



## USAID/SRI LANKA SECTOR FACT SHEET

# ECONOMIC GROWTH

USAID works to promote inclusive market driven growth and enhance resilience of the country's resources to shocks and stresses. Through activities to improve economic governance, promote investments, strengthen the workforce, and improve the business climate for small and medium enterprises (SMEs), USAID supports Sri Lanka in its economic recovery to the COVID pandemic and on its journey to become an advanced economy. Through activities that enhance environmental and climate resilience as well as improve energy security and sustainability, USAID also supports Sri Lanka to mitigate the shocks and stresses on its resource base.

## ACTIVITIES

**SRI LANKA@100:** This activity promotes inclusive and sustainable economic growth by helping mid-market companies access capital, markets, and business development services. Through a multi-service platform, this activity links business development service providers, investors, and industry bodies that can drive value creation for these companies. It prioritizes rural, women-owned businesses and focuses on nurturing mid-market firms providing sustainable goods and services. Implementing Partner: Stax, Inc.; Total Estimated Cost: \$5 million; Performance Period; July 2020 – July 2025

**YOUTH EMPLOYMENT AND BUSINESS START-UP PROJECT (YOULEAD):** USAID's YouLead project supports inclusive economic growth by increasing youth employability. YouLead does this by strengthening vocational training for students, teachers, institutions, and entrepreneurs; improving workforce capacity to meet market demand; and linking with the private sector to encourage employment opportunities for youth. The project also works with the Ministry of Skills Development and Vocational Training to develop partnerships with businesses and training providers to leverage resources to prepare

youth with market-ready skills. Implementing Partner: International Executive Service Corps (IESC); Total Estimated Cost: \$18 million; Performance Period: June 2017 – May 2024

**DEVELOPMENT CREDIT AUTHORITY (DCA):** USAID has partnered with a local bank to provide local financing to private, micro-, small-, and medium-sized enterprises throughout Sri Lanka. This activity helps youth entrepreneurs to access capital, expand businesses, and, ultimately, create more jobs. It unlocks critical resources that help to spur innovation, foster investment, and provide critical resources to underserved segments of Sri Lanka's economy including existing MSMEs and start-ups. Implementing Partner: USAID DCA; Total Estimated Cost: \$9 million; Performance Period: September 2018 – September 2025

**PRIVATE SECTOR DEVELOPMENT (PSD):** USAID's PSD activity increases the competitiveness of small and medium enterprises (SMEs) in order to diversify Sri Lanka's private sector and increase revenues in high growth sectors such as tourism, technology, and the commercial care industry. With a focus on increasing women's participation in the labor force, the PSD activity will improve market linkages, encourage the adoption of new technologies, increase innovation, and strengthen professional development for women with the end goal of increasing the growth of women-owned enterprises. It will also respond to the economic and financial impacts of COVID-19. Implementing Partner: Palladium; Total Estimated Cost: \$19.5 million; Performance Period: May 2020 – May 2025

**PARTNERSHIP FOR ACCELERATING RESULTS IN TRADE, NATIONAL EXPENDITURE AND REVENUE (PARTNER):** The PARTNER activity provides technical assistance to the Government of Sri Lanka to improve efficiencies to assist operationalize and streamline processes, as well as to increase public revenue. The project also works to minimize bottlenecks to trade to bolster Foreign Direct Investment (FDI) and strengthens the capacity of private sector associations and chambers of commerce to promote a vibrant private sector in Sri Lanka. Implementing Partner: Deloitte Consulting, LLC; Total Estimated Cost: \$19 million; Performance Period: August 2019 – August 2024

**ENERGY REGULATORY PARTNERSHIP PROGRAM (ERPP):** ERPP works with the Public Utilities Commission of Sri Lanka to improve efficiency and sustainability in the energy sector. It develops cost-reflective tariffs to enable investments and enhances resource diversity and stability through renewable energy integration and demand-side management. Implementing Partner: National Association of Regulatory Utility Commissioners (NARUC); Total Estimated Cost: \$600,000; Performance Period: June 2020 – December 2021