RECENT TRENDS IN FOREIGN AID

Shakuntala Kuruppu

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by
Shakuntala Kuruppu

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Recent Trends in Foreign Aid

by

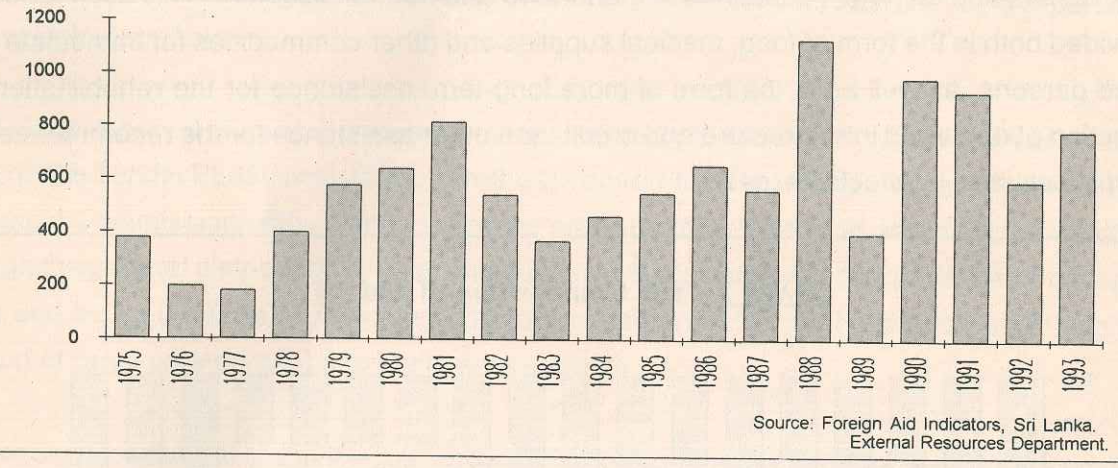
Shakuntala Kuruppu

1. INTRODUCTION

Sri Lanka's dependence on foreign aid commenced nearly three decades ago with the institution of the Sri Lanka Aid Consortium in 1965. Prior to this, the foreign aid that was received by Sri Lanka comprised primarily of food assistance under the PL 480 and CARE programmes of the US Government, Family Planning assistance from Sweden, some technical support from UN agencies & ad hoc assistance from a few bi-lateral donors. All these were under the aegis of the Colombo Plan which was inaugurated in 1950 at a meeting of the Commonwealth Foreign Ministers held in Colombo.

The Aid Consortium, or Aid Group as it is popularly termed, was initially convened by the World Bank as a temporary arrangement to help Sri Lanka overcome the severe balance of payments and resource

CHART 1 - Total Aid Commitments ***(US$ millions)***



Source: Foreign Aid Indicators, Sri Lanka. External Resources Department.

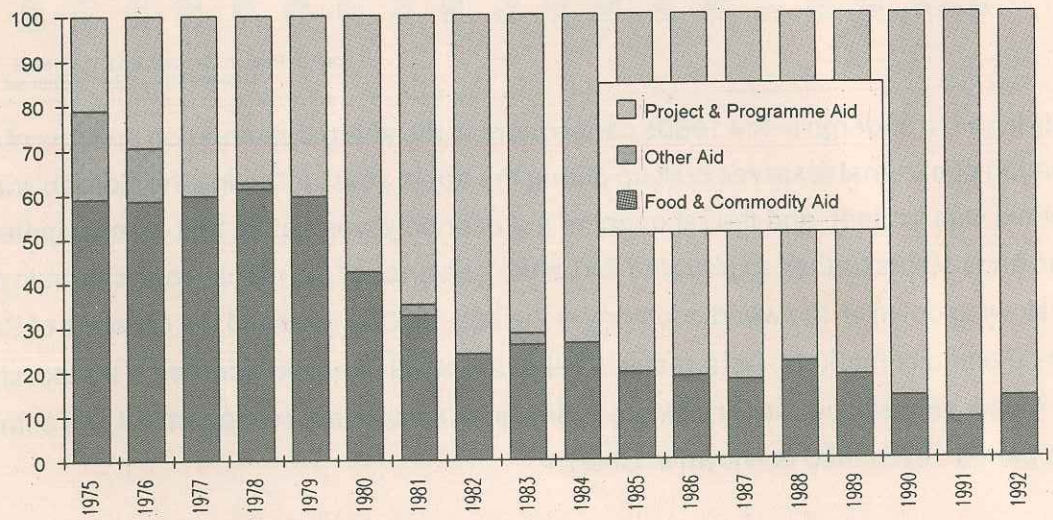
constraints it had to undergo in the 1960s consequent to the sharp deterioration in terms of trade and the dissipation of external reserves built up during the boom years following the Korean war. Initially the flow of aid was limited, and the recovery of the economy was not as fast as anticipated. The oil crisis of the early 1970s further aggravated Sri Lanka's balance of payments and economic problems, whilst the slowing down of the world economy in the late 1980s witnessed the collapse of Sri Lanka's traditional commodity markets. As a result, foreign aid which was intended as a temporary holding operation is now almost a permanent fixture in Sri Lanka's economic management. Aid commitments during the period 1975-1993 is shown in Chart 1.

