



PROGRESS REPORT

2024

**MINISTRY OF TRANSPORT, HIGHWAYS,
PORTS & CIVIL AVIATION
PORTS & CIVIL AVIATION SECTION**

**19, Chaithya Road, Colombo 01.
Telephone : 011-2439352, 011-2435161
Web : www.portmin.gov.lk
Email : secretary@portmin.gov.lk**

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This report, which outlines the Physical and Financial Progress of the Ports and Civil Aviation Section from January to the end of December 2024, is scheduled to be presented to the Committee
Stage of the Budget – 2025

Sector I

General Information of the Ports and Civil Aviation Section and Overall Physical and Financial Progress is presented

Sector II

Institutions under the purview of the Ports and Civil Aviation
Section

- Merchant Shipping Secretariat
- Sri Lanka Ports Authority
- Ceylon Shipping Corporation
- Jaya Container Terminals Limited
- Civil Aviation Authority of Sri Lanka
- Airport and Aviation Services (Sri Lanka)
(Private) Ltd.

Presents the Physical and Financial progress achieved and future plans during the relevant period

Sector I

Ports & Civil Aviation Section

Vision

“Provision of high quality and user-friendly Marine services by developing Sri Lanka as the most competitive hub of maritime activities in the South Asian Region”

And

“Positioning Sri Lanka as the premier air transport hub in the region”

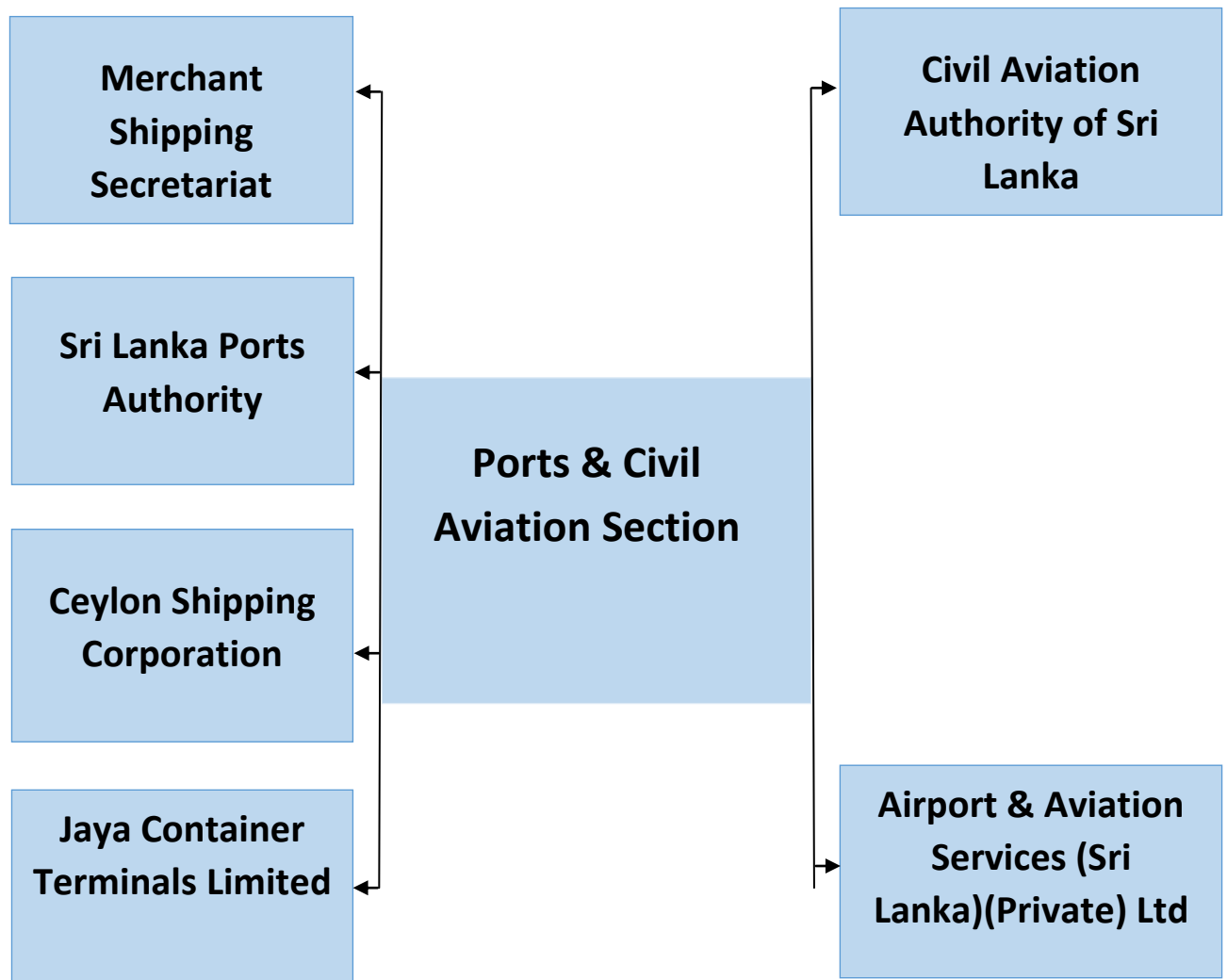
Mission

“Formulation of a more appropriate policy framework and an efficient mechanism that will lead to the provision of competitive and qualitative port and shipping services in order to fulfill the local and international requirements in the field of maritime activities for national economic development”

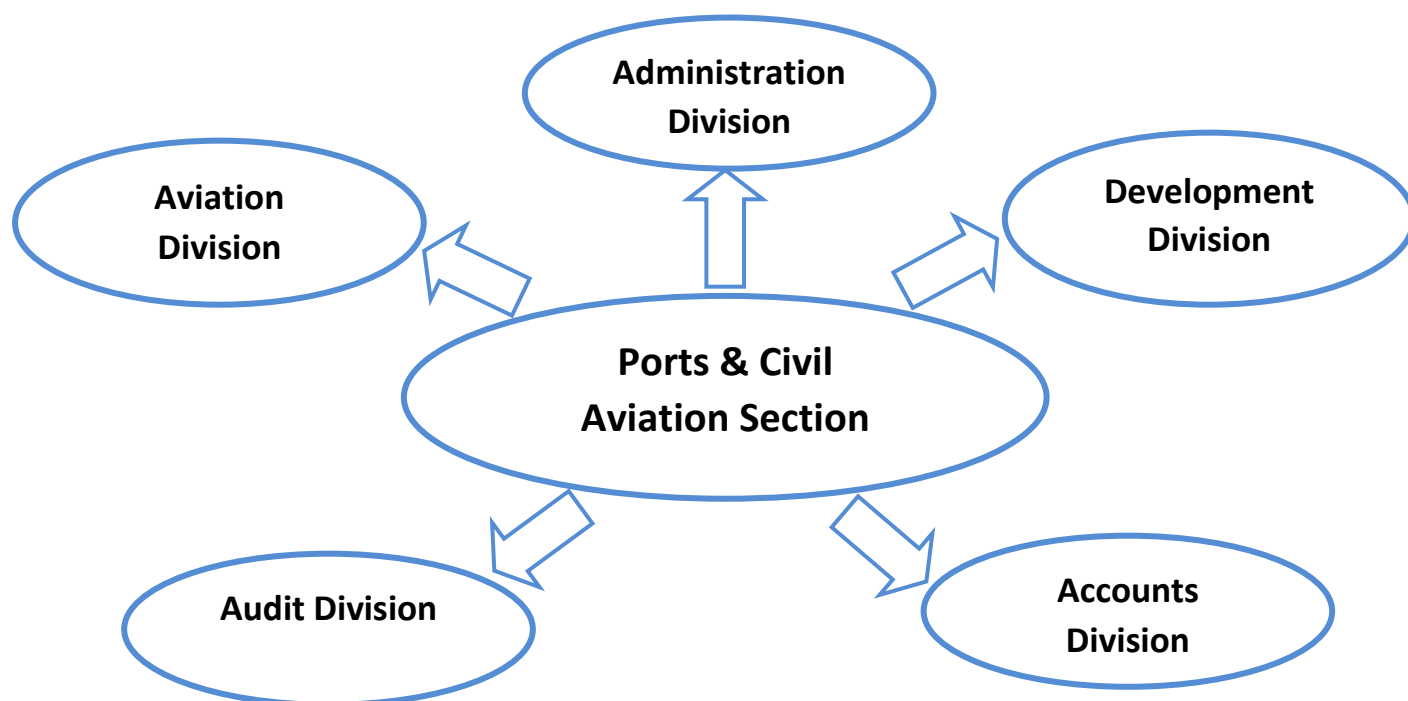
And

“To make air transport services efficient, safe and user-friendly with a view to improving the efficiency of the relevant economic sectors”

Institutes come under the purview of the Ports & Civil Aviation Section



Major Divisions



Cadre Details as at 31th, December 2024 - Ministry of Transport, Highways, Ports and Civil Aviation (Ports and Civil Aviation Division)

Designation	Service	Grade/ Class	Salary Code	Approved Cadre	Existing	Vacancy
Secretary	SLAS	Special	SL 4	01	01	-
Additional Secretary (Development)	SLAS	Special	SL 3	01	-	01
Additional Secretary (Admin & Finance)	SLAS	Special	SL 3	01	01	-
Additional Secretary (Aviation)	SLAS	Special	SL 3	01	01	-
Director General (Planning)	SLPS	Special	SL 3	01	-	01
Director General	SLES	Special	SL 3	01	01	-
Chief Financial Officer	SLAcS	Special	SL 3	01	01	-
Senior Assistant Secretary	SLAS	I	SL 1	02	02	-

Chief Accountant	SLAcS	I	SL 1	01	01	-
Director (Development)	SLAS	I	SL 1	01	01	-
Director (Planning)	SLPS	I	SL 1	01	01	-
Director (Engineering)	SLES	I	SL 1	01	01	-
Chief Internal Auditor	SLAcS	I	SL 1	01	01	-
Assistant Secretary	SLAS	III/II	SL 1	01	-	01
Accountant	SLAcS	III/II	SL 1	02	02	-
Internal Auditor	SLAcS	III/II	SL 1	01	-	01
Deputy/ Assistant Director(Planning)	SLPS	III/II	SL 1	01	01	-
Deputy/ Assistant Director (Development)	SLAS	III/II	SL 1	01	01	-
Deputy/ Assistant Director	SLES	III/II	SL 1	01	-	01
Legal Officer	Departmental	III/II	SL 1	01	01	-
Coordinating Secretary to the Secretary	Temporary	-	Rs. 41,410 /- * (Pub Circular No 03/2016 section IV)	01	-	01
Administrative Officer	MSOS	Supra	MN 7	01	01	-
Translator	TS	II/I	MN 6	01	-	01
Information & Communication Technology Officer	SLICTS	2 Class II/I	MN 6	01	-	01
Development Officer	DOS	III/II	MN 4	40	34	06
Management Service Officer	MSOS	III/II/I	MN 2	20	14	06
Information & Communication Technology Assistant	SLICTS	III/II/I	MT1	01	-	01
Driver	DS	III/II/I/ Special	PL 3	13	13	-
KKS	OES	III/II/I/ Special	PL 1	14	12	02
Video Cameraman	Temporary	-	Rs.29,840/- + Rs.7,800/- *	01	-	01
Photographer	Temporary	-	Rs.29,840/- + Rs.7,800/- *	01	01	-
Photographer Assistant	Temporary	-	Rs.24,250/- + Rs.7,800/- *	01	-	01

Major Functions Implemented by the Main Divisions of the Ports & Civil Aviation Section

1.1 Administrative Division

1.1.1 Tasks performed and their progress

i.) Law and Judiciary

- In performing the duties assign to the Ministry the necessary arrangement have been made in relations 76 cases submitted to the court after seeking the views of the Attorney General.
- Preparation of the final draft by the Law Drafting Department for the new act regarding the Association of Container Depot Operators (ACDO) and submission of a new cabinet paper to obtain the agreement of the new cabinet appointed after the 2024 parliamentary election regarding the continuation of those measures.
- Directing the Sri Lanka Ports Authority to complain to the Commission to investigate Allegations of Bribery or Corruption and the Criminal Investigation Department as per the instructions given by the Attorney General's Department against the board of directors and counsel of Magampura Port Management Pvt.
- Preparation of regulations under the Civil Aviation Act No. 14 of 2010 and refer the said regulations to the parliament for approval.
- Preparation of regulations under the Merchant Shipping Act No. 52 of 1971 and refer the said regulations to the Parliament for approval.
- Referral to the Department of Legal Draftman's for amending the Ports Authority (Control of Use of Fishing Boats and Nets) Regulations No. 01 of 1982.

ii.) Issuing vehicle import licenses

For the year 2024, 26 vehicle import licenses have been issued under Public Administration Circular 01/2018. The Ministry has forwarded 04 applications to the Department of Trade and Investment Policy for obtaining licenses under 22/99 for retired officers.

iii.) Requests for port tariff concession

26 nos. of the requests received regarding the port tariff concession and action have been made by the Chairman of SLPA in this regard as follows:

Progress	No.
Approved requests	23
Not approved requests	01
Requests for the concession of goods in cargo which were larded in to the CICT/ SAGT/ Hambanthota Port	02
Requests for which reports have not yet been received.	-

iv.) Registration of widows' and orphans' pension

The Online Registration for widow and orphan pension has not been done during the relevant period.

Multipurpose development assistants were recruited for 04 posts in the combined Driver's service and 04 posts in the office employee's service. They were given Temporary appointment letters by Ministry and are expected to receive permanent appointment letter in future. After receiving the permanent appointment letters, the registration process for Window and Orphan Pension is to be done as per the Procedure.

v.) Pension activities

04 officers of the Ministry retired and arrangements were made to provide the pension of those officers promptly through the Pension Management System.

vi.) Expected verbal answers to the Parliamentary Questions

So far all the expected answered to the questions sent to this Ministry related to the institutions under this Ministry have been completed and the related work has also been done.

vii.) Human Rights Commission activities

Complaints referred to this Ministry by Human Rights Commission are sent to the relevant institutions, under the Ministry and get their reports, and appear before the commission with the same reports.

No Complaints have been forwarded to this Ministry by the Human Rights Commission during this period.

viii.) Affairs related to the Parliamentary Committee on Public Petition

This Committee deals with the complaints of current officers and previous officers of the Ministry and other related institutions as well as another stakeholders and providing reliefs

10 no of complaints have been received by the Parliamentary Committee on Public Petition in this year.

ix.) Visa recommendation

Visa recommendation has been given to the officers of the institutions under this Ministry as Follows:

institutions	No. of officers
Sri Lanka Ports Authority	270
Ceylon Shipping Corporation	192
Civil Aviation Authority	230
Airport & Aviation Service (Sri Lanka) (Private) Ltd	28

x.) Appeals from Presidential Secretariat

After receiving relevant public complaints from Presidential Secretariat, this ministry forwards same to the relevant institutions to look in to the same and inform the progress to the Presidential Secretariat. Also, the complaints that do not belongs to the Scope of this Ministry will be referred to the relevant Ministries.

In the said period, about 69 nos. of appeals have been received from Presidential Secretariat in which 39 nos. related to the Sri Lanka Ports Authority, 03 no. related to the Merchant Shipping Secretariat ,nos. 01 Ceylon Shipping Corporation. 14 nos. related to the Airport & Aviation Service (Sri Lanka) (Private) Ltd, 05 nos. Civil Aviation Authority 05 nos. related to the Sri Lankan Airlines Ltd, 01 nos. Sri Lanka Catering (PVT) Ltd, 01 nos. 01 Sri Lanka Port Management & Consultancy Services (PVT) Ltd.

In some cases, only this ministry receives answers to appeals. In those cases, the information will be forwarded to the President's Office by this Ministry.

xi.) Foreign leave approval

Foreign leave has been approved for the officers of SLPA, Ceylon Shipping Corporation and Merchant Shipping Secretariat, Jaya Container Terminals (Pvt) Ltd, Sri Lanka Port Management & Consultancy Services (PVT)Ltd under the following requirements.

