-of-pocket expenses for patients and places a greater financial burden on the government. Therefore, it is essential to introduce a strong referral system while simultaneously strengthening primary care facilities. This includes establishing defined catchment (drainage) areas and enforcing appropriate referral policies to ensure the equitable delivery of a quality essential health service package across the entire population.

- Digital transformation of healthcare

Digital transformation in healthcare is a cornerstone of a patient-centered approach to healthcare, and it assist healthcare provision by streamlining operations, understanding the patient demands, developing loyalty and trust, and provision of a better user experience. The introduction of digital health into health care delivery has increased the efficacy and cost-effectiveness of patient treatment all over the world, eventually increasing people's health.

- High priority for demographics and disease burden of the country

As Sri Lanka population is rapidly aging, more than one in four or 25% of the population will be 60 or above by 2030. Accordingly, this demographic transition creates several economic, health and social challenges (creating, updating and retraining of health workers on Geriatric Care). Demography and morbidity patterns have shifted and must be addressed seriously, and for that necessary actions should be taken to analyses the morbidity pattern of the population, while mapping human resources and updating the available data sources. Develop as integrated mechanism to address the aging population in collaboration with the all relevant stakeholders particularly education, social services and community.

- Improve community health promotion

As prevention is better than cure, community empowerment against high risk behaviors to prevent and control diseases, is essential to create a healthier nation with low cost intervention.

- Ayurveda wellness tourism

Wellness tourism is in high demand in most of tourist destinations, especially in south and south-east Asian countries. Sri Lanka also have Ayurveda and Indigenous medicine services which largely spread around the country and it is proposed investigating the feasibility of implementing this through both Governmental Ayurvedic Institutions and Private Sector entities.

## 2.5.4 Medium Term Targets

Target: by 2030

- Increase/achieve Universal Health Care Coverage from 67 to 80
- Reduce maternal mortality rate from 28.83 (2019) to 16 (per 100,000 live births)
- Reduce infant mortality rate from 9.8 (2020) to 7 (per 100,000 live births)
- Reduce under-five mortality rate from 9 (2015) to 7 (per 100,000 live births)
- Increase the International Health Regulation (IHR) core capacity index from 62% (2020) to 70%.
- Digitalize 70% of the government hospitals
- Establish open-source Picture Archiving and Communication System (PACS) in all tertiary care hospitals.

## 2.5.5 Key Strategies

### Improve efficiency, effectiveness and equity of the health financing

- Introduce strategic purchasing, risk-pooling mechanisms, and extended service hours in hospitals to optimize resource utilization.
- Introduce e-procurement for medical supplies and ensure transparent tendering process through intergovernmental partnerships (SAARC/WHO/UNICEF).

### Ensuring the uninterrupted medical and bio-medical equipment supply

- Implement Health Technology Assessment for evidence-based procurement.
- Build the trust in the pharmaceutical regulatory process of the country by necessary legislative enactment to increase the independence of the National Medicines Regulatory Agency (NMRA) and strengthen NMRA with digitalization and enhanced quality assurance.
- Ensure maintenance of buffer stocks at national and sub national level medical stores.
- Promote local drug manufacturing through incentives to SPMC and private sector.
- Expand the e-Procurement for the all the procurement of medical supplies.

### Strengthen human resources management

- Identify required minimum human resources for each category of health institution and redistribute available human resources
- Identify and establish facilities to be provided to health staff at under serve areas including accommodation and transport.
- Introduce financial and non-financial incentives for the health staff who serve in under underserved to ensure rural retention.
- Undertake a complete review of the health care workforce needed for the government and private health care sectors in the country taking into account migration.

### Strengthening primary care facilities and enforce the referral system

- Strengthen the Primary Medical Care Units (PMcUs) and Base Hospitals to ensure the provision of essential basic services at the grass root level.
- Introduce the Cluster Care System linking PMcUs, Divisional and Based Hospitals and District or Provincial General Hospitals.
- Create public awareness on the Cluster Care System through digital, print and social media and administrative mechanisms.
- Rename Divisional and Based Hospitals as Affiliated Hospitals of District or Provincial General Hospital in the cluster to further enforce the concept of the cluster in the minds of the public.
- Strengthen the Suwasariya 1990 Ambulance Service to provide services to the Cluster Care System without providing individual ambulances to institutions.

Increase the carder of Community Health Staff to strengthen Primary Care.

### Digital transformation of healthcare

- Fully implementation of Digital Health Blueprint (DHB) developed by Ministry of Health.
- Development of foundational registries (Provider, Institute and Client) and other key digital assets which include implementation of terminology services to facilitate digital health transformation.
- Capacity building of health sector staff on Digital Health and establishment of online training platform.
- Development of the National Electronic Health Record (NEHR), which assists continuation of care individual by linking different health information systems.
- ICT Infrastructure development in healthcare institutes.

### High priority for demographics and disease burden of the country

- Prepare a strategic action plan to address the challengers to be emerged due to demographic transition and mental and behavioral disorders.
- Take necessary action to increase the number of Counselors, Psychologists and Psychiatricians deployed to the system.
- Create or strengthen health workforce related to Geriatric care deliver the services in the community level.
- Strengthen care facilities including Day-care, re-employment opportunities, transportation facilities and IT services to cater the elderly population.
- Increase the amount spend for early detection, prevention and promotion under the health budget estimates.

- Revise the education curriculum and include good health practices and food making.
- Mechanism need to be introduce to provide health food to educational institutes at affordable prices in coordination with other relevant stakeholders such as Department of Agriculture, Department of Animal Production and Health.

### Improve community health promotion

- Study the active or suspended preventive programmes.
- Introduce a multi stakeholder engaged Community Health Promotion implemented through "Sewa Piyasa" with assistance of existing field level health and non-health staff at the divisional level while enhancing the necessary logistic facilities.
- Introduce a simple health promotional activity programme targeting pre-school, as a primordial prevention action.
- Strengthen media campaign on Community Health Promotion by guiding all digital and printed media to allocate common time or space in every media for Community Health Promotion advertisements/ developed by the Health Promotion Bureau.
- Strengthen media campaign on Community Health Promotion through social media
- Introduction of an App to identify early warning signals of communicable disease outbreak

### Ayurveda wellness tourism

- Identify the Ayurveda treatments to be provided under Wellness tourism by the Ayurveda Department.
- Collaborate with the private sector to develop and run Ayurveda Wellness centers targeting tourists as per government guidelines.
- Establish a proper mechanism to employ registered Ayurveda Doctors in Ayurvedic Medical Council to Ayurveda Wellness Centers owned by the private sector.
- Guide Ayurveda drug Manufacturing Cooperation to provide high quality drugs to Ayurveda Wellness centers.
- Initiate a dialogue with major Tourist hotel networks to introduce Ayurveda Wellness Tourism Centers function as per government standards.
- Establish a proper mechanism to employ registered Ayurveda Doctors in Ayurvedic Medical Council at major tourist hotel networks.

### 2.5.6 Investment Priority Areas

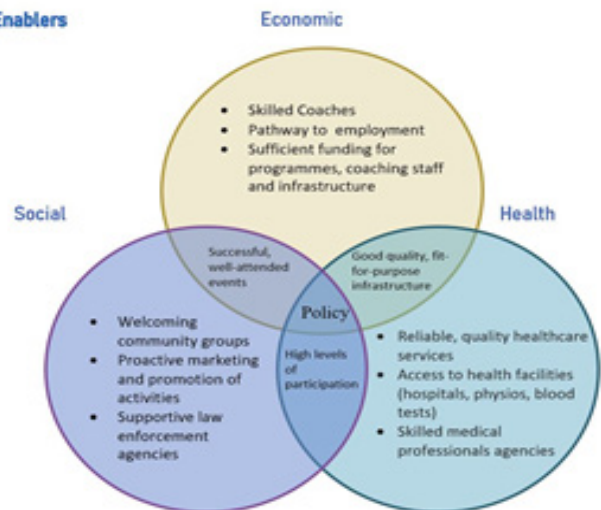
- Health Financing Reforms
- Medical Supply Chain Resilience
- Human Resource Stabilization
- Primary Care and & Referral System Strengthening
- Digital Health Transformation
- Aging Population & Disease Burden
- Community Health Promotion
- Ayurveda Health Care Services

## 2.6. Sports

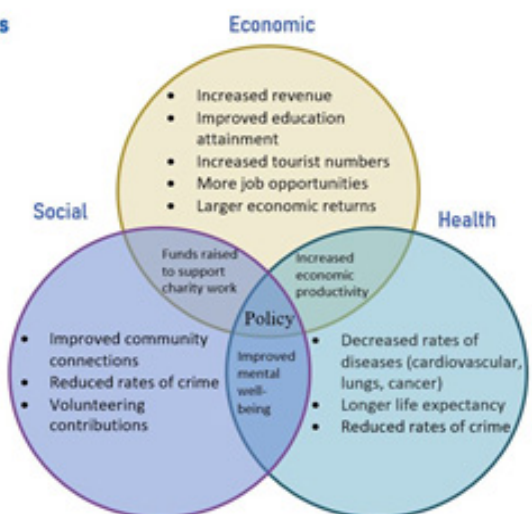
### 2.6.1 Overview

Sports play a vital role in Sri Lanka's culture and are a key contributor to the country's social, economic, and physical development. Beyond being a recreational activity, sports help shape character and personality, making it an essential part of human life. They are instrumental in promoting physical fitness and have significant positive impacts on both mental and physical well-being. Through sports, individuals learn important life values such as discipline, teamwork, sacrifice, communication, and decision-making skills—all of which contribute to leading a successful and balanced life.

### Sport Enablers



### Sport Impacts



Recognizing these benefits, the Government of Sri Lanka is committed to fostering a healthy and dynamic society by shaping every citizen to be energetic, disciplined, and respectful. This vision is supported by national policies aimed at promoting sports across the country. Three primary focus areas have been identified to strengthen the sports sector: developing the athletic talents of the younger generation, positioning sports as a contributor to economic development by uplifting various disciplines, and enhancing the capabilities of professionals involved in the sports industry.

### 2.6.2 Issues and Challenges

Sri Lankan sports have marched forward with many ups and downs on its way winning 2 medals at Olympic Games and many awards at other key international competitions such as Commonwealth Games, World Championship, Asian games and South Asian Games bringing credit to the country. Winning the Cricket World Cup in 1996 and being runners up twice thereafter have taken Sri Lanka to greater heights as a world leader in Cricket. However during the last decade or so, there had been some setbacks in Sri Lankan sports due to several issues and challenges illustrated in figure A.

### 2.6.3 Policy Directions

Under the current policy framework, equal opportunities and inclusive approach helps ensure that everyone, regardless of background, can benefit from the transformative power of sports.

- Participation, discipline, confidence, and competitiveness
- Professionalism and restore Sri Lanka's eminence at the international level
- Sufficient infrastructure and Equitable access



### Poor Governance & Management

Governance shortcomings hinder effective management, resulting in fragmented leadership and poor decision-making that stall sports progress.

1



2



### Unequal Access to Resources

Access to critical resources remains uneven, with many athletes and programs lacking the equipment and facilities needed to excel.

3



4



### Weak Talent Identification

Efforts to spot and nurture talent fall short, leaving many promising athletes undiscovered and unable to reach their full potential.

5



6



### Declining Sports Performance

Key sports experience a downward trend in performance due to systemic issues, impacting national pride and athlete morale.

7



8



### Low Community Engagement

Engagement from communities and the public is limited, reducing support for sports initiatives and hindering broader enthusiasm and involvement.

### Limited Financial Support

Financial constraints limit program growth, reducing opportunities for training, competitions, and essential athlete development support.

### Weak Physical Education

Physical education programs are underdeveloped, failing to inspire youth participation and build foundational athletic skills across communities.

### Insufficient Athlete Support

Athletes often lack robust support systems, including coaching, medical care, and psychological services critical to their success.

- Collaboration among the government, private sector, and non-governmental organizations and International cooperation
- Establish a sport and recreation culture for personal and national development at all stages
- Build a vibrant and growing 'sports economy'

#### 2.6.4 Medium Term Targets

	Targets	Baseline	2030
1	Increase the participation of international sports events		
	Olympics participation	06 (2024)	20
	Asian Games participation	96 (2023)	120
2	Increase medals in South Asian Games	252 (2019)	300
3	Sustained reduction in Physical inactivity of citizens (Ages 13-69 years)	35% (2021)	25%

4	% School children engaged in sports	15.5 % (2016)	25 %
6	Enhance access to sporting facilities - Number of fully functional sports complexes	13 (2023)	20
7	Number of players facilitated at development pools	470 (2023)	800

#### 2.6.5 Key Strategies

- Reforming and strengthening sports policy, legislation and governance to ensure transparency and independence.
- Ensuring equitable access to sports facilities and resources.
- Ensuring opportunities for talented individuals from school to national level.
- Professionalizing sports and providing support for athletes and sports sector officials.
- Achieving professionalism and international success in sports
- Integrating sports into public health and promote wellness.
- Fostering a coordinated approach between the state and private sector for developing sports as an industry.

### 2.6.6 Investment Priority Areas

- Infrastructure Development.
- Athlete and Talent Development
- Education and Professional Development

From Rich Traditions to Future Innovations: A Heritage-Driven Path to Development

A society rich in culture, ethics, and values serves as a fundamental pillar for sustainable national development. These intangible assets shape collective identity, foster social harmony, and drive the nation forward. A foundation rooted in religious and cultural principles nurtures attributes such as moderation, creativity, social cohesion, optimism, and dedication, contributing to overall societal well-being.

## 2.7 Sector: Religious, Cultural, and Heritage

### 2.7.1 Overview

Sri Lanka possesses a rich nearly 2,500-year cultural history, deeply influenced by its diverse religious and multi-ethnic background, which has historically fostered a harmonious and coexisting society. This heritage is particularly shaped by Buddhist philosophy, coexisting vibrantly alongside Hinduism, Christianity, and Islam. The country is home to a multitude of religious and culturally significant monuments, sites, artifacts, and structures, many of which are revered as sacred and serve as significant attractions for both local and international tourists.

Over the years, successive governments have consistently prioritized the protection and enhancement of the religious and cultural sectors, implementing various policies, programs, and projects to safeguard and promote these invaluable assets.



### 2.7.2 Issues and Challenges

- Erosion of Trust in Institutions
- Impact of Globalization and Urbanization
- Youth Disengagement



### 2.7.3 Policy Direction

- Preservation and Development of Cultural Identity for all communities.
- Inclusive Cultural Participation, enabling individuals and communities to actively engage in cultural development.
- Intercultural Enrichment, fostering unity through diverse cultural experiences.

- Holistic Development, shaping compassionate individuals with intellectual, spiritual, and aesthetic capacities grounded in both local and global cultural knowledge.
- Recognition of Cultural Diversity and encouragement of open cultural dialogue.
- Government Support in nurturing a culturally enriched and inclusive society.

### 2.7.4 Medium Term Targets

- Implement a National Cultural Policy & Database
- Upgrade cultural infrastructure
- Enhance arts and cultural professional development
- Advance heritage conservation & research
- Digitalize National Archives and knowledge repositories
- Boost cultural and heritage tourism
- Promote cultural awareness & education
- Strengthen traditional arts and markets

### 2.7.5 Key Strategies

Investing in religious, cultural, and heritage development is crucial for preserving Sri Lanka's rich identity while fostering social harmony, economic growth, and sustainable modernization. Strengthening infrastructure, conservation efforts, arts promotion, and digital knowledge management ensures that traditions thrive alongside innovation. By strategically integrating culture and heritage with tourism, education, and sustainability, Sri Lanka can uphold its legacy while advancing toward a dynamic future.



### 2.7.6 Investment Priority Areas

- Development and maintenance of religious infrastructure and facilities, including modernization and strategic expansion.
- Enhancement and modernization of cultural infrastructure and artistic spaces, fostering creativity and accessibility.
- Conservation, preservation, and research of tangible and intangible cultural heritage and archaeological sites, ensuring long-term sustainability.
- Promotion and professional development of the arts and cultural sectors, supporting emerging talent and expanding global reach.
- Modernization and management of literary arts and digital knowledge repositories, integrating advanced technologies for archival efficiency.
- Strategic integration of culture and heritage with the tourism industry, driving economic growth and cultural engagement.
- Public awareness, education, and community engagement in cultural and historical values, strengthening identity and inclusivity.
- Sustainability and green practices in cultural conservation

## 2.8 Science & Technology, Research and Development - Innovation

### 2.8.1 Overview

Research & Development (R&D), innovations, technological advancements are key parameters contributing to the economic growth in multiple folds. Those parameters enable the country to improve productivity of the working force by enhancing their skills. Technological innovations, knowledge creation, productivity enhancement are the ways and means to reach towards the solutions of economic downturn and other issues in the economy. Therefore, investing in Science and Technology is important to achieve a rapid national development. However, R&D and innovation arenas of Sri Lanka are being sluggishly grown. The R&D expenditure of the GDP of the country is 0.12% (2022) significantly lower than the global average of approximately 2.3%. In a positive move, the government has taken initiatives to strengthen R&D governance, including the establishment of the National Research and Development Council (NRDC) and invention innovation endowment measures.

Comparison of R&D Expenditure as Percentage of GDP(2022)



Source : World Intellectual Property Organization (2024)

Sri Lanka has improved the position of Global Innovation Index (GII) from 101st (2020) to 89th in 2024 with fluctuations over the period due to the volatility of innovation inputs and outputs.

Global Innovation Index Trends from 2020 to 2024



Source : World Intellectual Property Organization (2024)

### 2.8.2 Issues and Challenges

- Fragmentation in governance and implementation across institutions leads to policy inconsistencies and duplication of efforts.
- Absence of a dedicated institutional framework to effectively monitor and implement science, technology, innovation, and R&D initiatives.
- The existing institutional ecosystem lacks strong and cohesive linkages between academia, industry, and government hindering the development of a vibrant innovation economy.
- Inadequate enforcement of laws related to innovation and R&D, along with significant gaps in the current intellectual property (IP) legislation.
- Investment in R&D funding remains inadequate and inconsistent.
- Brain drain of highly trained scientists and researchers continues, driven by attractive opportunities in overseas and the current environment does not support the retention of high-caliber talent in research and innovation.
- Low conversion of academic and institutional research into market-ready innovations and commercial applications.
- Lack of reliable, real-time data on national R&D performance and innovation indicators.
- Limited opportunities with international collaboration in research and innovation.

### 2.8.3 Policy Direction

Sri Lanka to use Science, Technology and Innovation in a sustainable manner to create a science literate society and innovation ecosystem to enable wealth creation to foster healthy living standards of people of Sri Lanka.

### 2.8.4 Medium-Term Targets (by 2030)

- Increase R&D expenditure of GDP up to 0.8% by 2030.
- Improve the position of Global Innovation Index (90th in 2023) to 60th by 2030.
- Improve Intellectual Property Rights Index (67 in 2023) to 30th place by 2030.
- Increase researcher's per million population (Full Time Equivalent ) (104 in 2023) to 500 in 2030

### 2.8.5 Key Strategies

Create Science, Technology, Innovation and Research & Development led ecosystem. The ecosystem is consisted of a Policy framework, critical infrastructures, and linkages among socio- economic priorities, a culture of creativity and innovations, and protection for intellectual property rights (IPR).

Establish an R & D underpinning economy where private sector is incentivized to invest in R&D activities

Apply Science, Technology, Innovation and R&D in every economic sector, activity, and utilization in economic activities while preserving of usable indigenous knowledge.

Accelerate the enterprises through innovations.

Ensure quality standards of Science and Technology Institutions, through human capital development, and standardize the deliverables to national and international recognition on a par with global standards

### 2.8.6 Investment Priority Areas

- Expand Research and Development in the following Areas;
  - Energy, Engineering, Maritime, Information and Other Technologies
  - Science, Education and Health
  - Agriculture, Plantation, Fisheries, Livestock, and Food Security
  - Arts, Humanities, and Social Sciences
  - Defence, International Relations, and Economic Cooperation,
  - Others (Law, Business, Sport, Media, etc)
- Develop related infrastructure facilities: Labs, testing centers, fab labs, incubators.
- Develop Human Capital.
- Facilitate research commercialization
- Strengthen regulatory and policy framework
- Build collaboration between research institutes, universities and industries

## 2.9 Digital Economy

### 2.9.1 Overview

Sri Lanka is rapidly advancing its digital transformation through the establishment of a comprehensive Digital Public Infrastructure (DPI) that integrates a wide range of public services ensuring interoperability across government platforms, aligning with the national digital architecture to connect services such as digital identity (SLUDI), digital payments (GovPay), data exchange, and service access. Seamless integration of shared platforms is enabling faster, more secure service delivery.

To improve accessibility, the government is consolidating all public services into a single mobile interface, offering convenient access to e-payments, identity verification, and public welfare programs. A National Data Exchange Platform will implement to facilitate real-time, secure data sharing between government entities, enhancing transparency and operational efficiency under strong governance frameworks.



Efforts to uplift digital maturity across the public sector include mechanisms to assess, monitor, and improve institutional readiness and service delivery. These are supported by ongoing investments in secure, state-of-the-art digital infrastructure such as a government-wide network and scalable cloud platforms.



A major catalyst for citizen engagement has been the rapid adoption of digital payments. A landmark milestone was the launch of GovPay in January 2025, a centralized payment platform that enables secure, cashless transactions for government services. GovPay has significantly improved transparency, accountability, and efficiency in public service delivery. To further encourage adoption, the Central Bank of Sri Lanka introduced regulatory measures, including raising the LANKAQR transaction limit from Rs. 200,000 to Rs. 500,000 and capping the Merchant Discount Rate (MDR) at 1% to incentivize both merchants and consumers.



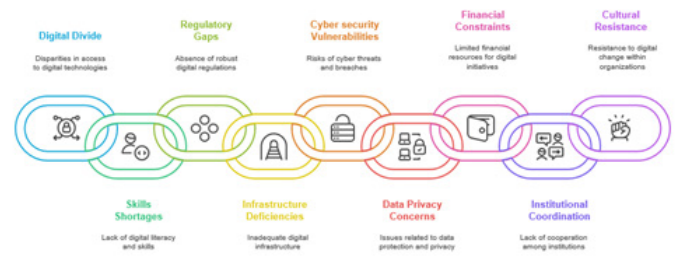
Sri Lanka's ICT and IT/BPO sector remains a cornerstone of the digital economy, contributing around USD 1 billion annually in foreign exchange earnings and providing substantial employment. The sector is transitioning toward high-value, innovation-driven services such as Artificial Intelligence (AI), Internet of Things (IoT), and platform-based solutions. To support this shift, the government is launching targeted upskilling programs, startup acceleration initiatives, and agile policy reforms that foster innovation and global competitiveness.

To prepare the workforce for emerging demands, initiatives like the AI Club Program in schools and the drafting of a National AI Strategy aim to build technological competencies among students and professionals. Additionally, complementary initiatives are promoting digital adoption across key sectors health, education, tourism, agriculture, transportation, and public administration through the use of e-commerce platforms, digital payments, and cloud technologies, with a focus on SMEs and public sector institutions.

Recognizing the growing importance of digital trust and cybersecurity, the government has initiated the drafting of a National Cybersecurity Strategy and established a Data Protection Authority. These steps are laying the foundation for a secure, resilient, and citizen-trusted digital ecosystem. Currently ranked as a Tier 2 country in cybersecurity, Sri Lanka aims to advance to Tier 1 through the successful implementation of these ongoing reforms.

### 2.9.2 Issues and Challenges

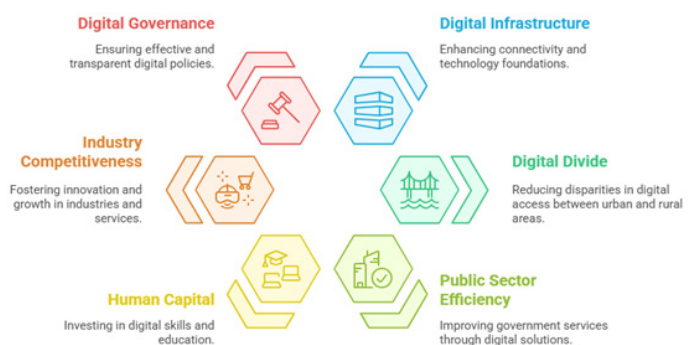
- Digital Divide: Persistent disparities in access to digital technologies remain a major barrier.
- Skills Shortages and Low Digital Literacy
- Regulatory Gaps: The absence of robust, well-established regulatory frameworks for the digital ecosystem erodes public trust and investor confidence.
- Infrastructure Deficiencies
- Cyber security Vulnerabilities
- Data Privacy and Protection Concerns
- Financial Constraints
- Lack of Institutional Coordination
- Cultural and Organizational Resistance to Change
- Low digital adoption across regions
- Weak alignment between education, upskilling, and industry needs results in insufficient production of job-ready digital talent.



### 2.9.3 Policy Direction

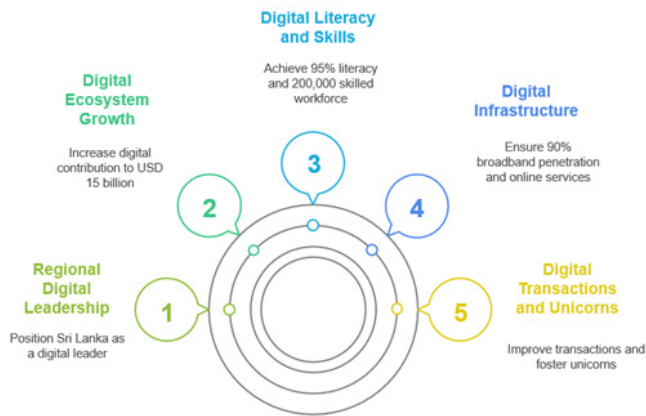
Sri Lanka's digital transformation is guided by a policy direction that emphasizes inclusive access, efficient governance, and innovation-led growth. Among priorities, government recognizes the importance of boosting digital public infrastructure, bridging the urban-rural digital divide and ensure equitable access for all citizens, enhancing public sector efficiency through comprehensive e-governance reforms, focusing on digitalizing public service delivery, improving interoperability, and reducing administrative bottlenecks, developing human capital by equipping the current and future workforce with digital skills, accelerating economic diversification ensuring competitiveness in industries and boosting start up ecosystems, and strengthening digital governance is crucial this includes implementing robust cybersecurity frameworks, advancing data protection regulations, and establishing institutions that ensure the ethical, secure, and transparent use of digital technologies. These priority areas collectively aim to build a resilient, inclusive, and future-proof digital economy by 2030.

#### Strategic Digital Development



### 2.9.4 Medium Term Targets

- Achieve annual ICT exports worth USD 5 billion by 2030
- Increase the total contribution of the digital ecosystem to USD 15 billion by 2030
- Reach 95 percent digital literacy across the population by 2030
- Develop a digitally skilled workforce of 200,000 by 2030
- Ensure that over 90 percent of government services are available online by 2030
- Achieve over 90 percent broadband penetration nationwide by 2030
- Integrate all key national databases under a secure, interoperable framework by 2030
- Position Sri Lanka as a regional leader in digital services, innovation, and ICT talent by 2030
- Improve digitalized transactions percentage upto 20 percent by 2030
- Make pathways for unicorns emerge



### 2.9.5 Key Strategies

1. Expand Digital Infrastructure Nationwide
2. Strengthen Digital Public Services and Platforms
3. Advance Digital Skills and Talent Development
4. Promote Digital Innovation and Entrepreneurship
5. Ensure Cybersecurity and Data Protection
6. Promote Inclusive and Citizen-Centric Digital Transformation
7. Drive Digital Industry Development and Export Growth

### 2.9.6 Investment Priority Areas

- Strengthen Digital Infrastructure
- E-Government and Digital Public Services
- Digital Skills, Education, and Workforce Development
- Innovation, Startups, and Tech Ecosystem Support
- Accelerating Sri Lanka's Digital Industry and Innovation Ecosystem
- Digital Revenue Generation
- Enable strategic Industries Digital Enablement Initiative and Digital Digitalization
- Cybersecurity and Data Protection



03

INNOVATIONS  
FOR GREENING  
AND SUSTAINABLE  
AGRICULTURE

Despite urbanization and industrialization, agriculture remains deeply intertwined with daily life of Sri Lankans, having engaged over 25% of the labor force in the sector. The sector presently accounts nearly 7% of the GDP with a contribution of approximately 22% to the annual foreign exchange earnings. The overall agriculture sector includes number of sub sectors; food crop agriculture, plantations, livestock, fishery, land and irrigation.

Despite the sector is dominated by the private sector through its operational frontiers, an investment, over Rs 150 bn, nearly 10% of the annual public investment, is made annually for this sector by the government to maintain and revitalize the sector performances. The sector deserves an ambitious goal of transforming it into a world beating tech-driven industry, enhancing resilience and inclusivity to augment food security of the nation, targeting the untouched potentials in the overseas markets as well as global value chains.

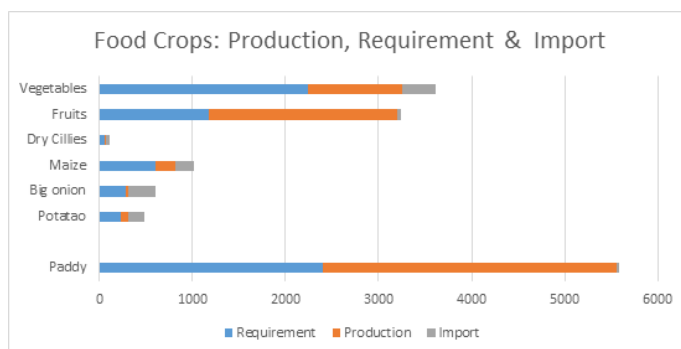


### 3.1 Food Crop Agriculture

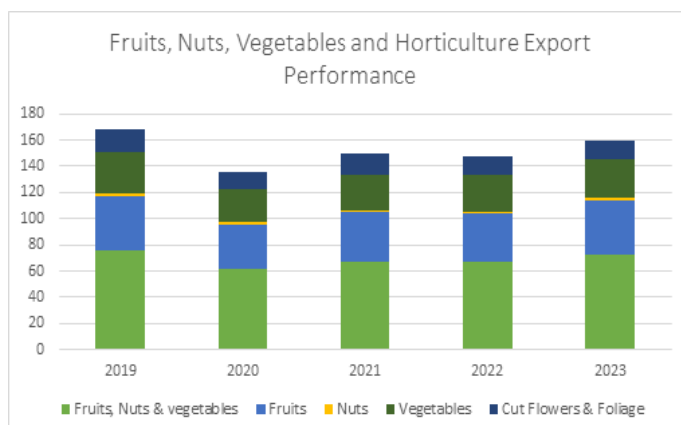
#### 3.1.1 Overview

The food crop agriculture essentially includes paddy, other field crops (OFCs), fruits, and vegetables and in addition, this sector accounts floriculture, foliage as well as ornamentals. More than one million hectares of lands is presently used for the production of food crops in the country and of which nearly 80% is occupied by the paddy, based on its seasonality. The food crop sector provides livelihood to more than 1.8 mn farm families in the country.

This sub sector is envisioned to become self-sufficiency in food crops, paddy, OFCs, fruits and vegetables and the surplus to be exported to high end and niche markets. With regards to foliage and floriculture, the main objective is to promote exports to high end destinations as well as to untouched new niche markets.



Source: Annual Review CBSL, 2024, Food balance Sheet 2023, Department of Agriculture



Source: Export Performance Indicators 2023, EDB

#### 3.1.2 Issues and Challenges

- Low economy of scale in production owing to majority of the producers is coming under the category of small-scale production. This has lead for poor rate of return on investment, leading to high cost of production, low profitability and less competitiveness.
- Low adoption of technology resulting for poor productivity of different food production systems. Adoption of modern technology within small scale production units is becoming a challenge.
- Less variation in financial sources/modalities; private capital investment, Private Public Partnerships, Producer-Public-Private-Partnerships (4Ps), nature capital-green bond, blue bonds, etc owing to inadequate facilitations to bring-up these innovations.
- Enhancing resilience of food crop value chains to external shocks inclusive of climatic shocks need further deliberation.
- Post-harvest losses, in-farm as well as throughout the value chain due to poor handling and inadequate value chain infrastructure is challenge to increase the food availability.
- Addressing to food safety and quality inclusive of Sanitary and Phyto-Sanitary (SPS) & Technical Barriers to Trade (TBT) measures requested by consumers as well as importing countries, in-compliance with suitable quality standards need further assessment and suitable investment.
- Adequate attention for value addition and product diversification targeting the market demand, emerging requirements of consumers and the import destinations including new niche markets is imperative.
- Vertical integration from agriculture production to food processing and catalyzing horizontal integration among other sectors in the economy is crucial for enhance value for money of the investment.
- Establishment of a data and information symmetry for reliable, accurate and continuous data flow and to support for timely decision making is accounted as a long term felt need.

#### 3.1.3 Policy Direction

Transforming the food-crop traditional agri-farming towards a technology driven, green and resilient industry to ensure food security of the people and to promote exports, safeguarding the welfare of farmer community.

#### 3.1.4 Medium Term Targets

- Achieving and maintaining the self-sufficiency in rice by increasing the average productivity to 6 MT per ha, while diverting 30 percent of less productive paddy lands to other food crops by 2030
- Achieving self-sufficiency in Other Field Crops (OFC) by assuring the zero import of OFC, saving the current import bill of USD 400 million by 2030.
- Reducing the post-harvest losses of fruits and vegetables from 30 percent to 20 percent by 2030 and thereby reduce the market prices.
- Doubling the export revenue of fruits, vegetable, foliage and floriculture by 2030.

#### 3.1.5 Key Strategies

- Increasing productivity and resilience in food systems and efficiency in logistics
- Encourage proper management of agricultural practices provided with conducive environment to ensure high productivity and efficiency in Agricultural Systems
- Optimal Land Management for sustainable agriculture production
- Encourage and promote agricultural entrepreneurship and sustainable markets
- Promoting environmentally friendly operations for sustainable food production
- Enhancing resilience for climate risks for ensuring continuous food production
- Creating a favorable environment for enhancing farmer income for decent living
- Enhancing agricultural research, and knowledge management with effective advisory service for enhancing productivity and quality
- Ensuring effective management and control of agricultural operations



### 3.1.6 Investment Priority Areas

- Investment targeting production and productivity increase with unique quality through innovative production modalities and thereby to increase competitiveness.
- Ensuring climate resilience in agriculture for increase productivity
- Promoting green energy in food production, and also throughout the value chains
- Improvements in value chain, market linkages and value chain logistic for improved quality and healthy products
- Prompting quality assurance and healthiness of agri foods.
- Safeguarding farmer welfare

## 3.2 Livestock

### 3.2.1 Overview

Livestock sector is one of the major subsectors which contribute for the nutrition and food security and livelihood support for around 1.6 mn population specifically in rural areas of the country. Apart from this sector having less than 1% contribution to the GDP, its labour intensive nature in operation, make it one among the major sectors which has the potential to be harnessed for the rural employment creation, poverty alleviation and thereby to pave the way for economic development.

This sector mainly comprises with cattle, buffalo, goat, poultry and swine. Amongst these, Dairy and Poultry are the main development thrusts areas. There are around 600,000 registered livestock farms in the country, whereas more than 80% of the farms are operated at a small scale.

The dairy sub sector is the main subsector in livestock development. Dairy Milk is good nutrient and income source and dairy products deserve huge market demand. With regard to the milk consumption in the country, as per the Dietary based guidelines of Ministry of Health 150 ml of dairy milk/milk products required to be consumed by an adult to fulfill the daily nutrient intake.

At present, only around 40% of the requirement is satisfied by domestic production while the remainder is fulfilled by the imported milk and milk products. The poultry sub sector is fully operated by the private sector in the form of forward contracts with small scale poultry farmers for supplying inputs and marketing.

#### Livestock production: Milk, Poultry Meat and Egg

Sub-Sector	2019	2020	2021	2022	2023	2024 (b)
National Milk Production (million litres)	448	492	513	506	504	522
Cow Milk (million litres)	374	414	425	419	411	430
Buffalo Milk (million litres)	74	78	88	87	93	92
National Egg Production (No.) (million)	2,084	1,870	1,954	1,849	1,604	1,693
National Poultry Meat Production (mt '000)	224	216	237	228	236	259

(b)provisional

Source: Department of Census and Statistics, Department of Animal Production & Health

### 3.2.2 Issues and Challenges

- Low scale of economy, poor farm productivity, and high cost of production followed by low profitability in venture.

- Low productivity of local breeds and unavailability of improved breeds
- Insufficient grazing lands, unavailability of nutritious feed and feed ingredients Mismatch in modern technology to traditional livestock farming
- Lack of awareness of farmers in farm management and animal health management
- Shortage of professionals in the livestock industry for service delivery and technology transfer

#### 3.2.3 Policy Direction

Transformation of the livestock sector to effectively contribute to production and productivity increase, ensuring food safety and regulation requirements in animal feed, animal diseases and animal welfare for improved household livelihoods, economic growth and export, ensuring the sustainability of natural ecosystems.

