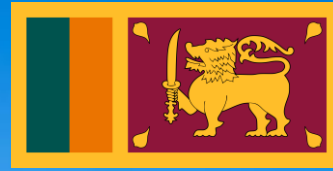


SRI LANKA



Policy, Regulation, Strategy & Investment Mechanism to Promote Renewable Energy Projects

SAARC Training Workshop:
Financial Modeling for Renewable Energy Projects

5–7 October 2026 | Colombo, Sri Lanka





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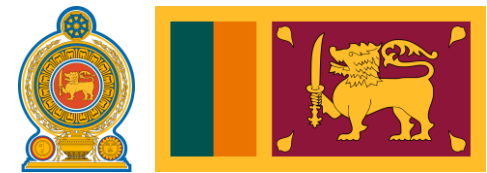
Action Plans



06

**Investment
Mechanisms**

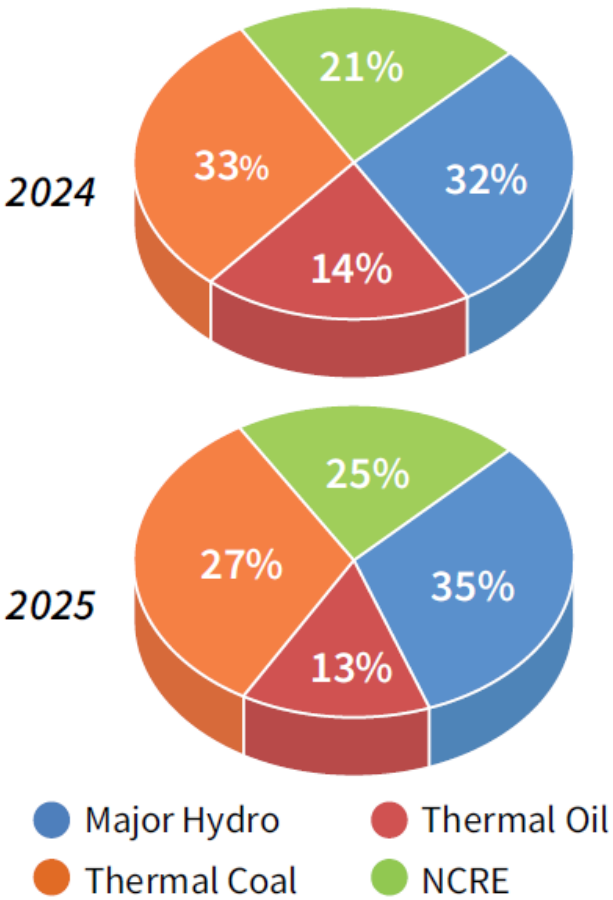




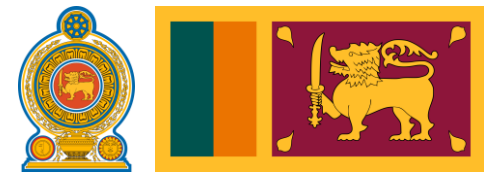
SUMMARY OF STATISTICS

Description	Units	2024	2025
Installed Capacity	MW	4,651	4,814
Net Generation (with IPP)	GWh	16,802	17,812
Renewable Generation	GWh	8,982	10,726
	%	53.5	60.2
Maximum Demand	MW	2,673	2,896
Transmission and Distribution Losses	%	9.5	9.1
Total Consumer Accounts (CEB)	No.	7,100,733	7,184,272
Total Consumer Accounts (LECO)	No.	630,922	638,201
Per Capita Electricity Consumption	kWh/Person	693	739
Average Cost per Unit at the Selling Point	LKR/kWh	31.17	30.26

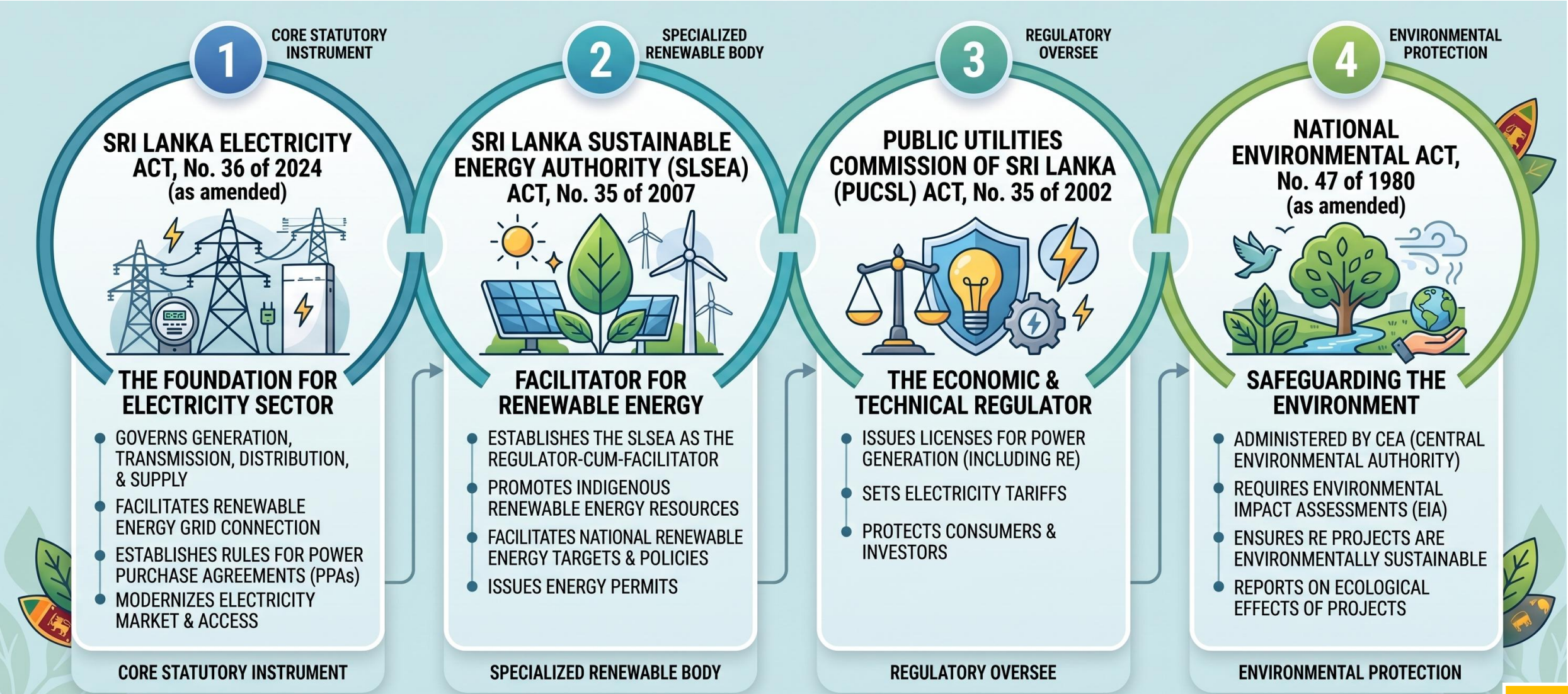
Generation by Source

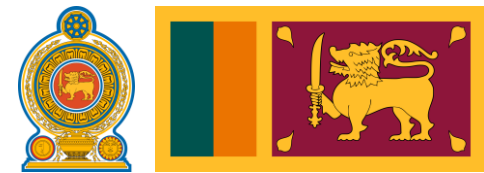


Source:
1. Statistical Digest 2025 | Ceylon Electricity Board
2. ECONOMIC STATISTICS OF SRI LANKA 2026 | Department of Census and Statistics | Ministry of Finance, Planning and Economic Development

