

පාර්ලිමේන්තු ප්‍රකාශන මාලා අංක 79

## බලශක්ති අමාත්‍යාංශය

පාර්ලිමේන්තුවේ රාජ්‍ය ගිණුම් කාරක සභාව විසින් සභාගත කරන ලද වාර්තා සම්බන්ධයෙන් ස්ථාවර නියෝග අංක 119(4) යටතේ ගරු මුදල් විෂයභාර අමාත්‍යවරයාගේ නිරීක්ෂණ හා ගනු ලබන පියවර පාර්ලිමේන්තුව වෙත ඉදිරිපත් කිරීම

**பாராளுமன்ற வெளியீட்டுத் தொடர் இலக்கம் 79**

**நிறுவனத்தின் பெயர்: வலுசக்தி அமைச்சு**

**பாராளுமன்றத்தின் அரசு கணக்குக் குழுவினால் முன்வைக்கப்பட்ட அறிக்கை தொடர்பாக நிலையியற் கட்டளை இலக்கம் 119(4) இன் கீழ் நிதி எனும் விடயத்திற்குப் பொறுப்பான கௌரவ அமைச்சரின் அவதானிப்புக்களும் மற்றும் அது தொடர்பாக எடுக்கப்படும் நடவடிக்கைகளும்**

**பாராளுமன்றத்திற்கு சமர்ப்பித்தல்.**

அஇஉஎக்பமதநடனறளஏஐஊஒளஒஒவங்லரயநடுந்ஷஃள்கக

Parliamentary Series No 79

**Name of the institution: Energy Ministry**

**Submission of observations of Hon. Minister in charge of the subject of Finance and actions taken with regard to the reports tabled by the Committee on Public Accounts in terms of Standing Order No. 119(4)**

**Evaluation through Online Information Management System of the Financial Control and Performance of Public Institutions, Provincial Councils and Local Government Authorities - Presenting the current progress regarding the 2022 financial year to Parliament**

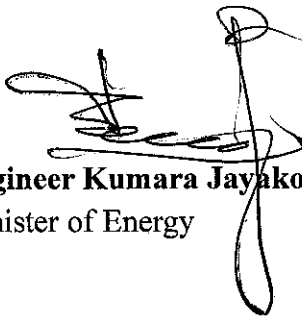
Parliamentary Publication Series No. - 79  
Name of the Institution - Ministry of Energy (Power Section)

Serial No.	Weaknesses identified by the Committee	Clarifications regarding the stated matters
01	Annual Action Plan was not prepared	<ul style="list-style-type: none"> <li>➤ Letters have been forwarded to the institutions under the purview of the Ministry as well as to the internal branches of the Ministry on 03.12.2021, notifying to promptly send the Action Plan for the year 2022 before 15.12.2021.</li> <li>➤ Draft of the complete Action Plan was sent for the approval of the Secretary on 29.12.2021.</li> <li>➤ Following the submission of the draft, a meeting was held with all staff grade officers as per the directives of the Secretary and based on the decision taken at the meeting, all branches and institutions were informed to revise the Action Plan to clearly identify the activities required to achieve the objectives and targets.</li> <li>➤ Accordingly, the complete Action Plan, updated with information obtained from all other branches and institutions, except the Generation, Transmission and Distribution branch, was submitted for the approval of the Secretary on 08.04.2022 and approval was obtained.</li> </ul> <p>As a result of the revisions made, additional time was spent on this until 08.04.2022.</p>
02	Annual Procurement Plan was not prepared	The Procurement Plan for the year 2022 was prepared on 15.12.2021. (Annexure 01)



03	The number of training opportunities provided was less than 50% of the planned training opportunities	<ul style="list-style-type: none"> <li>➤ In 2022, training programs were planned expecting the necessary allocations; however, no allocation has been made under Vote Number 2401 for officer trainings in 2022. Therefore, the training programs could not be implemented as planned.</li> <li>➤ Furthermore, it was notified by Presidential Secretariat Circular No. PS/SB/Circular/10/2022 and dated 2022.08.15 that expenditure should not be made outside the allocations granted.</li> <li>➤ Also, the COVID-19 pandemic situation at the time affected the proper implementation of the scheduled training opportunities.</li> <li>➤ Due to the above reasons, it was not possible to carry out the officer training programs as planned.</li> </ul>
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**Engineer Kumara Jayakodi**  
Minister of Energy