While aid commitments represent pledges by donors, the actual aid utilisation in a given year can vary depending on a number of factors described in section 4. On a macro level foreign financing accounted for an average of 8.85% of gross domestic product at current market prices for the 10 year period 1982-91. This is higher than the low income country average of around 6%. Moreover, on a per capita basis, Sri Lanka has been one of the highest recipients of foreign aid, receiving approximately US$ 32 per capita over the period 1980-1992. In 1992, the ratio of foreign financing to GDP dropped to 7.6% and declined further to 4.1% in 1993. This is a direct consequence of the slowing down of aid disbursements in 1992 and 1993.

2. THE COMPOSITION OF AID IN SRI LANKA

Aid received by Sri Lanka can be classified into four broad categories; i.e. project aid, commodity aid including food assistance, programme aid and technical assistance. There is much overlap between these categories with substantial technical assistance included in project and programme aid objectives included in commodity and project aid. Apart from these categories, Sri Lanka like other developing countries has been the recipient of humanitarian and relief assistance provided by donors to mitigate losses and damages sustained in man-made and natural disasters. This assistance has been provided both in the form of food, medical supplies and other commodities for immediate relief to affected persons, as well as in the form of more long-term assistance for the rehabilitation and reconstruction of damaged infrastructure and credit, and other assistance for the recommencement of economic activities in affected areas.

CHART 2 - The Composition of Aid *(%)*



Source: Foreign Aid Indicators, Sri Lanka External Resources Department

Chart 2 provides a summary of aid receipts by calendar year for the period 1975-1993, classified by type of aid. Technical assistance except for a few minor stand alone programmes have been included under project and programme aid. As may be noted from this Chart, in 1975 almost 60% of total aid received by Sri Lanka comprised of fast disbursing commodity and food assistance with project aid and technical assistance together accounting for the balance. The roles have been reversed since the mid 1980s with project and programme aid accounting for nearly four fifths of total aid receipts. This shift has been further strengthened with the advent of structural adjustment lending since 1990 in support of policy reforms aimed at deregulating a wide gamut of economic operations.

2.1 Commodity and Food Aid

Commodity assistance is generally extended to low income countries with serious balance of payment problems and budget constraints. The commodity credits and grants extended by countries such as Japan, Netherlands, Germany, Norway, Sweden and India were utilized for the procurement of a wide range of intermediate and capital goods required by the cash strapped economy, such as fertilizer, agro-chemicals, paper and paper products, agricultural and industrial machinery and spares, transport equipment and spares etc. The list of eligible items under each commodity line of assistance is agreed with the respective donor agency and they are generally tied to the source of financing or partially untied to developing countries.

Food aid comprised of agricultural commodities, primarily in the form of wheat grain and wheat flour, was provided under PL480 assistance from the US government and food aid grants from the European Economic Commission, Italy, Canada, France and Australia. This food assistance, was channeled through the general distribution system and helped to sustain consumption levels and contain import costs and budget deficits. Food commodities are also provided by the World Food Programme in support of rural development and settlement projects.

The reasons for the decline in the role and function of commodity and food assistance are manifold. Primarily, it reflects the shift of donor interest from temporary balance of payments support, to more comprehensive development assistance designed to resuscitate and accelerate economic growth. With the launching of the Accelerated Mahaweli Development Programme in the late 1970s, and the other economic infrastructure development projects which were begun in the mid 1980s, such as the Colombo Port Development Project, Road and Rail Rehabilitation, Power Development, Transmission and Distribution Expansion, Telecommunication Development, Medium and Small Scale Irrigation Rehabilitation etc. there has been a sharp increase in donor support and a steady shift from food and commodity aid to project aid. The heavy injection of project aid in the 1980s and early 1990s helped sustain the large scale infrastructure development projects undertaken by the Government without resorting to expansionary financing.

In more recent years, Sri Lanka's improved economic performance and increasing foreign exchange reserves have obviated the need for balance of payments support in the form of commodity and food assistance. Also the several emergencies in various parts of the globe which have severely strained the recession affected economies of donor nations, have weakened Sri Lanka's claim for resources of this nature.

A further reason for the phasing out of commodity aid may be the reluctance of donors to be seen to be identified with the civil unrest in the North East. Commodity aid by its very nature of providing balance of payment support could be construed as easing the pressure on a recipient country's own resources expended for military purposes.

2.2 Project Aid

On average project aid has accounted for approximately 50% of government capital expenditure during the period 1988 - 1993. If defence expenditure is excluded, the ratio would be somewhere between 60-70%. Practically all major development projects in recent years, have been executed or are being implemented with the support of foreign assistance. It may be said without exaggeration that foreign aid was a sine-qua-non for the admission of projects to the Public Investment Programme, the five year rolling plan of the previous Government.

