

# Trade and Competitiveness Monitoring Note



## Sri Lanka

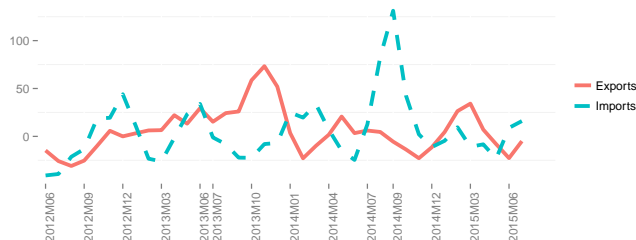
GDP (US\$ billions) (2015)	Population (millions) (2015)	Income per capita (current US\$) (2015)	Poverty rate (2012)	Unemployment rate (2015)	Ease of Doing Business Rank (2015)
81.5	20.8	3,923.2	1.7	4.0	113.0

### Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016	
GDP growth (annual %)	5.493	9.145	3.396	4.458	5.298	5.630	
Current account balance	-3.223	-5.817	-3.420	-2.561	-3.166	-2.183	
Cash surplus/deficit (% of GDP)	-6.975	-5.642	-5.497	-5.968	-6.146	-6.474	
Gross Fixed Investment (% GDP)	23.906	27.775	28.472	27.272	29.034	28.922	
Gross capital formation (% of GDP) [1]	25.404	—	—	—	—	—	
Foreign direct investment, net inflows (% of GDP) [2]	1.359	1.584	1.388	1.266	—	—	
Private capital flows, total (% of GDP) [2]	5.708	5.484	—	—	—	—	
Total Trade in Goods and Services (% of GDP, real terms)	52.728	46.156	44.302	44.673	45.260	43.784	
Trade balance (% GDP, real terms)	-6.258	-9.045	-7.390	-8.380	-9.513	-8.340	
Exports, Goods and Services, annual percent change (real terms)	3.293	2.570	2.845	2.704	3.715	4.734	
Imports, Goods and Services, annual percent change (real terms)	5.520	2.918	-3.176	7.207	8.712	0.521	
Personal remittances, received (% of GDP) [1]	7.674	8.767	8.642	8.927	—	—	
General government gross debt [3]	89.798	79.172	78.319	75.535	76.714	76.273	
Total reserves in months of imports [1]	3.556	3.689	3.848	3.920	—	—	
Real Effective Exchange Rate (2010=100)	96.279	99.384	104.092	103.466	108.470	103.692	
Consumer Price Index, annual percent change	10.420	7.543	6.912	3.278	-0.075	-0.070	

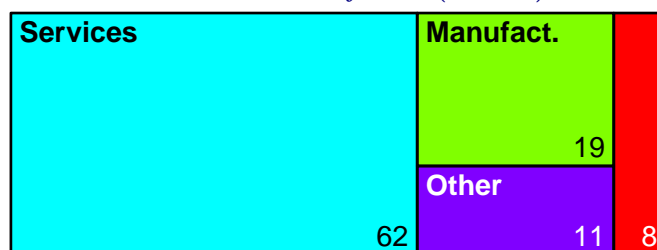
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2014

Tea, whether or not flavoured	Brassieres, girdles, corsets, brace	Slips, petticoats, briefs, panties,	T-shirts, singlets & other vests, k
15	5	5	4
		Suits, ensembles, jackets, blazers,	
		4	4

### Imports Categories by % of Total Value, 2014

Intermediate goods	Consumer goods	Capital goods	Raw materials
37	34	17	13

Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	106	77	29
Ease of Doing Business Rank	113	107	6
Enforcing Contracts	161	161	0
Getting Credit	90	97	-7
Getting Electricity	101	81	20
Paying Taxes	157	158	-1
Protecting Minority Investors	46	49	-3
Registering Property	151	153	-2
Resolving Insolvency	84	78	6
Starting a Business	104	98	6
Trading Across Borders	90	90	0

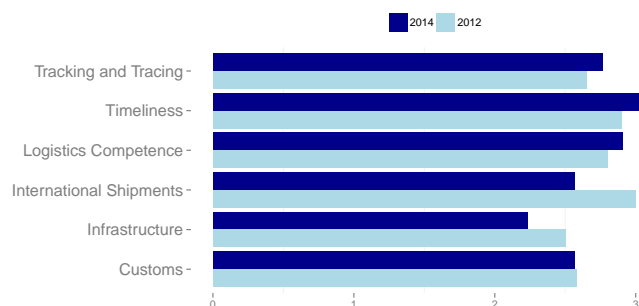
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-5, 5=best)



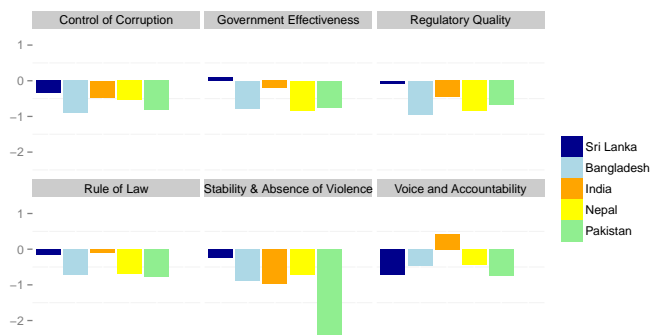
Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

	2010	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	9.8	9.2
Binding (%)	38.4	37.7
Dispersion (Standard Deviation)	18.1	27.1
Import duties collected (%; 2011-2013) [1]	—	6.1
MFN Tariff (Agricul.)	27.6	24.4
MFN Tariff (Non-Agricul.)	7.6	6.8
MFN Tariff (Simple Average)	10.4	9.1
Services sectors with GATS commitments [1]	—	27.0

Sources: WITS, [1] WTO Trade Profiles

## Private Sector's Views

### Enterprise Survey 2013

	Sri Lanka	South Asia	All Countries
Number of electrical outages in a typical month	4.10	25.40	6.30
Percent of firms with a bank loan/line of credit	40.40	27.00	34.30
Proportion of investment financed by banks (%)	35.40	14.40	14.30
Proportion of investment financed internally (%)	53.50	73.90	71.80
Senior management time spent dealing with the requirements of government regulation (%)	1.70	7.20	9.90

Source: Enterprise Survey 2013

### Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

### Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015