

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



Sri Lanka: 2022 Commitments (\$ million)^a

Product Type	Sovereign	Nonsovereign	Total
Loans	200.00	–	200.00
Grants	3.00	–	3.00
Technical Assistance ^b	7.48	0.35	7.83
Trade and Supply Chain Finance Program ^c	–	47.15	47.15
Total	210.48	47.49	257.98

– = nil, DMC = developing member country, TA = technical assistance.

Notes:

Commitment is the financing approved by ADB's Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and TA include ADB-administered cofinancing.

^a Numbers may not sum precisely because of rounding.

^b Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^c Short-term ADB-financed commitments from private sector programs with maturity of less than 365 days.

ADB's operations in Sri Lanka help address the immediate challenges from the economic crisis and assist in economic stabilization and recovery.

SRI LANKA

Since early 2022, Sri Lanka has been grappling with balance of payment and debt crises. Foreign exchange reserves have plummeted, inflation has soared, and the local currency has depreciated sharply. Food, medicine, fuel, and other essentials are in short supply. This has led to a catastrophic economic and humanitarian crisis in Sri Lanka that threatens the poverty-reduction progress since the end of civil war in 2009. The economy contracted 7.8% in 2022. The unrest triggered by the crisis led to several changes in political leadership. In September 2022, Sri Lanka reached a staff-level agreement with the International Monetary Fund (IMF) for an Extended Fund Facility (EFF) Arrangement. The EFF was approved by the IMF Board in March 2023.

Sri Lanka is a founding member of the Asian Development Bank (ADB). To date, ADB has committed 482 public sector loans, grants, and technical assistance totaling \$11.2 billion to Sri Lanka. Cumulative loan and grant disbursements to Sri Lanka amount to \$9.42 billion. These were financed by regular and concessional ordinary capital resources, the Asian Development Fund, and other special funds. ADB's ongoing sovereign portfolio in Sri Lanka includes 41 loans and 1 grant worth \$3.64 billion.¹

ADB disbursed \$784 million to Sri Lanka in 2022 and committed \$200 million in an emergency assistance loan. Technical assistance commitments totaled \$1.8 million for new projects and \$3 million in supplementary financing for ongoing projects. In response to a request from the Government of Sri Lanka to tackle the food security crisis, ADB provided emergency assistance of \$203 million (a \$200 million loan and a \$3 million grant from the Japan Fund for Prosperous and Resilient Asia and the Pacific).

Sri Lanka: Cumulative Commitments^{a,b,c,d}

Sector	No.	Total Amount (\$ million) ^e	% of Total Amount ^e
Project and Technical Assistance	565	11,757.73	84.97
Agriculture, Natural Resources, and Rural Development	135	1,446.67	10.45
Education	46	1,336.20	9.66
Energy	63	1,519.63	10.98
Finance	63	1,362.15	9.84
Health	20	361.97	2.62
Industry and Trade	30	251.45	1.82
Information and Communication Technology	–	0.38	0.00
Multisector	16	173.12	1.25
Public Sector Management	37	459.28	3.32
Transport	89	3,514.22	25.40
Water and Other Urban Infrastructure and Services	66	1,332.66	9.63
Trade and Supply Chain Finance Program^f	3,082	2,079.96	15.03
Finance	1,780	1,162.56	8.40
Industry and Trade	1,302	917.39	6.63
Total	3,647	13,837.68	100.00

– = nil, 0.00 = less than 0.005%, DMC = developing member country, TA = technical assistance.

^a Grants and TA include ADB-administered cofinancing.

^b Includes loans, grants, equity investments, TA, and private sector programs.

^c Using primary sector in the reporting of commitments.

^d From 2020, financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^e Numbers may not sum precisely because of rounding.

^f ADB-financed commitments from private sector programs of which \$2.06 billion is short term (with maturity of less than 365 days).

¹ Sovereign portfolio consists of loans, grants, equity investment, and sovereign guarantee committed and not financially closed. Regional projects with loans/grants to multiple countries are reported separately.