2.3 Structural Adjustment Aid

Since the late 1980s there has been a further change in Sri Lanka's aid composition with the introduction of structural adjustment lending by the two multi-lateral Banks and the major bi-lateral donors. These programmes which are intended to support the transition of an economy to a new sustainable and poverty reducing growth path, were provided in response to the wide-ranging policy reform and adjustment measures introduced by the government since 1989. The programme credits extended to date are as follows:

	Agreement Date	Credit	Amount (SDR)	Amount (US$)
ADB	13.01.87	Agriculture Inputs Programme	24.44	29.82
	12.12.89	Agriculture Programme, Loan I	63.59	81.89
	05.12.90	Financial Sector Programme	55.75	79.57
	20.12.90	Agriculture Programme, Loan II	44.06	61.06
Japan	08.11.91	Economic Restructuring		100.52
IDA	02.05.90	Economic Restructuring	80.8	106.26
	30.11.90	Public Manufacturing Enterprises Adjustment	94.85	135.10
				594.22

These credits were intended to provide critical balance of payment support and mitigate the adverse financial and social implications of the adjustment process.

The adjustment policies agreed to under the above programmes involve:

- reallocating and reducing public expenditures;
- reforming public administration;
- privatising public enterprises;
- opening the economy to external and domestic competition;
- freeing prices to allow them to reflect economic values;
- improving government delivery of infrastructure and social services; and
- restructuring the financial system to support a well functioning market economy.

Adjustment policies under structural lending are being increasingly applied even in respect of specific sector investment projects. As an offshoot of these policies, donors have moved away from mega-investments like the Accelerated Mahaweli Development Programme which dominated the aid scene in the late 70s and early 80s. Instead priority is being given to:

- the rehabilitation and consolidation of existing investments;
- the expansion of facilities critical for private sector led growth (e.g. telecommunication, power, transport);
- human resource development (e.g. education and health); and
- safety net programmes (e.g. Janasaviya) designed to mitigate the possible adverse impacts of the adjustment process.

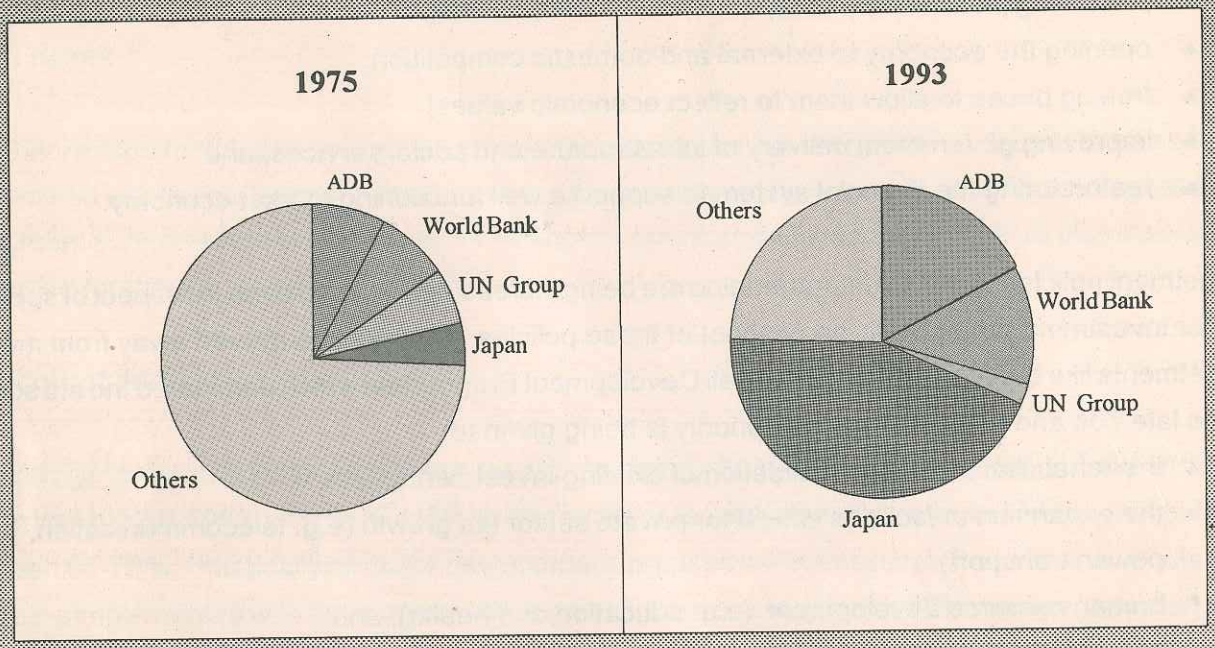
Unfortunately since 1992 there has been a weakening of the adjustment process since domestic policy reforms have proven to be more difficult than originally anticipated.

3. SOURCES OF FOREIGN AID

Apart from the changes in the composition of aid with the shift from commodity to project and programme lending, there have been equally significant changes in the source of aid financing over the last two decades. The changes in the composition of aid commitments over the period 1975-1993 are captured in Charts 3 and 4.

