



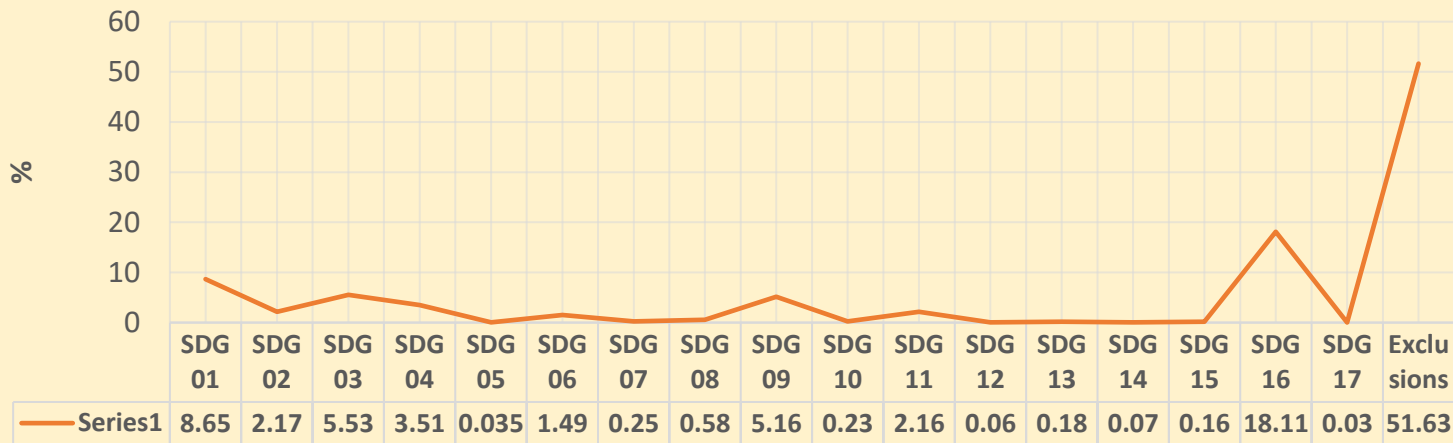
Sustainable Development
Council of Sri Lanka

SDG BUDGET TAGGING ANALYSIS REPORT 2025

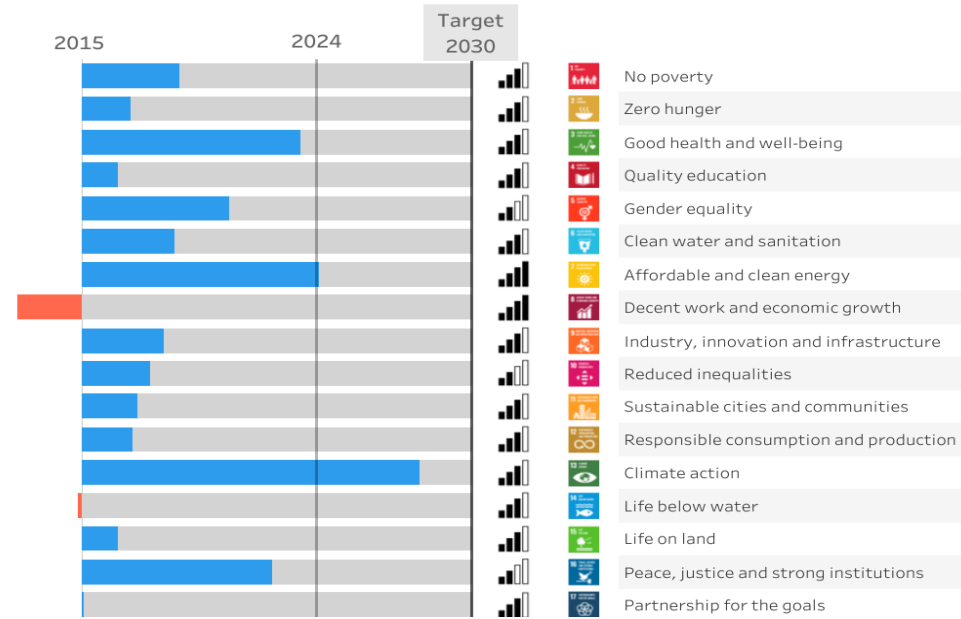
This analysis has been prepared based on the Draft Budget Estimate 2025 published by the Ministry of Finance, Planning, and Economic Development.

OVERVIEW

SDG Relevant Exp Estimates as % of Total Allocation (FY 2025)



National SDG Progress Dashboard - 2024



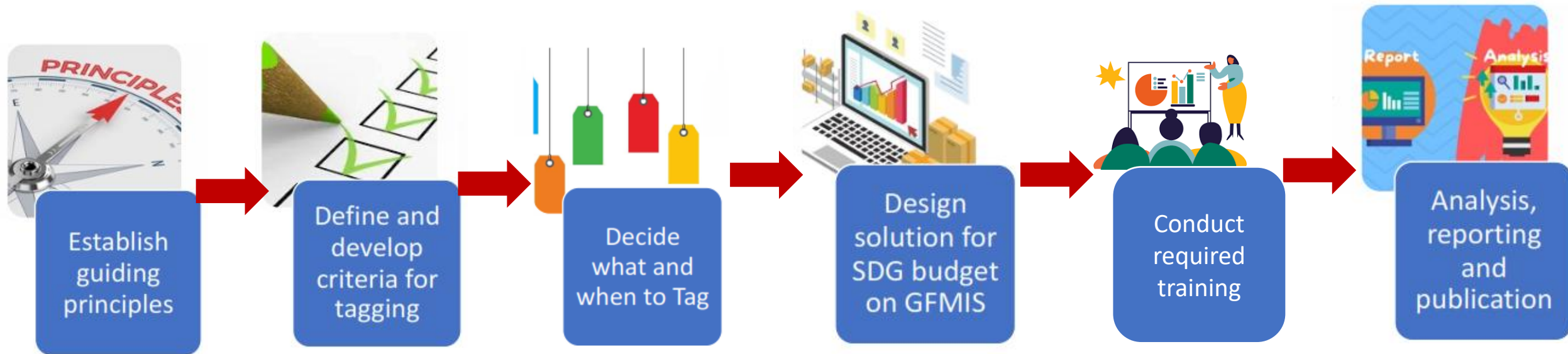
Key Points

- The 2025 Budget has made increased allocations towards **poverty eradication**. The financial allocations have increased by **2.11 %**, from **6.54% in 2024 to 8.65% in 2025**. This significant increase is primarily due to enhanced funding for **social protection programs**, including: Aswesuma program, Pensions for Public Officers, Pension for Widows, Widowers and Orphans of Public Officers, Service Compensation for Death & Injured Soldiers. The increased focus on **social welfare and protection** reflects a stronger commitment to **poverty reduction and social security enhancements**.
- The **health sector** budget allocation has increased by approximately **1.91 %**, from **3.62% in 2024 to 5.53% in 2025**. A significant portion of this increase is directed toward ensuring the **uninterrupted supply of pharmaceuticals, surgical, and laboratory items**, which will increase access to **quality essential healthcare services** and guarantee the availability of **safe, effective, high-quality, and affordable essential medicines** for all.
- The **education sector** budget allocation has increased by approximately **1.17 %**, from **2.34% in 2024 to 3.51% in 2025**. The increased funding is primarily directed toward ensuring **free, equitable, and quality primary and secondary education**, enhancing **early childhood development**, strengthening **Technical and Vocational Education and Training (TVET)** and **tertiary education** and improving **educational infrastructure and facilities** to support a more inclusive and effective learning environment.
- The budget allocation for **industry, innovation, and infrastructure** has increased from **3.43% in 2024 to 5.16% in 2025** towards the development of **quality, reliable, sustainable, and resilient infrastructure** that supports **economic growth** while promoting **affordable and equitable access for all**.

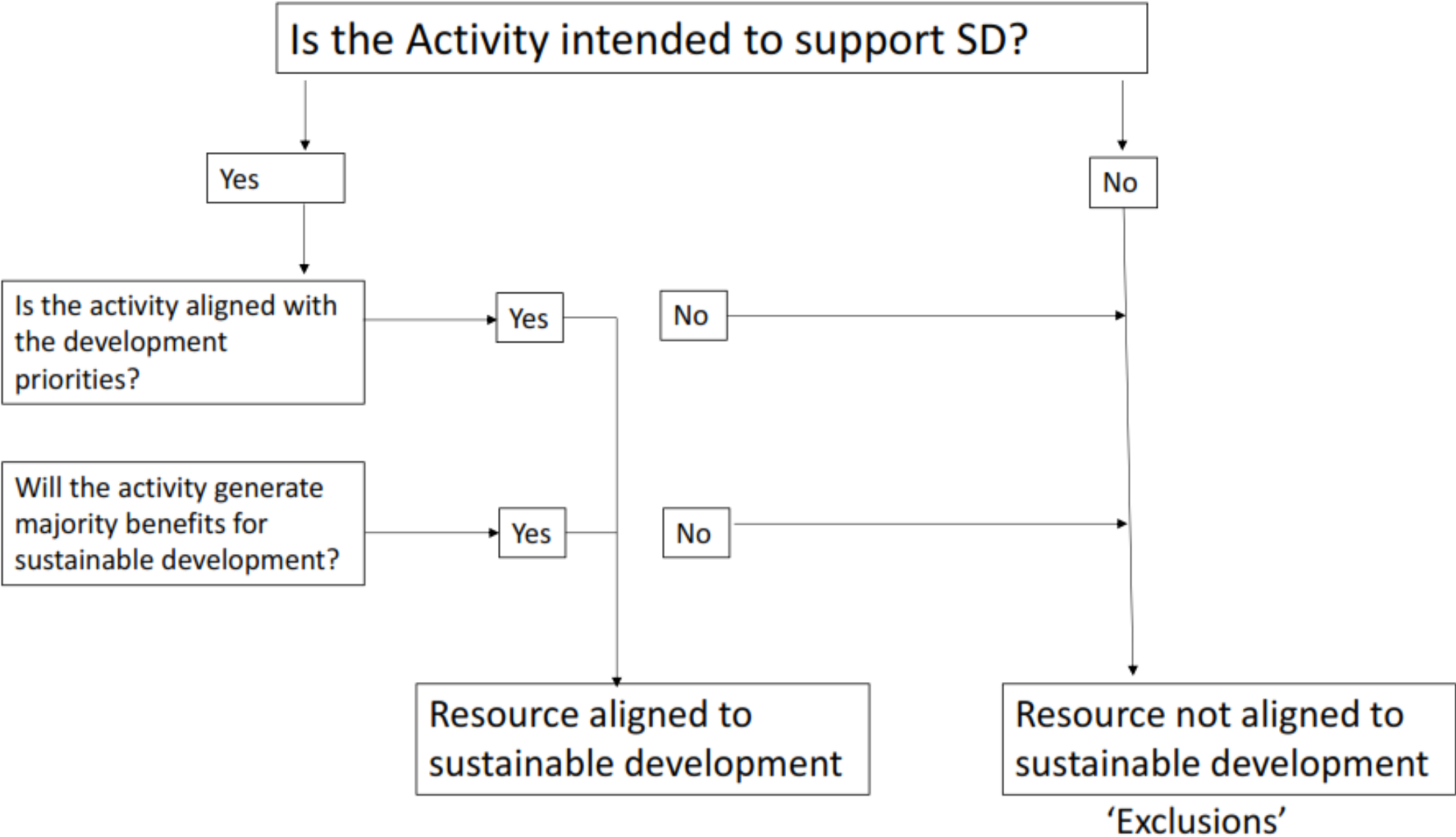
- SDG 05 on **Gender Equality**, SDG 07 on **Clean Energy**, SDG 13 on **Climate Action** and SDG 14 on **Life Below Water** and SDG 15 **Life on Land** remain under funded areas in the 2025 National Budget.
- When analyzing the 2025 Budget Proposals in relation to Sri Lanka's SDG Progress measured through the 2024 SDG Progress Dashboard (above slide 03), attention is drawn to the need to prioritize public funding towards **SDG 05**, **SDG 14** and **SDG 15** which require accelerated efforts to make progress towards meeting the 2030 national targets. Specifically, it is important to focus on,
 - ❖ Ensuring economic integration of women and promoting women in leadership positions under SDG 05
 - ❖ Addressing marine pollution due to coastal eutrophication and floating plastic, ocean acidification, promoting sustainable fishing practices, strengthening fisheries management under SDG 14
 - ❖ Addressing biodiversity decline through expansion and effective management of national parks and wildlife sanctuaries aiming to preserve critical habitats, initiatives to restore degraded habitats and forest management under SDG 15
- In view of the limited fiscal space in the national budget, mobilizing additional funding towards the above areas through **private capital and investments** and other **alternative and innovative financing mechanisms** remain critical to support an effective sustainable development trajectory in the country.