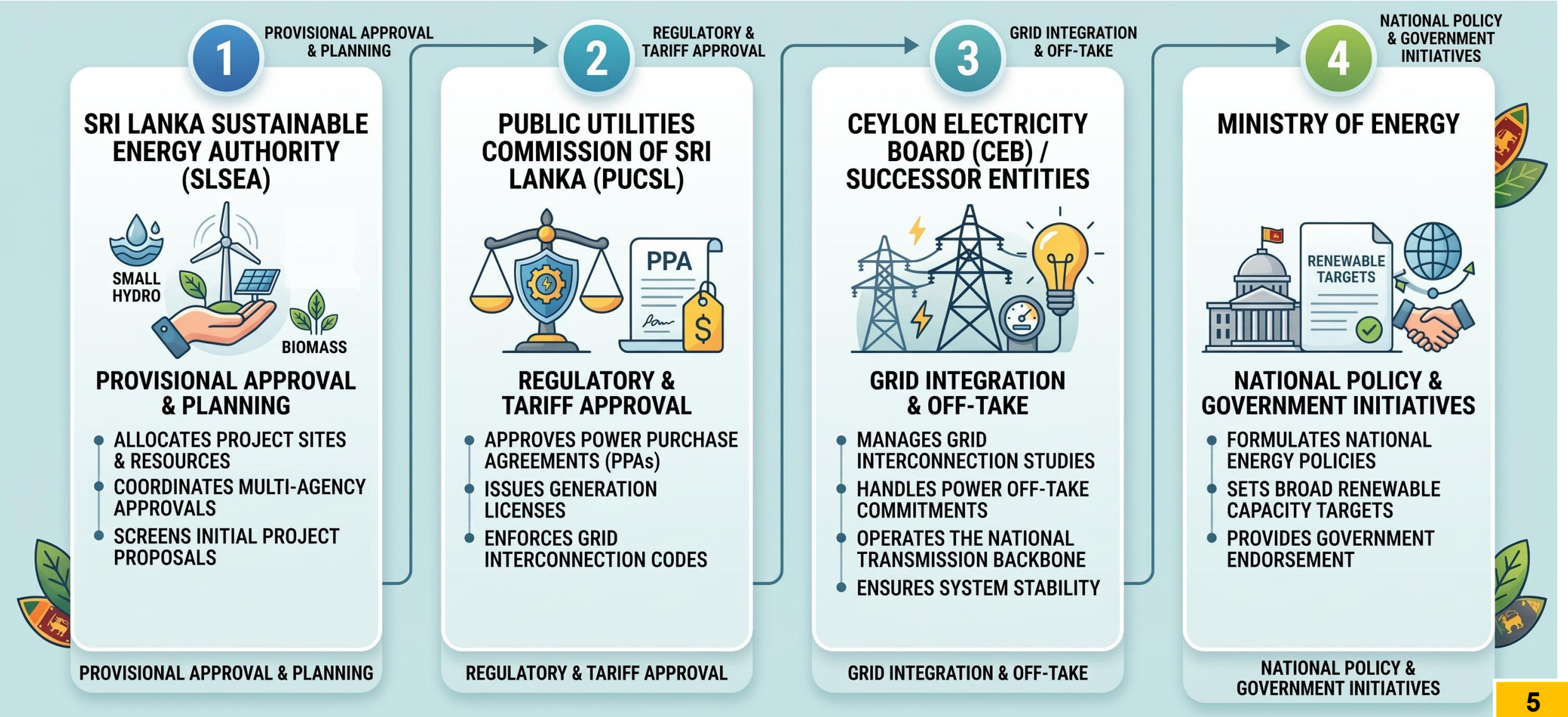


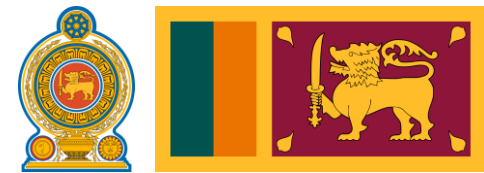
PRIMARY LEGISLATION





INSTITUTIONAL FRAMEWORK



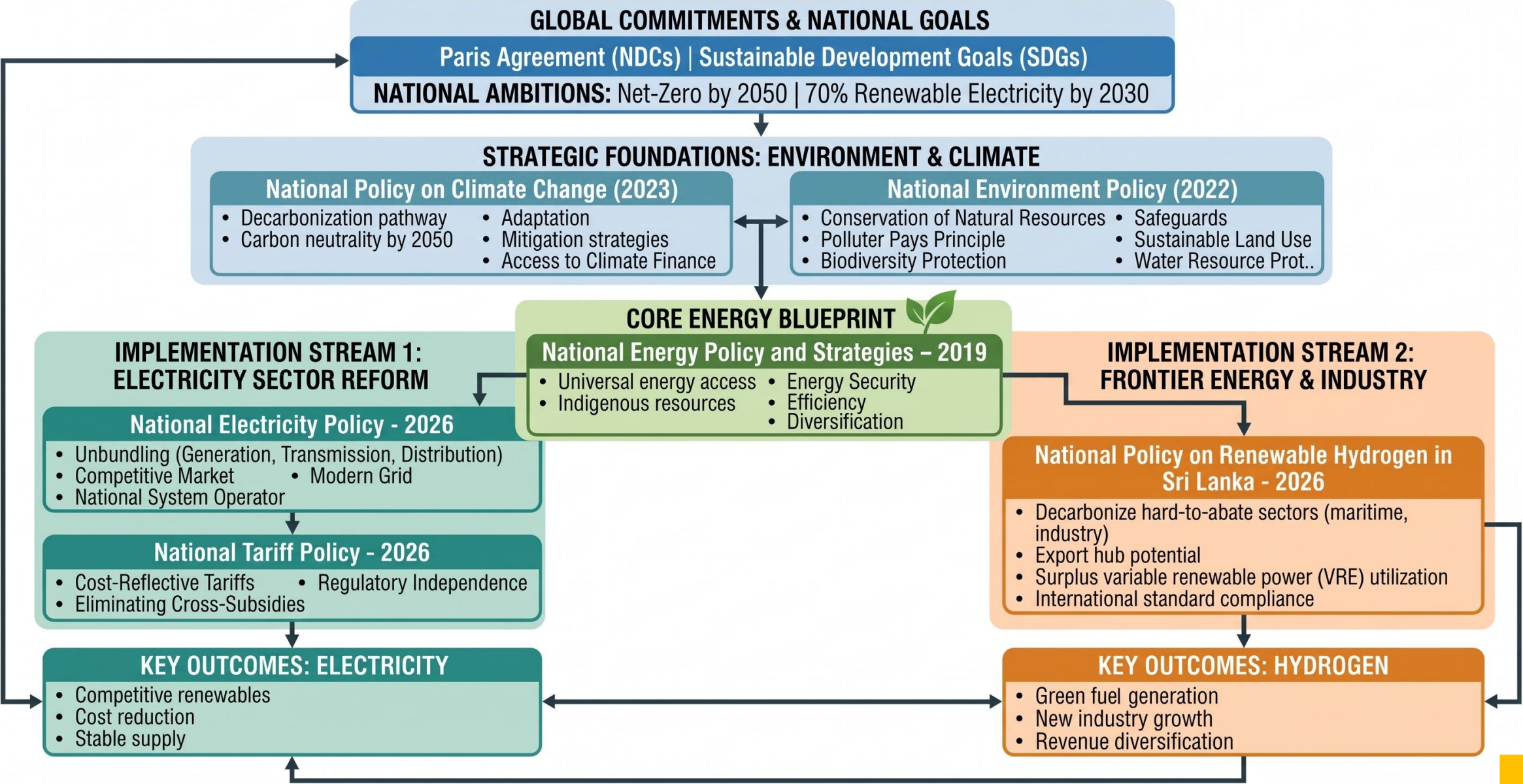


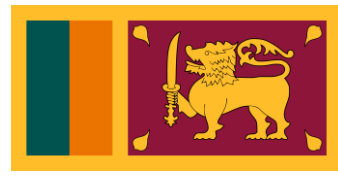
POLICIES - PRIMARY OBJECTIVES & STRATEGIC ROLE

No.	Policy	Lead Authority	Primary Objective & Strategic Role
1.	National Energy Policy and Strategies – 2019	Ministry of Energy	Umbrella blueprint for the broader energy economy (electricity, transport, and thermal).
2.	National Electricity Policy - 2026	Ministry of Energy	Operationalizes the structural reform of the power sector under the amended Sri Lanka Electricity Act.
3.	National Tariff Policy - 2026	Ministry of Energy	Establishes formula-driven, cost-reflective principles to ensure utility solvency while shielding vulnerable consumers.
4.	National Policy on Renewable Hydrogen in Sri Lanka - 2026	Ministry of Energy	Frontier strategy to position Sri Lanka as a green hydrogen and ammonia hub.
5.	National Battery Energy Storage System (BESS) Policy (Under development)	Ministry of Energy	Ensure the safe, reliable, and efficient integration of BESS into the national electricity grid to enhance renewable energy integration, grid stability, and energy security.
6.	National Environment Policy - 2022	Ministry of Environment	Overarching environmental safeguard mandate rooted in sustainable development and ecological balance.
7.	National Policy on Climate Change - 2023	Ministry of Environment	Comprehensive update aligning domestic action with Sri Lanka's updated Nationally Determined Contributions (NDCs) under the Paris Agreement.