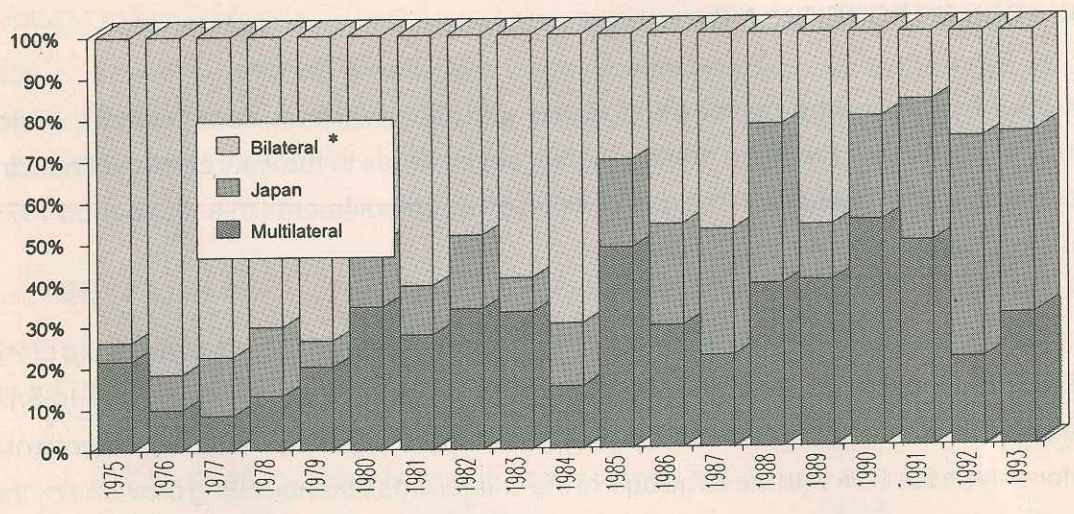
In the early years of the aid group and until around 1979, the multilateral donors comprising of the ADB, the World Bank and the UN group accounted for less than 20% of the aid commitments to Sri Lanka, with the balance 80% being contributed by bi-lateral donors. Of the bi-lateral component Japan accounted for only about 10% with the large bulk of the bi-lateral assistance being provided by the USA, Canada, European countries and other non-aid group donors.

CHART 3 - Aid Commitments



Source: Foreign Aid Indicators, Sri Lanka External Resources Department

CHART 4 - Aid Commitments By Donor



*excluding Japan
Source:foreign Aid Indicators, Sri Lanka External Resources Department

3.1 Multi-lateral Aid

Aid commitments from the multi-lateral agencies, notably the ADB and IDA increased from an average of 20% of total commitments at the end of 1979 to around 29% in the mid-1980s, 36% at the end of 1980s and to around 40% in the period 1990-93.

3.2 Bi-lateral Aid

The composition of bi-lateral aid has also undergone a significant change with Japan emerging as the largest single donor, while the contribution of other bi-lateral donors has gone into a reverse trend.

The sharp decline in aid from bi-lateral donors, excluding Japan is due to several factors. In the 70s and early 80s these donors comprised mainly of USA, UK, Canada, Germany, France, EEC, Netherlands, the Scandinavian group and some non-aid group donors such as the Kuwait fund, OPEC, China and IFAD. They provided significant contributions in the form of commodity, food and project assistance. The project assistance was primarily channeled to the Accelerated Mahaweli Programme and Integrated Rural Development Projects.

Since the mid-80s there was a considerable tapering off of aid from these donors due to the onset of the global recession and the resultant cut backs in their aid budget. There are increasing claims on their aid resources by the changing world order arising from the collapse of the socialist regimes in USSR and Eastern Europe, the demands arising from the unification of Germany and the several emergencies particularly in the African Continent.

Apart from these factors, which were generally conditioned by the international metamorphosis around the globe, there were significant changes in the foreign aid charters of bilateral donors with the introduction of new concepts of Good Governance, human rights considerations, performance, and sustainability criteria etc. These criteria are coming increasingly into play particularly in the context of the shrinking aid budgets of these donor countries.

Also there is a noticeable trend amongst these donors to channel their assistance through non-governmental organizations (NGOs). Countries like Norway, Sweden, Netherlands, Canada and Switzerland channel almost half of their total aid programmes through domestic and foreign based NGOs which are being increasingly recognized as more effective vehicles for the delivery of development assistance. Even with regard to the multi-lateral agencies NGOs have become increasingly significant partners in development, particularly in relation to poverty alleviation, rural development and environmental protection.

3.3 Sri Lanka's Aid Programme

The Sri Lanka aid programme at present is heavily dependent on three major donor agencies, i.e. the World Bank, ADB and Japan. Together they account for about four fifths of the total aid commitments. The heavy reliance on these three donors has both its merits and demerits. The increase in the share of assistance from multi-lateral agencies enhances the competitiveness and cost effectiveness of development assistance because of the more neutral procurement procedures applicable under these credits, when compared with bi-lateral financing which is generally tied to the source of funds. Further, it could lead to greater consistency in the development strategy of the country.