METHODOLOGY

Sequence of activities in budget tagging



Cost centers relevance to sustainable development



Exclusion Criteria for Expenditures not Aligned with SDGs

Criteria	Definition	Specimen of expenditure
Defense	Expenditure incurred on Administration of military defense affairs and services <u>not in support of any of the SDGs.</u> Any defense related expenditure like support in during disaster relief or contribution to UN peacekeeping will not be excluded in the computation process (See Annex 2)	Military defense, Civil Defense, Foreign military aid, R&D defense etc.
Interest payments	Repayments particularly budget support and other program loans where fungibility and attributions can undermine mapping.	Principal and interest payments.
Administrative fee	Include fees for licenses and other administrative fee.	Driver's licenses, passports, visas, court fees, radio, and television etc.
Fines and penalties	Compulsory payments imposed on public institutions by courts of law or quasi-judicial bodies due to the violation of laws or administrative rules	
Judgments and conciliations	Includes payments by public institutions as a result of:	compliance with a judicial ruling, an executive order, judicially recognized credits, arbitration awards, or a conciliation with a competent authority, in which it is ordered to compensate rights to third parties.
Monetary contributions to international organization with narrow scope in terms of SDGs.	Transfers made by government units to international organizations as membership fees or for concepts other than memberships.	To determine whether this spending has any impact on SDGs, it must be identified whether the international organization, to which the payment is being made, is engaging in activities that close SDG gaps and/or actions that support the government to achieve these goals.
Taxes	Mandatory payments to be made by government institutions at different levels of public administration, without any compensation.	
Civil servant's related expenditures particularly for officers	Civil servants (category above development officers in GoSL context) are not considered vulnerable therefore, some expenses for this group of people is not contributing directly to closing gaps.	social security contributions, individual loans, personal protection services to guarantee the safety of civil servants
Sports-related expenditures	Even when sport is related to the well-being of society, the SDG do not have sports-related SDG targets.	In some cases, these expenditures include government support to sports associations. In this regard, expenses earmarked for professional sports activities will not be aligned with SDGs, in contrast to expenses associated with sportive infrastructure, which can be aligned given their impact on the community well-being.
Improvement of public entities' infrastructure	To determine whether this type of expenditures contribute to achieving the SDGs, it must be considered whether the entity benefiting from the improvements has a constant customer service, in which case it could be strengthening the state's services. Otherwise, such expenses do not have a direct impact on the achievement of SDG.	Construction or repair of fancy infrastructure or office quarters. Example rest houses for government officials.
Environmentally unsustainable activities	Expenses related to activities that, although can have positive collateral effects on employment and economic activities, have negatively direct impact on environmental sustainability.	Expenses aimed at encouraging the expansion of mining and fossil-fuel related activities are excluded from the SDG alignment. However, expenses aimed at transforming existing industries into more sustainable activities are aligned with SDGs.

Source: Adapted from SDG alignment and budget tagging: towards an SDG taxonomy (2022)

Classification Table for Coding & Tagging

- Identify Budget Lines Directly Relevant to Specific SDGs Using the Classification Table



<https://sdc.gov.lk/en/resources>

ANALYSIS

Budget Estimates 2025

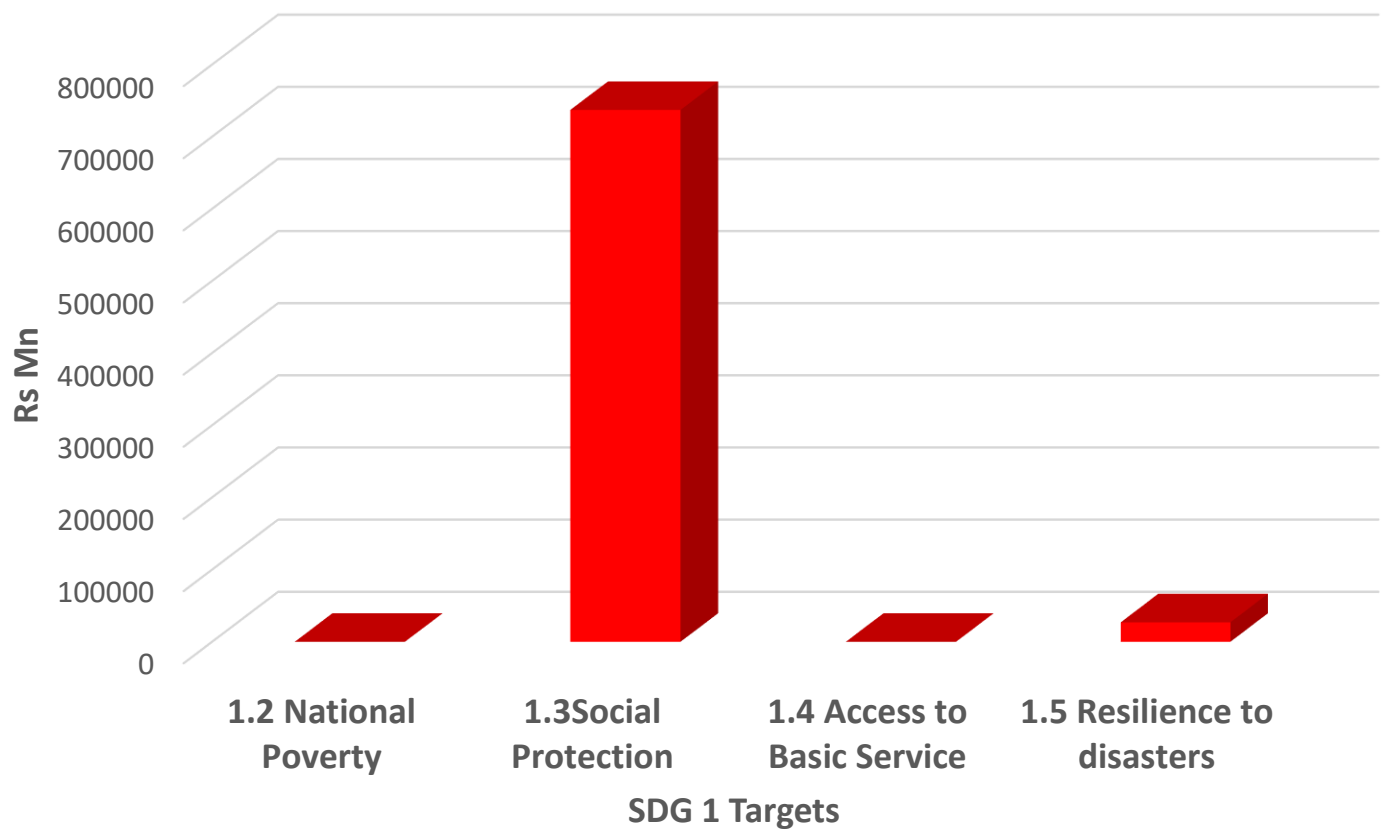
No	Special Spending Unit	2025 Estimate Rs.Mn
1	His Excellency the President	3,000
2	Office of the Prime Minister	1,170
4	Judges of the Superior Courts	577
5	Office of the Cabinet of Ministers	231
6	Office of the Public Service Commission	346
7	Judicial Service Commission	165
8	National Police Commission	245
9	Administrative Appeals Tribunal	50
10	Commission to Investigate Allegations of Bribery or Corruption	1,374
11	Office of the Finance Commission	133
13	Human Rights Commission of Sri Lanka	449
16	Parliament	5,150
17	Office of the Leader of the House of Parliament	78
18	Office of the Chief Government Whip of Parliament	89
19	Office of the Leader of the Opposition of Parliament	331
20	Election Commission	21,487
21	National Audit Office	4,353
22	Office of the Parliamentary Commissioner for Administration	46
23	Audit Service Commission	80
24	National Procurement Commission	222
25	Delimitation Commission	19
	Total	39,593

Code	Name of the Ministry	2025 Estimate Rs.Mn
102	Ministry of Finance, Planning & Economic Development	5,253,767
130	Ministry of Public Administration, Provincial Councils and Local Government	573,700
312	Provincial Councils	535,750
111	Ministry of Health & Mass Media	508,500
117	Ministry of Transport, Highways, Ports and Civil Aviation	473,410
103	Ministry of Defence	442,000
126	Ministry of Education, Higher Education and Vocational Education	271,000
118	Ministry of Agriculture, Livestock, Land & Irrigation	208,722
189	Ministry of Public Security and Parliamentary Affairs	175,445
123	Ministry of Urban Development, Construction and Housing	101,282
110	Ministry of Justice & National Integration	54,106
124	Ministry of Rural Development, Social Security and Community Empowerment	30,050
112	Ministry of Foreign Affairs, Foreign Employment & Tourism	21,463
119	Ministry of Energy	21,142
135	Ministry of Plantation and Community Infrastructure	16,738
160	Ministry of Environment	16,040
171	Ministry of Women and Child Affairs	14,526
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	13,725
186	Ministry of Digital Economy	13,623
149	Ministry of Industry and Entrepreneurship Development	13,443
194	Ministry of Youth Affairs & Sports	12,100
151	Ministry of Fisheries, Aquatic and Ocean Resources	11,440
193	Ministry of Labour	6,070
196	Ministry of Science and Technology	5,000
116	Ministry of Trade, Commerce, Food Security and Co-operative Development	2,564
	Total	8,795,407



End poverty in all its forms everywhere

SDG 1 Relevant Budget Allocation (Rs. Mn)