Institution	Category	No. of officers
SLPA	Private Leave (Executive)	56
	Private Leave(Non-Executive)	156
	Official	128
	Job	5
	Sport Leave	42
Ceylon Shipping Corporation	Private Leave	02
Merchant Shipping Secretariat	Official	20
Jaya Container Terminals (Pvt) Ltd	Private Leave	07
	Official	03
Sri Lanka Port Management & Consultancy Services (PVT)Ltd	Private Leave	07

xii.) Training programs of the officers of the ministry

Local training

Code No.	Name of the training programme	Institution held	No. of officers participated
01	Master Degree	Sir. John Kothalawala Defence University	01
02	Postgraduate Degree	University of Colombo	01
03	Diploma in Information Technology and Human Resource Management	Sri Lanka Foundation	01
04	Secretarial Practices	SDFL	01
05	The Seminar on Vehicle Fleet Management	Prag Institute	01
06	Two Day Workshop on Pension Payment"	SDFL	01
07	Expenditure & Payment Procedure	Prag Institute	01
08	The Seminar on Public Procurement Procedure	Prag Institute	05
09	The Seminar on Annual Stock Verification	Prag Institute	02

10	The Seminar on National Audit Act	Prag Institute	03
11	Board of Survey Losses & write - Offs	Metropolitan Campus	01
12	Two Day Workshop on “ Role and Responsibilities for Office Assistants”	SDFL	02
13	Government Payroll System	Metropolitan Campus	01
14	Certificate Course in English (Preliminary)	Mahapola Ports & Maritime Academy	04
15	Training workshop on preparing a human resource plan	Ministry of Public Administration, Provincial Councils and Local Government	02

Foreign training

Code No.	Name of the training programme	No. of officers participated
01	1st Trade Facilitation Capacity Building Program for BIMSTEC Countries	01
02	Program of Diplomacy & International Relations from 05th to 13th August 2024	01
03	seminar on Maritime Transport Management for Developing Countries	04
04	Navigating Global Conflicts	01
05	Smart Port Visit to the USA - Capacity Development Project	01
06	Advanced Seminar on Infrastructure Connectivity	01
07	Spacecraft Dynamics and Control	01
08	Seminar on Free Trade Zone (Port) Construction fo Sri Lanka	02
09	South Asia Sub regional Economic Cooperation (SASEC) Program's Working Group Meetings and Senior Officials Meeting for 2024 being held in Thimphu in November 2024	02

1.2 Accounts Division

1.2.1 Tasks performed and their progress

- Preparation of estimates
- Preparation of imprest account
- Preparation of annual imprest limit, submission of monthly imprest request and imprest account preparation
- Preparation of advance (B) account and monthly reconciliation
- Handling banking activities and make payments
- Personal salaries, OT and other allowance payments

- Preparation of procumbent plan according to the procumbent guidelines and submit to the relevant institutions.
- Supply management
- Maintaining list of fixed assets register
- Carry out the inventory count on time and preparing report
- Answering audit queries
- Maintaining cash book and balance the cash book on daily basis
- preparation of financial statements
- Maintaining vote ledgers
- Submission of annual reports of the institutions under the ministry
- Make payment relevant to the projects of ports
- Doing duties relevant to the COPE and COPA
- Maintaining personal files
- Doing Shroff duties
- Maintaining accounts through ITMIS system
- Entry transactions to CIGAS system and submission of monthly accounts summery to the department of state accounts

1.2.2 Expenditure Report – For the nine months ended 31.12.2024

Ministry of Ports, Shipping & Aviation – 176

Programme 01 - Operational Activities				
01 – Minister's Office				
Vote	Category/Object Title	Revised Estimates	Cumulate Expenditure	Expenditure %
	Recurrent Expenditure	69,419,327.44	52,801,072.90	76.06
	Personal Emoluments	28,000,000.00	20,314,778.97	72.55
1001	Salaries and Wages	15,700,000.00	10,275,716.74	65.45
1002	Overtime and Holyday Pay	5,500,000.00	3,284,080.59	59.71
1003	Other Allowances	6,800,000.00	6,754,981.64	99.34
	Travelling Expenses	5,000,000.00	3,475,754.36	69.52
1101	Domestic	2,000,000.00	1,610,314.00	80.52
1102	Foreign	3,000,000.00	1,865,440.36	62.18
	Supplies	23,100,000.00	19,659,411.69	85.11

1201	Stationary & office Requisites	2,000,000.00	1,991,455.45	99.57
1202	Fuel & Lubricants	21,000,000.00	17,667,956.24	84.13
1203	Diets & uniforms	100,000.00	-	-
	Maintenance Expenditure	4,900,000.00	4,708,706.78	96.10
1301	Vehicles	4,400,000.00	4,324,155.88	98.28
1302	Plant, Machinery & Equipment	500,000.00	384,550.90	76.91
	Contractual Services	8,169,327.44	4,642,421.10	56.83
1401	Transport	1,938,527.44	799,784.93	41.26
1402	Postal & Communication	3,000,000.00	1,855,992.97	61.87
1403	Electricity and Water	730,800.00	-	-
1404	Rent & Local Taxes	500,000.00	-	-
1409	Other	2,000,000.00	1,986,643.20	99.33
	Transfers	250,000.00	-	-
1502	Transfers	250,000.00	-	-
	Capital Expenditure Rehabilitation and Improvement of	21,650,000.00	18,754,265.20	86.62
	Capital Assets	19,650,000.00	18,607,200.30	94.69
2002	Plant, Machinery and Equipment	1,000,000.00		-
2003	Vehicles	18,650,000.00	18,607,200.30	99.77
	Acquisition of Capital Assets	2,000,000.00	147,064.90	7.35
2102	Furniture & Office Equipment	1,000,000.00	96,088.90	9.61
2103	Plant, Machinery and Equipment	1,000,000.00	50,976.00	5.10
	Total	91,069,327.44	71,555,338.10	78.57

	Programme 1 - Operational Activities Project 02 - Administrative establishment			
Vote	Category/Object Title	Revised Estimates	Cumulate Expenditure	expenditure %
	Recurrent Expenditure	326,930,672.56	242,003,828.29	74.02
	Personal Emoluments	90,450,000.00	86,207,376.64	95.31
1001	Salaries and Wages	51,000,000.00	49,378,564.81	96.82
1002	Overtime and Holyday Pay	4,200,000.00	2,320,516.00	55.25
1003	Other Allowances	35,250,000.00	34,508,295.83	97.90
	Travelling Expenses	2,360,000.00	1,654,021.69	70.09
1101	Domestic	700,000.00	562,308.00	80.33
1102	Foreign	1,660,000.00	1,091,713.69	65.77
	Supplies	24,180,000.00	15,026,024.20	62.14
1201	Stationary & office Requisites	5,000,000.00	3,503,135.73	70.06
1202	Fuel & Lubricants	19,100,000.00	11,466,888.47	60.04
1203	Diets and uniform	80,000.00	56,000.00	70.00
1205	Other	-	-	-
	Maintenance Expenditure	8,550,000.00	5,446,387.50	63.70
1301	Vehicles	7,500,000.00	4,399,402.08	58.66
1302	Plant, Machinery & Equipment	1,050,000.00	1,046,985.42	99.71
	Contractual Services	74,821,472.56	66,032,009.43	88.25
1401	Transport	5,000,000.00	4,636,729.47	92.73
1402	Postal & Communication	2,500,000.00	2,134,020.66	85.36
1403	Electricity and Water	2,550,000.00	294,654.99	11.56
1404	Rent & Local Taxes	53,100,000.00	48,293,929.66	90.95
1405	Cleaning & janitorial			86.48

	services	4,000,000.00	3,459,037.50	
1408	lease rental for vehicles procured under operational leasing	1,750,000.00	1,642,560.00	93.86
1409	Other	5,921,472.56	5,571,077.15	94.08
	Transfers	126,100,000.00	67,171,951.58	53.27
1503	Public Institution	125,000,000.00	66,463,806.69	53.17
1506	Property Loan Interest to Public Servent	1,000,000.00	672,144.89	67.21
1508	Other	100,000.00	36,000.00	36.00
	Other Recurrent Expenditure	469,200.00	466,057.25	99.33
1701	Loan write off	119,200.00	119,200.00	100.00
1703	Implementation of the Official	350,000.00	346,857.25	99.10
	Capital Expenditure	14,000,000.00	13,454,070.52	96.10
	Rehabilitation and improvement of Capital Assets	11,500,000.00	11,439,141.67	99.47
2002	Plant, Machinery and Equipment	700,000.00	639,542.02	91.36
2003	Vehicles	10,800,000.00	10,799,599.65	100.00
	Acquisition of Capital Assets	2,000,000.00	1,516,928.85	75.85
2102	Furniture & Office Equipment	1,209,345.75	1,204,304.85	99.58
2103	Plant, Machinery and Equipment	790,654.25	312,624.00	39.54
	Capacity Building	500,000.00	498,000.00	99.60
2401	Staff Training	500,000.00	498,000.00	99.60
	total	340,930,672.56	255,457,898.81	74.93

Programme - 2 Operational Activities 04-Sea Ports Development				
Sub Project	Category/Object Title	Revised Estimates 2024.12.31	Cumulate Expenditure up to 2024.12.31	Expenditure %
	Recurrent Expenditure	850,000,000.00	353,755,493.93	41.62
23-150911	Sri Lanka Ports Authority - Sooriyawewa International Cricket Stadium Project	850,000,000.00	53,755,493.93	41.62
	Capital Expenditure	7,934,000,000.00	991,165,700.34	12.49
21-210417	Rehabilitation of Kankasanthurai Harbour (GOSL-India) Building & Structures	765,000,000.00		
21-230212	On Lending	3,826,000,000.00		
24-210412	Port Access Elevated Highway Project (GOSL-ADB) Building & Structures	400,000,000.00	158,930,723.04	39.73
24-210417	Infrastructure Development	53,000,000.00	-	0.00
28-210512	Detail Design for the Extension of Western Breakwater for West Container Terminal II (GOSL-ADB) Land & Land improvements	560,000,000.00	2,506,739.30	0.45
29-2104	Hingurakgodla International Airport Project	2,000,000,000.00	500,490,000.00	25.02
26-250911	Sooriyawewa International Cricket Stadium (Loan Repayment) Other	330,000,000.00	329,238,238.00	99.77
	Total	8,784,000,000.00	1,344,921,194.27	15.31

1.3 Development Division

1.3.1 Tasks performed and their progress

- According to the Ministry's vision, the basic tasks are to present the Cabinet papers regarding new policy issues and get approvals for them, to monitor the development activities and to check the progress. 101 Cabinet Papers were submitted till 31.12.2024 out of which 93 papers have been approved. Approval is expected for 08 Cabinet Papers.
- Observations have been submitted for 23 Cabinet Memoranda to the Cabinet of Ministers which submitted by other line Ministries.
- 2023 Preparation of Annual Performance Report in tri language and submitting it to Parliament.
- Preparation of the Annual Action Plan for the year 2024 and submission the same to the Department of National Planning, Department of National Budget and other relevant institutions.
- Taking action to present to Parliament the progress report of the Ministry for the year 2024 and the report prepared for the Budget Committee Session which includes the programme for the year 2025.
- Conducting progress review meetings. Preparation of monthly / quarterly / annual progress reports, performing progress review and submission to relevant institutions.

1.3.2 Progress of the Development Projects

	Name of the Project	Funding Source	Implementing Agency	Revised Allocation	Expenditure as at 31.12.2024
1	Port Access Elevated Highway Project (Relocation of Technical Workshop)	ADB	Sri Lanka Ports Authority	Rs.2,039.00Mn	Rs.1,659Mn
2	Rehabilitation of Kankasanthurei harbaur Project	Exime Bank India	Sri Lanka Ports Authority	Rs.18,326.9 Mn	Rs.197.48Mn
3	Detail Design for the Extension of Western Breakwater for West Container Terminal II (GOSL-ADB) Land & Land improvements	ADB	Sri Lanka Ports Authority	USD 5.00Mn	Rs.2.5Mn

1.3.3 Progress Report of Procurement (Ports Division) 01.01.2024 – 31.12.2024

The approval for awarding the following procurements and projects carried out in relation to the below 03 institutions has been granted by the relevant Procurement Committees and the Cabinet of Ministers in 2024.

Institute	Procurement / Project	Procurement Method	Contract Value excluding Vat LKR Mn
Merchant Shipping Secretariat	Promotion of Registration of Vessel under the Flag of Sri Lanka	International Competitive Bidding (ICB)	NA
Sri Lanka Ports Authority	Procurement of the Shifting of three (3) Ship to Shore (STS) Cranes at East Container Terminal (ECT) (J-17, J-18, J-19) to Jaya Container Terminal (JCT-V)	International Competitive Bidding (ICB)	USD 1,220,000 + LKR 379,791,823.53 (exch.rate 1 USD = LKR 321.94865 at the date of bid opening) Total bid amount LKR Rs. 772,569,176.53 Total Rs. 772.569Mn
	Accommodating Unforeseen Additional Work With Regard to the Soil Improvement of the Yard Area – East Container Terminal of Port of Colombo Phase II – Civil Works	Other (Proposal received from the already selected bidder)	LKR 611,010,653.748 Total Rs. 611.010Mn
Ceylon Shipping Corporation	Deployment of Dry-bulk Carrier Ships belonging to the Ceylon Shipping Corporation Ltd. (CSC) during the years of 2023 and 2024	International Competitive Bidding (ICB)	Charter rate USD 18,217/- per day per vessel

1.4 Audit Division

1.4.1 Tasks performed and their progress

- Evaluation of the success of the Internal Control System to detect the prevention of waste and underutilization.
- Identification of issues and suitable mechanism to overcome the barriers in work.
- Auditing of assets is securely utilized in a prudent manner.
- Evaluate measures taken to protect assets.
- Conducting audit to find out whether the internal monitoring and control system is successfully designed and implemented.

- Conducting audit to find out whether the accounting procedure is provide the necessary information to prepare an accurate financial statement.
- Conducting Audit & Management Meetings and submitting reports to relevant authorities
- Evaluation of accounting procedure.
- Progress review of Action plan and projects.
- Determination of reliability of accounts and other reports
- Conducting audit to find out whether the regulations of Establishments Code, Financial Regulations and instructions of other circulars are implemented.
- Conducting special investigations when necessary.

1.4.2 Details of conducting Audit and Management Committee Meetings

Sequence	Date	Date of submission of the meeting minute Management Audit Department
1 st	28.02.2024	16.06.2024
2 nd	26.06.2024	24.10.2024
3 rd	29.10.2024	Currently preparing

1.4.3. Details of submitting quarterly progress reports to the Management Audit Department

Quarter	Date
1 st	19.04.2024
2 nd	15.07.2024
3 rd	14.10.2024
4 th	Currently preparing

1.4.4 Audit queries conducted as at 31.12.2024

No.	Details of the Audit Queries Conducted		
	Date	Subject	Institute
01	02.02.2024	Internal Audit Report on alleged irregularities during the interview for promotion to the post of Airport Service Officer (Special Investigation)	Airports and Air Services (Sri Lanka) (Private) Company
02	21.02.2024	The internal audit report carried out by the Director General of Sri Lanka Civil Aviation Authority regarding the relationship made during the procurement process.(Special Investigation)	Sri Lanka Civil Aviation Authority

03	14.03.2024	The internal audit report on the complaints made by the people on the waiting list for the appointment regarding the inclusion of ineligible in the list for the post of fire chief.(Special Investigation)	Airports and Air Services (Sri Lanka) (Private) Company
04	28.03.2024	The Audit report on the promotion to the post of Airport Service Officer of Airports and Air Services (Sri Lanka) Pvt.	Airports and Air Services (Sri Lanka) (Private) Company
05	28.03.2024	The Audit report on the promotion to the position of Fire Division Leader of Airports and Air Services (Sri Lanka) Pvt.	Airports and Air Services (Sri Lanka) (Private) Company
06	29.04.2024	The report of the investigation carried out in accordance with the complaints made by a group of officials regarding the referral of the business affairs of Dev Marine Agencies (Pvt) Ltd to another third party organization at their own discretion ignoring the corporate responsibilities.(Special Investigation)	Merchant Shipping Secretariat
07	05.06.2024	The Internal Audit Report on the personal files of the Admin Division of the ministry	Ministry of Ports, Shipping and Aviation
08	20.06.2024	The Audit report on the complaint made by Sri Jaya Trades regarding the supply of rice to the central kitchens sector.(Special Investigation)	Sri Lanka Ports Authority
09	05.07.2024	The audit report on the request to prevent the readiness to purchase safety shoes by violating the tender procedure without considering the safety of the port workers.(Special Investigation)	Sri Lanka Ports Authority
10	09.08.2024	The Internal audit observation report on Board of survey for the financial year ended 31.12.2023	Ministry of Ports, Shipping and Aviation
11	30.09.2024	The Internal Audit Report on Payment Vouchers of Merchant Shipping Secretariat	Merchant Shipping Secretariat
12	30.12.2024	The Internal Audit Report on the performance of the year 2024 of Sri Lanka Civil Aviation Authority	Sri Lanka Civil Aviation Authority

1.5 Aviation Division

1.5.1 Duties and Progress

- Develop and Regulatory Activities of International and Domestic Airports.
- Regulate the fees and quality of services provided by airports.
- Follow-up actions in entering into agreements with other countries to boost foreign operations in Sri Lanka.
- Promote and regulate the use of Sri Lankan Airports by other States.
- Expand air cargo exports.
- Promote domestic flights.
- Regulate private Airways.
- Processing of Aircraft registrations.
- Processing and monitoring aviation-related matters purview under the Civil Aviation Authority of Sri Lanka (CAASL), Airports and Aviation Services (Sri Lanka) (Private) Limited (AASL), SriLankan Airlines Limited (SLA) and its subsidiaries.

