

T&C

Snapshots

Data Note

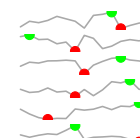


Sri Lanka

| GDP (US\$ billions) (2016) | Population (millions) (2016) | Income per capita (current US\$) (2016) | Poverty rate (2012) | Unemployment rate (2014) |
|----------------------------|------------------------------|---|---------------------|--------------------------|
| 85.5 | 20.9 | 4,085.9 | 1.7 | 4.6 |

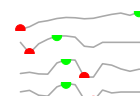
Macro Indicators

| | 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 |
| Fiscal balance (% of GDP) | -6.975 | -5.642 | -5.497 | -5.968 | -6.146 | -6.474 |
| Remittances, received (% of GDP) [1] | 7.677 | 8.767 | 8.642 | 8.927 | — | — |
| 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 |



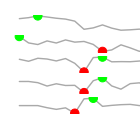
Investment indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP) | 23.9 | 27.8 | 28.5 | 27.3 | 29.0 | 28.9 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 25.8 | — | — | — | — | — |
| Inward FDI (% of GDP) [2] | 1.4 | 1.6 | 1.4 | 1.3 | — | — |
| Inward FDI, % of private investment [2] | 5.7 | 5.5 | NA | — | — | — |



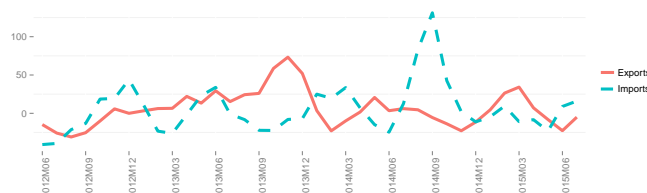
Trade Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|-------|-------|-------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms) | 52.73 | 46.16 | 44.30 | 44.67 | 45.26 | 43.78 |
| Trade balance (% GDP, real terms) | -6.26 | -9.05 | -7.39 | -8.38 | -9.51 | -8.34 |
| Exports, Goods and Services, annual percent change (real terms) | 3.29 | 2.57 | 2.84 | 2.70 | 3.72 | 4.73 |
| Imports, Goods and Services, annual percent change (real terms) | 5.52 | 2.92 | -3.18 | 7.21 | 8.71 | 0.52 |
| Total reserves in months of imports [1] | 3.56 | 3.69 | 3.85 | 3.92 | — | — |



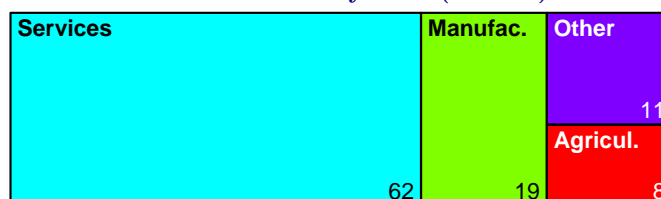
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

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, | Suits, ensembles, jackets, blazers, |
| 15 | 5 | 5 | 4 |
| | | | T-shirts, singlets & other vests, k |
| | | | 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 |

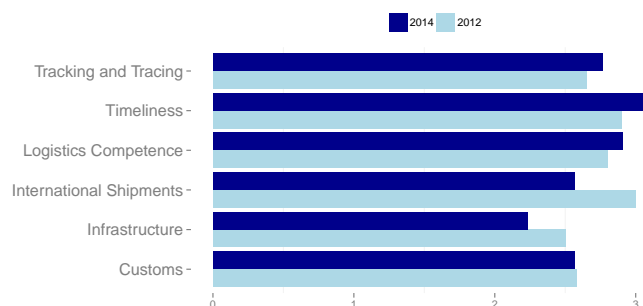
Source: Doing Business Report 2015

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



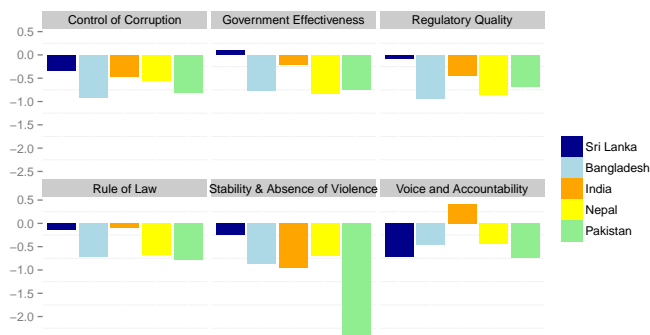
Source: WEF Global Competitiveness Report 2015

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 (Agriculture) | 27.6 | 24.4 |
| MFN Tariff (Non-Agriculture) | 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



Most Recent

Planned

WB Lending Pipeline

WB Portfolio

Active

Closed

[illegible]

WB ASA
Active

| Task ID | Task Name | Team Leader | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---------------------------------------|-----------------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P154639 | Enhancing Competitiveness - Sri Lanka | Emanuel Salinas Munoz | 2016-06-24 | EW | N | 198 | 198 | 279 | 279 |

Closed

| Task ID | Task Name | Team Leader | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---|----------------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P146575 | ICT and Innovation Study | Eric David Manes | 2015-06-22 | EW | N | — | 0 | 211 | 211 |
| P146600 | Capacity Building for FDI Promotion-BOI | Sriyani M. Hulugalle | 2014-06-30 | TA | N | — | 0 | 89 | 89 |

IFC ASA
Active

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--|------------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 597447 | Sustainable Economic Development - post conflict Sri Lanka | Harris, Graeme Andrew | 2014-02-28 | 2017-06-30 | 3,668 | 2,501 | 357 |
| 601462 | Sri Lanka Investment Policy and Promotion Project | Salinas Munoz, Emanuel | — | — | 0 | 0 | 0 |

Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None | | | | | | | |

Closed

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|-------------------|-------------------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 552365 | Business License. | Abeywickrama, Kanchana Gayani | 2006-11-17 | 2009-06-30 | 685 | 670 | 0 |