In 2022, ADB provided a series of interventions as emergency assistance to help address the immediate challenges from the economic crisis in Sri Lanka. The newly approved emergency assistance aims to improve food security and protect the livelihoods of poor and vulnerable people across the country, with a focus on women and children. In addition, ADB repurposed part of its ongoing portfolio to provide working capital support to small and medium-sized enterprises and for essential imports, including food and agriculture products, fertilizer and chemicals, and medical equipment and pharmaceuticals. ADB's [Trade and Supply Chain Finance Program](#) supported 73 transactions valued at \$228 million in 2022, including support for essential imports. To address challenges associated with the implementation of ADB's sovereign projects in Sri Lanka, an emergency trade finance facility was also established.

Technical assistance provided in 2022 included \$800,000 for [Enhancing Small and Medium-Sized Enterprises Financial Services Outreach](#), and \$1 million for [Strengthening the Institutional Capacity of the National Water Supply and Drainage Board](#). The latter aims to improve the institution's financial sustainability and operational efficiency; and increase its capacity for environmental and social safeguards, climate change and disaster risk management, and gender equality and social inclusion. Supplementary financing of \$3 million was provided to [support the financial sector](#), and for the [tourism sector](#).

Nonsovereign operations. Total outstanding balances and undisbursed commitments of ADB's nonsovereign transactions in Sri Lanka as of 31 December 2022 was \$40.87 million representing 0.32% of ADB's total private sector portfolio.

Operational challenges. Current macroeconomic conditions are having an adverse impact on project implementation. The allocation of counterpart funds from the government is being affected by limited fiscal space. The shortage of foreign exchange has affected imports of construction materials and equipment. Regular portfolio review meetings involving ADB, the government, and executing agencies helped resolve project implementation issues and enhanced the sharing of information. However, institutional factors continue to impede project execution. Among these factors are long land-acquisition procedures, procurement delays caused by cumbersome approval processes, and the poor performance of contractors.

ADB is providing [technical assistance](#) to improve project readiness and portfolio management amid the crisis and to build institutional capacity, particularly in Sri Lanka's new implementing and executing agencies.

KNOWLEDGE WORK

In partnership with the National Planning Department of Sri Lanka, ADB held three events under the [Serendipity Knowledge Program \(SKOP\) for Sri Lanka](#) in 2022. These events were linked to government priority areas that ADB will continue to support over the medium term. The events focused on creating an enabling environment to support public-private partnerships, exploring ways to enhance human capital, and supporting the development of micro, small, and medium-sized enterprises and their access to finance. Two publications were completed under SKOP on [energy](#) and [climate change](#). ADB staff produced seven TED-style videos to disseminate knowledge about and lessons from ADB's operations in Sri Lanka.

Sri Lanka: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	Goods, Works, and Related Services	
	Amount (\$ million)	% of Total
2021	266.75	1.75
2022	249.25	1.54
Cumulative (as of 31 Dec 2022)	5,350.03	2.17

Item	Consulting Services	
	Amount (\$ million)	% of Total
2021	8.87	1.26
2022	6.13	1.15
Cumulative (as of 31 Dec 2022)	159.34	1.03

Item	Total Procurement	
	Amount (\$ million)	% of Total
2021	275.62	1.73
2022	255.39	1.53
Cumulative (as of 31 Dec 2022)	5,509.37	2.10

Top 5 Contractors/Suppliers from Sri Lanka Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2018–31 December 2022

Contractor/Supplier	Sector	Contract Amount (\$ million)
Maga Engineering Pvt. Ltd.	EDU, TRA	226.67
K.D.A. Weerasinghe and Co. Pvt. Ltd.	TRA, WUS	54.77
NEM Construction Pvt. Ltd.	TRA	42.31
China National Technical Import and Export Corp. (SRI)	TRA	37.79
Edward and Christie Group	TRA, WUS	30.49
Others		984.81
Total		1,376.84

EDU = education, TRA = transport, WUS = water and other urban infrastructure and services.

Top 5 Consultants from Sri Lanka Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2018–31 December 2022

Consultant	Sector	Contract Amount (\$ million)
Resources Development Consultants Pvt. Ltd.	ANR, EDU, HLT, PSM, WUS	7.77
MG Consultants Pvt. Ltd.	TRA	4.84
KPMG Sri Lanka	FIN, TRA	1.64
Engineering Consultants Pvt. Ltd.	EDU, WUS	1.39
International Water Management Institute	ANR	1.28
Individual Consultants		15.10
Others		7.24
Total		39.27

ANR = agriculture, natural resources, and rural development; EDU = education; FIN = finance; HLT = health; PSM = public sector management; TRA = transport; WUS = water and other urban infrastructure and services.

