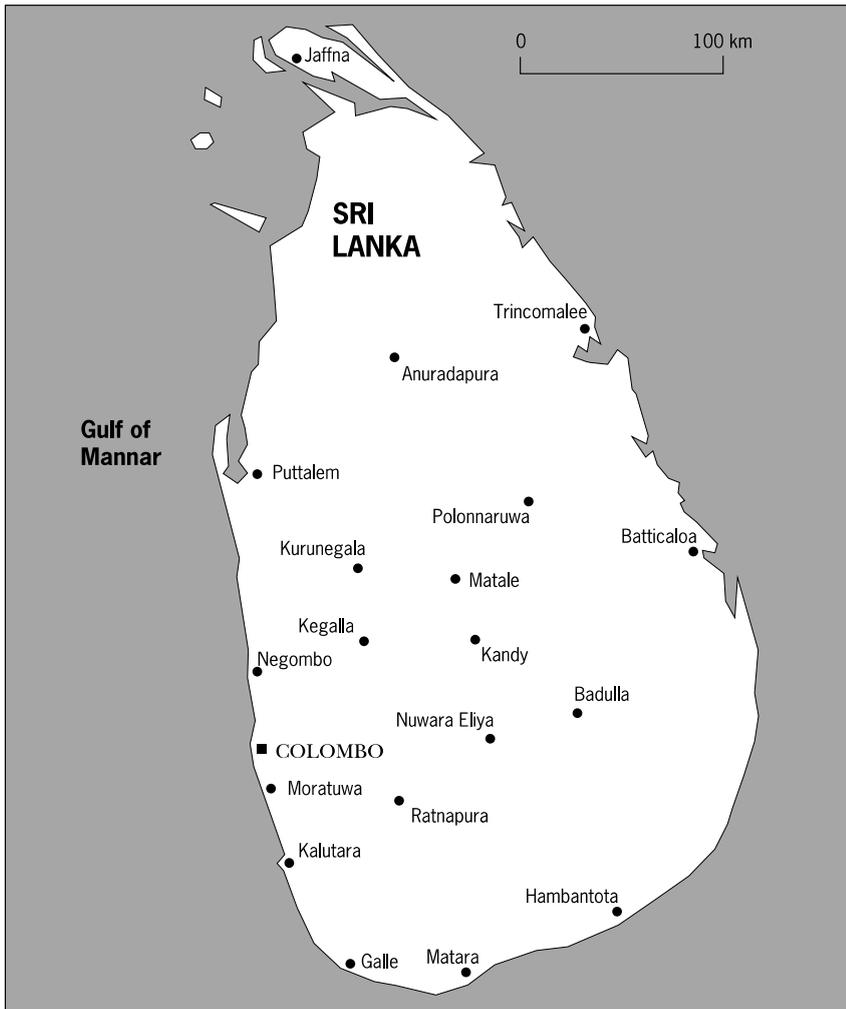


Sri Lanka



KEY FACTS

Official name: Sri Lanka
Prajathanthrika Samajavadi
Janarajaya / Lankais Sananayaka
socialisak kutiyarasa / Democratic
Socialist Republic of Sri Lanka

Head of State: President Mahinda
Rajapaksa (UPFA) (since 2005;
re-elected 26 Jan 2010)

Head of government: Prime Minister
Disanayaka Mudiyansele
Jayaratne (from 21 Apr 2010)

Ruling party: Coalition government
led by United People's Freedom
Alliance (UPFA) (elected 2004;
re-elected 21 Apr 2010)

Area: 65,610 square km

Population: 20.68 million (2012)*

Capital: Colombo (official capital);
many governmental functions are
centred in Sri Jayawardenepura, a
suburb of Colombo.

Official language: Sinhala, Tamil,
English

Currency: Rupee (Rs) = 100 cents

Exchange rate: Rs131.65 per US\$
(Jul 2013)

GDP per capita: US\$2,873 (2012)*

GDP real growth: 6.41% (2012)*

GDP: US\$59.41 billion (2012)*

Labour force: 7.57 million (2009)

Unemployment: 4.90% (2012)*

Inflation: 7.54% (2012)*

Balance of trade: -US\$7.68 billion
(2011)

Annual FDI: US\$955.92 million
(2011)

* estimated figure

The unwieldy acronym CHOGM only features in the world's headlines every other year when the biennial Commonwealth Heads of Government Meeting (CHOGM) takes place. The 2013 meeting, due to be held in Colombo, has created more headlines than the previous ten put together. The reason? The fact that Sri Lanka's armed forces reportedly killed an estimated 40,000 of its own citizens in 2009 and has carried on persecuting the Tamil – and even the Muslim – population afterwards. Commonwealth member governments found themselves in a quandary; by going to the meeting they risked being

seen to support the government of President Mahinda Rajapaksa, but by staying away they would be unable to exercise any influence at all and miss out on the opportunity to meet fellow, sympathetic heads of government who – in theory at least – shared their views and values. For many of them the choice of venue was not so important as the opportunity to hob-nob with the great and the good from all over the world and be able to give their grandchildren a framed photograph of themselves alongside British royalty – although in 2013 the latter had been slightly devalued as the octogenarian British

Queen Elizabeth had delegated the responsibility to her son and heir, Prince Charles. Which probably wasn't quite the same thing. But the Sri Lankan government could only see the CHOGM gathering as a feather in its rather tattered cap.

Ahead of the meeting a small number of Commonwealth governments had decided not to attend the meeting – of these the most significant was India with a small, but high profile Tamil population. Canada and Mauritius had also decided not to attend. The UK's David Cameron was under pressure not to attend but finally decided to go but would insist on a thoroughgoing war crimes investigation. It was difficult for the Sri Lankan government to play down the evidence of war crimes, pointing out that the Liberation Tigers of Tamil Eelam (the Tamil Tigers) had also been guilty of atrocities during the war. But Mr Rajapaksa had obviously decided, where possible, to use the CHOGM gathering as some sort of vindication for their actions.

Broken promises

The Sri Lankan government's triumphalist refusal to negotiate with the Tamil leaders or endeavour to address legitimate Tamil and Muslim grievances certainly seems to have (predictably) increased ethnic tensions and harmed what slender hopes there were of any genuine peace. The administration, led by Mahinda Rajapaksa's United People's Freedom Alliance (UPFA), had refused to honour agreements with the Illankai

Tamil Arasu Kadchi (Tamil National Alliance) (TNA), broken promises to world leaders and had failed to implement constitutional provisions for minimal devolution of power to Tamil-speaking areas of the north and east. Militarisation and discriminatory economic development in Tamil and Muslim areas were generating anger and increasing pressure on the more moderate Tamil leaders. Tamil political parties needed to remain patient and maintain a course of moderation, while reaching out more directly to Muslims, rural Tamils and Sinhalese. The speedy establishment of an elected provincial council and full restoration of civilian government in the north appeared to be critical, as did beginning serious negotiations with elected Tamil representatives from the north and east.

However, in the September 2013 elections, in northern Sri Lanka the candidates of the TNA virtually swept the board, winning 30 of the 38 seats being voted. The independent observers despatched to make sure that the elections were carried out properly reported that there was widespread intimidation, but that such was the determination of the Tamil community to vote, it proved ineffective. Whatever hopes there may have been outside Sri Lanka that a spirit of reconciliation would prevail, these were soon extinguished. A BBC television report showed the damage inflicted by the Rajapaksa government's heavies on Tamil printing presses. In August 2013 the United Nations Human Rights Commissioner Navi Pillay

reported that there was a 'drift towards authoritarianism.'

A report in the London *Economist* filed from Jaffna also suggested that if the government's position and its methods, were hardening, so were those of the Tamil community. The Tamil community had already begun to venerate their seasoned war hero and late LTTE leader Vellupillai Prabhakaran, considered by many to be a war criminal.

The economy

According to the Asian Development Bank (ADB) the Sri Lankan economy grew at 8.3 per cent in 2011 as the country continued to absorb the benefits of the end of its long-running civil conflict in May 2009. Industrial output (accounting for a little less than one-third of gross domestic product (GDP)) expanded by 9.6 per cent. Within that, manufacturing grew by 8.1 per cent, led by the export-oriented ready-made garment industry. Construction and mining came in at double-digit growth, reflecting projects started since the conflict ended. Services, the largest component of GDP (three-fifths), climbed by 8.8 per cent. Hotel and restaurant activity was up by one-third, reflecting a 30.8 per cent increase in tourist arrivals. Both transport and communications grew with the further integration of the northern and eastern provinces (former conflict areas) with the rest of the economy. Agricultural output, however, was hit by adverse weather and heavy flooding in early 2011 and was down in the first half, but it picked up in the second to show annual growth of 2.5 per cent.

