Annual Performance Report for the Year 2021

Ministry of Fisheries

Maligawatta, Colombo 10

Expenditure Head No : 151

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01 - Institutional Profile

1.1. Introduction

Fisheries ministry to Utilize exclusive economic zone (EEZ) of 517,000 sq km, International sea, lagoons and inland reservoirs responsibly for the betterment of the fisheries industry which makes a high contribution to the national economy and the state ministry of Ornamental Fish, Fresh water Fish and Shrimp Farming Development, Multi-day Fishing and Fish Export enabling to make a self-sufficient economy have been established as per extraordinary gazette no 2187/20 and dated 07.09.2020

Department of fisheries and aquatic resources and North sea limited operate under purview of the Fisheries Ministry. The National Aquatic Resources Research and Development Agency (NARA), National Aquaculture Development Authority (NAQDA), The Ceylon Fisheries Corporation, The Ceylon Fishery Harbors Corporation (CHFC), The Cey-Nor Foundation Limited fall under purview of the State Ministry of Ornamental Fish, Fresh water Fish and Shrimp Farming Development, Multi-day Fishing and Fish Export

Formulation of policies in relation to the subject of Fisheries in conformity with the prescribed Laws, Acts and Ordinances with the state ministry to make a self-sufficient fisheries economy as per “SaubhagyaDakma” policy statement is the key function of the ministry

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1.2. Vision, Mission, Objectives of the Institution

Vision

Sri Lanka to be the leader of conservation and sustainable utilization of Fisheries and Aquatic Resources in the South Asian Region

Mission

Managing the utilization of Fisheries and Aquatic Resources for the benefit of the present and future generation