1.5.2 Bilateral Relations

1.5.2.1 Cabinet Memorandums

- ✓ The Cabinet Decision dated 29th January 2024 has been given the concurrence and approval to sign the amended Air Services Agreement (ASA) between the Government of Sri Lanka and the Government of the Kingdom of Thailand as per Article 23 which has been entered into force on 24.02.1950. The Agreement mentioned above was initialed on 03.02.2024 by the accredited member of each Parties.
- ✓ The Protocol between the Government of Sri Lanka and the Government of the State of Israel on Amendments to the Air Transport Agreement was signed on 15th February 2024 in Colombo by the participation of accredited representatives of both Parties.
- ✓ Record of Discussion has been initialed between the Government of Sri Lanka and the Government of Australia 07.02.2024 virtually under the Agreement between both countries which entered into force on 26.11.2013 and a Memorandum of Understanding (MoU) signed on 22.05.2007 in Canberra.

1.5.2.2 Designation of Airlines

- ✓ SriLankan Airlines Limited and Etihad Airways have been considered for the requested codeshare between Colombo and Moscow via Abu Dhabi temporarily.
- ✓ SriLankan Airlines Limited and Qatar Airways have been considered for the requested codeshare between Colombo and Moscow via Doha temporarily.

- ✓ Designated 'Azur Air' to carry out regular International air operations for the transportation of passengers, baggage, cargo and mail in multiple cities in the Russian Federation in accordance with Article 04 under the Russia - Sri Lanka Bilateral Air Services Agreement.
- ✓ Iran Airtour has been authorized to exercise Charter and Cargo flight operations in accordance with the Air Services Agreement (ASA) and the Memorandum of Understanding (MoU) signed between the Governments of Sri Lanka and Iran.
- ✓ Operations of BBN Airlines, an Indonesian Registered Airline from Colombo to Maldives (Cargo Operations) operated flights until 30th November 2024 (one flight per day, a charter program).

1.5.2.3 Air routes and Fifth Freedom Rights

- ✓ The approval of the Freedom of Air Seychelles between Colombo and Points in China 05th Freedom Traffic Rights between Sri Lanka and China via Colombo temporarily.
- ✓ The Government of Sri Lanka (GoSL) has agreed to the requested Codeshare agreements for Rossiya Airlines (Operating Partner) and Aeroflot Russian Airlines (Marketing Partner) for the Moscow – Colombo route and vice versa.
- ✓ Temporarily Fifth Freedom Traffic Rights approval has been granted for Turkish Airlines on the MLE – CMB v.v. sector.
- ✓ JSC Red Wings (Red Wings Airlines) has been designated to perform scheduled International Air Services for passengers, cargo, baggage and mail on the 13 different routes in Russia to Colombo with a frequency of 3, 6 and 7 flights per week in reference to Article 3 of the Air Services Agreement between the Government of Sri Lanka and the Government of Russia.
- ✓ Approval granted to exercise Fifth Freedom Traffic Rights on the CMB/MLE v.v. sector for the Gulf Air Operations temporarily.
- ✓ Operation of regular international flights by JSC Red Wings (Red Wings Airlines) is appointed to conduct regular international air services for passengers, cargo, baggage and post via the route between Mineralnye Vody-Mattala with the frequency of flights 7 times per week.

1.5.2.4 The Collection of Biometric Personal Data

- ✓ The Russian authorities planned an experiment to test the rules and conditions governing the Entry and Exit of Foreign Nationals and Stateless Persons.

1.5.2.5 Public Health Requirements for Travelers Entering Myanmar

- ✓ The Embassy of the Republic of the Union of Myanmar in New Delhi forwarded the PHR for travelers who entered Myanmar through International Airports, Seaports and cross-border Poes as announced by the Ministry of Health Myanmar.

1.5.2.6 Seventh Round of Bilateral Political Consultations (BPC) between Sri Lanka and Pakistan

- ✓ Proposed for the Frequency enhancement of Passenger Services / Request to re-commence Pakistan Airline (PIA) flights to Sri Lanka / Request Pakistan to consider utilizing open skies granted to (MRIA) for operations / Pakistan students to exploit aviation-related training facilities in Sri Lanka and Request to include Co-terminal rights between Karachi and Lahore following the Bilateral Air Services Agreement between both countries.

1.5.2.7 The 03rd Session of the Sri Lanka Turkiye Joint Commission for Economic and Technical Cooperation (JCETC)

- ✓ The Sri Lanka Turkiye Joint Commission for Economic and Technical Cooperation (JCETC) is a ministerial-level meeting. The Fifth Freedom Traffic Rights were approved temporarily and the exemption on the customs duties was accepted in negotiations under the ASA between the two countries at present.

1.5.2.8 The Asia Pacific Ministerial Conference (New Delhi 11-12 September 2024)

- ✓ The ICAO Invitation was received in Sri Lanka for the Second Asia Pacific Ministerial Conference on Civil Aviation (New Delhi, India, 11-12 September 2024). Two delegations from Sri Lanka were nominated to participate in the APMC 2024.

1.5.2.9 3rd and 04th Asia Cooperation Dialogue Working Group Meeting on Connectivity – In virtual mode

- ✓ Initiation of the Working Group on Connectivity (WGC) of the Asia Cooperation Dialogue (ACD) was founded within the ACD Blueprint 2021-2030 framework, adopted on 17 November 2021. The Ministry and its purview agencies participated in the discussion Forum of WGC.

1.5.2.10 Implementation of the Economic Cooperation chapter of the Sri Lanka - Singapore Free Trade Agreement (FTA)

- ✓ The proposals of Airport and Aviation Services (Sri Lanka) (Private) Limited and SriLankan Airlines Limited submitted to be included in the FTA.

1.5.2.11 Implementation of the Sri Lanka - Thailand Free Trade Agreement (SLTFTA)

- ✓ Sri Lanka and Thailand maintain an open skies agreement under the current Bilateral Air Services Agreement (ASA), which allows for the unrestricted movement of flights between the two countries. Presently, SriLankan Airlines operates 11 weekly flights between Colombo and Bangkok.

1.5.2.12 Second Round of Bilateral Political Consultations (BPC) at Foreign Secretary-Level between Bhutan and Sri Lanka

- ✓ The 02nd Round of the BPC programme was held in November at Thimphu aiming to strengthen the Bilateral and political cooperation between the two countries.

Outstanding matters decreed to be followed up in the future Bilateral Negotiation Delegation*

01. Review of the Attorney General's Department (AGD) to obtain a fresh Cabinet approval to sign the amended Air Services Agreement (ASA) between the Government of Hungary and the Government of Sri Lanka that was initialed in 2014.
02. Initiate the Bilateral Air Services Agreement between the Government of the Democratic Socialist Republic of Sri Lanka and the Republic of Kazakhstan as per the Cabinet Decision dated 29.04.2024.
03. Review a formal transmission from the Civil Aviation Authority of Sri Lanka regarding the inclusion of Third-Party Codeshare rights for air carriers.
04. Review/Concurrence from the GoSL (Bilateral Team Negotiators) for the approval of the Freedom of Air Seychelles between Colombo and Points in China.
05. Resumption of direct flights between the Russian Federation and Sri Lanka and the commencement of the flight program to Vnukovo International Airport of the Russian Federation.
06. Designate FITS Air for scheduled operations between Armenia and Sri Lanka.
07. Initiate the Air Connectivity between Sri Lanka and Myanmar after the concurrence received from the relevant diplomatic channels in Myanmar.
08. Initiate the amended Protocol Bilateral Air Transport Agreement between the Government of Turkey and Sri Lanka that was signed on 02.12.2008.

09. Commencement of the Charter Flight Operations between Guangzhou International Airport and Mattala Rajapakse International Airport (Proposed Operation of Hainan Airlines from CAN – HRI – CAN route).
10. Initiate a Bilateral Air Services Agreement between the Government of Hungary and the Government of Sri Lanka.
11. Initiate a Memorandum of Understanding (MoU) for the deployment of Sky Marshalls on air carriers operating between the Government of India and the Government of Sri Lanka.
12. Check possibilities to establish Air Connectivity between Sri Lanka and the Caribbean Region.
13. Re-designate SriLankan Airlines as the designated airline of Sri Lanka under the existing Air Services Agreement (ASA) with India.
14. Proposed Air Connectivity between the Government of Sri Lanka and Ethiopia.
15. Protocol to amend Bilateral Air Services Agreement (BASA) between the Government of Sri Lanka and the Government of Türkiye signed on December 2, 2008.
16. Facilitate the commencement of flights between Sri Lanka and Slovenia following the Air Services Agreement between the Governments of Sri Lanka and Austria.
17. Request to designate Jetstar Asia Airways Private Limited and Scoot Private Limited as the designated Airlines of Singapore.
18. Incentives for Russian Charter Carriers to Boost Tourism in Sri Lanka.
19. Proposal for signature of a New Air Transport Agreement between the Government of Sri Lanka and the Government of Bulgaria.
20. Search and Rescue (SAR) Agreement between the Republic of Maldives & Democratic Republic of Sri Lanka.
21. Amend the MoU per Article 15 of the Air Services Agreement signed in 1996.

**All requests have been forwarded from the line Ministry to the relevant authorities for further progression. **

1.5.3 Security Clearance & Overseas Leave Approval

1.5.3.1 Security Clearances

SriLankan Airlines Ltd				
No.	Service/Category	No of Clearances	Approval	Other
01	Staff	693	688	05 rejected
02.	Cabin Crew Staff	45	45	-
03.	Chief Pilots	07	07	-
	Junior/Cadet Pilots	14	14	-
	First Officer	03	03	-
Civil Aviation Authority				
01.	Pilot	210	757	The 2023 late clearances have also been received.
02.	Staff	163		

1.5.3.2 Overseas Leave Approval

SriLankan Airlines		
Type of Leave		Number of applications received
01.	Official Duty Travel	205
Airport and Aviation Services (Sri Lanka) (Private) Limited.		
01.	Official Duty Travel	84
02	Private Travel	38
Civil Aviation Authority		
01.	Official Duty Travel	36

1.5.4 Progress Report of Procurement (Civil Aviation Division) 01.01.2024 – 31.12.2024

Coordinating the work of procurement committees, conducting procurement committee meetings, preparing cabinet papers, communicating cabinet decisions and doing follow-up for the procurements and development projects pertaining to the Aviation sector. (The number of procurement and development projects conducted in relation to the year 2024 is shown in the table below).

	Institute	SCAPC	MPC	CANC	CPCM	other
01	Civil Aviation Authority of Sri Lanka	-	-	-	-	-
02	Airport and Aviation Services (Sri Lanka) (Pvt) Ltd	18	20	06	01	05
03	SriLankan Airlines Limited	28	28	-	-	-

The approval for awarding the following procurements and projects carried out in relation to the above 03 institutions has been granted by the relevant Procurement Committees and the Cabinet of Ministers in 2024.

Procurement / Project	Procurement Method	Contract Cost /Value (LKR Mn.)
Airport and Aviation Services (Sri Lanka) (Pvt) Ltd		
Construction of New Buildings for Capacity Enhancement to Departing Passenger, Check-In and Satellite Boarding Gates Package 2 – Rearrangement, Refurbishment, Extension of Departure Baggage Make-Up Carousal and Associated Civil Works.	Invitation to Bid (ICB)	852.2
Identified Scope of Works in MTB, Pier 2 & Pier 3 on Bandaranaike International Airport Development Project - Phase II Stage 2 – Bandaranaike International Airport, Katunayake	Invitation to Bid (NCB)	3255.5
Construction of Multi Storied Car Park and Commercial Space at Bandaranaike International Airport (BIA) on Built, Operate and Transfer (BOT) Basis.	Request for Proposal	USD 50 Mn.
Operation of Currency Exchange Counters in the Arrival Post Custom area at BIA, Katunayake.	Invitation to Bid (LNCB)	3259.1

Operation of Currency Exchange Counters in the Departure Walkway at BIA, Katunayake.	Invitation to Bid (LNCB)	2337.5
National Competitive Bidding for the operation of Travel Service Counters in the Arrival Public Concourse/Lobby Area at BIA, Katunayake	Invitation to Bid (NCB)	664
National Competitive Bidding for the Operation of Tea Shops in the Departure / Transit at the Bandaranaike International Airport (BIA), Katunayake.	Invitation to Bid (NCB)	631.2
Provision of Janitorial & Cleaning Services for Arrival Terminal and it's Precincts at BIA, Katunayake	Invitation to Bid (NCB)	323.3
Provision of Janitorial & Cleaning Services for Departure Terminal and it's Precincts at BIA, Katunayake	Invitation to Bid (NCB)	344.3
Supply, Installation, Testing & Commissioning of Network Based Public Address System at BIA, Katunayake.	Invitation to Bid (NCB)	319.8
Supply, Installation, Testing & Commissioning of CCTV System Upgrade at BIA, Katunayake	Invitation to Bid (NCB)	328.2
National Competitive Bidding for the operation of Hotel Service Counters in the Arrival Public Concourse/lobby Area at BIA, Katunayake	Invitation to Bid (NCB)	248
National Competitive Bidding for the operation of Mobile Communication Service Counters in the Arrival of Public Concourse/lobby Area at BIA, Katunayake	Invitation to Bid (NCB)	370
National Competitive Bidding for the operation of Cashew Shops at the Departure/Transit Area at BIA, Katunayake	Invitation to Bid (NCB)	205
National Competitive Bidding for the operation of New Business Venture at the Departure/ Transit Area at BIA, Katunayake	Invitation to Bid (NCB)	256.5
National Competitive Bidding for the operation of Personal & Beauty Care Shops at the Departure/Transit Area at BIA, Katunayake	Invitation to Bid (NCB)	367
National Competitive Bidding for the operation of Branded Accessories Shops at the Departure/Transit Area at BIA, Katunayake	Invitation to Bid (NCB)	118

National Competitive Bidding for the operation of Mobile Communication Service Counters at the Departure/Transit Area at BIA, Katunayake	Invitation to Bid (NCB)	218
NCB for the Operation of a Local Food and Beverage Outlet in the Departure Transit Area at the BIA, Katunayake	Invitation to Bid (NCB)	209
NCB for the operation of shops for Handicrafts, Handlooms, Batik and Textile in the Departure Walkway at BIA, Katunayake	Invitation to Bid (NCB)	318
NCB for the operation of Gem and Jewellery Shops in the Departure/ Transit Area at the BIA, Katunayake	Invitation to Bid (NCB)	203
SriLankan Airlines Ltd		
Selection of a Passenger & Ramp Handling Service Provider at Abu Dhabi International Airport, UAE (AUH) for SriLankan Airlines	Direct Contracting	787.48
Selection of a Ground Handling Agent at Madurai International Airport (IXM), India	Invitation to Bid (LIB)	663
Selection of a Passenger, Ramp handling agent at London-Heathrow International Airport (LHR), UK	Invitation to Bid (LIB)	3409
Appointment of Authorized Handling agent for SriLankan Airlines connecting point services	Invitation to Bid (NCB)	3340
Provisioning of Automated Seat Upgrade Bidding Services & associated ancillary services for SriLankan Airlines	Invitation to Bid (ICB)	3662.18
Selection of a Ground Handling Service Provider at Tokyo-Airport (NRT), Japan	Direct Contracting	1442.21
Re-fleeting exercise of SLA with a renewed approach	Lease	
Selection of a Passenger and Ramp handling Service Provider at Dammam (DMM), Jeddah (JED) and Riyadh (RUH) Airports in Saudi Arabia	Invitation to Bid (LIB)	2043.87
Selection of a Ground Handling Service Provider at Guangzhou (CAN) Airport	Invitation to Bid (LIB)	1001.29
Provisioning of a High-Speed Satellite Internet Connectivity Solution for SriLankan Airlines Fleet	Direct Contracting	1658.88

