

## LOGISTICS PERFORMANCE IN SRI LANKA AND ITS IMPACT ON INVESTMENTS: A CONTEMPORARY APPRAISAL

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Logistics is an integral part in investments. However, more emphasis has been focused on facilitating initial infrastructure in setting investments than improving the recurring logistics activities by some countries. For example, Sri Lanka has no ministry that directly administrates the logistics activities. Transport sector functions under various ministries while multiple state institutions control the functions of border management. This situation should be analysed from the perspectives of an investor if a country needs attract more investments. The policy makers in respective countries need to visualize the overall business activities of investors to identify, satisfy and anticipate the needs and wants of investors at a profit better than that of their competing countries. Sri Lanka has a vision to make the country the most preferred maritime and logistics hub in Asia. This is a complementary factor in promoting investments in the country. Given the highly strategic geographic location,

Sri Lanka is bestowed with many advantages that help make the dream a reality. However, there are fundamental errors still prevailing in the overall mechanism of attracting investors. One of such issues is the less recognition given to logistics and international supply chain activities. Despite the remarkable investment on the infrastructure development by successive governments, Sri Lanka has been unable to create a global perception about its logistics performances. This factor was evident in the 2016 Connecting to Compete report published by the World Bank. The country was not considered in the Logistics Performance Indicator (LPI) that provides analysis of 160 economies. This paper discusses factors pertaining to investors' perspectives on logistics, transport, capacity building, education and social awareness.

**Keywords:** Logistics, Sri Lanka, Investments, Transport