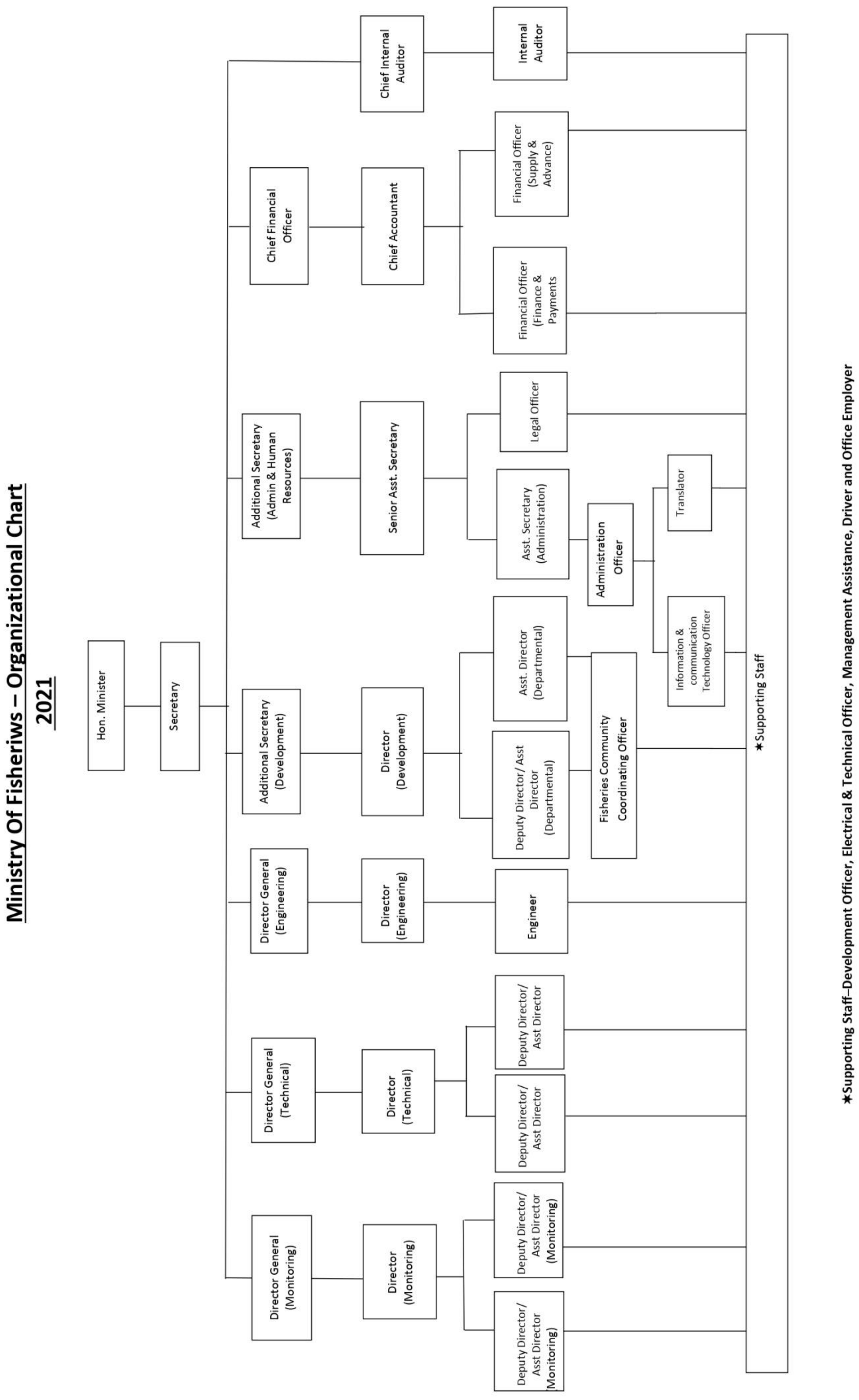
Policy Objectives

- Sustainable management of resources of resources using science –based information.
- Compliance with regional and international obligations.
- Increased marine fisheries production.
- Increased aquaculture and inland fisheries production.
- Minimized post-harvest losses and increased value addition.
- Increased per capita consumption of fish.
- Increased export earnings.
- Improved opportunities for leisure, employment and enterprises development.
- Improved socio-economic conditions of the fisher community.

1.3. Key Functions

- Provision of fish products at an affordable price satisfying the requirements of the consumers
- Development of marine, brackish water and inland fisheries industry
- Formulation and implementation of policies and programmes
- Development and sustainable utilization of national aquatic resources
- Implementation of programmes to the effect that production quality is enhanced to the international standards
- Facilitation for the exportation of fish products

1.4. Organizational Chart



1.5. Institutions under the Ministry of Fisheries

Department of Fisheries & Aquatic Resources (DFAR)	**Desired objectives -** Management, Development and Conservation of Fisheries and Aquatic Resources of Sri Lanka **Responsibilities-** Introduction of the Fisheries and Aquatic Resources Act No*2*, *1996* and updating the fisheries management activities and legal provisions in compliance to the regional and international conventions and regulations
Northsea Ltd	**Desired objectives**-Supplying adequate high grade fishing nets and other fishing gears **Responsibilities- Fishnet Manufacturing Company, re-registered under new Companies Act No. 07 of 2007**

Institutions under the State Ministry of Ornamental Fish, Inland Fish & Prawn Farming, Fishery Harbour Development, Multiday Fishing Activities And Fish Exports

National Aquatic Resources Research & Development Agency (NARA)	**Desired objectives** – To conduct researches on Aquatic resources and development, conservation and management of the same **Responsibilities-** NARA, having been established in terms of the National Aquatic Resources Research & Development Agency Act No *54* of *1981* is responsible for aquatic resources and aquaculture, fisheries technology, fish and post-harvest technology and environmental, oceanographic and hydrographic studies
National Aquaculture Development Authority (NAQDA)	**Desired objectives -** Development and Management of culture – based inland fisheries and aquaculture **Responsibilities-** NAQDA having been established in terms of the National Aquaculture Development Authority Act No **53** of **1998**, is responsible for supply of fish seed in aquaculture and extension services for inland fisheries and aquaculture, shrimp culture monitoring and aquaculture training faculties
Ceylon Fishery Harbours Corporation (CFHC)	**Desired objectives** -Planning, construction and operation of Fishery harbors and Anchorages **Responsibilities-** CFHC, having been established in terms of the State Industrial Corporations Act No 49 of 1957, is responsible for the operation of 20 fishery harbors and 58 anchorages.
Ceylon Fisheries Corporation (CFC)	**Desired objectives** – Intervention in fish marketing providing the best advantage to both the supplier and the consumer **Responsibilities-** CFC, having been established in terms of the State Industrial Corporations Act No 49 of 1957, is responsible for purchasing and sale of fish and ice, operation of cold room facilities and sale of fishery by-products.
Cey-Nor Foundation	**Desired objectives**- Supply of fisheries inputs and gears **Responsibilities-** Cy-Nor, having been registers under the Companies Act No 7 of 2007, is responsible for manufacture and sale of fiberglass boats and supply of fishing nets and gears