### 3.2.4 Medium Term Targets

- Increasing the domestic milk production up to 60% self-sufficiency level and thereby reduce the import bill by 30% by 2030
- Doubling the poultry product exports by 2030

### 3.2.5 Key Strategies

- Creating a conducive environment for enhancing the resilience in livestock production
- Productivity improvement of dairy farms to increase local milk production
- Promoting milk consumption through systemized Marketing network
- Enhancing high quality poultry meat and egg production
- Assisting in applying required health protocols, quality testing to align with international standards for commercial scale farmers

### 3.2.6 Investment Priority Areas

- Nationally recognized appropriate breeding and feeding programme be implemented jointly with the private investment.
- Large scale farming, cattle, buffalo and goat with the private sector encouragement.
- Research and development on productivity improvements of breeds and on new value added products.
- Health, safety and environment management particularly in rearing animals and also of animal products

## 3.3 Plantation

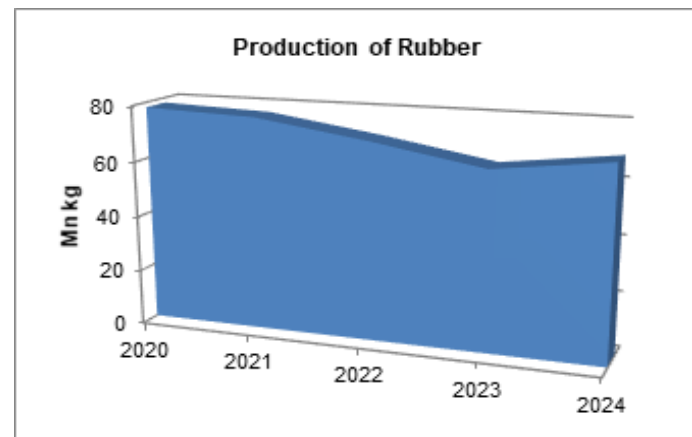
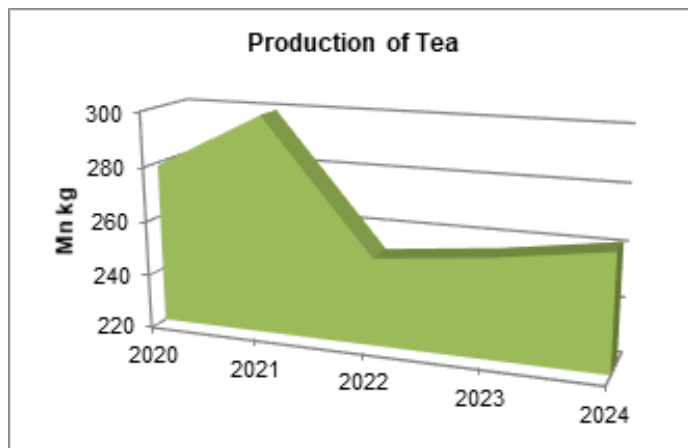
### 3.3.1 Overview

Plantation sector plays a significant role in the Sri Lankan economy in terms of earning foreign exchange, and generating direct and indirect employment. The sector comprises of the "traditional triples; tea, rubber, coconut", cashew, kithul, palmyrah and other export agriculture crops of cinnamon, pepper, cloves, betel, cardamom, nutmeg and turmeric that hold significant economic and global trade importance.

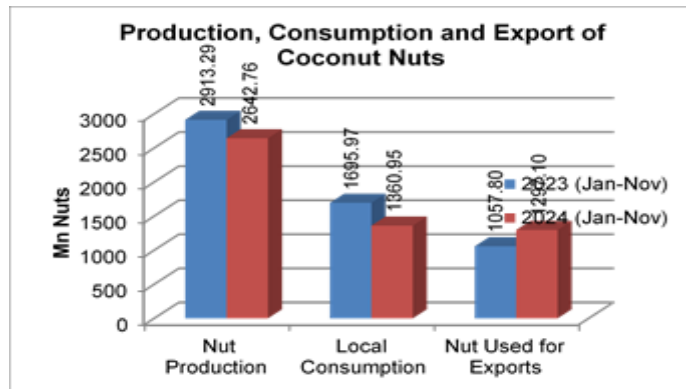
At present, the sector contribution to the GDP is around 2.0%, and crates around 24.0% of the total export earnings of which majority is accounted by tea followed by coconut and spices, and employed approximately 16.0% of the working population. As it is one of the most labor-intensive sectors of the country, the sector's contribution to the country's socio-economic development is significant.

The country has established its position in the international market through variety of products. "Ceylon Tea" trademarks the quality of its products, becoming the third largest tea exporter to the world due to its flavour, aroma and freshness. The white colour and characteristic taste of Sri Lankan Desiccated Coconut ranks Sri Lanka at the 4th position of the world export market for all kernel products. Being one of the leading natural rubber producers in the world, the country is renowned for its variety of value added products by processing raw rubber.

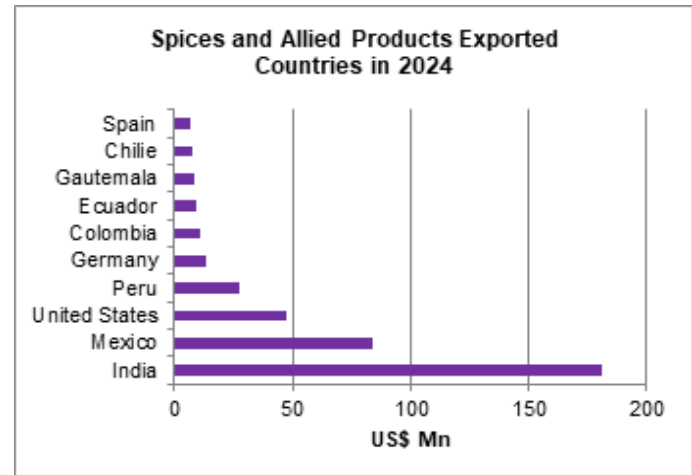
The country has been recognized for its variety of species with unique aroma and flavour across the globe and its position as the world's largest producer and exporter of "Pure Cinnamon" has made it the most important and valuable product among all the spices in Sri Lanka. The sector has marked an export performance around USD 3.8 Bn in 2024.



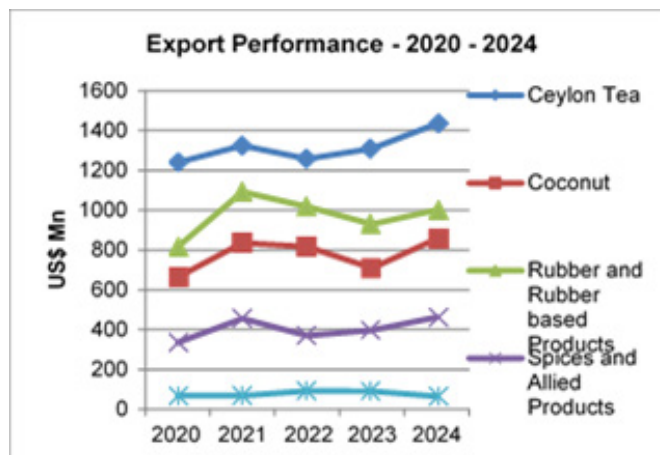
Source: Progress Report 2024, Ministry of Plantation and Community Infrastructure/ Statistical information on Plantation crops, Ministry of Agriculture and Plantation Industries



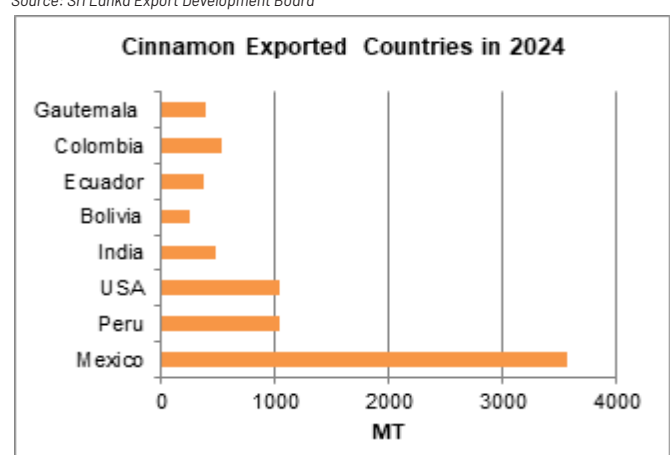
Source: Coconut Development Authority



Source: Sri Lanka Export Development Board



Source: Sri Lanka Export Development Board



Source: Progress Report 2024, Ministry of Plantation and Community Infrastructure

### 3.3.2 Issues and Challenges

Besides the performance over the years, the plantation sector experiences the following major challenges and issues at present.

- Low land and labour productivity
- Poor performance of the corporate sector
- Less attention on crop diversification and value addition
- Decrease in production due to adverse impacts of climate change
- Poor institutional coordination upon research and development and extension linkage
- Fragmentation of land and soil degradation
- Issues in quality standards and certification in minor export crops
- Less access to new and niche markets
- Limited access to credit facilities, and availability of less innovative financing solutions.
- Upgrading the living standards of the plantation community in particular smallholders and estate workers.

### 3.3.3 Policy Direction/Priority Areas

Transform Sri Lankan plantation sector into a dynamic, resilient and progressive industry through sustainable and responsible management while expanding the market opportunities and access to premium markets through Value Chain Development, Value Addition and diversification, and integration.

### 3.3.4 Medium Term Targets

- Increase the annual Tea production from 262 Mn kg to 400 Mn kg by 2030.
- Increasing the Rubber yield from 944 kg per ha to 1300 kg per ha by 2030.
- Increasing the No. of Coconut nuts per tree from 64 to 80 and increasing the total No. of Nuts produced annually from 2.8 Bn to 4.5 Bn by 2030.
- Increase the export earnings generated by plantation commodities from USD 3 billion to USD 5 billion by 2030.

### 3.3.5 Key Strategies

- Enhanced and sustainable production through field mechanization, modernization and innovations.
- Strengthening the performance of RPCs through reforming unproductive lands.
- Creating enabling environment for investments through removing regulations on restricting the land ownership, length of land leases and diversification of crops.
- Advancing Research and Development for identified gaps through institutional collaborations and promoting innovations.
- Enhancing quality, productivity, traceability and effectiveness of the value chain.
- Facilitating market access, access to finance, trading and entrepreneurship development.
- Strengthening the resilience to climate change and risk reduction through risk assessment, adaptation and disaster preparedness measures and promoting effective pest and disease management.
- Ensuring occupational safety and health of the workforce focusing prevention, mitigation and protection by enforcing health and safety standards.
- Upgrading the living standards of plantation community through infrastructural support for housing, water and sanitation facilities.

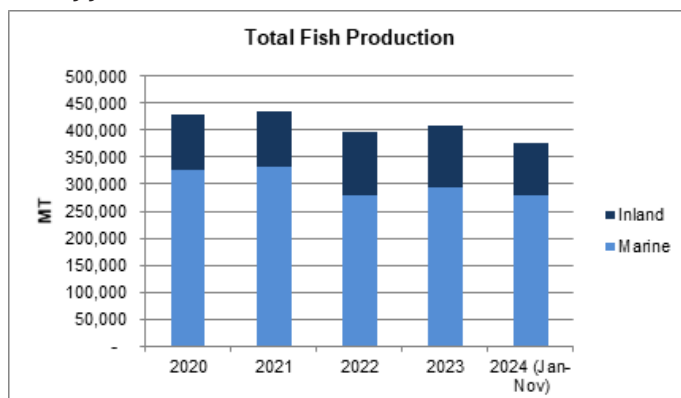
### 3.3.6 Investment Priority Areas

- Productivity Improvement of plantation crops.
- Research & Development on finding new varieties and fostering innovations.
- Control and Management of pest and disease in plantation crops.
- Value addition, product quality improvement and value chain development of plantation commodities.
- Promotion of Export Agriculture Crops.
- Empowering Plantation Community.

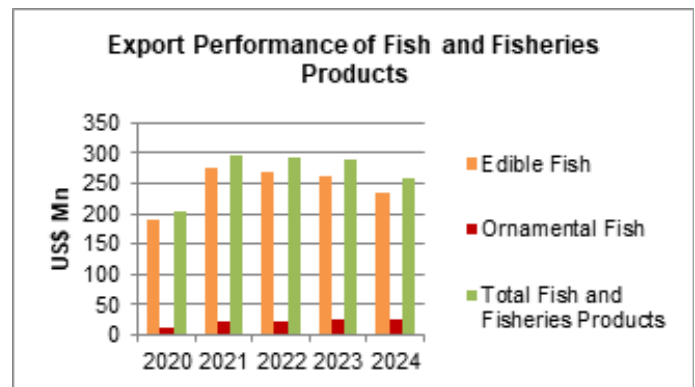
## 3.4 Fisheries

### 3.4.1 Overview

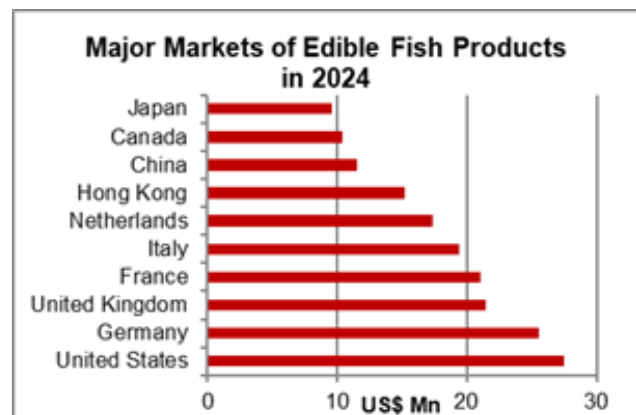
The fisheries resource base of the country comprises the Exclusive Economic Zone (EEZ) of 517,000 km<sup>2</sup>, the territorial sea of 21,500 km<sup>2</sup>, and internal waters that include lagoons and estuaries of 1,580 km<sup>2</sup>, and man-made reservoirs of 2600 km<sup>2</sup>. The resource base for the development of aquaculture is mainly comprised with the bays, lagoons, reservoirs and dedicated lands located in coastal and reservoir areas. The fisheries sector is significantly important to the country's economy as it has a untapped potential to generate significant economic benefits in terms of, foreign exchange earnings, livelihood through diversified and enriched employment and ensuring the food and nutrition security of the people in Sri Lanka. However, the export potential in the country reveals that supply of certain fishery products are not up to the optimum level despite its existing global demand.



Source: Ministry of Fisheries, Aquatic and Ocean Resources



Source: Sri Lanka Export Development Board



Source: Sri Lanka Export Development Board

### 3.4.2 Issues and Challenges

Besides the performance over the years, the fisheries sector experiences major challenges and issues as follows.

- Over exploitation of fish resources
- High level of operational cost (expenditure on fuel and other resources).
- Lack of intervention to introduce better technology and sustainable and eco-friendly techniques.
- Illegal fishing activities by foreign vessels.
- Out-dated legal framework and processes
- Less attraction of private investments
- Less developed infrastructure facilities (fleets, harbours and landing sites)
- Quality issues to meet the exports market conditions.
- High post-harvest damages
- Low access to credit facilities
- Over dependency on Small Scale fishers
- Lack of research and development

Therefore, moving forward, Sri Lanka needs to explore more innovative strategies to develop the sector towards generating significant economic benefits to the country by addressing the identified challenges successfully.

### 3.4.3 Policy Direction/ Priority Areas

Transform to a sustainable and resilient fisheries sector, ensuring food security, food safety and nutrition of the people while expanding towards an export-oriented industry generating more foreign exchange.

### 3.4.4 Medium Term Targets

- Enhancing the contribution of the fisheries sector to the country's GDP from 1.2 percent to 1.6 percent by 2030.
- Increasing the contribution of the fisheries sector to the National Export Earnings from USD 300 mn to USD 600 mn by 2030.
- Reducing the post-harvest losses of the fisheries sector from 37 percent to 27 percent by 2030.

- Enhancing the Private Investments including Foreign Direct Investments (FDIs) to the fisheries industry by 2030.
- Ensuring Zero Illegal, Unreported, and Unregulated (IUU) fishing by 2030.

### 3.4.5 Key Strategies

- Quality marine and inland fish production through sustainable development and management of fish resources.
- Increase export revenue through strengthening value chain development, value addition, diversify market and product offerings.
- Advancing Research and Development for bridging gaps through institutional collaborations targeting innovative technological developments and practices to minimize post-harvest losses.
- Strengthening the resilience to climate change and risk reduction and prevent marine and aquatic pollution.
- Ensuring occupational safety, social protection and empowering fishing community.

### 3.4.6 Investment Priority Areas

- Development of Fishery Harbours, anchorages and landing sites with proper infrastructure.
- Research and Development on fisheries resource management.
- Modification of vessels with effective fishing technologies.
- Establishment of self-sustained culture based fisheries mechanisms.
- Promoting appropriate post-harvest technologies and value chain development.
- Livelihood enhancement of small scale fish farmers.

## 3.5 Land and Land Development

### 3.5.1 Overview

Sri Lanka is a country with limited land resources, amounting nearly 16 million land parcels. Of the total land extent nearly 80 percent is occupied by the state agencies while the remainder is in the hand of private inhabitants. The economic expansion and population increase in the country make huge pressure on land resource and according to statistics, the land man ratio at present in Sri Lanka is around 0.3 ha and in case of arable lands this is further downscaled to 0.15 ha.

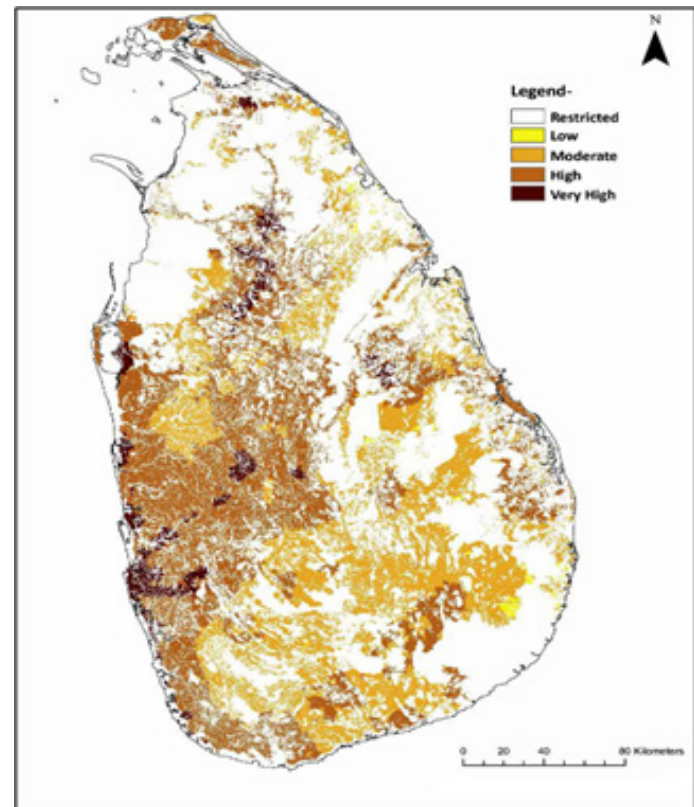
At present of the total arable lands, nearly 45 percent is occupies by the paddy and another 40 percent under the plantation crops. The issue of limited land resource makes the path for many challenges in the development front, in agriculture, industry or any sector in the economy. The land resource belonging to state is vested with Land Commissioner and however a large number of state lands are scattered among number of agencies; LRC, JEDB, SLSPC, UDA, NLDB etc. In addition, RPCs also occupies majority of plantation lands; tea, coconut and rubber in particular.

The present National Policy Framework "A thriving Nation, A Beautiful life" has recognized the importance of this limited resource and made strategic approaches to optimize land usage for economic advancement. The Policy Framework has also recognized the efficient and effective usage of land resource through digitalization. This will enable to facilitate and expedite the process of land registration, surveying and also the valuation process.

The technology usage for land surveying and also mapping will be persuaded for effective land utilization in development. The environment friendly, archeological important and sensitive ecosystems will be protected. The policy also emphasizes the strengthening of the institutional network in the land management and land alienation process to have effective service delivery for the people. The utilization of unused cultivable lands will also be encouraged for the realization of the policy towards import substitution as well as promoting the exports.

The subject of land management; land alienation, leasing out of lands, lands bringing under cultivation, land development, historically important land protecting and conservation, biodiversity conservation etc. are vested across number of institutions and therefore investment highlighted under land managements in this section display only a fragment of the investment used for the land management in the country.

### The Optimized and Best Utilized Space



Source: National Physical Planning Department

### 3.5.2 Issues and Challenges

- **Fragmentation and underutilization of agricultural lands:** The widespread existence of small, fragmented, and economically unviable landholdings has resulted in poor land use efficiency and underutilization of available resources.
- **Encroachment by landless populations:** Increasing pressure on land resources has led to illegal occupation and encroachment on state-owned lands, complicating land governance and conservation efforts.
- **Unclear land ownership and poor land records:** The absence of accurate and comprehensive land records has made the determination of ownership difficult, obstructing land development and discouraging investment.
- **Inadequate integration of land policy with development goals:** Limited attention has been paid to creating a coherent and productive land use pattern. Land policy remains poorly aligned with infrastructure development, employment creation, and environmental sustainability objectives.
- **Lack of reliable land data:** The unavailability of up-to-date and accurate information on land resources severely impedes effective planning, monitoring, and policy formulation.
- **Environmental degradation of sensitive ecosystems:** Human activities continue to exert pressure on ecologically critical areas such as marshlands and mangrove forests, with insufficient regulatory control or enforcement.
- **Under-utilization of state-owned lands:** A considerable extent of land vested in public institutions remains either under-utilized or completely idling, representing a significant opportunity cost for national development.
- **Reduction in the extent of productive land:** Land degradation caused by overuse, poor agricultural practices, and deforestation is steadily reducing the amount of arable and productive land available for future use.

### 3.5.3 Policy Direction

Promote rational and equitable utilization of land resources through suitability-based land evaluation, with the aim of maximizing economic productivity, ensuring national food security, supporting dignified living conditions, and safeguarding ecological integrity for present and future generations.



### 3.5.4 Medium Term Targets

- Completion of the digitalized land information system covering 50 percent of the existing 16 million land parcels and ensuring an updated land inventory by 2030.
- Develop a new legal framework and amend the Land Act to facilitate effective land management and administration.

### 3.5.5 Key Strategies

- Maximize the economic potential of limited land resources by promoting efficient, value-driven land use practices across all sectors.
- Enhance land governance through the digitalization of land administration systems, ensuring accuracy, transparency, and ease of access for stakeholders.
- Safeguard ecologically sensitive areas by implementing protective measures and integrating environmental considerations into all land management decisions.
- Strengthen institutional frameworks and human resource capacity to ensure more responsive, efficient, and people-centred service delivery in land alienation and tenure processes.

### 3.5.6 Investment Priority Areas

- Establishment of an integrated Land Data Information System with periodic updates.
- Regularization of Land and Clearance of Land titles.
- Facilitation of development programmes by fast tracking the land acquisition process

## 3.6 Irrigation Sector

### 3.6.1 Overview

Sri Lanka's irrigation sector plays a pivotal role in ensuring national food security, rural livelihoods, and climate resilience. With approximately 60 - 65 percent of cultivated land reliant on irrigation, the sector directly supports over two million farming families and contributes significantly to the country's agricultural GDP.

Over the past decade, global water consumption has risen markedly, largely due to population growth and increasing demand from agriculture, industry, and domestic users. This trend holds true in Sri Lanka, where water resources are under mounting pressure.

The irrigation sector in Sri Lanka contributes significantly to the economy by providing water not only for crop cultivation but also for domestic and industrial purposes, livestock development, inland fisheries, hydropower generation, and eco-tourism. Moreover, it plays a critical role in enhancing environmental sustainability, supporting biodiversity, and replenishing groundwater.

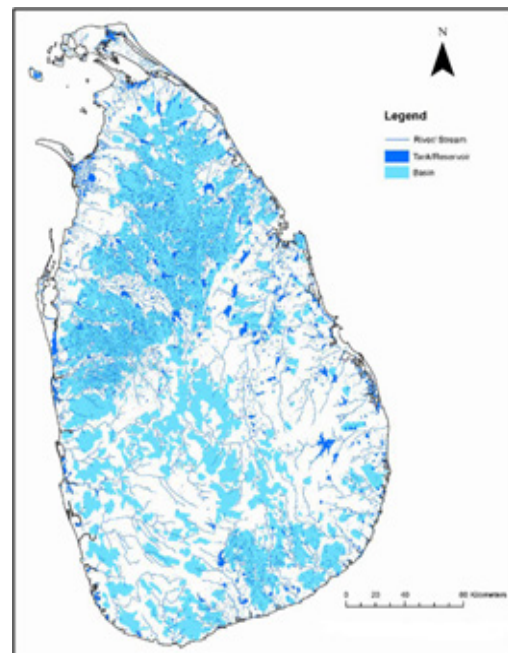
In response, public investment in the sector has focused on the rehabilitation and modernization of irrigation systems, adoption of climate-resilient technologies, and improved governance of water resources. Strategic planning is now oriented towards integrated water resource management (IWRM), sustainable land and water practices, and greater community participation. Strengthening the sector is not only essential for agricultural development but also for meeting national objectives related to climate adaptation, rural development, and the Sustainable Development Goals.

Table 1.1.1: Existing Irrigation Network of the Country

Scheme	No. of Scheme	Irrigable Extent (ha.)	Capacity (MCM)
Major and Medium Irrigation Schemes Including Lift & Flood Protection & Drainage Schemes	520	453,978	8,334
Minor Irrigation Schemes (Tanks and Anicuts)	29,369	311,195	1,400
Total	29,886	765,173	9,734

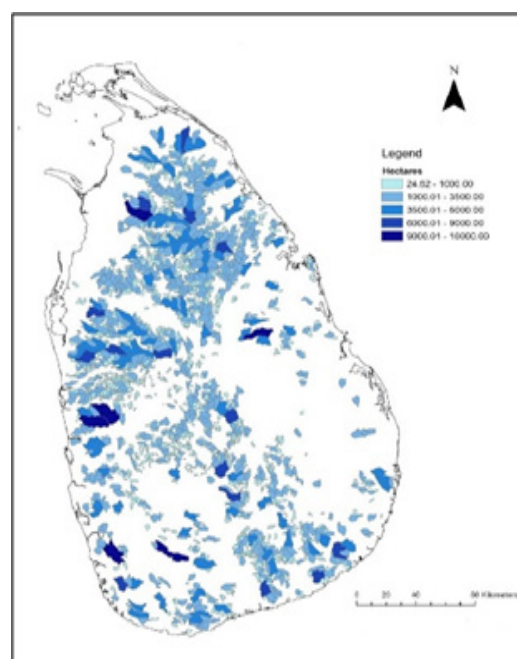
Sources: Department of Irrigation, S.L. Mahaweli Authority & Department of Agrarian Development

### Water Conservation Zones



Source: National Physical Planning Department

### Water Resources—Cascades Development



Source: National Physical Planning Department

### 3.6.2 Issues and Challenges

- **Competing Water Demands Across Sectors:** The prioritized allocation of water is increasingly difficult due to rising and often conflicting demands from the domestic, agricultural, energy, and industrial sectors.
- **Regional and Seasonal Variability in Water Availability:** Significant spatial and temporal disparities in water distribution across the country have made effective water management challenging, with substantial volumes often draining into the sea unused.
- **Low Water Use Efficiency in Irrigation Systems:** Inefficient water management practices and poor conveyance infrastructure contribute to low productivity in water usage within many irrigation schemes.
- **Poor Operation and Maintenance of Infrastructure:** Inadequate or inefficient operation and maintenance of irrigation infrastructure, compounded by limited financial allocations, have led to the progressive deterioration of irrigation systems.

- Degradation of Watersheds and Increased Siltation: Insufficient protection of upstream watersheds caused by deforestation, inappropriate cultivation, and unsustainable land use in highland areas has resulted in significant siltation of reservoirs and canals, reducing their capacity and efficiency.
- Limited Private Sector Engagement: There remains a lack of robust frameworks and incentives to encourage greater private sector participation in irrigation investment, innovation, and service delivery.

### 3.6.3 Policy Direction

- Ensure reliable and equitable water availability by providing adequate and timely water supply to irrigated agriculture and other competing sectors in line with national priorities.
- Enhance water productivity and efficiency through improved irrigation practices, modern water management technologies, and demand-responsive allocation to meet the growing pressure on limited water resources.

### 3.6.4 Medium Term Targets

1. Decrease the volume of runoff water discharged into the sea from 26,500 mcm to 22,500 mcm by the year 2030.
2. Enhance water use efficiency from the current around 35 percent to at least 50 percent by the year 2030.
3. Increase cropping intensity in major irrigation areas from 170 percent to over 200 percent, and in other schemes from 90 percent to 150 percent, by the year 2030.

### 3.6.5 Key Strategies

- Maximize the efficient utilization of available water resources to reliably meet current and future water demand.
- Reduce regional disparities in water availability to ensure equitable access across all areas.
- Safeguard river basins, watersheds, and catchment areas to maintain ecological balance and sustainable water supply.
- Enhance water use efficiency and productivity while increasing cropping intensity through modern irrigation practices.
- Prevent and mitigate the deterioration of irrigation infrastructure to ensure long-term system reliability.
- Develop and implement effective water allocation and management frameworks, promoting strong coordination among all stakeholders.
- To maximize the benefits of irrigated water, provide the necessary facilities to support the development of suitable economic activities.

### 3.6.6 Investment Priority Areas

- Technology improvements in effective water resources management, efficient water conveyance and reduce water wastage.
- Rehabilitation and maintenance of irrigation infrastructures to maintain their healthy operational potentials.
- Investment in flood mitigation and reduce unexpected water induced disasters.
- Development of new water resources to address regional water imbalances and promote economics prosperity.
- Cascade System enhancements aimed at fostering economic and social advancement.

# 04

Broadening Horizons:  
leveraging Industry, Trade,  
Investment and Tourism  
for Inclusive Growth

Explores the strategic pathways to drive sustainable economic development by strengthening industrial capacity, enhancing trade competitiveness, attracting quality investment, and unlocking the potential of tourism. This approach aims to create broad-based opportunities, reduce regional disparities, and ensure that growth benefits all segments of society. This integrated vision sets the foundation for a resilient, inclusive, and forward-looking economy

## 4.1 Industry

### 4.1.1 Overview

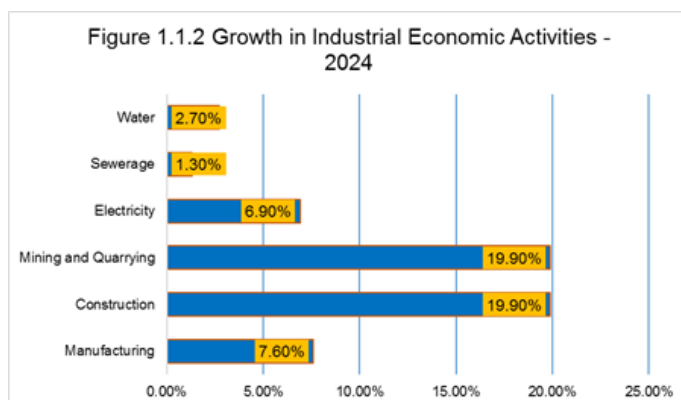
The industrial sector in Sri Lanka plays a pivotal role in the country's economic architecture, contributing significantly to national output, employment, and export earnings. Despite being overshadowed historically by agriculture and services, industry has gained prominence, especially in the context of economic modernization and global integration in past decades. Furthermore, Sri Lanka's strategic geographical location along key international maritime routes presents a significant advantage for the domestic industrial sector to integrate with global supply chains.

As in the past, the industrial sector continued to play a vital role in the national economy in 2024, accounting for approximately 25.5% of the Gross Domestic Product (GDP), 25.5% of total employment, and Table 1.1.1: Industrial Sector Performance 2019-2024

Indicator	2019	2020	2021	2022	2023	2024
Share of GDP	27.4	28.2	29.9	29.8	25.8	25.5
Sector Growth rate	-4.1	-5.3	5.7	-16.0	-9.2	11.0
Industrial exports (Rs.bn)	1,685.4	1,418.6	1,930.5	3,375.8	3,038.6	3,004.7
Textiles and Garments	1,000.7	817.6	1,081.1	1,922.0	1,598.9	1,528.5
Other Industrial Products	684.7	601.0	849.4	1,453.8	1,439.7	1,476.2
Industrial exports (As a % of total exports)	79.0	76.3	77.6	79.7	77.9	77.9
Employed population (number)	2,258,421	2,152,746	2,109,482	2,158,199	2,043,154	2,017,050
Employed population (%)	27.6	26.9	26.0	26.5	25.5	25.5

Source: Department of Census and Statistics, 2024 and Central Bank of Sri Lanka, 2024

Sri Lanka's economy has endured a tumultuous period over the past decade. From the 2019 Easter Sunday terrorist attacks that crippled the tourism sector, to the COVID-19 pandemic that halted global trade, and the devastating 2022 economic crisis that left the country in political and financial turmoil—each event took a heavy toll on industrial development. However, following this period of adversity, as evidenced in Table 1.1.1, the country's industrial sector has shown signs of resilience and recovery, backed by targeted government initiatives, international support, and private sector adaptability.

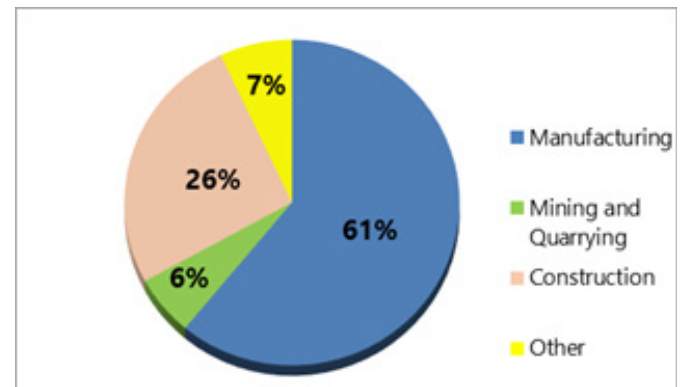


Source: Department of Census and Statistics, 2024, Sri Lanka

As illustrated in Figure 1.1.2, the industry sector, which includes manufacturing, construction, and energy, witnessed significant recovery in 2024. According to official figures, industrial growth rate surged by 11% in that year alone. This growth is claimed to be attributed to several key initiatives: revival of domestic demand, foreign investment in infrastructure, and a renewed focus on local production to replace costly imports.

contributing around 78% to the country's total exports. Table 1.1.1 depicts the performance of country's industrial sector from 2019-2024 period.

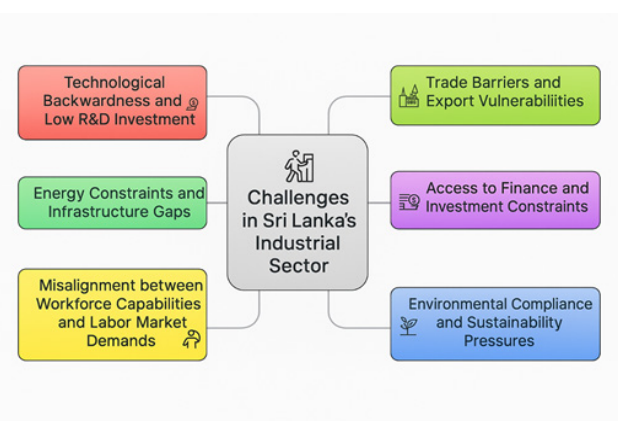
Figure 4.1.1: Industrial Sector Composition in Sri Lanka - 2024



Source: Department of Census and Statistics, 2024, Sri Lanka

### 4.1.2 Issues and Challenges

Despite its current growth, still the industrial sector faces numerous structural and operational challenges that hinder sustainable development and global competitiveness. Some key issues and challenges are as depicted below.



Therefore, to realize the full potential of the industrial sector, Sri Lanka must undertake comprehensive reforms that address both structural and policy-related constraints.



### 4.1.3 Policy Directions

- a. Formulate a Comprehensive National Policy for the Industrial development

Introduce a unified national policy that offers the necessary institutional, financial, technical, and market support to stimulate industrial progress.

- b. Stimulate Investment and Entrepreneurial Activity

Promote an investment-friendly climate that attracts both local and international investors, while nurturing entrepreneurial ventures and innovation.

- c. Ensure Access to Essential Infrastructure

Provide affordable and efficient infrastructure—such as power, transport, communication networks, financial systems, and other key services—to underpin industrial development.

- d. Promotion of export-oriented service industries alongside the reinforcement of domestic industries

Boost the development of export-focused service sectors, while also reinforcing and modernizing industries that serve the domestic market.

- e. Diversification of products and services driven through research and development outcomes

Expand the range of goods and services by utilizing the findings and innovations emerging from research and development efforts.

- f. Promote Environmentally Sustainable Practices

Encourage the adoption of eco-friendly and sustainable industrial practices to ensure long-term environmental and economic resilience.

- g. Improve Market Operations and Transparency

Strengthen the functioning and openness of supply chains and markets to increase competitiveness and accountability.

### 4.1.4 Medium Term Targets

Indicator	Baseline	Targets	
		2028	2030
Ranking of the 'Competitiveness Index'	84th place out of 140 countries (2019)	81	79
Ranking in the 'Global Startup Ecosystem Index'	83rd place out of 100 countries (2023)	79	75
Boost industrial merchandise export based earnings (US\$ Bn)	11.85 in 2023	13	15
Industry Manufacturing sector contribution to GDP	19.59%(2022)	21%	25%
Percentage of medium and high-tech products	10.04 % (% Manufactured Exports)	13%	15%
Gross Value Addition (GVA) in the Industrial Economic Activities (as a percentage of GVA of Total Economic Activities)	27%	28.5%	30%

### 4.1.5 Key Strategies

Key strategies corresponding for policy directions discussed in section 1.3 could be identified as follows.

- a. Formulate a Comprehensive National Policy for the Industrial development

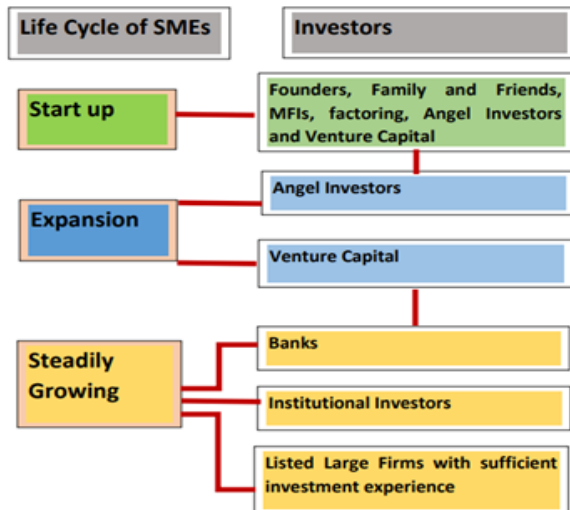
- Establish and enforce cohesive policies, governance structures, and institutional systems to support the industrial sector.