The ADB noted that private consumption remained the main driver of economic expansion, fuelled by remittances, greater demand from the northern and eastern provinces and salary increases for civil servants and the defence forces. Investment activity also strengthened owing to implementation of major infrastructure development initiatives (especially in transport, energy, water, sanitation and irrigation) and rising business investment, including international companies seeking a foothold in a fast-expanding economy. Private investment focused on tourism, telecommunications, manufacturing and housing.

Overall inflation, as registered by the ADB, remained in single digits in 2011, averaging 6.7 per cent and little changed from a year earlier. Food inflation, though, was volatile, reflecting flood damage, crop failures and price pressure early in the year and, later, declining

KEY INDICATORS

Sri Lanka

	Unit	2008	2009	2010	2011	2012
Population	m	*20.08	*20.24	*20.65	*20.54	*20.68
Gross domestic product (GDP)	US\$bn	39.60	41.30	49.70	59.10	*59.41
GDP per capita	US\$	1,972	2,041	2,435	2,877	*2,873
GDP real growth	%	6.0	3.5	8.0	8.2	*6.4
Inflation	%	22.6	3.4	5.9	6.7	*7.5
Unemployment	%	5.2	5.7	5.1	4.9	*4.9
Industrial output	% change	5.9	4.2	8.4	0.0	0.0
Agricultural output	% change	7.5	3.2	7.0	0.0	0.0
Exports (fob) (goods)	US\$m	8,137.0	7,085.0	8,307.0	10,558.8	–
Imports (fob) (goods)	US\$m	12,607.0	9,186.0	12,161.0	18,241.9	–
Balance of trade	US\$m	-4,470.0	-2,101.0	-3,853.0	-7,683.1	–
Current account	US\$m	-3,719.0	-292.0	-1,471.0	-4,675.1	*-3,563.0
Total reserves minus gold	US\$m	2,563.0	4,616.0	6,710.0	6,707.3	*6,378.0
Foreign exchange	US\$m	2,487.0	4,521.0	6,634.0	5,651.8	*6,300.0
Exchange rate	per US\$	108.33	114.94	113.06	110.20	*129.26

* estimated figure

prices as production recovered. Non-food inflation trended upward, due to strong demand and price increases for diesel, petrol, kerosene, liquefied petroleum gas and bus fares late in 2011 and in February 2012, when it reached 9.2 per cent. Fuel prices were suppressed during 2011 as international oil prices shot up by 41 per cent during 2010 and 2011. The government kept rises in petrol and diesel to 19 per cent and 15 per cent, respectively. Ceylon Petroleum Corporation lost a reported Rs90 billion (US\$0.7 billion) in 2011 (1.4 per cent of GDP), mainly by selling oil to the Ceylon Electricity Board at below cost.

The central bank kept monetary interest rates low in 2011 and 2012 to boost economic growth through rapidly expanding credit. Growth in credit to the private sector has accelerated rapidly since early 2010, fuelling the pace of economic activity: year-on-year growth reached 34 per cent in mid-2012 and then plateaued. Construction, agriculture and wholesale and retail trade have been prominent recipients. The Central Bank of Sri Lanka aimed at maintaining inflation at mid-single-digit level and signalled a tightening of policy by raising its repurchase and reverse repurchase rate by 50 basis points to 7.5 per cent and 9.0 per cent, respectively, in February 2012.

The budget deficit narrowed in 2011 through a reduction of expenditure as a share of GDP, even as the proportion of government revenue in GDP fell. The deficit was estimated at 7.0 per cent of GDP, improving from 2010's 8.0 per cent. Total revenue increased by 12.3 per cent in 2011 from a year earlier (tax receipts rose by 14.2 per cent). Revenue as a share of GDP, however, fell by 0.5 percentage points to 14.3 per cent in 2011, despite a 16.6 per cent rise in nominal GDP and strong imports. The weaker performance seemed largely due to tax holidays and incentives eroding the tax base. Total expenditure, which rose by 9.1 per cent, moderated to 21.4 per cent of GDP from 22.9 per cent in 2010, reflecting government efforts to rationalise recurrent spending. Capital expenditure was maintained at 6.0 per cent of GDP. While exports expanded strongly, imports jumped because of higher oil prices and strong domestic demand, more than doubling the current account deficit to 7.3 per cent of GDP in 2011. Export earnings rose by about 22.4 per cent to US\$10.5 billion, mainly owing to a 24.6 per cent expansion in garment sales, a near 60 per cent surge in rubber and rubber products and strong

prices for other agricultural products. Imports jumped by 50.4 per cent to US\$20.2 billion, driven mainly by increases in imports of oil, intermediate goods for the garment industry and other raw materials and capital goods. Export growth was weaker in the second half of 2011 than the first, while that of imports stayed high.

Improved workers' remittances and an increased surplus in the services account helped contain the current account deficit. Earnings from tourism shot up by 44 per cent to US\$830 million even though tourist arrivals, especially from Europe, slowed during the second half. Workers' remittances, up by 25.0 per cent, remained the single largest foreign exchange earner, at US\$5.1 billion, or 8.7 per cent of GDP.

Foreign direct investment (FDI) inflows exceeded the government target of US\$1 billion in 2011 as there was an influx of investments into the tourism, apparel and information technology industries. Net inflows to the capital and financial accounts largely offset the current account deficit.

The central bank defended the foreign exchange rate (in a band around Rs110/US\$1) against downward pressure from the current account deficit for most of 2011, although the government announced a three per cent devaluation when presenting the 2012 budget in November 2011. With strong demand pressures, gross official reserves fell continuously during the latter part of the year to US\$5.96 billion at the end of December 2011, covering 3.5 months of imports. Although the economy was projected to maintain its strong performance of the last two years, growth prospects for 2012 were forecast to be less favourable than in the past and the pace of expansion was expected to moderate. This easing was partly due to slower growth in industrial countries and attendant weaker growth in global demand and trade and partly due to domestic factors: the rebound has largely run its course and with little slack in production capacity signs of overheating have emerged that will require tighter demand-management policies to forestall the build up of serious economic imbalances.

Growth was expected by the ADB to edge down to a still high 7.0 per cent in 2012 as trends in investment, exports, tourism, remittances and consumption remained broadly favourable; agriculture growth should be high, assuming normal weather. With the expected stronger performance of the global economy in 2013, growth was expected to recover to 8.0 per

cent, driven mainly by domestic and foreign investment. Fiscal policy would focus on further narrowing the budget deficit in 2012 to 6.2 per cent of GDP. The budget planned most of this improvement to come from an 19.8 per cent increase in revenue and grants, based on assumptions of rapid growth (8.5–9 per cent) and inflation in mid-single digits. But with growth likely to be slower than this rate, it would, in the view of the ADB, be hard to reach the revenue target. Expenditure was projected to rise more slowly than revenue: planned economies in current spending should allow capital outlays to rise to 6.6 per cent of GDP, in line with the target in the government's Development Policy Framework. The government planned to bring the deficit down to 5.8 per cent in 2013, by improving income tax and value-added tax collection and further streamlining current expenditure.

Risk assessment

Politics	Fair
Economy	Good
Regional stability	Good

COUNTRY PROFILE

Historical profile

1815 The British became the first colonial power to win control of the island, which became known as Ceylon. Tamils from India were brought over to work on the plantations.

1931 The right to vote was introduced by the colonial authorities, who also established a system of power-sharing with the people of Ceylon.

1948 Ceylon gained full independence from British rule.

1949 The right to vote was taken away from Indian Tamils.

1951 Solomon Bandaranaike left the ruling Ekshat Jathika Pakshaya (EJP) (United National Party) to form the Sri Lanka Nidahas Pakshaya (Sri Lanka Freedom Party) (SLFP).

1953 A decision by the EJP government to cut the rice ration in the slump following the Korean War saw riots assume insurrectionary proportions.

1956 Bandaranaike became prime minister. Sinhala was made the state language by Bandaranaike's SLFP government, sparking anti-Tamil pogroms.

1959–60 Bandaranaike was assassinated by a Buddhist monk in 1959. His widow, Sirimavo Bandaranaike, was elected SLFP leader and prime minister the following year. She stepped up the nationalisation programme.

1964 A pact with India forced half a million Indian Tamil plantation workers to return to India.

1965 The EJP won elections and began attempts to reverse the nationalisation programme.

1970 Sirimavo Bandaranaike began what would be her second term as prime minister, which would last until 1977.

1971 A rural uprising led by the Marxist Janatha Vimukthi Peramuna (JVP) (People's United Liberation Front) was crushed.

1972 The country changed its name from Ceylon to Sri Lanka and Buddhism became the country's official religion.

1976 The main Tamil party, the Federal Party, and other Tamil groups, formed the Tamil United Liberation Front (TULF), calling for a separate Tamil state in the northern and eastern parts of the country. The Liberation Tigers of Tamil Eelam (LTTE, also known as the Tamil Tigers) was formed.