POLICIES - NATIONAL DIRECTION





GENERAL POLICY GUIDELINE IN RESPECT OF THE ELECTRICITY INDUSTRY

Principal Policy Targets

1. Achieve **70%** electricity generation from renewable Energy Sources by **2030**.
2. Not to establish any new coal power plants in the future.
3. Achieve **carbon neutrality** in power generation by **2050**.

70% RENEWABLE ENERGY BY 2030



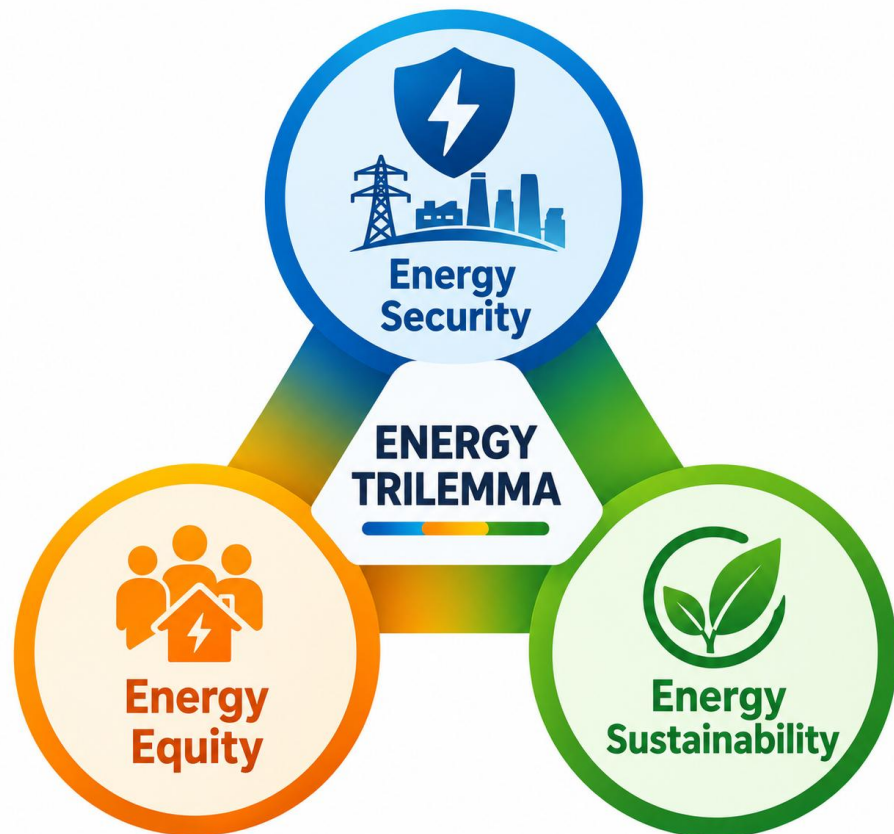
NET ZERO CARBON



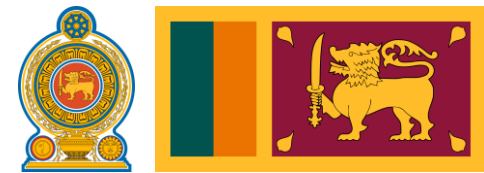


NATIONAL ENERGY POLICY IMPLEMENTING STRATEGIES

The national energy policy is founded on ten pillars under the energy trilemma.

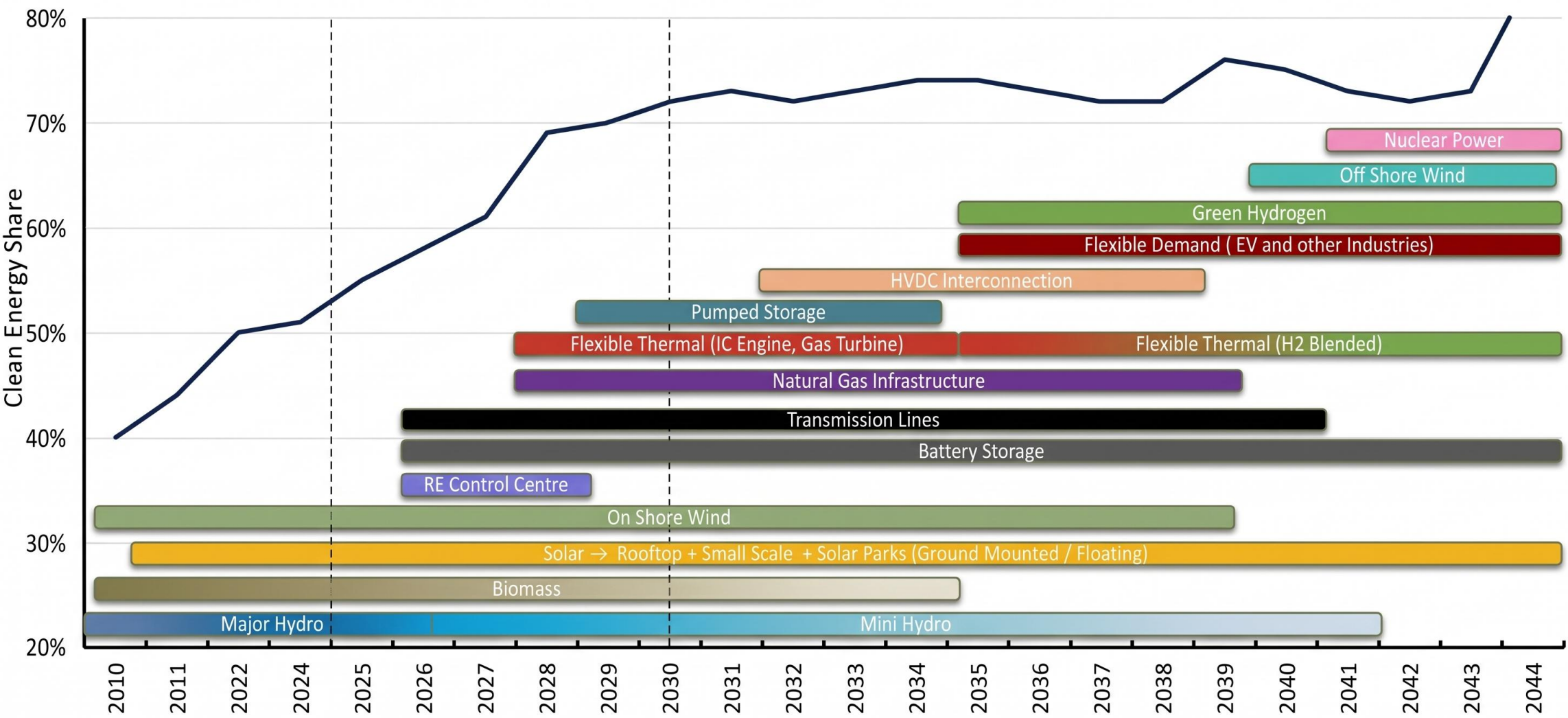


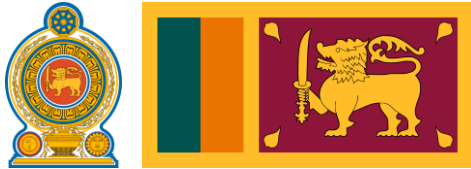
1. Assuring Energy Security
2. Providing Access to Energy Services
3. Providing Energy Services at the Optimum Cost to the National Economy
4. Improving Energy Efficiency and Conservation
5. Enhancing Self-Reliance
6. Caring for the Environment
7. Enhancing the Share of Renewable Energy
8. Strengthening Good Governance in the Energy Sector
9. Securing Land for Future Energy Infrastructure
10. Providing Opportunities for Innovation and Entrepreneurship