Procurement of Aviation Fuel for SriLankan Airlines at 04 Locations (Airports) Worldwide	Invitation to Bid (LIB)	35,973
Lease extension of A320 Aircraft (MSN 4694	Lease	
Provision of Hotel Accommodation and Transportation for Flight Crew and Cabin Crew in Canton	Invitation to Bid (ICB)	307
Provision of Hotel Accommodation and Transportation for Flight Crew and Cabin Crew in Jeddah	Invitation to Bid (ICB)	464
Selection of a Caterer for meal uplift in Narita (NRT)	Invitation to Bid (ICB)	353
Provision of Hotel Accommodation for Flight Crew and Cabin Crew in Paris	Invitation to Bid (ICB)	441
Selection of a caterer for catering uplift at Frankfurt International Airport, Germany (FRA)	Invitation to Bid (ICB)	285
Selection of a qualified Maintenance Repair Organization to perform a Heavy Maintenance	Request for Proposal	345
Selection of a Competent Maintenance Repair Organization (MRO) for the repair of a Trent 700 engine (ESN 41109) for SriLankan Airlines	Request for Proposal	365
Selection of a Competent Maintenance Repair Organization (MRO) For the Repair of a Trent 700 Engine for SriLankan Airlines	Request for Proposal	450

Sector II

2. Merchant Shipping Secretariat

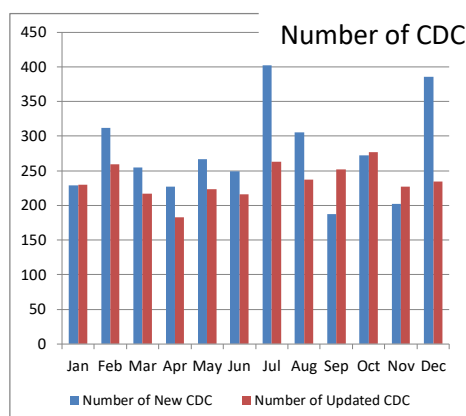
Merchant Shipping Secretariat deals with ensuring safety of life and property at sea, maritime education, training, examination and certification, registration of ships under Sri Lanka flag, Licensing of Shipping Agents, Container Depot Operators, Container Terminal Operators, Container Freight Stations, Freight Forwarders or a Non Vessel Operating Common carriers and implementing provisions of all applicable international Maritime conventions and national regulations.

2.1 Operational Progress

2.1.1 Issuance of Certificates - 2024

2.1.1.1 Continues Discharging Certificate (CDC)

Month	Number of New CDC	Number of Updated CDC
Jan	229	230
Feb	312	259
Mar	255	217
Apr	227	183
May	267	223
Jun	249	216
Jul	402	263
Aug	305	237
Sep	187	252
Oct	272	277
Nov	202	227
Dec	386	234
Total	3293	2818



Source: Internal Statistics, Merchant Shipping Secretariat

2.1.1.2 Certificates (Certificate of Competency/Watch Keeping)

I. Navigation Section

Type of Certificates	No of Certificates issued
Master (Class 1)	28
Chief Mate (Class 2)	36
Second Officer (Class 3)	85
Watch Keeping – Deck Ratings (Officer/Rating)	915
Certificate of Proficiency	393

Source: Internal Statistics, Merchant Shipping Secretariat

II. Engineering Section

Type of Certificates	No of issued Certificate
Chief Engineer	30
Second Engineer	36
Officer In Charge of an Engineering Watch	84
Watch Keeping – Engine (Officer/Ratings)	223
Certificate of Proficiency	109

Source: Internal Statistics, Merchant Shipping Secretariat

2.2 Annual Licenses issued for shipping Agents, FF & NVOCC Operators, Container Operators, Vessel wise licenses & Inclusions – 2024

Type of License	No of license Issued
Shipping Agents	212
Container Operators	23
Freight Forwarders	476
Freight Forwarders & NVOCC	76
Vessel Wise (Shipping) License	563
Inclusion (Shipping) License	48

Source: Internal Statistics, Merchant Shipping Secretariat

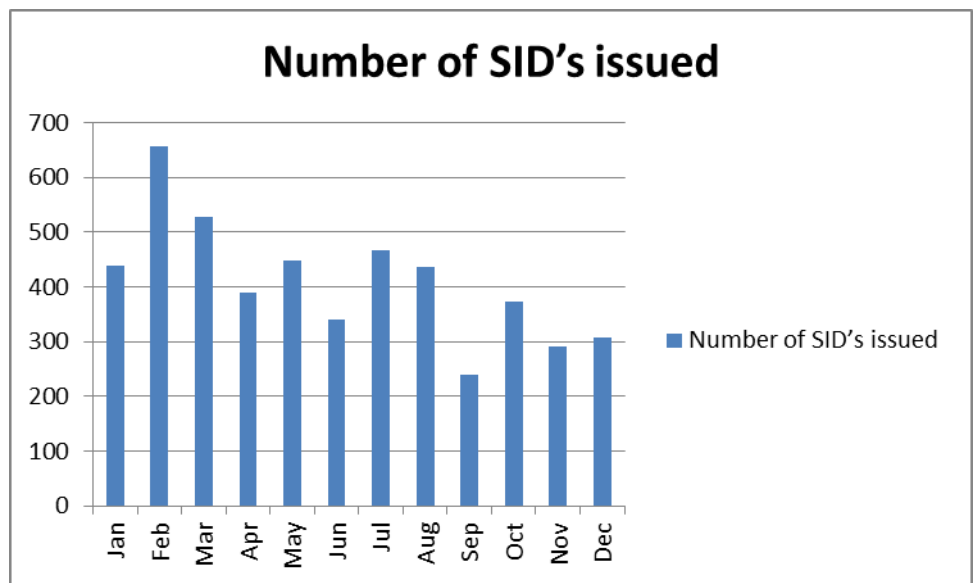
2.3 Licenses issued under VGM Certification - 2024

Type of License	No of License issued
Weigh Bridge	32
Shipper	66
Prime Mover	03
Trailer	05
Lorry	01

Source: Internal Statistics, Merchant Shipping Secretariat

2.4 Seafarer Identity Documents (SID) Issued - 2024

Month	Number of SID's issued
Jan	438
Feb	656
Mar	528
Apr	389
May	449
Jun	340
Jul	467
Aug	436
Sep	239
Oct	373
Nov	291
Dec	307
Total	4913



Source: Internal Statistics, Merchant Shipping Secretariat

2.5 Income Statement 2024

Monthly Revenue of Merchant Shipping Secretariat is as follows.

Month	Number of SID's issued
January	17,135,845.30
February	16,824,472.29
March	16,371,847.50
April	19,037,273.18
May	15,129,792.54
June	18,651,365.02
July	21,989,226.08
August	14,105,702.98
September	16,332,688.92
October	12,142,363.70
November	24,588,016.18
December	32,676,214.76
Total	224,984,808.45

Source: Internal Statistics, Merchant Shipping Secretariat

2.6 Achievements

2.6.1 Human resource development

- 08 officers have participated in 09 foreign training programs from 1st January to December 31st 2024.
- Officers of the institute have participated in 18 local training programs from 1st January to December 31st 2024.

2.7 Future Plans

- Formulation of local regulations in accordance with the IMO and ILO conventions and updating as necessary.
- Implementation of E-government Project.
- Promotion of Ship Registration under the Sri Lankan Flag.
- Signing of MoUs with appropriate foreign states for issuance of certificates of equivalency to sailors to serve in foreign flagged ships.
- Preparation of regulations pertaining to coastal shipping activities.
- Introducing, updating and restructuring quality systems to provide transparent and efficient service to the public.
- Establishing the necessary regulations in accordance with the new global trends in the shipping/maritime industry.

2.8 Expenditure Report – For the nine months ended 31.12.2024

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Finance Code	Item Description	Revised Budget	Total Expenditure	Percentage (%)
	Recurrent Expenditure			
	Personal Emoluments			
1001	Salaries and Wages	32,000,000.00	31,663,380.74	99%
1002	Overtime and Holiday Payments	1,500,000.00	1,131,668.44	75%
1003	Other Allowances	28,360,000.00	27,716,120.70	98%
	Travelling Expenses			
1101	Domestic	500,000.00	102,615.00	21%
1102	Foreign	2,200,000.00	1,336,128.76	61%
	Supplies			
1201	Stationery and Office Requisites	18,580,000.00	18,569,144.65	100%

1202	Fuel	6,000,000.00	4,922,084.31	82%
002	Fuel Allowance	4,000,000.00	3,989,308.03	100%
009	Fuel for Pool Vehicles	1,500,000.00	781,051.28	52%
010	Fuel for Other Purposes	500,000.00	151,725.00	30%
1203	Diets and Uniforms	100,000.00	12,000.00	12%
002	Uniforms	100,000.00	12,000.00	12%
1205	Other	200,000.00	195,914.20	98%
	Maintenance Expenditure			
1301	Vehicles	2,157,000.00	2,156,927.00	100%
1302	Plant and Machinery	2,000,000.00	994,862.71	50%
1303	Buildings and Structures	500,000.00	294,010.00	59%
1304	Software Maintenance	4,800,000.00	4,754,431.71	99%
	Services			
1401	Transport	3,625,000.00	3,623,580.65	100%
1402	Postal and Communication	1,400,000.00	1,203,107.93	86%
1403	Electricity and Water	9,220,000.00	8,403,724.48	91%
1404	Rents and Local Taxes	23,900,000.00	23,887,884.23	100%
1405	Cleaning and Janitorial Services	3,000,000.00	3,000,000.00	100%
1407	Security Services	3,600,000.00	3,539,326.37	98%
1409	Other	2,300,000.00	1,197,280.85	52%
138	Machinery and Office Equipment Service Agreements	558,000.00	94,529.80	17%
139	Vehicle Insurance	260,000.00	258,050.23	99%
140	Miscellaneous Services Expenditure	1,000,000.00	844,700.82	84%
	Transfers			
1505	Subscriptions and Contributions Fee	11,000,000.00	10,718,175.77	97%
1506	Property Loan Interest to Public Servants	300,000.00	264,987.60	88%

	Other Recurrent Expenditure			
1703	Implementation of the Official Languages Policy	100,000.00	63,000.00	63%
	Total Recurrent Expenditure		149,655,806.10	
	Capital Expenditure			
	Rehabilitation and Improvement of Capital Assets			
2001	Buildings and Structures	1,000,000.00	-	0%
2002	Plant, Machinery and Equipment	200,000.00	-	0%
2003	Vehicles	200,000.00	184,600.00	92%
	Acquisition of Capital Assets			
2103	Plant, Machinery and Equipment	20,575,000.00	20,574,167.45	100%
	Capacity Building			
2401	Staff Training	600,000.00	470,770.00	78%
	Establishing e-Government project integrating all services			
2106	Software Development	20,000,000.00	-	0%
	Total Capital Expenditure		21,229,537.45	
	Total Expenditure		170,885,343.55	

3. Sri Lanka Ports Authority

Envisioning the future of Sri Lankan Ports, the Sri Lanka Ports Authority (SLPA) is making a paradigm shift from being a container hub to becoming a global logistics hub, anticipating a boom in international trade that will open up a range of opportunities as well as challenges. The Ports Authority plans to strengthen its complex logistic approaches with a “one touch” information flow of all processes, while benchmarking National and International best practices at every level, in order to improve the overall economic environment of Sri Lanka.

3.1 Development Projects

3.1.1 East Container Terminal – Phase II

3.1.1.1 Procurement of Equipment for East Container Terminal (ECT) of SLPA

The agreement for fabrication works of 12 Nos. of Ship to Shore cranes (STS) and 40 Nos. of Automated Rail Mounted Gantry Cranes (ARMG) for ECT was signed on 20.12.2021, with the Contractor Shanghai Zhenhua Heavy Industries Co., Ltd. However, the fabrication was commenced on 01.12.2022 due to the delay of advance payment by the Bank of Ceylon due to the Economic Crisis in the Country during the period.

As at now, 06 Nos. of STS cranes and 20 Nos. of ARMGs were received as first batch; it is scheduled to receive the second batch of Cranes (03 STS and 06 ARMGs) on January 2025 and balance during the mid of 2025 as per the revised schedule. The commissioning works of already received STS Cranes has been completed and now under operation in the existing yard with previously used Rubber tired gantry (RTG) yard cranes and prime movers. It is planned to commence the step-by-step commissioning the new ARMGs during the first quarter of the 2025 once with completion of ARMG Rail lanes in the new yard by the civil contractor of ECT project.

The Overall physical and financial progress as at end of 31.1.2024 is given in the following Table.

Project Name	Project Cost (Rs. million)	Cumulative Physical & Financial Progress as at 31.12.2024	
		Physical Progress (%)	Financial Progress (USD. million)
East Container Terminal Procurement of Equipment. - 12 Nos. of (STS) Cranes and 40 Nos. (ARMG) Cranes	USD 282 million	89% (Fabrication – 68%)	USD183.664 million

3.1.1.2 ECT Phase – II – Civil Works

No	Expected Output	Physical progress (%)		
		Progress as at 31.12.2023	Progress in year 2024	Progress as at 31.12.2024
1	General Items	77%	11%	88%
2	Dredging & Reclamation	67%	12%	79%
3	Quay Wall Construction	19%	42%	61%
4	Land Side Crane Beam	5%	22%	27%
5	Revetment Construction	0%	0%	0%
6	Container Yard Construction	8%	23%	31%
7	Water & Fire Services	0%	62%	62%
8	Electrical, Data & Communication system	2%	19%	21%
9	Storm Water Drain construction	6%	18%	24%
	Overall Progress	25%	20%	45%

3.1.1.3 Construction of Operation Building for ECT in the Port of Colombo- Civil Works

A four storey building having an area of 4500m² approximately. The tender with Rs. 499 million has been awarded to the ASSET- AMSK Joint Venture. The construction works has been commenced on 21.06.2023. Project is nearly completion with 97%. Balance work at Roof Terrace is in-progress.

3.1.1.4 Construction of Operation Building for ECT in the Port of Colombo- Finishes and Miscellaneous

The contract was awarded to the contractor, M/s S.D.S. Construction with the contract sum of Rs. 202 million. The construction works has been commenced on 02.11.2023. Major works completed are lift works, raised floor, ceiling and partition work of the building. Project is nearly completion with 97%. Balance work of wall painting is in-progress.

3.1.1.5 Terminal Operating System (TOS) for Semi-Automated ECT

- The project was awarded in September 2022 and planned for implementation in April 2024, following a 16-month timeline.
- All hardware and infrastructure required for terminal gates have been handed over to SLPA, with 6 months of warranty period elapsed.

- Delays in civil construction works, including roads, gates, and the ECT administration building, have impacted the installation and configuration of servers.
- As a semi-automated terminal, the operational readiness of equipment such as straddle carriers, STS, and ARMGs is a prerequisite for TOS implementation.
- SLPA management has decided to commence operations of ECT by June 2025.
- ISD is aligning efforts to meet the revised timeline and processes of ECT need to be revisited.

3.1.2 West Container Terminal – I (WCT – I)

The Cabinet of Ministers has granted their approval to develop the WCT-I as a public-private partnership project under a BOT basis for 35 years by a joint venture comprising SLPA and Adani Ports and Special Economic Zone Limited and their local partner John Keells Holdings PLC (APSEZ Consortium). A company has been incorporated in the name of “Colombo West International Terminal (Private) Limited (CWIT)” as a Terminal Operator to undertake the development and operation of WCT-I. BOT Agreement was executed in September 2021 and the Shareholders’ Agreement, Site Lease Agreement and Lender’s Direct Agreement were executed in February 2022.

The WCT - I envisage a 1400m long quay to accommodate three Ultra Large Container Carriers (ULCC), which has a length of 400m or more at -20m depth berths with a backyard area. The approximate terminal area is 65 hectares and the annual container handling capacity of the terminal is 3.0 million TEUs.

The Reclamation work of the WCT- I has now been completed. The construction of the Quay Wall & Revetment, Ground Improvement & Preparation Works Building Works, and Backup Yard of WCT- I is in progress. As of the now, 65% of overall construction progress has been achieved.