**Evaluation through Online Information Management System of the Financial Control and Performance of Public Institutions, Provincial Councils and Local Government Authorities - Presenting the current progress regarding the 2022 financial year to Parliament**

Parliamentary Publication Series No. - 79

Name of the Institution - Ministry of Energy (Energy Section)

Serial No.	Weaknesses identified by the Committee	Clarifications regarding the stated matters																																																
01	The Risk Register has not been kept up-to-date.	The Risk Register has been prepared and kept up-to-date each year since 2022																																																
02	No action has been taken regarding accidents involving government-owned motor vehicles in accordance with the Financial Regulations.	<div>➤ Actions are being taken to forward the daily running charts and monthly performance summaries to the Government Audit Division.</div> <table> <tr> <th>Serial No.</th> <th>Vehicle No.</th> <th>Loss (LKR)</th> <th>Progress</th> </tr> <tr> <td>1</td> <td>KJ - 6282</td> <td>1,603.68</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>2</td> <td>PF - 5094</td> <td>16,000.00</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>3</td> <td>PE - 9461</td> <td>23,352.24</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>4</td> <td>CAF - 5016</td> <td>1,170.70</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>5</td> <td>PA - 1700</td> <td>8,000.00</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>6</td> <td>KL - 9507</td> <td>627,009.56</td> <td>The loss continues to be paid in installments. Accordingly, an amount of LKR 306,526.00 remains outstanding.</td> </tr> <tr> <td>7</td> <td>KF - 1999</td> <td>61,402.61</td> <td>The Attorney General's advice has been sought regarding further action.</td> </tr> <tr> <td>8</td> <td>PF - 5094</td> <td>24,200.00</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>9</td> <td>CAF - 5016</td> <td>40,362.93</td> <td>An amount of LKR10,052.01 has already been settled and it has been agreed to pay the remaining LKR 30,310.92 in 6 equal installments.</td> </tr> <tr> <td>10</td> <td>KR - 5515</td> <td>73,019.27</td> <td>Losses have already been written off from the books of account in accordance with F.R. 109.</td> </tr> <tr> <td>11</td> <td>PF - 5094</td> <td>60,300.00</td> <td>Attorney General's advice has been sought for further action</td> </tr> </table>	Serial No.	Vehicle No.	Loss (LKR)	Progress	1	KJ - 6282	1,603.68	Losses have already been written off from the books of account in accordance with F.R. 109.	2	PF - 5094	16,000.00	Losses have already been written off from the books of account in accordance with F.R. 109.	3	PE - 9461	23,352.24	Losses have already been written off from the books of account in accordance with F.R. 109.	4	CAF - 5016	1,170.70	Losses have already been written off from the books of account in accordance with F.R. 109.	5	PA - 1700	8,000.00	Losses have already been written off from the books of account in accordance with F.R. 109.	6	KL - 9507	627,009.56	The loss continues to be paid in installments. Accordingly, an amount of LKR 306,526.00 remains outstanding.	7	KF - 1999	61,402.61	The Attorney General's advice has been sought regarding further action.	8	PF - 5094	24,200.00	Losses have already been written off from the books of account in accordance with F.R. 109.	9	CAF - 5016	40,362.93	An amount of LKR10,052.01 has already been settled and it has been agreed to pay the remaining LKR 30,310.92 in 6 equal installments.	10	KR - 5515	73,019.27	Losses have already been written off from the books of account in accordance with F.R. 109.	11	PF - 5094	60,300.00	Attorney General's advice has been sought for further action
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4