Apart from expanding their lending levels, the two multi-lateral Banks have also introduced Special Account procedures for the payment of advances on their projects in order to ease the burden on the Government's budgetary resources. On the other hand, dependence on a limited number of donors could skew a country's development programme to accord with the donor agency's lending criteria and inhibit the maneuverability available to the borrowing country. Over reliance on a limited number of donors could also upset the balance of the debt stock of the borrowing country. This could be particularly burdensome later, when the bulk of the borrowing is in strong or appreciating currencies. In fact with the increasingly heavy dependence on Japan for development assistance, there has been a significant change in Sri Lanka's external debt structure, with Japan's share of the outstanding debt increasing from 12.4% in 1984 to 27.3% in 1993. This coupled with the steady appreciation of the Yen since 1984 (32.2% between 1984 and 1993) could aggravate Sri Lanka's debt service obligations in the future.

3.4 New Lending Policies

In the emerging world situation almost all major donor agencies including the multi-lateral banks are placing special emphasis on the following key elements in structuring their lending policies:

- environmentally sustainable development;
- human resource development;
- efficient private sector oriented economic growth; and
- poverty alleviation and employment creation.

In the promotion of these objectives, more and more emphasis is being assigned to performance and efficient delivery of development assistance, accountability and transparency in the development process and the overall improvement of public sector management. These constitute critical elements of the Good Governance concept being increasingly adopted by all major lending agencies, to encourage borrowing countries, to create the necessary framework for the efficient and sound management of their human and economic resources.

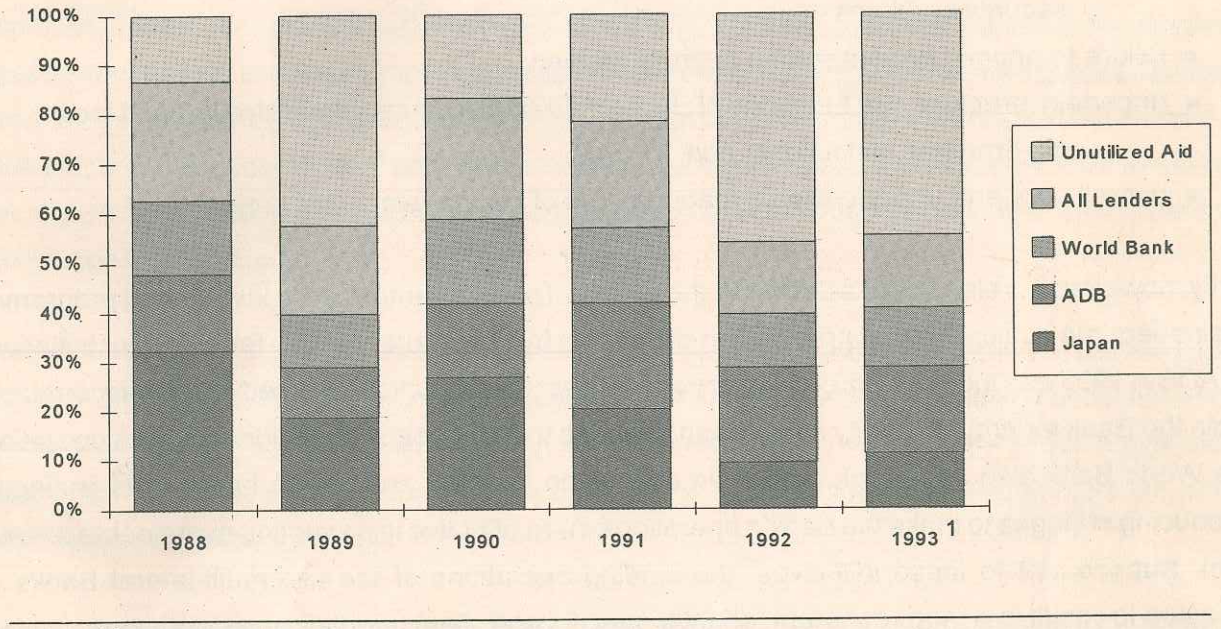
A further noteworthy development is, for the aid receiving country, to assume greater responsibility for project ownership and execution. This is being insisted upon by all major donors to ensure project sustainability and maintenance after the aid inputs are completed. There is also increasing emphasis on institutional building, directed at improving the management capability of the borrowing country.

In this situation it is critical for Sri Lanka to take note of the emerging trends and key dimensions of development assistance, in order to safeguard the uninterrupted flow of concessional foreign assistance to meet the growing needs of the country.

4. THE UTILIZATION OF AID

The timely and efficient utilisation of foreign aid, is one of the yardsticks that is being increasingly applied by lending agencies including bi-lateral donor agencies, to determine future levels of assistance. The competition for capital and markets has increased tremendously in recent times, with most developing countries adopting economic liberalization policies, with Russia and the Eastern

CHART 5 - Disbursements Ratios by Major Donors *



Notes: 1 - position at 31.12.1993
* - (DI/CUB in previous year) x 100
DI - Disbursements during the year
CUB - Commited Undisbursed Balance at the end of the year

Source: CS - DRMS - Sri Lanka
Data available at 31.01.1994

European countries ready to be integrated into the global economy and with the rapid growth of the South East Asian and East Asian nations. This has put a premium on sound investments and on the efficient use of resources in the apportionment of development assistance.