- Create a supportive tax and legal framework along with operational assistance to encourage productive growth and attract investment.
- Implement cutting-edge technologies, including the Industrial Internet of Things (IIoT), and expand their application across industries.
  - b. Stimulate Investment and Entrepreneurial Activity
- Develop competitive markets for essential inputs like capital, labor, and land, as well as secondary inputs such as raw materials, components, and utilities, to attract foreign investment.
- Promote collaboration between the public and private sectors through Public-Private Partnerships (PPPs).
- Enhance Sri Lanka's global standing in international indices related to business climate, economic freedom, and anti-corruption efforts.
- Acknowledge and incentivize outstanding entrepreneurial achievements
- Support and expand entrepreneurial opportunities for youth and women.
  - c. Promotion of export-oriented service industries alongside the reinforcement of domestic industries.
- Support and safeguard both traditional industries and emerging start-ups.
- Prioritize the development of sectors such as agro-based value addition, mineral-based industries, packaging, power and energy, export-oriented businesses, marine services, aircraft maintenance and related services, telecommunications, information technology, construction, and transportation.
- Streamline processes and remove bureaucratic obstacles that limit access to raw materials and essential inputs for primary and traditional industries.
  - d. Diversification of products and services driven through research and development outcomes.
- Encourage research and innovation focused on enhancing value in industrial processes, while expanding access to and integration with global export markets.
- Create a cooperative framework that connects the government, industry, and academic institutions, following a triple-helix model to drive sustainable growth.
- Enhance the capabilities of the National Intellectual Property Office (NIPO-SL) to support the evolving needs of industries aiming to transition toward Industry 4.0.
  - e. Promote Environmentally Sustainable Practices
- Create a strategic plan focused on promoting environmental sustainability, tackling climate change issues, and reaching key goals that support long-term resilience and skill enhancement within the industrial sector.
- Launch a well-rounded initiative that enables industries to comply with international standards for fair trade, labor quality, and transparency, while advancing efforts toward socially responsible, inclusive, and sustainable practices.
  - f. Improve Market Operations and transparency
- Encourage the growth of an import-substitution industrial sector that can compete on a global scale.
- Implement necessary reforms to enhance access to both domestic and international markets.
- Develop intelligent supply chains and integrate into global value chains.
  - g. Ensure Access to Finance and other Essential Infrastructure
- Enhance infrastructure and essential services including electricity, water and telecommunication to support industrial diversification and innovation, while maximizing the use of current Industrial Estates.
- Promote financial sector growth to increase access to long-term financing.
- Revitalize and reinforce microfinance institutions and expand the range of financial products available in the market.

## Access to Finance for Small and Medium Enterprises (SMEs)

Small and Medium Enterprises (SMEs) is recognized as the backbone of the Sri Lankan economy as it plays a vital role in Sri Lanka's economic landscape, contributing significantly to employment, regional development, and GDP. The SME life cycle typically progresses through three key stages: Start-Up, Expansion, and Steady Growth. Each stage is characterized by distinct funding sources aligned with the enterprise's maturity and risk profile.

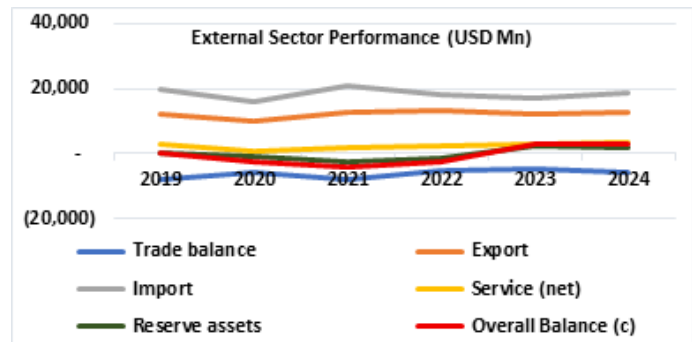
### 4.1.6 Investment Priority Areas



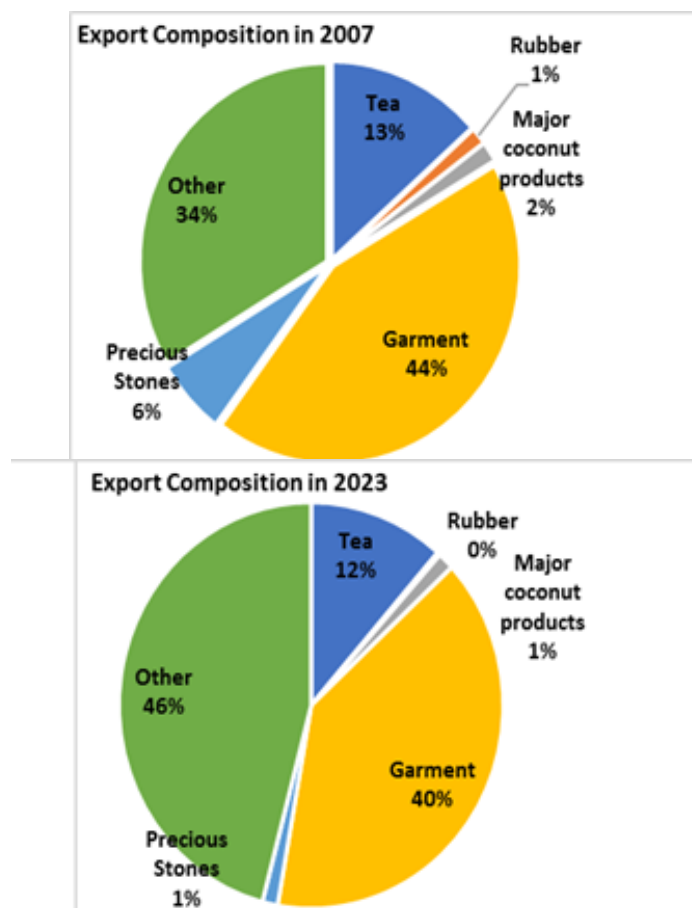
## 4.2 Trade and Investment Promotion

### 4.2.1 Overview

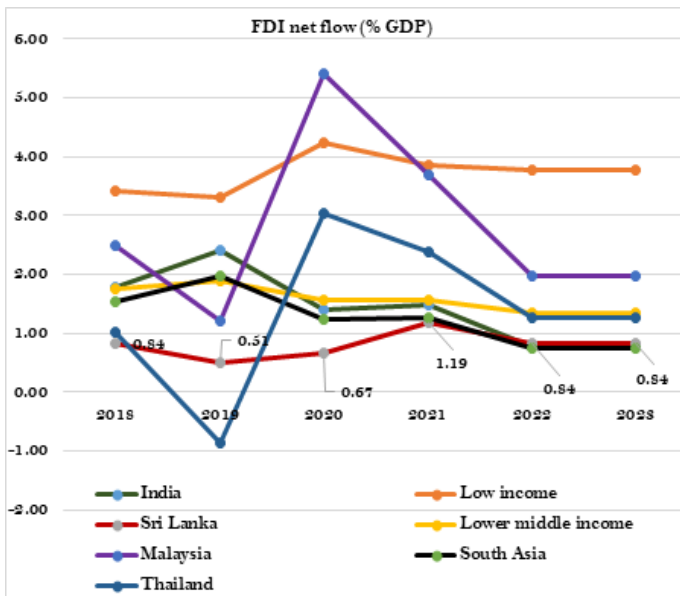
Before the economic crisis and the COVID-19 pandemic, Sri Lanka experienced overall economic growth, which was accompanied by a steady increase in imports in line with GDP expansion. However, export growth has consistently lagged behind that of peer countries in Asia. The Sri Lankan economy remains largely inward-oriented, with export performance remaining notably weak.



Sri Lanka's trade performance over 2023 and 2024 reflects a mix of resilience and ongoing challenges. Merchandise exports fell to US\$ 11.91 billion in 2023, a drop of 11.25%, but rebounded in 2024 with a 7.2% increase to US\$ 12.77 billion. Services exports also grew steadily, rising from US\$ 3.2 billion in 2023 to US\$ 3.47 billion in 2024, driven by ICT/BPM, logistics, and a recovery in tourism. Overall, total exports climbed from US\$ 15.11 billion in 2023 to US\$ 16.17 billion in 2024. However, the trade deficit widened sharply from US\$ 4.9 billion to US\$ 6.07 billion due to a surge in imports, which rose from US\$ 16.81 billion to US\$ 18.84 billion. Sectoral highlights show rebounds in tea, rubber, and coconut-based products, while apparel, though hit in 2023, showed signs of recovery. Looking ahead, the World Bank forecasts a 3.5% economic growth in 2025, though high U.S. tariffs—especially the 44% imposed on apparel—pose risks. Sustained trade growth will depend on structural reforms and greater export diversification.



Key factors contributing to this low export growth include limited export diversification and the prevalence of anti-export bias across industries. The composition of Sri Lanka's export basket has remained largely unchanged for over 25 years. While many developing countries in Asia and elsewhere have diversified their exports shifting from apparel to more industrial sectors such as machinery, electronics, and chemicals Sri Lanka has not replicated the success of its 1980s apparel boom in other manufacturing sectors. One of the primary causes of Sri Lanka's recent economic crisis was the sharp decline in foreign reserves. This shortage stemmed largely from the country's persistent inability to build reserves through export earnings. To address this, it is essential to develop export-led industries that can sustainably increase foreign exchange inflows.



However, relying solely on domestic investors to meet the total investment requirements for industrial sector development is impractical. Various challenges continue to deter foreign investors from choosing Sri Lanka, making it imperative to create a more conducive and stable investment environment.

#### Doing Business Index in 2023

Indicator	Rank	Score
Overall	99	61.8
Starting a Business	85	88.2
Dealing with Construction Permits	66	72.3
Getting Electricity	89	74.5
Registering Property	138	51.9
Getting Credit	132	40
Protecting Minority Investors	28	72
Paying Taxes	142	59.8
Trading Across Borders	96	73.3
Enforcing Contracts	164	41.2
Resolving Insolvency	94	45

A key reason behind Sri Lanka's limited export diversification is the lack of foreign direct investment (FDI), particularly in emerging industries. On average, Sri Lanka has received less than 1.5% of GDP in FDI, and there has been no significant change in the volume or pattern of these inflows even after the conclusion of the internal conflict in 2009.

#### 4.2.2 Issues and Challenges

- Stagnation in exports and FDI inflows stems from long-standing structural and policy challenges
- Lack of deliberate national efforts to:
  - Diversify exports.
  - Attract and retain foreign direct investment (FDI).
- Key macroeconomic policy uncertainties include:
  - Inconsistent tax policies.
  - Frequent exchange rate fluctuations.
- Poor coordination among firms hampers industrial growth and export competitiveness.
- Legal and administrative systems are:
  - Lengthy.
  - Complex.
  - Burdensome for both domestic and foreign investors.

- Logistical and infrastructure-related barriers also limit trade and investment

#### 4.2.3 Policy Directions

- Establishing a dynamic and healthy environment conducive for investment
- Building a highly innovative and diversified exporting sector by producing high-value goods and services
- Ensuring trade and investment protection measures extended in pursuing the welfare of vulnerable groups
- Increasing export market development and competitive import substitution to improve the balance of payments

#### 4.2.4 Medium Term Targets

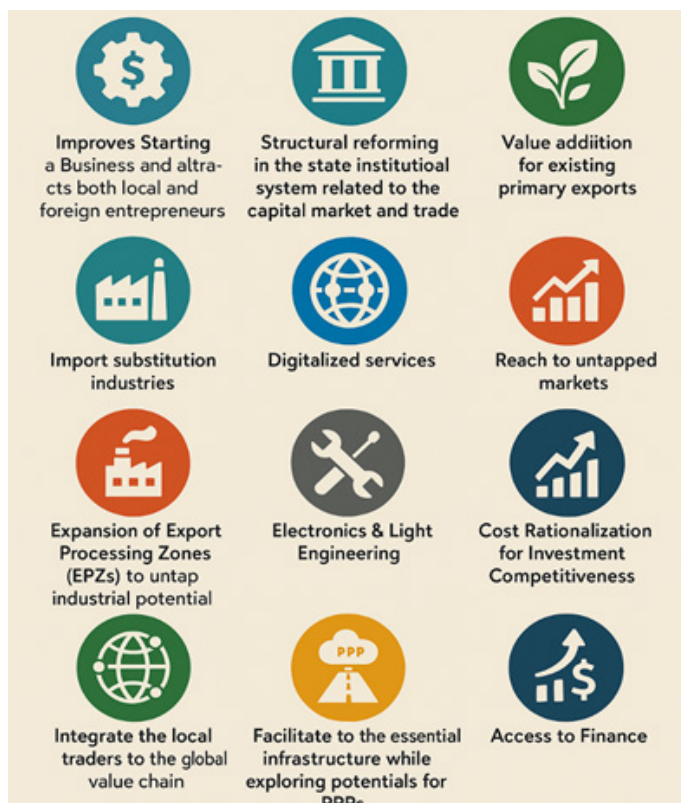
- Create conducive environment to double the FDI inflow
- Double the export revenue by 2030

#### 4.2.5 Key Strategies

- Ensuring a stable, predictable, and investor friendly macro-economic and policy environment
- Establishing efficient institutional environment that facilitate both local and foreign investment
- Ensuring ease of entering into new businesses and finding locations
- Ensuring the ability to access utilities conveniently
- Creating required competent workforce
- Promoting venture capital funds for new investment opportunities
- Improving capital market efficient & productive
- Promoting long-term foreign investments in public- private - people partnerships (PPPP) by prioritizing important sectors
- Developing capacities of the economic agents to position themselves and participate favourably in the global value-chain
- Expanding production and value addition in key exporting products, especially agricultural commodities
- Promoting and providing necessary facilities for value added re-exports and entrepot trading activities while protecting the brand identity and good image of Sri Lanka
- Ensuring continuous supply of high-quality goods and services to the public at fair prices through promoting market competitiveness, directing monitoring institutions efficiently, organizing market activities and representing government stake in operations
- Strengthening anti-dumping laws and introducing fair-trade laws
- Expanding existing trade/investment agreements and enter into new agreements with countries where Sri Lanka has trade/investment potentials
- Providing online trade facilitation to support traditional and non-traditional exports
- Enhancing domestic financial market and financial literacy
- Introducing innovative financial models for micro, small and medium-scale enterprises' development
- Promoting trade of goods and services by focusing on India, China, Sub Saharan Africa, the Middle East and Europe and especially focusing on global supply and value chain



## 4.2.6 Investment Priority Areas



## 4.3. Tourism

### 4.3.1 Overview

The tourism sector is one of the most dynamic and economically significant industries globally, contributing 10% of the global GDP, reaching a record \$10.9 trillion in 2024. For Sri Lanka, tourism is not only a key driver of economic development but also a vital source of foreign exchange, traditionally ranking as the third-largest contributor. The industry reached a peak in 2018 with 2.3 million tourist arrivals generating USD 4.3 billion in revenue. However, a series of crises—including the 2019 Easter attacks, the COVID-19 pandemic and economic downturn in 2022—severely disrupted this trajectory. Despite these setbacks, Sri Lanka remains uniquely positioned to revitalize and transform its tourism sector into a modern, sustainable, and inclusive industry. With its rich cultural and natural heritage—including eight UNESCO World Heritage Sites, exceptional biodiversity, and 1,585 km of scenic coastline—combined with the renowned warmth and hospitality of its people, Sri Lanka offers a compelling and memorable experience for travelers. Its strategic location in the Indian Ocean, at the crossroads of major air and sea routes and near a burgeoning middle-class market of over three billion people in the Indian subcontinent, further enhances its potential. By leveraging these strengths—natural beauty, cultural wealth, human resources, and strategic investments—Sri Lanka can reposition itself as a premier global destination, driving economic resilience, fostering community well-being, and delivering unforgettable travel experiences.



## 4.3.2 Issues and Challenges

- Weak Governance and Coordination
  - Ineffective tourism governance structures hinder smooth implementation of development plans.
  - Poor inter-agency coordination across supporting sectors.
- Endangered and Underutilized Tourism Assets
  - Environmental degradation and lack of protection for natural and cultural attractions.
- Limited Market Access and Poor Destination Marketing
  - Weak branding and insufficient promotion reduce global competitiveness.
  - Lack of data-driven marketing strategies.
- Insufficient Investment
  - Low private sector confidence due to economic instability.
  - Inadequate funding for innovation and diversification.
- Skills Shortages and Workforce Challenges
  - Limited access to training and professional development.
  - Low wages and poor working conditions deter skilled labor.
- Inadequate Infrastructure and Connectivity
  - Poor road conditions and limited public transport options.
  - Underdeveloped digital infrastructure affects accessibility and service quality.
- Environmental Degradation
  - Over-tourism, coastal erosion, and weak regulatory enforcement threaten sustainability.
- Uneven Economic Distribution
  - Tourism benefits are concentrated in a few regions, excluding many local communities.
- Over-Reliance on Traditional Attractions
  - Heavy dependence on beaches and heritage sites increases vulnerability to global travel trends.
  - Lack of product diversification and innovation.

### 4.3.3 Policy Directions

- Visionary leadership and Governance, strategic approach, and holistic economic development
- Sustainable usage of natural and cultural resources
- Developing human resources for the tourist industry
- Development and standardizing of new tourist products
- Strategic destination marketing

### 4.3.4 Medium Term Targets

- Increase tourist arrival to 5mn by 2030
- Increase tourism revenue to USD 10 bn by 2030
- Increase receipts Per Tourist Per Day to USD 250
- Enhance direct employment in the Tourism sector to 600,000
- Improve Tourism Competitiveness Index rankings to Top 50

### 4.3.5 Key Strategies

- Ensuring strong governance and strategic direction in Tourism.
- Promoting sustainable usage of natural and cultural resources.
- Enhancing Human Capital and Research in Tourism and Hospitality Sectors.
- Enhancing Tourism Infrastructure and Product Diversification.

4.3.6 Investment Priority Areas

Investment Priority Areas in the Tourism Sector of Sri Lanka, focusing on areas that can unlock economic growth, improve competitiveness, and promote sustainability. Following are the investment priority areas.







05

Infrastructure, “Connectivity,  
Resilience and Growth”

The infrastructure sector is a cornerstone of national development, driving economic growth, social equality and environmental sustainability. It encompasses vital areas such as transport, ports and shipping, aviation, energy and other essential service. Investments in this sector enhance connectivity, improve access to basic services support trade and industrialization, boost economic activities and thereby uplift living standards across the country.

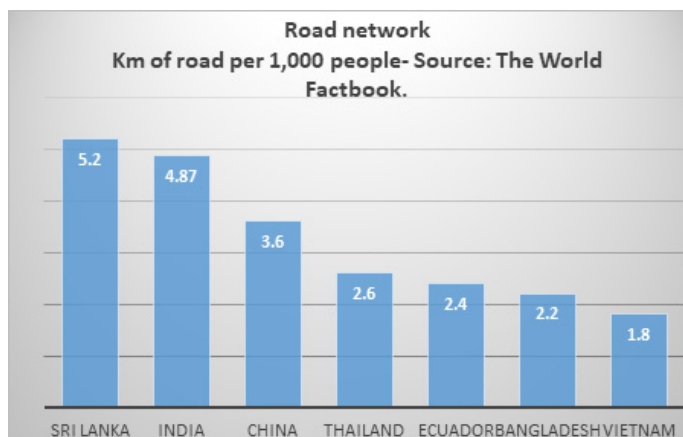


## 5.1 Road and Highways

### 5.1.1 Overview

Sri Lanka's extensive road network plays a pivotal role in driving the country's economic development, significantly enhancing the quality of life for its people. Many of the nation's productive sectors are directly or indirectly linked to the road infrastructure, deriving substantial utility and benefits from it. As such, Sri Lanka's road network serves as a vital backbone of the national economy, enhancing urban and rural connectivity, facilitating access to international gateways, and driving trade, mobility, and inclusive development across the country.

In recent years, investments in road infrastructure, have led to expand and modernize the road network thereby, significant improvements in transportation. Moving forward, efficient and effective allocation of financial resources is essential, with a focus on prioritizing development projects that bring the greatest economic and social benefit to Sri Lanka.



Road Classification	Length (km)	Condition
National Highways (A & B Class)	12,880	Nearly all paved
Provincial Roads (C & D Class)	18,900	67% paved
Local/Rural Roads (R Class)	88,200	13% paved and in good condition
Source	WB-ICDP, 2021	

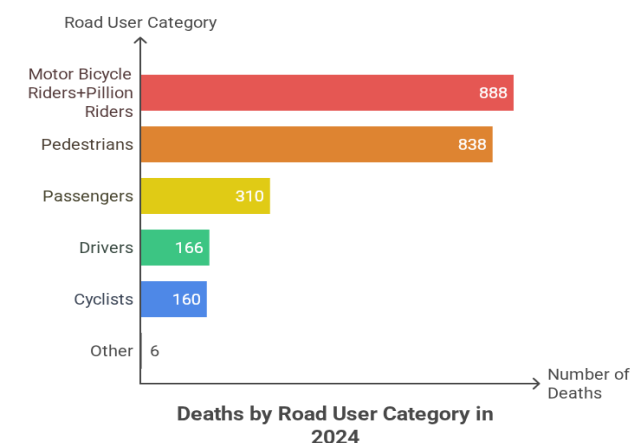
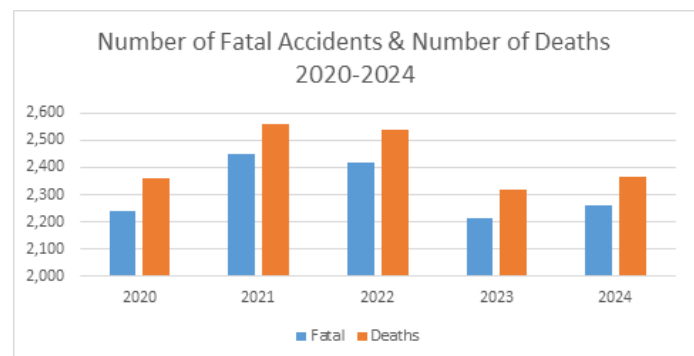
### 5.1.2 Issues and Challenges

Sri Lanka's road network faces maintenance issues, safety concerns, and poor rural connectivity, which limit economic and social development. Financial constraints and environmental challenges hinder infrastructure progress, while the transport sector urgently needs to adopt digital technologies for improved efficiency.

- Many roads in Sri Lanka suffer from poor upkeep, including potholes, uneven surfaces, and inadequate drainage systems.
- The country faces a high rate of road accidents and fatalities, primarily due to reckless driving and weak traffic rule enforcement.
- Poor road connectivity in rural and remote areas hinders economic growth, social development, and access to essential services like transportation, healthcare, and education.
- Environmental concerns are intertwined with the road network challenges.
- Inefficient resource mobilization pose a major challenge for critical infrastructure projects, impacting both new construction and the effective maintenance of existing roads.
- Less attention to provincial, rural and estate roads than national highways, resulting poor connectivity which hinder the economic development.
- Adopting information technology and digital operations is far behind in the roads sector.

### Road Accidents 2020-2024

Year	Fatal	Serious	Minor	Damages	Total	Deaths
2020	2,242	6,949	8,706	5,807	23,704	2,363
2021	2,452	6,669	8,088	5,638	22,847	2,557
2022	2,420	6,206	8,209	5,118	21,953	2,540
2023	2,214	6,673	9,492	6,498	24,877	2,321
2024	2,262	6,754	9,944	5,629	24,589	2,368
Total	4,476	13,427	19,436	12,127	49,466	4,689



Source - Sri Lanka Police

### 5.1.3 Policy Directions

- Take every measures to enhance road safety.
- Continuous investments on road maintenance.
- Continuous investments to implement measures to reduce traffic congestion.

### 5.1.4 Medium Term Targets

Area	Medium-Term Target (2030)
1.Connectivity to Key Economic Hubs	Ensure 100% of industrial zones, ports, airports, and logistics hubs are linked by 2030
2. Road Safety	Reduce fatalities to below 10 per 100,000 population by 2030 from 11.1 per 100,000 in 2021 (Source – WHO)
3. Preventive Maintenance Coverage	Achieve 100% preventive maintenance coverage for A- and B-class roads
4. Climate-Resilient Road Design	Ensure application of 100% Disaster Risk Reduction (DRR) measures for newly built roads
5. Rural and Provincial Road Upgrades	Upgrade over 100,000 km of rural and provincial roads under integrated development plans by 2030

### 5.1.5 Key Strategies

- Implement a systematic, nationwide routine and periodic road maintenance program to extend road life and safety
- Secure sustainable funding sources dedicated to ongoing road maintenance efforts
- Improve road safety measures to reduce road accidents
- Enhance the capacity of road networks and implement effective traffic management measures, particularly in high-demand urban areas.
- Provisioning of infrastructure for safe cycling and walking
- Develop a rural road maintenance mechanism with selection criteria to improve connectivity without excessive expansion, supporting equitable growth
- Introduce proper mechanism for maintenance of estate roads
- Adopt green concepts to roads and highway sector
- promoting non-motorized transport

### 5.1.6 Investment Priority Areas

- Ensure effective routine and periodic maintenance of expressways (E class), national highways (A and B class), and provincial roads (C and D class) to preserve road standards and improve safety.
- Enhance road safety through infrastructure improvements at high-risk locations, coupled with stricter enforcement of traffic regulations and awareness campaigns to encourage disciplined driving behavior.
- Identify and prioritize rural and estate roads requiring urgent repairs, and implement a phased rehabilitation and sustainable maintenance program based on a structured priority list.
- Upgrade critical road infrastructure at key tourism destinations across the country to enhance accessibility and support tourism-driven economic growth.
- Introduce targeted interventions to ease urban traffic congestion, enhancing travel efficiency and minimizing time delays.
- Completion of the stalled and critical road projects.
- Construct dedicated and safe cycling lanes within major cities and from suburban areas to city centers, especially in zones affected by heavy traffic congestion, promoting non-motorized transport and reducing emissions.
- Engage local residents in the monitoring and auditing of road and bridge construction and rehabilitation projects, ensuring transparency, accountability, and community ownership in transport infrastructure development.

## 5.2 Land Transport

### 5.2.1 Overview

The transport sector plays a significant role in national development by improving connectivity, reducing travel time and costs, and driving economic growth. Its close linkage with key sectors such as trade, tourism, and logistics highlights the importance of integrated and well-planned interventions. While the country has made significant investments in public transport infrastructure, particularly in roads, there remains substantial potential to enhance public transport services, enabling a greater shift towards sustainable mobility and increased passenger market share.

Sri Lanka's vehicle population has continued to rise, reaching 380 vehicles per 1,000 people in 2023, with a majority being private vehicles. This sharp increase since 2001 has placed considerable pressure on road infrastructure and environmental sustainability. Despite increasing passenger demand, the quality of public transport has not kept pace, leading to a decline in its modal share. Enhancing public transport is essential to achieving a more sustainable and efficient urban mobility system.

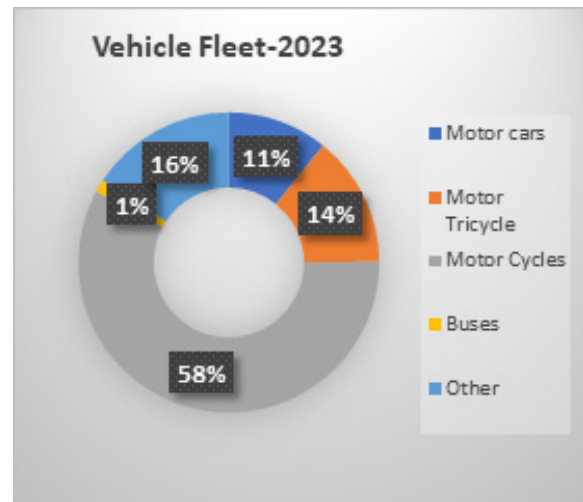


Figure 1.2- Vehicle Fleet (National Transport Statistics 2024)

Buses are the main mode of public transport provided by both the government and private operators. Around 27,313 buses are actively engaged in public transportation operating around 908 million kilometers of distance with 38,038.57 passenger kilometers per year (2023).

Though the passenger transport share is lower at 4.7 levels, trains run around 10.7 million kilometers per annum with 7,043.99 million passenger kilometers, operating 290 passenger trains per day (2023). The Sri Lankan railway system is facing significant challenges due to its aging infrastructure, including aged rolling stock and a large portion of dilapidated tracks. This situation has necessitated speed restrictions across the network, which affects efficiency, and is further worsened by various faults in the signaling system. Collectively, these issues severely hinder the railway's capacity to deliver the reliable and efficient service passengers expect.

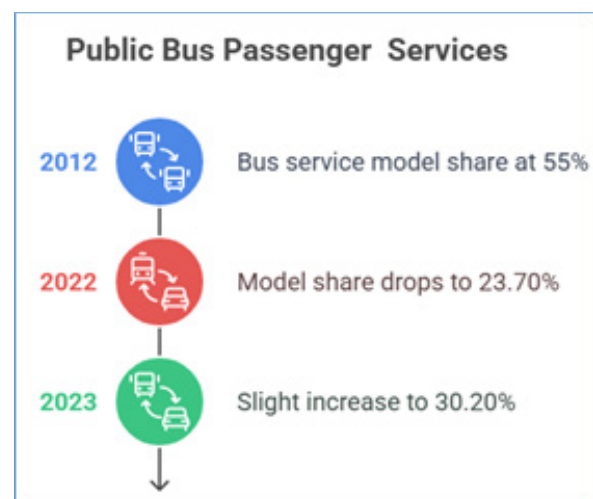


Figure 1.3- Changes of Bus Service Model Share (National Transport Statistics 2024)

### 5.2.2 Issues and Challenges

The current land transport sector, despite being a key driver of economic growth, is facing a range of challenges that threaten its sustainability from economic, social, and environmental perspectives.

1. Overcrowding, frequent delays, uncomfortable vehicle fleet, lack of intermodal connectivity, and a fragmented operational system in bus transport sector contributing to reduced passenger demand and financial instability.
2. The age analysis of locomotives of the Railway Department reveals that the majority (113 locomotives) is 40 years or older, followed by 66 locomotives aged 10-19 years, 48 locomotives aged 0-9 years, 34 locomotives of unknown age, and 20 locomotives aged 30-39 years. Furthermore, outdated signaling systems, limited track capacity, frequent service disruptions, and low-quality service in the railway sector further deteriorate the overall performance of the railway service.
3. Heavy reliance on fossil fuels, contributing to environmental degradation and economic vulnerability.

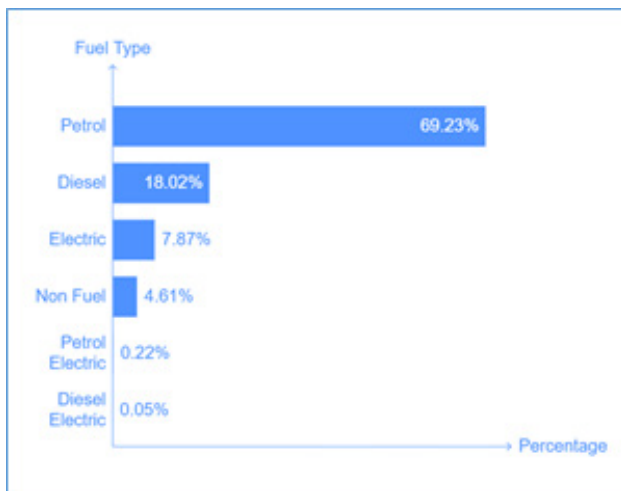


Figure 1.4- New registration of vehicle by fuel type (National Transport Statistics 2024)

4. Deteriorating/weak infrastructure, leading to congestion, increased travel times, higher vehicle operating costs, and a high rate of road accidents.
5. Lack of real time data capturing, information sharing and data analysis hindering effective transport planning and management.
6. Inadequate regulation and lack of enforcement of road rules on passenger transport services, resulting in inefficiencies and safety concerns.
7. Resource limitations and maximize the existing resources, specially financial resources for the investments in transport sector

### 5.2.3 Policy Direction / Priority Areas

Aiming at meet the recurring and emerging future passenger and goods transport demand while transforming the sector into a quality, safe, reliable and affordable, widest possible mode mix and technological innovation in order to provide mobility requirements.

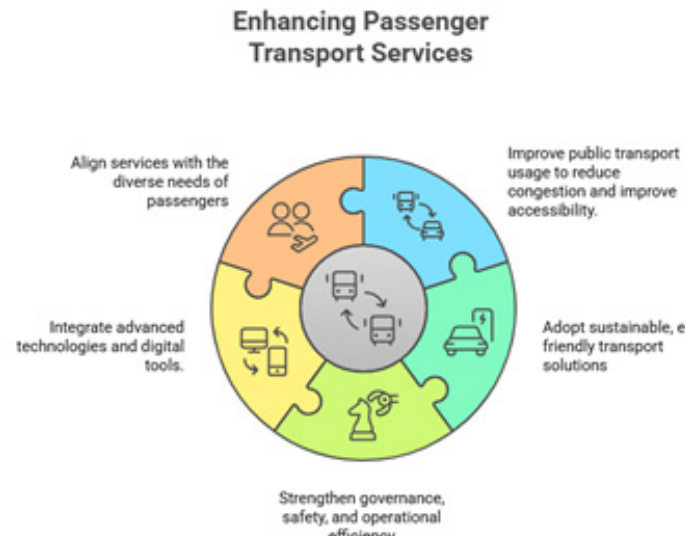
### 5.2.4 Medium Term Targets

Table 1.1- Medium term target

Area	Baseline 2023	Medium Term Target (2030)
Public transport modal share	30.20%	35%
Railway passenger share	4.7%	6%
Freight carried by rail in a Year (ton millions)	1.99	2.5

### 5.2.5 Key Strategies

- Improve the capacity and level of services in the public transport particularly for passenger transport and thereby promote modal shift from private to public transportation.



- Enhance coordination and integration across all modes of transport with safe parking facilities
- Enhance safety standards through comprehensive and enforceable measures.
- Formalizing para-transit services, Improve operational efficiency and regulatory mechanisms
- Promote people-centric planning and decision-making processes.
- Modernize the transport sector by introducing new technologies, digitally empowered systems, robust research and development.
- Strengthen institutional frameworks and Invest in human resource development
- Facilitation and encourage of private investments.
- Provide inter modal inter-connectivity and facility enhancement in the transportation
- Develop an integrated logistics network and fostering private sector participation through supportive policies and reforms
- Promote sustainable and environmental friendly practices.

### 5.2.6 Investment Priority Areas

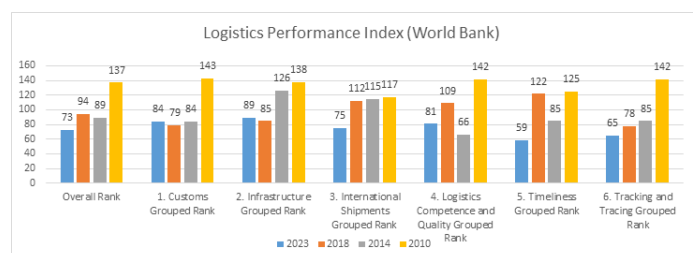
Investment priorities reflect a commitment to a balanced, sustainable, and technologically advanced transport system that underpins Sri Lanka's socio-economic development.



- Upgrade rail infrastructure (track expansion, automatic signaling) and procure modern rolling stock to increase frequency, reliability, and capacity, focusing on urban areas.
- Invest in modern, user-friendly, public transportation for enhance passenger mobility.
- Rehabilitation of existing rolling stock and maximize the utilization
- Develop bus and train stations to provide required facilities for the passengers to promote compatible and efficient transfers between different modes
- Implement intelligent traffic management, real-time updates, smart parking, and dedicated bus lanes in populated areas to enhance flow and reduce congestion.
- Investing in safe urban and semi-urban cycling lanes, integrating cycling infrastructure into new roads, providing cycle parking at key hubs, and constructing shaded pedestrian lanes.
- Investing in ICT solutions and regulatory frameworks across all transport sub-sectors for enhanced planning, operations, public information, data management, and national transport database development.
- Prioritize consistent R&D funding for innovation, new technology adoption, and studies on transport planning, energy use, and environmental impacts
- Prioritize to modify train stations, bus stops, and public transport vehicles for easy accessibility by differently-abled and elderly individuals, including reserved seating
- Enhance capacity on Rail based new technologies for the Colombo and its suburbs.
- Boost efficiency and streamline land transport in the logistics industry. – Land transport in the supply chain , real time tracking and visibility, route optimization, efficient warehouse operations
- Boost efficiency and streamline land transport in the logistics industry by enhancing supply chain operations through real-time tracking, route optimization, and efficient warehouse management.

2024 Throughput at Port of Colombo	
Sri Lanka Port Authority Terminals (SLPA)	2.41 M TEUs
South Asia Gateway Terminal (SAGT)	2.01 M TEUs
Colombo International Container Terminal (CICT)	3.35 M TEUs (highest volume ever achieved by a terminal operator)
<b>Total</b>	<b>7.78 TEUs</b>

World Bank Group – Container Port Performance Index			
Port (Country)	2022	2021	Change
Colombo	28	24	-4
Jebel Ali (UAE)	38	38	0
Khalifa Port (UAE)	3	5	2
Singapore	18	31	13
Mundra (India)	48	48	0



### 5.3.2 Issues and Challenges

1. Sri Lankan ports face challenges like outdated technology, congestion, limited capacity, and competition from regional ports. They also struggle to balance environmental concerns with efficient operations and face institutional and regulatory issues that hinder competitiveness.
2. Limited adoption of cutting-edge technology, lack of digitalization and insufficient investment in state-of-the-art infrastructure hinder operational efficiency and the competitiveness of port services.
3. Port congestion and limited capacity significantly undermine the competitiveness of Sri Lankan ports, leading to delays and reduced efficiency in handling growing volumes of cargo.
4. Rise of other regional transshipment ports in Indian sub-continent
5. Balancing environmental sustainability with maximizing port operations presents a significant challenge
6. Institutional and Regulatory Challenges

### 5.3.3 Policy Directions

Increasing the efficiency and competitiveness of the ports and shipping sector to position the country as the most preferred destination in the region to boost economic growth

- Bring innovation to supply chain
- Establish a smart, tech-driven harbor
- Implement progressive laws and regulations – foster a business friendly environment while ensuring sustainable environmental practices.