LONG-TERM GENERATION EXPANSION ROADMAP 2025 - 2044

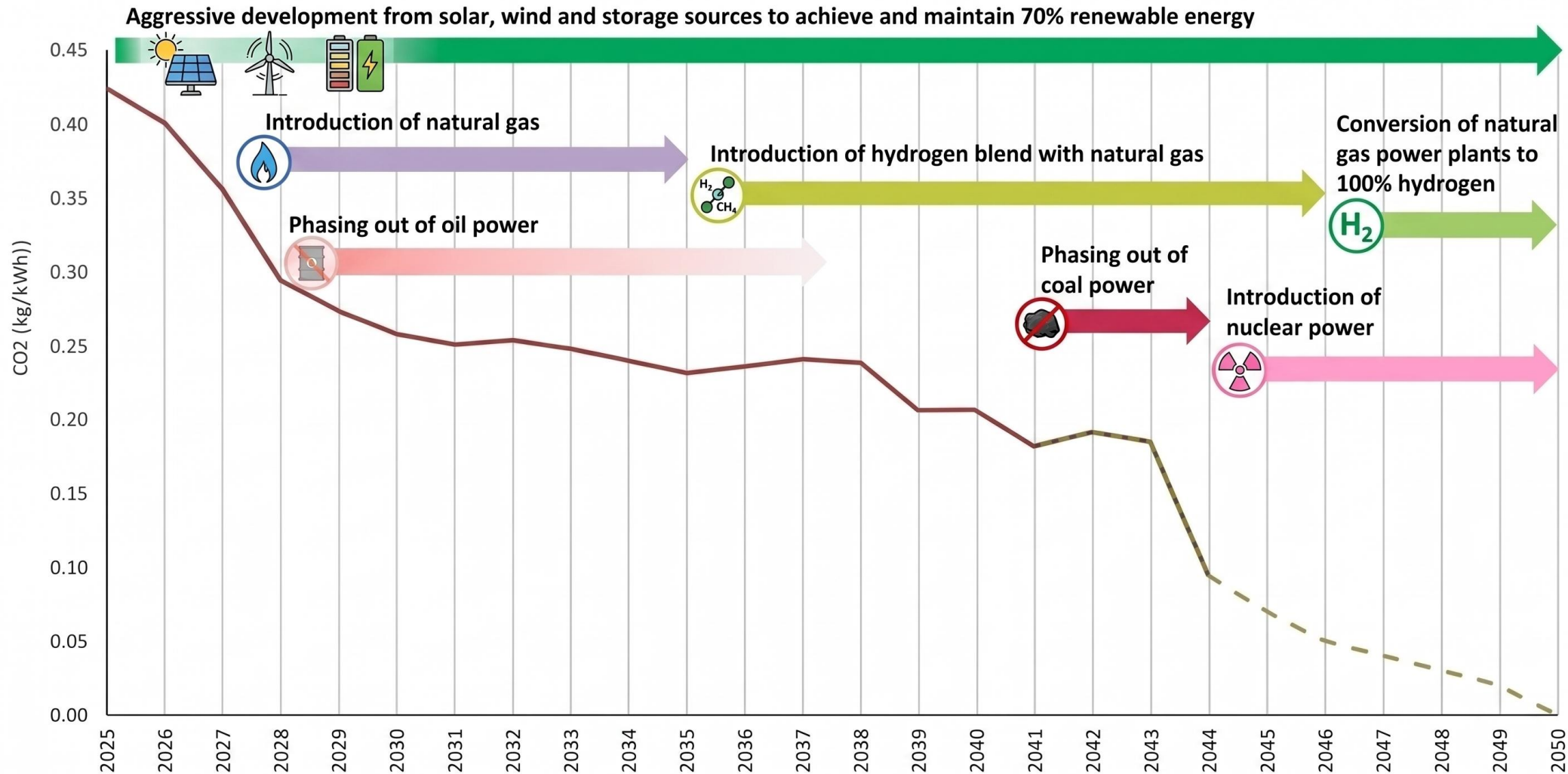
Source:
1. LTGEP 2025 – 2044 | Ceylon Electricity Board

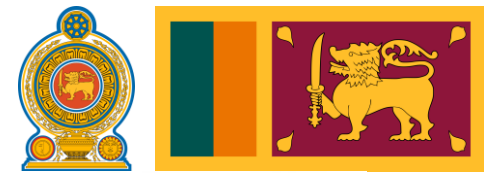




PATHWAY TO CARBON NEUTRALITY BY 2050 IN THE ELECTRICITY SECTOR

Source:
1. LTGEP 2025 – 2044 | Ceylon Electricity Board

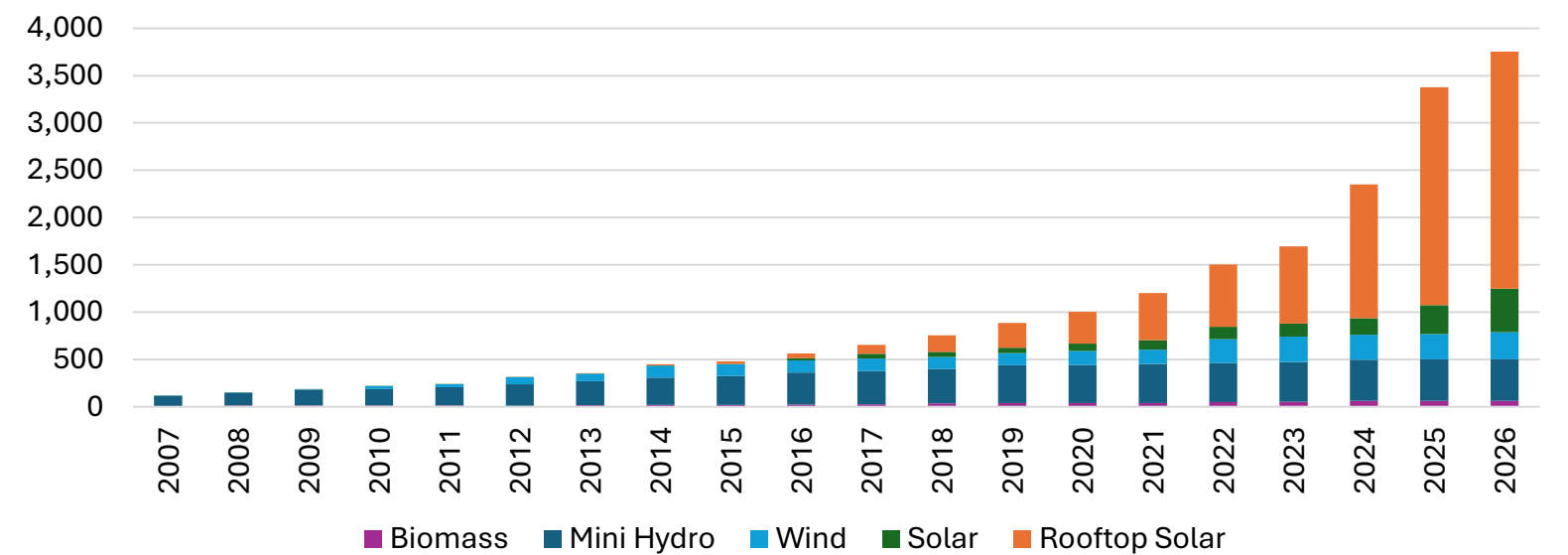




RENEWABLE ENERGY CAPACITY ADDITION

2007 - 2026

Renewable Energy Capacity Addition (MW)



Resource	2007	2010	2015	2020	2021	2022	2023	2024	2025	2026
Mini Hydro	112.9	175.4	306.7	402.9	414.2	414.2	419.5	432.0	437.3	437.3
Solar (Ground/Floating)	-	-	1.4	75.4	100.4	130.0	139.4	173.0	307.0	461.3
Rooftop solar	-	-	26.0	337.9	499.0	657.0	816.0	1,415.5	2,302.5	2,502.3
Biomass	2.0	12.0	20.1	40.1	40.1	50.0	54.1	62.8	64.3	64.3
Wind	3.0	30.2	123.9	148.5	148.5	252.0	267.0	267.0	267.0	287.0
Total (MW)	118.0	217.5	478.0	1,004.6	1,202.1	1,503.1	1,695.9	2,350.3	3,378.1	3,752.2

1. SIGNIFICANT GROWTH IN RENEWABLE CAPACITY

Diversifying Sri Lanka's electricity generation mix.