1.6. Institutions/Funds coming under the Ministry

Institutions	Programme		Capital Budgetary Allocation (Rs.Mn)
Ministry of Fisheries (MF)	Assistance for Introducing New Technology (SDD)	60.00	462.49
	Fishery Community Empowerment (SDD)	40.00	
	Feasibility Studies and Investigations (SDD)	16.50	
	Development and Conservation of Lagoons	335.38	
	'Oruwella' Newspaper and 'DeewaraNawodaya' Radio Programme	10.61	
Department of Fisheries & Aquatic Resources (DFAR)	Development Activities		107.00
Harbour Development Project	Upgrading the Gandara Fishery harbour and developing a new fishery harbour in Wellamankara	605.00	2755.50
	Construction of Balapitiya Fishery Harbour	2.00	
	Construction of Gandara Fishery Harbour	1,710.00	
	Project on Development of Negombo Lagoon	73.50	
	Construction of Rekawa Anchorage	215.00	
	Construction of Mawella Anchorage	150.00	

1.7. Foreign Funded Projects Details -2020

01. Development of Beruwala, Galle, Puranawella and Kudawella fisheries harbours under Green Harbour Concept

This project is scheduled to be implemented under French State Loan Aid Scheme of the French Development Agency(AFD) with a view to develop Beruwala, Galle, Puranawella and Kudawella fisheries harbours under the green harbor concept as per the international standards. By the time, selection of the proposed activities to be implemented within the harbor premises separately, have been completed at the end of the signing of MOUs and Technical feasibility study carried out. environmental and social feasibility study have been completed and the report on the said study is being prepared. Widening the harbor facilities and transforming selected harbours in to green harbours, improving the livelihood of the fisher community setting up the market approach for the high quality fish products and upliftment of fisheries welfare are the primary expectations of this project.

The estimated total cost of the project is amounting to Euro 137.5 million and the project period is 5 years (2021-2026). The construction of the project is scheduled to be commenced in the year 2023.

02. Obtaining Advisory Services and Analysis (Technical Support) with a view to provide the priority for joint fishery and Coastal Zone Management in Sir Lanka

The objective of this project is to formulate strategies in order to conduct under mentioned studies to solve issues related to over exploitation of fish harvest in an unsustainable manner and fisheries resources management in the field of marine and aquaculture sectors.

I. Investment in Aquaculture
II. Financial and Biological analysis on Multiday fisheries activities.
III. Extending technical assistance to NARA and the Department of Fisheries&Aquatic Resources in order to assess tiny amounts at marine fish stocks.
IV. Extending Technical assistance to NARA and the Department Fisheries& Aquatic Resources in order to assess lobster stocks.
V. Creating Bio economic modeling for Marine Fisheries Management in Sri Lanka’

This project is being implemented under a grant assistance of Rs. 130 million (US $ 700,000) extended by the World Bank. The interim report relevant to above studies has been drafted.

No	Project Title	Funding Agency	TEC Rs.Mn.	Project Duration
01.	Developing the Fishery Harbours in Beruwala, Galle, Purawella and Kudawella as Green Harbour financial assistance of French Government	French Development Assistance	30000.00 Sovereign Loan- EUR 100.00 CF- EUR 20.00 Private Sector- EUR 10.00 Grant- EUR 7.5 Total- EUR 137.5	5yrs
02.	Fisheries Development project implemented in North funded by Sri Lankan Government together with Asian Development Bank (ADB project)	Asian Development Bank	130	5yrs
03.	Supply and installation project of land based fisheries monitoring center and island satellite based VMS transponder unit 4244 for all multiple fishing vessels registered with the department of fisheries and aquatic resources development	Australian Aid	1207.425	3 yrs

** Exchange Rate as at 1st June 2021

1 USD = 197.47 LKR

1 EUR = 241.285 LKR

1.7.1 The Other Activities being implemented.

01.The damage caused towards the livelihood of fisheries sector due to the submerged Xpress pearl ship.

On May 2021, MV Xpress Pearl cargo vessel while sailing from HazeeraHarbor, India under the Singapore flag carrying 1486 containers completely caught on fire 9.5 Km away from Sri Lankan sea shore.

Due to the spilt of Plastics, Oil, chemicals contained I the containers of the ship an immense environmental damage caused towards the maritime eco system of western coast of Sri Lanka. The Government took immediate steps to impose a fishery ban from Kalutara to Negomboarea to ensure the safety of fishermen, fishing gears and fishing boats. Direct & Indirect fishers who lost their livelihood due to fishery ban were given compensation.

