



Summary of Policy Proposals by Candidates for the 2024 Presidential Election

Sri Lanka's presidential election is scheduled for Saturday, 21 September 2024. In anticipation of the election, many of the candidates have published manifestos detailing their visions for Sri Lanka. In the interest of comparing these visions for the country, the Centre for Policy Alternatives (CPA) has prepared this document which categorises the policy proposals of the candidates in their manifestos. It was practically impossible to include the policy proposals made by all Presidential candidates in this document; as such, CPA had to limit itself to the manifestos of Mr. Ranil Wickremesinghe, Mr. Sajith Premadasa, Mr. Anura Kumara Disanayake and Mr. Namal Rajapaksa.

CPA divided the candidates' policy proposals into the categories of economic governance, constitutional reforms, rights and related issues, infrastructure and accountability, truth, and reconciliation. The table on Economic Governance contains policy proposals made by candidates on the issues of Taxation, Procurement, Globalization, IMF and FDI and other economic issues.

The content of each column for candidates are direct quotations from their individual manifestos on specific issues. Though CPA recognises the intersectionality of issues of many of the policy proposals made by candidates, the quotations inserted have been categorised based on the strength of relevance to the issue and ease of reference for the reader. CPA hopes that this document will be a useful tool for all citizens interested in learning more about the candidates and for anyone who is interested in engaging in a deeper analysis of the key policy proposals put forward by the candidates.

Economic Governance

Issue	Mr. Ranil Wickremesinghe	Mr. Sajith Premadasa	Mr. Anura Kumara Dissanayake	Mr. Namal Rajapaksa
Taxation	<p>“Take steps to pay tax-free services incentives to professionals in the future.”</p> <p>“Take measures to systematically abolish indirect taxes.”</p> <p>“These two tasks will be executed within the next two years and tax relief will be provided to taxpayers, very soon.”</p>	<p>“Personal income tax: Personal income tax after the Tax-free slab of Rs 100,000 per month will start at just 1% and increase up to 24% income up to around half a million per month. Thereafter, current rates will apply for high income earners.”</p> <p>“Corporate income tax: We intend reducing up to 6% from the present 30% rate for profits on exports and introduce 15% Base Erosion and Profit Shifting (BEPS) minimum alternate tax for multinational companies.”</p> <p>“VAT: We intend to reduce VAT to 15% once tax compliance improves through the use of Public Digital Infrastructure to widening the tax net. Certain identified items in addition to essential food as</p>	<p>“Establish a new dedicated unit for designing and implementing tax policies with a special section on international transactions.”</p> <p>“Make required legal reforms to enhance efficiency in tax administration.”</p> <p>“Provide training and capacity development for the officials of the Inland Revenue Department.”</p> <p>“Implement measures to expedite the collection of taxes in arrears.”</p> <p>“Integrate the operations of the Excise Department, Sri Lanka Customs, Department of Motor Traffic, and Land Registry Office with the Inland Revenue Department to ensure tax efficiency and fairness.”</p>	<p>“Value Added Tax (VAT) and Pay as You Earn (PAYE) Tax will be systematically revised.”</p> <p>“Tax collection will be replaced with an effective ICT system thereby allowing citizens to pay their taxes easily.”</p> <p>“The additional income that comes to the peoples’ hand due to tax revision will be spent on buying more goods and services which will in turn boost the country’s production and increase the market revenue.”</p> <p>“Taxes on products required for the construction sector will be revised.”</p> <p>“While meeting state revenue targets we will gradually revise</p>

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		<p>consumables and inputs shall be made zero rated for VAT.”</p> <p>“Excise tax on cigarettes and alcohol and taxes on casinos will be adjusted to fund tax reductions.”</p> <p>“A guaranteed up to 15% savings interest rate will be provided for senior citizen savings.”</p>	<p>“Introduce a unique digital identification code (UDI) to every citizen to liaise with the government to access public services.”</p> <p>“Increase the annual tax threshold for individual income tax from Rs. 1.2 million to Rs. 2.4 million and revise the tax rates and tax brackets on a fair basis.”</p> <p>“Broaden the tax base in line with tax principles.”</p> <p>“Increase the tax depreciation allowance for deductible expenses on the purchase of machinery and equipment up to 120% of capital expenditure for companies to stimulate production.”</p> <p>“Introduce Point of Sales (POS) systems and digital invoicing to streamline VAT collection.”</p> <p>“Introduce a 0% VAT rate for [food and other items per list</p>	<p>the indirect taxes on wages to provide relief to the people.”</p> <p>“While increasing the number of individuals and businesses paying income tax, the existing number of different types of taxes will be reduced and a much simpler tax system will be introduced.”</p> <p>“Provide tax concessions and investment facilities for job-creating businesses and relevant training institutions.”</p> <p>“Transparent tax system will be introduced for goods imported from abroad.”</p>