Sri Lanka: Ordinary Capital Resources Nonsovereign Commitments by Product

	2022	2018–2022
Number of Transactions Signed (OCR)	0	2
Number of Transactions Signed (Programs)	73	1,063
	Amount (\$ million)	
Loans	–	35.00
Equity Investments	–	25.00
Guarantees	–	–
Debt Security	–	–
Trade and Supply Chain Finance Program and Microfinance Program	47.15	1,035.25
Total	47.15	1,095.25

– = nil, OCR = ordinary capital resources.

FINANCING PARTNERSHIPS

Financing partnerships enable ADB's financing partner governments or their agencies, multilateral financing institutions, and private organizations to participate in financing ADB-funded projects. The additional funds provided may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Sri Lanka:

- Sovereign cofinancing: \$1.8 billion for 43 investment projects and \$32.31 million for 43 technical assistance projects since 1972
- Nonsovereign cofinancing: \$5.19 billion for 5 investment projects since 2004

In 2022, Sri Lanka received \$100 million loan cofinancing from the Asian Infrastructure Investment Bank for the Health System Enhancement Project, and \$275 million loan cofinancing from the World Bank and \$3 million grant cofinancing from the Japan Fund for Prosperous and Resilient Asia and the Pacific for the Food Security and Livelihood Recovery Emergency Assistance Project.

A summary of projects with cofinancing from 1 January 2018 to 31 December 2022 is available at www.adb.org/countries/sri-lanka/cofinancing.

FUTURE DIRECTIONS

ADB will align its program for Sri Lanka in 2023 and beyond with the government's plan, as reflected in the interim budget for 2022 and the budget for 2023, and the key elements of the IMF-supported economic stabilization and recovery program. ADB will support the country's efforts in stabilizing the economy, providing social protection, meeting other immediate needs, and addressing the fundamental causes of the crisis to lay the foundation for a sustained recovery. The bank will continue support for imports, especially essential items, through the trade and supply chain finance program. ADB will also explore opportunities to actively support private sector development.

Sri Lanka: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2021–2022

No. of Ongoing Loans ^a (as of 31 Dec 2022)	41	
	2021 (\$ million)	2022 (\$ million)
Contract Awards ^{b,c}	467.63	431.94
Disbursements ^b	680.59	780.10
No. of Ongoing Grants ^{a,d} (as of 31 Dec 2022)	1	
	2021 (\$ million)	2022 (\$ million)
Contract Awards ^{b,c,d}	3.53	0.02
Disbursements ^{b,d}	(0.00)	–
At Risk Projects (%) ^e (as of 31 Dec 2022)	7	

– = nil, () = negative, 0.00 = less than \$50,000.

Note: Totals may not add up because of rounding.

^a Based on commitments.

^b Includes closed loans/grants that had contract awards or disbursements during the year.

^c Excludes policy-based, results-based, financial intermediation/credit, CPRO (COVID-19 Pandemic Response Option), and fully administered cofinanced loans and grants.

^d Includes only Asian Development Fund and other ADB special funds.

^e Covers active projects as of 31 December 2022.

Sri Lanka: Independent Evaluation Ratings for Sovereign and Nonsovereign Operations, 2013–2022

	Total Number of Validated and Evaluated Projects and Programs	Evaluation Ratings		
		Highly successful and successful	Less than successful	Unsuccessful
Sovereign Operations	22	14	8	–
Nonsovereign Operations	8	8	–	–

– = nil, IED = Independent Evaluation Department.

Note: The numbers indicate sovereign and nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2012 to 30 June 2022. See [evaluations](#) related to Sri Lanka.

Source: IED success rate database.

Sri Lanka: Projects Cofinanced, 1 January 2018–31 December 2022

Cofinancing	No. of Projects	Amount (\$ million)
Sovereign ^a	13	776.92
Loans	4	747.73
Grants	4	19.75
Technical Assistance	7	9.44
Nonsovereign	3	3,808.70

^a A project with more than one source of cofinancing is counted once.

ADB AT A GLANCE

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,775 staff from 66 members as of 31 December 2022.