In this global scenario, the declining trend of aid utilisation in Sri Lanka is a matter for serious concern. Chart 6 indicates disbursement ratios on Government External Debt (excluding Programme Loans) during the period 1976-1993, with the three major donors identified separately. The Cumulative Undisbursed Balance (CUB) has been on a rising trend particularly since the mid 1980s and amounted to around US$ 2400 million at the end of 1993. Approximately 90% of this undisbursed pipeline comprised of concessional credits was extended by the ADB, IDA and Japan for vital economic infrastructure and human resource development projects. The disbursement ratio which averaged around 26.5% in the period 1980-90 declined to 22% in 1991, 16.8% in 1992 and 14% in 1993. This excludes programme aid (*see* Appendix 2).

4.1 Reasons For The Decline In Utilization

This decline in aid utilisation in recent years is due to several factors, chief among which are:

- systemic delays in public sector procurement procedures;
- cancellation and deferment of tenders;
- delays in the release of counterpart funds;
- delays associated with the civil unrest in the Northern and Eastern regions and the resultant security problems;
- failure to appoint project staff in a timely fashion;
- uncertain structure and functions of decentralized provincial administration and local government institutions; and
- overall poor and unprofessional management of key development projects.

Partly, however, it is also due to a decline in the quality of projects entering the investment programme, and inadequate evaluation and preparation of projects by donor agencies. In fact, a major initiative of the ADB in 1993 was the Task Force on Improving Project Quality which stressed greater accountability within the Bank for project quality and responsiveness to DMC needs in designing future operations. The World Bank also undertook a portfolio evaluation in 1992, and on the basis of its findings, is introducing changes to make the Bank's operations more effective in promoting sustainable development. Subsequent to these initiatives, the lending operations of the two multi-lateral Banks are expected to result in a more coherent, country specific and client oriented assistance programmes.

4.2 The Costs of Delayed Implementation

The economic cost of delayed implementation is high, since the major portion of the undisbursed pipeline consists of concessional assistance made available for vital economic infrastructure and social and human resource development projects, intended to set Sri Lanka on an accelerated growth path. The major sectors affected by implementation delays are transport, telecommunications, energy, plantations, agriculture, education and rural development. In addition to the normal inflationary costs due to delayed implementation, are the costs of benefits foregone, which also impacts on the overall economic viability of the investment. In general, it would appear that public sector projects take an additional two to three years for completion as compared to the time frame envisaged during appraisal.

5. CONCLUDING REMARKS

The pursuit of liberal open market policies with the private sector as the "engine of growth" has by no means diminished the role of the Government in the economic adjustment process. In the new order, however, the role of the Government has changed from a regulator and controller to a facilitator and promoter of economic development. It has the responsibility to create an enabling environment for sustainable economic growth. This requires an expanded role for the Government with heavy investment in economic infrastructure, skills development and human resource development.

Despite improved economic growth in recent years Sri Lanka still does not generate the domestic resources necessary to meet its growing investment needs. The sluggish performance of its traditional export sector, low agricultural productivity in general and the continuing civil unrest in the North East is pre-empting the generation of adequate domestic savings. Consequently, in the shot to medium term, dependence on foreign resources would persist in order to bridge the savings / investment gap for enhanced economic growth.

The most desirable option of course would be to lay the ground for increased forms of private capital in the form of Foreign Direct Investment (FDI), which apart from providing additional capital resources has the added advantage of not adding to its country's debt stock. Also FDI generally brings with it managerial resources, such as technical expertise, trade secrets, specialised equipment etc. which would enhance growth prospects.

Whilst there has been some expansion in FDI and portfolio investment in recent years, from an average of around SDR 30 million in the 1980s to SDR 180 million in 1993, private capital inflows still amount for only 2.5% of GDP and is by no means adequate to reach the desired investment level for

accelerated growth. To realise foreign private investments of the magnitude necessary for increasing the annual GDP growth rate to around 8%, would require consistent application of sound macro-economic policies, stable political and social conditions, and the up-grading of local management capabilities and technical skills to much higher levels than prevailing at present.

Resorting to commercial foreign borrowings and short term suppliers credits to meet investment needs is not advisable since our economic base is as yet too fragile to sustain heavy commercial financing. Consequently in the medium term Sri Lanka would continue to rely heavily on concessional foreign financing to create the enabling environment and the infrastructure for private sector led economic growth. In this situation, improved management and delivery of aid funded programmes is vital is we are not to jeapardise our aid flows. Efficient and timely aid utilisation with the elimination of unnecessary impediments, and greater accountability and predictability in economic policies to ensure transparency in aid operations , are some vital measures to be put in place. Also in view of our current dependence on three major donors with similar lending criteria, it is imperative that we remain firmly on the path of structural adjustment without destabilising the economic gains already achieved. Adjustments to the agreed policy framework, when necessary, would need to be discussed and agreed with the donor agencies beforehand in order to ensure their continued support despite the changed circumstances.