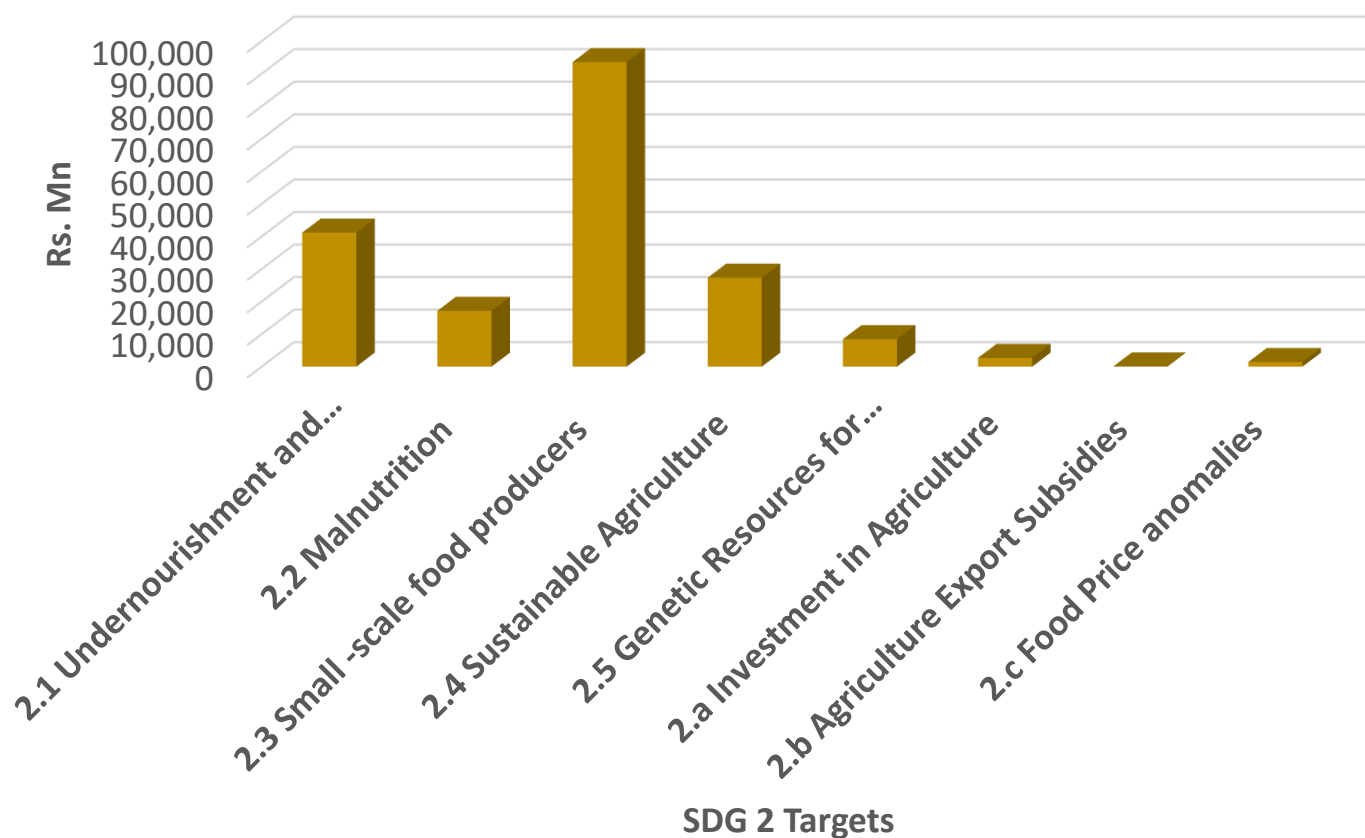


SDG Targets	2025 Budget Allocation (Rs. Mn)
1.2 National Poverty	1
1.3 Social Protection	737,119
1.4 Access to Basic Service	2
1.5 Resilience to disasters	26,937
Total Amount	764,059



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

SDG 2 Relevant Budget Allocation (Rs. Mn)

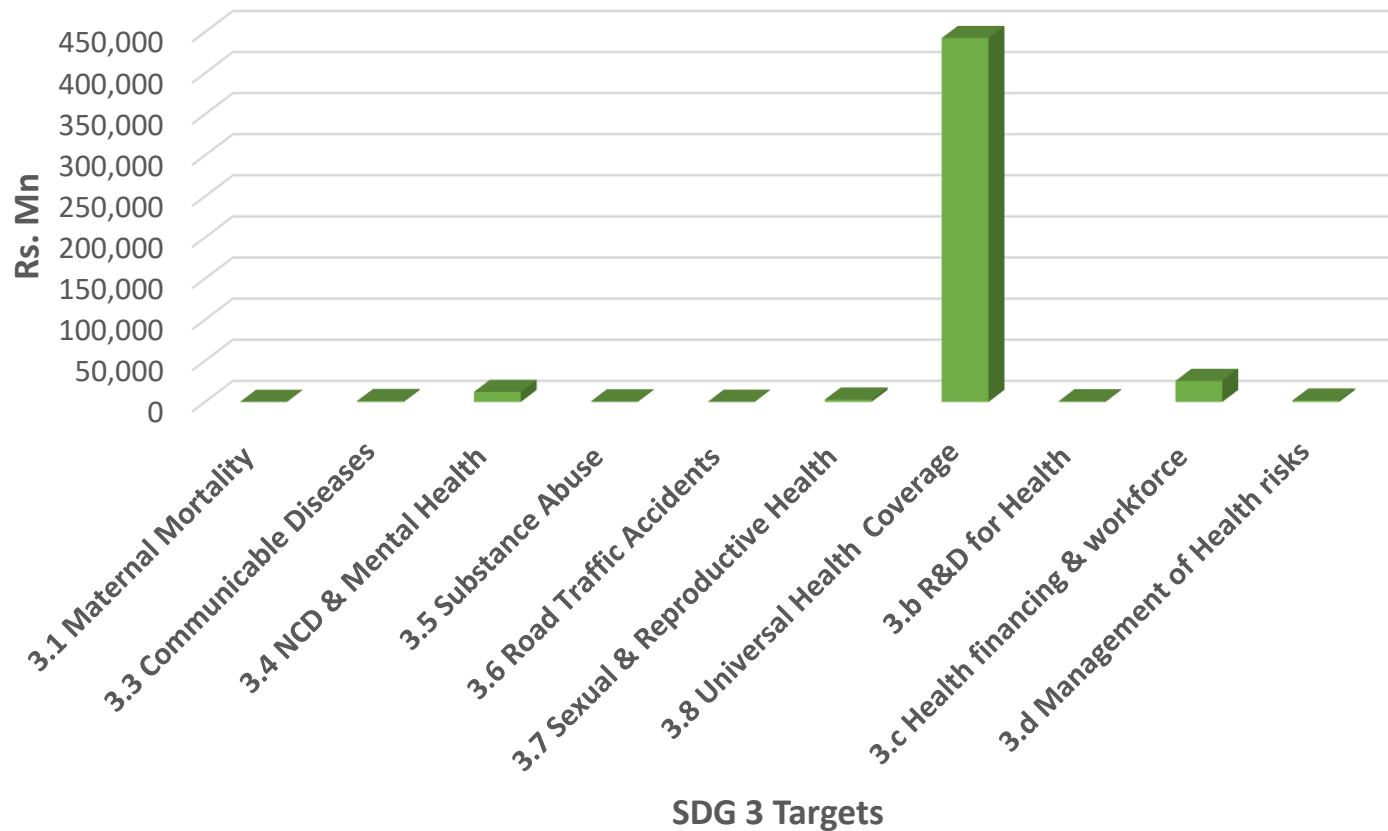


SDG Targets	2025 Budget Allocation (Rs. Mn)
2.1 Undernourishment and Food Security	41,187
2.2 Malnutrition	17,156
2.3 Small -scale food producers	93,582
2.4 Sustainable Agriculture	27,356
2.5 Genetic Resources for Agriculture	8,437
2.a Investment in Agriculture	2,693
2.b Agriculture Export Subsidies	50
2.c Food Price anomalies	1,440
Total Amount	191,901



Ensure healthy lives and promote well-being for all at all ages

SDG 3 Relevant Budget Allocation (Rs. Mn)

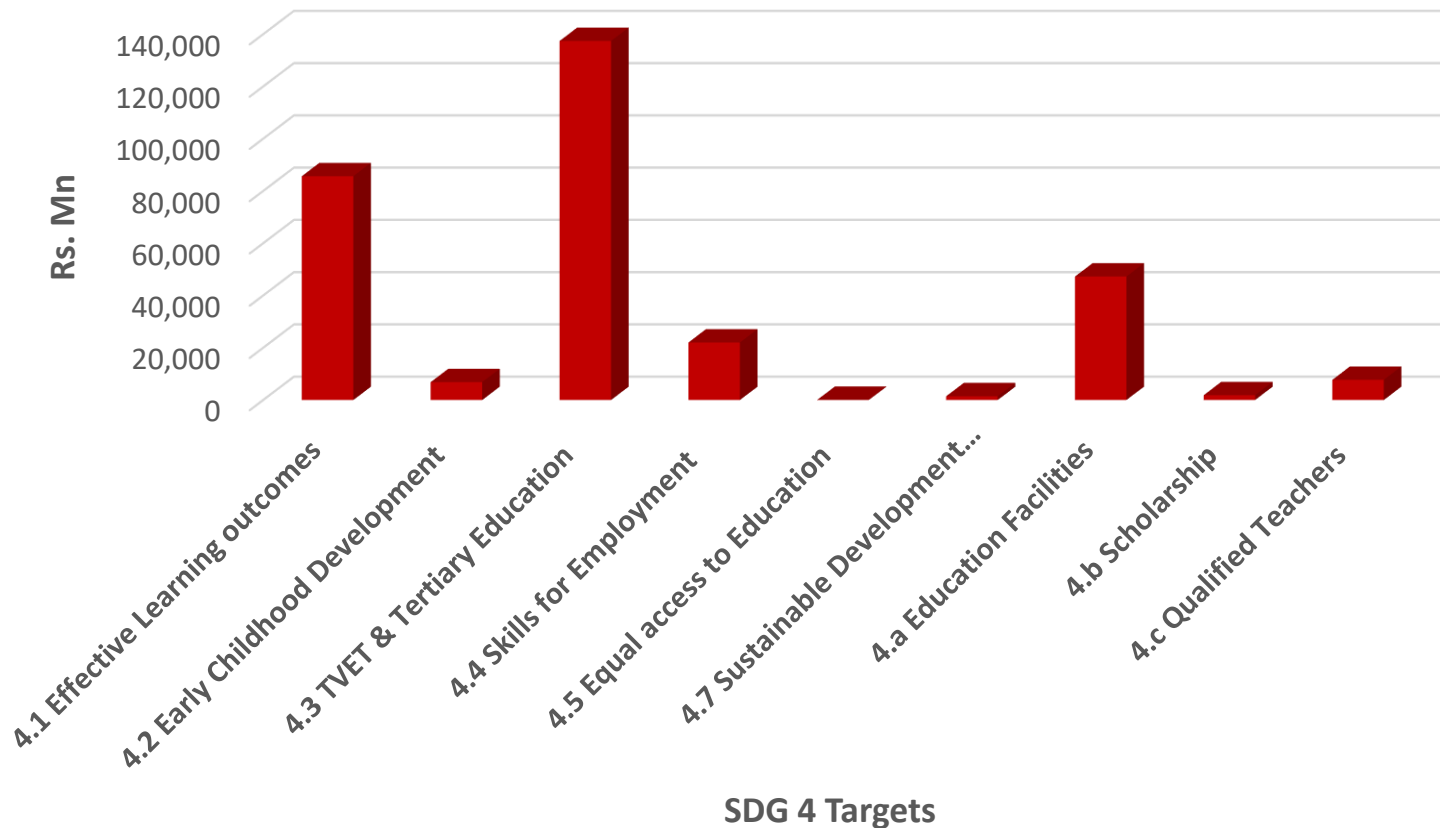


SDG Targets	2025 Budget Allocation (Rs. Mn)
3.1 Maternal Mortality	180
3.3 Communicable Diseases	1,100
3.4 NCD & Mental Health	12,233
3.5 Substance Abuse	723
3.6 Road Traffic Accidents	260
3.7 Sexual & Reproductive Health	2,864
3.8 Universal Health Coverage	442,767
3.b R&D for Health	892
3.c Health financing & workforce	25,697
3.d Management of Health risks	1,740
Total Amount	488,456