03	The number of training opportunities provided was less than 50% of the planned training opportunities.	<ul style="list-style-type: none"> <li>➤ In 2022, training programs were planned expecting the necessary allocations; however, no allocation has been made under Vote Number 2401 for officer trainings in 2022. Therefore, the training programs could not be implemented as planned.</li> <li>➤ Furthermore, it was notified by Presidential Secretariat Circular No. PS/SB/Circular/10/2022 and dated 2022.08.15 that expenditure should not be made outside the allocations granted.</li> <li>➤ Also, the COVID-19 pandemic situation at the time affected the proper implementation of the scheduled training opportunities.</li> </ul> <p>Due to the above reasons, it was not possible to carry out the officer training programs as planned.</p>
04	Recommendations of the Auditor General's Report have not been implemented.	<ul style="list-style-type: none"> <li>➤ <b>Vacancies for Positions</b> <ul style="list-style-type: none"> <li>• All the vacancies mentioned, except the position of Deputy Director (Procurement) have been filled. The Ministry of Public Administration was informed, by letter No. MOE/ADM/HR/2/5/6/(V) dated, 2025.10.02, requesting to provide officers as the above vacancy is an essential position for the Ministry.</li> </ul> </li> <li>➤ <b>2.1 Revenue Management</b> <ul style="list-style-type: none"> <li>• With effect from 01 January 2023, all the then existing license fees, namely license fees for lubricants, tar, bunker fuel, Jet A1 aviation fuel were increased by 20% (under the implementation of the 20% increase in fees and charges, which have not been revised for a period of 03 years from 2020 to 2022, in accordance with Proposal 35.1 of the 2023 budget)</li> <li>• New licenses were issued to Sinopec Energy Lanka (Private) Limited and R.M. Parks (Private) Limited under the category of import, distribution and supply of petroleum products in the country. Accordingly, an annual license fee of two million US dollars was charged from the four institutions from the year 2023.</li> <li>• Additionally, from the latter half of 2023, 10 licenses were issued for the import, export, sale,</li> </ul> </li> </ul>



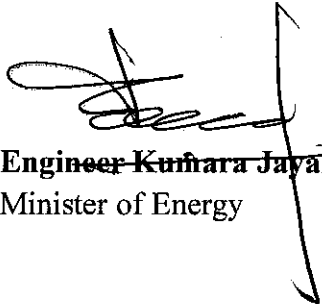
		<p>supply and distribution of lubricants in the country. Thereby, a semi-annual amount of LKR 21,360,000 is levied.</p> <ul style="list-style-type: none"> <li>• Furthermore, the issuance of licenses for the trade of aviation fuel (Jet A1) was commenced and licenses were issued to two private companies. For this, an annual registration fee of USD 10,000 was charged from each institution.</li> <li>• A Policy Framework for petroleum products such as lubricants, tar, bunker fuel and aviation fuel (Jet A1) was not available so far and arrangements are currently underway to formulate policies regarding these products. Accordingly, it will be possible to streamline these products-related activities in the future in a proper manner, leading to increased revenue.</li> </ul> <p>➤ <b>3.2 Failure to Fulfill Duties</b></p> <p>The Ministry is responsible for formulating and monitoring policy programs to ensure the quality of fuel supply, and the three entities operating under the Ministry, namely the Ceylon Petroleum Corporation, the Ceylon Petroleum Storage Terminals Ltd. Company and the Petroleum Development Authority of Sri Lanka, prepare and implement projects under the relevant scopes. However, the activities related to the Lanka Indian Oil Company are carried out by the company itself and the Ministry does not have the ability to intervene directly in them. However, the Ministry is carrying out national level regulatory activities with regard to all these entities namely, Ceylon Indian Oil Company, Ceylon Petroleum Corporation, Ceylon Petroleum storage Terminals Ltd. Company and the Sri Lanka Petroleum Development Authority, as well as the two entities established in 2023, Sinopec and R.M. Parks. However, the requirement for establishing an independent regulatory entity has been identified in order to successfully carry out these activities since the Ministry in charge of the energy subject is currently facing issues with lack of sufficient officers and resources affecting the systematic execution of these regulatory activities. The Ministry is currently in the process of making relevant national level decisions to establish such an entity.</p>
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		<p>➤ <b>3.3 Abandoning projects mid-way without completing</b></p> <p>The second bid invitation for the construction of the aviation fuel pipeline from Muthurajawela to Bandaranaike International Airport was carried out and the bids were opened on 14<sup>th</sup> November 2025. According to the Procurement Timeline approved by the Cabinet Committee, once the evaluation process is completed, the contract will be awarded in April 2026, and the construction work is scheduled to be completed by October 2028.</p> <p>➤ <b>3.4 Delays in project implementation</b></p> <p>(a) Land acquisition activities related to this project are in progress. Investigations into the landowners are complete, and the corresponding report is under preparation.</p> <p>(b) Lands of 5 acres have been investigated and referred to the Ministry of Lands. 18 acres have been investigated and the investigations regarding the landowners have also been completed. The corresponding report is under preparation.</p> <p>(c) The contract was awarded to M/s Prime Engineering on 24.03.2022. In the meantime, a price escalation was requested by the contractor and approval of the Board of Directors of the Company was granted for the proposed price escalation along with the recommendation of the Price Escalation Committee and the Engineering Project Review Committee. Accordingly, the project was completed by supplying and installing the internal floating roofs and carrying out the repair works. Tank No. 04 was completed on 17.11.2023 and Tank No. 05 was handed over for commissioning on 06.04.2024.)</p> <p>(d) This project, which was scheduled to be implemented as a Cross Country Pipeline Project from April 2022 to April 2023, was later suspended due to the financial crisis in the country. Instead, the "Pipeline from Kolonnawa oil terminal to Colombo Harbour" (KHPP) project was initiated. The Cabinet approval for the KHPP project (Kolonnawa to Harbor Pipeline Project) was received on 17.11.2025 and the necessary procurement documents are in the process of preparation.</p>
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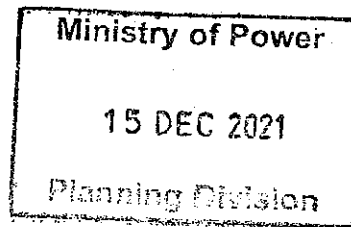