## 5.3 Ports and Shipping

### 5.3.1 Overview

Sri Lanka's unique geographical location offers immense potential to establish the country as a maritime hub in the Indian Ocean. Currently, the Port of Colombo plays a pivotal role as a transshipment hub, handling the majority of Indian transshipment cargo. Its strategic position and skilled workforce have propelled the Port of Colombo to rank among the top 30 container ports globally.

### SRI LANKAN PORT OPERATIONS



**COLOMBO**  
MAIN TRANSHIPMENT HUB  
IN SOUTH ASIA



**TRINCOMALEE PORT**  
SERVE AS PRIMARY DRY BULK  
CARGO HANDLER; CATALYST  
FOR INDUSTRIAL DEVELOPMENT



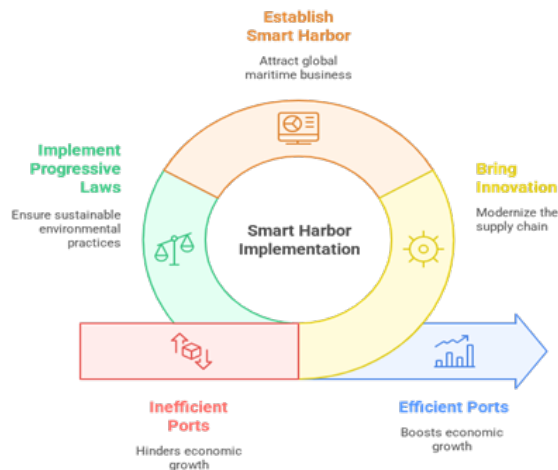
**PORT OF GALLE**  
BOTH BULK CARGO,  
TOURISTIC PORT



**HAMBANTOTA PORT**  
DOMINATE IN RO-RO CARGO HANDLING;  
OPPORTUNITY TO EMERGE AS  
PRIMARY CONTAINER HANDLING PORT  
IN FUTURE



### Enhancing Ports and Shipping Sector



### 5.3.4 Medium Term Targets

Area	2024 Baseline	Medium Term Target (2030)
Port Efficiency	Median port time for container ships: 1.5 days	Reduce to 1.17 days by 2030; aim for quicker turnaround to improve competitiveness
Global Shipping Connectivity	Liner Shipping Connectivity Index (LSCI): 658	Improve to 700 by 2030 through enhanced routes, capacity, and frequency
Global Port Rankings	Colombo ranked 28th in Container Port Performance Index (2022)	Climb to 25th position by 2030 with better operations, digitization, and customer service
Maritime Workforce	16,000 active Sri Lankan seafarers	Increase to 25,000 qualified and globally competitive seafarers
Gender Inclusion	Female participation in transport/shipping: 3.4% (2019)	Increase to 5% through targeted recruitment, training, and inclusive policies
Logistics Performance (Shipping)	International Ship-ment Rank: 75th out of 140 (LPI)	Improve to 70th position, enhancing logistics infrastructure and trade facilitation
Ship Registration & Flagging	No official global ranking	Enter the Top 50 ship registries worldwide by modernizing registry laws and attracting international vessels

### 5.3.5 Key Strategies

- Sustain continuous investments in the Port of Colombo to strengthen its competitiveness, attract major shipping lines, and expand high-value logistics services, reinforcing its role as a regional maritime hub.
- Fostering Public-Private Collaboration through a Dedicated Logistics Dialogue Platform
- Multi-Country Consolidation Services and Value-adding Services
- Enhancing Multimodal Transport solutions and developing Multimodal Logistics Parks
- Capacity Building in Logistics Sector
- Adopting Advanced Technologies and Investing in Green Logistics Solutions

### 5.3.6 Investment Priority Areas

- Streamlining Customs clearance processes and Digitalizing (Development of Custom Inspection Yards, National Single Window System, Port Community System, Truck appointment system, Port Automation)
- Value Adding Services at sea port (Packaging, Labeling, Cold chain logistics, Quality control inspections)
- Prioritize strategic investments aimed at attracting more global shipping lines to Sri Lankan ports (Port Ancillary Services)
- Prioritize targeted investments in the Port of Hambantota to establish a shipping-related industrial zone, focusing on shipbuilding and repair, LPG distribution, and integrated warehousing facilities to position the port as a multi-purpose maritime hub.
- Promote investments in the Port of Kankesanthurai to develop its capacity for dry bulk cargo handling and establish it as a regional commercial port supporting northern economic activities.
- Investing in Key Logistics Projects (Colombo North Port Development Project, Trincomalee based Industrial Estate)
- Investing in Green Logistics Solutions

## 5.4 Aviation

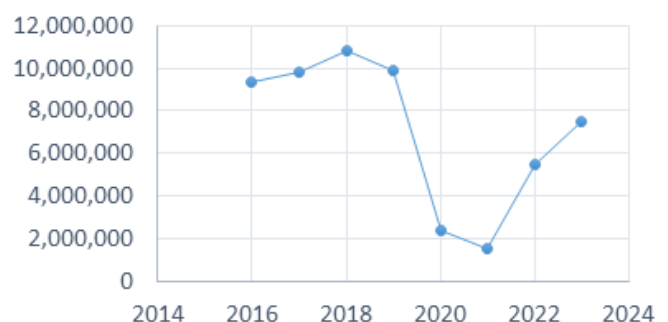
### 5.4.1 Overview

The aviation sector in Sri Lanka serves as a critical enabler for economic growth, tourism, and international trade. It is regulated by the Civil Aviation Authority of Sri Lanka (CAASL) under the Ministry of Transport, Highways, Ports and Civil Aviation. The country's main international gateway is Bandaranaike International Airport (BIA) in Katunayake, while other key airports include Mattala Rajapaksa International Airport (MRIA), Ratmalana Airport, and several regional airports managed by Airport and Aviation Services (Sri Lanka) Limited (AASL). Sri Lankan Airlines, the national carrier, plays a central role in connecting the island to key global destinations, alongside other operators such as FitsAir and Cinnamon Air offering domestic and regional services.

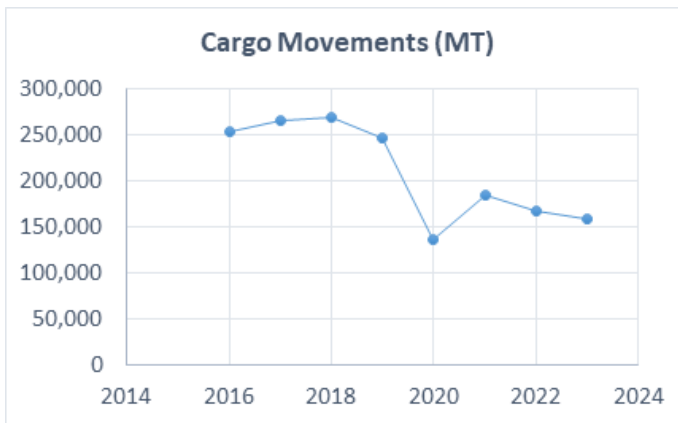
The sector is strategically important for promoting tourism, a major source of foreign exchange, and for facilitating the movement of high-value exports such as apparel and seafood.

Land Aerodromes (14)					
International Airports (5)			Domestic Airports (9)		
Bandaranayake International Airport			Ampara		Katukurunda
Mattala International Airport			Anuradhapura		Koggala
Jaffna International Airport			Trincomalee		Sigiriya
Colombo International Airport Ratmalana			Hingurakgoda		Vauniya
Batticaloa International Airport			Wirawila		
Water Aerodromes (11)					
Batticaloa	Castlereigh	Diyawanna Oya	Koggala	Polgolla	Victoria
Bentota	Dickwella	Kelaniya	Gregory Lake	Tissamaharamaya	

### Passenger Movements





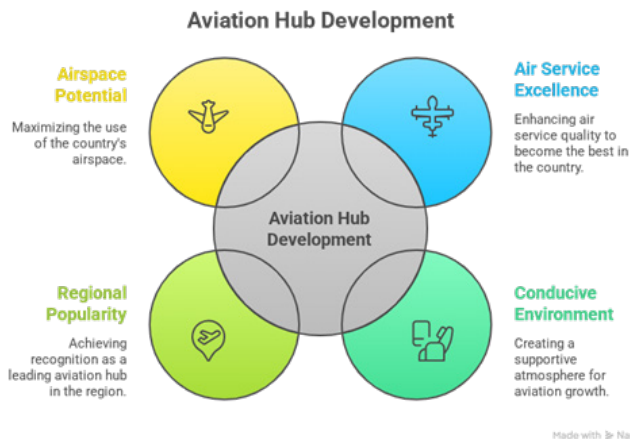


#### 5.4.2 Issues and Challenges

- Sri Lanka's aviation sector faces challenges in capacity, financial sustainability, and competition from regional hubs.
- Limitations in terms of capacity, technology, and facilities are crucial to accommodate growing passenger traffic and improve operational efficiency.
- Challenges in sustainable management practices have impacted the financial performance and long term viability of the aviation sector.
- The best use of airport and airspace capacity (while maintaining more destinations with wider aviation network)
- Competition from the well-established regional aviation hubs for airline traffic.
- Maintaining the fleet in good condition to meet the passenger demand
- Protecting the interests of air travelers as consumers (safety, affordability and comfortability)
- Integrating airports into the hinterland transport network (in terms of freight as well as passenger)

#### 5.4.3 Policy Directions

Transforming the country as the best air service provider while fostering a conducive environment to become one of the most popular aviation hub in the region and tapping the full potential of country's air space.



#### 5.4.4 Medium Term Targets

Area	2024 Baseline	Medium-Term Target (2030)
1. Passenger Throughput	8.88 million passengers	Increase to 15 million passengers annually by 2030
2. Air Cargo Volume	192,498 metric tonnes	Increase by 60%, reaching over 300,000 metric tonnes annually

3. Aircraft Movements	56,289 movements	Grow by 50%, targeting over 85,000 aircraft movements per year
4. Operational Domestic Airports	All major regional airports operational	Ensure at least 6 fully functional domestic airports with regular scheduled flights
5. Airport Infrastructure Modernization	BIA handling 55,848 flights; Terminal 2 construction to begin in 2025	Complete BIA Phase II by 2028; implement smart airport systems at BIA and regional airports
7. Green Aviation & Sustainability	1.3 million tonnes CO <sub>2</sub> emissions by Sri Lankan Airlines	Reduce carbon intensity; adopt sustainable aviation fuel (SAF); implement solar and green airport practices
8. Skilled Workforce Development	6,000–7,000 staff in the sector	Train 2,000+ professionals; establish a National Aviation Training Academy

#### 5.4.5 Key Strategies

- Development and expansion of aviation infrastructure including international airports and domestic aerodromes
- Develop a stable and competitive national carrier that strengthens connectivity and enhances the country's appeal as a premier tourist destination.
- Promote Sri Lanka as a regional transit hub with competitive and efficient aviation auxiliary services.
- Secure existing air routes while proactively identifying and developing new, commercially viable routes to enhance regional and global connectivity.
- Encourage the entry of foreign airline operators as a means to strengthen the tourism industry and support the overall growth and competitiveness of the aviation sector.
- Promote and expand air cargo handling capabilities to position Sri Lanka as a competitive logistics hub in the region
- Ensure an efficient multimodal transport connectivity to aviation sector (i.e. rail and road)
- Introduce proper regulatory and operational environment to ensure domestic air connectivity to major tourist destinations.

#### 5.4.6 Investment Priority Areas

- Expansion of BIA focusing on transforming it into a passenger friendly, attractive facility that meets the standards of competitive airports in the region.
- Develop Jaffna, Hambantota, and Batticaloa international airports into key gateways for tourism
- Strengthen the auxiliary services to attract more carriers.
- Position Mattala International Airport as a regional hub for aircraft maintenance, leveraging its strategic location and infrastructure to attract global aviation services and support industry growth (MRO – Maintenance, Repair and Overhaul)
- Promoting the operation of low-cost carriers to a reasonable extent can significantly enhance the utilization of Sri Lanka's underused international airports, while supporting regional connectivity and boosting tourism growth.
- Sound ground transport networks will be established ensuring seamless travel for tourists to and from all airports and destinations across the country
- Ensure minimum maintenance standards for domestic airports while prioritizing their development for operational usability by private entities.
- Strengthen the facilities for cross-border arrangements

## Logistics as a catalyst for accelerating Sri Lanka's economic growth

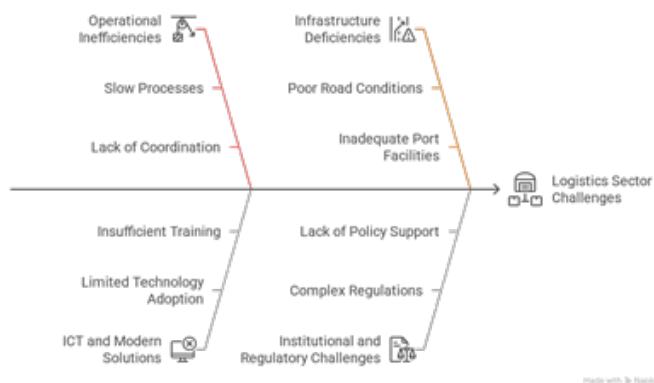
Logistics is the process of coordinating and managing the flow of goods, services, and information from their origin to their final destination. This encompasses a wide range of activities, including multimodal transportation, warehousing, supply chain management, and the exchange of information, ensuring the delivery of high quality goods and services to the end consumer.

### Logistics Contribution to Sri Lanka's Economy



Sri Lanka's strategic location along key marine and air navigation routes

### Analyzing Logistics Sector Challenges in Sri Lanka



in South Asia positions the country as a lucrative destination for logistics and trade. With strategic investments in technology, enhanced multimodal transport systems, and well-crafted policies to attract foreign direct investment while streamlining regulations to address the fragmented logistics sector, Sri Lanka can significantly elevate its status as a global logistics and transshipment hub. Moreover, leveraging its strategic location, Sri Lanka can continue to serve as a critical link in the supply chains of emerging markets across Asia and beyond.

## Opportunities for Growth

- Streamlining Customs Clearance Processes and Digitalizing
- Adopting Advanced Technologies
- Fostering Public-Private Collaboration through a Dedicated Logistics Dialogue Platform
- Multi-Country Consolidation Services and Value-adding Services
- Expand Sri Lanka's export portfolio
- Enhancing Multimodal Transport & Developing Multimodal Logistics parks
- Planning Strategic Port Development

## 5.5 Power & Energy

### 5.5.1 Overview

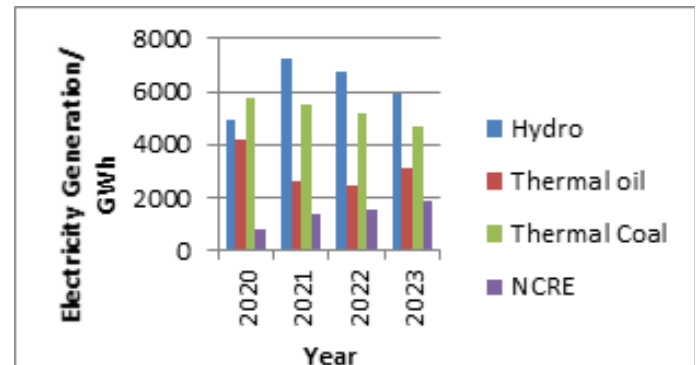
The energy sector plays a vital role in driving modern industrial economies, serving as a powerful engine for economic and social development. Over the past three years, the global energy sector has shown significant positive trends towards renewable energy growth, the rise of electric vehicles, and energy transition policies aimed at reducing carbon emissions and increasing renewable energy shares. Natural gas remains important due to its lower emissions. Energy storage and efficiency have improved,

supporting renewable integration and reducing overall consumption. Despite challenges like geopolitical tensions and infrastructure needs, there are opportunities for innovation and sustainable growth in the sector.

Overall, the performance of the energy sector in Sri Lanka has seen a transition towards cleaner and more diverse energy sources, with efforts focused on reducing dependency on petroleum, increasing renewable energy capacity, and exploring alternative options like natural gas and nuclear power.

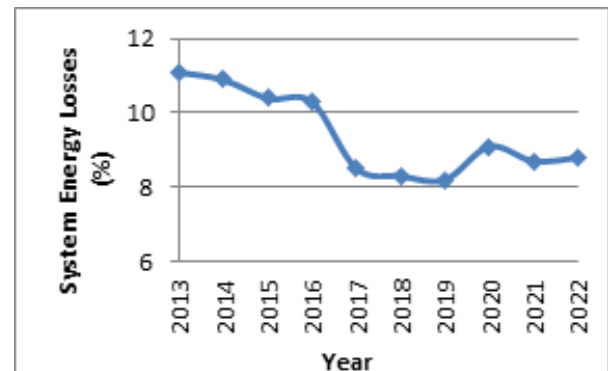
**Electricity Sector:** Sri Lanka's electricity network covers the entire country, providing access to electricity for all. Transmission and distribution losses have significantly improved, dropping from 21.4% in 2000 to 8.72% in 2023 due to efficiency measures. To accommodate a growing share of renewable energy, ongoing network expansions and upgrades such as enhanced substations, transmission capacity, and distribution systems are crucial. Currently, the highest electricity demand occurs during the night peak, but the daytime demand is expected to become prominent in years to come.

Figure: Electricity Generation Mix 2020 - 2023



Source: Statistical Digest of Ceylon Electricity Board 2023 & 2021

Figure: Electricity transmission and distribution losses 2013-2022



Source: Annual Report 2022, Ceylon Electricity Board

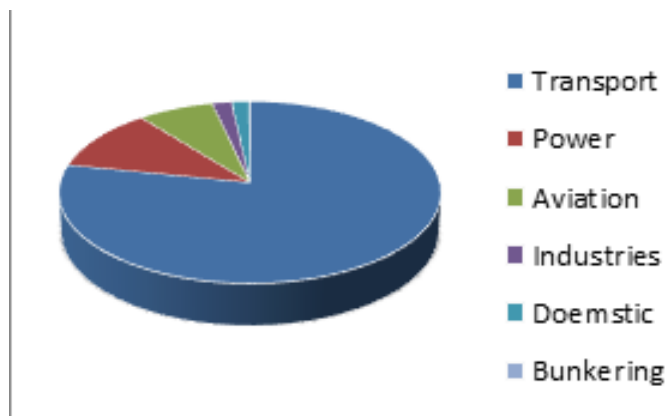
**Upstream Petroleum Industry:** Sri Lanka's upstream petroleum sector is still in the early stages, with no commercial production yet despite promising offshore reserves like the Mannar Basin, which holds an estimated 150 million barrels of recoverable oil equivalent. Around 900 exploration blocks have been opened, but the lack of gas infrastructure remains a barrier.

**Downstream Petroleum Industry:** Sri Lanka's downstream petroleum sector remains import-dependent, with 6.3 million tons of petroleum products imported in 2022 at a cost of USD 4.9 billion. The Ceylon Petroleum Cooperation (CPC) supplies about 60% of the market, observed significant growing private sector involvement in this sector. The petroleum consumption remains concentrated in transport, industry, and households, while coal continues to support thermal power and industrial use.

### Sri Lanka's Strategic Energy Investments through Public-Private Partnerships (PPP)

Sri Lanka is implementing several PPP energy projects led by Ceylon Electricity Board (CEB), Sustainable Energy Authority (SEA), and Atomic Energy Board (AEB). The key developments include two 350MW LNG plants at Kerawalapitiya, both renegotiated due to tax and infrastructure changes, with cost increases of USD 37.83M and USD 35.56M. A 50MW solar project in Trincomalee involves a sovereign guarantee, and 50% of CEB's equity contribution (USD 12.5M) is still outstanding. Other major projects include a 700MW solar plant in Poonakary, a 50MW wind project in Thambapawani, and large solar parks in Siyambalanduwa and Hambantota. Most projects are funded by private investors and have not triggered government guarantees.

Figure: Revenue mix of Ceylon Petroleum Cooperation 2022



Source: Annual Report 2022, Ceylon Petroleum Cooperation

Figure: Average electricity selling price and average electricity cost per unit from 2020 - 2023



Source: Statistical Digest of Ceylon Electricity Board 2023 &amp; 2021

### 5.5.2 Issues and Challenges

The Sri Lankan energy sector faces several interconnected issues and challenges that affect its sustainability, reliability, and affordability.

- Dependence on imported fossil fuels - Sri Lanka's significant reliance on imported petroleum products exposes the country to international price fluctuations and supply uncertainties, posing risks to both economic stability and national energy security
- High costs of energy generation and distribution - The development of new energy infrastructure involves substantial capital investment, including high generation costs, associated transmission infrastructure, ancillary systems, and complex investment planning
- Regulatory and institutional barriers - Policy inconsistencies, frequent regulatory shifts, and administrative delays have impeded the timely implementation of energy sector reforms and project execution
- Limited technological advancement - The adoption of modern and efficient technologies in power generation and distribution is slow primarily due to limited investment in innovation, research and development
- Climate-vulnerable infrastructure - The existing energy infrastructure is increasingly exposed to climate-induced risks such as floods, droughts and storms, underscoring the need for resilience-building measures
- Aging transmission and distribution infrastructure and outdated energy systems - The outdated national grid infrastructure faces capacity limitations, creating bottlenecks in integrating variable renewable energy sources such as solar and wind
- Electricity tariff structure - While there is a need to move towards cost-reflective pricing, such adjustments may adversely affect the affordability of electricity for low-income households, industrial sectors and the export economy. Accordingly, inefficient costs required to be excluded from such tariff structures
- Limited private sector participation - Private investment in electricity generation, distribution and petroleum exploration remains constrained, hindering innovation and limiting access to advanced technologies and finance
- Inequitable access to energy - Ensuring reliable and affordable electricity access remains a persistent challenge particularly in rural, remote, and economically disadvantaged areas.
- Frequent power interruptions - Recurring electricity outages disrupt

economic activities and diminish investor confidence further highlighting the urgency for system upgrades and improved reliability

### 5.5.3 Policy Directions

Energy Security through Innovation and Diversification - Reducing dependence on imported fossil fuels while ensuring a stable, affordable, and sustainable energy supply, driven by innovation and diversification in the energy sector.

- Energy as an essential national service
- Sustainable and secure energy supply and consumption
- Enhancing the share of renewable energy in electricity generation mix
- Energy economy as a source of foreign income
- A secure, sustainable, and user-centric electricity sector
- Assurance of environment sustainability
- Institutional restructuring with a significant paradigm shift in the legislative framework
- Providing opportunities for innovations and entrepreneurship
- Improving energy efficiency and conservation

### 5.5.4 Medium Term Targets

Indicator	2025	2030
Forecasted Average Electricity demand growth Rate	4.5%	5.4%
Renewable energy targets (% of total generation)	55-60%	70%
Energy efficiency - cumulative savings (vs. 2020 baseline)	5%	15%
Battery storage cumulative capacity (MW)	100	1,125
Electrification - % of rural/underserved areas with reliable access	99%	100%
Investments in research & development (Rs. Mn)	650	1,000
Percentage of domestic refinery utilization for the supply of domestic demand	30%	75-80%
Development of strategic petroleum reserves (SPR)- storage capacity (Days )	25-30	45

### 5.5.5 Key Strategies

- Ensure access to reliable and affordable energy for all
- Promote diversification of energy sources while enhancing supply security and implementing effective demand-side management strategies
- Expedite the integration of clean and renewable energy by encouraging increased private sector participation and PPPs, while strategically utilizing the existing grid infrastructure and undertaking necessary upgrades
- Strengthen the grid reliability to provide consumers with improved and dependable energy services
- Ensure the practical adoption of research and development initiatives tailored to local contexts, to support the assimilation of emerging technologies
- Enforce energy efficiency standards and advance public awareness, adoption of energy conservation practices and technologies
- Attract greater investments by streamlining regulatory frameworks and enhancing the ease of doing business to remain competitive in the global energy market

- Guarantee the cost efficiency in average cost & selling prices through effective operational and management mechanisms
- Enhance the upstream and downstream petroleum industry in a strategic manner to obtain benefits in the global market
- Promote the development of Trincomalee into a regional hub for petroleum logistics and bunkering by implementing targeted strategic measures

### 5.5.6 Investment Priority Areas

- Grid modernization and expansion
- Renewable energy development
- Battery storage and grid balancing
- Rooftop solar expansion
- Natural gas and LNG infrastructure
- Energy efficiency and demand-side management
- Hydropower rehabilitation and pumped storage (Maha-oya pumped storage hydropower plant)
- Off-grid and rural electrification
- Strategic petroleum reserves
- Oil refinery modernization
- Fuel distribution network enhancement
- Biofuels and synthetic fuel development
- Exploration and upstream natural gas potential
- Upgrade and utilize the Trincomalee oil tank farm to maximize its economic potential

## 5.6 Water Supply and Sanitation

### 5.6.1 Overview:

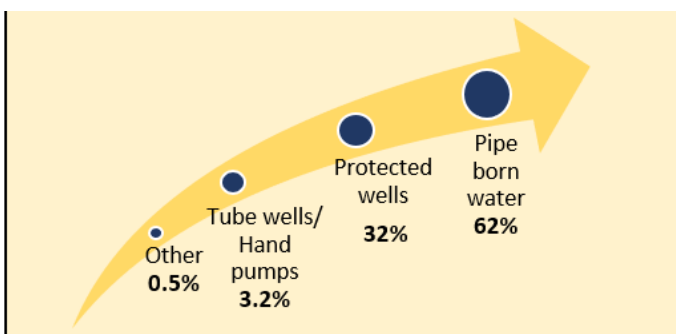
Water, sanitation and sewerage sector plays a crucial role in public health, environmental sustainability, and socio-economic development in Sri Lanka. During the past few years, significant investment has been made to expand access to safe drinking water and improved sanitation facilities across the country. Sanitation coverage has improved remarkably during the past few decades through investment by the Government for promoting household latrines and community awareness. However, challenges remain, for managing water scarcity, improving old distribution networks, inadequate sewerage systems in rapidly urbanizing areas etc.

National Water Supply and Drainage Board (NWSDB), the pipe born water provider supplies 50% of the total population, through 3.1 million water connections and presently operate 342 water supply schemes in the island-wide. The Community Managed Water Supply Schemes, Local Authorities and NGO cover 12.2%, 1%, and 0.2% of the population respectively.

The NWSDB is also in charge of the sewerage system in Colombo and suburbs, Hantane, Koggala, Hikkaduwa, Kataragama and in few housing schemes covering 2.1% of the population with piped sewerage facilities.

The safe drinking water availability in Sri Lanka has materialized the wellbeing of community in terms of quality of life, surpassing other nations in South Asia. The availability of safe water lead increase the sanitation level in country, which is 92% of basic sanitation coverage. The reforms of the sector address water safety, scarcity, and climate change, while focusing on quality control, waste reduction, and equitable access.

Figure 1: Drinking water coverage - 2024



Source: NWSDB data

### 5.6.2 Issues and Challenges

- Depletion of ground/ surface water sources due to excessive extraction for industrial/domestic purposes.
- High-rate of Non-Revenue Water (NRW) due to aging infrastructure with an island wide average of 25% causes high operational cost and lost revenue of NWSDB.

Table 1: NRW in country by 2024

Region	NRW (%)
Western-Central	24.15
Western-South	24.85
Western-North	23.24
Central	30.91
North- Western	19.09
Sabaragamuwa	25.12
Southern	29.86
Uva	25.31
Eastern	19.47
Northern	21.97
North Central	19.31
Island wide	24.80

Source: NWSDB data

- Discharge of untreated / inadequately treated wastewater to external environment making the surrounding unsafe for living organisms and degrades the quality water sources.
- Disruption of water availability due to climate change related extreme weather events such as droughts and floods.
- Absence of private sector investment and participation in water supply development.
- Inadequate access to water supply and sanitation for marginalized population including the estate population.

### 5.6.3 Policy Direction

Sustainable and Equitable Water and Sanitation for a Healthy Nation and Resilient Economy ensuring equitable, efficient, and sustainable management of water resources by adopting an integrated approach that enhances water service delivery, strengthens regulatory enforcement, improves sanitation and preparedness for climate-related water challenges through innovative financing and regulation supported by robust governance mechanisms.

### 5.6.4 Medium Term Targets

Achieve 99% safe drinking water coverage
Reduce non-revenue water coverage to 21 %
Double the pipe sewerage connections
Increase Water recycling
Increase rain water harvesting by four folds
Reduce discharge of un-treated wastewater
Increase estate sector water coverage to 70%
Enhance water quality index to 22%

### 5.6.5 Key Strategies

- Increase water use efficiency to maximize the water utility derived from each drop of water and dissemination of "Zero Discharge Policy" aligning to circular Economics.
- Restoration and conservation of traditional water management practices including restoration and rain water harvesting.
- Complement private entity investments in water supply sector and exploration of innovative financing models.



- Diversification of drinking water sector to include enforceable regulatory mechanisms on cost reflective tariff revisions, establishment of quality standards and networking stakeholder engagement.
- Encourage participatory, community-driven approach with regional specific solutions to motivate marginalized population for drinking water & safe sanitation.
- Implementation of a permit system allowing permitted and regulated wastewater discharges compliance with environmental standards and discharge limits.
- Regulation of water distribution on precise demands among domestic, industrial and irrigable consumption.

### 5.6.6 Investment Priority Areas

- Rehabilitation and Maintenance of Aging Infrastructure: Attentive maintenance and upgrade of existing water supply systems and sanitation services in the country.
- Non- Revenue Water Reduction: Investments to increase water productivity focused with pressure management, active leak detection and meter calibration for the reduction of national NRW percentage at 25%.
- Expand safe drinking water supply: The safe drinking water supply for peri-urban, estate, and rural areas using low-cost, modular technologies such as solar pumping, community tanks etc.
- Service continuity by improving the capacities & efficient utilization of existing infrastructure: Bridging gaps of intermittent water supply, extension services, water quality improvement



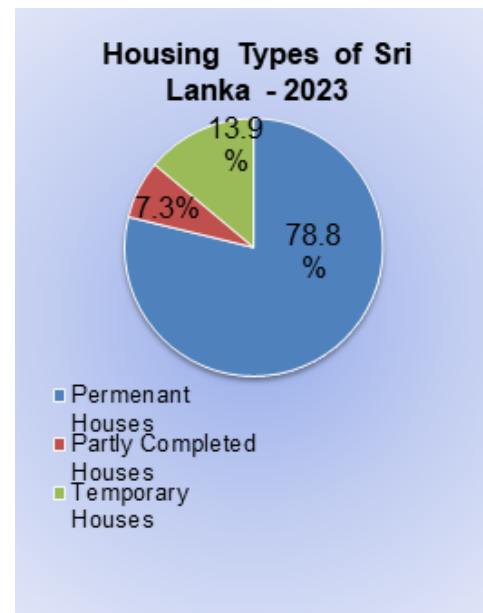
- Conservation of traditional water management including restoration and rain water harvesting: The active networking for water collection, re-charge and sharing.
- Water re-use and recycling: Water use minimization by encouraging water re-use through water recycling mechanisms for potable water.
- Urban sewerage, wastewater management and Fecal sludge management: The regulation of wastewater disposal on accrediting methodological wastewater treatment and reduce the pollution of water ways. Expansion of sewer networks in urban zones, promote fecal sludge management systems and wastewater treatment Facilities including Plantation areas/ estates and marginalized population/community in the country.
- Reposition of water mapping in the country: The update of water maps on existing environment with water demand, conservation of sensitive water resources via sensitivity assessments on par with prevailing climate changes are need to focus.

## 5.7 Housing

### 5.7.1 Overview

In Sri Lanka, many communities' particularly low-income urban and semi-urban settlers, rural poor, and estate sector workers continue to face substantial barriers to accessing adequate and affordable housing. The government's housing policy remains committed to addressing these disparities, prioritizing vulnerable groups through the provision of subsidized housing units, targeted grants, concessional loans, and technical support.

Rapid urbanization and continued urban-rural migration, the demand for housing in urban and semi-urban areas has surged. The current policy emphasizes the construction of multi-story housing complexes in urban areas to optimize land use and ensure equitable access to essential services.



In rural and estate areas, unresolved land ownership, lack of access roads, poor locations, low and unstable incomes and rising costs of materials hinder housing construction. Mainly, plantation communities still reside in line rooms with limited amenities. The government thus seeks non-traditional, innovative housing interventions adapted to community needs and regional contexts.

### 5.7.2 Issues and Challenges

- Lack of affordability to proper housing
- Arising housing demand
- Poor quality housing facilities in plantation sector
- Limited land availability and high price of the lands particularly in the urban areas
- Replacing the existing temporary and semi-permanent housing stock of vulnerable communities particularly in semi-urban or urban areas
- High interest rates and limited access to housing finance
- Weak public-private collaboration
- High construction costs and high cost of local and imported building materials
- Lack of formal mechanism to regulate the house-renting market

### 5.7.3 Policy Direction

Ensure equitable access to adequate housing for every family in sustainable settlements to enhance their quality of life and overall well-being with efficient land use.

### 5.7.4 Key Strategies

- Improve accessibility for adequate shelter
- Improve settlements with required infrastructure and facilities
- Introduce proper land use planning
- Collaborative approaches with the private sector
- Introduce innovative financial tools in housing market
- Introduce eco-friendly low-cost housing technologies
- Regulate the rental housing market

### 5.7.5 Medium Term Targets

- Providing 10,000 new houses constructed for vulnerable groups annually
- Providing adequate housing facilities for the families in estate sector

### 5.7.6 Investment Priority Areas

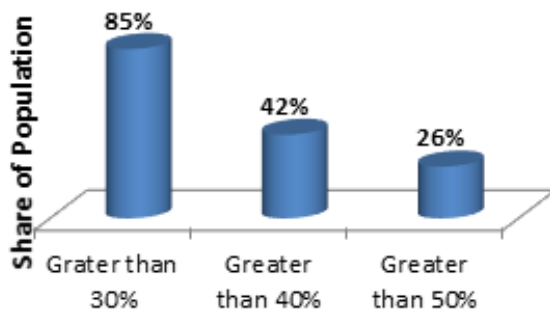
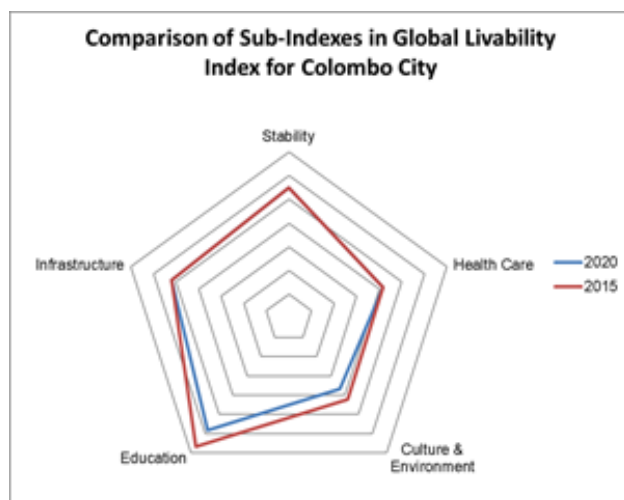
- Providing adequate housing facilities for low income households, underserved settlements, and community-led housing
- Facilitating private sector partnership for affordable housing for middle income families
- Enhancing real estate sector engagement
- Fulfilling the housing requirement of estate worker families.

## 5.8 Urban Development

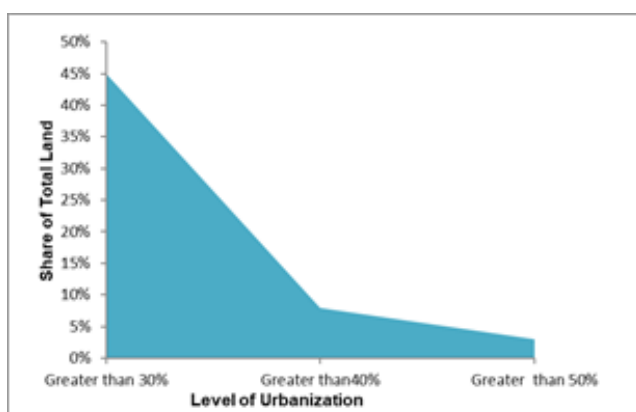
### 5.8.1 Overview

Urban development in Sri Lanka has evolved significantly over the past decades, shaped by economic growth, population migration, infrastructure expansion, and environmental challenges. While cities such as Colombo have modernized rapidly, regional disparities and unplanned urban expansion continue to pose major development concerns.

Significant investments in infrastructure development, facilities improvements, and urban housing have been made in line with the objectives of efficiency improvement and sustainable development in the urban areas.



**Level of Urbanization**

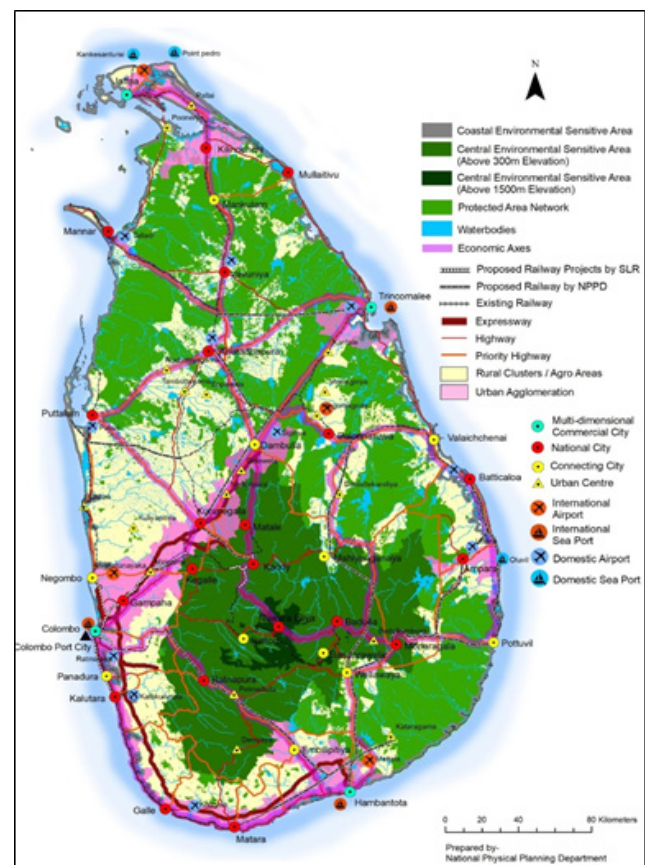


Approximately 15,327 housing units have been constructed and another 6,778 housing units are under construction with direct government investment and involvement. Furthermore, environmental initiatives have also been implemented to address flooding and improve overall urban ecological conditions.