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

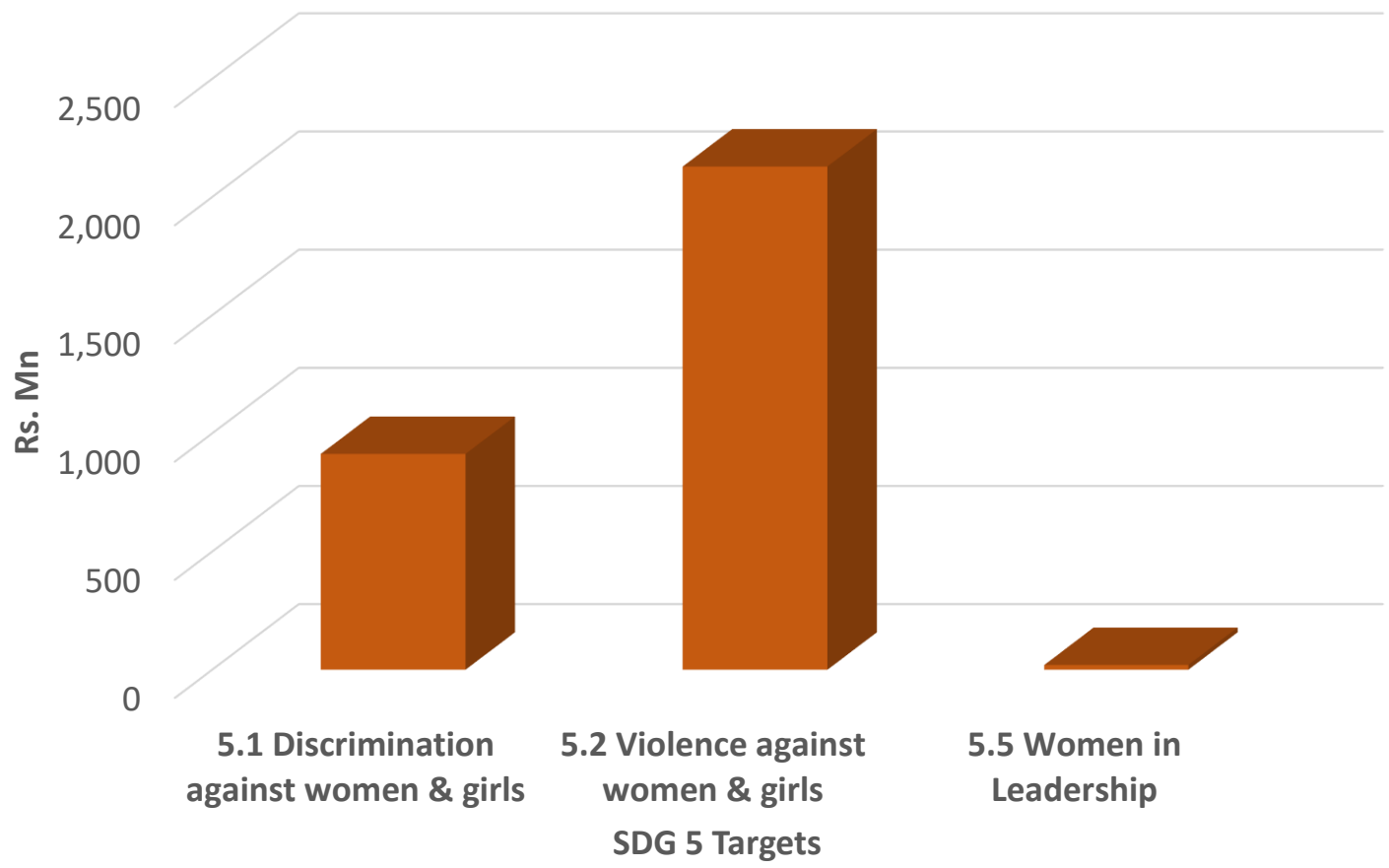
SDG 4 Relevant Budget Allocation (Rs. Mn)



SDG Targets	2025 Budget Allocation (Rs. Mn)
4.1 Effective Learning outcomes	85,664
4.2 Early Childhood Development	6,858
4.3 TVET & Tertiary Education	137,429
4.4 Skills for Employment	22,020
4.5 Equal access to Education	95
4.7 Sustainable Development Education	1,455
4.a Education Facilities	47,283
4.b Scholarship	1,842
4.c Qualified Teachers	7,726
Total Amount	310,372

Achieve gender equality and empower all women and girls

SDG 5 Relevant Budget Allocation (Rs. Mn)

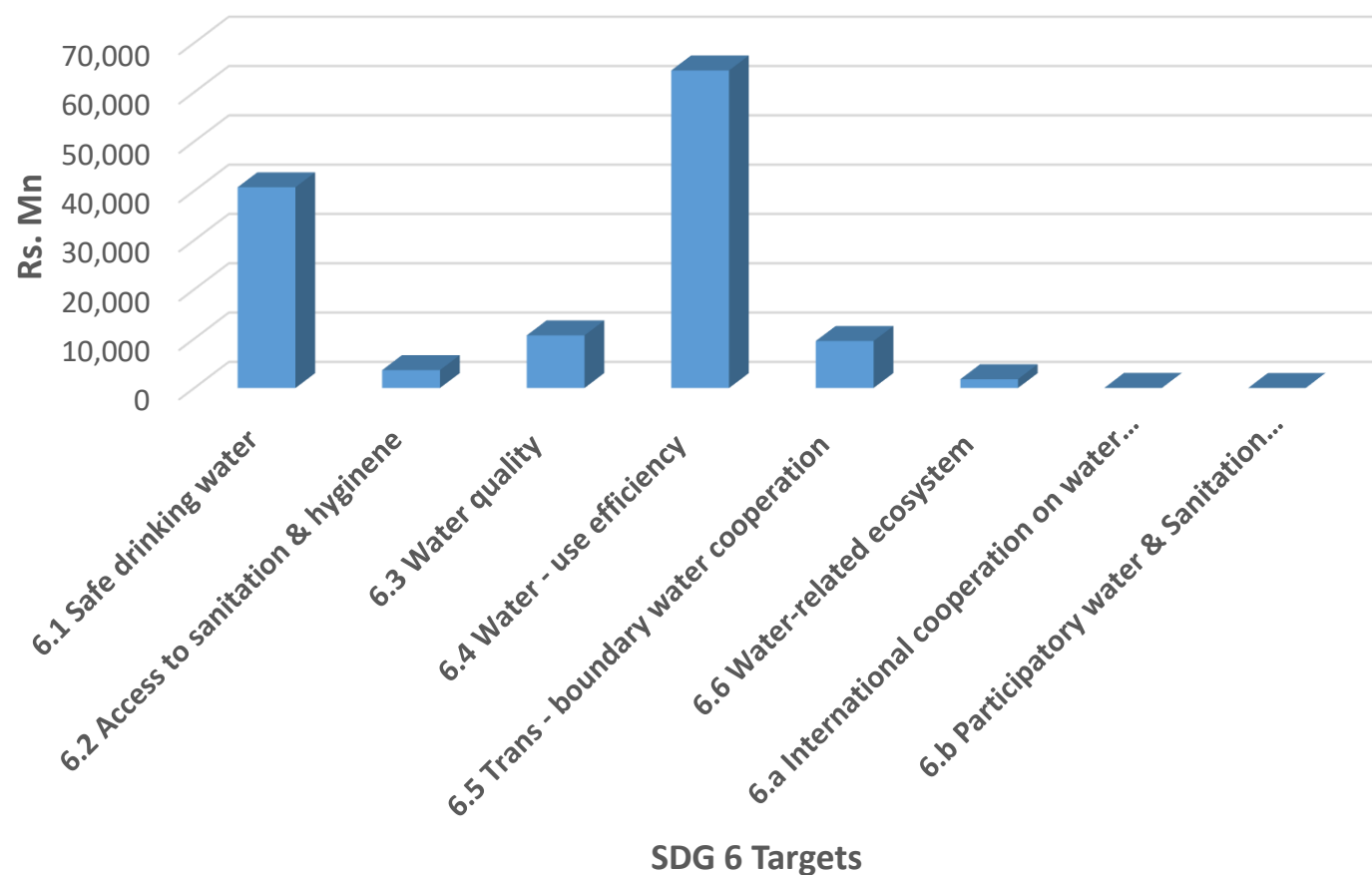


SDG Targets	2025 Budget Allocation (Rs. Mn)
5.1 Discrimination against women & girls	913
5.2 Violence against women & girls	2,129
5.5 Women in Leadership	20
Total Amount	3,062



Ensure availability and sustainable management of water and sanitation for all

SDG 6 Relevant Budget Allocation (Rs.Mn)

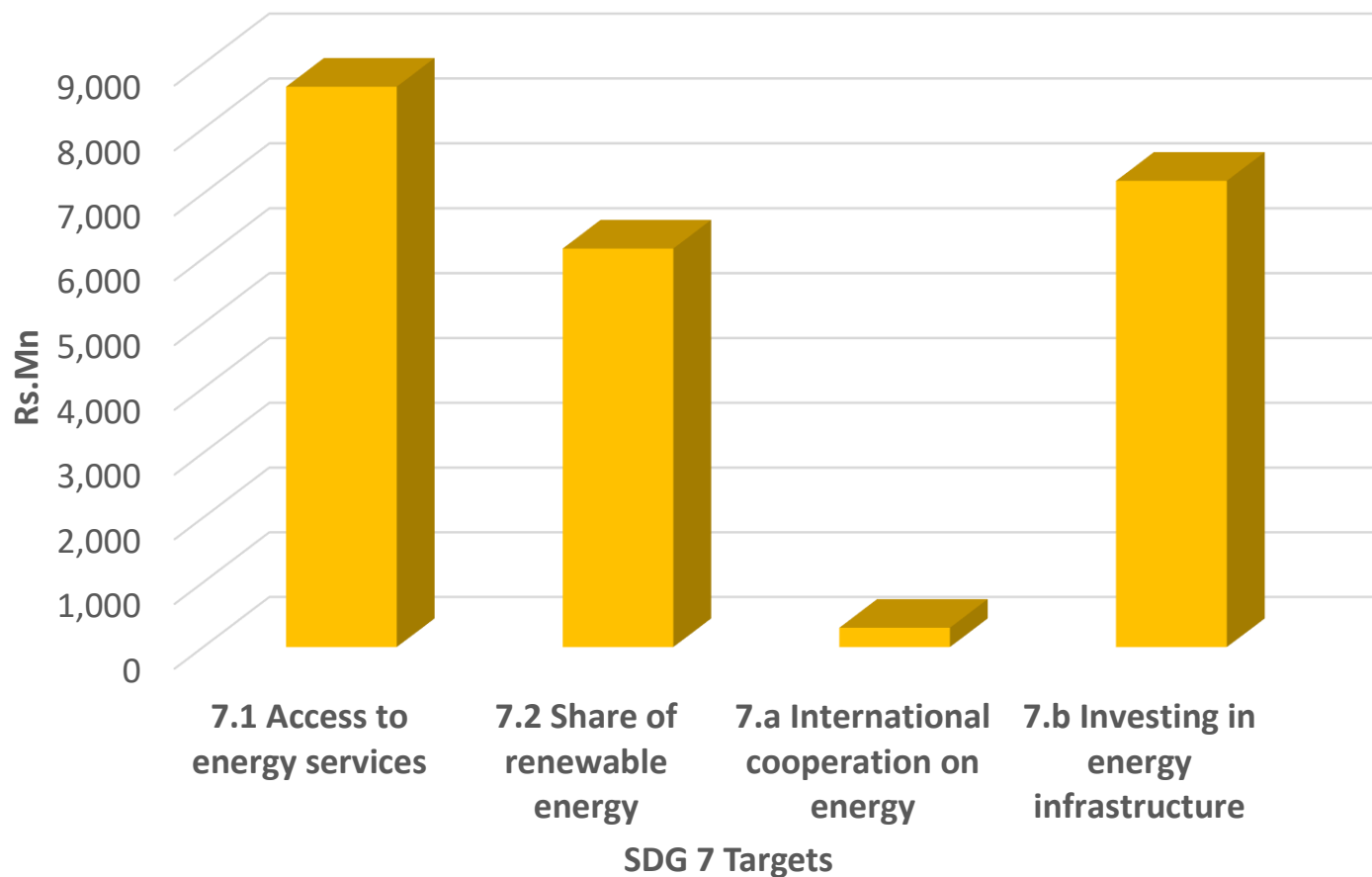


SDG Targets	2025 Budget Allocation (Rs. Mn)
6.1 Safe drinking water	40,713
6.2 Access to sanitation & hygiene	3,630
6.3 Water quality	10,680
6.4 Water - use efficiency	64,398
6.5 Trans - boundary water cooperation	9,536
6.6 Water-related ecosystem	1,790
6.a International cooperation on water & sanitation	26
6.b Participatory water & Sanitation management	1
Total Amount	130,774