1977 A constitutional amendment was passed which established a presidential system of government from the end of the year. In elections, the TULF won all the seats in Tamil areas.

1978 J R Jayewardene became the country's first executive president. Continued violence and pressure from the Tamils led the government to recognise the Tamil language in the new constitution.

1983–84 Tamil terrorist activity and anti-Tamil pogroms broke out in what came to be known as 'Black July'. The latter constituted the worst outbreak of violence for many years, sparking a state of emergency. India began training Tamil guerrillas. Conflicts developed in the north of the island between the army and the Tamil Tigers.

1985 The first attempts at peace talks with the LTTE failed.

1986 Violence continued to convulse the northern and eastern provinces. Sri Lanka's relations with India were severely strained by the violence. India mediated informally between TULF legislators, Tamil leaders and the Sri Lankan government.

1987 Following an accord with India, more than 7,000 Indian troops were sent to Sri Lanka to try to implement a peace accord. The government agreed and signed accords that created new councils for Tamil areas in the north and east.

1989 Ranasinghe Premadasa was sworn in as president. The state of emergency which had been in force since May 1983 was repealed.

1990 Indian troops went home after losing more than 1,000 soldiers and failing to achieve their objectives. The LTTE controlled large parts of northern Sri Lanka.

1991 The LTTE was implicated in the assassination of Indian prime minister Rajiv Gandhi.

1993 President Premadasa was killed in an LTTE bomb attack.

1994 The Bahejana Nidasa Pakhsaya (People's Alliance) (PA), a left-wing nine-party coalition centred on the SLFP, won the legislative elections. The prime minister, Chandrika Bandaranaike Kumaratunga (SLFP), was elected president. She appointed her mother, Sirimavo Bandaranaike, as prime minister.

1996 The LTTE bombed the capital, Colombo, leading to a nationwide state of emergency.

1998 Sri Lanka's fiftieth anniversary celebrations were marred by renewed fighting between the army and separatist LTTE in the north of the country. The Tamil Tigers bombed Sri Lanka's holiest Buddhist site and captured key northern towns in a large offensive.

1999 President Kumaratunga won her second and final term in office; she had been partially blinded in one eye in a terrorist bombing at an election rally.

2000 Government forces lost control of a key military base in the north to Tamil Tiger separatists. Norway began mediation talks between the government and the LTTE. The general elections resulted in a hung parliament, with the PA dependent on two moderate Tamil-linked parties for support. Former prime minister (the world's first female head of government) Sirimavo Bandaranaike died soon after casting her vote.

2001 The LTTE was declared a terrorist organisation by Britain and Canada. The LTTE destroyed half Air Lanka's fleet of airplanes at Colombo's airport. President Kumaratunga announced a snap general election, which were won by the opposition EJP.

2002 It was estimated that 64,000 people had been killed since the LTTE's armed struggle for independence began. A cease-fire, negotiated by Norway, came into effect, ending the civil war. The ruling EJP won local elections, which were also billed as a referendum on peace plans. The ban on the LTTE was lifted as a prelude to peace talks at which the LTTE dropped its demand for independence in favour of regional autonomy with self-government.

2003 The LTTE withdrew from peace talks, as it demanded interim executive powers over the north and east, where the Tamil population is concentrated. Peace talks stalled and fearing the break-up of Sri Lanka, the president suspended parliament and deployed troops in Colombo as a state of emergency was declared.

2004 President Kumaratunga called snap elections, which were won by the United People's Freedom Alliance (UPFA) and Mahinda Rajapaksa became prime minister. An earthquake off the Indonesian island of Sumatra caused a *tsunami* that devastated coastal areas of north and

eastern Sri Lanka; the final estimate in Sri Lanka was 35,322 dead or missing and 516,150 people displaced.

2005 Reconstruction of the coastal regions under *de facto* control of the LTTE devastated by the *tsunami* was necessary in many areas. The government planned to give the LTTE separatists a key role in the distribution of international aid that had been received and encourage peace talks in the process. However only reduced aid was provided and anger mounted in the stricken areas. The nationalist JVP pulled out of the government coalition in protest and reduced the government's working majority. The foreign minister, Lakshman Kadirgamar, was assassinated. Mahinda Rajapaksa (UPFA) won presidential elections; Ratnasiri Wickremanayake was appointed prime minister.

2006 The South Asia Free Trade Agreement (SAFTA) came into effect between Sri Lanka, Bhutan, Bangladesh, India, Maldives, Nepal and Pakistan. The EU added the LTTE to its list of terrorist organisations (a move that followed the US and India), and froze all LTTE financial assets held within the EU. The United Nations Children's Fund (Unicef) accused the LTTE of abducting and recruiting children as soldiers. The number of dead attributed to the conflict since 1972 was estimated at 60,000.

2007 S P Thamilselvan, a leading political member of the LTTE, was killed in a government air raid.

2008 The prime minister announced a formal ending to the 2002 cease-fire with the LTTE.

2009 Government forces over-ran the LTTE's *de facto* capital of Kilinochchi in the north, after more than a decade of being held by the rebels. There was also heavy fighting as government forces took control of the strategic causeway linking the Jaffna Peninsula and strongholds of the LTTE with the mainland, along with the last rebel region of Mullaitivu in the north-east. In the 25-year conflict for a Tamil homeland an estimated 70,000 people had been killed. The LTTE agreed to international calls for a cease-fire but refused to lay down its arms, a prerequisite of the government, which in turn rejected any consideration of a conditional truce. The UN requested another cease-fire, to allow trapped civilians, estimated at 50,000–100,000, in the area to flee; this was rejected. Victory, after 26 years, was declared by President Rajapaksa as government troops over-ran the last enclave of the LTTE and the deaths of its leaders were announced, including its founder Velupillai Prabhakaran. Provincial elections were held for the Jaffna Municipal Council; the

governing UPFA won 13 seats (out of 23) and the Illankai Tamil Arasu Kadchi (Tamil National Alliance) eight; of the four other candidates running for office two won seats. The government finally allowed refugees who had been held in camps since the end of the fighting to leave at will. They had previously been prevented from leaving before they had been screened for links with the Tamil Tigers.

2010 The EU withdrew trade benefits because of human rights concerns. As a result exports to the EU faced higher tariffs.

In presidential elections, incumbent Mahinda Rajapaksa was re-elected with 57.88 per cent of the vote; his closest rival, Sarath Fonseka (New Democratic Front (NDF)) 40.15 per cent. The Supreme Court decided that as the presidential election had been called two years early, President Rajapaksa's new term in office would begin in November and he could remain in power until 2016. Over 7,000 candidates competed for 225 seats in the unicameral parliament. The ruling UPFA won 144 seats, gaining 39 seats over the 2004 elections. The United National Front, a coalition of three opposition Sinhalese parties led by Ekshat Jathika Pakshaya (EJP) (United National Party) won 60 seats, the Illankai Tamil Arasu Kachchi (Tamil National Alliance) (TNA) won 14, the Democratic National Alliance (DNA) won seven; turnout was 61.3 per cent. President Rajapaksa appointed D M Jayaratne as prime minister. The cabinet, chaired by the President, held a special symbolic meeting in Kilinochchi, the former capital of the Tamil Tigers. It reviewed the progress of reconstruction, which was hampered by deposits of unexploded ordinance (UXO). A commission set up to examine the conduct of the civil war held its first public meeting. Construction began on a new deep-sea port, funded by US\$360 million in Chinese soft loans, in southern Hambantota, including four terminals (two for cargo and two for fuel bunkering); it was completed in 2012. Another phase, equally large, to provide the infrastructure to service the port was completed in 2011. Mahinda Rajapaksa's 30 month sentence for violating military procurement procedures was confirmed by the president. Former presidential candidate and army chief, Sarath Fonseka was convicted in a military court, on charges of making irregular purchases for the military while in charge; he was sentenced to 30 months in prison.

2011 A UN report into the official conduct of the Sri Lankan civil war was published on 25 April. It concluded that there was evidence of the government and military being responsible for war crimes and crimes against humanity. The report dealt

with the period from September 2008 to May 2009 and the military assault on the north-eastern coast, the heartland of the LTTE. Although the government had refused all UN interviews with its military personnel the Expert Panel, appointed by the UN Secretary General, had considerable information given to them by credible outside agencies, media and individuals from which to draw their conclusions. The government claimed the findings were 'baseless, biased and unilateral'. President Rajapaksa received a summons, issued by a US federal court in June, linked to three civil cases filed under the Hague Convention, by relatives of Tamil victims of alleged extra-judicial killings during the civil war. In November, Fonseka was given a further three-year jail sentence for lending credence to allegations that the defence secretary ordered the killing of Tamil Tiger rebels while they were trying to surrender in 2009. Fonseka claimed the accusation and verdict were politically motivated.