### 5.8.2 Issues and Challenges

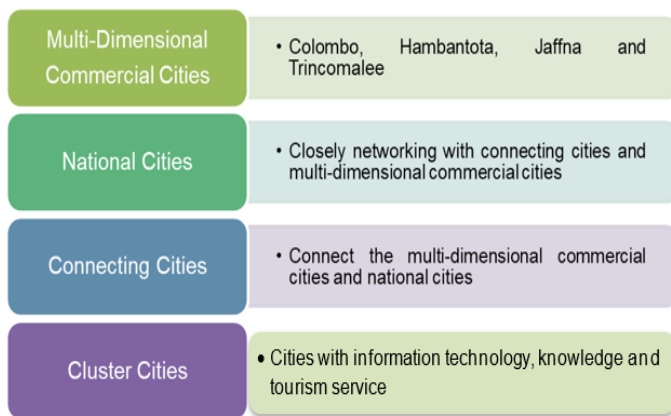


Proposed Hierarchy of Cities





## City Development Model



### 5.8.3 Policy Directions

Develop clean, secure, well-organized, and efficiently managed modern theme cities that are livable, dynamic, resilient, inclusive, and sustainable—through equitable access to housing, infrastructure, services in a cost effective and participatory manner.

Promote civic discipline and community engagement to enhance the urban living experience.

Unlock economic potential through the development of a dynamic and vibrant night-time economy.

### 5.8.4 Key Strategies

- Promote Colombo and other major cities as premier sustainable global service hubs in health, education, lifestyle, entertainment sectors to position their business
- Ensure clean, livable, well-organized, dynamic, efficient and sustainable cities and Increase urban resilience, encouraging low-carbon and efficient transport arrangement, improving connectivity and mobility in cities
- Create an enabling environment and a level playing field for private sector to competitively and efficiently utilize urban resources
- Develop suburb areas by improving livability, and upgrading connectivity and ensuring adequate housing to facilitate the workforce and the middle class

- Open up avenues for fostering night economy through creating safe and accessible public spaces, encouraging businesses participation, introducing required regulations
- Strengthen institutional capacities for effective urban planning and development enabling the utilization of modern technology, improving the quality of regulatory system, and enhancing the quality and reliability of urban services

### 5.8.5 Medium-Term Targets

Indicator	2030
Provide adequate housing for underserved settlements to adequate housing	25 000 families
Increase newly establish night economic centers	100 centers
Improve the level of satisfaction of the quality of urban services	70%
Increase accessibility for open and recreational spaces within 500 meter distance	70%
Maintain required annual average air quality	standards Pollution levels (PM 2.5) within WHO-recommended limits.

### 5.8.6 Investment Priority Areas

- Promotion and development of the night economy to revitalize cities by utilizing underutilized economic potential, enhancing accessibility to public spaces, efficient transportation and commercial activities.
- Improve urban facilities in the identified cities to accommodate urban population growth and influx of visitors.
- Provide proper houses for underserved communities and release lands for commercial development, public facilities, and environmental purposes.
- Investment to reduce future climate risks and enhance resilience.
- Improving the livelihoods and social standards of communities residing in urban underserved settlements.
- Increasing waste management facilities and improving sewerage systems
- Capacity building for efficient urban management
- City branding



06

## Fostering Inclusive and Transparent Governance

Governance is the cornerstone of national stability, economic resilience, and social progress. Fostering inclusive and transparent governance requires a multi-faceted approach that enhances public security, ensures judicial integrity, and fortifies diplomatic relations. A well-structured governance framework not only safeguards national sovereignty but also promotes justice, economic growth, and international cooperation.

The governance structure of the country is organized through five major categories; Public management, Judiciary system, Law and order, National integration and Foreign affairs.

## 6.1 Public Management

### 6.1.1 Overview

Historically, Sri Lanka's public service, with approximately 1.4 million employees, has been the main instrument for delivering public services. However, it has consistently faced significant challenges, in terms of governance perspective and adoption of modern technology. Further, the sector is mainly focusing at cultivating an efficient, transparent, and accountable public service for making a conducive environment for the society.

As per the Labour Force Survey Annual Report - 2023 of Department of Census and Statistics the estimated total public sector employment for Sri Lanka in 2023 is about 1.2 million. Among the employed female, the percentage of paid employees, those who are engaged in the public sector is 20.6 percent, and among employed male this is 11.5 percent.

### 6.1.2 Issues and Challenges

- Lack of technology integration and slow adaptation
- Reaching the full potential of the public sector
- Demand gap of technically / professionally qualified human resources
- Process impediments due to outdated procedures and systems

### 6.1.3 Policy Direction

Increasing the efficiency and the effectiveness of the public sector through continuous professional development, adopting advance techniques and technologies to ensure quality service delivery.

### 6.1.4 Medium Term Targets

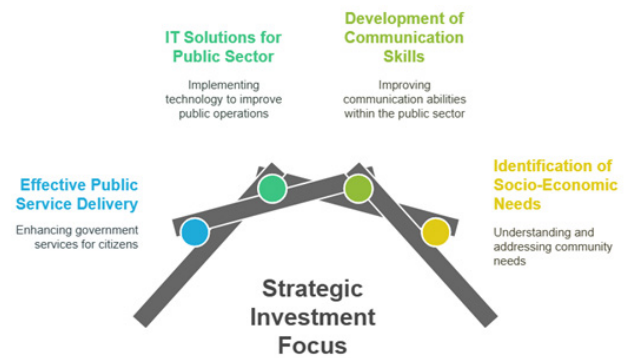
- Increase IT usage in public sector in line with digitalization strategy
- Increase continuous capacity enhancement programs in par with the international best practices
- Simplifying the work processes

### 6.1.5 Key Strategies

To achieve the public management objectives and targets, a multi-faceted approach involving several key strategies will be implemented

- Ensuring digitalized public service delivery with maximum utilization of state resources.
- Implement systematic improvements in work systems and procedures in order to promote the good governance, enhance accountability, and transparency.
- Apply and adapt technological advancements, including artificial intelligence (AI) and information technology (IT), to the relevant sectors in order to enhance efficiency, innovation, and competitiveness of e-governance.
- Introduce work ethics in all possible sectors, promoting professionalism, integrity, and accountability to ensure high standards of performance through regulations and guidance and satisfaction of customers.
- Develop collaborations between public and private sectors through an effective communication mechanism to enhance the efficiency and to maximize the resource utilization.
- Implement a strong human resource development policy for government employees with enhancing horizontal and vertical integration

### 6.1.6 Investment Priority Areas



## 6.2 Judiciary system

### 6.2.1 Overview

A judicial system provides equal access to justice, ensuring fairness and transparency for all individuals, regardless of their background. At present, island wide judiciary system has been established at the national to district level and strong legal framework is institutionalized in compatible with the international standards.

Table 6.2.1 Information of the Judges and Courts in Sri Lanka

COURTS	No. of Courts	No. of Court Houses	No. of Judges
Supreme Courts	01	04	17
Court of Appeal	01	10	20
Civil Appellate High Courts	22	22	92
Commercial High Courts	01	04	
Special High Courts	01	02	
High Courts (Criminal)	34	48	
District Courts	33	61	259
District/ Magistrate's Courts	52	81	
Magistrate's Courts	53	78	
Circuit Magistrate's Courts	25	25	
Children Magistrate's Courts	02	01	33
Labour Tribunals	39	39	
Total	264	375	416

Source: Annual Performance Report -2023 Ministry of Justice, Prison Affairs and Constitutional Reforms

### 6.2.2 Issues and Challenges

- Lack of technology integration in the judiciary system and procedures
- Increasing number of case backlogs
- Inadequate infrastructure facilities
- Increasing incarceration rates
- Increasing drug-related offenses

### 6.2.3 Policy Direction

- Key Principles of Justice: Ensuring equality, equal protection under the law, judicial independence, public confidence, transparency, and efficiency
- Prison System Enhancement: Shifting focus toward guardianship, protection, rehabilitation, and re-socialization of inmates
- Prison Welfare & Crime Prevention: Improving conditions for incarcerated individuals while fostering a social environment that discourages criminal activity

### 6.2.4 Medium Term Targets

Justice sector,

- Improving Transparency: Implement digital case management

systems across all courts, ensuring full digitization of Supreme Court proceedings and increased efficiency across lower courts

- Reducing Case Backlog: Expedite judicial processes to reduce the backlog of cases, aiming for a 50% decrease by 2030 through digitization and procedural reforms
- Enhancing Judicial Efficiency: Expand courtroom infrastructure
- Strengthening Legal Access: Expand alternative dispute resolution mechanisms and legal aid services to ensure all communities enabling access to legal support
- Advancing Legal Reforms reforming archives laws

Prison sector,

- Reducing the daily average prison population to 20,000 by 2030
- Reducing incarceration: Lower the percentage of repeat offenders among direct admissions to 25% by 2030 with enhanced education and reintegration programs.

### 6.2.5 Key Strategies

Increase the efficiency of case management through digitalization

Modernization of Judicial Infrastructure

Introduce mechanism to address commercial disputes promptly

Training and Capacity Building

Upgrade prison infrastructure and facilities: Upgrade prison facilities to international standards, introduce specialized centers, and establish educational and vocational programs for inmates.

### 6.2.6 Investment Priority Areas

#### Investment priority areas



Development of smart courthouses and digital tools to enhance judicial efficiency and accessibility



Enhance training programs for judges, judicial staff.



Expand facilities within prisons, including special facilities according to international standards



Refer persons convicted of minor offences to community programs without incarceration

Provide educational and vocational training courses in every prison

## 6.3

## Public Security

### 6.3.1 Overview

Public security creates a safe environment for the public, while supporting the national development, by promoting investor confidence, and fostering innovation. In order to create a discipline country and law abiding society strong institutional framework to manage the public security, law and order in the country has been established. Currently, islandwide network of Police Stations has been established to provide the people friendly police service. Moreover, Sri Lanka maintains an active military force including Sri Lanka Army, Navy, and Air Force, reflecting the country's continued emphasis on maintaining a robust defence presence.

#### Key Responsibilities of Sri Lanka Police

- 🔑 Crime Prevention & Law Enforcement
- 🔑 Drug Control & Anti-Corruption
- 🔑 Traffic Management
- 🔑 Environmental Protection
- 🔑 VIP & Emergency Services

45 territorial divisions | 80 functional divisions | 607 police stations

### 6.3.2 Issues and Challenges

- Ineffective utilization of human resource and other resources
- Inadequate usage of technology
- Increasing prevalence of cybercrime
- Insufficient modernized infrastructure facilities
- Growing challenges in narcotic drug prevention and treatment
- Optimizing defence expenditure for fiscal sustainability and strategic efficiency.

### 6.3.3 Policy Direction

- Upholding Rule of Law and Human Rights
- Modernizing Law Enforcement and Defense Capabilities
- Combating Crime and Illicit Activities
- Strengthening Financial Security Frameworks
- Prioritizing Safety for Vulnerable Groups

### 6.3.4 Medium Term Targets






The following medium-term targets have been set to guide public security efforts.

- Develop Police Stations to provide people friendly services and strengthen the capacities
- Improve the efficiency and effectiveness of traffic control and road safety
- Reduce the initiation rate of drug use by 50% among adolescents and young adults by 2030
- Increase the capacity of drug treatment and rehabilitation facilities to integrate them with the society
- Strengthen the national drug control policy framework and improve coordination among relevant agencies

### 6.3.5 Key Strategies

- Digitalization the institutional mechanism
  - Improve efficiency and effectiveness of operations
  - enabling sharing of data to facilitate crime detection and prevention
  - Increase the law enforcement on road rule violation
- Ensure safety and security for women and children
- Prevention of cyber crimes
- Increasing the availability of treatment and rehabilitation services for drug addicts
- Strengthen law enforcement efforts and strengthen international cooperation to combat drug trafficking
- Strengthen surveillance capabilities across the tri-forces through the modernization of equipment, integration of real-time monitoring systems, and enhanced inter-force intelligence sharing to improve national security and operational readiness.

### 6.3.6 Investment Priority Areas

	Integrating digitalization to Sri Lanka Police for detection/prevention of crime, implementation of law/criminal justice and detection of motor traffic infringements
	Implementation of spot fining, demerit point systems and smart payment options to SL Police through PPP modalities
	Integrated system for the "issuance of police certificate" through e-filing by connecting stakeholders
	Development of naval and air surveillance facilities and provide modern equipment and training to officials to prevent the entry of narcotic drugs into the country
	Establish new treatment centers and expand existing facilities



## 6.4 Foreign Affairs

### 6.4.1 Overview

Sri Lanka's foreign policy is rooted in the principles of sovereignty, neutrality, and strategic engagement and navigate through complex international dynamics while preserving its autonomy and promoting mutual respect in global affairs. By maintaining balanced dignified diplomacy, the country actively engages in international organizations and bilateral and multilateral regional partnerships to strengthen trade, security, and sustainable economic development.

### 6.4.2 Issues and Challenges

- Facing the global dynamics and obtaining the assistance from the other countries

### 6.4.3 Policy Direction

- Commitment to Multilateralism
- Peaceful Coexistence
- Diplomacy as the Primary Mechanism
- Regional and Global Integration
- Strategic Engagement

### 6.4.4 Medium Term Targets

- The following medium-term targets have been set to guide foreign sector efforts.
- Develop the foreign policy by examining the emerging economic opportunities
- Continuous reviewing overseas missions to enhance the service delivery
- Revising Diplomatic Protocols and Ethics
- Strengthening Centralized Oversight and Coordination

### 6.4.5 Key Strategies

- Maintain a non-aligned foreign policy.
- Develop a dynamic diplomatic framework that adapts to global shifts.
- Implement a structured review process for overseas missions, ensuring optimal resource allocation and strategic relevance in diplomatic engagements.
- Empower diplomatic entities by enhancing training, operational efficiency, and strategic engagement capabilities.
- Refine diplomatic protocols and ethics to uphold international best practices.
- Strengthen centralized oversight and coordination by establishing a unified policy framework.
- Leverage Sri Lanka's strategic location to position the country as a regional hub for trade and investment.
- Expand economic diplomacy by fostering bilateral and multilateral trade agreements.

### 6.4.6 Investment Priority Areas

- Strengthening of the Diplomatic Training Institutes
- Provide services in an efficient manner with the purpose of encouraging visits of foreigners to Sri Lanka
- Multinational IT companies to invest in Sri Lanka to leverage it as the Digital Gateway to Asia.

07

Sustainable by Design:  
Integrating Environment,  
Climate Resilience, Disaster  
Risk Reduction, and Blue  
Green Investments into  
Public Investment

Embedding environmental sustainability, climate resilience, disaster risk reduction, and blue-green investment principles into Sri Lanka's public investment planning is essential for sustainable development. Integrating risk-informed and nature-based strategies from the outset ensures that investments are resilient and future-proof. Blue-green investments such as renewable energy, sustainable agriculture, coastal ecosystem protection, and efficient waste management offer pathways to promote inclusive economic growth while conserving natural resources. This integrated approach aligns development with climate goals and conservation minded development.

## 7.1 Environment Sector

### 7.1.1 Overview

Sri Lanka is actively mainstreaming environmental considerations across sectors to build resilience. By integrating conservation with climate adaptation and green financing, targeting sustainable land use, waste and water management, and biodiversity protection the country aims to balance development with ecosystem preservation and achieve long-term sustainability.

However, biodiversity loss intensified by nearly 50% forest cover reduction over the past century. With over 27% of flora and 23% of vertebrate fauna endemic, these pressures are compounded by climate change impacts like droughts and floods. Sri Lanka faces intertwined challenges in environmental management and climate change, notably human-elephant conflict, which causes the deaths of over 300 elephants and 80 people annually.

Sri Lanka has taken significant steps to enhance environmental management and advance climate action by promoting renewable energy, reducing greenhouse gas emissions, and implementing mitigation and adaptation measures. The key initiatives include bans on select single-use plastics, sustainable use of marine resources, and the launch of marine spatial planning to guide investment in coastal areas.

The country is also progressing in blue-green financing through tools like the Sustainable Finance Roadmap, Green Bond Framework, and Green Finance Taxonomy, alongside the development of a Climate Smart Governance dashboard and the Green Book guideline for integrating environmental considerations into public investment.

These efforts demonstrate Sri Lanka's commitment to aligning with global standards and mobilizing innovative finance for climate and environmental objectives. International collaboration, including Article 6 mechanisms and carbon market access, complements domestic efforts. Financial instruments such as green bonds, debt-for-nature swaps, and sustainability-linked loans play a vital role in supporting the country's transition toward a resilient, inclusive and environmentally sustainable economy.

#### Advancing Sri Lanka's Blue-Green Economy

##### Overview

*Sri Lanka's Blue-Green Economy combines sustainable land-based (green) and marine-based (blue) development strategies. It focuses on sectors such as energy, transport, agriculture, fisheries, biodiversity, tourism, and urban planning to foster climate resilience and inclusive growth. The aim is to align economic advancement with environmental protection and social equity.*

*With per capita carbon emissions of approximately 1 ton/year, Sri Lanka has committed to reducing emissions by 14.5% by 2030 under its updated National Determined Contributions (NDC). This shift involves adopting clean technologies, conserving ecosystems, and unlocking blue-green financing mechanisms like green bonds, debt-for-nature swaps and carbon market participation.*

##### Key Opportunities

- Vast renewable energy and marine resource potential
- Promotion of organic farming, eco-tourism, and circular economy practices
- Access to green finance and international cooperation for sustainability

##### Challenges

- Policy and institutional fragmentation
- Limited data and capacity on natural capital and green technologies
- High upfront costs and constrained access to sustainable finance

#### Policy Priorities

- I. Align policies with blue-green economy principles for sustainability and equity
- II. Mobilize green finance through innovative instruments (e.g., green bonds, blended finance)
- III. Enhance international cooperation and participation in global climate mechanisms
- IV. Invest in capacity building, education and natural capital assessments

### 7.1.2 Issues and Challenges

- Climate Change Impacts
  - Increasing frequency of extreme weather events (droughts, floods, erratic rainfall)
  - Adverse effects on food security, water availability, and biodiversity
- Biodiversity Loss & Habitat Degradation
  - Rapid urbanization and development leading to habitat fragmentation
  - Illegal deforestation and species extinction
  - Degradation of critical ecosystems (mangroves, wetlands, coral reefs)
- Pollution and Waste Management Issues
  - Air, water, and soil pollution from industrial and domestic sources
  - Insufficient solid waste and e-waste management
  - Marine pollution from plastics and polythene accumulation
- Unsustainable Land Use Practices
  - Harmful agricultural practices contributing to soil and water degradation
  - Spread of invasive alien species
- Human-Wildlife Conflict
  - Increasing incidents, particularly with elephants, due to habitat encroachment
- Governance and Institutional Gaps
  - Weak enforcement of environmental laws and regulations
  - Limited public awareness and community participation
  - Inadequate coordination among agencies and lack of integrated planning
- Financing and Resource Constraints
  - Limited adoption of sustainable financing tools (e.g., green/blue bonds)
  - Insufficient investment in nature-based solutions and conservation

### 7.1.3 Policy Direction / Priority Areas

- Environmental justice and fairness
- Balance between environment and development
- Sustainable use of resources and precautionary approaches
- Ecosystem approaches
- Institutional coordination and public participation
- Polluter pays principle
- Environmental good governance
- Community empowerment
- Environmental protection
- Cleaner production

### 7.1.4 Medium Term Targets

1. Forest cover increased up to 32% by 2030 and maintain the same percentage.
2. Reduce greenhouse gas emissions by 14.5% by 2030 (4.0% unconditional and 10.5% conditional reduction commitments relative to the Business-As-Usual (BAU) scenario) in Power (electricity generation), Transport, Industry, Waste, Forestry, and Agriculture sectors.
3. Reduce the Human – Elephant conflicts and death by 50% by 2030.
4. Expand the coverage of Marine Protected Areas by 2030 (MPAs) from 0.46% to 2% of Sri Lanka's Exclusive Economic Zone (EEZ)
5. Restore mangrove cover (existing mangrove cover of 19,000ha) up to 34,000 ha
6. Restore degraded coral reefs in at least 10 priority coastal sites.
7. Reduce the volume of solid waste sent to landfills by at least 25% through recycling and composting programs.
8. Prevent and significantly reduce marine pollution by 2030.
9. Obtain over USD 1bn through innovative sustainable financing particularly through debt-for-nature swaps.

### 7.1.5 Key Strategies

- Promote sustainable and balanced land-use practices through efficient utilization of resources
- Protect and enhance the sustainability of marine and coastal ecosystems through integrated management and policies
- Ensure the availability of clean and healthy air for all through sustainable adaptation and mitigations practices
- Strengthen a robust legal and ethical framework that enforces existing environmental rules and regulations and international environmental conventions
- Safeguard and restore various ecosystems through integrated conservation strategies, sustainable resource management, and community engagement
- Promote efficient, sustainable solid waste management through innovative solutions and technologies
- Promote the sustainable management of home garden resources
- Recognize, preserve, and enhance the interconnected relationships between ecosystems by promoting research and studies

### 7.1.6 Investment Priority Areas

1. Biodiversity Conservation & Forest Management
2. Climate Adaptation & Disaster Risk Reduction
3. Sustainable Agriculture & Land Use
4. Waste Management & Circular Economy
5. Green Finance & Innovative Financing Tools
6. Air Quality Improvement & Water Resource Management

## 7.2 Disaster Management Sector

### 7.2.1 Overview

Sri Lanka is highly vulnerable to natural disasters such as floods, landslides, cyclones, and lightning due to its geographic location. According to global rankings, the country was 104th in vulnerability (UN, 2022) and 30th in climate risk (CRI, 2021). Between 2015 and 2024, nearly 300 lives were lost to floods and landslides, with more than 200,000 people affected in 2023 alone. Thirteen districts covering 30% of land area and 38% of the population are particularly at risk. These disasters result in estimated annual economic losses of USD 40–75 million approximately, equivalent to 0.4% of GDP and 3% of the government expenditure, underscoring the need for integrated disaster risk reduction strategies.

#### Trends and Fiscal Implications of Disaster-Related Direct Expenditures in Sri Lanka (2014–2024)

From 2014 to 2024, Sri Lanka's disaster-related fiscal expenditures show a rising trend, with significant peaks in direct costs during major disaster years such as 2017 and 2024. The Coordination and institutional spending have steadily increased, reflecting improved disaster preparedness and response capacity. The investments in early warning systems and key agencies like the Department of Meteorology and Disaster Management Centre also grew over the time. The Relief and reconstruction spending fluctuated, with notable spikes in years of severe climate events. While progress is evident in institutional strengthening, the overall volatility and increasing fiscal burden highlight the need for better contingency financing, comprehensive disaster risk planning, and consistent reporting.

#### Escalating Indirect Fiscal Costs and Adaptation Investments for Disaster Resilience in Sri Lanka (2014–2024)

From 2014 to 2024, Sri Lanka's indirect fiscal costs related to disasters have seen a sharp and consistent rise, increasing from Rs. 2.4 billion in 2014 to nearly Rs. 63.9 billion in 2024. This growth reflects a clear shift towards long-term climate resilience and disaster risk reduction. The majority of these expenditures fall under adaptation and mitigation, particularly in irrigation, which alone accounted for over Rs. 53 billion in 2024. The investments in urban flood mitigation, coastal conservation, and geological risk reduction also expanded steadily. Notably, the government contributions to crop insurance began in 2018, marking a new approach to agricultural risk management. Institutions like the National Building Research Organization and the Disaster Management Centre have seen increased support for technical assessments and early warning capacities. While this trend demonstrates proactive fiscal planning, the growing scale

### 7.2.2 Issues and Challenges

1. Institutional and Strategic Gaps
  - Lack of Policy Integration
  - Weak Inter-agency Coordination
  - Local Capacity Constraints
  - Underprepared Private Sector, business and commercial sectors for disasters.
  - Absence of Risk-Based Insurance
2. Gaps in Preparedness and Early Warning Systems
  - Community-Level Preparedness Gaps
  - Inadequate Early Warning Systems
3. Lack of Risk Assessment and Sectoral Vulnerability
  - Lack of Comprehensive Risk Assessments
  - High Exposure in Key Sectors
  - Unplanned Human Settlements
4. Response, Recovery, and Financing Constraints
  - Limited Financial Resources
  - Slow Recovery Processes
  - Insufficient Reconstruction Planning
5. Lagging in Inclusion and Social Equity
  - Gender Blindness in DRM
  - Exclusion of Persons with Disabilities

### 7.2.3 Policy Direction

To build a diversified, climate-resilient and disaster prepared country that ensures inclusivity, minimizes disaster risk, strengthens preparedness, delivers effective emergency response, and fosters sustainable post-disaster recovery through risk-based investments and sound legal frameworks.

### 7.2.4 Medium Term Targets

Reduced average annual loss from disasters to $\leq 0.20\%$ of GDP by 2030
Increase number of local governments having Disaster Risk Reduction strategies to 50% by 2030
Reduce Disaster Mortality Rate (annual deaths) by 30% from baseline (2018) using early warning and resilience actions
Reduce number of affected people by 30% by 2030 annually (from baseline 2018)

### 7.2.5 Key Strategies

1. Mainstream DRM into national and sectoral planning and budgeting
2. Ensure Inclusivity in Disaster Preparedness and Response
3. Foster greater community involvement and stakeholder participation in disaster preparedness initiatives
4. Foster public-private partnerships and private sector investment in DRM
5. Integrate risk reduction principles into recovery planning to promote long-term resilience
6. Strengthen institutional coordination and governance to ensure effective recovery
7. Ensure a Swift and Reliable Response to Disaster Emergencies
8. Ensure climate and disaster-resilient infrastructure
9. Anticipatory Action Program to safeguard at-risk populations during and after disasters
10. Leverage technological advancements to enhance disaster response capabilities
11. Mainstreaming gender considerations into disaster management
12. Foster greater community involvement and stakeholder participation in disaster preparedness initiatives

### 7.2.6 Investment Priority Areas

#### Mitigation

- Climate and Disaster Resilient Infrastructure
- Risk Informed Rural Urban (RUBAN) Planning and developments

#### Preparedness

- Anticipatory Action Program
- Incorporating Disaster Risk Reduction into Local Government
- Gender sensitive disaster management
- High - Tech weather applications
- Education for Disaster Risk Reduction in Schools

#### Response

- Establish relief stockpiles
- Digital registry of vulnerable population
- Introduction of a National Insurance Scheme

#### Recovery

- Build Back Better with Resilient Housing and Infrastructure



08

## Social Protection for Inclusive Society

## 8. Social Protection

### 8.1 Overview

Sri Lanka has made a remarkable progress in addressing poverty since independence through a range of development strategies, including direct and indirect cash transfers, livelihood support, and general welfare programmes aimed at raising the income levels of low-income groups and those living below the poverty line. In line with this, the country has implemented social protection programmes following a lifecycle approach.

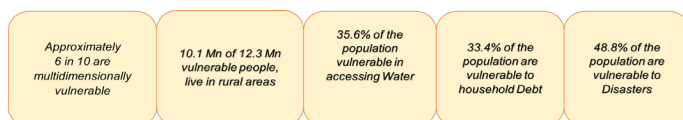
#### Lifecycle Approach in Social Protection

A large number of social protection programmes are in place, delivered by both government and non-governmental sectors. These initiatives



target various vulnerable segments of the population, including the poor, elderly, persons with disabilities, children, and women. The programmes encompass a wide array of interventions—from cash and in-kind transfers to educational assistance, pensions, micro-insurance schemes, and livelihood development initiatives. However, due to the impact of COVID and the unprecedented economic crisis, poverty has been increased to 24.5% (2024) from 14.3% (2019) before the pre-crisis situation.

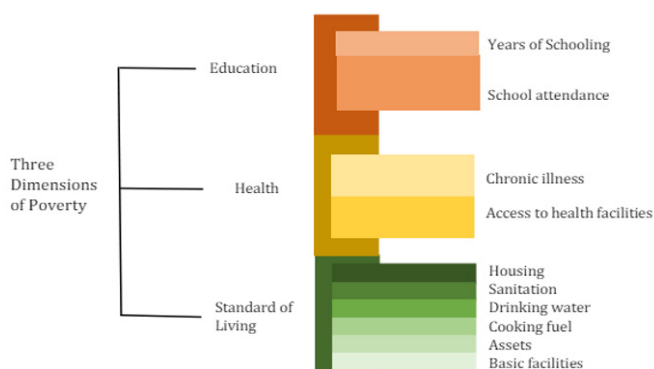
#### Multidimensional Vulnerable Households in Sri Lanka 2023



Accordingly, the government has introduced major reform initiatives aimed at strengthening targeted welfare programmes. A key step in this process has been the establishment of the Social Information Registry, designed to address the multi-dimensional aspects of poverty by enabling more precise identification of needs and better coordination of support. These reforms place greater emphasis on empowering vulnerable communities.

#### Structure of the National MPI in Sri Lanka

- The HIES, 2019 revealed that, approximately one out of every six (16%)



people in Sri Lanka are multidimensionally poor.

- The highest level of deprivations can be seen in the sectors of health,

cooking fuel, drinking water, and other basic facilities.

### 8.2 Issues and Challenges

- Prevailing issues in existing welfare programmes
- Targeting – inadequate reliable data in beneficiary selecting criteria.
- Lack of sustainability in approach to governing social protection
- Weak mechanism to remove empowered families and higher dependency can be seen on welfare assistance without graduating.
- Social protection system has not been sufficiently adaptive.
- 'Dependent mentality' among most of the vulnerable people is paramount barrier to eradicate poverty.

#### Women

- Low female labour force participation – Recent studies reveal that Sri Lanka's female labour force participation is significantly remained low compared to Asian Counterparts.
- Increased incidence of violence against women
- Low participation in decision making process

#### Children

- High malnutrition, obesity, wasting, and stunting among children
- Poor quality of early childhood care and education development
- Increase violence / abuse against children
- Inadequate of regulatory mechanism for child protection
- Increasing in cyber-crimes against children

#### Elders

- Increasing in elderly population
- Inadequate of proper social security system
- Changing attitude on traditional family support on elder care
- Inadequate geriatric health care system
- Increasing non-communicable diseases
- Lack of opportunities to participate in productive economic activities

#### Persons with Disabilities

Low educational achievements, especially in tertiary education

- High rate of the poverty among the differently abled people
- Low rate of economic engagement and less productivity
- Inadequate of proper assistive devices and unawareness of existing technologies

Children, pregnant mothers and adult are the most vulnerable segments depriving in poverty due to nutrition deficiencies.

Children	Pregnant Mothers	Adults
<b>Children &lt; 5 years</b> <ul style="list-style-type: none"> <li>Increasing trend of stunting, wasting &amp; underweight</li> <li>Wasting of children aged 6-59 months is a critical public health problem</li> </ul> <b>School children</b> <ul style="list-style-type: none"> <li>Increasing trends of overweight and obesity</li> <li>Increasing prevalence of Anemia</li> </ul>	An increasing trend of % of mothers with low BMI (13.9% in 2021 to 14.6% in 2022)  High rates of low birth weight (LBW) seen in areas where higher % of mothers have a low BMI  Increasing LBW children from 6.5% 2022 to 11.5% 2023	<ul style="list-style-type: none"> <li>Increasing trend of overweight and obesity among adults</li> <li>Emerging micronutrient deficiencies:               <ul style="list-style-type: none"> <li>Vitamin D deficiency across all age categories</li> <li>Zn deficiency</li> </ul> </li> </ul>

*Overweight and obesity are emerging public health problems among all age groups including school children and pregnant mothers*

Source: Family Health Bureau

- Inadequate of proper assistive devices and unawareness of existing technologies Children, pregnant mothers and adult are the most vulnerable segments depriving in poverty due to nutrition deficiencies.

### 8.3 Policy Direction



It is essential to develop a social protection system which enable access by all citizens to appropriate social protection support across the lifecycle as needed. Accordingly, policy priorities are as follows;

1. Work towards progressive realization of universal social protection to cover all citizens across the life cycle with special attention to the poor and vulnerable.
2. Ensure access to adequate social assistance by all vulnerable segments (through an effective, sustainable, and integrated system) to ensure a minimum level of well-being among all citizens of the country.
3. Ensure access to adequate care for those in need/those unable to look after themselves.
4. Ensure access to adequate and affordable social insurance programmes for all citizens, to building resilience against covariate and idiosyncratic shocks.
5. Improve access to decent work/productive employment and facilitate the creation of sustainable livelihoods through labour market and productive inclusion programmes.
6. Enable alignment, coordination and harmonisation of social protection programmes and systems.
7. Facilitate long term, sustainable financing to progressively fulfil the national vision for social protection.

### 8.4 Medium Term Targets

Ensure long-term, sustainable financing to achieve the Medium Term Targets

- Reduce Multidimensional Poverty to 12% by 2030
- Productive Inclusion of Families in Aswesuma (Empowering Aswesuma Families)
- Introduce social security for all
- Reduce malnutrition by 50% by 2030
- Expand early childhood education for all children
- Integrate all welfare system and ensure that benefits are reach only by the needy segments
- Ensure the rights of women and children
- Enhance female labour force participation up to 40%

### 8.5 Key Strategies

Guarantee the selection of eligible families and individuals for Social Protection and Welfare Programs using scientific criteria.

- Ensure the execution of comprehensive graduation/empowerment initiatives.
- Promote healthy life expectancy to reap the benefits of the Silver Dividend.
- Establish well developed social security system for all.

Women

- Strengthen existing institutional mechanisms for gender integration and mainstreaming in development at all levels.
- Introduce and enforce favourable policies to promote gender equality and empower all women and girls at all levels.
- Increase women's participation in the labour force and entrepreneurship.
- Strengthen laws against gender-based violence at all levels.
- Enhance societal awareness of laws and institutional mechanisms that protect the rights of women.
- Ensure the well-being of women-headed families, single-parent families, and women affected by gender-based or intimate partner violence.
- Implement a range of special programmes by both government and non-government institutions, especially focusing on women-headed households and vulnerable women.
- Ensure and safeguard the rights of women.
- Increase the number of women in decision-making positions.
- Enhance the nutritional levels of pregnant women.
- Boost the supply of childcare facilities to enhance women's labour force participation through a comprehensive programme to establish day care centres with the support of stakeholders.
- Secure the rights and well-being of migrant workers.

Children

- Ensure the safety of children.
- Formulate a child-friendly legal system.
- Promote advocacy as a continuous process to mobilise resources and galvanise political and social leadership to prevent child abuse, exploitation, violence, and neglect.
- Set up administrative and social reforms to prevent child violence and abuse.
- Strengthen and expand non-formal education opportunities for children who have not attended school or have dropped out.
- Reduce malnutrition among children.
- Ensure every child's preschool enrolment.
- Improve access to quality childcare and enhance educational outcomes for disadvantaged children.

Elders

- Ensure the social security of all citizens.
- Implement special programmes for women on business development training and technology transfer, create markets and market linkages, share business information, and facilitate access to credit.
- Ensure better living standards for senior citizens through facility enhancement and elderly protection mechanisms.
- Strengthen the systems for protection and promotion of elders' rights.
- Promote the participation of senior citizens in decision-making processes.
- Introduce an integrated and comprehensive social safety net.
- Develop a well-structured and organised healthcare system for the well-being of elders.
- Ensure quality palliative and geriatric care services at community and home levels, thereby increasing longevity and longer working life to transform the grey economy into a silver dividend.

Persons with Disabilities

- Identify children with disabilities in early childhood.
- Ensure an integrated society where persons with disabilities are treated equally in economic and social spheres.
- Ensure greater opportunities for socio-economic participation for individuals with disabilities.
- Ensure full access to the built environment, goods, services, and assistive devices for persons with disabilities.
- Guarantee access to lifelong learning opportunities for persons with disabilities to enhance their adjustment and access to social and economic opportunities.

- Eradicate disability-related discrimination and societal prejudices.
- Provide sustainable employment opportunities, decent living conditions, and affordable, accessible transportation systems for persons with disabilities.
- Ensure full access to all social protection schemes for persons with disabilities.
- Promote the health and empowerment of persons with chronic illnesses.
- Improve the capacity of human resources providing services to persons with disabilities.
- Increase public awareness and understanding of disability.

## 8.6 Investment Priority Areas

The following investment priorities have been identified for building a resilient society and raising living standards to reduce multidimensional poverty:

1. Minimize vulnerabilities of Debt-burden families through a sustainable approach
2. Enhance preparedness for climate-induced disasters
3. Ensure accessibility of basic facilities
4. Ensure accessibility for PWDs through inclusive and life cycle based social protection scheme
5. Ensure Social Security for informal sector
6. Addressing elderly care

09

## Restoring Regional Growth Momentum

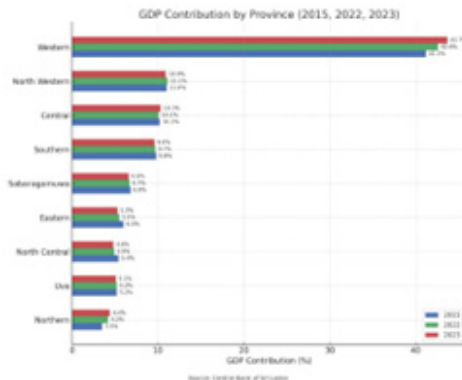


Fostering balanced growth and sustainable development across the country encompasses crucial sectors such as infrastructure, agriculture, tourism, industry, education & skills development, and healthcare to reduce the economic disparities among the regions.