Rs. 345 million out of the interim cooperation received from the shipping company responsible for paying compensation has already been distributed among affected fishers.

02. Increasing local canned fish production

Sri Lanka spends fairly a high amount of foreign exchange to import fish related products such as canned fish, dry fish, sprats and Maldives fish annually. Rs. 35,504 million was spent in the year 2020 to import the said products and Rs.10,764 representing 30% of the total cost had been spent to import canned fish.

The “Vistas of Prosperity and Splendors” policy framework has proposed to simplify the method of importation of fish to Sri Lanka which are not available in the country. Accordingly in occasions where the raw materials are not available or lack of facilities have been expanded to import the same under tax concessions. Under these concessions, the numbers of canned fish factories have been increased from 6 in 2019 to 9. As a result of this the canned fish amounts Produce by these factories have been increased from 200% in the year 2021. In comparison to the year 2019 Therefore the money spent for import of canned fish has been deceased by Rs. 8,760 million

02 - Progress and the Future Outlook

The government has allocatedCapital Budgetary Rs. 3596.99 Mn for 2021. It has been spent Rs. 2666.42 Mn during the last year.

The annual fish production from January to December 2021 amounts to 435,910 metric tons and marine and inland fisheries sectors contribute 331,675 and 104,235 Mt respectively.

Fish has been identified as a main source of protein and daily per capita fish consumption from January to December 2021 is 37.1 g (and it has been expected to increase this amount in the future).

Fish exports provide a high contribution to the national economy. Fish and fishery products export from January to December 2021 has increased to 26,479 Mt and export value amounts to Rs 63,222 Mn.

It has been able to strengthen the foundation laid last year to achieve the goals related to the fisheries sector stated in SaubhagyaDakma"policy statement of his Excellency the president while implementing policies and strategies during the prevailing Covid 19 epidemic. Moreover, It has been emphasized to implement projects and plans to achieve goals in the SaubhagyaDakma"policy statement and to achieve sustainable development goals by United Nations within the next few years.

2.1 Objectives

01. Increase the fish production.
02. Increase the food security Hygiene and Nutrition.
03. Sustainable management of Resources.
04. Strengthening the Control.
05. Minimize or Elimination of post harvest lost.
06. Increased the export.
07. Uplift the socio – economic condition of the fisher community.

2.2 Challenges and Goals

01. Proper development of the fisheries industry and Aquaculture.
02. Promotion of fish reaping activities of less consumption fish resources in Inland reservoirs or unconsumed fish resources.
03. Creation of job opportunities in the sector which processes a sufficient economic status in order to ensure the food security of the majority of the people.
04. Ensure the food Quality and Hygiene of fish and fish products which are locally sold.
05. Development of Qualitative infrastructure facilities within the production and supply chain.
06. Promotion of investment for export oriented fisheries industry and aquaculture faming projects.
07. Participation of fishery communities in creation, planning and implementation of fishery management methods.

2.3 Achievements - Rs.100 million has been allocated for the implementation of following Development programmes for the Social development Unit

Serial No	Programme	Allocation for the year 2021	Implemented projects	sum expected to be spent (Rs. Mn.)	Actual sum spent (Rs.Mn.)	Physical Process (%) (Rs.Mn.)
1	Assistance for new Technology	60	Preparation of a software to locate fishery grounds	60	39.2	68%
			Introduction & Promotion of a vessel modified with environment friendly/alternative fuel/Energy.			
			Carrying out researches or use of modern equipment in order to reap fish resources which are not reaped currently.			
			Use of FAD for 10 coastal suburbs fishery grounds.			
			Use of condemned vehicle installations in order to increase coastal suburb fish stocks.			
			Depositing of fish fingerlings in order to increase fish stock /carrying out research activities in order to identify fish varieties and Quantities.			
2	Strengthening of fisher Community	40	Re-organizing of 300 fisheries corporative societies which are currently inactive.	40	16.8	53%
			Provision of modern Boats & net sets to members of fishery association who commenced their livelihood recently.			
			Provision of containers to small scale fishery vessels on community participatory base			
			Condition Technical & Training programmes on fisheries activities for youths using Ocean University			
			Empowerment of 250 women societies			