Ensure access to affordable, reliable, sustainable and modern energy for all

SDG 7 Relevant Budget Allocation (Rs. Mn)

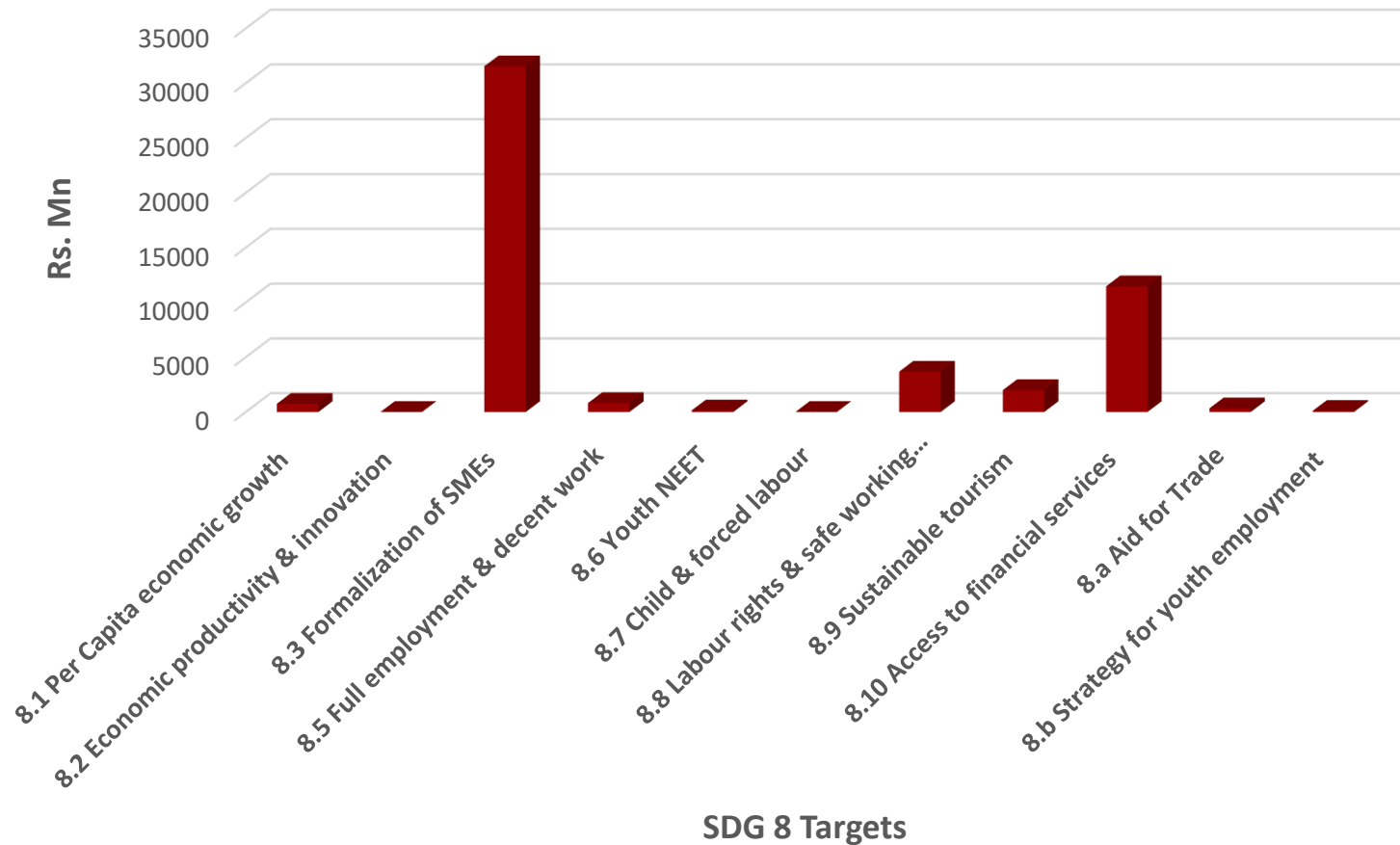


SDG Targets	2025 Budget Allocation (Rs. Mn)
7.1 Access to energy services	8,647
7.2 Share of renewable energy	6,153
7.a International cooperation on energy	298
7.b Investing in energy infrastructure	7,197
Total Amount	22,295



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG 8 Relevant Budget Allocation (Rs. Mn)

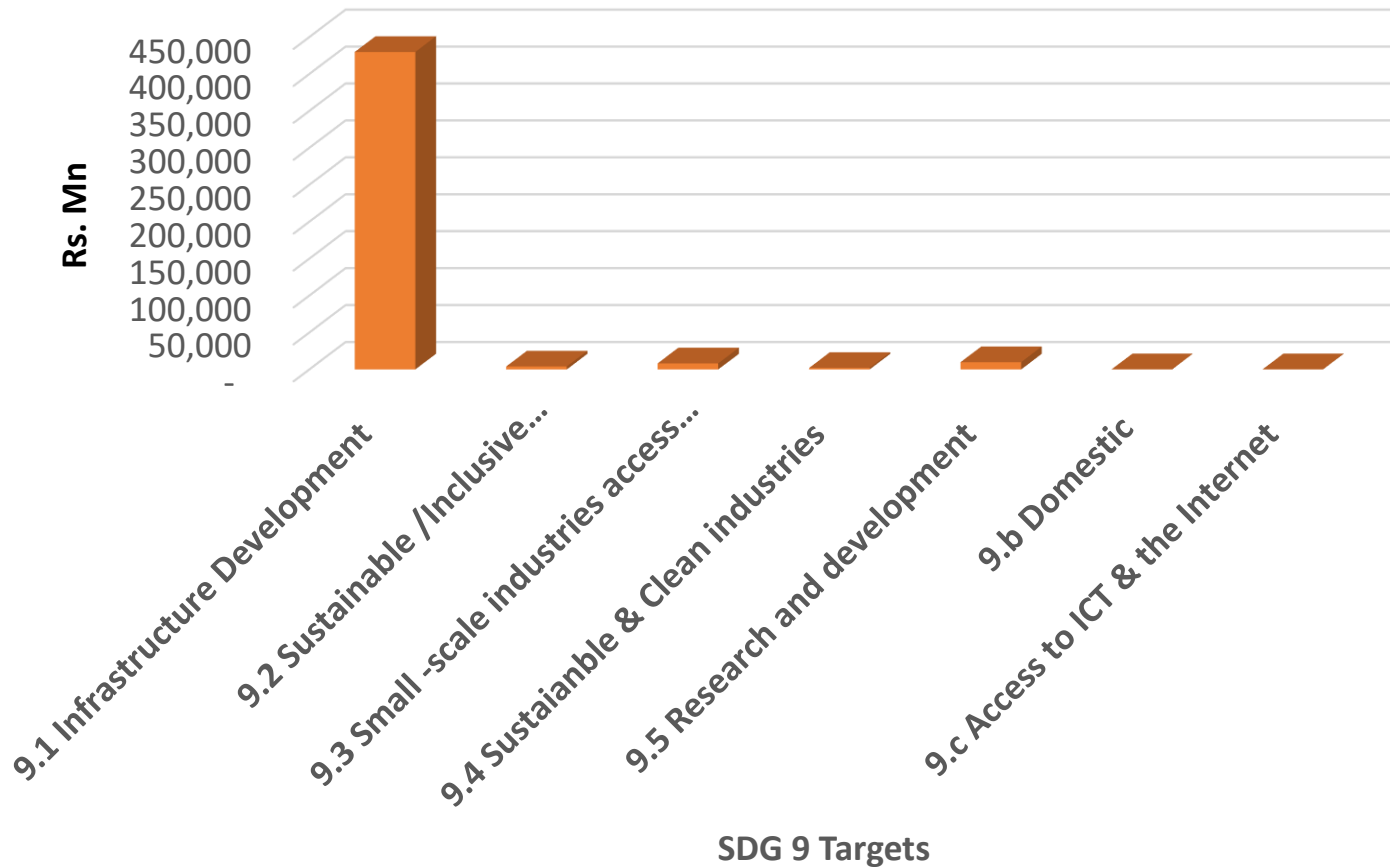


SDG Targets	2025 Budget Allocation (Rs. Mn)
8.1 Per Capita economic growth	750
8.2 Economic productivity & innovation	10
8.3 Formalization of SMEs	31,543
8.5 Full employment & decent work	819
8.6 Youth NEET	150
8.7 Child & forced labour	4
8.8 Labour rights & safe working environment	3,686
8.9 Sustainable tourism	2,000
8.10 Access to financial services	11,473
8.a Aid for Trade	331
8.b Strategy for youth employment	103
Total Amount	50,869



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

SDG 9 Relevant Budget Allocation (Rs.Mn)