Stage	Work to be Completed	Deadline
Stage 1	Award of Building Contract.	-
Stage 2	600 m Quay wall and terminal area behind it fully functional with equipment and amenities sufficient capital dredging for safe navigation.	36 months from the Effective date – 26.02.2025.
Stage 3	Full length of quay wall (1400 m) and completion of capital dredging.	48 months from the effective date – 26.02.2026.
Stage 4	Completion of the construction works.	60 months from the effective date – 26.02.2027.

3.1.3 Extension of Breakwater for West Container Terminal – II (WCT – II)

In line with the National Port Master Plan – 2019, the next proposed development plan is to extend the western breakwater of the Colombo South Port to create a WCT-II extending the quay wall of WCT – I.

The WCT - II incorporates an extension of the existing western breakwater further to deep sea there and pushes westwards to enclose a minimum of 50-70 hectares of land behind WCT - II and create a south harbour basin to have a 1200m - 1400m quay wall at 20m depth having a capacity of 3.5 million TEUs adjoin WCT - I terminal. Once this Project is completed, the Port of Colombo will have a 2600 -2800 m straight quay wall at 18-20m depth as WCT - I and WCT - II with a 50-70 ha land area behind the WCT - II terminal for the Logistic facility.

The period for this extension of the breakwater may take up to five years from the commencement of the project. The construction of the extension of the WCT- II terminal can start construction with the partial extension of the breakwater. Therefore to avoid a capacity crunch leading to loss of business after 2028, the detailed design for the breakwater for WCT - II needs to be started by the year 2025, targeting to commence operations in 2030 latest.

Considering the requirement, the SLPA along with the line ministry has concluded the procurement process for selecting a consultant for the detailed design of the extension of breakwater for WCT – II. Soon after obtaining necessary Cabinet approval, consultancy work will be awarded to first ranked consultant and the study will be commenced.

3.1.4 Galle Port Development Project

The development of the Port of Galle as a tourism-related port has been identified in parallel to its operations as a regional commercial port. The proposed development of the Port of Galle to be formulated in a sustainable development model not restricting to traditional port services attracting investment from the private sector opening opportunities in leisure and real estate development connected with Galle Bay considering the specific geographical advantage.

This project comprises the construction of a deep-water passenger terminal and connected revetment, breakwaters, dredging of entrance channel and basin, and other facilities. The completion will benefit the economic development of both the Galle region and the country.

According to the cabinet approval in March 2024, the procurement process to call for Expression of Interest (EOI) and Request for Proposals (RFP) has been initiated. The RFP will be closed in January 2025.

The prospective investor for the Galle Port Development Project will be selected in 2025.

3.1.5 Development of Port related industries at Port of Trincomalee

Port of Trincomalee could be developed to play a major role in this unique economic region considering its locational advantage, deep-water port facilities, large hinterland for establishing industries and accompanied with quick land connection to Port of Colombo, with the expansion of the expressway network.

SLPA has developed short-term and long-term plans for the Port of Trincomalee including available land therein.

The land allocation for developing the Port of Trincomalee for industrial developments with possible connectivity of rail and road has already been identified in the Trincomalee zonal plan of the National Port Master Plan and as well as in the Trincomalee district Master Plan.

In relation to the industrial development of the Port of Trincomalee, approval of Cabinet of Ministers has already been requested. Further, with reference to observations of Central Environmental Authority (CEA), SLPA has already initiated a Strategic Environmental Assessment (SEA) study to obtain the required environmental guidance.

Accordingly, SLPA is ready to initiate the development (with the approval of Cabinet of Ministers) of promising industries either by SLPA or via a Public Private Partnership (PPP).

3.1.6 South Asia Commercial and Logistic Hub (SAC&LH)

South Asia's Commercial and Logistics Hub is constructed by a consortium of investors led by the China Merchants Port Holdings (CMPort). Under this project, a 5-storey, 150,000 square meter complex will be built. This would be the largest commercial and logistics complex in South Asia.

Agreements for the construction and operation of the (SAC&LH) as a 50-year Build-Operate-Transfer (BOT) project were formally signed in Colombo by representatives of the three investing entities, with China Merchants Port Holdings (CMPort), SLPA and Access Engineering PLC (Access).

The site lease Agreement was signed in July 2023. The construction period of the project is 42 months.

UDA Preliminary Planning Clearance and Department of Coast Conservation permit for the SACLH Project have been received and geological investigation works were started in November 2024.

3.1.7 Development of Thalaimannar Port

Considering the importance of the bilateral relationship between India and Sri Lanka, the Government of Sri Lanka and the Government of India have taken the necessary steps to initiate a ferry service between Sri Lanka and India.

The SLPA has taken necessary action to carry out a feasibility study for the proposed development in view of deciding to proceed with this development.

Further, the Cabinet of Ministers has given direction to develop this port on the Public Private Partnership (PPP) model and considering this action has been taken to commence an EOI, RFP process to select an investor. The EOI is in progress and selected bidders will be called to submit RFPs in 2025.

3.1.8 Enhancing Deep Berth Capacity of Jaya Container Terminal (JCT)-V Project -Civil Works

The construction work has been completed and released for operation having installed the Ship-to-Shore (STS) Cranes. The contract sum is Rs. 5,035 million.

3.1.9 Construction of Engineering Workshop Building at Port of Trincomalee

The tender has been awarded to the Sri Lanka Land Development Corporation. The construction works has been commenced on 03.04.2023 and completed on 15.08.2024. Project is substantially completed and handed over to Trincomalee Port by SLPA. The contract sum is Rs. 252,851,266.93.

3.1.10 Construction of Water Supply Sump and Pump Station – Port of Trincomalee – Installation of Pumps

The contract was awarded to the contractor, M/s Puritas (Pvt.) Ltd. The contractor signed the Contract Agreement. Contractor mobilized to the site on 02.12.2023. Project was substantially completed on 17.08.2024. The contract sum is Rs. 44,040,795.80

3.1.11 Rehabilitation of Kankasanthurai Harbour

To fund this project, the GOSL has entered in to a Dollar Credit Line Agreement with Export-Import Bank of India on 10.01.2018 and obtained financial assistance of USD 45.27 million to perform the work. This project is comprised of two contracts namely the Consultancy Contract and the Construction Contract.

To execute the project work, the SLPA has initially entered in to a Project Management Consultancy (PMC) Agreement with Haskoning DHV Consulting Pvt Ltd to obtain design and consultancy service on 30.06.2020 and its work has begun on 12.10.2020.

As at end of December 2024, the consultancy contract has progressed to 47% by completing initial design work, preparation of Pre-Qualification document and Detailed Project Report. However, the project is currently at a standstill due to the lack of approval from Ex-Im Bank India for the estimated cost overrun and pre-qualification document.

To address this, the Indian Government has proposed a USD 63.65 million grant to initiate the construction work. The Ministry of Finance, Economic Stabilization, and National Policies obtained Cabinet Approval on 29.04.2024, to sign a Memorandum of Understanding with the Government of India for this grant. Additionally, to make a request to the Government of India to cancel the existing Dollar Credit Line agreement.

The finalization process of MOU to execute the grant is in progress at present. Once the grant is finalized by the Ministry of Finance, Economic Stabilization, and National Policies, the tender calling procedure to commence the construction work for the project can be started.

3.1.12 Commencement of Ferry Service between Kankasanthurai and India

This facility has been declared open on 16.06.2023. It has been decided to operate the newly constructed terminal building by SLPA operation division via outsourcing ground services. Accordingly, the ferry operations (approximately 4 ferries per week) are ongoing at present by use of newly constructed terminal building.

3.1.13 Projects being carried out by SLPA under Port Access Elevated Highway Project

Following activities are undertaken by SLPA under the PAEH project.

- Facilitation and coordination with the RDA and PAEH contractor.
- Construction of New Workshop Building Complex

Due to Port Access Elevated Highway project, SLPA workshops are required to be relocated and planned to construct a workshop complex including four no. of buildings. Estimated Project cost is Rs 2089 million (with price escalation), funding by ADB.

To execute the project work, the contract has been awarded to the Contractor BEL-DGES JV on 09.09.2021 and the construction has been completed at the end of 2023. The final bill payment is in progress at present.

3.1.13.1 Maritime Facilitation Centre (SLPA Head Office Building)

In order to relocate the SLPA staff to facilitate PAEH construction, a 17-storied building is being constructed at Canal Yard Premises. Project cost is Rs. 4,999 million, funded by ADB and the project has been under taken by RDA. Project coordinating work and finalizing of employer's requirement considering SLPA requirement is handled by SLPA and 48% of physical progress has been achieved and the tentative date of project completion is May 2025.

3.1.13.2 Purchasing the Furniture for SLPA Head Office Building

A Board Approval has been received to obtain the service from Architect and the Interior Designer of SLPA to finalize the furniture requirement of the Maritime Facilitation Center. Accordingly, 3D model and specifications are under preparation by the Interior Designer. The MFC construction work is scheduled to be completed by May 2025, after which the furniture purchasing work will begin.

3.1.14 Port Community System (PCS)

- Expressions of Qualifications (EOQs) were called, evaluated, and shortlisted.
- The Request for Proposals (RFP) document was prepared under a private financial model.
- SLPA management decided to fund the project internally, requiring Cabinet approval before issuing the RFP to shortlisted bidders.
- Awaiting Cabinet approval for SLPA's internal funding model to proceed with the RFP issuance.

3.2. Future Project and Programs

3.2.1 Paving Works of Yard Area in JCT V at the Port of Colombo

Paving yard area of 31,000m² approximately. Procurement work is in-progress. Estimated Cost is Rs. 895,787,500.00. Expected Date of Commencement is 01.03.2025, while the project period is 365 days. 75% to be completed within the year 2025. Budget Allocation for 2025- 750 million

3.2.2 Construction of Access Road for ECT Operation Building

Estimated Cost is Rs. 261 million Expected Date of Commencement is 01.03.2025, while the project period is 270 days. Project to be completed on 31.12.2025. Budget Allocation for 2025- 195 million.

3.2.3 Rehabilitation of Road Section between Seram Bend to Main Road at Seram Gate

Design works in-progress. Expected Date of Commencement is 01.05.2025. Project to be completed on 31.12.2025. Budget Allocation for 2025- 195 million.

3.2.4 Construction of Port Access Road and Gate Structure at the Port of Trincomalee

Expected Date of Commencement is 01.07.2025, while the project target to be 55% completion in 2025. Budget Allocation for 2025- 550 million

3.2.5 East Container Terminal - Workshop Building and Facility Building

It was planned to provide the workshop facilities and the accommodation facilities for the operation of ECT by use of SLPA funds. The estimated cost for the workshop is Rs. 900 million and the estimated cost for the Facility building is Rs. 750 million. The layout finalization process is in progress at present and the project scheduled to be commenced in year 2025.

3.2.6 Port Award Ceremony -2025

The SLPA is planning to organize a port award ceremony in 2025 in collaboration with the other terminals at the Port of Colombo. This will be an international event, and most of the top shipping line principals will participate in the event.

3.2.7 Shipping Lines Principals' Visits and Exhibitions Promotions to Enhance Industry Visibility and Networking Opportunities.

The Marketing and Business Development and Operations Divisions have collaboratively developed a strategic plan to engage with key global maritime enterprises demonstrating potential for significant volume growth at the terminals operated by the SLPA. A core aspect of this initiative involves conducting visits to leading shipping line principals to strengthen relationships, explore collaborative opportunities, and position SLPA as a strategic partner in the global shipping and logistics ecosystem.

Alongside these visits, SLPA will actively participate in a variety of international exhibitions and trade forums. These efforts are focused on showcasing the unique advantages of SLPA and the Port of Colombo, including their strategic location, facilities and flexibility to meet the evolving demands of global trade. By combining direct engagement with shipping line principals and global promotional activities, SLPA aims to attract both well-established shipping lines and emerging players, promoting strategic alliances and driving sustainable growth.

3.2.8 Digital Marketing Campaign for ECT

We have conducted research on digital marketing strategies, and based on that, we are preparing to start a digital marketing campaign for the SLPA-owned ECT with the completion of terminal development in the year 2025.

3.3. Operational Performance 31.12.2024

3.3.1 Port of Colombo

- Ship Arrivals

Description	2023	2024	%
Cargo Ships			
Container	3,890	3,522	-9.5
Conventional	32	54	68.8
Other Cargo	180	230	27.8
Ships for repairs	45	46	2.2
Ships for bunkering	44	74	68.2
Other Ships	46	42	-8.7
Total ships arrived	4,237	3,968	-6.3

- Container Ship Arrivals

Description	2023	2024	%
Sri Lanka Ports Authority	1,521	1,337	-12.1
South Asia Gateway Terminal	1,000	937	-6.3
Colombo International Container Terminal	1,369	1,248	-8.8
Total	3,890	3,522	-9.5

- Container Throughput (TEUs)

Description	2023	2024	%
Imports	495,101	589,927	19.2
Laden	438,234	541,155	23.5
Empty	56,867	48,772	-14.2
Exports	494,905	579,328	17.1
Laden	283,440	301,094	6.2
Empty	211,465	278,234	31.6
Transshipment	5,754,247	6,315,195	9.7
Re-stowing	205,659	307,619	49.6
Total TEUs	6,949,912	7,792,069	12.1
% of transshipment	83	81	

- **Containers (TEUs) Handled by**

Description	2023	2024	%
Sri Lanka Ports Authority	1,965,130	2,413,162	22.8
South Asia Gateway Terminal	1,763,864	2,025,840	14.9
Colombo International Container Terminal	3,220,918	3,353,067	4.1

- **Port of Colombo - Cargo Handled (Tonnes)**

Description	2023	2024	%
Cargo Discharged (Tonnes)	53,569,162	62,112,102	15.9
Cargo Loaded (Tonnes)	46,104,426	52,481,808	13.8
Total Cargo Handled	99,673,588	114,593,910	15.0

- **Tonnage Handled by**

Description	2023	2024	%
Sri Lanka Ports Authority	27,986,968	36,487,633	30.4
South Asia Gateway Terminal	22,812,891	25,563,582	12.1
Colombo International Container Terminal	42,603,207	45,172,714	6.0
Ceylon Petroleum Corporation	4,009,417	4,019,619	0.3
Other Quays	2,261,105	3,350,362	48.2
Total	99,673,588	114,593,910	15.0

* Including Estimated Tonnage for SAGT and CICT

- **Container Throughput (TEUs) by Terminals/ Quay**

Description	2023	2024	%
Sri Lanka Ports Authority (JCT & ECT)			
Domestic	208,383	285,204	36.9
Transshipment	1,729,272	2,042,577	18.1
Re-stowing	27,476	85,381	210.7
Total	1,965,131	2,413,162	22.8
South Asia Gateway Terminal			
Domestic	193,092	229,291	18.7
Transshipment	1,528,824	1,757,097	14.9
Re-stowing	41,947	39,452	-5.9
Total	1,763,863	2,025,840	14.9
Colombo International Container Terminal			

Domestic	588,531	654,760	11.3
Transshipment	2,496,151	2,515,521	0.8
Re-stowing	136,236	182,786	34.2
Total	3,220,918	3,353,067	4.1
Port of Colombo			
Domestic	990,006	1,169,255	18.1
Transshipment	5,754,247	6,315,195	9.7
Re-stowing	205,659	307,619	49.6
Total	6,949,912	7,792,069	12.1

3.3.2 ALL PORTS

Port Operations of Port of Colombo, Port of Hambanthota, Port of Trincomalee, Port of Galle, Ports of Kankasanthurai, Myliddy, Point Pedro and Karainagar

Description	Total
No. of Ships	4,605
Cargo Discharged (Tonnes)	66,500,161
Cargo Loaded (Tonnes)	53,739,009
Cargo Handled (Tonnes)	120,239,170

3.4 Financial Performance 01.01.2024 to 30.11.2024 (Rs. Mn.)

Description	Total
Revenue	
Operational Revenue	68,528.24
Other Operating Revenue & Interest Income	19,919.74
Total Revenue	88,447.98
Expenditure	
Personnel Emoluments	17,990.06
Overtime	7,362.03
Fuel, Electricity & Other Lubricants	5,619.90
Maintenance of Assets	2,572.71
Other Expenditure (External hire charges, Contract Work, Travelling etc..)	11,616.77
Sub Total	45,161.47
Profit / Loss before (FEL)/FEG & foreign loan interest	43,286.51
Foreign Loan interest	2,341.47
Profit / Loss before (FEL)/FEG & after foreign loan interest	40,945.04
Foreign Exchange (Loss) /Gain	(1,490.84)
Profit / Loss after(FEL)/FEG & before Tax	39,454.20
Income Tax	(8,290.05)
Profit/Loss after (FEL)/FEG) & Tax	31,164.15

4. Ceylon Shipping Corporation Limited

Ceylon Shipping Corporation Limited being the National Sea Carrier of Sri Lanka acts as a Shipping Service Provider in achieving the country's economic objectives while supporting the national economic growth. Ceylon Shipping Corporation also handles ship acquisition, chartering, managing, brokerage, shipping and maintenance of shipping agents.