2012 On 21 May Sarath Fonseka was released from prison; the government offered no explanation for his release. On the 14 November an internal report by the UN was released detailing its failure to protect Tamil civilians during the ending of the civil war in 2009. The review concluded that various UN agencies had been intimidated by Sri Lankan authorities. This led to a reluctance on behalf of the UN to publish casualty figures and as UN staff withdrew from the war zone they failed to report the evidence of widespread government forces shelling civilian areas. The government denied the intimidation. On 23 November parliament began impeachment proceedings against the chief justice, Shirani Bandaranayake, accused of 14 charges of financial and official misconduct.

2013 The newly expanded Colombo Port formally opened for business on 5 August. The Port authorities hope that with the new breakwater, deeper basin, and the first of three modern new terminals now open, Colombo Port will be able to accept the latest generation of 18,000 20-foot equivalent units (TEU) container ships. With these facilities goods can be sent faster and more cost efficiently to other ports in the region. A curfew was imposed on Colombo after violence between Buddhists and Muslims on 11 August. The Northern Provincial Council elections held on 21 September were won by the TNA, the main Tamil party, with 30 seats (out of 38). The UPFA led coalition won seven seats and the Sri Lanka Muslim Congress one seat. On 7 October Canadian Prime Minister Stephen Harper confirmed that he would not be attending the Commonwealth Heads of Government

meeting in Sri Lanka in protest over alleged human rights abuses. Prime Minister Manmohan of India and Prime Minister Ramgoolam also said they would not be attending.

Political structure

Constitution

The constitution dates from 1978, when a presidential system of government was established. Local authority is represented by 24 district councils in nine provinces and the Pradesiya Sabas (councils based on local administrative divisions). The devolution of power is limited, partly due to non-implementation, and partly due to the fact that Article 2 of the constitution stipulates a unitary state. Also politically significant is Article 9, which guarantees the 'foremost place' to Buddhism among faiths and stipulates the duty of the state to protect and sustain the religion. Both are obstacles to any scheme for devolution. Article 76 further stipulates that parliament may not 'abdicate or in any manner alienate its legislative power', complicating the creation of an autonomous Tamil entity.

The constitutional situation reflects events in 1987, when a peace accord was signed with India, which had intervened to protect the Tamil population. The Indo-Sri Lankan accord introduced a tier of government at provincial level, with elected provincial councils and certain powers delegated from the central government. Traditionally there are nine provinces, but the accord provided for the temporary merger of the Northern and Eastern Provinces (those regarded by Sri Lankan Tamils as their traditional homelands), pending a referendum for which the political conditions have not yet materialised. The constitution provides the executive and security forces with sweeping powers on the declaration of a state of war. The Public Security Ordinance grants the armed forces wide powers of arrest and confiscation and allows home entry without a warrant once a war footing is declared. A two-thirds parliamentary majority is required for the removal of the president or amendment of the constitution.

Independence date

4 February 1948

Form of state

Socialist democratic republic

The executive

The president is directly elected for a six-year term and is head of state, head of the executive, head of government and head of the armed forces. No presidential incumbent may serve more than two terms. The president has the power to appoint or dismiss the prime minister (whose powers are relatively limited) and the

cabinet and to dissolve parliament. After the election victory of the EJP in December 2001, President Kumaratunga agreed to delegate some of her extensive powers to the cabinet.

National legislature

The unicameral Parliament of Sri Lanka has 225 members elected by proportional representation, of which 196 are elected in 22 multi-seat electoral districts and the remainder by party lists nationally dependent on the share of the vote. All serve for six-year terms.

Legal system

The judiciary is formally independent of the executive. The Supreme Court has sole jurisdiction over interpretation of the constitution. It is also the final arbiter in settling charges against the president. The legal code reflects the system of English law inherited in 1948, with subsequent amendments in line with legal changes in the UK.

Last elections

8 April 2010 (parliamentary); 26 January 2010 (presidential).

Results: Parliamentary: Eksath Janatha Nidahas Sandhanaya (United People's Freedom Alliance (UPFA) coalition of over 11 political parties) won 60.33 per cent of the vote (144 seats out of 225); Eksath Jathika Pakshaya (United National Front (four Sinhalese parties led by Ekshat Jathika Pakshaya (EJP) (United National Party)) 29.34 per cent (60); Illankai Tamil Arasu Kachchi (Tamil National Alliance) (TNA) 3.94 per cent (14), Democratic National Alliance (DNA) 5.5 per cent (seven). Turnout was 61.3 per cent. Presidential: Mahinda Rajapaksa (United People's Freedom Alliance) 57.88 per cent of the vote, Sarath Fonseka (New Democratic Front) 40.15 per cent; 20 other candidates won less than 1 per cent each. Turnout was 74.5 per cent.

Next elections

21 September 2013 (provincial councils); 2015 (parliamentary); 2016 (presidential)

Political parties

Ruling party

Coalition government led by United People's Freedom Alliance (UPFA) (elected 2004; re-elected 21 Apr 2010)

Main opposition party

United National Alliance (three Sinhalese parties led by Ekshat Jathika Pakshaya (EJP) (United National Party)

Population

20.68 million (2012)*

Last census: July 2001: 16,864,544 (provisional)

Population density: 315 inhabitants per square km (2010). Urban population 14 per cent (2010 Unicef).

Annual growth rate: 0.9 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP)

430,000–500,000 (UNHCR 2004)

Ethnic make-up

Sinhalese (74 per cent), Tamils (18 per cent), Moors (7 per cent), others (1 per cent).

Sri Lankan Tamils form the overwhelming majority in the Northern Province. The Eastern Province is ethnically mixed with three groups in sizeable numbers – Sri Lankan Tamils, mainly Tamil-speaking Moors (Muslims) and Sinhalese. Indian Tamils, descendants of those brought over by the British to work the tea plantations, are concentrated in the plantation districts of the Central Highlands. Elsewhere the Sinhalese are in the majority and make up about three-quarters of the total population.

Religions

Buddhism (69 per cent), Hinduism (16 per cent), Christian (8 per cent), Muslim (7 per cent). Sinhalese are predominantly Theravada Buddhists and Tamils are Hindu, while Arab and Malay descendants are mainly Muslims.

Education

Public investment in education amounts to 1.3 per cent of GDP. Universal primary education and gender parity, at this level, have been achieved.

Primary and junior secondary school are compulsory, lasting until aged 14. Senior secondary and collegiate schools are discretionary and last until aged 18. All schooling until this age is provided free. Teaching is provided in English, Sinhala, Tamil and GCE exams at aged 16 must include a language subject in the student's mother tongue of Sinhalese or Tamil.

The education sector faces problems such as declining efficiency and quality of educational institutions and a shortage of teachers, nevertheless, standards are high and the importance allocated to education is evident in the high literacy rates. Sri Lanka has received assistance from the World Bank, via the International Development Association (IDA). The ongoing Second General Education Project contributed a US\$70.3 million for programmes based on improving enrolment, curriculum development and textbook provision. The Asian Development Bank has provided concessional loans to aid the North and East Community Restoration Development project to fund, among other programmes, educational facilities damaged during the internal conflict.

Literacy rate: 92 per cent adult rate; 97 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Five to 14

Enrolment rate: 110 per cent, gross primary enrolment of relevant age group (including repeaters); 74 per cent, gross secondary enrolment (World Bank).

Pupils per teacher: 28 in primary schools.

Health

World Bank estimates show that the average life expectancy is higher than in most developing countries and the infant mortality rate is relatively low. Sri Lanka's social indicators showed steady improvement during the 1990s including a decline in the maternal mortality rate. There is increased access by the rural population to safe water (from 29 per cent to over 83 per cent) and sanitation (from 39 per cent to over 60 per cent). However, relevant sources indicate increased incidences of malaria and a high malnutrition rate for children under the age of five. The government's *Samurdhi* (Prosperity) Programme is assisting, particularly the most vulnerable groups, to reduce child malnutrition. Adolescent health services, nutrition and geriatric services and institutions are under strain. The use of traditional medicine (*ayurveda*) to supplement public healthcare is widespread.

HIV/Aids

HIV prevalence: 0.1 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 71 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 2.3 births per woman, 2010 (Unicef); maternal mortality 30 per 100,000 live births (World Bank).