## 9.1 Regional Development

### 9.1.1 Overview

Eighty percent of Sri Lankan population lives in rural areas. They are mainly engaging in agro based informal livelihood activities. The major share of GDP comes from Western province even though other provinces comprise with greater potentials and resources. Therefore, enhancing the rural and regional infrastructure facilities are vital to connecting to reap their full potential to the GDP.



### 9.1.2 Issues and Challenges

Sri Lanka faces regional disparities, with economic activity concentrated in the Western Province while rural areas struggle with unemployment, low investment, and weak institutional support. Key challenges include skills mismatches, governance inefficiencies, environmental concerns, and land-use conflicts etc.



### 9.1.3 Policy Direction

The government's policy for regional development is centered on connecting village development with broader regional advancement. Key policy directions include,

- **Holistic Transformation:** Transitioning isolated villages into fully integrated economic centers equipped with comprehensive facilities.
- **Lagging Province Development:** Prioritizing the development of lagging provinces, specifically Northern, Eastern, and Uva, by providing adequate livelihood infrastructure, strengthening their economic base, and enabling them to achieve self-sufficiency in income and employment.
- **Inclusivity:** Ensuring that the estate population is recognized and treated as equals, enjoying the same rights and opportunities as other citizens.
- **Equitable Growth:** The government aims to achieve a spill-over impact of economic growth across all strata of society, fostering equity and equality.

### 9.1.4 Medium Term Targets

The following medium-term targets have been set to guide regional development efforts.

- Increase regional GDP contribution to 65% by 2030, with continuous reduction of economic disparities among provinces and increasing the economic contribution of all region
- Achieve 85% financial inclusion by 2028, aiming for a more inclusive and sustainable financial system
- Expand regional banking networks, with 75% of finance companies outside Western Province
- Strengthen MSME financing, ensuring 50% increase in access to loans
- Develop ICT parks & R&D centers in four provinces by 2026
- Upgrade transport infrastructure, targeting 70% public transport usage by 2028
- Strengthen regional MSMEs, increasing indigenous product exports by 30%

### 9.1.5 Key Strategies

To achieve the regional development objectives and targets, a multi-faceted approach involving several key strategies will be implemented

- **Regional Investment Incentives:** Offer tax breaks and subsidies to attract investments in industries and infrastructure development in underdeveloped regions.
- **Integrated Spatial Planning:** Implement integrated spatial planning frameworks to coordinate development activities and manage land use efficiently, including a National Land Council and updated land inventory.
- **Public-Private Partnerships (PPPs):** Foster partnerships between the government and private sector to finance and implement infrastructure projects. This includes long-term foreign investments in PPP by prioritizing strategically important sectors.
- **Capacity Building:** Invest in capacity building programs for local governments and communities to enable effective regional development planning and implementation.
- **Harnessing Provincial Economic Drivers,**

### Regional Economic Development Strategies



9.1.6 Investment Priority Areas

Sri Lanka’s regional investment priorities focus on fostering inclusive economic growth and sustainable development across provinces. By enhancing transport infrastructure, expanding productive sectors, and strengthening tourism and technology-driven industries, the nation aims to create resilient local economies. Investments in human capital and resource sustainability further reinforce long-term prosperity, ensuring equitable opportunities for communities nationwide.

REGIONAL INVESTMENT PRIORITIES IN SR LANKA

- 

**CORE INFRASTRUCTURE FOR REGIONAL CONNECTIVITY**  
Strengthening transport, energy, and digital networks across provinces
- 

**SECTORAL GROWTH FOR LOCAL ECONOMIES**  
Boosting agriculture, fisheries, livestock, and manufacturing
- 

**STRATEGIC ECONOMIC HUBS FOR BALANCED GROWTH**  
Advancing economic corridors through key regional hubs
- 

**TOURISM AS A DRIVER OF REGIONAL PROSPERITY**  
Investing in tourism infrastructure and workforce development programs
- 

**SCIENCE TECHNOLOGY, AND INNOVATION FOR REGIONAL COMPETITIVENESS**  
Expanding research & incentivizing local innovation
- 

**SUSTAINABLE UTILIZATION OF REGIONAL NATURAL RESOURCES**  
Conducting scientific exploration



# Public Investment Projects 2026-2030



# HUMAN CAPITAL FOR WELL-BEING, INCLUSIVITY AND FUTURE TALENTS

## Education

- General Education
- Higher Education
- Vocational Education

## Labor

## Health

## Sports

## Culture

## Science and Technology

## Digital Economy



## **Education for Unlocking Potentials**

### **Ministry of Education, Higher Education and Vocational Education**

#### **General Education**

##### **Ongoing Projects**

- |    |  |    |   |
|----|--|----|---|
| 1  | Primary Education  | 15 | Facility Improvement of National Colleges of Education                                    |
| 2  | Secondary Education  | 16 | Improvement of Teacher Colleges and Centers   |
| 3  | Facilitate Education and Training of A/L Vocational Stream Students                | 17 | UNESCO Activities   |
| 4  | Defence Service School   | 18 | Establishment of National College of Education for Technology Stream (GOSL/KOICA)         |
| 5  | E-Thaksalawa   | 19 | Providing Electricity Facilities (through National Grid or Solar) for the Schools         |
| 6  | Improvement of Sanitation Facilities   | 20 | Upgrading Plantation Schools to Secondary Level   |
| 7  | Disaster Mitigation and Safety Improvements in Schools                             | 21 | Facilitate Dental Health Facilities in Schools  |
| 8  | Special Education  | 22 | Providing Sanitary and Water Facilities for all Schools                                   |
| 9  | Strengthening of Piriven Education   | 23 | Upgrading Facilities of 3,577 Primary Schools   |
| 10 | Strengthening of Handicapped Students' Education                                   | 24 | Providing Facilities of Teacher Quarters and Rest Rooms etc. for Rural & Regional Schools |
| 11 | National and Provincial Resource Centres for Children with Special Education Needs | 25 | Upgrading facilities of 1000 Secondary Schools  |
| 12 | Teacher Development (Capacity Building)  | 26 | Improve facilities of 1,360 Schools which were not included in recent projects            |
| 13 | Teacher Colleagues and Centers   | 27 | Construction of Multi-ethnic Trilingual School in Polonnaruwa (GOSL/India)                |
| 14 | National Colleges of Education   | 28 | Annual Work Plan - UNFPA  |

- 29 Annual Work Plan - UNICEF
- 30 General Education Modernization Project (GOSL/WB)
- 31 Qualitative Development Reforms in Education
- 32 Technological Education Development Projects (GOSL/OFID)
- 33 Establishment of ICT Hubs Secondary Education (GOSL/EDCF)
- 34 Upgrading Schools in Plantation Areas (GOSL/India)
- 35 Schools Development Activities and Grants
- 36 Secondary Education Sector Improvement Programme (GOSL/ADB)
- 37 Enhance Language Competency
- 38 Improvement of Infrastructure Facilities in Schools
- 39 Modernization of School Education
- 40 Establishment Services of Department of Examinations -
  - i) Rehabilitation and Improvement of Capital Assets
  - ii) Acquisition of Capital Assets
  - iii) Capacity Building
  - iv) Modernization of Printing Press
  - v) Enhancement of Data Security Measures
  - vi) Digital Archiving of Certificates
- 41 Establishment Services of Department of Educational Publications -
  - i) Rehabilitation and Improvement of Capital Assets
  - ii) Acquisition of Capital Assets

- iii) Capacity Building
- iv) General Education Modernization Project (GOSL/WB)
- 42 Operational Capital Expenditure for Minister of Education, Higher Education and Vocational Education
- 43 Operational Capital for General Education
  - i) Rehabilitation and Improvement of Capital Assets
  - ii) Acquisition of Capital Assets
  - iii) Capacity Building
- v) National Institute of Education
- vii) General Education Modernization Project -WB (Implement by National Institute of Education)
- 44 Operational Capital Expenditure for National Education Commission

## **New Projects**

### ***School Health***

- i School Dental Units Renovation and Repair
- ii Implementing and Enhancing School Health Promotion in Special Education Unit and Plantation Schools
- iii Sri Lanka School Health Scouts: Building Future Health Ambassadors and Leaders for Healthier Tomorrow

### ***Infrastructure Projects***

- 1 Developing Physical Infrastructure and Providing Equipment to Provincial Education Departments, Zonal Education Offices and Divisional Education Offices
- 2 Completion/Construction of School Buildings
  - i Construction of three storied classroom building with laboratories for A/L section for Thurstan College
  - ii Completion of already initiated activities of Indoor Stadium of Rajasinghe Central College
  - iii Completion of Building Complex for Secondary section, NWP/CH/WEN Buddhist Girl's National College, Kirineyana
  - iv Completion of Primary Building Comple, BT/ Vincent Girls' High School
  - v Construction of Primary Building for Ku/ Maliyadewa Boys College, Kurunegala
  - vi Construction of 90'X32' two storied building for Maria Tamil Maha Vidyalaya
- 3 Providing of Sports Equipment to promote sports for in National Schools
- 4 Providing Sanitary Facilities for all National Colleges of Education
- 5 Software Development for G6 Application
- 6 Installation of Grade 5 Bursary Online System

- 7 Construction of Teachers' Quarters in Selected Plantation Schools
- 8 Upgrading ICT laboratories in 1000 government schools
- 9 Providing Aesthetic Equipment for Improving Aesthetic Education
- 10 Establishing Activity - Based Learning (ABL) Centers for Commerce Scheme Students and Teachers
- 11 School Playground Development Project
- 12 Development of School Hostel Facilities
- 13 Construction of Teacher's quarters in selected plantation schools

#### ***Department of Examination***

- 1 Expanding Evaluation Facilities
- 2 Development of a Rooftop Dining and Rest Area
- 3 Enhancing the appearance and longevity: External Printing
- 4 Setting three secure doors for confidential branch
- 5 Essential Building Repairs and Restoration

#### ***Ministry of Plantation and Community Infrastructure***

- 1 Establishment of SMART classrooms in plantation schools (GOSL/India).

## **Ministry of Public Administration, Provincial Councils and Local Government**

- 1 General Education Modernization Project (GOSL/WB)

### **Provincial Council**

- 1 General Education Modernization Project (WB)
- 2 Completion of the activities under Nearest School is the Best School Project
- 3 Provincial Specific Development Grants for 09 provinces for Education

## **Ministry of Youth Affairs and Sports**

### **Sports Development**

- i Provision of Sports Infrastructure Facilities for Schools and Sports Societies in Rural Areas
- ii Improvement of Identified Sports School Facilities

## **Ministry of Buddhasasana, Religious and Cultural Affairs**

- 1 Upliftment of Buddhist Religious Activities- Facilitation of Dhamma Schools
- 2 Dhamma School Teacher's Training and Daham Sarasaviya Programme

- 3 Fostering and Promotion of Muslim Religious and Cultural Affairs-Facilitation for Dhamma Schools

### **Clean Sri Lanka**

#### **Pre-Primary Education**

#### **Higher Education**

##### **Ongoing Projects (**

- 1 Building Complex for the Faculty of Health Care Science, Eastern University (GOSL/Kuwait)
- 2 Wayamba University Township Development Project (GOSL/Saudi)
- 3 Science and Technology Human Resource Development Project (GOSL/ADB)
- 4 Construction of Building in Swami Vipulananda Aesthetic Institute of Batticaloa (GOSL/India)
- 5 Establishment of Faculty of Medicine at University of Sabaragamuwa - Phase II (GOSL/Saudi)
- 6 Establishment of Medical Faculty, Moratuwa University (GOSL/Kuwait)
- 7 Capacity Building in the Field of Higher Education (ERASMUS)
- 9 Foreign Grants for Research Activities at Universities and Higher Education Institutes

- |     |  |     |  |
|-----|--|-----|--|
| 10  | Research and Education Capacity Improvement in Dry Zone Agriculture - University of Jaffna (GOSL/JICA) | 26  | Rajarata University of Sri Lanka   |
| 11  | Local Bank Loan Obtained to Establish 17 Storied Building, Faculty of Medicine, University of Colombo  | 27  | Sabaragamuwa University of Sri Lanka   |
| 12  | Laboratory Facilities of Medical Faculty, University of Sri Jayawardhanapura                           | 28  | Wayamba University of Sri Lanka  |
| 13  | Scholarship for Undergraduate Degree Programmes at High-ranking Universities (BP)                      | 29  | Uva Wellassa University of Sri Lanka   |
| 14  | Capital Expenditure on Institutional Assistance for Quality Improvements in Higher Education           | 30  | University of Visual and Performing Arts   |
| i   | Sri Lanka Institute of Advanced Technological Education  | 31  | Trincomalee Campus   |
| ii  | Bhiksu University of Sri Lanka   | 32  | Establishment of Technology Faculty of the Universities                              |
| iii | Buddhist and Pali University of Sri Lanka  | 33  | Gampaha Wickramarachchi University of Indigenous Medicine                            |
| 15  | University Grants Commission   | 34  | University of Vavuniya   |
| 16  | University of Peradeniya   | 35  | Postgraduate Institute of Archaeology  |
| 17  | University of Colombo  | 36  | Postgraduate Institute of Pali and Buddhist Studies                                  |
| 18  | University of Sri Jayawardenepura  | 37  | Postgraduate Institute of Medical Science, University of Peradeniya                  |
| 19  | University of Kelaniya   | 38  | Institute of Technology, University of Moratuwa                                      |
| 20  | University of Moratuwa   | 39  | Institute of Biochemistry, Molecular Biology and Biotechnology                       |
| 21  | University of Jaffna   | 40  | Swami Vipulananda Institute of Aesthetic Studies                                     |
| 22  | University of Ruhuna   | 41  | National Centre for Advanced Studies in Humanities and Social Sciences               |
| 23  | Open University of Sri Lanka   | 42  | Institute of Allergology and Immunology  |
| 24  | Eastern University of Sri Lanka  | 43  | Operational Capital for Administration and Establishment Services (Higher Education) |
| 25  | South-Eastern University of Sri Lanka  | i   | Rehabilitation and Improvement of Capital Assets                                     |
|     |  | ii  | Acquisition of Capital Assets  |
|     |  | iii | Capacity Building  |

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>iv 12 storied Building for the Faculty of Medicine ,<br/>University of Ruhuna</li> <li>v Establishment of a Medical Faculty at Sabaragamuwa<br/>University (Phase I)</li> <li>vi Establishment of a Professorial Unit at Karapitiya<br/>Hospital</li> <li>vii Establishment of a Centre of Naval Studies and<br/>Shipping at University of Ruhuna</li> <li>viii Development of Faculty of Allied Health Science at the<br/>University of Ruhuna</li> <li>ix Local Bank Loan Obtained to Establish 17 Storied<br/>Building, Faculty of Medicine, University of Colombo</li> <li>44 Operational Capital for Research and Innovation</li> </ul> | <ul style="list-style-type: none"> <li>7 Establishment of a National Information Center on Recognition<br/>of Qualification in Higher Education</li> <li>8 Construction of Sewerage Treatment Plant for Male and Female<br/>Hostels of University of Vavuniya</li> <li>9 Proposal for Construction of Health Center, University of<br/>Vavuniya</li> <li>10 Completion of Professorial Unit, University of Moratuwa</li> <li>11 Construction of Two Storied Building for Student Complex for<br/>University of Vavuniya</li> <li>12 Upgrade the Faculty of Applied Sciences Canteen at University<br/>of Vavuniya</li> <li>13 Establishment of Faculty of Medicine, Phase 1 Uva Wellassa<br/>University</li> <li>14 Extension of the Department of Civil and Environmental<br/>Engineering Building to house the proposed Heavy Structural<br/>Engineering Laboratory and Costal and Port Engineering<br/>Laboratory, University of Ruhuna</li> <li>15 Laboratory Complex for Medical Laboratory Science at Faculty<br/>of Allied Health Sciences, University of Peradeniya</li> <li>17 Construction of Laboratories, Workshops, and Lecture Halls<br/>Building for the Faculty of Technology Studies, Uva Wellassa<br/>University</li> <li>18 Establishment of Laboratory Complex at Faculty of Agriculture,<br/>University of Ruhuna</li> </ul> |
|---|---|

### New Projects

- 1 Establishment of a Professorial Unit in the Eastern University, at  
Teaching Hospital Batticaloa
- 2 Renovations of Hostels, University of Peradeniya
- 3 Wayamba Township Development Project (Phase II)
- 4 Digital Transformation of the University of Kelaniya
- 5 Providing Hostel Facilities for University Students
- 6 Extension of Student Canteen Complex, Faculty of Dental  
Sciences, University of Peradeniya



- 22 Construction of Building, Faculty of Allied Health Science, University of Sri Jayawardenepura
- 23 Faculty of Computing – Faculty Complex Development, Sabaragamuwa University (Feasibility Study)
- 24 Construction of Proposed Building for the Faculty of Business, University of Moratuwa

### ***Ministry of Health and Mass Media***

- 1 Education and Training Capital Expenditure

### ***Ministry of Finance, Planning and Economic Development***

- 1 Mobilization, Coordination and Management of External Financing
  - i Capacity Building
  - ii Japanese Grant Aid for HR Development Scholarship Programme (JDS)
- 2 Budget Proposals-Improvement of certified schools/Remand Homes and Childcare Institutions
- 3 South Asian Center for Teacher Development (SACTD)
- 4 Gen Sri John Kotelawala Defence University

### ***Ministry of Defence***

- 1 Sir John Kotelawala Defence University

- 2 Defence Service Command and Staff College
- 3 National Defence College

### ***Ministry of Agriculture, Livestock, Lands and Irrigation***

- 1 Implementation of National Agricultural Research Plan with Universities

### ***Vocational Education***

#### ***Ongoing Projects***

- 1 TVET Career Platform Project in Sri Lanka
- 2 Vocational Training in Sri Lanka phase 11 ((VTSL II)
- 3 Establishment of Colombo Vocational Training Center and Gampaha Technical College (Korea- Exim Bank)
- 4 Improvement of Vocational Training
- 5 Modernizing of 7 Colleges of Technology / Technical Colleges
- 6 Development of Vocational & Technological Training
- 7 Post Management Project for Automobile Workshops
- 8 Self Employment Promotion Initiative (SEPI) Programme
- 9 Improvement of Vocational Training
- 10 Rehabilitation and Improvement of Capital Assets
- 11 Acquisition of Capital Assists
- 12 Capacity Building

- 13 Tertiary and Vocational Education Commission
- 14 Vocational Training Authority of Sri Lanka
- 15 National Apprentice and Industrial Training
- 16 Ceylon German Technical Training Institute
- 17 University of Vocational Technology (UNIVOTEC)
- 18 Ocean University of Sri Lanka

### **New Projects**

- 1 To establish a Renewable Energy Training HUB (Asian Center for Energy Transition (ACET)) with CGTTI – Moratuwa, SLGTI – Kilinochchi and Proposed Training Institute in Solar Park – Hambanthota
- 2 Construction of Four Storied Building for Workshop and Classrooms at Technical College, Nuwara Eliya
- 3 Establishment of an Online Knowledge Assessment Centre - TVEC
- 4 Upgrade VT Centers to Centers of Excellence in each province
- 5 Skills Development System Transformation Programme

## **Efficient Work Force, Excellence in Growth**

### **Ministry of Labor**

#### **Labor**

#### **Ongoing**

- 1 Providing Public Employment Services (PES)
- 2 Labour Market Information, Research & Promotion
- 3 Implementation of the National Policy for Decent Work
- 4 Mehewara Piyesa Interior Works and common facilities
- 5 Procurement Preparedness
- 6 Improvement of EPF Information System
- 7 Printing of Publication
- 8 Symposium for Labour
- 9 Rehabilitation and Improvement of Capital Assets
- 10 Acquisition of Capital Assets
- 11 Staff Training

### ***Ministry of Foreign Affairs. Foreign Employment and***

#### ***Tourism***

#### **Ongoing**

- 1 Establishment of a Migrant Resource Center managed by International Center for Migration Policy Development (ICMPD) funded by the Government of New Zealand

- 2 Facilitation for Regularize the Operational and Evaluation Process in District and Divisional Levels
- 3 Rehabilitation and Improvement of Capital Assets
- 4 Acquisition of Capital Assets
- 5 Staff Training

#### **New Projects**

- 1 Professionalizing Sri Lanka's Caregiving Sector: Skills, Standards, and Social Protection
- 2 Motivating People with Disabilities to Engage with the Active Labor Market in Sri Lanka
- 3 Motivating Youth in Children's Homes (16-18 Years) to Engage with the Active Labor Market in Sri Lanka
- 4 Increasing labour force participation of women and individual with special needs through the Decent Work and eliminating child labour from Sri Lanka through an integrated approach.
- 5 Creating a good work environment through Decent Work
- 6 Empowering Unemployed Youth in Sri Lanka
- 7 Empowering informal sector workers (Job Creation and Promotion)

- 8 Awareness of Digital Marketing among Unemployed Youth in Sri Lanka
- 9 Designing the interior of the northern section of the 2nd floor of the Labour Secretariat for the Colombo West District Labour Office.
- 10 National Awareness Campaign on Labour Law, Social Security, and Sexual and Gender- based Violence.
- 11 Development of Labour Inspection Data Management Application

## **Healthy Citizens, Wealthy Nation**

### **Ministry of Health and Mass Media**

#### **Health**

##### **Ongoing Projects**

- |    |  |    |  |
|----|--|----|--|
| 1  | Sri Lanka Primary Healthcare System Enhancing Project (PHSEP)- WB  | 12 | Health System Enhancement Project  |
| 2  | Improvement of ETU Facilities of Hospitals under the Line Ministry (Development of Accident and Emergency Care Services)                                     | 13 | Health System Enhancement Project - Additional Financing - ADB   |
| 3  | Construction of a three-story oncology unit at TH Ratnapura (Stage II).  | 14 | Health and Medical Services Improvement Project (JICA)   |
| 4  | Construction of Ministry Building (16-storied building)  | 15 | Construction of Surgical Wards and Operation theatre Complex - DGH Monaragala  |
| 5  | Construction of National Stroke Centre at Base Hospital Mulleriyawa  | 16 | Construction of a Ten-stories Building at the PGH Badulla  |
| 6  | Provision of High Quality Radiotherapy for Cancer Patients in Sri Lanka with High Energy Radiation   | 17 | Establishment of Cardiology unit with Cath Lab at DGH Ampara   |
| 7  | Upgrading Health facilities of selected hospitals (13 nos.)  | 18 | Capacity Building of Biomedical Engineering Services in Sri Lanka (KOICA)  |
| 8  | Establish Bone Marrow Transplant Unit at TH-Kandy  | 19 | Programme to improve Non-Communicable Disease Treatment Facilities at the Sri Jayawardhanapura General Hospital (GOSL/GOJ) |
| 9  | Construction of Heart Centre at Lady Ridgeway Hospital   | 20 | Project for the Improvement of Infectious Waste Management (GOSL/JICA)   |
| 10 | Establishment of highly specialized centers in Colombo, Kandy and Anuradapura to manage Obstetric complications and medical disease complicating pregnancies | 21 | Establishment of Cardiopulmonary Resuscitation Unit - TH Badulla   |
| 11 | Neonatal and Obstetrics reference center-DZMH  | 22 | Construction of Surgical Medical Unit TH Karapitiya  |
|    |  | 23 | Construction of Cardiac Care Complex, Rathnapura   |

- 24 Construction of Cancer Hospital - TH Kandy
- 25 Health Information and Quality Improvement (Global Fund)
- 26 Construction of five- Story Building at BH Kalawana
- 27 Completion of the construction of a three-story building at DGH Embilipitiya.
- 28 Mental Health (BP25)
- 29 Human Resource Development
- 30 Medical Research
- 31 Promotion of Indigenous Medicine
- 32 Medical Supplies
- 33 Prevention and Control of Communicable & Non Communicable Diseases
- 34 Bio Medical Equipment
- 35 Lab apparatus
- 36 Maintenance of Medical Equipment
- 37 Improvement in Mechanical, Electrical and Sewerage Systems
- 38 Other Operational Capital (Administration and Hospital Operations)

#### **Department of Ayurveda**

- 39 Department of Ayurveda (Operational Activities)
- 40 Depart of Ayurveda - Hospital Operation

- 41 Depart of Ayurveda - Traditional Medicine Research
- 42 Depart of Ayurveda - Education and Training
- 43 Depart of Ayurveda - Herbal Garden for Research & Extension

#### **Ministry of Women and Child Affairs**

- 44 Provision of healthcare treatment for Children with Neurodevelopmental Disabilities, including Autism (BP25)

#### **Ministry of Women and Child Affairs**

- 45 Manufacturing of Assistive Devices Locally (BP)

#### **Provincial Specific Health Development**

- 46 Provincial Specific Development Grant (PSDG) for Health

#### **New Projects**

- 1 Operating Theatre, Endoscopy Unit and Thoracic pre-op wards in Teaching Hospital, Kurunegala
- 2 Construction of Pediatric Intensive Care Unit (ICU) -Teaching Hospital (TH) Rathnapura - Local Donors
- 3 Waste Water Management system at Base Hospital - Kalmunai North (Grant Assistance of Indian Government)
- 4 Provision of Medical Equipment for Maternal and Pediatric Care at Major Hospitals in Northern Province - Japan Grant
- 5 Primary Healthcare strengthening through building up comprehensive NCD Management Capacities (KOFIH Project)
- 6 Fleming Fund Phase II Project (2024-2025)



- 7 Extension of Radiology Department -TH Batticaloa
- 8 National oral Health Survey (NOHS) 2025/2026 in Sri Lanka
- 9 Surgical and maternity care with radiology department -DGH-Matale
- 10 Construction of National Heart Centre (NHC) at NHSL
- 11 OPD and specialized unit at the Institute of Oral Health (IOH), Maharagama
- 12 Strengthening Integrated Health Care for Universal Health Coverage Program-ADB
- 13 Five stories building for institute of forensic medicine and toxicology (JMO's Office- Colombo)
- 14 Maternal and Early childhood Nutrition Services Project - WB
- 15 Construction of Accident and Emergency Treatment and Related Services Building Complex- Phase 01
- 16 Construction of Accident and Emergency Treatment and Related service building complex – Phase 02
- 17 Development of Cancer Treatment and Research Unit (Phase II)
- 18 Construction Consultant's & Medical Officer's Quarters
- 19 Construction of Stores complex for Medical Supplies
- 20 Construction of Radiology Department Complex
- 21 Construction of Maternity and Neo-natology Complex
- 22 Construction of Medical Intensive Care Unit and Medical Ward Complex

- 23 Construction of Stroke Care Complex
- 24 Construction of Surgical Intensive Care Unit and Operating Theatre complex
- 25 Integrated One Health Pandemic Preparedness and Response Strengthening Project

## **Nurturing Talents, Building Champions**

### **Ministry of Youth Affairs and Sports**

#### **Sports**

##### **Ongoing Projects**

- |    |   |    |   |
|----|---|----|---|
| 1  | Development of Provincial and District Sports Complexes   | 13 | Sugathadasa National Sports Complex Authority                                   |
| 2  | Completion of Sports stadium Kalmunai   |    | i. Installation of electronic timing system and stating blocks in swimming pool |
| 3  | Development of School & Outstation Cricket  |    | ii. Purchasing of sports equipment  |
| 4  | Establishment of Sports Culture   | 14 | Sri Lanka Anti-doping agency  |
| 5  | National youth Corps  | 15 | National Sports Council   |
| 6  | National Youth Service Council (NYSC)   | 18 | Rehabilitation and Improvement of Capital Assets                                |
|    | i. Digital empowerment for youth: V4R and NYSC digitalization smart youth app                   | 19 | Acquisition of Capital Assets   |
|    | ii. Renovation, modification and improvement of multi-purposes hall at Youth Center, Maharagama | 20 | Staff Training  |
| 7  | Leadership Development  |    |   |
| 8  | Sports Re-Engineering Project   |    |   |
| 9  | Other Capital Expenditure - Research and Development  |    |   |
| 10 | Other Capital Expenditure - other   |    |   |
| 11 | Construction of Human Performance Laboratory  |    |   |
| 12 | National Sports Fund  |    |   |

## **Our Heritage, Our Culture**

### **Ministry of Buddhasasana, Religious and Cultural Affairs**

#### **Religion, Culture and Heritage**

##### **Ongoing Projects**

- |    |   |    |  |
|----|---|----|--|
| 1  | Solar facilitation for religious places   | 13 | Sacred Area Development  |
| 2  | Renovation of John De Silva Theater - Stage 1 and 2   | 14 | Development of Rural Buddhist Temples  |
| 3  | Modernization of Art Gallery  | 15 | Punnyagrama Drug Prevention Programme  |
| 4  | Vidyalankara International Buddhist Center - Kelaniya   | 16 | Facilitation of Sasanaraksha Mandalaya   |
| 5  | Construction of Dhamma School Building of St. Sebastian's Church, Katuwapitiya                    | 17 | Seelamatha Institutional Development   |
| 6  | Renovation the Mahanayake Charikaramaya   | 18 | Development of Facilities for Pilgrims (Churches under the Pilgrims Ordinance)   |
| 7  | Renovation of Archives Main Building  | 19 | Development of Christian Religious Places with Archeological Value               |
| 8  | Computerization of Indices at the National Archives of Sri Lanka                                  | 20 | Facilitate Christian Religious Places and Churches                               |
| 9  | Installation of a Mobile Racking System for the main building of the National Archives (Phase-01) | 21 | Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples         |
| 10 | Establishment of a Digital Repository in Department of National Archives (Phase I)                | 22 | Furniture for Dhamma Schools (Hindu Religion)                                    |
| 11 | Amaradeva Aesthetic and Research Center   | 23 | Completion of Construction of Islamic Cultural Centers and Improvement of Mosque |
| 12 | Completion of the construction of the Office complex for the Ministry                             | 24 | Archival Management Project  |
|    |   | 25 | Completion of the construction of Cultural Centers                               |

- 26 Heritage Conservation of Intangible Assets
- 27 Heritage Promotion and Preserving Native People
- 28 Uthru Dakunu Mithuru Sevana - Mihinthala
- 29 Rajagalathenna Archaeological Sites Conservation and Preservation Project
- 30 Exploration, Excavation and Research of Archeological Sites and Monuments
- 31 Conservation Maintenance of Archeological Sites and Monuments
- 32 Promotion and Exhibition of Archeological Sites and Monuments
- 33 Ritigala Archeological Sites Conservation and Preservation Project
- 34 Maintenance of Kenniya Hot Water Wells
- 35 Local Gant for Archeological Activities
- 36 Improvements of Regional Museums
- 37 Rehabilitation and Improvement of Capital Assets
- 38 Acquisition of Capital Assets
- 39 Capacity Building
- 40 Other Capital Expenditure

## New Projects

- 1 Archives Cooperation Project between Sri Lanka National Archives and the National Archives of the Netherlands
- 2 Construction of Protective Boundary Fencing along the boundary of the Rathnapura National Museum
- 3 Renovation and Purchasing Modern equipment for Dalugama, Sarasavi Studio Complex (National Film Cooperation)
- 4 National Film Festival
- 5 Renovation of Mahawalawuva Roof in Ape Gama Premises (Heritage Section)
- 6 Establishment of a Central AC System for Tower Hall Theater

## **Science for Progress, Tech for Tomorrow**

### **Ministry of Science and Technology**

#### **Science and Technology**

##### **Ongoing Projects**

- |    |   |    |  |
|----|---|----|--|
| 1  | Strengthening of the National Quality Infrastructure (NQI) Systems              | 12 | Arthur C. Clerk Institute of Fundamental Studies |
| 2  | Science and Technology Policy Formulation and Implementation                    | 13 | National Institute of Fundamental Studies        |
| 3  | Facilitation of Research Projects   | 14 | National Research Council of Sri Lanka           |
|    | Science & Technology Collaboration under Bilateral and Multilateral Cooperation | 15 | Sri Lanka Investors Commission                   |
| 5  | Centre of Excellence in Robotic Applications (CERA)                             | 16 | National Innovation Agency                       |
| 6  | Separation of Utility Services – SLINTEC & SLIBTEC                              | 17 | Planetarium                                      |
| 7  | National Science Day  | 20 | Vidatha Programme                                |
| 8  | Industrial Technology Institute   | 21 | Minister's Office                                |
| 9  | National Engineering Research and Development Centre                            |    | Rehabilitation and Improvement of Capital Assets |
| 10 | National Science Foundation   |    | Acquisition of Capital Assets                    |
| 11 | National Science and Technology Commission                                      | 22 | Administration and establishment Services        |
|    |   |    | Rehabilitation and Improvement of Capital Assets |
|    |   |    | Acquisition of Capital Assets                    |
|    |   |    | Capacity Building                                |

- 23 National Initiative for Research and Development Commercialization (Presidential Secretariat)
- 24 Purchasing of scientific films for the planetarium
- 25 Acquisition of Mobile Planetarium
- 26 Scaling Up Eco-Friendly Biofilm Bio-fertilizer (NIFS)



## Digitally Transformed Economy

### Ministry of Digital Economy

#### Digital

#### Ongoing Projects

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1 Sri Lanka Computer Emergency Readiness Team (SL CERT)</li> <li>2 Information and Communication Technology Agency of Sri Lanka (ICTA) or Relevant Agency</li> <li>3 e-NIC Project</li> <li>4 Electronic Payment System (Gov. Pay)</li> <li>5 Data Protection Authority (DPA)</li> <li>6 Sri Lanka Unique Digital Identity (SLUDI)</li> <li>7 Projects implemented by SLCERT             <ol style="list-style-type: none"> <li>I. National Cyber Security Operation Center (NCSOC)</li> <li>II. National Certificate Authority (NCA)</li> <li>III. Cyber Security Capacity building program for 10,000 government officer</li> <li>IV. Development of Legislation, Policies, and Standards for Cyber Security</li> <li>V. Cyber Security Awareness (Online Safety, Cyber Security and Social Media Security)</li> <li>VI. Upgrade Digital Forensic Lab</li> </ol> </li> </ol> | <ol style="list-style-type: none"> <li>8 Implementation of Digitalization Strategies             <ol style="list-style-type: none"> <li>I. ICT Solution for Government Analyst Department</li> <li>II. Technology Industry Development Program</li> <li>III. Start-up and Scale up Program</li> <li>IV. Capacity Building for digitally inclusive Sri Lanka</li> <li>V. Establishment of Threat Hunting and Malware Analysis Lab</li> <li>VI. Technical Diffusion Program</li> </ol> </li> <li>9 Digiecon International Conference and Exhibition (DIGIECON)             <ol style="list-style-type: none"> <li>I. Rehabilitation and Improvement of Capital Assets</li> <li>II. Acquisition of Capital Assets</li> <li>III. Transfers</li> <li>IV. Capacity Building</li> </ol> </li> <li>10 Department of Registration of Persons             <ol style="list-style-type: none"> <li>I. Pre-printed cards and related activities</li> <li>II. Rehabilitation and Improvement of Capital Assets</li> </ol> </li> </ol> |
|---|---|

III. Acquisition of Capital Assets

IV. Capacity Building

## **New Projects**

- 1 Digital Economy Advancement
- 2 DEA Strengthening and Inter-Ministerial Coordination Platform
- 3 Digital Government Transformation Program – Phase 1
- 4 "Accelerating Sri Lanka's Digital Industry and Innovation Ecosystem "
- 5 "Digital Revenue Economy
- 6 Enablement and Acceleration Initiative "
- 7 Strategic Industries Digital Enablement Initiative
- 8 "Advancing Digital Skills and Capacity Building in Sri Lanka"

# INNOVATIONS FOR GREENING AND SUSTAINABLE AGRICULTURE

**Agriculture**

**Livestock**

**Plantation**

**Fisheries**

**Land**

**Irrigation**

## **Green Fields, Golden Future**

### **Ministry of Agriculture, Livestock, Land and Irrigation**

#### **Agriculture**

##### **Ongoing Projects**

- |    |   |    |   |
|----|---|----|---|
| 1  | Agriculture sector modernization project (Component 2)  | 12 | Special programs for Food Security and Technology   |
| 2  | Climate Smart Irrigated Agriculture Project (CSIAP)(GOSL/WB)  | 13 | Government contribution for Crop Insurance  |
| 3  | Smallholder Agribusiness partnership programme (SAPP) (IFAD)  | 14 | Hector Kobbekaduwa Agriculture Research and Training Institute  |
| 4  | Smallholder Agribusiness Resilience Project (SARP) (IFAD)   | 15 | Sri Lanka Council for Agriculture Research Policy   |
| 5  | Integrated Rurban development & climate resilience project  | 16 | Additional Crop Cultivation programme   |
| 6  | Maintaining a buffer stock of Paddy   | 17 | National Institute of Post-Harvest Management   |
| 7  | Term Loan of Fertilizer Subsidy Program   | 18 | Haritha Danau Bim Sanwardhana Madyama Adhikariya (Hadabima Authority of Sri Lanka)                            |
| 8  | Development of Youth entrepreneurs in Agriculture & Industry sector (concessionary loan scheme)   | 19 | Crop diversification  |
| 9  | Production enhancement of other field crops   | 20 | Development of minor irrigation systems and abundant paddy lands  |
| 10 | Strengthening cross border trade ensuring bio security and phytosanitary requirements   | 21 | Small scale agriculture research project-JICA   |
| 11 | Development of Green Zones in 50 selected schools around the country for improving environmental activities for improving the ethical values among children (Under Clean Sri Lanka Programme) | 22 | Implementation of National Agriculture Research Plan  |
|    |   | 23 | Implementation of tree felling act and Soil conservation Act  |
|    |   | 24 | Development of New hybrids & open pollinated chilli, Maize, onion & vegetable varieties & production of seeds |