The Report on Committee Stage of the Budget 2025 is basically prepared for the period from 01.04.2024-31.12.2024. This period is taken as 01st, 02nd and 3rd quarters of the financial year 2024/25.

4.1 Key Objectives

4.1.1 Towards the Trade and Customers

- Acting as a facilitator of nation's economic development by capitalizing on booming economies of the region.
- To satisfy Customers' needs at the least cost and time with the highest degree of reliability.

4.1.2 Towards the Country and Society

- To facilitate developing the country as a Navel Hub as envisaged in the National Development agenda for the future;
- To provide competitive charges for shipping needs of customers;
- Saving of foreign exchange in carriage of government import cargoes on FOB basis;
- To continue to be a shipping and logistics partner in country's Thermal Electric Power Generation Sector;
- To become a shipping partner in country's Energy / Petroleum sector.

4.1.3 Towards the Owners

- Highest contribution to the Government offers by maximizing profit and saving much needed foreign exchange.

4.2 Key Functions

- Ship Owning, Operating, Managing, Chartering and Brokering
- Sea Transportation of Container Cargo on NVOCC basis
- Sea Transportation of Bulk cargo
- Logistics Services & Customs Clearance (inward & outward)
- Shipping Agency Services
- Ship brokering services
- Ship chartering services
- Transportation of coal to the Lakvijaya Power plant
- Maritime training for national youth

4.3 Financial & Physical Progress of ongoing Business Activities year 2023 & 2024 for the period of 01st April – 31st December

	Activity	Sub Activity	Physical Performance		Revenue (Rs. Mn)	
			2024	2023	2024	2023
1.1	Transport of cargo – NVOCC operation (None Vessel Operating Common Carrier)	Carriage of cargo in full container load (FCL)	*793 TEUs	798 TEUs	*368.75	473.19
1.2		Carriage of cargo in less than container load (LCL)	*2,033.84 F/T	10,202.8 8F/T		
2	Logistics services	Clearing & forwarding, door delivery & pick up	**345 Jobs	318 Jobs	124.02	48.84
3	Agency Services	Vessels carried fertilizer Port Agent for coal vessels	2Vessel ***22vessels	2Vessel 22 vessels	- 27.27	- 39.23
4	Transportation of coal for Lakvijaya Power Plant	Address commission on freight	-	-	-	-
		Address commission on lightering	**** 1.27 Mn MT	**** 1.29 Mn MT	337.45	334.12
5	Deployment of CSC 02 vessels	Freight income own vessels (Transportation of coal)	-	-	-	-
		Charter hire income own vessels	***** 530 days	***** 533 days	***** 2,408.31	***** 2,021.14
6	Maritime Training	No. of cadet / officers on 3 rd party vessels	***** 1 cadets	***** 2 cadets	***** 0.11	***** 1.13
	*****Total Revenue				3,265.91	2,917.66

Source: Financial Performance -Draft Accounts/Physical Performance – Departments' records

Note:

1. * Container Throughput (TEUs and F/Ts) handled in Colombo port for the considered period had been decreased due to the fact that Sri Lankan economy has still not recovered completely after severe economic crisis period in recent past. Tough fiscal policies, highly controlled import policies and restructuring process of Government sector institutions, have resulted in sharply decreased government sector import volumes (ie. Shipments of Sri Lanka Railways (SLR) , National Water Supply and Drainage Board (NWSDB), Ceylon Electricity Board (CEB)) and the same has affected to CSC performance as well.
2. **Logistic Department has secured additional new jobs while catering to the usual jobs which shows an 8% overall increase in performance and 154% increase in revenue when compared to the last year.
3. *** CSC managed to cater for higher number of vessels with required Agency services during this year as well.
4. ****Revenue on charter hire depends on the Global charter market rates. As per Clarkson Index on 03rd January, 2025 average Ultramax rate per day for the year 2024 is USD 16,201/- while average Ultramax rate per day for the year 2023 is USD 14,315/-.
5. *****Cadets/ officers trained onboard 3rd party vessels depend on the availability of training opportunities.
6. ***** During the considered period in the year 2024, Total Revenue has been increased by 12% when compared with the preceding year.

4.4 Presently onboard as at 31.12.2024

Rank	MV. Ceylon Princess	MV. Ceylon Breeze
Deck	-	18
Engine	06	02
Electrical	03	01
Ordinary Seaman (OS)	12	03
Total	21	24

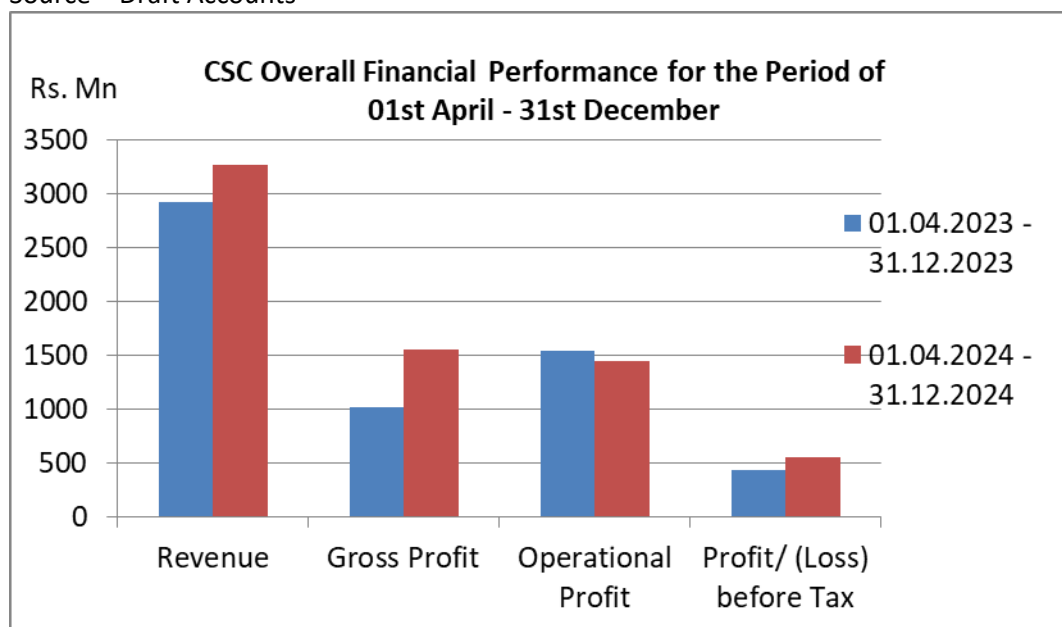
Source – CSC Technical Department

4.5 CSC Overall Financial Progress

4.5.1 Statement of Profit & Loss

	For the Period of 01 st April to 31 st December	
	Year 2024 Rs. Mn	Year 2023 Rs. Mn
Revenue	3,265.91	2,917.65
Direct Operational Expenses	(1,718.94)	(1,907.06)
Gross Profit	1,546.97	1,010.59
Other Income	71.10	708.06
Administration Expenses	(174.50)	(179.33)
Operational Profit	1,443.57	1,539.32
<u>Finance Expenses</u>		
Interest Expenses- Vessel Loan	(1,236.63)	(1,355.89)
Exchange Loss	(40.56)	(119.61)
Exchange Gain –Vessel Loan (Nominal Entry)	388.21	368.78
Profit/(Loss) before Tax	554.59	432.60

Source – Draft Accounts



Source – Draft Accounts

4.6 Proposed New Businesses

4.6.1 Operating a Feeder Service between Sri Lanka & Bangladesh

A Memorandum of Understanding (MOU) has already been signed between Sri Lanka and Bangladesh to harness joint business opportunities. Accordingly, there was a proposal forwarded by Bangladesh Shipping Corporation (BSC) to operate a joint Container Feeder Service between Chittagong and Colombo ports.

Bangladesh Shipping Corporation and Ceylon Shipping Corporation (CSC) are in the process of finalizing Standard Operating Procedure (SOP) from both sides and have exchanged their views and priority requirements into the SOP before starting the operation.

This service will facilitate both Sri Lankan exporters and importers to transport their goods and also for transshipment cargo to Europe and Mediterranean countries. CSC expects to finalize the SOP at the earliest possible to commence this operation between the two countries.

4.6.2 Construction/Building 5 nos. Self-Propelled Barges for Coal Lightering Operation

Ceylon Shipping Corporation Ltd has been floating a tender for the last 13 years to select a lightering partner to transport the annual coal requirement of average 2.25 Mn MT per annum from Norochcholai anchorage to jetty a distance of 4.2 km. As per the records, 21.84 Mn MT amount of coal had been discharged using the barges and USD 46.98 Mn amount of funds have drained out from the country during the last 13 years of time.

In order to retain much needed foreign currency and for operational sustainability, CSC expects to deploy its owned constructed barges to the operation.

5. JAYA CONTAINER TERMINALS LTD

The Jaya Container Terminals Limited (JCT Limited), also known as the Colombo Oil Bank is a fully owned subsidiary company of Sri Lanka Ports Authority, which is a premier oil bunkering storage entity in the region.

5.1 Financial & Physical Progress of Ongoing Development projects from January to September 2024

Activity	Funding Source	Expected Cost (Rs.)	Physical Performance
Construction of 02 Nos. of 12000MT capacity fuel tanks.	Long term lease basis /SLPA /JCT Ltd	2400Mn	Award letter was given to selected consortium by SLPA. Agreement still not signed. Development permits Obtained Soil test was done.
Supply & installation of Engine Driven pump for loading of Gas Oil.	JCT Funds	40Mn	Completed.
Supply & installation of Heat detectors for Boiler, Generator & Engine Rooms.	JCT Funds	12Mn	75% completed. Balance will be completed Before June 2025
Supply & installation of security sensors system & other equipment.	JCT Funds	20Mn	SLPA has been assigned to fabricate the safety mesh over the unsafe section of the existing boundary wall. The management has decided to purchase the required safety equipment in 2025.

5.2 Operational Performance

Comparison of Operations in 2024 with 2023

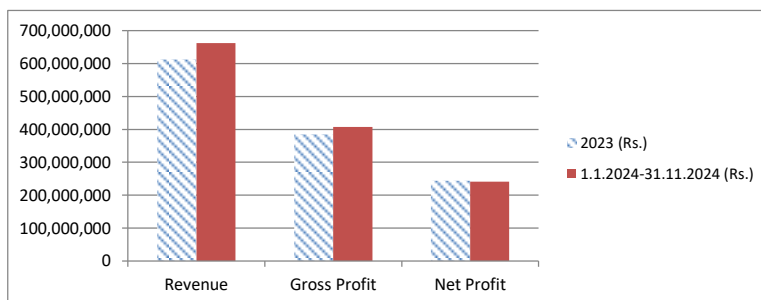
PRODUCT	LOADING		DISCHARGING	
	2023 M.T.	2024 M.T.	2023 M.T.	2024 M.T.
LSFO 380 Cst	337,123.447	487,642.826	344,736.166	492,791.987
MGO	75,243.343	76,694.246	75,449.809	75,913.226
TOTAL	412,366.790	564,337.072	420,185.975	568,705.213

According to the table above, when comparing the total loading and discharging quantities between 2023 and 2024, total loading in 2024 increased by 151,970.282 MT, representing a 31.64% increase compared to 2023. Similarly, the total discharging quantity increased by 148,519.238 MT, reflecting a 26.11% rise.

5.3 Financial Performance

Comparison of financial performance with 2023 and 2024

	2023 (Rs.)	1.1.2024-31.11.2024 (Rs.)
Revenue	612,328,282	662,489,515
Gross Profit	384,757,547	407,293,416
Net Profit	243,875,173	241,027,539



5.4 New developments in Operations

Total Loading and Discharging in 2024

PRODUCT	LOADING		DISCHARGING	
	MT	%	MT	%
LSFO 380Cst	487,642.826	86.41%	492,791.987	86.65%
MGO	76,694.246	13.59%	75,913.226	13.35%
TOTAL	564,337.072		568,705.213	

According to the total loading and discharging quantities and their percentages shown in the table above, Jaya Container Terminals Ltd (JCT) handled a total loading quantity of 564,337.072 MT in 2024. This comprised 86.41% Low Sulphur Fuel Oil 380Cst (LSFO) and 13.59% Marine Gas Oil (MGO). The total discharging quantity for the same year was 568,705.213 MT, consisting of 86.65% LSFO 380Cst and 13.35% MGO.

5.5 Future Project

- Construction of 02 Nos. of 12000MT capacity fuel tanks

6. Civil Aviation Authority of Sri Lanka

The Civil Aviation Authority of Sri Lanka (CAASL) was established under the Civil Aviation Authority of Sri Lanka Act No. 34 of 2002 and the Civil Aviation Act No. 14 of 2010. Its primary mandate is to ensure the safety, security, efficiency, and sustainability of civil aviation operations, maintaining the industry's integrity and reliability.

6.1 Performance in 2024

6.1.1 Operational Performance - Year 2024

- Quality and Internal Audit has successfully completed more than 80% of the required tasks to obtain ISO 9001:2015 Quality Management certification.
- The draft bill for establishing an independent Aircraft Accident Investigation Bureau has been submitted to the line ministry for final approval. Additionally, the aviation safety monitoring section has concluded five major investigations addressing aviation safety concerns.
- In 2024, the Legal and Enforcement Section, with support from officers of the Attorney General's Department, participated in 36 court proceedings, including two Supreme Court cases, three Court of Appeal cases, and two High Court cases.
- To foster aviation knowledge among Sri Lanka's younger generation, five awareness programs and two airport workshops were conducted, engaging a total of 300 schoolchildren. The success of these initiatives was closely tied to the publication of the "Guwansara" magazine and the broadcast of the "Guwan Sarisara" television program, which significantly enhanced their impact.
- While successfully achieving its key objectives, the Aero Medical Unit expanded its activities to other countries in the Asia-Pacific region, providing aviation medicine expertise and training.
- Sri Lanka's progress under ICAO's Universal Safety Oversight Audit Programme - Continuous Monitoring Approach (USOAP CMA) was systematically monitored through periodic reviews and sectional meetings, resulting in the submission of 738 Protocol Question (PQ) responses to ICAO.
- The Aerodrome Section conducted certificate renewal audits for Bandaranaike International Airport, Colombo International Airport Ratmalana, and Jaffna International Airport to ensure compliance with international safety standards, supporting tourism and trade through certified international operations. Additionally, the license renewal of Batticaloa Airport was completed, marking its transfer from Sri Lanka Airforce to the Civil Aviation Authority, now managed by AASL to enhance domestic connectivity.
- The Air Navigation Services Section achieved significant progress, including the promulgation of SLCAP 2290 to enhance ATS provider fatigue management. Key activities included the issuance of 5 AIP Amendments, 6 AIP Supplements, 6 AICs, and the approval of 311 NOTAMs. The section also facilitated 1,290 overflight approvals and 719 non-scheduled technical stops/non-commercial landings, including operations outside business hours. Furthermore, 358 concurrence/no-objection notes were provided to the Ministry of Foreign Affairs, enabling 158

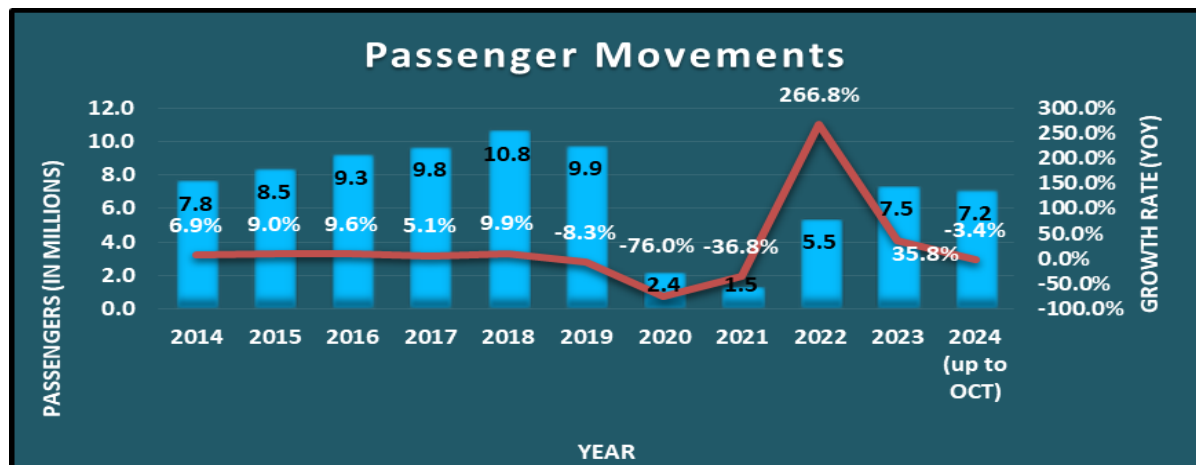
diplomatic landings and 200 diplomatic overflights, reflecting a robust commitment to operational excellence and international collaboration.