The global availability of concessionary financing is not expected to increase significantly in the immediate future due to the slow recovery of the world economy. Also there will be competition for the limited resources available from Eastern Europe and the former Soviet Union, the growing needs of Africa and South Asian and East Asian giants. Despite these constraints it would not be difficult for Sri Lanka to raise official development resources of the magnitude approximating US$ 1000 million per annum provided the country remains wedded to sound macro economic policies and addresses the issues impeding the timely and efficient utilisation of aid resources. This is not an impossible target since it is in effect the actual realisation of annual donor pledges, with IDA and the ADB providing approximately US$ 300 million each, Japan around US$ 300-400 million and all other aid group and non-aid group donors providing another US$ 200 million at the least. If and when the civil conflict is resolved and peace returns to the North East, substantial additional volumes of concessionary financing are likely for rehabilitation and reconstruction of the affected areas.

TABLE 1

Total Aid Commitments 1975 - 1993

(US$ millions)

	Multilateral Agencies/Banks			Total MG	Bilateral Donors		Total Commitments	Percentage		
Year	ADB	World Bank	UN Group		Japan	Others		MG	Japan	Others
1975	30.0	29.3	22.3	81.6	16.6	278.7	376.9	21.7	4.4	73.9
1976			19.6	19.6	16.7	161.9	198.2	9.9	8.4	81.7
1977	22.6	46.0	15.1	83.7	25.6	140.2	249.5	33.5	10.3	56.2
1978	20.2	25.5	6.4	52.1	66.6	281.3	400.0	13.0	16.7	70.3
1979	36.9	68.0	10.1	115.0	36.1	423.9	575.0	20.0	6.3	73.7
1980	55.0	151.5	13.4	219.9	100.8	316.3	637.0	34.5	15.8	49.7
1981	50.5	161.0	14.2	225.7	96.7	493.4	815.8	27.7	11.9	60.5
1982	45.4	126.9	10.7	183.0	97.1	260.9	541.0	33.8	17.9	48.2
1983	47.6	56.7	16.7	121.0	30.0	21.9	172.9	70.0	17.4	12.7
1984	14.5	42.4	11.8	68.7	70.6	322.7	462.0	14.9	15.3	69.8
1985	98.9	141.9	24.1	264.9	115.5	166.2	546.6	48.5	21.1	30.4
1986	26.9	143.4	21.7	192.0	160.8	299.7	652.5	29.4	24.6	45.9
1987	77.2	19.6	27.1	123.9	170.0	264.4	558.3	22.2	30.4	47.4
1988	210.7	215.6	17.8	444.1	434.4	250.0	1128.5	39.4	38.5	22.2
1989	126.9	19.5	12.4	158.8	53.3	184.5	396.6	40.0	13.4	46.5
1990	198.0	325.3	14.5	537.8	246.3	198.1	982.2	54.8	25.1	20.2
1991	206.1	239.0	15.6	460.7	319.1	152.1	931.9	49.4	34.2	16.3
1992	67.3	40.3	18.8	126.4	319.1	150.5	596.0	21.2	53.5	25.3
1993	136.0	95.6	18.0	249.6	345.6	191.1	786.3	31.7	44.0	24.3

Source: Foreign Aid Indicators, Sri Lanka. External Resources Department.

TABLE 2

Disbursements Ratios on Government External Debt *(excluding Programme Loans)*

(US$ million)