- 25 Climate resilient green technological improvement for food crop production and smart dissemination of technology to ensure food security in Sri Lanka
- 26 Media programme
- 27 Annual symposium of Agriculture
- 28 Bata atha & Gannoruwa Agro technology parks
- 29 Improvement of school of agriculture
- 30 Development of soil fertility testing facilities
- 31 Assisting farmers for production of non- toxic foods through Good Agriculture practices and entrepreneurship development
- 32 Promotion of safe and appropriate use of pesticides & fertilizer
- 33 National seed production & purchasing programme
- 34 Quality assurance of seeds and planting materials through the implementation of Seed Act
- 35 Accelerated seed farms development programme
- 36 Strengthening of seed certification activities
- 37 Minimize potential adverse effects of Agro chemicals on Human Health and Environment
- 38 Promotion of local seed potato production
- 39 Maintenance of Plant Genetic resources bank at Gannoruwa
- 40 Rehabilitation and Improvement of Capital Assets
- 41 Capital assets acquisition for agriculture sector
- 42 Capacity Building

- 43 Other Capital Expenditure

### **Provincial Councils**

- 1 Provincial Specific Development Grant for Agriculture

### **New Projects**

- 1 Agriculture value chain finance and Commercialization Programme

### **Livestock**

#### **Ongoing Projects**

- 1 Establishment of Animal Breeder Farms
- 2 Development of Small and Medium Scale Livestock Development
- 3 Livelihood Development through Goat farming
- 4 Quality Control and Quarantine Activities
- 5 Control of Contagious Diseases
- 6 Implementation of Livestock research
- 7 Production of Vaccine against Foot and Mouth Disease Locally
- 8 Mastitis control Programme
- 9 Quality assurance of animal origin feed for food safety and export facilitation

- 10 Production of compatible and High ,Quality Animal Vaccine Locally for Substitution of Vaccines imported.
- 11 Minimization of risk of disease to humans and livestock through wildlife disease surveillance
- 12 Upgrading poultry and fish disease diagnosis and surveillance facilities at VICs
- 13 Improvement of Service Delivery System of Field Veterinary Office
- 14 Animal Identification and traceability system
- 15 Expansion and Modernization of Animal quarantine Units
- 16 Livestock Breeding Project
- 17 Export facilitation of Chicken meat and eggs through poultry health Management
- 18 Strengthening Capacity of production of Animal Husbandry Diploma Holders
- 19 Increase the Liquid milk production through enhanced breeding
- 20 Establishment of dairy Processing Plant at Badalgama
- 21 Rehabilitation and Improvement of Capital Assets
- 22 Capital assets acquisition for livestock sector
- 23 Capacity Building
- 23 Other Capital Expenditure

### ***Ministry of Transport, Highways, Ports and Civil Aviation***

- 1 Promotion of Young dairy entrepreneurs through improvement of dairy value chain -ICDP component 2
- 2 Revitalizing of milk value addition and strengthening of liquid milk marketing network in Jaffna district- ICDP component 2

### **New Projects**

- 1 Improvement of training facilities at the Sri Lanka School of Animal Husbandry (SLSAH), Kundasale
- 2 Establishment of Information Management Unit (IMU) to support livestock sector planning and monitoring
- 3 Livestock Promotion to local and foreign/public visitors by maintaining Livestock Exhibition Unit and Livestock technology park
- 4 Project on improvement of productivity in dairy sector

### **Plantation**

#### **Ongoing Projects**

- 1 Cadastral Surveys in the Plantation Sector
- 2 Control and Suppression of diseases in Coconut cultivation
- 3 Kapruka Fund
- 4 Plantation Sector Research & Development
  - I. Establishment of seed gardens to increase the production of improved seeds as a source of planting materials in drought prone areas



II.	Expansion of mother bush areas in new tea cultivars	12	Development Assistance - Coconut Cultivation Board
III.	Studies on the biology and epidemiology of the Pestalotiopsis Leaf fall disease and to develop effective management strategies	13	Development Assistance - Sri Lanka Cashew Corporation
IV.	Development of plant-based products on improving short-term drought stress tolerance in tea plants	14	Subsidy for Rubber (RDD)
V.	Investigation on biochar complexes enriched with nanoparticles and their effects on tea plant growth and soil quality	15	Rubber Research Institute
VI.	Use of biochar as a Soil Amendment to improve and Restore Soil Health and Productivity and a Nature Based Solution (NBS) and a Strategy for Climate Change Mitigation in Tea Plantations	16	National Institute of Plantation Management
VII.	Construction of Elephant Fences around Coconut Genetic Resource Centers	17	Tea Research Institute
VIII.	Modernizing Rubber Sector by Effective Use of Rubber Digital Land Registry System	18	Tea Small Holdings Development Authority
5	Agriculture Sector Modernization Project (GOSL/ WB)	19	Coconut Research Institute
6	Enhancement of coconut production through establishment of Northern coconut triangle	20	Coconut Cultivation Board
7	Providing underutilized lands for investments	21	Sri Lanka Cashew Corporation
8	Cinnamon Gate	22	Palmyrah Development Board
9	Assisting the Farmers for Revitalizing Ceylon Cinnamon Industry	23	Spices and Allied Products Marketing Board
10	Support the implementation of the Rubber Master Plan	24	Kithul Development Board
11	Development Assistance - Tea Small Holdings Development Authority	25	Infrastructure Development in the Estate Sector
		26	Estate Sector Community Empowerment (India)
		27	Rehabilitation and Improvement of Capital Assets
		28	Acquisition of Capital Assets
		29	Capacity Building
		30	Other Capital expenditure
		31	New Village Development Authority for Plantation Region

## New Projects

1. Nutrition Enhancement and Income Generation of Estate Communities through Aquaculture Development
2. Building tomorrow together: Renovating CDCs in Sri Lanka's Plantation Communities
3. Developing a Dust Removing System to improve the Working Environment in Tea Factories which Produce Orthodox-Rotorvane Teas
4. Village-Based King Coconut Cultivation in Sri Lanka
5. Strengthening the Palmyrah Industry to Enhance Product Quality and Quantity for Increased Export Revenue
6. Establish 10 GMP certified Kithul Sap based Processing Centres in Kandy, Matale, Nuwaraeliya, Badulla, Galle, Matara, Kegalle, Ratnapura, Kalutara joining with investors
7. Optimization of chemical management strategy of the Circular Leaf Spot Disease for the field-level mature rubber conditions and development of a national-level management protocol
8. Development of Sustainability Certification System for Natural Rubber (SCSNR) in Sri Lanka
9. Increasing the productivity of abandoned matured rubber cultivations through rehabilitation

## Ministry of Industry and Entrepreneurship Development

- 1 Sugar Cane Research Institute
- 2 Kantale Sugar Company Ltd.

## Ministry of Agriculture, Livestock, Lands and Irrigation Department of Export Agriculture

### Ongoing Projects

- 1 Assisting the Farmers for Export Crop Development
- 2 Promotion of Export Agriculture Crops
- 3 Rehabilitation and Improvement of Capital Assets
- 4 Acquisition of Capital Assets
- 5 Capacity Building
- 6 Other Capital Expenditure

## Fisheries

### Ongoing Projects

- 1 Development and Conservation of Lagoons
- 2 Development of Myliddy Fishery Harbour
- 3 Construction of Gandara Fishery Harbour
- 4 Construction of Rekawa Anchorage
- 5 Construction of Mawella Anchorage

- 6 Feasibility Studies and Investigations of Construction Activities
- 7 Fisheries Industry Development in Northern Region
- 8 Fisheries Community Development of Northern and Eastern Provinces of Sri Lanka
- 9 Fresh water prawn farming and non-traditional aquaculture
- 10 Habitat Enrichment for Fish Production in Coastal Area
- 11 Minimize the impact on fisheries industry due to natural disasters or disruptions to coastal fisheries
- 12 Promote Sustainable Export Oriented Commercial Fisheries to Support Sri Lanka's Envisaged Economic Transformation
- 13 Safety Improvement of Landing Sites
- 14 Fishing Community Awareness Program
- 15 Integrated Awareness Programme for Fishery Sector
- 16 National Aquaculture Development Authority of Sri Lanka
- 17 National Aquatic Resources Research and Development Agency
- 18 Ceylon Fishery Harbours Corporation
- 19 Rehabilitation and Improvement of Capital Assets
- 20 Acquisition of Capital Assets
- 21 Capacity building

### ***Ministry of Fisheries, Aquatic and Ocean Resources***

1. Improvement works at Inginiyagala, Murutawela, Dambulla, Iranamadu, Sevanapitiya, Kalawewa, Nuwara Eliya and Udawalawe (Tilapia, Carp & New). Pambala, Kahandamodara, Kallarawa Aquaculture Development Centers of NAQDA in order to enhance the fish/prawn seed production (NAQDA)
2. Establishing a Platform for Monitoring Seasonal Dynamics of Marine Environment and Ecosystem in Sri Lanka Coastal Area for Mitigating Ocean Based Disasters (NARA/ China)
3. Improved Management of the Marine Resources in Sri Lanka Phase III (NARA/ Norway)
4. Development of the Inland Fisheries Industry to ensure food security by establishing self-sustained culture-based fisheries mechanisms in perennial reservoirs
5. Rehabilitation of Karainagar Boat Yard of Cey - Nor Foundation Limited (Indian Grant)
6. Livelihood Enhancement of the Small-scale Fish Farmers and Nutrition Security of Rural Masses in SAARC Region through Aquaculture Development
7. Renovation, Rehabilitation and Improvements of Existing Fishery Infrastructure of 15 Harbours
8. Provide Infrastructure facilities for small scale landing sites to increase livelihood through post-harvest loss mitigation

9. Extension of the Existing Quay Wall, Access Road and Boundary Wall at Valaichchenai Fishery Harbour

## Land

### Ongoing Programs

- 1 Land Information Services System in Sri Lanka (LISS)
- 2 Land Acquisition for State Purposes
- 3 Bim Saviya Programme- establishing land rights of people
- 4 State Land Information Management System (e-slims)
- 5 Preserving Land Title Files
- 6 Rehabilitation and Improvement of Capital Assets
- 7 Acquisition of Capital Assets
- 8 Capacity Building
- 9 Other Capital Expenditure

### New Projects

- 1 Digital Transformation of Land Records through document scanning at the Land Commissioner General's Department

## Irrigation

### Ongoing Programs

- 1 Moragahakanda and Kaluganga Reservoir Project
- 2 Uma Oya Diversion Project
- 3 Mahaweli Water Security Investment Programme (Asian Development Bank)
- 4 Strengthening the Resilience of Smallholder Farmers in the Dry Zone to Climate Variability and Extreme Events through an Integrated Approach to Water Management (Waw Gam Pubuduwa) (Green Climate Fund)
- 5 Integrated Watershed and Water Resources Management Project (World Bank)
- 6 Climate Resilience Multi-phase Programmatic Approach (World Bank)
- 7 Strengthening Climate Resilience of Subsistence Farmers and Agriculture Plantation Communities in Vulnerable River Basins, Watershed Area and Downstream of the Knuckles Mountain Range Catchment of Sri Lanka (Green Climate Fund)
- 8 Yan Oya Project
- 9 Elle Wewa Reservoir
- 10 Mundeni Aru River Basin Development (Rugam-Kithul Reservoir)
- 11 Uma Oya Down Stream Development Project
- 12 Lower Malwathu Oya Multisector Development Project

- 13 Construction of the canal from Eruwewa to Mahakanadarawa Reservoir
- 14 Rehabilitation of Major Irrigation systems including Galoya, Rajanganaya, Huruluwewa and Minneriya
- 15 Essential Rehabilitation in Selected Major Irrigation Scheme
- 16 Gravity Irrigation Works
- 17 Rehabilitation of Major and Medium Irrigation Schemes Including Emergency Infrastructure
- 18 River Basin Development and Management
- 19 Expenditure related to the lands acquired for Irrigation Projects and existing lands under the Department
- 20 Management and Maintenance of hydrological instruments and stations
- 21 Management of drainage flood protection systems
- 22 Mahaweli Authority of Sri Lanka
- 23 Agriculture and Livestock Programme Implemented by Sri Lanka Mahaweli Authority
- 24 Feasibility Studies
- 25 Rehabilitation and Improvement of Capita Assets
- 26 Acquisition of Capital Assets
- 27 Capacity Building

- 28 International Training Institution of Irrigation and Water Management Kothmale
- 29 Other Capital Expenditure

### **New Projects**

- 1 Mahaweli Water Security Investment Programme Stage 2 Project
- 2 Thalpitigala Reservoir
- 3 Maduruoya Right Bank Development
- 4 Kivul Oya Reservoir
- 5 Kumbukkan Oya Reservoir

# BROADENING HORIZONS: LEVERAGING INDUSTRY, TRADE AND INVESTMENT AND TOURISM FOR INCLUSIVE GROWTH

Industry

Tourism

## **Broadening Horizons for Inclusive Growth**

### **Ministry of Industry and Entrepreneurship Development**

#### **Industry**

##### **Ongoing Projects**

- 1 Industrial Estate (IE) Development Program
  - i. Establishment of an Industrial Estate in the Kalutara District Ingiriya
  - ii. Establishment of an Industrial Estate in the Kalutara District (Raigama - Millaniya) Stage II
  - iii. Establishment of an Industrial Estate in the Kilinochchi District Paranthan
  - iv. Establishment of an Industrial Estate in the Gampaha District - Katunayaka
  - v. Establishment of an Industrial Estate in the Matale District (Dambulla)
  - vi. Establishment of an Industrial Estate in the Gampaha District (Divulapitiya – Aluthepola)
  - vii. Establishment of an Industrial Estate in the Anuradhapura District (Rambawa –Sandamalgama)
  - viii. Establishment of an Industrial Estate in the Hambanthota District (Sooriyawewa)
  - ix. Establishment of an Industrial Estate in the Anuradhapura District (Nochchiyagama)
  - x. Providing Water Supply - Puttalam Industrial Estate
  - xi. Development of Internal road from Dakshima road to block no. 75,76 - Ulapane IE
  - xii. Establishment of fire hydrant system - Kalutara IE
  - xiii. Survey of Boundary wall - Kolonnawa IE
  - xiv. Geological Investigation for the construction of Tube well at Karandeniya IE balance payment
  - xv. Capacity determination of the Tube Well - Karandeniya IE
  - xvi. Service facilitation for Industries and exhibition
- 2 Thrust Area Development
  - i. Good Manufacturing Practices Certification to Improve Food Safety & Hygiene, Quality and productivity in SME including Micro Industries
  - ii. Industrial productivity, market competitiveness and sustainability improvement program (ISO Certification program)
  - iii. "Establishment of a Launching Pad to Launch Larger Boats for Exports"
  - iv. Establishment of a facility to conduct human repeat insult patch test (HRIPT) for cosmetic products at the University of Colombo
  - v. Resource Efficient Cleaner Production (RECP) Assessment and Capacity Building Program for Local Industries
  - vi. Footwear & leather fair
  - vii. Ceylon National Chamber of Industries (CNCI) achievers award
  - viii. Business continuity plan (Disaster management program)



- 3 Handloom and Textile Industries
  - i. Preservation and conservation of traditional arts, crafts and designs
  - ii. Implementing Revisiting the legacy of traditional designs in Sri Lanka project
  - iii. Implementation of research and development programs for Batik and Handloom textile industries
  - iv. Infrastructure development for Batik, Handloom and Apparel industries.
  - v. Implementation of Batik, Handloom and Apparel Product Promotion/ Sales Promotion Programs
  - vi. Implementation of capacity development programs to encourage export oriented products
- 4 Traditional and Rural Industrial Promotion Program
  - i. Establishing a Timber design and innovation center
  - ii. Cultivation of raw material program for rural industries
  - iii. Local and foreign market promotion program on rural industry
  - iv. Reestablishment of Sigiriya Handicraft and Cultural Village
- 5 Lending on SMEs and Micro Credit
  - i. Small & Micro Industries Leader & Entrepreneur Promotion Project
  - ii. Environment Friendly Solutions Revolving Fund
- 6 Sri Lanka Institute of Textile and Apparel (SLITA)
  - i. Modification and Improvement of Classrooms (Block B)
  - ii. Conformity Certification for Hazard free consumable Textile and Apparel Product
  - iii. Enhancement of Footwear Design and Grading Capabilities
- 7 National Enterprise Development Authority
  - i. B500 Project - Brand Development Program
  - ii. Upadhidari Vyavasayaka Udanaya” Program
  - iii. Youth Entrepreneurship Skill Development Program with Vocational Training Institutes
  - iv. Business Cluster Development Program
  - v. “Made in Sri Lanka” Trade Fair for MSMEs
    - i. Regional Entrepreneur Award Ceremony
    - ii. Regional Entrepreneurship Development Program
    - iii. Offering “Made in Sri Lanka” Logo
    - iv. District/ Regional Enterprise Forum
    - v. Online marketing for rural entrepreneurs
    - vi. Establishment of international business linkages for Sri Lankan entrepreneurs
- 8 Sri Lanka National Design Center
  - i. Establishing and maintaining designers platform
  - ii. Building Design/Market awareness in the country
  - iii. Research & Development in craft sector
  - iv. Promote Handicraft Industry through Building Market Awareness
  - v. Sustainable design Promotion with Institutional collaboration (Universities/ individual / Institutions)
  - vi. Design competition for full fill Marketable design gap in SME sector
  - vii. Development of traditional industrial villages targeting experience-based tourism
  - viii. More effective service through improving internal capacity
  - ix. Conducting New Design Exhibition to Promote New Design

- x. Public awareness to highlighting impact of design on daily life

#### 9 National Craft Council

- i. Registration of Craftsmen, Issuing ID Cards & Establishment of Database
- ii. Establishing & Coordinating of Crafts Society (Shilpa Samajaya) – Provincial & National Society
- iii. Development of NCC Website & Maintenance of E - Commerce Platform
- iv. Provision of Training Facilities through Craft Training Centers (Allowances, Certificates, Raw Material and Equipment)
- v. Provision of Training Facilities through "Guru Shilpee" Training Program
- vi. Conducting "Shilpa Abhimani" Handicrafts Provincial & National Competition
- vii. Upgrading of 50 craftsmen to the export level entrepreneurs on the field of handicrafts ( pilot Project)
- viii. Conducting mobile trade points at tourist hotspots (Nilaweli, Pasikuda, Colombo, Ella and Kandy)
- ix. Facilitation for startup Self - Employment
- x. Introducing New Technology for Processing Raw Material
- xi. Preparation of Tour Promotional Material for Tourism base crafts Product in Jaffna District
- xii. Preparation of Printed and Digital Document on endangered traditional Craft Sector ( Laquer & Sesath)
- xiii. Development of crafts training & production centers
- xiv. Conducting Human Resource Development Program (Capacity Building, Language & Skill Development)

#### 10 Gem and Jewellery Research and Training Institute

- i. An International gem & Jewellery Market
- ii. International Level gem research lab
- iii. Technology Dissemination
- iv. Continue the a curriculum development of a degree program (SLQF 05) for gem and jewellery sector to address the gap in existing academic qualifications and professional experience
- v. Modern Technology to identify Gem Ores
- vi. Modern Technological Support to Add Values to gems
- vii. An International Gem & Jewellery Market

#### 11 Sri Lanka Export Development Board

- i. Implementation of the National Export Brand Promotional Plan

#### 12 National Productivity Secretariat

- i. Improving Productivity, Employment Growth and Economic Development in Sri Lanka
- ii. Special Productivity Promotion Program (Asian Productivity Organization)

Presidential Secretariat - Under Clean Sri Lanka Program

- iii. Community Productivity Enhancement Program
- iv. Establishing Productivity Evaluation Mechanism for Public, Manufacturing and Service and School sectors, through National Productivity Awards (NPA)

#### 13 Public Institutions

- i. Sri Lanka Institute of Textile and Apparel
- ii. National Enterprise Development Authority
- iii. Industrial Development Board

- iv. Sri Lanka National Design Center
- v. National Craft Council
- vi. Gem and Jewellery Research and Training Institute
- vii. Sri Lanka Export development Board

- 14 Small Enterprise Development Division
- 15 Department of Textile Industries
- 16 Industrial Development Administration
- 17 Rehabilitation and Improvement of Capital Assets
- 18 Acquisition of Capital Assets
- 19 Capacity Building

### ***Ministry of Finance, Planning and Economic Development***

- 1 SME Credit Line (GOSL/ADB)
- 2 Stimulating Loan Scheme for Re-energizing the MSME Sector
- 3 Investment Promotion
  - i. Creating an Investment Friendly Environment
  - ii. Colombo Port City Development Project Infrastructure Development Project Management Unit (PMU) Functioning
  - iii. External Infrastructure Development work for establishment of new Investment Promotion Zone in Bingiriya Economic Processing Zone
  - iv. External Infrastructure Development work for establishment of new Investment Promotion Zone in Wagawatta Economic Processing Zone
  - v. External Infrastructure Development work for establishment of new Investment Promotion Zone in Textile Manufacturing Zone, Eravur

- vi. External Infrastructure Development work for establishment of new Investment Promotion Zone in Arabokka Export Processing Zone

### ***Ministry of Trade, Commerce, Food Security and Cooperative Development***

- 1 Establishment of Economic Centers
- 2 Development of Tharapuram Tank and Co-operative Village
- 3 Food Security Initiatives
- 4 Rehabilitation of Capital Assets
- 5 Acquisition of Capital Assets
- 6 Capacity Building

### ***Department of Commerce***

- 1 Exploration of Export Markets

### ***Department of Food Commissioner***

- 1 Establish of Temperature Controlled Ware House- Dambulla
- 2 Renovation of existing paddy stores

### ***Department of Cooperative Development***

- 1 Producer Cooperative Society for youth entrepreneurs

### ***Cooperative Employees Commission***

### ***New Projects***

### ***Ministry of Industry and Entrepreneurship Development***

- 1 Thrust Area Development

- i. A Strategic Assessment to Identify the Potential of Automobile Electronics and Chip Manufacturing for Exports in Sri Lanka

## 2 Handloom and Textile Industries

- i. Conducting technical training programs on the use and maintenance of technical equipment used in the handloom textile manufacturing industry
- ii. Conducting market research on Batik handloom textile and apparel sector
- iii. Creating a productive raw material management mechanism for Handloom and Batik manufacturing

## 3 Industrial Development Board

- i. Establishment of Business Incubators in 9 Provinces - Sri Lanka
- ii. Co-ordination of the school Industry Entrepreneurship Circles National Program
- iii. Empowering Industries for Local and Global Market Integration - Industry Expo 2025
- iv. Coordination of the National Industry Brand Excellence Award 2026
- v. Coordination of the National Industry Excellence Award 2026

## 4 National Craft Council

- i. Development of Handicraft sector in Sri Lanka 2026 - 2030
- ii. Establishment of “SAARC” Handicraft Development Center

## 4 Export Development Board

- i. Sri Lanka Expo 2026
- ii. Creative Sri Lanka 2030

## ***Ministry of Finance, Planning and Economic Development***

- 1 Building a strong and inclusive enabling environment for Micro, Small and Medium Enterprises (MSMEs) – Sector Development Program
- 2 System development and upgrade and online system catering SMEs at the Department of Development Finance
- 3 Trade National Single Window System Project

## **A Modernized Tourist Industry**

### **Ministry of Tourism, Foreign Affairs and Foreign**

#### **Employment**

#### **Tourism**

##### **Ongoing Projects**

- 1 Development Assistance- Development of Tourists Attractions
- 2 Development of Pinnawala- Kithulgala Tourism Corridor
- 3 Market Development Facility Project (MDF) - GOSL /Australia
- 4 Creating virtual cities for tourist attracted cities and areas.  
(Clean Sri Lanka)
- 5 Rehabilitation and Improvement of Capital Assets
- 6 Acquisition of Capital Assets
- 7 Staff Training

##### ***Ministry of Urban Development and Housing***

- 8 Sustainable Tourism Development Project (GOSL/ADB)

##### ***Ministry of Public Administration Provincial Council and Local Government***

- 9 Development of tourism infrastructure in local authority areas
- 10 Promotion of ethics in the tourism sector (Clean Sri Lanka)

##### **New Projects**

- 1 Capacity Development for Tourist Service Providers and Trainings for Youth and Women
- 2 Construction of Sun Set View Park, Arugambay
- 3 Borawewa Recreational Area Development Project
- 4 Development of Dutch Forts (Mannar, Batticoola and Kalpitiya)
- 5 Improvement of infrastructure facilities at Casuarina beach- Karainagar.
- 6 Construction of New Toilets at Nakuleswaram Kovil Premises.
- 7 Development of Senthankulam Beach.
- 8 Development of Kankesathurai Beach.
- 9 Placing plaque on all historical places and tourist spots in Kayts Division.
- 10 Construction of a Resting hall, Dining hall, Bath Room and Toilet renovation at our Lady of Sinnamadu Shrine.
- 11 Installation of stone benches at Kayts Jetty.
- 12 Renovation of Puliyantive Jetty.
- 13 Construction of Toilet, Parking Place and Resting Hall at Kannagai Amman Jetty.
- 14 Nature based Tourism Destination Development Project

# INFRASTRUCTURE, “CONNECTIVITY, RESILIENCE AND GROWTH”

Roads

Transport

Ports and Aviation

Power and Energy

Water and Sanitation

Housing

Urban Development

## **Connecting People, Driving National Growth**

### **Ministry of Transport, Highways, Ports and Civil Aviation**

#### **Roads**

##### **Ongoing Projects**

- |    |   |    |  |
|----|---|----|--|
| 1  | Extension of Southern Expressway From Matara to Hambantota (GOSLChina) - Section 2 (Beliatta to Wetiya) | 13 | Road Network Development Project (GOSL- OPEC)  |
| 2  | Colombo - Rathnapura - Pelmadulla Expressway  | 14 | Colombo District Road Development Project (GOSL-OFID)  |
| 3  | Elevated Highway from New Kelani Bridge to Athurugiriya   | 15 | Western Province National Highways (GOSL-OFID)   |
| 4  | Port Access Elevated Highway Project (GOSL - ADB)   | 16 | Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL-OFID)                      |
| 5  | Central Expressway Section 01 - Kadawatha to Meerigama (GOSL - China Exim Bank)                         | 17 | Widening and Improvement of roads and bridges in Central and Uva Provinces (GOSL - EXIM China)                     |
| 6  | Central Expressway Section 02 - Meerigama to Kurunegala   | 18 | Marine Drive Extension up to Panadura  |
| 7  | Central Expressway Section 03 - Pothuhera to Galagedara Rambukkana                                      | 19 | Rehabilitation of the A 17 Road Corridor from Deniyaya to Rakwana (18 km) (OFID IV)                                |
| 8  | Construction of system interchange at Kadawatha and 500m road towards Meerigama in Central Expressway   | 20 | Development of an alternative Road Network to Access Main Roads and Expressways and to ease the Traffic Congestion |
| 9  | Construction of Petta and Aluthmawatha interchanges with ramps  | 21 | Inclusive Connectivity & Development Project (GOSL-WB)   |
| 10 | Baseline Road - Phase III   | 22 | Enhancement of National Traffic Database and Capacity Building (GOSL-KOICA)  |
| 11 | Rehabilitation of Peradeniya-Badulla - Chenkalady Road from Badulla to Chenkalady (GOSL - SFD)          | 23 | Kandy Multimodal Transport Terminal Development Project (GOSL - WB)  |
| 12 | Road Network Development Project (GOSL- SFD)  |    |  |



- 24 Integrated Road Investment Programme (I - Road) - Phase I (GOSL-ADB)
- 25 Integrated Road Investment Programme (I - Road) - Phase II (GOSL-ADB) - (Tranche 5)
- 26 Development of Access Roads to Kandy Multimodal transport Center
- 27 Reconstruction of 25 Bridges on National Highways (GOSL-Kuwait)
- 28 Second New Kelani Bridge Construction Project (GOSL - JICA)
- 29 Design and Construction of Flyovers in Kohuwala and Gatambe (GOSL-Hungary)
- 30 Construction of Flyovers over the Railway Line at Uttharananda Mawatha and near the Slave Island Railway Station
- 31 Rehabilitation of Garagoda Bridge on Yatiyanthota – Magamma Road
- 32 Rehabilitation and improvement of rural roads and bridges in Northern Province.
- 33 Improvement and rehabilitation of rural roads and Rehabilitation of rural bridges
- 34 Rehabilitation of Wadduwakal Bridge Mullaitivu
- 35 Road Maintenance and Improvement
- 36 Infrastructure and Road Safety
- 37 Traffic Management

- 38 Gap financing of the Road Development Authority's commitments
- 39 Land Acquisition for Completed and Ongoing Projects
- 40 Surveys, Investigations and Feasibility Studies
- 41 Rural Road Reawakening Programme
- 42 Widening and Improvements of Roads (Island wide)
- 43 Reconstruction of Damaged / Weak Bridges on National Highways
- 44 Construction of Rural Bridges using old Bridge Component

### New Projects

- 1 Construction of Structures at Meda Ela – William Gopallawa Mawatha (AB042)
- 2 Construction of William Gopallawa Mawatha (AB042)
- 3 Construction of Underpass Arch Bridge and Road Section from 1+960 km to 2+213 km on Kandy – Jaffna Road at Mahaiyawa
- 4 Conducting a Feasibility Study for the Construction of Connectivity from the Port Access Elevated Highway (PAEH) to the Marine Drive Extension (Phase 2) & Minimizing the Traffic Congestion in the Lotus Roundabout Area
- 5 Improvement of Ambilipitiya – Panamure – Buluthota Road (B115) from Kolonna to Suriyakanda (29+000Km to 38+620Km)
- 6 Improving Bus Management and Operations in Kandy District to Optimize Benefits from the KMTT

- 7 Improve People Accessibility and Traffic Circulation in Kandy Central Business District after Implementing the KMTT
- 8 Widening and Improvement of Katugastota – Kurunegala-Puttalam A010 Road from Katugastota to Galagedara
- 9 Improvement of Junctions (11) in Baseline Road in Western Province

### Land Transport

- 1 Greater Colombo Urban Transport Development Project Phase 1-(GOSL-Japan)
- 2 Colombo Suburban Railway Efficiency Improvement Project - Transport Project Preparatory Facility (GOSL-ADB)
- 3 Colombo Suburban Railway Efficiency Improvement Project (GOSL-ADB)
- 4 Procurement of 600 Buses for SLTB using Balance Funds of the 318 Mn. Indian Line of Credit (GOSL-India)
- 5 Railway development projects under USD 318 Mn. Credit Line - Procurement of 160 nos. passenger coaches and improvement of Rathmalana workshop, double tracking from Polgahawela - Kurunegala rehabilitation and installation of signalling from Maho - Omantha (GOSL/ India)
- 6 Railway development projects under the balance USD 382.37 Mn. Credit line - Procurement of 30 nos. tank wagons and 20 nos. of track Wagons, Procurement of 06 nos. DMUs and Procurement of 10 nos. locomotives (GOSL/India)

- 7 Procurement of 100 Low Floor Buses for Public Transport Modernization
- 8 Acquiring 10 new Low floor busses with facilities for persons with disabilities for Sri Lanka Transport Board under Clean Sri Lanka
- 9 Rehabilitate old railway passenger coaches
- 10 Manufacturing New Passenger Coaches
- 11 Construction of Kelanivelly Railway Line from Awissawella onwards
- 12 Feasibility Study for Upgrading Thambuththegama Railway Station Facility for transportation of agricultural products
- 13 Rehabilitation and Improvement of Capital Assets
- 14 Acquisition of Capital Assets
- 15 Capacity Building
- 16 Other capital expenditures
- 17 Sri Lanka Transport Board, Augmentation of bus fleet, Institutional development and capacity building

### Railway

- 18 Acquisition of Capital Assets (Development Activities)
- 19 Capacity Building
- 20 Rehabilitation and Improvement of Capital Assets (Development Activities-German Tec)

- 21 Acquisition of Capital Assets ((Development Activities-German Tec)
- 22 Capital Transfers ((Development Activities-German Tec)
- 23 Acquisition of Capital Assets
- 24 Rehabilitation and Improvement of Capital Assets
- 25 Acquisition of capital assets
- 26 Rehabilitation of Steel Bridges
- 27 Shed Improvement
- 28 Installation Level Crossing Protection
- 29 Rehabilitation of permanent way with new rails and sleepers
- 30 Production of Concrete Sleepers
- 31 Double Tracking of Ragama - Puttalama Rail line
- 32 Kelanivalley Rail line
- 33 Kandy - Peradeniya - Kadugannawa Railway Line Development Project
- 34 Improvement to Railway Stations / Buildings
- 35 Kelani Railway Bridge Project (GOSL/Austria)

#### **Department of Motor Traffic**

- 36 Rehabilitation and Improvement of Capital Assets
- 37 Acquisition of Capital Assets
- 38 Capacity Building
- 39 Other Capital Expenditure

- 40 Divisional Office at District Secretariat Office - Establishment of Meegahakiula Training Centre and Provision of Online Examination Facilities for 24 Districts
- 41 E-Motoring

#### **New Projects**

- 1 Acquiring 307 Engine kits for Sri Lanka Transport Board(for replacing worn out engine kits in 307 SLTB buses)
- 2 Procurement of new tools, machinery & equipment required for depots & workshops of Sri Lanka Transport Board
- 3 Acquiring 12 nos. New Automatic Bus Washing Plants for Sri Lanka Transport Board
- 4 Acquiring 600 New 49-54 seater standard buses for Sri Lanka Transport Board for long distance operations on deferred payment terms
- 5 Development of Kandy Railway Station to Align and integrate with Kandy Multimodal Transport Terminal (KMTT)
- 6 Double tracking of railway line from Polgahawela to Kurunegala
- 7 Replacement of 11 old railway bridges
- 8 Procurement of 5 Nos.of DMUs
- 9 Construction of new railway track from Maradana to Battaramulla
- 10 Development of Colombo Fort Railway Station
- 11 Development of Kelanivalley Railway Line from Maradana to Rathnapura

## Ports and Aviation

- 1 Sri Lanka Ports Authority- Sooriyawewa International Cricket Stadium
- 2 Rehabilitation of Kankasanthurai Harbor
- 3 Port Access Elevated Highway Project (PAEH) (proposed workshop building complex for SLPA)
- 4 Detail Design for the Extension of Western Breakwater for West Container Terminal II – Colombo Port Extension Project Phase II

- 3 Procurement of Design, Development, Customization, Finance, Operation, Upgrading and Maintenance of Port Community System for Sri Lanka Ports Authority

## Civil Aviation

- 1 Hingurakgoda International Airport Development Project(1st phase)

## Merchant Shipping Secretariat

- 1 Establishment of E-Government project integrating all services of the Merchant Shipping Secretariat

## *Ministry of Finance Planning and Economic Development*

- 1 Leveraging Sri Lanka's Strategic Location

## New Projects

- 1 Revision and Update of the National Port Master Plan along with the Strategic Land Use Master Plan
- 2 Carrying out additional studies required for Colombo North Port Development Project

## **Powering the Nation, Energizing the Future**

### **Ministry of Energy**

#### **Energy**

##### **Ongoing Projects**

- 1 Accounting for the Foreign Disbursements of CEB Loan (ADB/JICA)
- 2 The Project for Capacity Development on the Power Sector Master Plan Implementation Program (JICA) (Staff training)
- 3 Battery Energy Storage System under Grant of Korean Government
- 4 Providing Rooftop Solar Power Facility Installation for Government Building low - Income Households, Religious Place and RO Plants (GOSL/India)
- 5 Construction of Hybrid Renewable Energy System small Islands - Delft, Analativu, Nainativu, Sri Lanka (India)
- 6 Sri Lanka Energy Programme - USAID (Staff training)
- 7 Kerawalapitiya - Port 2nd transmission line project - On-lending
- 8 Colombo Waste to Energy Power Plant (Development Assistance)
- 9 Expanding the Capacities & Capabilities of the Sri Lanka Atomic Energy Board
- 10 Donation from International Atomic Energy Agency

##### **Public Institutions**

- 1 Sri Lanka Sustainable Energy Authority
- 2 Sri Lanka Atomic Energy Board
- 3 Sri Lanka Atomic Energy Regulatory Council
- 4 Petroleum Development Authority Sri Lanka
- 5 National Electricity Advisory Council
- 6 Establishment of Secretariat for Power Sector Reforms

##### **New Projects**

- 1 New Habarana kappalthurai transmission Development Project - CEATP 1 (AIIB) - On-Lending
- 2 Sampur Kappalthurai Transmission Development Project (SKTDP) - On-Lending
- 3 Nuclear Power Study and Planning Programme for Electricity Generation in Sri Lanka
- 4 Installation of 75 MVA Synchronous Condenser Unit at New Habarana- On-Lending
- 5 Installation of STATCOM at Padukka 220kV GSS
- 6 Maha – Oya Pumped Storage Hydropower Plant (PSHP) (600 MW / 6 hrs)
- 7 Development of Northern 400kV Transmission Network

- 8 Establishment of Four Distribution Control Centers (DCCs) With Advanced Distribution Management System (ADMS) Supported by SCADA & Advanced Metering Infrastructure AMI) for the Four Distribution Divisions

### ***Ministry of Defence***

1. Installation of solar power plant at Block No 3, DHQC project, Akuregoda
2. Installation of solar (PV) system at Sothern Naval area