2. EXPANSION OF RENEWABLE SOURCES

Growth in Wind, Solar, Mini-hydro, and Biomass power.

3. INCREASED PRIVATE SECTOR INVESTMENT

Greater participation and funding for renewable development.

4. REDUCED DEPENDENCE & ENHANCED SECURITY

Lower reliance on imported fossil fuels, improving energy security.

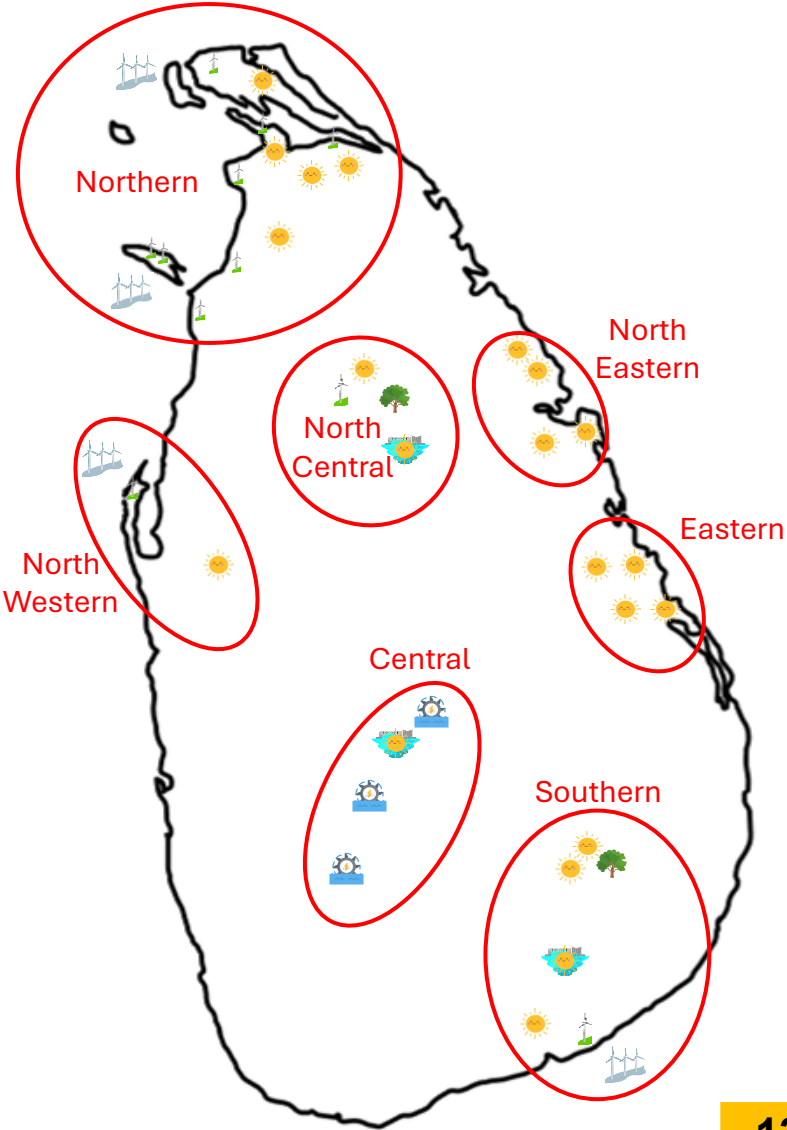
5. FOUNDATION FOR NATIONAL TARGETS

A strong base to achieve 70% renewable electricity by 2030 and full carbon neutrality by 2050.



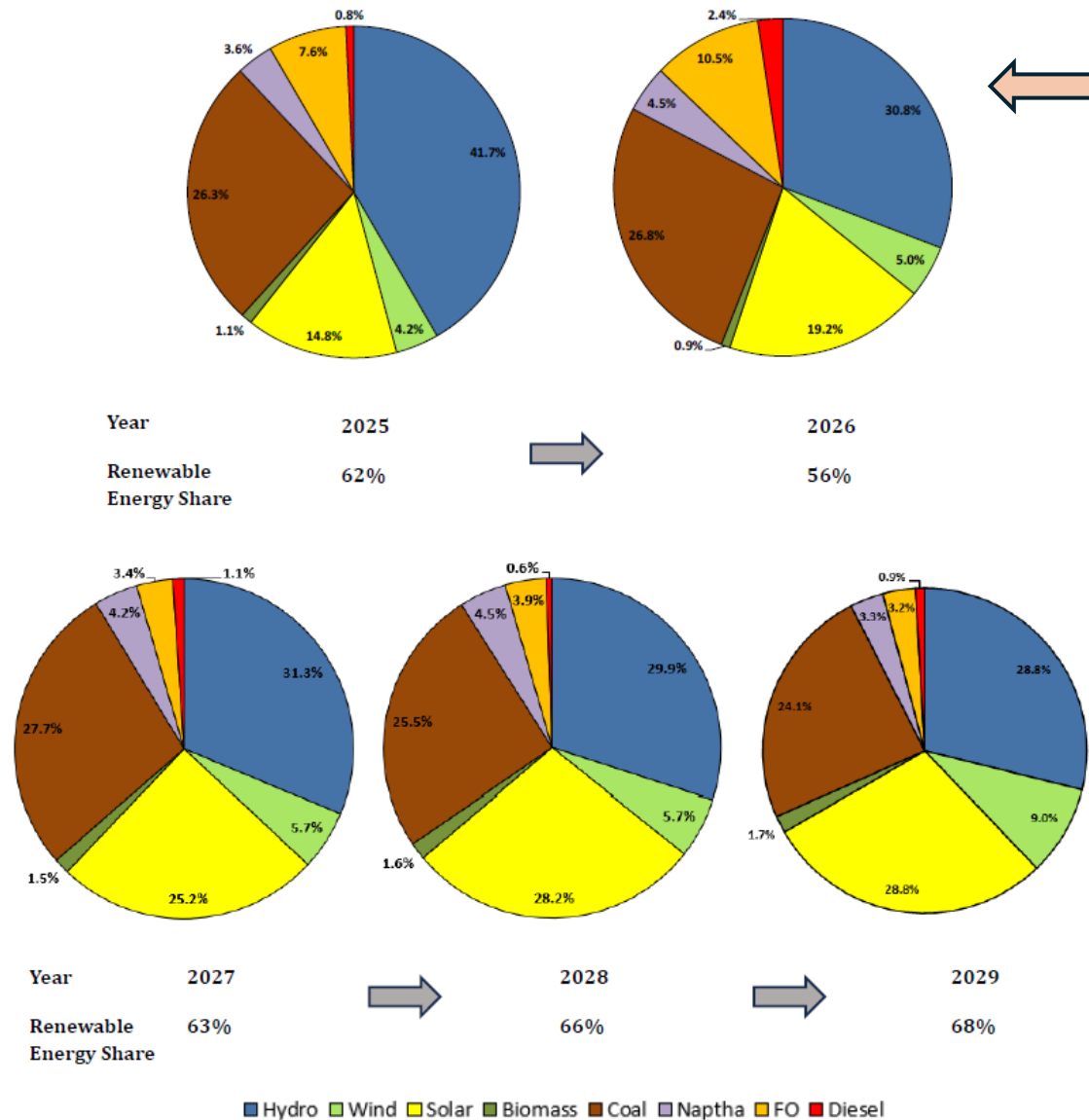
RENEWABLE ENERGY RESOURCE POTENTIAL

Renewable Energy Zone	Solar (MW)		Wind (MW)			Mini Hydro (MW)	Biomass (MW)	Total Renewable Energy Potential (MW)
	Ground Mounted	Floating	On Shore	Off Shore (Bottom Fixed)	Off Shore (Floating)			
Theoretical Potential								
Total	9,500	3000	2,000	27,000	29,000	400	500	71,400
Probable Potential								
Northern	1,700	10	1,400	2,500	TBD		15	5,625
North Eastern	1,800	40	10	-	TBD		25	1,875
North Western	50	-	200	500	TBD		10	760
North Central	50	620	200	-	TBD		45	915
Eastern	1,200	30	-	-	TBD		30	1,260
Southern	400	100	50	1,000	TBD		60	1,610
Central		700	-	-	TBD	300	15	1,015
Total	5,200	1,500	1,860	4,000	TBD	300	200	13,060