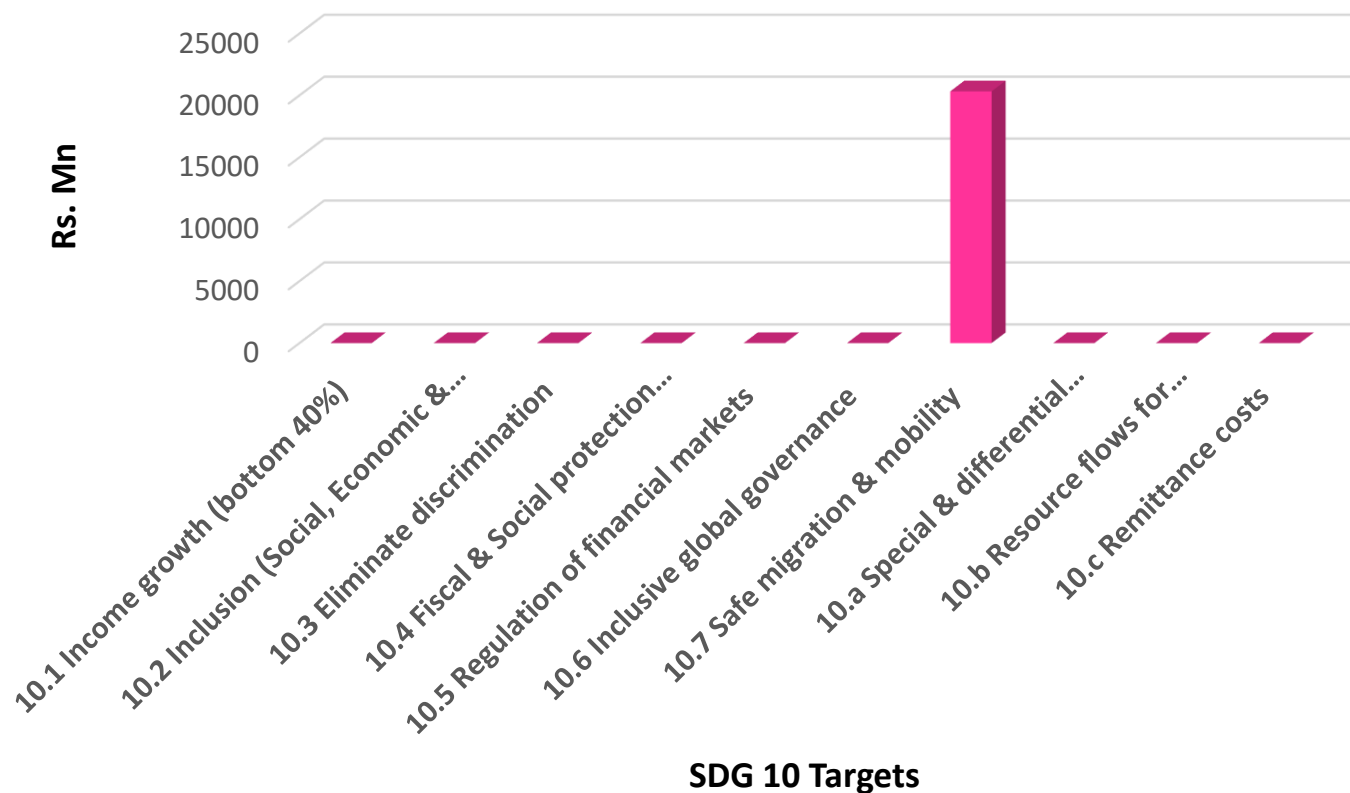


SDG Targets	2025 Budget Allocation (Rs. Mn)
9.1 Infrastructure Development	429,789
9.2 Sustainable /Inclusive Industrialization	4,023
9.3 Small -scale industries access to finance	8,199
9.4 Sustainable & Clean industries	2,036
9.5 Research and development	9,803
9.b Domestic	240
9.c Access to ICT & the Internet	190
Total Amount	454,280



Reduce inequality within and among countries

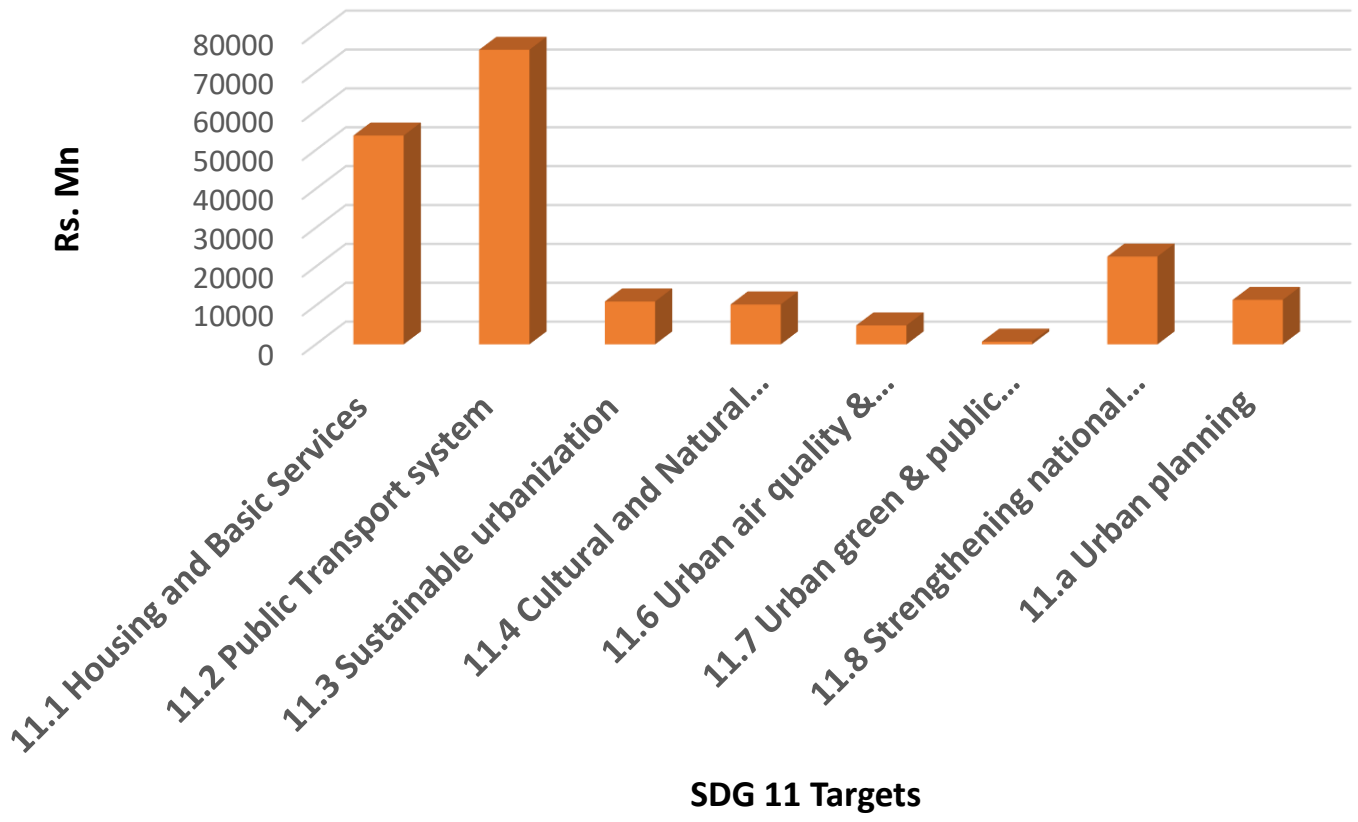
SDG 10 Relevant Budget Allocation (Rs. Mn)



SDG Targets	2025 Budget Allocation (Rs. Mn)
10.1 Income growth (bottom 40%)	0
10.2 Inclusion (Social, Economic & Political)	0
10.3 Eliminate discrimination	0
10.4 Fiscal & Social protection policies	0
10.5 Regulation of financial markets	0
10.6 Inclusive global governance	0
10.7 Safe migration & mobility	20,325
10.a Special & differential treatment (WTO)	0
10.b Resource flows for development	0
10.c Remittance costs	0
Total Amount	20,325

Make cities and human settlements inclusive, safe, resilient and sustainable

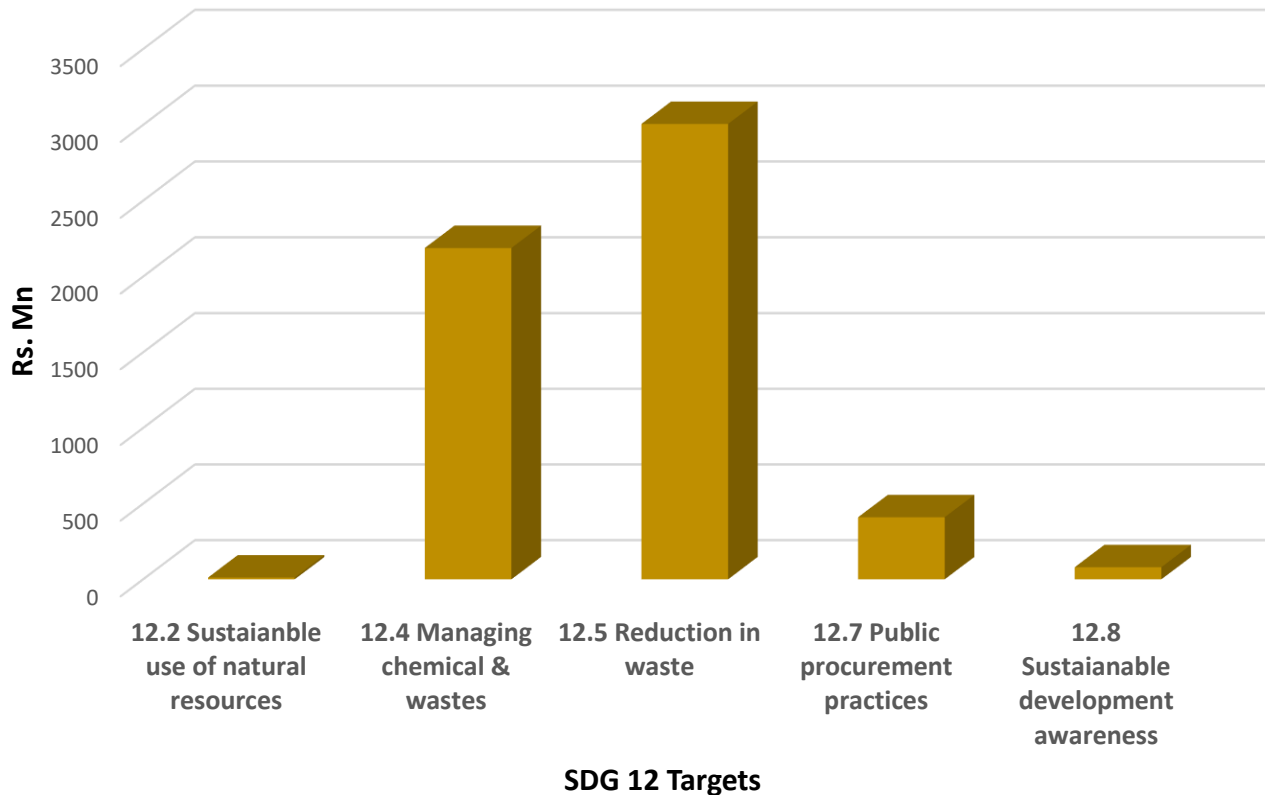
SDG 11 Relevant Budget Allocation (Rs. Mn)



SDG Targets	2025 Budget Allocation (Rs. Mn)
11.1 Housing and Basic Services	53,729
11.2 Public Transport system	75,777
11.3 Sustainable urbanization	11,036
11.4 Cultural and Natural heritage	10,270
11.6 Urban air quality & waste management	4,888
11.7 Urban green & public space	700
11.8 Strengthening national & regional development planning	22,590
11.a Urban planning	11,453
Total Amount	190,443

Ensure sustainable consumption and production patterns

SDG 12 Relevant Budget Allocation (Rs. Mn)