Birth rate/Death rate: 16 births and 6.5 deaths per 1,000 population (2003)

Child (under 5 years) mortality rate (per 1,000): 10 per 1,000 live births (WHO 2012)

Head of population per physician: 0.55 physicians per 1,000 people, 2004 (WHO 2006)

Welfare

Despite sustained government efforts to introduce various poverty reduction programmes such as direct income transfers and subsidies, about 21 per cent of the country's population are poor. However, estimates on the poverty level exclude the conflict-centered north-east, which has about 2.8 million people, 15 per cent of the total population. For a number of years poor families have been able to benefit from a food stamps project which provides vouchers for food. A much more ambitious poverty alleviation scheme, the *Janasaviya* programme, begun in the mid-1990s, entitled families to a monthly payment for the purchase of specific consumer goods. The Prosperity Programme is another government sponsored poverty reduction scheme,

introduced in 1994, which aims to provide social services and a social safety net to very poor households. Two projects, funded by the Asian Development Bank, are the Emergency Assistance for the Rehabilitation of North and East Sri Lanka, and the Eastern Province Coastal Community Development Project.

Old age, disability and death have been covered since 1958 by a social insurance programme funded from the Employees' Provident Fund (EPF). Employers pay 12 per cent of salaries to the EPF, the country's main social insurance fund, with a further 8 per cent taken from employees. A social assistance programme for the unemployed – arguably the hallmark of a comprehensive welfare system – saw legislation introduced in 1995 in advance of a three-stage phasing in of the programme, aimed at families earning less than Rs1,000 (US\$10.41) per month.

Main cities

Colombo (capital, estimated population 752,933 in 2012); Dehiwala-Mount Lavinia (245,974), Moratuwa (207,755), Negombo (127,754), Kandy (110,049), Kalmunai (94,653), Jaffna (88,138). Many of the governmental functions are located in Jayawardanepura, a suburb of Colombo (135,806).

Languages spoken

The national languages, Sinhala and Tamil, are widely spoken. English is commonly used in government and is spoken by about 10 per cent of the population.

Official language/s

Sinhala, Tamil, English

Media

The human rights watchdog, Amnesty International said that between 2006 and February 2008 at least 10 media workers had been killed and others abducted, detained or 'disappeared'. Tamil journalists working in the conflict areas of the north and east of the country were most at risk, while Sinhalese journalists in the south faced official intimidation, especially if they reported on corruption.

Press

The government assumed wide powers to censor the press under a Public Security Ordinance in 2000. Media outlets are divided along language and ethnic lines and offer services in major languages only.

The government reinstated the Press Council in June 2009, in the face of strong opposition from media outlets that claimed self-censorship, introduced in 2003, had been working satisfactorily. The Press Council has the power to charge, fine and imprison journalists who transgress the press code. Campaigner for press freedom claim that Sri Lanka is

'one of the most dangerous places for journalist to operate in'.

Dailies: In Sinhala, *Dinamina* is government-owned, *Lankadeepa* (www.lankadeepa.lk) and *Lakbima* (www.lakbima.lk) are private.

In Tamil, *Uthayan* (www.uthayan.com), *Virakesari* (www.Virakesari.lk) and *Thinakkural* (www.thinakkural.com) are privately owned.

In English, *Daily News* (www.newslk.com) is government-owned, *The Island* (www.island.lk), and *Daily Mirror* (www.dailymirror.lk) are private. There are a number of English online news outlets including (<http://123srilanka.com>), (www.lankatruth.com), (<http://news.onlanka.com>) and (www.srilankanewsfirst.com).

Weeklies: *The Sunday Observer*, *The Sunday Leader* (www.thesundayleader.lk), *Sunday Island* and *Sunday Times* (www.sundaytimes.lk), are published weekly, together with Sinhalese and Tamil weeklies such as *Virakesari Illustrated Weekly*.

Business: Several newsletters of specific interest are published by various representative groups including *Ceylon Commerce* by the Ceylon Chamber of Commerce (www.chamber.lk), *Industrial Ceylon* by the Ceylon National Chamber of Industries, *Business Lanka* and *Expo News* by the Ministry of Trade and Shipping Information Service, *Sri Lanka Ports News* by the Sri Lanka Ports Authority, *Clothing* magazine by the Clothing Industry Training Institute and the *Sri Lanka Investment News* by the Greater Colombo Economic Commission. An Indian publication *Business Today* (www.business-today.com) is also widely read.

Periodicals: Some of the popular and useful periodicals include *Explore Sri Lanka*, *Lanka Monthly Digest* (www.lmd.lk) and the fashion magazine *Satyn*.

Broadcasting

Radio: The state-owned Sri Lanka Broadcasting Corporation (www.slbc.lk) transmits six services with commercial programmes in Sinhala, Tamil and English. ABC Radio is the largest commercial network with five national stations, MBC (www.maharaja.lk) has four radio channels. There are dozens of local, privately operated radio stations, mostly broadcasting in FM including TNL Rocks (www.tnlrocks.com) and Yes FM (www.yesfmonline.com). External services are broadcast, on short wave, by Colombo International Radio in over six languages to central Asia.

Television: The state controlled Sri Lanka Rupavahini Corporation (SLBC) (www.rupavahini.lk), which operates two channels and Independent Television

Network (ITN) (www.itn.lk) one. Other private operators include Sirasa TV (www.sirasa.com), MTV (www.capitalmaharaja.com), Swanavahini (www.swarnavahini.lk) in Sinhala and Shakthi TV (www.webtv.lk) in Tamil.

Other news agencies: The Sinhala News Agency (www.news.sinhalaya.com).

Economy

In 2010, the composition of the economy was dominated by the service sector with 57.8 per cent, industry at 29.4 per cent, of which manufacturing was 18 per cent, and agriculture at 12.8 per cent. The tourist industry, which provides vital foreign exchange, fell by -1.1 per cent in 2009 as the civil war in the north came to a bloody end. However in January 2010, visitor numbers had increased by 31.9 per cent so that the annual rate of tourism grew by 10.7 per cent (over the same period in 2009).

New industries, such as information technology (IT), software development and communications (call centres) are contributing an increasingly larger share of overall GDP. Traditional industries include garment and leather goods manufacturing, rubber products and food processing. Natural resources include mined sapphires and rubies, which are processed domestically for the tourist trade, limestone and graphite, mineral sands and phosphate. Agricultural products are led by tea leaf production, rice, coconuts and spices. Agriculture and industry are located particularly in the southern and western parts of the country.

GDP growth was 6 per cent in 2008, falling to 3.5 per cent in 2009 as the global economic crisis cut world trade. However in 2010 as international trade picked up and the government increased investment in the north as it reintegrated its economy with the world market following the end of the civil war, GDP growth climbed to 8 per cent and was estimated to have grown further to 8.2 per cent in 2011.

Despite not falling into recession during the global recession, Sri Lanka has underlying problems that need addressing, such as improving the infrastructure and investing in people by increasing skills and education. Foreign exchange reserves fell to dangerously low levels in 2009 as the balance of payments gap widened. The International Monetary Fund (IMF) assisted with a US\$2.6 billion loan to support the government deficit. Sri Lanka had one of the highest public debt-to-GDP ratios among emerging market countries in 2011, but the IMF expected this to fall steadily as the economy rebounds.

In 2011, the UN Human Development Index (HDI) ranked Sri Lanka 97 (out of 187) for national development in health,

education and income. In 2010, 38.7 per cent of the population experienced at least one indicator of poverty, while 7 per cent lived on the equivalent of US\$1.25 per day.

External trade

Sri Lanka is a member of South Asia Association for Regional Co-operation, which operates a preferential trading arrangement that covers 6,000 products. In 2004 the South Asia Free Trade Area (Safta) was ratified, to be implemented between the seven member states (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) by 2012.

Traditional plantation produce (tea, rubber and coconuts) continue to have a significant influence on export earnings, however clothing and leather product manufacturing is now the largest sector accounting for 39 per cent of total output followed by the production of food, beverages and tobacco at 22 per cent. The industrial sector also includes petrochemicals, plastics and processed rubber. There is a growing trade in information technology and software development. The export of precious gems is a modest but important export addition to foreign earnings.

Imports

Major imports are textile fabrics, mineral products, petroleum, foodstuffs, machinery and transport equipment.

Main sources: India (19.7 per cent of total in 2012), China (14.4 per cent), UAE (7.2 per cent).

Exports

Major exports are textiles and apparel, tea and spices, diamonds, emeralds, rubies, coconut products, rubber manufactures and fish.

Main destinations: US (22.6 per cent of total in 2012), UK (11.3 per cent), India (6.4 per cent).