## **Towards a Water Secured Nation**

### **Ministry of Urban Development, Construction and Housing**

#### **Water and Sanitation**

##### **Ongoing Projects**

- |    |   |    |   |
|----|---|----|---|
| 1  | Water Supply and Sanitation Improvement Project (WASSIP) (GOSL-WB)                                      | 11 | Kalu Ganga Water Supply Expansion Project (1) (GOSL/JICA)   |
| 2  | China Sri Lanka Joint Research and Demonstration Centre for Water Technology (GOSL/China)               | 12 | Capacity Enhancement and Distribution Expansion Project (CEDE)  |
| 3  | Jaffna Kilinochchi Water Supply and Sanitation Project (GOSL/ADB)                                       | 13 | Kandy City Waste Water Management Project (GOSL/JICA)   |
| 4  | Anuradhapura North Water Supply Project Phase 1 (GOSL/JICA)   | 14 | Phase II Stage I of Ratmalana/Moratuwa Waste Water Disposal Project (Expansion of Pipe Sewer Coverage to Moratuwa & Ekala Areas) (GOSL/AFD) |
| 5  | Greater Colombo Water and Wastewater Management Improvement Investment Programme - Project 2 (GOSL/ADB) | 15 | Gampaha, Attanagalla & Minuwangoda Integrated Water Supply Scheme (GOSL/CHINA)  |
| 6  | Greater Colombo Water and Wastewater Management Improvement Investment Programme - Project 3 (GOSL/ADB) | 16 | Jaffna Water Supply Project (Pali Aru- Feasibility Study)   |
| 7  | Ambathale Water Supply System Improvement & Energy Saving Project (GOSL/France)                         | 18 | Development of Water Safety Plans for Community Managed Water Schemes -DNCWS  |
| 8  | Greater Ruwanwella Water Supply Project (GOSL/Korea)  | 19 | "Praja Jala Abhiman" Water Supply Scheme –DNCWS   |
| 9  | Kandy North & Pathadumbara Integrated Water Supply Project (GOSL/China)                                 | 20 | WASH Knowledge and Skills Development of Teachers and Frontline Healthcare Workers (UNICEF)   |
| 10 | Anuradhapura North Water Supply Project Phase II (GOSL/JICA)  | 21 | Implementation of Rainwater Harvesting Programme  |
|    |   | 22 | Catchment Protection & Prevention of Pollution at Sources   |



- 23 South Asia Conference on Sanitation (SACOSAN) Follow up Action - All Island Sanitation Programme
- 24 Improvement of Rural Water Supply and Sanitation
- 25 Prevention of Water Borne Diseases in Chronic Kidney Diseases Affected Areas
- 26 Rehabilitation of Community Water Supply Schemes -DNCWS
- 27 Improvement of Community Water Supply –DNCWS
- 28 Anamaduwa Water Supply Project

#### ***Ministry of Public Administration, Provincial Councils and Local Government***

##### **Ongoing Projects**

- 28 Greater Colombo Waste Water Management Project - (GOSL/ADB)
- 29 Greater Colombo Water and Waste Water Management Improvement Programme - Tranche 3 (GOSL/EIB)
- 30 Greater Colombo Water and Waste Water Improvement Investment Programme -Tranche 3 (GOSL/ ADB)

#### ***Ministry of Finance Planning and Economic Development***

##### **Ongoing Projects**

- 31 Resumption of Water Projects Terminated due to Debt Restructuring

#### ***Presidential Secretariat-Clean Sri Lanka Program***

##### **Ongoing Projects**

- 32 Sewer Line Construction at Maligawatta
- 33 Improving Fecal Sludge Management in Local Authorities

##### **New Projects**

#### ***Ministry of Urban Development, Construction & Housing***

- 34 Eppawala, Giribawa, Rajanganaya & Nochchiyagama Integrated Water Supply Project - Stage I
- 35 Non-revenue Water Reduction and Management Project for the Galle Water Supply Scheme (TA Grant)
- 36 Lunugamwehera Integrated Water Supply Project
- 37 Waste Water Management System for Ella Township
- 38 Establishment of Gully Bowser Treatment System in Ella Pradeshiya Sabha
- 39 Deduru Oya Water Supply Project
- 40 Upgrading the Water Supply Facilities in Kolonnawa
- 41 Upgrading the Water Supply Facilities in Kotte
- 42 Jubilee System Improvement
- 43 Construction of an Upstream Impounding reservoirs across Maha Oya Yatimahana, Kegalle District for Securing Drinking Water Supply

- 44 Augmentation of Ambatale WTP Project (Ambathale 50,000 m<sup>3</sup>/day Expansion)
- 45 1200/900 mm DI Transmission Line from Jubilee to CMC
- 46 Valaichanai Water Supply Project Phase 1
- 47 Jaffna Sanitation Project
- 48 Eheliyagoda Water Supply Project-Capacity 14,000m<sup>3</sup>/day

#### **Other Capital Expenditures (Operational Related)**

#### ***Ministry of Urban Development, Construction and Housing***

- 50 Inter Provincial Projects Programmes (utility shifting)
- 51 Rehabilitation and Improvement of Capital Assets
- 52 Acquisition of Capital Assets
- 53 Capacity Building

#### **Department of National Community Water Supply**

- 54 Rehabilitation and Improvement of Capital Assets
- 55 Acquisition of Capital Assets
- 56 Capacity Building

## **Shelter with Dignity**

### **Ministry of Urban Development, Construction and Housing**

#### **Housing**

##### **Ongoing Projects**

- 1 Resettlement / Permanent Houses for the Conflict Affected Families
- 2 "Samata Niwahana" Housing Programme (Obata Geyak Ratata Hetak)
- 3 Construction of houses in Sobitha Thero Village in Anuradhapura (Indian Grant)
- 4 Construction of 600 Houses under Model Village Housing Project in 25 Districts of Sri Lanka
- 5 Housing project (600 houses) in Southern Province - 2017
- 6 Housing project (600 houses) in Northern Province of Sri Lanka - 2019
- 7 Housing Project Phase II (600 houses) in Southern Province - 2019
- 8 Construction of 2,000 Housing Units under the Chinese Aid Programme for the Low income people.
- 9 Construction of 300 Low Cost Housing Units in Mannar
- 10 Development of training infrastructure at operator training center at Galkulama
- 11 Training of 500 Rehabilitations as Bachoe Loader Operators

- 12 Essential Maintenance of Government Housing Schemes
- 13 Renovation of housing schemes
- 14 Middle income housing projects
- 15 Implementation of UN habitat Program
- 16 Public Institution - Construction Industry Development Authority
- 17 Compensation for the land acquisition of projects implemented by NHDA

##### **New Projects**

- 1 Housing grant programme for poor and low income homeless families
- 2 Renovation of buildings, common amenities and the sewerage systems of old housing schemes constructed by NHDA for low income families
- 3 Strengthening Institutional Framework for construction equipment operator training by operating (OTC) as a premier center of excellence
- 4 Sanitary Facilities for the Persons with differently abled

***Ministry of Plantation and Community Infrastructure*****Ongoing Projects**

- 1 Indian funded 10,000 housing programme
- 2 Estate housing programme

## **Inclusive Green and Balanced Urban Development**

### **Ministry of Urban Development, Construction and Housing**

#### **Urban Development**

##### **Ongoing Projects**

- 1 Metro Colombo Urban Development Project (GOSL-World Bank)
- 2 Development of Strategic Cities-Anuradhapura (GOSL-AFD)
- 3 Urban Regeneration Programme
- 4 Light Rail Transit System Project (GOSL-JICA)
- 5 Improvement of Road Infrastructure in the Homagama Region (Tech City)
- 6 Reconstruction of Jaffna Town Hall
- 7 Siyak Nagara / Urban Infrastructure & Township Development Programme
- 8 Preparation of Master Plan for Development Eastern, Western Provinces and Hambanthota District
- 9 Urban development activities
- 10 Oliyamulla Storm Water Drainage and Environment
- 11 Kolonnawa Storm Water Drainage and Environment
- 12 Metro Colombo Solid Waste Management Project
- 13 Implementing solid waste disposal in Anuradhapuraa municipal council area
- 14 Tourism promoting and city branding
- 15 Programme for Demining
- 16 Maintenance and rehabilitation of existing canals, lakes, wetland and walkways

- 17 Drainage Design, Implementation and Environment Protection Activities
- 18 Operation of maintenance of storm water pumping station in Colombo and suburbs
- 19 Preparedness and Emergency Response for flood disaster
- 20 Development of Strategic Cities- in Jaffna (GOSL World bank)
- 21 Weras Ganga Strom Water Drainage & Environment Improvement Project
- 22 Township development plans- New town at Anuradhapura Lougaswewa project

##### **New Projects**

- 1 Improvement of waste Management in the Western Province- Kerawalapitiya Waste Management Park
- 2 Acquisition of a Gear Hobbing machine
- 3 Acquisition of a CNC pipe bending machine
- 4 Acquisition of a Welding Robot
- 5 Establishment of a Synthetic Brake Block Manufacturing Plant

##### **Clean Sri Lanka Programme**

- 1 Implementation of the Concrete Waste Recycling Facility

- 2 Proper & clean maintenance of Reservoirs and waterways in the western province addressing environmental, social, and ethical pillars
- 3 Preparation of management plan for restoration of water quality at St. Sebastian canal system in Colombo
- 4 Prevention of solid waste dumping into Serpentine canal, Mahawaththa canal and Dematagoda canal under pollution prevention of Colombo main canal system
- 5 Construction of New Toilet Complexes to Improve Sanitary Facilities in Urban Areas Island wide

#### **Other Capital expenditure**

#### **Public Institutions**

- 1 Urban Settlement Development Authority
- 2 Sri Lanka Land development cooperation
- 3 Minister's office
- 4 Admin & Est.

#### **Operational related capital expenditure**

#### **Department of Buildings**

- 1 Rehabilitation and improvement of Capital Assets
- 2 Acquisition of Capital assets

- 3 Capacity Building
- 4 Other Capital expenditure

#### **Department of Government Factory**

- 1 Rehabilitation and improvement of Capital Assets
- 2 Acquisition of Capital assets
- 3 Capacity Building
- 4 Other Capital expenditure

#### **Department of National Physical Planning**

- 1 Rehabilitation and improvement of Capital Assets
- 2 Acquisition of Capital assets
- 3 Capacity Building
- 4 Physical plans & research activities

# FOSTERING INCLUSIVE AND TRANSPARENT GOVERNANCE

Defence

Public Security

Justice

Foreign Affairs

Public Administration

Finance

Special Spending Units

Media



## **Fostering Inclusive and Transparent Governance**

### **Ministry of Defence**

#### **Defence**

##### **Ongoing Projects**

- |   |  |    |  |
|---|--|----|--|
| 1 | Tri Forces Central Ammunition Armory and Commercial Explosive Armory Complex - Oyamaduwa   | 10 | Construction of 148'x75' Drug Stores at Regimental Headquarters Sri Lanka Army Medical Corps (Balance works) 3   |
| 2 | Defence Head Quarters  | 11 | Other capital expenditure - Sri Lanka Army (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building) |
| 3 | Strategic Defence Communication Network  |    |  |
| 4 | Indian Line of Credit  |    |  |
| 5 | Other capital expenditure (State Intelligence Service, Sri Lanka National Cadet Corps, Centre for Research and Development, Joint Operations Headquarters, Administration and Establishment Services (National Security) |    |  |
| 6 | Other capital expenditure - Minister of Defence (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)  |    |  |

##### **Sri Lanka Army**

- |   |   |
|---|---|
| 7 | Army Hospital Project                     |
| 8 | ERP Module - One Army Pay System1         |
| 9 | Army Hospital Information System (AHIS) 2 |

##### **Sri Lanka Navy**

- |    |  |
|----|--|
| 12 | Development of Naval Academy   |
| 13 | Construction of Quay at Dockyard - Trincomalee   |
| 14 | Upgrading Electrical and Electronic System of Navy Ships                                 |
| 15 | Upgrading VHF Clear Communication System   |
| 16 | Upgrading Microwave Communication Network  |
| 17 | Expansion of MTTU unit by the acquisition of new equipment                               |
| 18 | Acquisition of Recompression Chambers x 2  |
| 19 | Upgrading SLN PABX and Switch Network  |
| 20 | Enhancement of Infrastructure Facilities at SLN Dockyard incorporated with floating dock |

- 21 Acquisition of Reliance Class Medium Endurance Cutter from the Government of the United State of America under the Excess Defence Article Program
- 22 Obtaining a 4,000 Ton Floating Dock Under Indian Donation
- 23 Improvement to Sailor's Accommodation, Heads and Bathrooms at NNA 4
- 24 Modification & Renovation of watch huts at NNA - (16 Nos) 5
- 25 Other capital expenditure - Sri Lanka Navy (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

#### **Sri Lanka Air Force**

- 26 02 Nos of Y 12 Light Transport Air Craft
- 27 Construction of Auditorium at SLAF Academy China Bay
- 28 Indian Line of Credit
- 29 Upgrade of Qty 05 Kfir Aircrafts 6
- 30 Other capital expenditure - Sri Lanka Air Force (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

#### **Department of Civil Security**

- 31 Other capital expenditure - Department of Civil Security (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

#### **Department of Sri Lanka Coast Guard**

- 32 "Installation of Solar Power Plant at Coast Guard Department Headquarters"
- 33 Other capital expenditure - Department of Sri Lanka Coast Guard (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

#### **New Projects**

##### **Sri Lanka Army**

- 1 Renovation of the Main Kitchen for RHQ VIR - Boyagane
- 2 Renovation of Existing Parade Ground of Ella Camp - Diyathalawa
- 3 Upgradation of Army Data Centers
- 4 Modernization of Sri Lanka Army Telecommunication Network
- 5 Replacement of Out-dated Radio Communication Systems

##### **Sri Lanka Navy**

- 1 Replacing/ Upgrading of VHF Secure Communication Network of Sri Lanka Navy
- 2 Upgradation of steering control system, engine control system and monitoring systems onboard SLN ship/ craft
- 3 Expansion of Machinery Testing & Trials Unit (MTTU) of SLN by acquisition of new equipment
- 4 Upgrading the PABX, data network and microwave communication Systems in SLN

- 5 Renovation of base pier at SLNS Uththara
- 6 Repair & Renovation of antenna mast at NNA
- 7 Upgrading of HF Secure communication network of Sri Lanka Navy
- 8 Upgradation of UHF fleet communication and ground to air communication systems

16. Purchase of DMR Tier III communication equipment for the Enhancement of Disaster Management Communication (DMC) Network

### **Sri Lanka Air Force**

1. Capital overhaul of SMH-4416 Helicopter
2. Capital overhaul of SMH-588 Helicopter
3. Capital overhaul of SMH-599 Helicopter
4. Capital overhaul of SMH-596 Helicopter
5. Recovery of Mi-17 helicopters
6. Sustainability of Mi-17 helicopters
7. TBO extension of Mi-17 Helicopter
8. Pool exchange of Bell 212 airframe structure with complete serviceable Bell 212 helicopter.
9. Purchase of spares packages are required for overhaul of SCL-3125 Y12 aircraft
10. Rehabilitation of Defence Equipment at SLAF Establishment
11. Upgrade existing Security camera systems at the camp security parameters at the SLAF establishments
12. Update Pro Line II Avionics Package of B 200 (SMR 843) Aircraft to Garmin 1000NXI Avionics Package
13. Overhauling of ejection seats of Kfir aircraft to strengthen flying operational capabilities of Sri Lanka Air Force after completion of Kfir upgradation program
14. Annual contract of engine overhaul
15. Basic Pilot Training And Sustainability Of Cessna 150 Aircraft Fleet For No 1 FTW, Sri Lanka Air Forces

## **Ensuring Law and Order**

### **Ministry of Public Security**

#### **Public Security**

##### **Ongoing Projects**

- 1 Improvement of rehabilitation process of drug addicted people
- 2 UN Peace Keeping Mission
- 3 Construction of a Building to Police Academy
- 4 Development of Police Training Colleges
- 5 Indian Line of Credit Vehicles
- 7 Procuring of Animals
- 8 Software Development of Police Department
- 9 "Other capital expenditure- Minister of Public Security and Parliamentary Affairs (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building) "
- 10 Other capital expenditure- Department of Police (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 11 Other capital expenditure- Department of Immigration and Emigration (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

##### **Presidential Secretariat – Clean Sri Lanka**

- 1 Collaborative Technical Regulatory System to Enhance Rural Safety (Through CCTV)
- 2 Purchasing of Portable Drug Trace tor for the National Narcotic Laboratory
- 3 Construction of a new treatment building at the youth treatment center, Kandy
- 4 The project for enhancing the drug prevention initiatives and expanding the treatment capacity in Sri Lanka

##### **New Projects**

- 1 Upgrading of the National Narcotics laboratory of the National Dangerous Drugs Control Board (NDDCB)
- 2 Construction of three story Administrative building at Gonahena (STF)
- 3 Renovation of the main building at Jawaththa road (SL Police)

## **Defining Boundaries Designing Safety**

### **Ministry of Justice and National Integration**

#### **Justice**

##### **Ongoing Projects**

- |    |   |    |  |
|----|---|----|--|
| 1  | House of Justice  | 14 | Matara Court Building  |
| 2  | Support to Justice Sector in Sri Lanka  | 15 | Gampola Court Complex  |
| 3  | Comprehensive Refurbishment Project - Superior Court Complex                                    | 16 | Mullaitivu Court Complex   |
| 4  | Efficient and Effective Justice   | 17 | "Construction of Court Complexes in Anuradhapura, Polonnaruwa, Matale, Jaffna and residential facilities for judges" |
| 5  | Construction of 3000 Rain Water Harvesting System in Jaffna District - ONUR Project (India)     | 18 | Relocating courts in Rathnapura and Welimada   |
| 6  | European Union Support to Justice Sector in Sri Lanka (EU)                                      | 19 | Expansion of Courts in Kilinochchi, Theldeniya, Pugoda and Kantale   |
| 7  | MOJ Building  | 20 | Walapane Magistrate Court Complex  |
| 8  | Strengthening Reconciling Focused on Economic Empowerment and Social Infrastructure Development | 21 | Three Year plan for the Improvement of the Infrastructure Facilities in the Judicial Sector                          |
| 9  | Rehabilitation Focused Economic Empowerment Project (REEP)                                      | 22 | Construction of New Head Office Building   |
| 10 | New Social Cohension (USAID)  | 23 | Construction of Palkekele Prison Complex   |
| 11 | Strengthening Social Cohesion and Peace in Sri Lanka (SCOPE)                                    | 24 | Relocation of Prisons in Western Province  |
| 12 | Galle Court Complex   | 25 | Establish Farms & Drug User's Rehabilitation Centre at Weeravila   |
| 13 | Small Scale Development Programme   | 26 | Enhancement of Sanitary Facilities of detainees in Prisoners   |
|    |   | 27 | "Strengthen capacity building for forensic drug analysis in the criminal justice"                                    |

- 28 Strengthening Transformation, Reconciliation and Inclusive Democratic Engagement (STRIDE)
- 29 Establishment of District Level Reconciliation Committee
- 30 Other capital expenditure- Minister of Justice and National Integration (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 31 Sri Lanka judges Institute
- 32 Other capital expenditure- Courts Administration (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 33 Facilitate improvements in judicial procedures and processes that address child abuse cases to reduce the case backlog
- 34 Other capital expenditure- Department of Attorney General (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 35 Other capital expenditure- Department of Legal Draftsman(Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 36 Other capital expenditure- Department of Debt Conciliation Board (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 37 Rehabilitation of Prisoners

- 38 Skill Development program for convicted prisoners
- 39 Other capital expenditure- Department of Prisons (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 40 Other capital expenditure- Department of Government Analyst (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 41 Other capital expenditure- Registrar of the Supreme Court (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 42 Other capital expenditure- Department of Law Commission (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 43 Other capital expenditure- Department of Official Languages (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)
- 44 Correction of substance abused offenders under the community based correction order
- 45 Promote Community Sentencing to reduce prison overcrowding in Sri Lanka
- 46 Other capital expenditure- Department of Community Based Corrections (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

## New Projects

- 1 Construction of two storied building at Kaluthara Prision
- 2 Construction of Kaduwela Court
- 3 Construction of Security Wall and 2 Nos. of inmate Building at Watareka Prison
- 4 Establish a residential correctional center for the Development of community-based corrections at Kakirawa



## **Dignified Diplomacy with Non-Aligned Foreign Policy**

### **Ministry of Foreign Affairs**

#### **Foreign Affairs**

##### **Ongoing Projects**

- 1 Strengthening Information and Communication
- 2 Implementation of Economic Diplomacy Initiatives
- 3 Lakshman Kadiragamar Institute for International Relations and Strategic Studies
- 4 "Other capital expenditure – Overseas Missions (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets)"
- 5 Other capital expenditure (Rehabilitation and Improvement of Capital Assets, Acquisition of Capital Assets, Capital Transfers, Capacity Building)

## **Governance for the People**

### **Ministry of Public Administration, Provincial Council and Local Government**

#### **Governance**

##### **Ongoing Projects**

- |    |   |    |   |
|----|---|----|---|
| 1  | Utilization of Government Holiday Resorts for Tourist Industry Promotion (Outstanding Bill Payment)             | 12 | Construction of Kalthota Divisional Secretariat Building  |
| 2  | Let's Awaken Polonnaruwa Programme 2016-2020 (outstanding Bill Payments)  | 13 | Completion of Rathnapura District Secretariat Building  |
| 3  | Balance work of Construction and remaining defects of four storied Building for Divisional Secretariat Homagama | 14 | Completion Construction of Kegalle District Secretariat Building  |
| 4  | "Construction of an Administrative Complex at Gampaha"  | 15 | Continuation Construction of Bulathkohupitiya Divisional Secretariat Building   |
| 5  | Continuation Construction of Kalutara Divisional Secretariat  | 16 | Continuation Construction of Deraniyagala Divisional Secretariat Building   |
| 6  | Continuation Construction of Matale District Quarters   | 17 | Construction of 03 storied Divisional Secretariat Thanamalvila  |
| 7  | Continuation Construction of Pitabeddara Divisional Secretariat   | 18 | Construction of 03 storied Divisional Secretariat Bibile  |
| 8  | Continuation Construction of Agunakolapelassa Divisional Secretariat  | 19 | e Grama Niladari (e-GN) Project to Enhance the ICT usage among Grass Root Level Government Officers - Phase II (E-GN Project) |
| 9  | District Secretariat - Batticaloa   | 20 | Implementation of the project to establish and implement a business center for incubators/accelerators in Jaffna              |
| 10 | Continuation Construction of Ampara District Secretariat Building   | 21 | Capacity Development of all Island services and Combined Services Officers  |
| 11 | Construction of a New Four Storied Building for District Secretariat, Polonnaruwa                               | 22 | Capital Expenditure for Operational Activities of 25 Districts  |
|    |   | 23 | Other Capital Expenditure of Ministry of Public Administration, Provincial Councils and Local Government                      |

### Presidential Secretariat Clean Sri Lanka

- 24 Construction and maintenance of public toilets under Local Authorities (Clean Sri Lanka)
- 25 Developing new processing center (recycling center) at Karadiyana for collection and proceeding of non-biodegradables (Clean Sri Lanka)
- 26 Construction of composting plant using solid waste at Karadiyana (Clean Sri Lanka).
- 27 Purchasing compactors for proper collection and transportation of solid waste and distribution to selected local authorities (Clean Sri Lanka).
- 28 Implementation of special projects identified at the rural level through the environmental, social and ethical fields of the Clean Sri Lanka program through relevant ministries, provincial councils and relevant institutions (Clean Sri Lanka)
- 29 Develop material recovery facilities in selected Local Authorities (Clean Sri Lanka)

### New Projects

- 1 Construction of New Office Building at Negambo Divisional Secretariat Division
- 2 Digitalization of Divisional Secretariats Phase II

## **Ministry of Finance, Planning and Economic Development**

### **Governance**

#### **Ongoing Projects**

- |    |   |    |  |
|----|---|----|--|
| 1  | Financial sector Safety Net Strengthening Project - FSSNP (WB)  | 14 | Implementation of Oracle Exadata System  |
| 2  | Rolling out of ITMIS Programme to expenditure units   | 15 | Revenue Administration System for Excise Department (RASED)  |
| 3  | Establishment of Financial Stability Fund   | 16 | Preparation of the Financial Statements of the Democratic Socialist Republic of Sri Lanka on Accrual Basis Accounting System |
| 4  | Capacity Development for Effective Public Investment Management – Phase 1                                     | 17 | International Comparison Programme for Asia and the Pacific (ADB)  |
| 5  | Governance for Growth Programme (Australian Grant)  | 18 | Census of Population and Housing - 2021  |
| 6  | Partnership for Accelerating Result in Trade, National expenditure and Revenue Activity (PARTNER)             | 19 | Economic Census 2025 (Agricultural Activities)   |
| 7  | Promoting Autonomy, Literacy and Attentiveness through Market Alliance (PALAMA) Project in Sri Lanka Phase II | 20 | Annual Work Plan of UNFPA  |
| 8  | Leveraging Sri Lanka's Strategic Location   |    |  |
| 9  | Construction of three warehouses (Local)  |    |  |
| 10 | National Single Window Project - NSWP   |    |  |
| 11 | e-Government Procurement Project (e-GN)   |    |  |
| 12 | Revenue Administration Management System for Department of Inland Revenue (RAMIS)                             |    |  |
| 13 | Development and Implementation of Risk Management Software in Sri Lanka Customs                               |    |  |

#### **New Projects**

- |   |  |
|---|--|
| 1 | Sri Lanka Demographic and Health Survey 2026 (Department of Census and Statistics) |
| 2 | Capacity Development for Effective Public Investment Management – Phase 2          |

## **Special Spending Units**

### **Governance**

#### **Ongoing Projects**

- 1 Clean Sri Lanka' Program in Presidential Secretariat
- 2 Development Initiatives Coordination and Monitoring in Presidential Secretariat
- 3 Facilitation of implementing Anti-corruption Act - CIABOC
- 4 EU Sri Lanka Justice Reform Program JURE (UNICEF) - CIABOC
- 5 Bribery Corruption Awareness Program for the Public - CIABOC
- 6 Parliamentary Budget Office
- 7 Sri Lanka Public Financial Management Strengthening Project – National Audit Office
- 8 Procurement Reforms and Adaptation – NPC

#### **New Projects**

- 1 Clean Sri Lanka Program - Presidential Secretariat

## **Strengthening Media, Shaping Tomorrow**

### **Ministry of Health and Mass Media**

#### **Media**

##### **Ongoing Projects**

- |   |  |   |   |
|---|--|---|---|
| 1 | Enhancing Postal Services and Stamps   | 3 | Taking the Government's Development Process to the Citizen through the Media and preserving visuals for future needs  |
| 2 | Digitalization of Terrestrial Television Broadcasting Project (GOSL / JICA)  | 4 | Developing and Upgrading Printing Process through Obtaining Modern Printing Machineries and equipment within the period of 2026-2030 of the Department of Government Printing |
| 3 | Improvement of Government Film Unit with Modern Equipment  | 5 | 04 Camera 06 Input Mini OB System   |
| 4 | Take Care Road Safety Awareness Campaign for school children under Clean Sri Lanka Programme                               | 6 | 05 Nos. of Non-linear Editing (NLE) and Graphic Computer System   |
| 5 | "Safe food for a Healthy Nation" a multi platform awareness campaign combining TV, digital media and community engagement. | 7 | Relocation of Master Control Room (MCR)   |
| 6 | Other Capital Expenditure  | 8 | Implementing News Room Management System for ITN to become a premiere news broadcaster as a Government TV channel   |

##### **New Projects**

- |   |   |   |   |
|---|---|---|---|
| 1 | Preserving the video heritage of the nation by archiving old video material owned by SLRC for the next generation | 9 | Enhancement of Master Control Room facilities of Sri Lanka Rupavahini Corporation |
| 2 | Modernization of SLRC Studio Complex and Outside Broadcast trucks   |   |   |

# SUSTAINABLE BY DESIGN: INTEGRATING ENVIRONMENT, CLIMATE RESILIENCE, DISASTER RISK REDUCTION, AND BLUE GREEN INVESTMENT INTO PUBLIC INVESTMENT

Environment

Disaster



## **Resilient Community, Safer Future**

### **Ministry of Environment**

#### **Environment**

##### **Ongoing Projects**

- |   |  |    |   |
|---|--|----|---|
| 1 | Strengthening National Capacity for Phasing out Mercury Added Products and Environmentally Sound Management of Waste Consisting of, Contaminated with and containing Mercury in Sri Lanka. (Minamata Convention Secretariate) (UNEP) | 8  | National Strategic Environment Assessment (SEA)   |
| 2 | Project on Managing together Integrating Community Centered, Ecosystem – Base Approaches in to Forestry, Agriculture and Tourism Sectors. (GEF)  | 9  | Regional Project on "Strengthening Resilience of Vulnerable Communities in Sri Lanka and India to Increased Impacts of Climate Change (ADAPT4R), (Adaptation fund)      |
| 3 | Enhanced Transparency Framework (ETF) for Agriculture, Forestry and Other Land Use (AFOLU) Sector (GEF/FAO)  | 10 | Integrated Management and Environmentally Sound Disposal of POP Pesticides in the Agriculture Sector and Mercury and Waste in the Healthcare Sector in Sri Lanka (UNDP) |
| 4 | Strengthening National Level Institutional and Professional Capacities of Country parties Towards Enhanced UNCCD Monitoring and Reporting- GEF 7 EA Umbrella IV (GEF)  | 11 | USAID Climate Change Adaptation Project (CAP) (Temporarily suspended)   |
| 5 | Partnership and Innovative Financing to Mainstream Biodiversity and Sustainable Land Management in Wet Climatic Zone of Sri Lanka. (UNDP/GEF)  | 12 | USAID Ocean Plastic Reduction Activity (Temporarily suspended)  |
| 6 | Project on Development of the First and Second Biennial Transparency Reports and Fourth National Communication of Sri Lanka to the UNFCCC (1st and 2nd BTR,FNC) (UNDP/GEF)   | 13 | EU Green Policy Dialogue Facility Project   |
| 7 | Completion of the first floor of the Central Provincial Office Building (CEA)  | 14 | Strengthening capacity to implement Rotterdam Convention and Industrial Chemicals Management  |
|   |  | 15 | Promoting a Circular Economy in the food sector (EU)  |
|   |  | 16 | Fostering Sustainable Economic Recovery through Improved Biodiversity and Sustainable Waste Management (EU)   |
|   |  | 17 | Other - Administration and Establishment  |
|   |  | 18 | Implementation of the Montreal Protocol in Sri Lanka  |

19 Education, Awareness Programme & Green Award implemented by Central Environment Authority

20 Environment Conservation National Programme

21 Department of Forest Conservation

- I. Expanding Forest Cover
- II. Forest and Fire Protection
- III. Rehabilitation and Improvement activities

22 Department of Wildlife Conservation

- I. Construction of Electric fences
- II. Habitat Enrichment for Wildlife
- III. Improvement of Road Network in National Parks
- IV. Rehabilitation and Improvement activities

23 Department of Coast Conservation and Coastal Resource Management -

- I. CCCRM -Development projects
- II. Rehabilitation and Improvement activities

24 Department of National Zoological Gardens

- I. Development of Dehiwala Zoological Garden
- II. Improvement of Pinnawala Elephant Orphanage
- III. Development of Pinnawala Zoo
- IV. Safari Park at Hambanthota
- V. "Implementation of "Open Cage" concept at Dehiwala zoo
- VI. Rehabilitation and Improvement activities

25 Department of National Botanic Gardens

- I. Gampaha Botanical Garden and Ganewatta Medicinal Plant Garden Development
- II. Floriculture Development Programme
- III. Dry Zone Botanical Garden - Hambantota

- IV. Botanical Garden - Awissawella
- V. Haritha Piyasa Training center - Meegalawe
- VI. Development of Royal Botanical Garden Project
- VII. Botanical Garden Trust fund
- VIII. Hakgala Botanical Garden
- IX. College of Floristry and Horticulture

### Public Institutions

26 Central Environment Authority

27 Marine Environment Protection Authority

28 Water Resource Board

29 Clean Sri Lanka Programme

- I. Conservation of water source reservations located in Haliela Environmental Protection area.
- II. Project on Development of Coastal Picnic Areas under Clean Sri Lanka Programme
- III. Clean Beach city Trincomalee
- IV. Improving beaches/bathing sites- Blu Flag
- V. Facilitating disabled visitors to enter sinharaja world heritage and kanneliya forest reserve

### New Projects

- 1 Enhance the testing capacity and quality of CEA provincial laboratories to facilitate achieving ISO/IEC 17025:2017 International Standard for laboratory accreditation

## **Relief to Resilient**

### **Ministry of Defence**

#### **Disaster Management**

##### **Ongoing Projects**

- 1 Implementation of Mitigation activities to Minimize the Impact of Disasters
- 2 Awareness and Preparedness of Community on Disaster Management
- 3 Development of a Multi-Hazard Risk Profile in Sri Lanka
- 4 Strengthening the Capacity of the Floods and Landslide Disaster Response Mechanism
- 5 Mainstreaming Disaster Risk Reduction into Development
- 6 Government grant to DMC
- 7 National Disaster Relief Service Centre
  - I. Resettlement of Displaced People Due to Landslide Threats and Landslide\*
  - II. Construction of Safety Centers in Districts for People who Displaced due to Disaster situation
  - III. Rehabilitation and Reconstruction Activities of the Areas Affected by Floods and Landslides\*\*
  - IV. Other Capital
- 8 National Building Research Organization
  - I. Landslide Mitigation Programmes
  - II. Development of a Landslide Risk Profile
- III. Enhance Real Time Landslide Forecasting an Early Warning Capacity by Expanding Automated Rain Gauge Network in Sri Lanka
- IV. Reduction of Landslide Vulnerability by Mitigation Measures (AIIB)
- V. Developing the Systems for Building Assessment and Condition Reporting
- 9 Department of Meteorology
  - I. Doppler Weather Radar Systems (JICA)
  - II. Other Capital
- 10 Administration and Establishment Services (Disaster Management)

##### **New Projects**

- 1 National Building Research Organization
  - I. Rehabilitation and Maintenance of Mitigated Landslides
  - II. Delineation of Total Impact Zones (TIZ) of Potential Landslides Based on R/Y Zone Methodology
  - III. Formulation and Establishment of the National Building Code of Sri Lanka (NBCSL)

# SOCIAL PROTECTION FOR INCLUSIVE SOCIETY

## Social Protection

## **Securing the Vulnerable, Uplifting the Nation**

### **Ministry of Rural Development, Social Security and Community Empowerment**

#### **Social Protection**

##### **Ongoing Projects**

- 1 Construction of a building complex for the National Institute of Social Development at Seeduwa
- 2 "Social Protection Project (WB-GOSL) "
- 3 Food Relief Program (WFP)
- 4 Construction of Vocational Training Center Killinochchi
- 5 Empowering Aswesuma Beneficiaries
- 6 Support for Low income disable persons
- 7 National council ling programme
- 8 National Institute of Social Development
- 9 Sri Lanka social Security Board
- 10 National Secretariat for Elders
- 11 Community Based Rehabilitation Programme
- 12 Modernization of Vocational Training Centers for Differently Abled
- 13 Identification System for differently abled people

### ***Ministry of Women and Child Affairs***

##### **Ongoing Projects**

- 1 24 Hour Toll Free Help line (SAARC)
- 2 Coordinating & Ensuring Women Rights
- 3 Gender Based Violence prevention Program (GOSL/ UNFPA)
- 4 Prevention of Child Abuse & violence against women
- 5 Women Empowerment through Entrepreneurship Development
- 6 Implementation of Action Plan UNICEF
- 7 National Child Protection Authority
- 8 Early Childhood Care and Development
- 9 Empowerment of vulnerable children providing vocational skills & financial assistance
- 10 Ensuring Child Rights
- 11 Digitalization of Child and Women Affairs
- 12 Establishing of day care centers for autism children

### ***Ministry of Finance, Planning and Economic Development***

#### **Ongoing Projects**

- 1 Social Protection Project
- 2 Food Security and Livelihood Recovery Emergency Assistance Project
- 3 Financial Support for orphaned, low income young married couples for housing
- 4 Transport facilities to child convicts

#### **New Projects**

### ***Ministry of Rural Development, Social Security and Community Empowerment***

- 1 Establishment of 25 Day Care Centers for Persons with Disabilities
- 2 Rural Development Programme

### ***Ministry of Women and Child Affairs***

- 1 Increase the productivity of Early Childhood Development officers through digitalization

- 2 Micro Economic development project for women
- 3 Economically and socially empower 500 of the most affected female-headed households, female single-parent households, and female families who are victims of gender-based and intimate partner violence in Sri Lanka.
- 4 Provision of efficient and systematical child protection services through technological intervention

### ***Ministry of Finance, Planning and Economic Development***

- 1 Promoting resilience and opportunity for inclusive recovery program in Sri Lanka

# RESTORING REGIONAL GROWTH MOMENTUM

## Regional Development



## **Restoring Regional Growth Momentum**

### **Ministry of Public Administrative, Provincial Councils and Local Government**

#### **Regional Development**

##### **Ongoing Projects**

- 1 Rural Infrastructure Development Project in Emerging Region – RIDEP
- 2 UNICEF Funded Projects
- 3 Local Development Support Project – LDSP
- 4 Construction of Rural Bridges (GOSL/UK)
- 5 Strengthening of Local Government Authorities
- 6 Rural Bridges Project Phase V (GOSL/DRIVE Netherland, Infrastructure Development)
- 7 Waste to Value Project (GOSL/Germany)
- 8 Pilot Project for Formulation of Western Province Solid Waste Management Master Plan
- 9 Construction of Compost Finishing Yard at Heenpendala Galle
- 10 Establishment of IT Master Plan on Tax Administration and Implementation of E- Tax System for Colombo Municipal Council Project (KOICA)
- 11 Developing Sustainable Integrated Waste Management and Circular Economy in Uva and Northern Province (KOICA)
- 12 Upgrading infrastructure and income generation in Local Authorities through Performance Grant
- 13 Support to Solid Waste Management Projects
- 14 Transforming Local Administrative Data Collection Systems for SDG Acceleration (UNDP)

##### ***Provincial Councils***

- 1 Criteria Based Grant for nine provinces
- 2 Provincial Specific Development Grant for nine provinces
- 3 Jaffna Library Improvement
- 4 Transport Facilities to Child Convicts
- 5 Modernization of Regional Libraries

##### ***Ministry of Finance, Planning and Economic Development***

- 1 District Development Program
- 2 Decentralized Capital Budget Program (DCB)

##### ***Ministry of Rural Development, Social Security and Community Empowerment***

- 1 Integrated Rural Development Program
- 2 Field Action Project on Smart Villages in 2025 2027

##### **New Projects**

##### ***Ministry of Public Administrative, Provincial Councils and Local Government***

- 1 Integrated Regional Development in Northern and Eastern Provinces
- 2 Local Authority small bridges sustainable improvement project