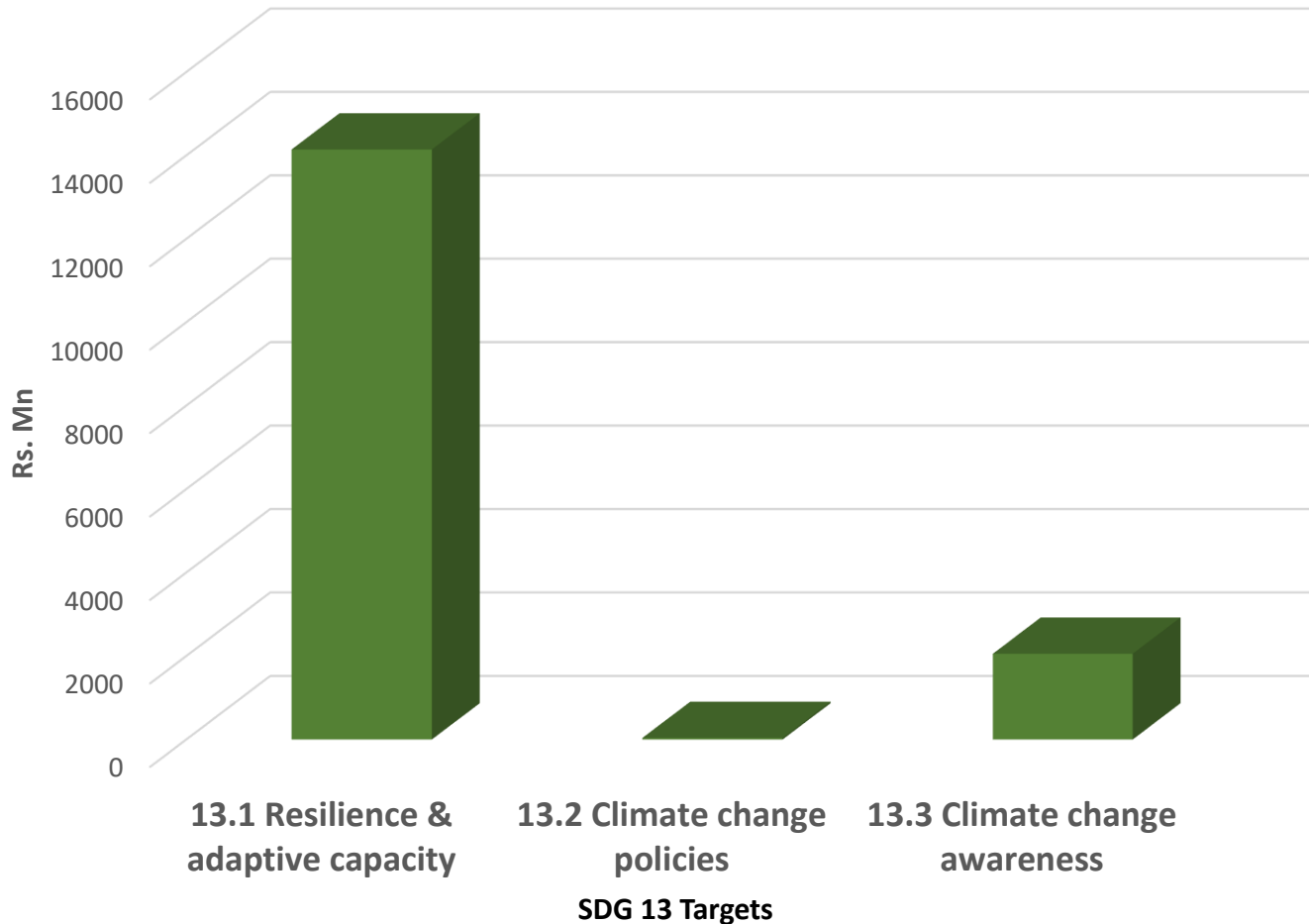


SDG Targets	2025 Budget Allocation (Rs. Mn)
12.2 Sustainable use of natural resources	12
12.4 Managing chemical & wastes	2,188
12.5 Reduction in waste	3,006
12.7 Public procurement practices	410
12.8 Sustainable development awareness	80
Total Amount	5,696



Take urgent action to combat climate change and its impacts

SDG 13 Relevant Budget Allocation (Rs. Mn)

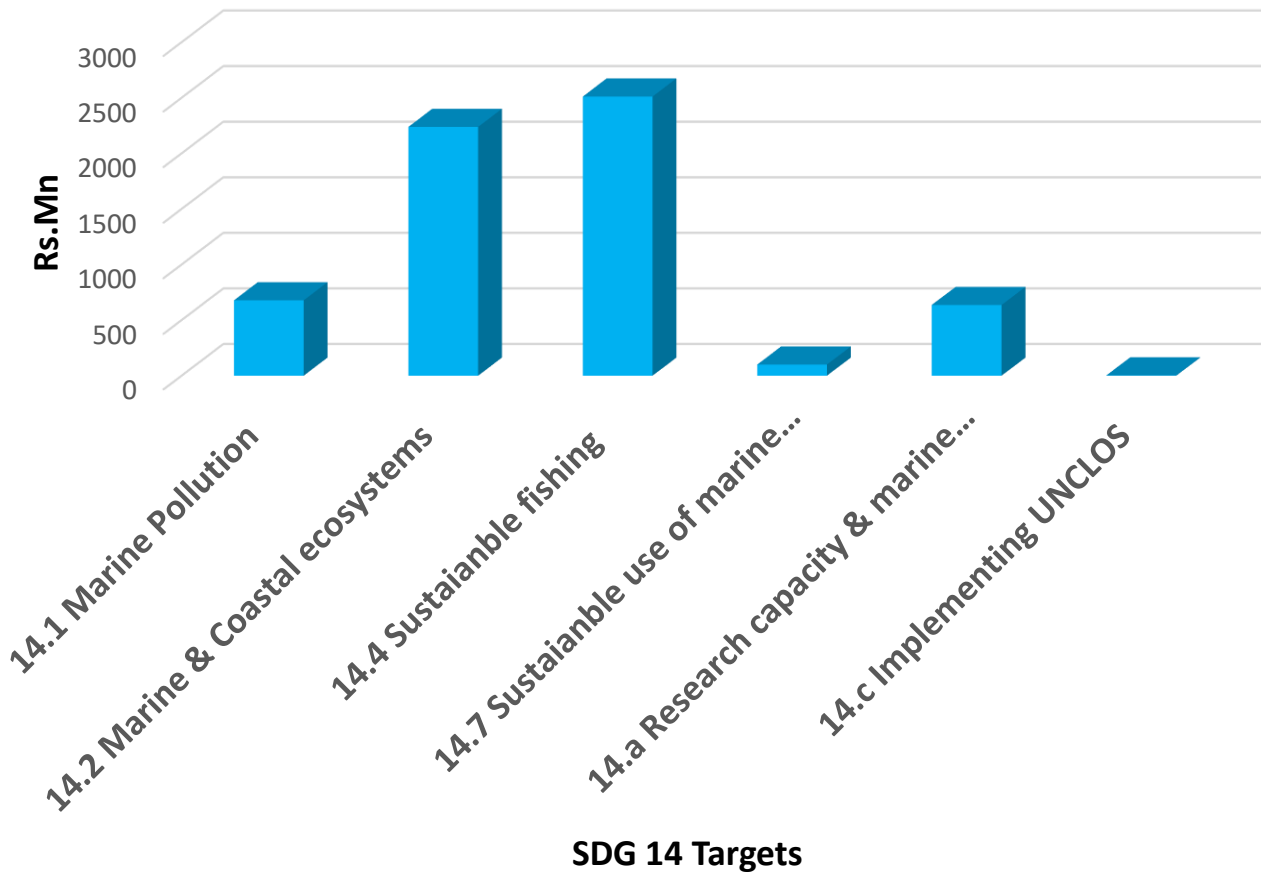


SDG Targets	2025 Budget Allocation (Rs. Mn)
13.1 Resilience & adaptive capacity	1,4142
13.2 Climate change policies	36
13.3 Climate change awareness	2,054
Total Amount	16,232



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

SDG 14 Relevant Budget Allocation (Rs.Mn)

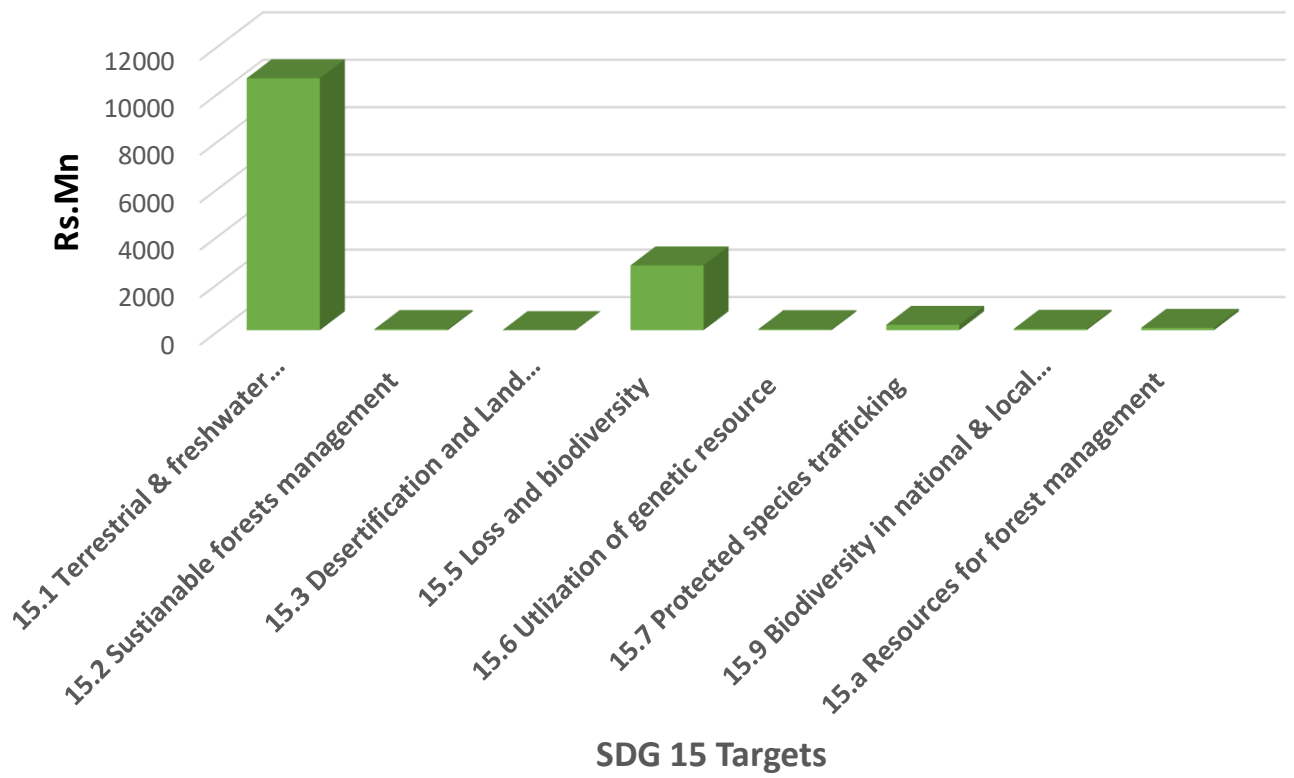


SDG Targets	2025 Budget Allocation (Rs. Mn)
14.1 Marine Pollution	678
14.2 Marine & Coastal ecosystems	2,238
14.4 Sustainable fishing	2,511
14.7 Sustainable use of marine resources	100
14.a Research capacity & marine technology	636
14.c Implementing UNCLOS	3
Total Amount	6,166