Agriculture

Sri Lanka's economy is becoming more service-oriented and less dependent on agriculture. The sector includes mostly large state-owned tea, rubber and coconut plantations and smaller holdings where rice, sugar cane, cassava, sweet potatoes, soya beans, other vegetables, cashew nuts, cocoa, castor, spices, chillies, onions and other crops are produced, sometimes at virtually subsistence level. Other agricultural products include cinnamon and coffee. Sri Lanka is self-sufficient in rice, the main food crop. Livestock raised include buffaloes, goats, pigs, sheep and poultry.

Agricultural productivity on the small farms is low. The sector as a whole is struggling against declining terms of trade, with a general decline in the price of commodities like coconut and rubber

coupled with rising costs, particularly transport.

Plantation crops provide export earnings, although output has declined in recent years. Sri Lanka exports 44 per cent of its rubber output, with production increasingly shifting to crepe rubber and latex. Tea is the most important agricultural export, although there is a lot of room for productivity gains. Smallholdings account for around 58 per cent of total output.

The sector is showing signs of improvement. Private tea plantations owned by foreign investors are increasingly common and a number of new tea-blending units have become operational, helping to increase the added value of tea.

Production has matched the steady increase in world demand for spices. Sri Lanka produces over 85 per cent of the world's demand for cinnamon. Spice production accounts for over 95,000 hectares of land.

Poor weather in 2011 led to the tea harvest at medium altitudes declining by up to 20 per cent, although the harvest at the lowest level maintained its crop. Overall the harvest was down by 8 per cent in August year-on-year compared with 2010. Cottage industries such as poultry farming, home gardening and bee-keeping are becoming increasingly popular among returnees in Sri Lanka's former northern conflict zone as alternatives to regular jobs.

The government undertook to re-invest in boats and harbour infrastructure following destruction due to the 2004 tsunami.

Those unwilling to go back to sea were retrained for onshore work, particularly in the building trade.

Fishing typically accounts for 2 per cent of GDP. Production includes prawns, shrimps, lobsters, crabs and sea cucumbers, for export and local consumption. The fisheries produce in the region of 200,000 tonnes of marine fish per year, 30,000 tonnes of freshwater fish and 10,000 tonnes of crustaceans.

New companies engaged in marine fishing qualify for a five-year tax holiday.

Fishing activity has been affected both by higher petroleum prices and by the poor security situation.

About 38 per cent of the land area (1.94 million hectares) is forested, and forestry accounts for 2 per cent of GDP, providing timber for local demand. Around 15 per cent of land area is subject to national protection. Forests of broadleaved, deciduous and evergreen are adapted to dry and monsoon seasons. Savannah and thorn woodland are found beside coastal areas populated by mangroves. Plantations account for around 316,000 hectares (ha) of forest cover and are established at a rate of 3,100ha per year.

In the 1990s, Sri Lanka lost almost 20 per cent of its natural forest, at an average of 35,000ha per annum, so that only small fragments of tropical rainforest remain, each less than 10,000 hectares in area. Illegal logging has removed timber from unprotected forests, adding to the reduction. Some tropical timber plantations provide teak, eucalyptus, pine and mahogany, which are commercially farmed, with exports of timber and forestry products totalling US\$33.7 million, and imports amounting to US\$204.7 million, in 2004. Most paper is imported. Non-wood forest products harvested include bamboo, rattan, gums, resins and medicinal plants, cinnamon, cloves, nutmeg and cardamom.

Industry and manufacturing

Industry contributes around 27 per cent of GDP. One-third of manufacturing output, which accounts for around 15 per cent of GDP, is based on raw materials from the agricultural sector. There are 10 dedicated Export Processing Zones, mainly employing female labour.

A master plan for industrial development, co-ordinated with the Japanese International Co-operation Agency (JICA) and the United Nations Industrial Development Organisation (Unido), identifies electronics, information technology, rubber and plastics, machinery, footwear, textiles and apparel and agro-based industries as target sectors, with policy development responsibilities for these sectors shared between JICA and Unido.

Tourism

Sri Lanka has a long history as a tourist destination with a diverse range of facilities, from beach resorts to highland tea plantations. There are eight sites on Unesco's World Heritage List, including ancient and historic cities and towns as well as the Sinharaja Forest Reserve and a national park and conservation forest.

Tourism has benefitted from the end of the civil war as visitor numbers jumped from 448,000 in 2009 to 654,000 in 2010. Visitor revenue rose from US\$745 million in 2009 to US\$1 billion in 2010. Travel and tourism contributed a steady 8.6 per cent to GDP over 2007–11, and provided employment for 7.8 per cent of the workforce (603,000 jobs).

In mid-2012, the military still maintained a state of emergency in the far northern districts, including Jaffna, and visitors need to obtain permission to travel into the area. War damage to tourism facilities and infrastructure in the north is still in need of repairs. However, plans for tourism in the area include plans for new hotels; a beach development around the east coast port of Batticaloa is underway.

Mining

Mining and quarrying account for around 2 per cent of GDP and employ 1 per cent of the workforce. Sri Lanka is rich in minerals such as ilmenite, plumbago, graphite, dolomite, kaolin, rutile, feldspar, quartz, mica, monazite, apatite, industrial clays and limestone. Precious and semi-precious stones, such as sapphires, rubies, catseyes, alexandrites, aquamarines, garnets, tourmalines, zircons, topaz, spinels, amethysts and moonstones provide increasing export income. Although Sri Lanka has no proven hydrocarbon reserves, there are indications of deposits offshore of around a billion barrels, and exploration is continuing. Sri Lanka consumes in excess of 85,000 barrels per day (bpd) of oil, all of which is imported. It is used for power generation and transport.

Hydrocarbons

In 2008, Sri Lanka granted oil exploration rights to its offshore, north-western Mannar Basin, to three foreign oil companies; drilling began in August. Cairn Lanka (a subsidiary of UK-based Cairn Energy) announced on 3 October 2011 that it had discovered natural gas deposits in the Mannar Basin offshore of Sri Lanka; this was the first natural gas find for Sri Lanka.

Any use of coal is commercially insignificant.

Energy

Total installed generating capacity was 2.98 gigawatts (GW) in 2006. The energy mix was 41 per cent petroleum, 49 per cent biomass and traditional fuels and 10 per cent hydro. Almost 50 per cent of oil is used in transport and 25 per cent in electricity generation. Around 60 per cent of the population has access to mains electricity.

Electricity consumption is expected to increase by 3 per cent per annum. The government acknowledges that generation in the long-term cannot rely on hydropower or biomass-based energy supplies, due to the limitation of further hydroelectric development and an increasing standard of living for the population. In the medium term, reliance on imported hydrocarbons must suffice until indigenous oil and natural supplies are available.

Financial markets

Stock exchange

Colombo Stock Exchange (CSE)

Banking and insurance

In 2009 HSBC became the first bank to announce it would open a branch in Jaffna, in 2010. The opening demonstrated the bank's confidence in the economy's emergence after the civil war which ended in 2009.

There are 26 commercial banks, but the sector is dominated by two state banks – Bank of Ceylon and People's Bank — which hold 55 per cent of market share. The government's deficit financing crowds out the private sector, meaning that banks have traditionally focussed on the public sector and reap high spreads from soaring interest rates. Meanwhile, deposit rates are low thanks to Sri Lanka's closed capital account and lack of competition among banks. This has created a perverse situation, where, although government security yields are higher than those from risky bank deposits, money keeps flowing into the banks.

The dominance of the two state banks is holding back development of the sector. Government-mandated lending policies mean that the two are effectively the industry's interest rate setters. Monopoly yields insulate the public banks from competitive problems that would otherwise be caused by managerial slack, poor asset bases and high costs. Organised resistance from unions and a desire to keep the banks' huge funds within the public sector have so far ruled out privatisation, although there are signs the government is amenable to gradual privatisation and an eventual stock market listing.

Central bank

Central Bank of Sri Lanka

Main financial centre

Colombo

Time

GMT plus 5 hours 30 minutes

Geography

Sri Lanka lies on the same continental shelf as India, from which it is separated by the shallow Palk Strait. The relief is dominated by the central highland massif, with an average elevation of over 1,500 metres, situated in the south central part of the island. This is surrounded by upland ridges and valleys which in the south-west of the island continue to the coast. The eastern region is an undulating plain with isolated hills and the north has flat, low and fertile plains intersected by ridges.

Hemisphere

Southern

Climate

Colombo and the south-west experience monsoon rains May–September; the likely temperature range is 22–31 degrees Celsius (C) with average annual rainfall of 2,240mm. The north-east experiences monsoon rains November–February; lower temperatures (down to 10 degrees C) occur inland at higher altitudes, with average rainfall of 1,000–1,500mm a year.

