

# Trade and Competitiveness Monitoring Note

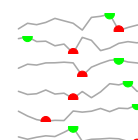


## Sri Lanka

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

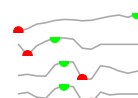
### Macro Indicators

	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



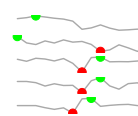
### Investment indicators

	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	—	—	—



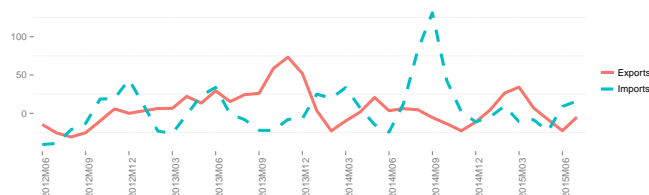
### Trade Indicators

	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	—	—



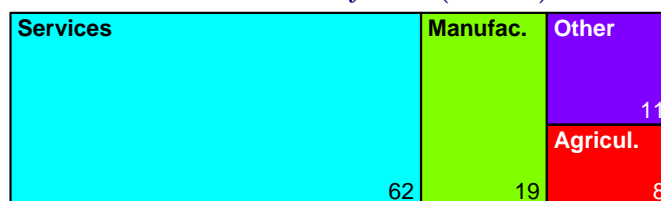
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### 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	Brassifres, girdles, corsets, brace	Slips, petticoats, briefs, panties,	Suits, ensembles, jackets, blazers, T-shirts, singlets & other vests, k
15	5	5	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

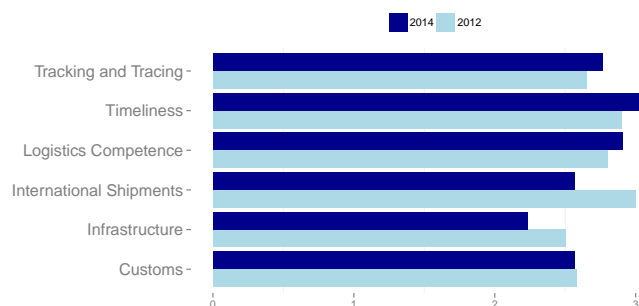
Source: Doing Business Report 2015

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



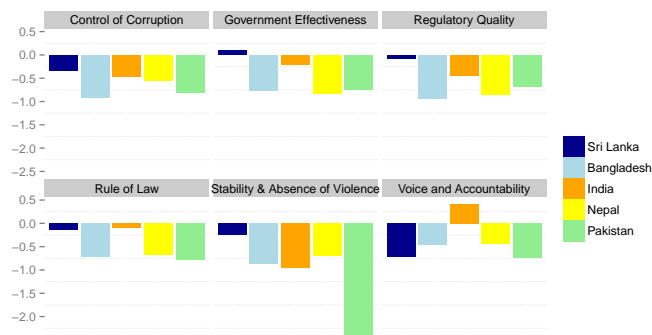
Source: WEF Global Competitiveness Report 2015

## 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