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			<p>provided in pg.56 of the Manifesto].</p> <p>“Categorize goods applicable for VAT and introduce a different tax rate for each category.”</p> <p>“Expedite providing Export Development Tax rebate on Input VAT for exporters.”</p> <p>“Switch to risk-based audits from the present discretionary tax audits.”</p> <p>“Introduce an online system for tax assessment, filing, paying, and refunding of excess tax incorporated with a mobile application.”</p> <p>“Establish a single window service by integrating other state institutions with Sri Lanka Customs to streamline import/export operations”</p> <p>“Simplify the complex tariff structure to increase customs revenue on a fair basis.”</p>	

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			<p>“Amend the Foreign Exchange Act to reconcile remittance inflows and improve operational efficiency.”</p> <p>“Decentralize Sri Lanka Customs operations to provide more efficient and cost effective services.”</p> <p>“Facilitate temporary import facilities for raw materials and machinery under the TIEP scheme to assist Micro Small and Medium Enterprises (MSMEs) in export preparation.”</p> <p>“Implement measures to prevent leakages and tax evasion on international transactions and transfer pricing and Automatic Exchange of Information (AEOI) among countries.”</p> <p>“Develop a mechanism to impose a global minimum tax on multinational companies based on international treaties and guidelines.”</p>	

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Procurement	“Public procurement will be made transparent”	“We will enact a Public Procurement Law to guarantee procurement is conducted in a transparent, corruption-free and efficient manner. All government procurement shall be transferred to a digital platform.”	<p>“Directing the currently oil-based electricity, generation towards low-cost renewable solar and wind sources while implementing competitive procurement and price-calling to make Sri Lanka a country in the region with the lowest electricity bill.”</p> <p>“Developing digital tools to improve the efficiency of internal activities of the governmental service, including procurement, financing, auditing, planning and administration.”</p> <p>“Certifying that state institutes follow similar procurement rules.”</p> <p>“Training the state and private sector technical staff on estimation and procurement processes.”</p> <p>“Certifying the transparency of the procurement process to</p>	“An ICT based procurement system of International Standards, an open and competitive bidding system, a modern investment mechanism will be set up with full transparency to end fraud and corruption. Necessary amendments and new amendments will be passed.”

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			increase the participation of local bidders.”	
Globalization, IMF, and FDI	<p>“We will adhere to the following plan;</p> <ul style="list-style-type: none"> • No permission will be given to withhold arrears of government payments for more than three months. • Printing of money by the Central Bank to settle the budget deficit will be strictly prohibited. • The price for electricity and fuel should be decided based on the cost borne. If the Electricity Board and the Ceylon Petroleum Corporation incur losses, the Treasury should immediately 	<p>“In the case of agreeing to a solution that allows for ‘claw back’ clauses for foreign creditors to benefit from more than expected GDP growth, we will insist that ‘comparability of treatment’ be extended to the EPF that bore the brunt of the domestic debt restructure.”</p> <p>“We will revise the unfair burden sharing structure of the IMF supported tax code revision that is forcing professionals to seek employment abroad.”</p> <p>“We plan to integrate with global electronic and electrical goods production as well as in EV components using transformation of critical material including graphite”</p>	<p>“Renegotiate with the IMF on the content of a more palatable and strengthened programme and how it is implemented for salvaging the poor and deprived people from that painful condition.”</p> <p>“Prepare and present new proposals on efficient tax administration and government expenditure management to renegotiate the revenue-based fiscal consolidation proposals of the IMF.”</p> <p>“Interacting with foreign partners to bring in Foreign Direct Investments (FDI), financial assistance, and technology transfer for schemes and programmes. Attempting to diversify sources of FDI.”</p> <p>“Amend the Foreign Exchange Act to reconcile remittance</p>	<p>“A Special Market Integration Unit will be set up to export the extra yield with value addition.”</p> <p>“A special investment facilitation scheme will be implemented to secure quick investments exceeding US\$ 250,000. A Special Golden Visa scheme will be offered to such investors.”</p> <p>“Barriers to increasing foreign investment will be removed and domestic enterprise products will be linked with international market supply chains.”</p> <p>“A Special Tourism Promotion Project will be launched with the priority of increasing foreign revenue earned through tourism,</p>