- The Personnel Licensing Section successfully certified 2,657 aviation professionals and conducted 15 certification surveillance activities for aviation training organizations. Additionally, the section administered 3,174 knowledge examinations for flight crew licensing, aircraft maintenance personnel, and flight dispatchers, demonstrating its commitment to maintaining high standards of competency and compliance in the aviation industry.
- The Aircraft Operations Section, under the Division of Flight Safety Regulations, achieved several significant milestones in 2024. These milestones included the development of Operations Regulations aligned with the European Union Aviation Safety Agency (EASA) Operations Rules, addressing findings from the 2018 ICAO audit with 80% completion by the end of the year. Certification processes were initiated for Air Ceilao, Blue Sky Aviation, and Aura Aviation, while Air Operator Certificates were renewed for five operators. The Ground Handling Service Providers License for SriLankan Airlines was successfully renewed.
- Comprehensive audits of SriLankan Airlines and FITS Aviation ensured compliance with ICAO SARPs and local regulations, supported by 67 inspections covering flight, cabin, and ground operations. Foreign Air Operator Certificates were granted to BBN Airlines Indonesia, Iran Air Tour Airlines, Jet Star, and Arkia Israeli Airlines Ltd, with 31 FAOCs renewed, resulting in 46 foreign operators conducting operations to Sri Lanka.
- During the year, CAASL Aircraft Registration & Airworthiness Section developed regulations aligned with the European Union Aviation Safety Agency (EASA) Operations Rules, addressing findings from the 2018 ICAO audit and the IS M implementation audit in May 2023. With expert assistance from EU-SA APP II, a roadmap for amending existing regulations was created, and significant progress was made, including two EU-supported workshops and the completion of the first draft of a three-volume Internal Procedure Manual.
- The aviation sector in Sri Lanka experienced significant developments in the year 2024. A total of 28 scheduled foreign airlines operated to Sri Lanka, serving both Bandaranaike International Airport (BIA) in Katunayake and Mattala Rajapaksa International Airport (MRIA). Local carriers, SriLankan Airlines and Fits Air continued their domestic operations. Jetstar Asia and Maldivian Airlines initiated services but later suspended them due to aircraft shortages. Cathay Pacific Airways resumed operations post-COVID-19, while Chongqing Airlines briefly operated but faced operational issues.
- Turkish Airlines maintained freighter services from Istanbul, and BBN Airlines from Indonesia began freighter operations between Colombo and Malé under special approval due to high cargo demand.

6.1.1.1 Air Transport Performance from 2014 to 2024

CAASL collects and compiles monthly statistics on passenger and cargo operations from both scheduled and non-scheduled international airlines. These compiled statistics form the basis for a detailed analysis of the air transport industry's performance over the past decade, offering insights into key trends, challenges, and achievements. The analysis places a strong focus on evaluating critical aviation metrics, such as annual and monthly passenger traffic, annual cargo traffic, and annual aircraft movements.

- **Annual Passenger Traffic**

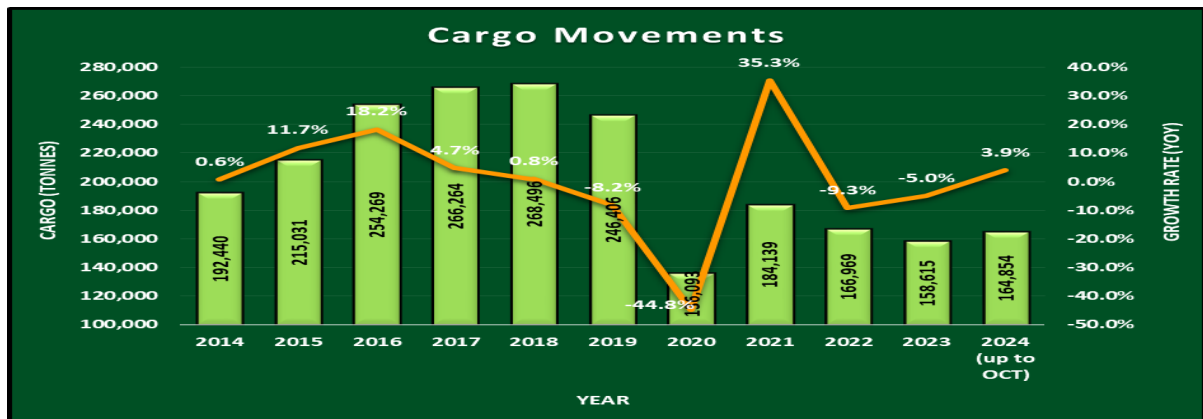


The graph illustrates the annual passenger movements from 2014 to 2023, along with the corresponding year-on-year (YOY) growth rates. From 2014 to 2018, passenger movements steadily increased from 7.8 million to a peak of 10.8 million, representing an upward growth trend. A dramatic decline occurred in 2020, with passenger movements dropping to 2.4 million (76.0% YOY decrease) due to the COVID-19 pandemic and associated travel restrictions. Passenger movements recovered significantly in 2022, reaching 5.5 million and this recovery continued into 2023, with passenger movements rising to 7.5 million. However, passenger movements in 2023 still remained below the pre-pandemic peak of 10.8 million achieved in 2018.

According to the JAN-OCT 2024 data, passenger traffic has increased to 80% of pre-pandemic levels. With the substantial rise in tourist arrivals and passenger numbers this year, it is predicted that Sri Lanka could reach or even surpass 90% of pre-COVID traffic volumes by the end of the year.

The following graphs of aircraft and cargo movements show the same trend to that of passenger movements.

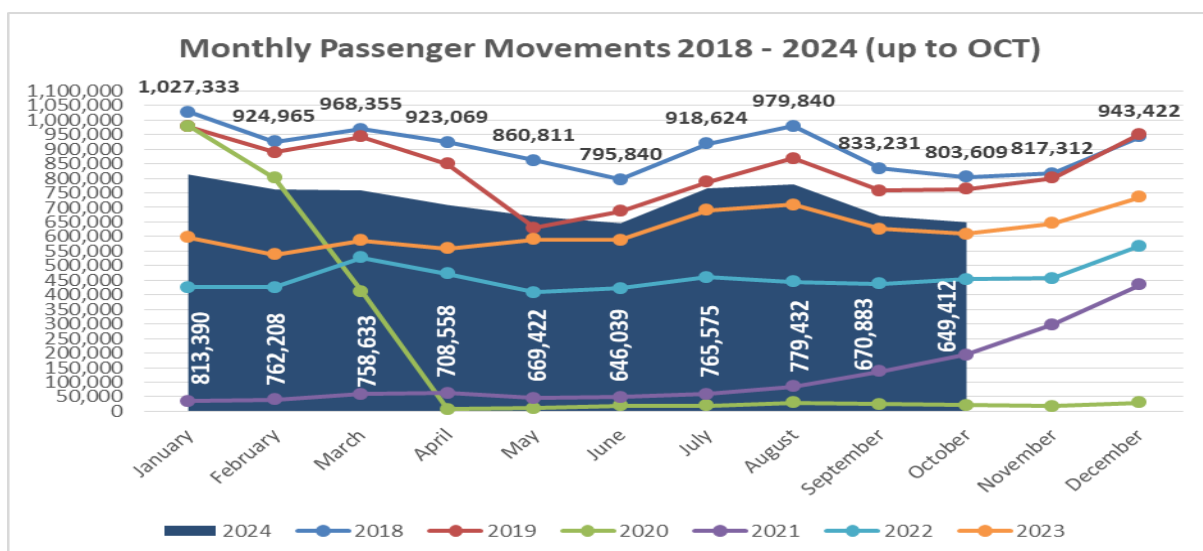
- Annual Cargo Traffic



- Annual Aircraft Movements



- Monthly Passenger Traffic



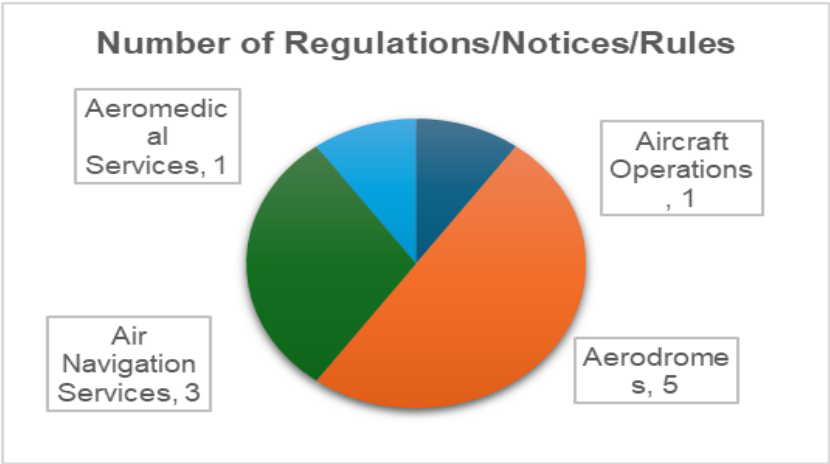
As illustrated in the graph, the 2024 figures are progressively approaching pre-pandemic levels on a month-by-month basis, as shown in the area chart. They are nearly aligned with the 2019 data and are projected to potentially surpass those levels by 2025.

6.1.1.2 CAASL’s KPI Based Operational Performance

CAASL collected monthly work performance statistics from each section of the organization under the CAASL Statistical Programme and following analysis shows the performance of organization in 2024.

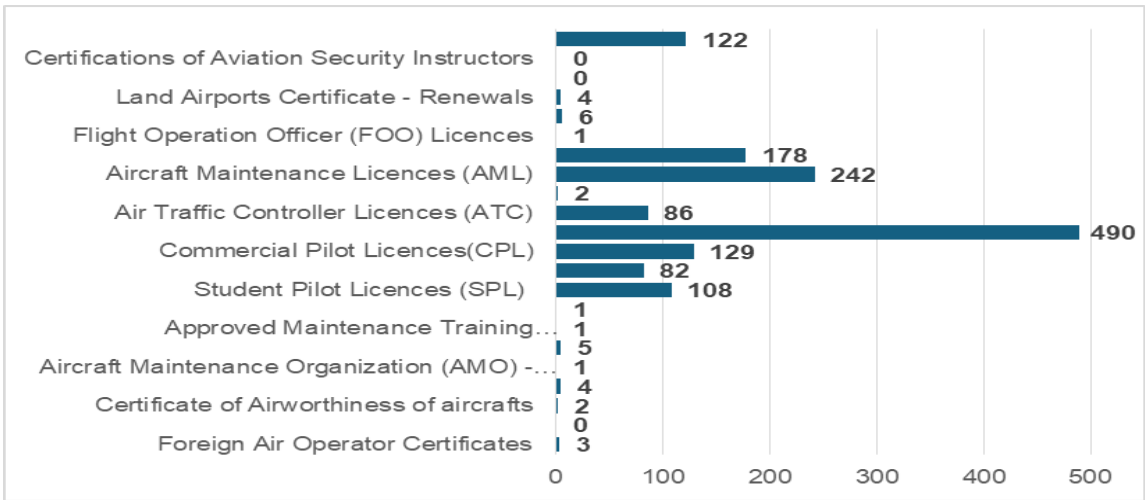
Initial/Updated Regulations

The graph below illustrates the number of regulations, notices, and rules developed by CAASL across key focus areas, including aircraft operations, air navigation services, aerodromes, and aeromedical services, during the period from January to September 2024.



Certifications Issued by CAASL

The graph illustrates the number of certifications and licenses issued in relation to flight safety, security, and aeronautical services from January to September 2024.



Approvals Issued by CAASL

Indicator	Number
No of Aircraft Overflying Colombo FIR	29853
Number of Aerial Works Approval	172
Landing Clearances issued	472
Over flying Clearances issued	1007
No of Non-Schedule Flights Approvals	1479
Approvals for Issuances of NOTAM	263
Approvals for Construction of High-Rise Structures	95
No of Tower Approvals	114
Carriage of Weapons in Cargo Hold	54
Domestic Flight Schedule Approvals	41
International Flight Schedule Approvals	381
Dangerous Goods Permits Temporary Approvals	8
Instructor Approvals	9
Special Operations (Special Flight Approvals)	3

6.1.1.3 Human Resources Performance

The CAASL continued to invest in Human Resources Development and implement effective workforce aligned around its vision to ensure that the employees are developing the skills and knowledge required for the future success of the Authority.

Thirteen million thirty-one thousand eighty and ninety-one cents (Rs. 13,031,080.91) has been spent on Human Resource Development programmes which includes Trainings/Seminars & Workshops held locally, internationally and via online platform in year 2024. During the period under review, a wide range of training was provided to employees through online facilities since the goal was to reach alternative means of training with the intention of developing and harnessing human talent.

FROM 1ST JANUARY 2023 TO 10TH DECEMBER 2024

	No of Trainings	No of Trainees	Training Man Days
In-house trainings programmes	5	89	157
Foreign meetings/conferences/ Symposiums	12	12	59
Foreign Training/ seminar/ workshop	20	21	102
Local trainings/ Seminars/ workshops	19	72	334
Online trainings/ seminars/ workshops	6	19	114
Online meetings/conferences/ Symposiums	0	0	0
Total	62	213	766

6.1.2 Finance and Revenue Management Performances

Income	Budgeted Income - 2024 Rs. Million	Actual Income - 2024 Rs. Million	Financial Progress %
Overseas Sales Surcharge	1,080	1,080	100%
Service Charge of Embarkation Levy	350	254	73%
Income earned from Regulatory Services	138	143	104%
Interest Income	600	608	101%
Other non-operating income	5	3	60%
Total Income	2,173	2,088	96%

Expenditure	Budgeted Expenditure - 2024 Rs. Million	Actual Expenditure - 2024 Rs. Million	Financial Progress %
Recurrent Expenditure	976	893	91%
Capital Expenditure	41	40	97%
Total Expenditure	1,017	933	92%

- **Overseas Sales Surcharge (OSS)**

The CAASL income from Overseas Sales Surcharge (OSS) for the year 2024 amounting to LKR 1,080,000,000.00, reflecting a significant reduction of 71% compared to the 2023 income of LKR 3,771,642,993.00.

The Department of Treasury Operations, through their letter (reference TO/REV /01/ 14/ 14-11) dated 22nd April 2024, instructed the CAASL to remit OSS revenue to the Treasury after retaining LKR 90 million monthly, in accordance with the cabinet decision dated 19/02/2024.

In compliance with these instructions, the CAASL has duly remitted OSS revenue to the treasury as follows.

Period	Date of Payment	Disbursement (Rs.)
January 24, 2024	16-May-24	377,549,950.14
February 24, 2024	16-May-24	319,250,486.41
March 24, 2024	16-May-24	316,180,430.16
April 24, 2024	30-May-24	277,209,399.77
May 24, 2024	2-Jul-24	335,481,034.01
June 24, 2024	22-Jul-24	211,108,303.03
July 24, 2024	23-Aug-24	273,225,128.50

August 24, 2024	26-Sep-24	387,626,807.85
September 24, 2024	30-Oct-24	257,125,131.81
October 24, 2024	27-Nov-24	214,526,946.31
November 24, 2024	27-Dec-24	219,696,971.22
	Total	2,175,999,722.50

- **Service Charge from Embarkation Levy**

Estimated Service charge from EL for year 2024 is LKR 311,211,122.46. CAA has collected and disbursed Embarkation Levy as below,

Disbursed Value of Embarkation Levy	Amount (Million)
General Treasury	36,642
Airport & Aviation Services (Sri Lanka) Ltd. (AASL)	7,894
Sri Lanka Tourism Development Authority (SLTDA)	3,947
Civil Aviation Authority of Sri Lanka (CAASL)	311
Disbursed E.L total for the month	48,794

- **Regulatory Services Revenue**

Regulatory Services Revenue saw an 8% increase in 2024 compared to 2023, reaching LKR 142 million.