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

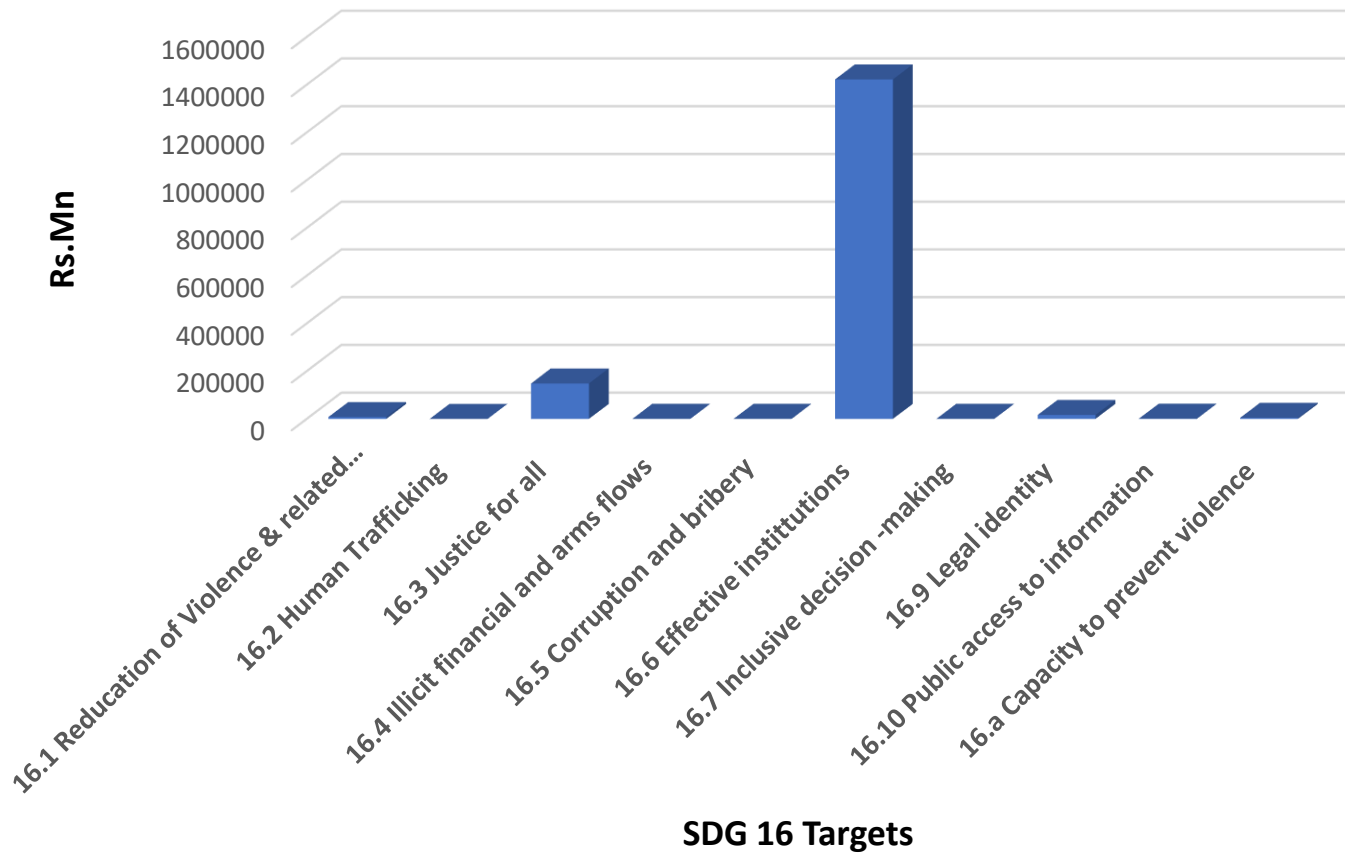
SDG 15 Relevant Budget Allocation (Rs.Mn)



SDG Targets	2025 Budget Allocation (Rs. Mn)
15.1 Terrestrial & freshwater ecosystems	10,617
15.2 Sustainable forests management	50
15.3 Desertification and Land degradation	4
15.5 Loss and biodiversity	2,731
15.6 Utilization of genetic resource	46
15.7 Protected species trafficking	230
15.9 Biodiversity in national & local planning	60
15.a Resources for forest management	100
Total Amount	13,838

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

SDG 16 Relevant Budget Allocation (Rs.Mn)

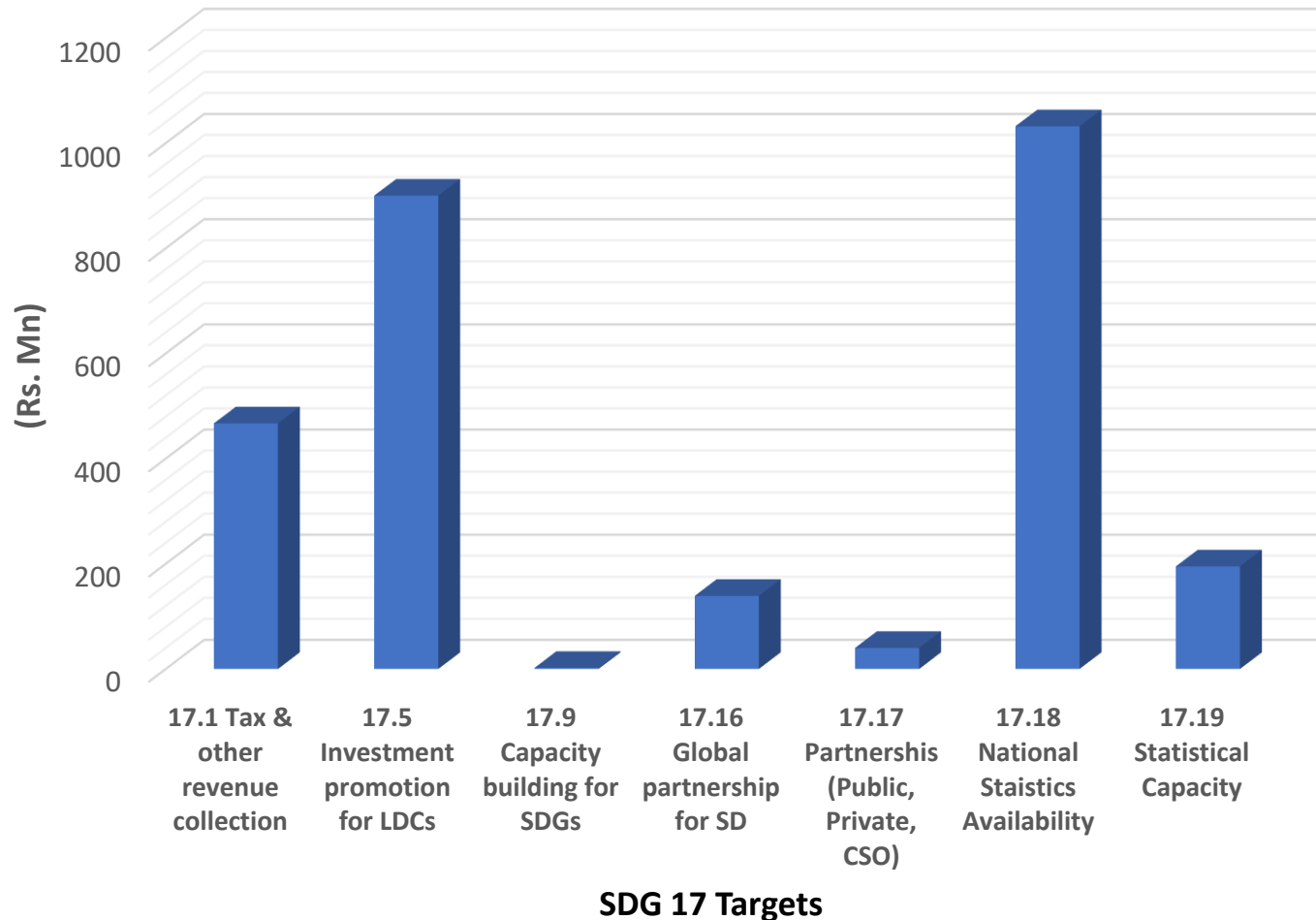


SDG Targets	2025 Budget Allocation (Rs. Mn)
16.1 Reducation of Violence & related deaths	7,552
16.2 Human Trafficking	78
16.3 Justice for all	148,379
16.4 Illicit financial and arms flows	105
16.5 Corruption and bribery	301
16.6 Effective institutions	1,422,210
16.7 Inclusive decision - making	146
16.9 Legal identity	16,322
16.10 Public access to information	749
16.a Capacity to prevent violence	4,408
Total Amount	1,600,250



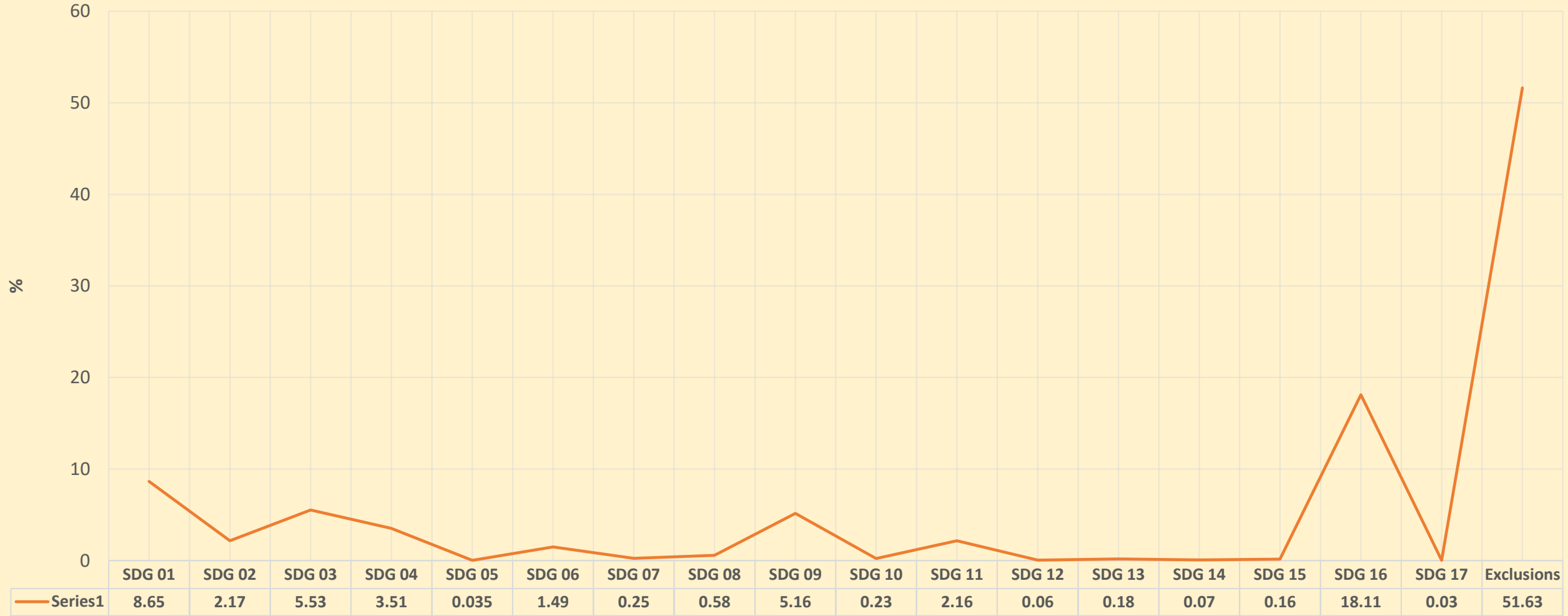
Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

SDG 17 Relevant Budget Allocation (Rs.Mn)



SDG Targets	2025 Budget Allocation (Rs. Mn)
17.1 Tax & other revenue collection	467
17.5 Investment promotion for LDCs	900
17.9 Capacity building for SDGs	2
17.16 Global partnership for SD	139
17.17 Partnerships (Public, Private, CSO)	40
17.18 National Statistics Availability	1,032
17.19 Statistical Capacity	195
Total Amount	2,775

SDG Relevant Exp Estimates as % of Total Allocation (FY 2025)





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