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	<p>and directly provide funds for the same.</p> <ul style="list-style-type: none"> The amount spent on social security should not be reduced beyond the amount prescribed.” <p>“These targets and limits are fixed and we will not compromise or negotiate them under any circumstance.”</p> <p>“Our official creditors and China have granted us the concessions, subject to the above targets and limits.”</p> <p>“If we cannot achieve those targets and limits, we will lose not only the assistance of the IMF, but also all the debt concessions.”</p> <p>“In which case that happens, we will fall back to the bottomless abyss and will be beyond redemption.”</p>	<p>“Establishing a SOE Holding Company is a key part of state-owned enterprise reform.”</p>	<p>inflows and improve operational efficiency.”</p> <p>“Developing Sri Lanka as a critical service provider to international trade. Bilateral and multilateral trade agreements with main trade partners to promote the Sri Lankan economy. Remaining trade agreements will be analysed and upgraded according to achieve the stipulated target with the consent of the other signing partners.”</p>	<p>which is essential for economic stabilisation.”</p> <p>“Develop SL as a peaceful International Education Centre for foreign students. Accordingly Sri Lanka will be set to recruit more than 10,000 foreign students per year over the next decade.”</p> <p>“Maintain the rupee at a stable value against the dollar through the growth of GDP, remittances, and tourism earnings along with effective management of the trade balance and foreign debt.”</p> <p>“Gradually reduce public debt to 80% of GDP by building an economy capable of repaying all types of loans as quickly as possible.”</p> <p>“Maintain interest rates at a single digit value through budget deficit management and the growth of GDP.”</p>

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				<p>“A Social Impact Investment Fund of LKR 1 billion will be introduced to support social entrepreneurs who solve social and environmental issues through entrepreneurial solutions.”</p> <p>“New Manufacturing Zones will be built targeting areas with major entrances and exits for expressways to spread economic growth throughout the island.”</p> <p>“A necessary technology, investment and market facilities for the establishment and expansion of large-scale global manufacturing industries will be done by redesigning the local regulatory and legal frameworks to meet international requirements.”</p>
Economic Growth and	“National Development Bank will be established in the year	“We will follow a Social Market Economy model guided by Social Democratic Political	“Eliminate price gouging, prevent the creation of shortages of goods, and the formation of	“In the public sector as well as in the private sector, market monopolies will be minimised,

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Market Structure	<p>2025, in order to fund large-scale projects and industries.”</p> <p>“The cities Colombo, Galle, Kandy and Trincomalee will be developed as the main tourist hubs.”</p> <p>“New Economic Zones will be established in Kankasanturai, Paranthan and Mankulam consisting of 1000 acres in 2025.”</p>	<p>Principles to foster equitable and inclusive growth”</p> <p>“To achieve sustainable growth, we need a two-part approach: First, we must reform the economy to make it more competitive and globally connected.... Second, we need to ensure economic justice and equity through a strong social safety net with targeted subsidies to protect the vulnerable.”</p> <p>“Monopolistic and oligopolistic behavior will be corrected through the immediate introduction of a competition law.”</p>	<p>monopolies, oligopolies and cartels in the market.”</p> <p>“Establish a new ‘relief bank’ to restore the economic activities of MSMEs and provide relief for outstanding loans.”</p>	<p>and efforts will be made to create a market in which labour, goods and capital are exchanged fairly and competitively.”</p> <p>“The agriculture sector contribution to the GDP will be increased to 10%, while we expect the manufacturing sector contribution to move to 25%. The largest contribution to the GDP of 65% is planned from the services sector in the next decade.”</p> <p>“Maintain financial discipline to cover the annual deficit between the government income and expenditure and reduce wastage while transparently managing the budget approved at the beginning of the year.”</p> <p>“A permanent Rupee Savings Reserve will be built to face events of national emergencies.”</p>