05	The declarations of assets and liabilities have not been submitted by all public officers.	08 Staff grade officers submitted their declarations of assets and liabilities in 2022.
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**Engineer Kumara Jayakodi**  
Minister of Energy





Anex 01

## Internal Memo

From : Additional Secretary (Admin & Procurement)

To : Director General (Planning)

Subject : Procurement Plan - 2022

File No : PE/AD/02/Pro. Plan/Budget Doc. - 2022

Date : 15.12.2021

This refers to your internal memo dated 03.12.2021 on the above matter.

Accordingly, I am sending herewith the Procurement Plan - 2022 for necessary action please.

# 1P  
Dm/P  
15/12/21

**Ministry of Power  
Procurement Plan - 2022**

**Administration and Establishment Services**

Rs '000

Programme/Activity		Budget Estimates (Rs. '000)	Q1			Q2			Q3			Q4		
			J	F	M	A	M	J	J	A	S	O	N	D
Supplies	Stationery and Office Requisites	7,000			900			1,350			2,250			2,500
Acquisition of Capital Assets	Furniture & Office Equipment	500			-			200			-			300
	Plant, Machinery & Equipment	500			-			200			-			300

Prepared By :- W.A.D.S.D Chamara  
Development Officer

Checked By :- L.G.T. Kumari  
Development Officer

Authorized By :- D.P. Wickramasinghe  
Additional Secretary

Approved By :- Wasantha Perera  
Secretary

Copies :- 1. Public Service Commission, Secretary  
2. Auditor General's Department, Auditor General  
3. Department of Public Finance, Director General

**Wasantha Perera**  
Secretary  
Ministry of Power

**Ministry of Power  
Procurement Plan - 2022**

Minister's Office

Rs '000

Programme/Activity		Budget Estimates (Rs. '000)	Q1			Q2			Q3			Q4		
			J	F	M	A	M	J	J	A	S	O	N	D
Supplies	Stationery and Office Requisites	750			100			150			250			250
Acquisition of Capital Assets	Furniture & Office Equipment	800			-			400			-			400
	Plant, Machinery & Equipment	1,200			200			200			600			200

Prepared By :- W.A.D.S.D Chamara  
Development Officer

Checked By :- L.G.T. Kumari  
Development Officer

Authorized By :- D.P. Wickramasinghe  
Additional Secretary

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Wasantha Perera  
Secretary  
Ministry of Power