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Japan	16.1	14.8	43.5	14.8	77.3	67.5	23.5	42.0	53.6	61.5	109.9	135.5	312.6	0.0	197.2	183.1	248.5	298.0
CT	8.5	11.1	25.4	24.9	20.5	23.8	37.6	45.0	25.5	50.9	74.2	61.6	128.0	107.5	106.5	113.9	58.3	92.7
DI	21.9	30.3	54.1	37.5	94.3	123.4	108.9	108.6	125.5	166.2	238.9	390.7	573.0	398.1	529.5	611.9	873.0	1085.0
CUB																		
Disbursement Ratio (%) [1]	57.0	50.7	83.8	46.0	54.7	25.2	30.5	41.3	23.5	40.6	44.6	25.8	32.8	18.8	26.8	21.5	9.5	10.6
ADB																		
CT	0.0	20.6	24.4	36.8	55.0	51.7	45.5	47.1	14.4	97.0	27.2	45.8	215.9	47.9	117.5	142.1	66.6	133.9
DI	6.8	7.6	28.1	10.3	5.5	9.4	15.4	17.9	34.7	38.6	40.5	42.4	41.6	48.7	64.3	100.3	99.3	85.9
CUB	41.5	56.0	51.7	76.2	125.5	165.6	191.5	220.2	197.8	266.0	255.7	288.3	453.9	436.6	502.0	550.6	489.8	523.0
Disbursement Ratio (%) [1]	14.1	18.3	50.2	19.9	7.2	7.5	9.3	9.3	15.8	19.5	15.2	16.6	14.4	10.7	14.7	20.0	18.0	17.5
World Bank (IDA & IBRD)																		
CT	0.0	38.3	21.0	68.0	151.5	175.9	84.9	57.0	40.9	97.1	40.4	19.8	215.2	22.2	94.9	228.8	38.4	84.3
DI	6.1	11.7	13.9	11.3	18.4	25.2	57.6	58.2	76.2	81.6	91.8	87.0	62.9	59.1	84.3	67.9	67.5	64.4
CUB	44.5	73.1	80.3	136.7	265.0	394.9	415.5	396.4	346.9	391.3	448.9	417.3	550.5	502.5	456.6	634.7	558.4	553.3
Disbursement Ratio (%) [1]	12.1	26.3	19.0	14.1	13.5	9.5	14.6	14.0	19.2	23.5	23.5	19.4	15.1	10.7	16.8	14.9	10.6	11.5
All Lenders (including the above)																		
CT	112.6	187.0	244.1	380.1	627.0	764.3	434.6	268.3	291.5	297.2	525.4	282.7	834.6	204.0	516.1	653.2	464.2	603.0
DI	120.8	119.4	227.4	191.2	250.5	331.9	291.7	303.2	335.4	367.5	419.7	323.0	375.5	354.1	445.1	389.0	342.7	293.8
CUB	455.7	402.3	499.0	678.4	1052.1	1353.2	1452.0	1358.7	1228.5	1254.1	1405.8	1556.1	1950.1	1683.7	1762.4	2037.1	2083.5	2384.3
Disbursement Ratio (%) [1]	24.9	26.2	56.5	38.3	36.9	31.5	21.6	20.9	24.7	29.9	33.5	23.0	24.1	18.2	26.4	22.1	16.8	14.1
Exchange Rates [2]																		
End of Period	8.652	15.950	15.505	15.595	15.595	20.785	21.320	25.000	26.280	27.478	28.520	30.763	33.018	40.000	40.220	42.510	45.900	49.482
Period Average	8.382	9.374	5.683	15.556	15.595	17.578	20.849	23.241	25.382	27.111	27.980	29.364	31.794	35.991	40.064	41.356	43.807	48.220

Notes:
1: (DI year X/CUB year X-1) x 100
2: Number of S.L. Rupee to 1 US$

CT - Commitments during the year X
DI - Disbursements during the year X
CUB - Commited Undisbursed Balance at the end of the year X

Source : CS-DRMS - Sri Lanka.
Data available at 31/03/1994

TABLE 3

Aid Receipts by Calender Year 1975 - 1992

(US$ million)

Year	Project Aid	Programme Aid	Commodity Aid	Food Aid	Other Aid	Total	% Commodity & Food Aid	% Project & Programme Aid
1975	43.3		54.6	66.5	41	205.4	59.0	21.1
1976	50.2		56.2	43.2	20.4	170	58.5	29.5
1977	82.2		58.8	62.7		203.7	59.6	40.4
1978	93.8		94.9	59	3.2	250.9	61.3	37.4
1979	109.5		125	36		270.5	59.5	40.5
1980	187.4		100.3	38.3		326	42.5	57.5
1981	240.2		82.8	37.4	9	369.4	32.5	65.0
1982	310.7		64.2	33.1		408	23.8	76.2
1983	330.9		68.3	51.2	12	462.4	25.8	71.6
1984	396.1		67.6	72.4		536.1	26.1	73.9
1985	403.6		55.8	41.8		501.2	19.5	80.5
1986	444.4		53.9	48.6		546.9	18.7	81.3
1987	401.7	6.2	39.7	47.5		495.1	17.6	82.4
1988	445.6	23.1	80.4	48.6		597.7	21.6	78.4
1989	429.4	32.8	62.6	44		568.8	18.7	81.3
1990	450.3	89.2	47.2	38.6		625.3	13.7	86.3
1991	464.8	274.1	34.3	37.8		811	8.9	91.1
1992	395.6	36.8	22.8	45		500.2	13.6	86.4

Source: Foreign Aid Indicators, Sri Lanka.
External Resources Department

TABLE 4

Foreign Financing *(Net)* as a Ratio of GDP at Current Market Price (1982 - 1993)

Year	Grants	Loans *(Net)*	Total	GDP at Current Market Price	Foreign Financing *(% of GDP)*	Ten Year Average
		(Rupees Million)				
1982	3379	5437	8816	99238	8.9	
1983	4016	6613	10629	121601	8.7	
1984	5154	8693	13847	153746	9.0	
1985	4828	7416	12244	162375	7.5	
1986	5114	8173	13287	179474	7.4	
1987	5311	5901	11212	196723	5.7	
1988	6588	7793	14381	221982	6.5	
1989	6751	8179	14930	251891	5.9	
1990	7142	16379	23521	321783	7.3	
1991	8407	20849	29256	372594	7.9	
						7.5
1992	8027	11494	19521	423290	4.6	

Source: Central Bank of Sri Lanka

Stock Verification
Year | Verified
2015
2020
2025