PATHWAY TO 70% RENEWABLE ENERGY BY 2030



Planned Generation Mix 2025-2029

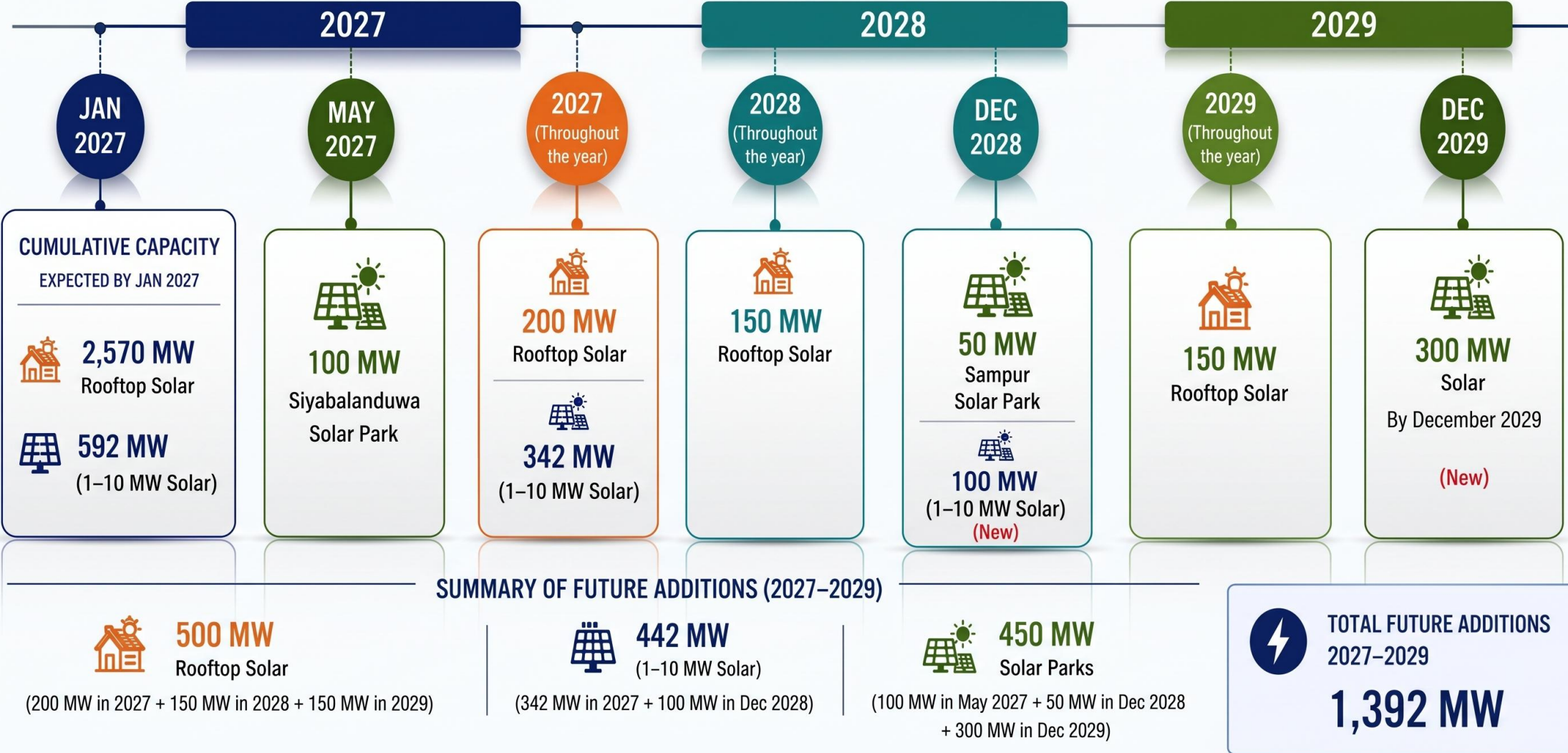
Expected category-wise installed capacity for the period 2027-2029

	2027	2028	2029
Thermal	1,999	2,211	2,311
BESS	645	945	1,245
Major Hydro	1,543	1,543	1,543
Mini Hydro	470	480	490
Biomass	78	88	98
Wind	354	514	684
Solar	3,604	4,104	4,554
Total Installed Capacity	8,693	9,885	10,925

Source: Long-Term Power System Development Plan (LTPSDP) – Interim Report (2027-2029)

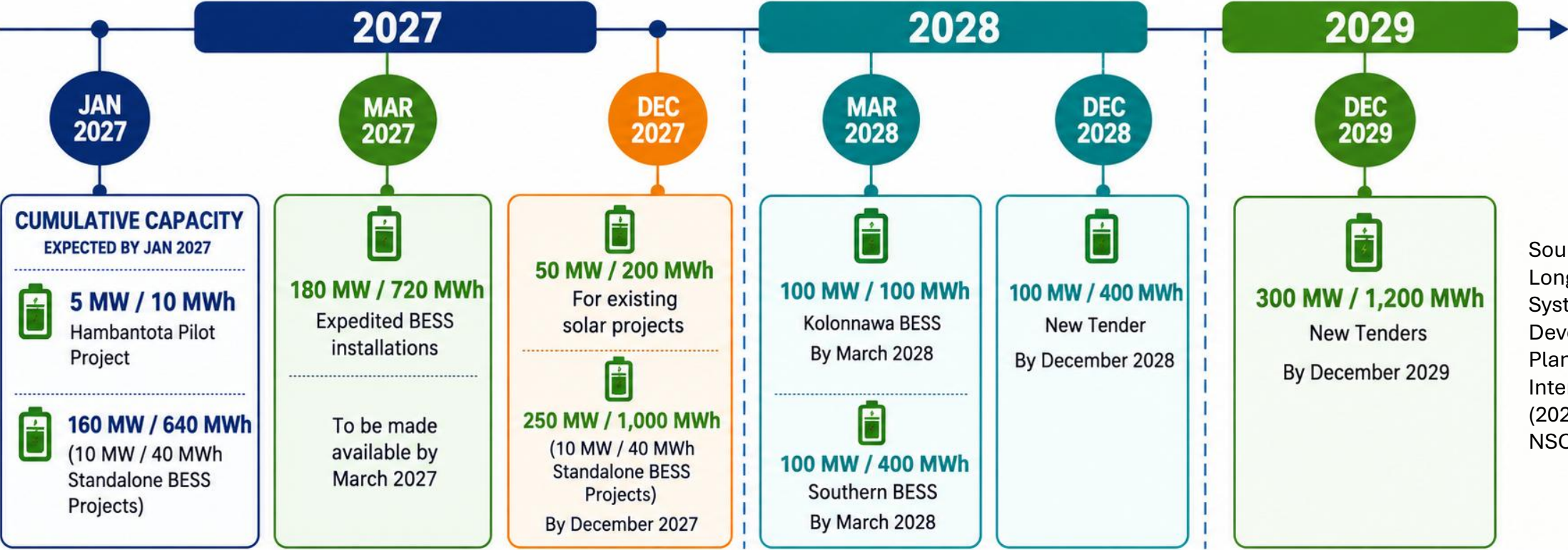


SOLAR POWER CAPACITY ADDITIONS 2027-2029



Source:
Long-Term
Power System
Development
Plan (LTPSDP) –
Interim Report
(2027-2029) |
NSO