Dress codes

Men usually wear a lightweight or tropical suit and tie for business meetings, and women mostly dress conventionally. On social occasions, dress as for business meetings unless stipulated otherwise. Rainwear is needed, as are warmer clothes for the hilly areas, especially between November and February. Discreet dress in public places is appreciated.

Entry requirements

Passports

Passports are required by all, and must be valid for at least three months from the date of issue of visa.

Visa

From 1 January 2011 tourists or business travellers will need to apply for their visas in advance, usually online via a new site, www.eta.gov.lk and pay a processing fee of US\$50 for tourists, US\$60 for business travellers or US\$25 for transit passengers. Only those from Singapore or The Maldives will be exempt.

Currency advice/regulations

The import of local currency is limited to Rs1,000; export is limited to Rs250. The import of Indian and Pakistani foreign currency is prohibited, all other foreign currency is unlimited but amounts over US\$5,000 (or equivalent) must be declared; export of foreign currency is limited to the amount declared on arrival. Travellers cheques are accepted in banks.

Customs

Personal effects are allowed duty-free, however, valuable items (including jewellery) must be declared and must be re-exported on departure. Tobacco imports are not duty-free.

Prohibited imports

The import of firearms, ammunition, explosives, dangerous weapons, illegal drugs and pornography is strictly prohibited.

The export of antiques, rare books, palm leaf manuscripts, rare anthropological material and any wild animal (including ivory), bird or reptile, tea or rubber is prohibited.

Health (for visitors)

Medical facilities are adequate if limited. Immediate cash payment is often required by doctors and hospitals.

Mandatory precautions

A vaccination certificate for yellow fever is required if travelling from an infected area. Infants under one year are exempt.

Advisable precautions

Vaccinations for diphtheria, tuberculosis, hepatitis A and B, Japanese B encephalitis, polio, tetanus and typhoid are recommended. Malaria, dengue fever and chikungunya fever are caused by mosquitoes; precautions including mosquito repellents, nets and clothing covering the

body should be used. There is a rabies risk. Water should be boiled and filtered before drinking. Fruit must be washed in such water and peeled.

Medical insurance, including emergency evacuation, is necessary.

Hotels

A 10 per cent service charge is added to hotel bills.

Credit cards

Major credit cards are widely accepted; charge cards have limited acceptance.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 4 Feb (Independence Day), 13–14 Apr (Sinhala and Tamil New Year), 1 May (Labour Day), 17 Dec (Ramazan), 25 Dec (Christmas Day).

Variable dates

Good Friday, Tamil Thai Pongal Day (Jan), Mahasivarathri (Feb), Vesak (Buddha Purnima) (May), Diwali (Hindu, Oct/Nov), Eid al Adha, Birth of the Prophet Mohammed, Eid al Fitr. Although not official public holidays, Poya holidays are observed on the day of each full moon.

Hindu, Muslim and Buddhist festivals are timed according to local sightings of various phases of the moon.

Working hours

Banking

Mon–Fri: 0900–1500.

Business

Mon–Fri: 0900–1700.

Government

Mon–Fri: 0830–1615.

Shops

Mon–Fri: 0900–1730; Sat: 0900–1300.

Telecommunications

Mobile/cell phones

GSM 900 and 1800 services cover much of the island, particularly in the east and populated areas.

Electricity supply

230–240V AC, 50 cycles

Weights and measures

Metric system (local units also in use)

Social customs/useful tips

Alcoholic drinks are not served in hotels or restaurants on Poya (full moon) days. Footwear and headgear should be removed before entering Buddhist shrines; photographing statues of the Buddha is acceptable but not posing beside them; a yellow-robed Buddhist *bhikku* should not be asked to pose for photographs nor should visitors attempt to shake hands with him.

Filming with a video camera and other photography near military and government installations is prohibited.

Appointments should be made in advance. Punctuality is appreciated. Men shake hands on meeting and taking leave. Some people may prefer not to shake hands with those of the opposite sex.

The form of address is Mr or Mrs followed by family or surname, and people with an academic or professional title should be addressed by their full title.

Visitors should take note of local customs and take care to respect religious conventions. It is the convention to use the right and not the left hand when shaking hands and passing or receiving anything.

Restaurants usually add a service charge but further gratuities are optional.

Security

Visitors should avoid areas north of Puttalam, Anuradhapura and Nilaveli as well as the eastern side of the island south of Trincomalee including Batticaloa. The areas once under conflict were heavily mined and travelling off main roads can be hazardous; warning notices are posted. Visitors must comply with any instruction issued at road blocks and security checks.

Registration with the relevant national embassy on arrival is highly advisable.

Getting there

Air

National airline: SriLankan Airlines

International airport/s: Colombo Bandaranaike International (CMB) in Katunayake, 29km north of Colombo, with duty-free shops, bar, restaurant, bank, post office and car hire. There are taxis, bus and rail links.

Airport tax: Departure tax: Rs1,000

Surface

Water: Ferry services between Colombo and Tuticorin in Tamil Nadu state of India were resumed on 14 June after almost 30 years of having been suspended due to the security situation. There will be two round trips per week initially.

Main port/s: Colombo, Trincomalee, Galle, Kandasanturai. The newly expanded Colombo Port formally opened for business on 5 August 2013.

Getting about

National transport

Air: There are airports in Batticaloa, Gal Oya, Palali and Trincomalee; the airport at Jaffna is currently closed.

Road: The extensive road network has 27,000km of road, 19,000km of which is surfaced. Over 90 per cent of all haulage is transported by roads.

Buses: Express services are available to all main destinations and should be booked in advance. Some services have air-conditioning.

Rail: An intercity express train runs between Colombo and Kandy. There are regular services linking Colombo to other main centres. Some services offer air-conditioning, dining cars and first-class accommodation. The service to Jaffna has been discontinued.

City transport

Taxis: Metered taxis are usually found in large towns, they may have yellow tops and red numbers on a white plate.

Air-conditioned taxis cost 10 per cent more. A 10 per cent tip is usual.

Car hire

Self-drive and chauffeur-driven car hire are available although chauffeur-driven cars are generally recommended. If driving, do not ignore 'no parking' signs (in Colombo vehicles parked illegally are destroyed by security forces suspecting a terrorist bomb). It is highly advisable to be aware of all traffic laws and parking restrictions. Driving is on the left.

Traffic is generally congested and the average rate of progress on roads nationwide is 30kph. Many roads are one-way only.

A national or international driving licence must be presented for local endorsement (on weekdays only) at the Automobile Association offices in Colombo.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Sri Lanka is +94, followed by area code and subscriber's number:
Colombo Central 11 Moratuwa

			11
Dehiwela	11	Negombo	31
Galle	91	Nuwara Eliya	52
Jaffna	21	Panadura	34
Kandy	81	Trincomalee	26
Kurunegala	37		

Useful telephone numbers

Police, fire and ambulance 90
Emergency 433-333
Accident service 693-184/185
Directory enquiries 161
International calls 100
Speaking clock 104

Chambers of Commerce

American Chamber of Commerce in Sri Lanka, Colombo Hilton Hotel, Lotus Road, Colombo 1 (tel: 233-6073; fax: 233-6072; e-mail: amcham@itmin.com).

Ceylon Chamber of Commerce, 50 Navam Mawatha, PO Box 274, Colombo

2 (tel: 245-2183; fax: 243-7477; e-mail: info@chamberlk).

Federation of Chambers of Commerce and Industry of Sri Lanka, 29 Gregory's Road, PO Box 2015, Colombo 7 (tel: 698-225; fax: 699-530; e-mail: info@fccisl.org).

National Chamber of Commerce of Sri Lanka, 450 DR Wijewardene Mawatha Street, PO Box 1375, Colombo 10 (tel: 268-9600; fax: 268-9596; e-mail: sg@nccsl.lk).

Banking

Bank of Ceylon, 4 Bank of Ceylon Mawatha, Colombo 1 (tel: 244-8348; fax: 244-8606).

Commercial Bank of Ceylon, 21 Bristol St, Colombo 1 (tel: 244-5010; fax: 244-9889; email: email@combank.net).

DFCC Bank, 73/5 Galle Road, Colombo 3 (tel: 244-0366; fax: 244-0376; email: dfcc@sri.lanka.net).

Hatton National Bank, 10 RA de Mel Mawatha, Colombo 3 (tel: 234-3473; fax: 244-0658).

National Development Bank, 40 Navam Mawatha, Colombo 2 (tel: 243-7701; fax: 244-0262).

Pan Asia Bank, 450 Galle Road, Colombo 3 (tel: 256-5564; fax: 256-5576; email: panasia@pabnk.lk).

People's Bank, 110 Sir James Peiris Mawatha, Colombo 2 (tel: 232-4188; fax: 244-7671).