In addition to the above transfers made to the treasury, the CAA has also contributed LKR 750 million to the Consolidated Fund in 2024.

6.1.3 Challenges Faced during the Period

- Shortage of staff
- Attracting and Retaining qualified staff is a difficulty due to the existing salary scale compared to the industry and region. The completion of the recruitment process has been delayed periodically due to government-imposed restrictions.
- Difficulty of providing required foreign training due to the foreign currency restrictions and the circulars issued by the government.
- Lack of exposure to ICAO Meetings/ Working sessions/ Trainings.
- With regard to enactment of Legislations and promulgation of Regulations, about 70% of work has to be done with the assistance of other Government Institutions such as Legal Draftsman Department and Attorney General's Department which the unit has no control over the delays of those institutions.
- Keeping up with rapid technological advancements.
- Growing cybersecurity risks to sensitive aviation data.
- Ensuring interoperability and standardization across systems.

6.1.4 Implementation of Future Prospects for 2025

- Final draft of the Aircraft Accident Investigation Bureau Sri Lanka (AAIBSL) Bill is to be received by the Legal Draftsman and need to be then obtained the fresh approval of the Cabinet of Ministers for the draft Bill.
- Promulgation of Regulations on Aircraft Nationality and Registration Marks and Carriage of Dangerous Goods by Air.
- Legislations are being drafted by the Legal Draftsman to give effect to the provisions of the Cape Town convention and Beijing convention.
- Legislation was drafted by the Legal Draftsman to give effect to the provisions of Montreal protocol 2014 regarding unruly passengers and has submitted to the clearance of the Hon. Attorney General. Then Fresh approval of the Cabinet of Ministers for the ratification need to be obtained.
- Civil Aviation Authority of Sri Lanka (CAASL) Act No.34 of 2002 & CA Act No.14 of 2010 will be amended as per the requirements of the Government Policy & Industry. Amendment Acts are being drafted by the Legal Draftsman and need to obtain the fresh approval of the Cabinet of Ministers for the amendment.
- Transition from manual AIS (Aeronautical Information Service) to automated AIM (Aeronautical Information Management).
- Expect to Conduct the Research relating to Aviation Industry as follows.
 - Addressing Challenges and Identify Future Aspirations of General Aviation in Sri Lanka.
 - Mapping Employment Opportunities and Workforce Dynamics in the Sri Lankan Aviation Industry: A Comprehensive Job Market Analysis.
- Obtain Cabinet approval for National Sustainable Aviation Environmental Policy.
- Finalized the State Action Plan for mitigate the CO2 emissions from Aviation Sector.
- Implementation of the National Environment Policy aligns with the National Determined Contributions (NDCs) and the United Nations (UN) Sustainable Development Goals (SDGs).
- Implementing an Unmanned Aircraft Monitoring System (UAMS) in accordance with ICAO standards.
- Developing and implementing a Licensing System for Unmanned Aircraft Pilots, which includes the issuance of Unmanned Aircraft Pilot Licenses.
- Automation of CAASL Functions
- Modification of Licensing System
- Complete the establishment of automated software system to collect LK and EJ Taxes
- Establishment of a new Computer-Based Examination System for both flight crew and non-flight crew in accordance with ICAO standards.
- Certifying new training organizations in accordance with ICAO standards to ensure compliance and uphold the highest levels of competency and safety in aviation training.
- Obtaining ISO 9001:2015 certification and implementing a Quality and Management System at CAASL, in accordance with aviation standards. As well as enhance operational efficiency and maintain high standards of quality.

- Implementing a Safety Management System (SMS) across the industry in accordance with ICAO standards, to enhance safety protocols and ensure regulatory compliance.
- Continually conducting the Next Generation Aviation Professionals (NGAP) program at the national level in accordance with ICAO standards, ensuring its validity and effectiveness in developing future aviation professionals.
- PBCS Implementation within Colombo FIR, SWIM Implementation, FF-ICE Implementation, Implementation of Fatigue Risk Management (Prescriptive Approach) within main ATC Centers
- Preparation for the publication of new edition (4th edition in 2025) of the Aeronautical Information Publication.
- Licensing of Air Navigation Service Provider (AISP, ATSP, ACOM, CNSP)

7. Airport & Aviation Services (Sri Lanka) (Private) Limited

Airport & Aviation Services (Sri Lanka) (Private) Limited (AASL) is a fully government-owned entity, incorporated under the Companies Act No. 7 of 2007, to perform statutory duties as mandated by the Civil Aviation Act No. 14 of 2010. AASL continues to serve as the sole statutory service provider of specific aeronautical services in Sri Lanka.

7.1 Performance in 2024

7.1.1 Major Capital Projects' Performance in 2024

- **Bandaranaike International Airport (BIA) development project Phase II Stage II Package A – Construction of Passenger Terminal Building and Associated Work**

The construction of the second passenger terminal building is expected to increase the passenger handling capacity of Bandaranaike International Airport to 15 million passengers per year. In addition to the terminal building, the project included plans for a new access road system with flyovers, a multi-storey car park, a water tank, a solid waste disposal system equipped with a biogas plant and composting facility, a sewage treatment plant, and a power supply system.

However, in response to the financial crisis and the Government of Sri Lanka's decision to suspend all foreign debt repayments, the Japan International Cooperation Agency (JICA) ceased releasing funds for the project. This led to the termination of the construction contract for Package A on December 9, 2022.

Following the termination, AASL assumed responsibility for site maintenance activities. A project was initiated to implement protective measures for the partially constructed Main Terminal Building, Pier 2, and Pier 3, ensuring the preservation of structural elements and site safety. This project, with a total contract value of Rs. 477 million, was successfully completed by February 2024.

Subsequently, a new project commenced in April 2024 to execute specific works, including piling, pile caps, and ground beams for the Main Terminal Building (MTB), Pier 2, and Pier 3. With a total contract value of Rs. 3,255 million, the project achieved 69% physical progress and Rs. 1,212 million in financial progress by the end of 2024. The expected completion date for this project is mid-February 2025.

In line with a government decision, AASL initiated a tender process in September 2024 to recommence the halted projects. The bidding process was initially scheduled to close in December 2024 but was extended to March 18, 2025, at the request of prospective bidders. The recommenced project is expected to be completed by March 2028.

- **Upgrade the departure baggage makeup facility**

This project aims to enhance the departure baggage handling capacity at Bandaranaike International Airport (BIA) by approximately 45%. The scope of work includes the refurbishment and extension of the departure baggage make-up carousel, along with associated civil works at the BIA departure terminal. The total estimated cost of the project is Rs. 852 million. By the end of 2024, the project achieved 82% physical progress and Rs. 861 million in financial progress.

- **Import Cargo Terminal Building – Stage I**

The construction of the Import Cargo Terminal building is expected to enhance the cargo handling capacity of Bandaranaike International Airport (BIA) by 150,000 metric tons per annum. The LKR 4.6 billion project includes a three-story building, road widening, and a 1,620 sq. ft. parking area. Construction commenced in January 2021, with a target completion date of December 2024. By the end of 2024, the project had achieved 98% physical progress and Rs. 3,830 million in financial progress.

- **Enhancing washroom Facilities**

The refurbishment of six existing washroom blocks at the Terminal and Pier Building was undertaken as part of this project. The initial contract price was Rs. 294 million. The project was completed in 2024, with a total cost of Rs. 304 million.

- **Enhancement of Air Navigational Infrastructure**

- **Secondary Surveillance Radar at Pidurutalagala:** The total estimated cost of this project is Rs. 1.71 billion, and it commenced in 2018. By the end of 2024, the equipment had been delivered to the site, and civil works were ongoing, achieving 78% physical progress. The financial progress up to 2024 was Rs. 536 million.
- **Air Traffic Management System (ATM):** A new ATM system was established and has been operational since the end of 2023 to enhance air traffic control operations. The system is designed to serve for at least 10 years, with potential for extended use depending on regulatory requirements. The total estimated cost of the project is Rs. 1.15 billion. By the end of 2024, the project had achieved 99% physical progress and Rs. 717 million in financial progress.
- **Instrument Landing System (ILS) for Runway 04 at BIA:** This Rs. 875 million project received Cabinet approval for contract establishment during the third quarter of 2023, and the contract has been signed. By the end of 2024, the design review was completed, marking 70% physical progress of the overall project.
- **X-Ray Baggage Screening System for BIA:** The total estimated cost for the supply, installation, and commissioning of the X-Ray Baggage Screening System for BIA was Rs. 319 million. The new system was commissioned in January 2024, and the Final Acceptance Certificate has been issued.

- **Automatic Weather Observation System (AWOS):** This Rs. 307 million project was commissioned on 15th October 2024, and the Provisional Acceptance Certificate has been issued.

7.1.2 Operational Performance

• Bandaranaike International Airport (BIA)

In 2024, BIA handled a total of 59,263 aircraft movements, comprising 54,804 international and 4,459 domestic movements. The airport served 8,711,992 international passengers and 6,171 domestic passengers. The total cargo handled by BIA was 118,191 MT. Compared to 2023, passenger movements showed an 18% growth, while aircraft movements increased by 19%. Additionally, cargo movements rose by 21% compared to 2023. BIA now has a flight network with 26 scheduled carriers, nearly reaching the pre-COVID network coverage of 29.

• Mattala Rajapaksa International Airport (MRIA)

In 2024, MRJA handled a total of 709 aircraft movements, comprising 654 international and 55 domestic movements. The airport facilitated 132,852 passenger movements, all of which were international. A total of 23 MT of cargo was handled during the year. Compared to 2023, passenger movements grew by 6%, while aircraft movements increased by 17%. Cargo movements saw a 21% rise in 2024 compared to the previous year. Additionally, Redwings Airlines commenced operations at MRJA in 2024.

• Jaffna International Airport (JIA)

JIA handled 1,156 aircraft movements, including 778 international movements and 378 domestic aircraft movements (including training flights). During 2024, JIA facilitated 46,680 passengers, including 39,156 international passengers. Passenger handling grew by 37%, while aircraft movements increased by 34% compared to 2023. At present, Alliance Air operates 7 scheduled flights per week between Jaffna and Chennai.

• Colombo International Airport, Ratmalana (CIAR)

CIAR handled a total of 23,229 aircraft movements (including training flights) and facilitated 2,756 passenger movements during 2024. This included 53 international aircraft movements and 10 international passenger movements, indicating that the airport serves more as a technical stop or parking hub rather than a passenger destination. Domestic aircraft movements, including training flights, which form a significant part of CIAR's operations, increased by 3% in 2024. Domestic passenger movements also showed a 3% growth compared to 2023.

• Batticaloa International Airport (BTIA)

In 2024, BTIA facilitated 432 domestic aircraft movements and 1,107 domestic passenger movements. The level of operations remained consistent with 2023. There have been no international operations at BTIA since its reopening in 2018.

Aircraft, Passenger and Cargo Movements of all Airports in 2024

Airport	Total Aircraft Movements			Total Passenger Movements			Total Cargo Movements MT		
	2023	2024	Growth	2023	2024	Growth	2023	2024	Growth
BIA	49,664	59,263	19%	7,398,257	8,718,163	18%	158,867	192,475	21%
MRIA	608	709	17%	125,658	132,852	6%	44	23	-47%
JIA	864	1,156	34%	29,717	40,680	37%	-	-	0%
BTIA	436	432	-0.9%	1,309	1,107	-15%	-	-	0%
CIAR	22,667	23,229	2%	3,594	3,227	-10%	-	-	0%
Total	74,239	84,789	14%	7,558,535	8,896,029	18%	158,911	192,498	21%

7.1.3 Financial Performance

Rs.Mn

Item	2023	2024 Un audited
Revenue	38,376	42,665
Operational expenses	19,061	23,734
Operating profit / (loss)	19,315	18,930
Net finance income / (cost)	10,428	7,740
Loan Interest	2,225	1,352
Exchange (Gain)/ Loss	(6,121)	(2,034)
Net Profit / (loss) before tax	33,639	27,352

7.2 Future projects and Programs

1. Restructuring and Remodeling of Existing Passenger Terminal Building (PTB) of BIA

To effectively utilize the existing capacity of the Passenger Terminal Building (PTB) and address the over-capacity issue at BIA's passenger terminal, several restructuring and remodeling works are planned for 2025:

- **Addition of 30 Check-in Counters:** Plans to add 30 additional check-in counters to the departure terminal are currently on hold due to a court case filed by M/S Sanken (Pvt) Ltd. The project will proceed after the final hearing.
- **Expansion of the Departure Check-in Lobby:** The departure check-in lobby is planned to be expanded by downsizing the dimensions of the existing 58 check-in counters to accommodate 16 additional counters. This initiative involves an investment of Rs. 300 million.
- **Establishment of an Arrival Immigration Holding Area:** An arrival immigration holding area will be established with an investment of Rs. 350 million. This plan includes abandoning earlier decisions to place shops in the vacated space after relocating electronic shops to the upper floor. The number of immigration counters will be increased from 25 to 36, with the queue length

expanded from 12 meters to 16.6 meters. Additionally, commercial space for duty-free shops will be enhanced.

- **Facelift for the Arrival Lobby Area:** The arrival lobby area will undergo a significant facelift with an investment of Rs. 500 million.

2. Automatic Boarder Control - E-gates Project

AASL planned to install four e-gates for departures at BIA terminal as part of its move towards contactless border control processes. The implementation of this project is a joint effort between AASL and the Department of Immigration. The International Organization for Migration (IOM) has agreed to provide an additional four e-gates, which will be installed at the arrival terminal. This will result in four e-gates being available for both the departure and arrival sides.

The contract for this project was signed on June 8, 2023; however, the contractor was unable to deliver the goods as per the terms of the agreement. A letter of default was issued, and a decision was made to recall the bids.

3. Enterprise Resource Planning (ERP) Project

An Enterprise Resource Planning (ERP) system is currently being implemented at AASL with the objective of integrating all information requirements through a software system, aligning with the Organization's Vision and Strategic Goals, which are in accordance with the Country's aviation roadmap. The project will be rolled out in two phases.

In the first phase, the Finance and Supply Chain Management processes/modules were implemented. This phase went live on July 15, 2021, and the final acceptance certificate was issued at the end of 2023. The second phase is expected to be implemented in 2025. The total cost of Phase 1, along with the estimated cost of Phase 2 (including consultancy), will be approximately LKR 160 million and LKR 370 million, respectively.

4. Construction of Airport Facility Complex-CIAR

The CIAR's master plan for 2030 has been executed in four out of five areas, with the rollout of regional operations still pending. Currently, the operations are running at under-capacity, with potential for growth in all five segments. To enhance the operational capacity of CIAR, construction of a new airport facility complex is expected to begin in April 2025 and be completed by November 2026. The total estimated cost of this project is Rs. 4.6 billion.

5. Mattala Rajapaksa International Airport (MRIA) operation

The decision to hand over the management of MRJA to the Indian-Russian joint venture (J/V) has been suspended due to legal implications arising from US sanctions against both Shaurya Aeronautics (Pvt) Ltd and the Russian company. The next alternative will be announced shortly.

6. Jaffna International Airport (JIA) Development

The decision on whether JIA will be further expanded to accommodate larger aircraft is yet to be made. A comprehensive feasibility study is planned for 2025. An allocation of Rs. 500 million has been made in the 2025 company budget for the JIA Development Fund, which will cover all types of infrastructure development projects, including road construction, terminal modifications, and aerodrome improvements based on regulatory recommendations.

7. Solar Power Generation Project at Bandaranaike International Airport (BIA)

AASL has taken steps to enhance the share of renewable energy in order to address the growing challenges in the power and energy sector while advancing sustainable development goals. As part of this plan, a 2500 kWp distributed Solar Photovoltaic System will be implemented across BIA, RMA, and MRIA in 2025, with a total estimated cost of Rs. 200 million. In addition, a 600 kWp rooftop solar system is expected to be commissioned in 2025, with a total estimated cost of Rs. 120 million.