BATTERY ENERGY STORAGE SYSTEMS (BESS) ADDITIONS 2027-2029



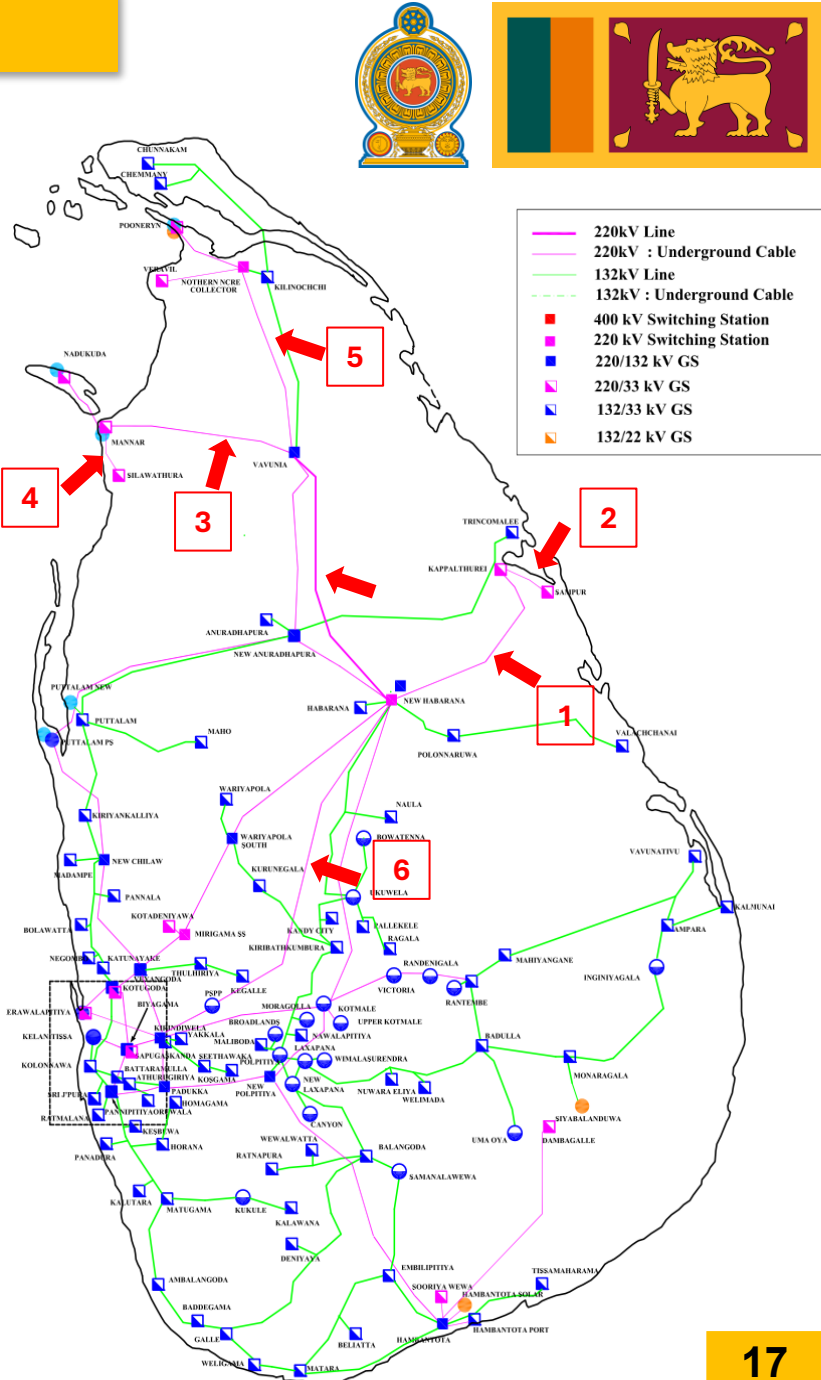
Source: Long-Term Power System Development Plan (LTPSDP) – Interim Report (2027-2029) | NSO



EXPECTED MAJOR TRANSMISSION DEVELOPMENTS FOR RE INTEGRATION

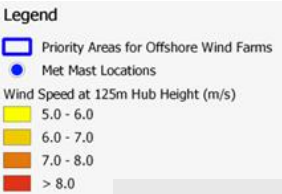
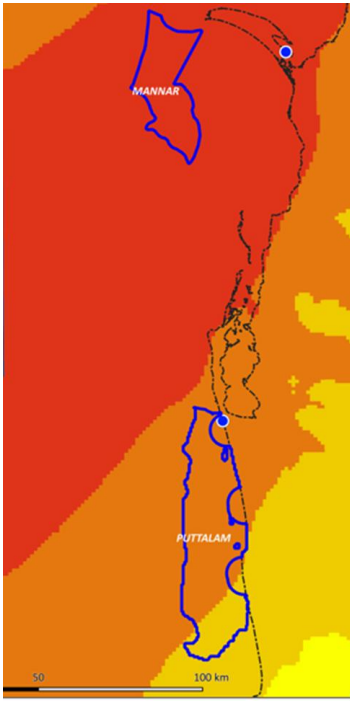
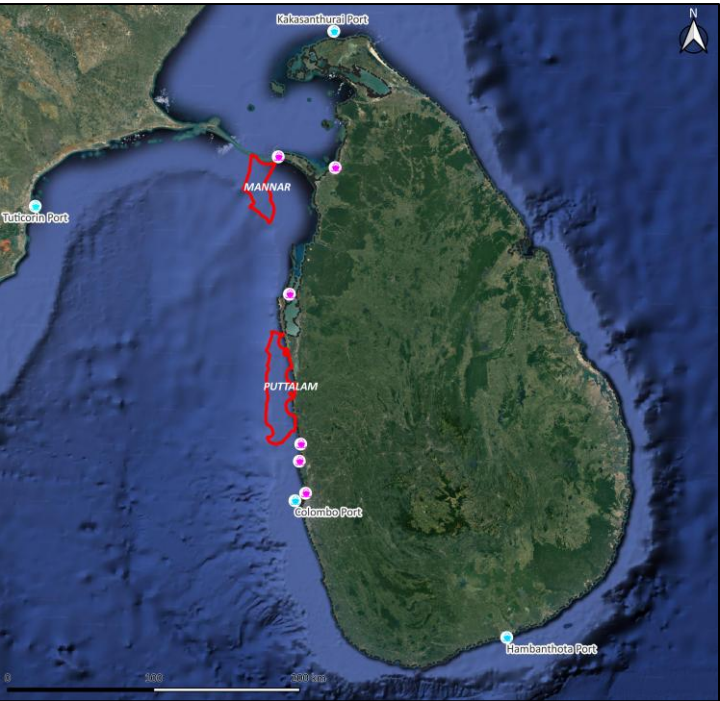
No.	Description	Expected Year of Contract Award	Expected Year of Completion
1.	220 kV New Habarana to Kappalthurei transmission line	2025	2028
2.	220 kV Sampur-Kappalthurei transmission line and Sampur collector substation	2025	2028
3.	Re-conductoring 220 kV Mannar-Vavuniya transmission line	2025	2026
4.	220 kV Mannar to Mullikulama transmission line	2026	2028
5.	Northern Collector – New Habarana via Vavuniya 400 kV backbone transmission line	2027	2030
6.	New Habarana – Maha – Kirindiwela 400 kV transmission line	2028	2033

Source:
Renewable Energy Project Development Plan | Green Energy Acceleration Targets (GREAT) 2025 – 2030 | CEB | SLSEA





OFFSHORE WIND POWER DEVELOPMENT IN SRI LANKA

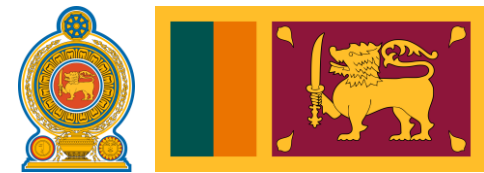


The Offshore Wind Roadmap identifies the offshore areas of **Puttalam** and **Mannar** as having significant potential for offshore wind energy development.