Sampath Bank, PO Box 997, Sampath Centre Building, 110 Sir James Peiris Mawatha, Colombo 2 (tel: 230-0260; fax: 230-0143).

Seylan Bank, Ceylinco Seylan Towers, 90 Galle Road, Colombo 3 (tel: 243-7901; fax: 243-3072).

Union Bank of Colombo, World Trade Centre, Echelon Square, Colombo 1 (tel: 234-6346; fax: 234-6356).

Central bank

Central Bank of Sri Lanka, PO Box 590, 30 Janadhipathi Mawatha, Colombo 1 (tel: 247-7000; fax: 247-7712; e-mail: cbslgen@sri.lanka.net).

Stock exchange

Colombo Stock Exchange (CSE), www.cse.lk

Travel information

Atlas Lanka (Pvt) Ltd, 86/1. Chatham Street, Colombo 1 (tel: 233-4255/6; fax 243-5292; email: atlaslka@slt.net.com).

Automobile Association of Ceylon, 40 Sir Macan Markar Mawatha, Galle Face, Colombo 3 (tel: 242-1528; fax: 244-6074).

Bandaranayake International Airport, Katunayake (tel: 225-2861; fax: 225-3187).

SriLankan Airlines, Level 22, East Tower, World Trade Centre, Echelon Square, Colombo 1 (tel: 733-5555; fax: 733-5122; internet: www.srilankan.aero).

Ministry of tourism

Ministry of Tourism, 64 Galle road, Colombo 03 (tel: 238-5241; fax: 239-9274; internet: www.slmts.slt.lk).

National tourist organisation offices

Sri Lanka Tourist Board, 80 Galle road, Colombo 03 (tel: 243-7059/60; fax: 244-0001; internet: www.srilankatourism.org).

Ministries

Ministry of Agriculture, Sampathapay, 82 Rajamalwatte Road, Battaramulla (tel: 288-6623).

Ministry of Aviation and Airports Developments, 64 Galle Road, Colombo 3.

Ministry of Buddha Sasana and Religious Affairs, 135 Anagarika Dharmapala Mawatha, Colombo 7 (tel: 232-9064; fax: 243-7992).

Ministry of Constitutional Affairs and Industrial Development, 73/1 Galle Road, Colombo 3 (tel: 232-7553; fax: 244-9402).

Ministry of Co-operative Development, 349 Galle Road, Colombo 3.

Ministry of Cultural Affairs, Sethsiripaya, Battaramulla.

Ministry of Defence, 155 Baladaksha Mawatha, Colombo 3 (tel: 243-0860; fax: 254-1529).

Ministry of Development, Rehabilitation & Reconstruction of the East and Rural Housing Development, 43/89 Bristol Building, York Street, Colombo 1.

Ministry of Development, Rehabilitation & Reconstruction of the North and Tamil Affairs, North and East: 121 Park Road, Colombo 5.

Ministry of Education, Isurupaya, Sri Jayawardanepura Kotte, Battaramulla (tel: 286-5141; fax: 286-5162).

Ministry of Ethnic Affairs and National Integration, 152 Galle Road, Colombo 3.

Ministry of Finance and Planning, Secretariat Building, Colombo 1 (tel: 243-3937; fax: 244-9823; email: minfi@boisrilanka.org).

Ministry of Fisheries and Aquatic Resources Development, Maligawatte, Colombo 10 (tel: 244-6183; fax: 254-1184).

Ministry of Foreign Affairs, Republic Building, Colombo 1 (tel: 232-5371; fax:

244-6091; email: for_min@sri.lanka.net).

Ministry of Forestry and Environment, Unity Plaza Building, Colombo 4 (tel: 258-8274; fax: 258-3290).

Ministry of Health, Suwasiripaya, 385 Wimalawasa Mawatha, Colombo 10 (tel/fax: 269-2694).

Ministry of Higher Education and IT Development, 18 Ward Place, Colombo 8.

Ministry of Highways, Sethsiripaya, Battaramulla.

Ministry of Information and Media, World Trade Centre, Echelon Square, Colombo 1.

Ministry of Internal & International Commerce, Muslim Religious Affairs, and Shipping Development, Insurance Building, Vauxhall Street, Colombo 2.

Ministry of Irrigation and Water Resources Management, 500 TB Jayah Mawatha, Colombo 10 (tel: 268-7491; fax: 269-4968).

Ministry of Justice, Superior Courts Complex Colombo 12 (tel: 232-9044; fax: 232-0785).

Ministry of Labour, Labour Secretariat, Kirula Road, Colombo 5 (tel: 258-8078; fax: 258-2938).

Ministry of Land Development and Minor Export Agriculture, Govijana Mandiraya, Rajamalwatte Road, Battaramulla.

Ministry of Estate Infrastructure and Livestock Development, 45 St Michaels Road, Colombo 3.

Ministry of Mahaweli Development, 500 TB Jayah Mawatha, Colombo 10 (tel: 268-7491; fax: 268-7386).

Ministry of Plan Implementation, Sethsiripaya, Battaramulla (tel: 286-2721; fax: 286-2478).

Ministry of Ports Development and Development of the South, 45 Laden Bastian Road, Colombo 1 (tel: 242-1231; fax: 242-3485).

Ministry of Post and Telecommunications, Sethsiripaya, Battaramulla.

Ministry of Power and Energy, 80 Flower Road, Colombo 7.

Ministry of Provincial Councils and Local Government, 330 Union Place, Colombo 2 (tel: 242-1211; fax: 234-7529).

Ministry of Public Administration, Home Affairs and Plantation Industries, Independence Square, Colombo 7 (tel: 269-6211; fax: 269-5279).

Ministry of Rural Industrial Development, Janakala Kendraya, Pelawatte, Battaramulla.

Ministry of Samurdhi, Rural Development, Parliamentary Affairs and Up-Country

Nations of the World: A Political, Economic and Business Handbook

Development, 7A Reed Avenue, Colombo 7 (tel: 268-9589; fax: 268-8945).

Ministry of Science and Technology, 320 TB Jaya Mawatha, Colombo 10.

Ministry of Social Services and Housing Development for Fishing Community, Sethsiripaya, Battaramulla.

Ministry of Transport, 1 DR Wijewardana Mawatha, Colombo 10 (tel: 268-7105; fax: 269-4547).

Ministry of Urban Development, Construction and Public Utilities, Sethsiripaya, Battaramulla (tel: 286-2721; fax: 286-4765).

Ministry of Vocational Training, 475/32 Kotta Ropad, Rajagiriya.

Ministry of Womens Affairs, 177 Nawala Road, Colombo 5.

Ministry of Youth Affairs, 7A Reed Avenue, Colombo 7.

Other useful addresses

Board of Investment of Sri Lanka (BOI), World Trade Centre, Echelon Square,

Colombo 1 (tel: 243-6639; fax: 244-7994; internet:

www.boisrilanka.com/boihome/boi.htm).

British High Commission, 190 Galle Road, Colombo 3 (tel: 243-7336; fax: 243-0308; email: bhc@eureka.lk).

Colombo Plan, 28 St Michael's Road, Colombo 3 (tel: 256-4448; fax: 256-4531; email: cplan@slt.lk).

Colombo Stock Exchange, World Trade Centre, Echelon Square, Colombo 1 (tel: 244-6581; fax: 244-5279; internet: www.lanka.net/cse).

Sri Lanka Embassy (USA), 2148 Wyoming Avenue, NW, Washington DC 20008 (tel: (+1-202) 483-4025; fax: (+1-202) 232-7181; email: slembassy@starpower.net).

Sri Lanka Export Credit Insurance Corporation, Export Guarantee House, Colombo 2 (tel: 271-9410; fax: 271-9400; email: slecic@tradenetsl.lk).

Sri Lanka Export Development Board, 42 Navam Mawatha, Colombo 2 (tel:

230-0675; fax: 230-0715; email: serve@edbtradenetsl.lk).

Sri Lanka Importers', Exporters' and Manufacturers' Association, PO Box 12, Colombo 10 (tel: 269-6321; fax: 252-2524; email: sliema@isplanka).

Sri Lanka Tea Board, 574 Galle Road, Colombo 3 (tel: 258-2236; fax: 258-9132; email: tboard@sri.lanka.net).

US Embassy, 210 Galle Road, Colombo 3 (tel: 244-8007; fax: 243-7345; email: cdscmb@usia.gov).

Other news agencies: The Sinhala News Agency (www.news.sinhalaya.com).

Internet sites

InfoLanka (gateway site): www.infolanka.com

Sri Lanka Telecom directory: www.slt.lk

Sri Lanka, virtual library: www.lankalibrary.com

Tamilnet: www.tamilnet.com