ADB maximizes the development impact of its assistance to its members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB met strong demand for its assistance in 2022. It unlocked greater resources for its members through the private sector and partnerships. ADB provided financing for climate change mitigation and adaptation initiatives, education quality and access, affordable health care, and more sustainable and climate-resilient food systems. In 2022, 97% of ADB operations contributed to gender equality. ADB fostered greater regional collaboration on issues such as health threats and tax cooperation. ADB also responded to demand for tailored knowledge solutions from its members.

ADB operations. In 2022, ADB committed \$20.5 billion in loans, grants, equity investments, guarantees, private sector programs, and technical assistance to both the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of \$11.4 billion.

As of 31 December 2022, ADB's cumulative commitments in 45 countries stood at \$358.4 billion covering 4,189 loans, \$12.6 billion in 566 grants, and \$5.5 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees, equity investments, and private sector programs to help its developing member countries.

Total commitments in nonsovereign loans, equity investments, and guarantees from ADB's own funds in 2022 amounted to \$1.1 billion for 37 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2022, ADB mobilized \$1.7 billion of long-term project cofinancing and \$5.3 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB's own resources stood at \$12.8 billion as of 31 December 2022.

FINANCING PARTNERSHIPS

Total sovereign and nonsovereign cofinancing commitments, 2022

- \$11.39 billion for 165 projects, of which:
 - » \$11.2 billion, 75 investment projects,
 - » \$126.49 million, 87 technical assistance projects,
 - » \$60 million transaction advisory services mandates for 3 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2022

- \$151.87 billion for 3,292 projects, of which:
 - » \$147.81 billion, 1,163 investment projects,
 - » \$2.92 billion, 2,120 technical assistance projects,
 - » \$1.13 billion transaction advisory services mandates for 9 projects.

PROCUREMENT

ADB's Procurement Contracts, 2022

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- \$15.23 billion in 2021
- \$16.19 billion in 2022
- \$247.06 billion covering 228,149 contracts, cumulative procurement since 1966.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- \$706.65 million in 2021
- \$535.61 million in 2022
- \$15.45 billion covering 74,995 contracts, cumulative procurement since 1966.

MORE ABOUT SRI LANKA AND ADB

Shareholding and Voting Power

Number of shares held: 61,560 (0.579% of total shares)
Votes: 100,674 (0.757% of total membership, 1.162% of total regional membership)

*Overall capital subscription: \$819.27 million

*Paid-in capital subscription: \$40.98 million

*United States dollar figures are valued at rate as of 31 December 2022.

Contributions to Special Funds Resources

Sri Lanka contributes to the Technical Assistance Special Fund (TASF). The TASF provides technical assistance grants to developing member countries to help prepare projects and undertake technical or policy studies.

Contributions to the TASF (committed): \$6,000

** Valued at exchange rates per date of commitment.

ADB Governor: Ranil Wickremesinghe

ADB Alternate Governor: K. M. Mahinda Siriwardana

ADB Director: Sangmin Ryu (Republic of Korea)

ADB Alternate Director: Damien Horiambé (Papua New Guinea)

ADB Director's Advisors: Sun Young Jin (Republic of Korea) and Hsu-Juan Hou (Taipei, China)

Annual Meeting

Sri Lanka was the Chair of the Board of Governors for the 55th Annual Meeting held on 2–5 May 2022 at the ADB headquarters in Manila, Philippines.

CONTACTS

Sri Lanka Resident Mission (SLRM)

Established: 1997

Country Director: Takafumi Kadono

Asian Development Bank
23, Independence Avenue
Colombo 7,
Sri Lanka
Tel: +94 11 267 4499
Fax: +94 11 267 4488
adbslrm@adb.org
www.adb.org/countries/sri-lanka
www.facebook.com/adbslrm

ADB Headquarters

6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines
Tel: +63 2 8632 4444
Fax: +63 2 8636 2444
www.adb.org

Ministry of Finance

The Secretariat, Lotus Road
Colombo 1,
Sri Lanka
Tel: +94 112 484 500
Fax: +94 112 449 823
info@mo.treasury.gov.lk

Useful ADB websites

Asian Development Bank
www.adb.org

Annual Report

www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook

www.adb.org/publications/series/asian-development-outlook

ADB Data Library

data.adb.org

Notes: (i) Figures are estimated by ADB unless otherwise stated. " \$" refers to United States dollars. (ii) Data are updated as of 31 December 2022 unless otherwise indicated. (iii) ADB recognizes "China" as the People's Republic of China.