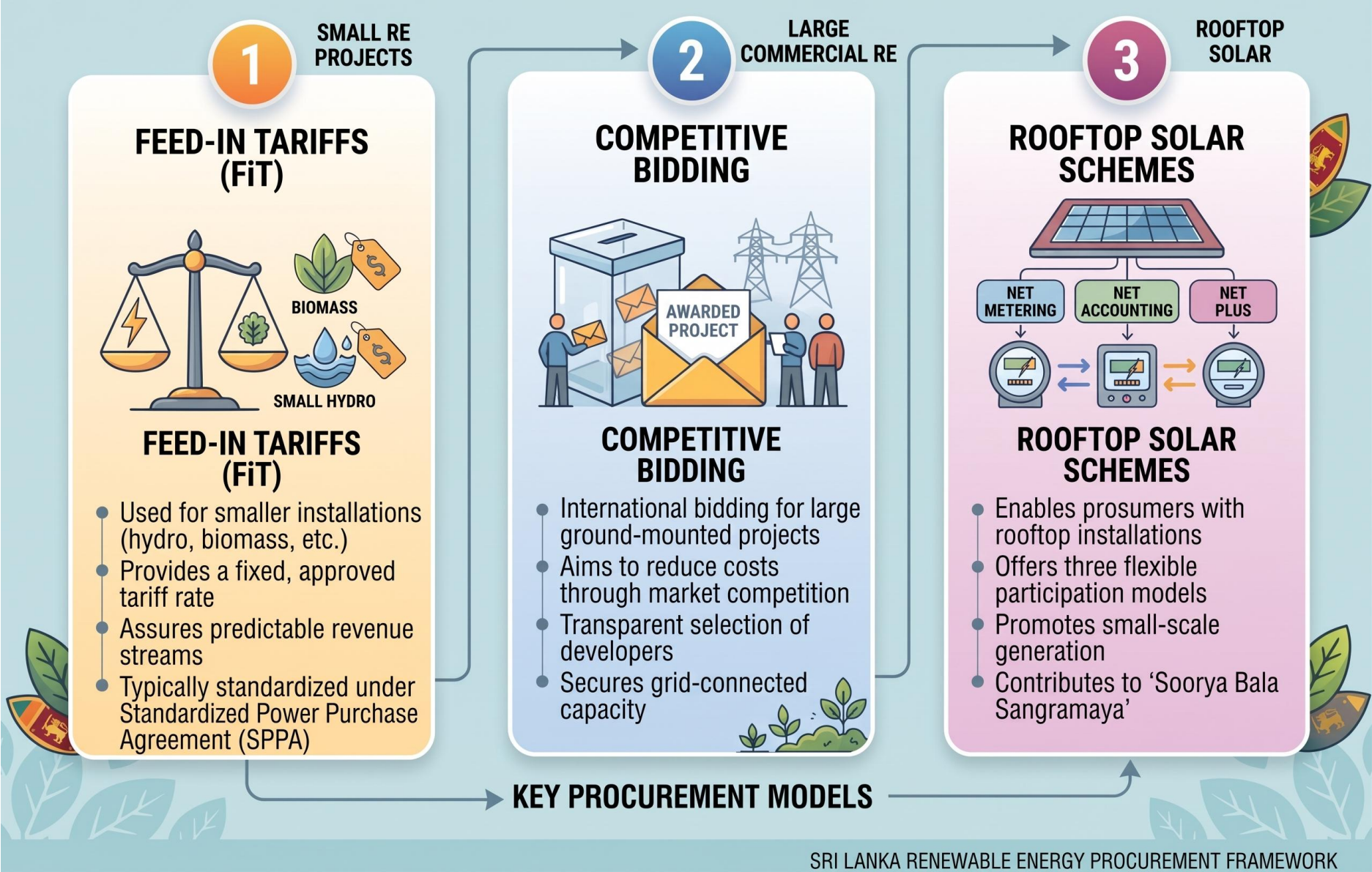
Offshore wind farm capacities are possible to be grid-connected under different conditions

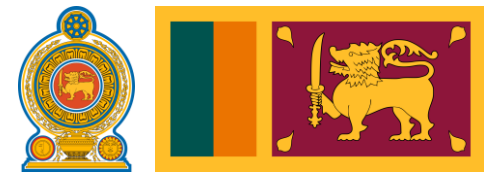
	Grid Scenario	Mannar	Puttalam	Key Transmission Conditions & Remarks
1	With Planned Upgrades	250 MW	200 MW	- Upgrades underway in Mannar alongside onshore wind; uncommitted capacity remains limited. - No major transmission upgrades planned for Puttalam.
2	With Additional Grid Upgrades	500 MW	500 MW	Further transmission network reinforcement in both Mannar and Puttalam allows expanded offshore wind integration.
3	With 1 and 2 above, Combined Upgrades + India Interconnection	1,000 MW	500 MW	- Assumes 500 MW interconnector capacity dedicated to exporting Mannar wind generation to India. - Puttalam remains bound by domestic grid limits (no export to India).



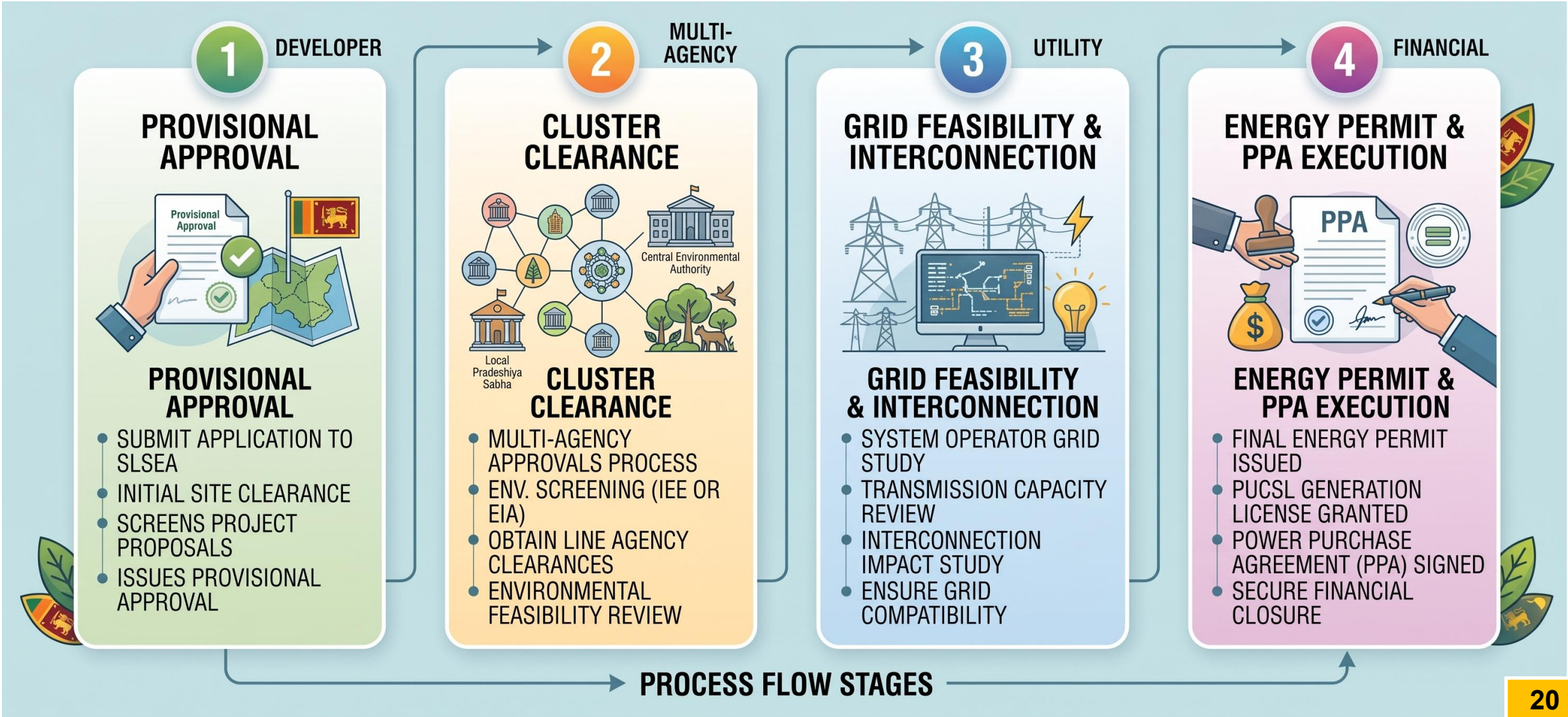


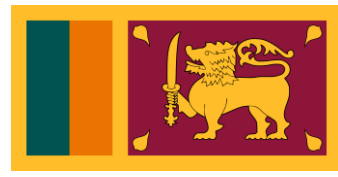
COMMERCIAL & PROCUREMENT MECHANISMS





PERMITTING AND DEVELOPMENT PROCESS





THANK YOU !

Greetings from Sri Lanka



SAARC

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