2.4 Achievements

Serial No	Programme	Allocation for the year 2021	Implemented projects	sum expected to be spent (Rs. P.)	Actual sum spent (Rs.P.)	Bills Inhand (Rs.P.) 31.12.2021	Physical Process (%) (Rs.P.)
1	Modernization of all existing fishery harbors and construction of new fishery harbors if needed, to enable entry for large-scale and multi-day fishing craft	605	Construction of Wellamankara fishery harbor	605	512.6	51.4	Original – 100% Variation – Travel lift – 45%
		1590	Construction of Gandara fishery harbor	1590	1595.3	129.2	14%
		2	Construction of Kalamatiya fishery harbor	2	1.03	-	-
		43	Construction of Kalamatiya fishery harbor	43	12.46	4.89	Railing work - 100 % Furniture - 100 % Miscellaneous & Slop Protection work - 75 % Landscaping work - 50 % CCTV - 20% Steel work - 0%
		73.5	Development of Negambo Lagoon	73.5	11.02	7.02	Package VI – Design is completed, Bidding document preparation is in progress
		215	Construction of Rekawa anchorage	215	198.68	18.98	88% (Construction of Break water 300m Length , 55 m groyne)
		150	Construction of Mawanella anchorage	150	145.14	-	42% (Construction of Break water 300m Length , 55 m groyne)
		16.5	Feasibility Study	16.5	8.18	6.73	75% (Ambalangoda , hikkaduwa&Valachchanai Fishery Habours)

03 - Overall Financial Performance for the Year ended 31st December 2020
3.1 Statement of Financial Performance

ACA -F

Statement of Financial Performance
for the period ended 31st December 2021

Budget 2021 Rs.		Note	Actual 2021 Rs.	Restated 2020 Rs.	
-	**Revenue Receipts**		-	-	
-	Income Tax	1	-	-	ACA-1
-	Taxes on Domestic Goods & Services	2	-	-	ACA-1
-	Taxes on International Trade	3	-	-	ACA-1
-	Non Tax Revenue & Others	4	-	-	ACA-1
-	**Total Revenue Receipts (A)**		-	-	
-	**Non Revenue Receipts**		-	-	
-	Treasury Imprests		2,693,148,000	1,297,590,000	**ACA-3**
-	Deposits		189,514,931	72,423,742	**ACA-4**
-	Advance Accounts		9,102,093	9,587,110	**ACA-5**
-	Other Main Ledger Receipts		-	-	
-	**Total Non Revenue Receipts (B)**		**2,891,765,024**	**1,379,600,852**	
	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		**2,891,765,024**	**1,379,600,852**	
	Remittance to the Treasury (D)		-	-	
-	**Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)**		**2,891,765,024**	**1,379,600,852**	
	Less: Expenditure				
-	**Recurrent Expenditure**				
122,964,130	Wages, Salaries & Other Employment Benefits	5	112,138,631	115,100,728	ACA2(ii)
95,119,820	Other Goods & Services	6	72,077,585	73,692,403	**ACA2(ii)**
385,980,000	Subsidies, Grants and Transfers	7	301,858,617	42,665,990	ACA2(ii)
-	Interest Payments	8	-	-	ACA2(ii)
1,186,050	Other Recurrent Expenditure	9	226,281	21,000	ACA2(ii)

605,250,000	**Total Recurrent Expenditure (F)**		**486,301,114**	**231,480,121**	
	Capital Expenditure				
23,700,000.00	Rehabilitation & Improvement of Capital Assets	**10**	8,115,637	15,572,043	
246,800,000.00	Acquisition of Capital Assets	**11**	46,523,499	81,982,353	
70,610,000.00	Capital Transfers	**12**	49,844,546	60,723,000	**ACA2(ii)**
-	Acquisition of Financial Assets	**13**	-	-	
1,500,000	Capacity Building	**14**	507,065	745,000	
3,229,390,000	Other Capital Expenditure	**15**	2,566,812,790	135,363,711	
3,572,000,000	**Total Capital Expenditure (G)**		**2,671,803,537**	**294,386,107**	
	Deposit Payments		49,619,736	290,404,961	**ACA-4**
	Advance Payments		7,036,504	7,433,796	**ACA-5**
	Other Main Ledger Payments		-	-	
	Total Main Ledger Expenditure (H)		**56,656,240**	**297,838,757**	
	Total Expenditure I = (F+G+H)		3,214,760,891	823,704,985	
4,177,250,000	**Balance as at 31st December J = (E-I)**		(322,995,867)	555,895,867	
	Balance as per the Imprest Reconciliation Statement		(322,995,867)	555,895,867	**ACA-7**
	Impres Balance as at 31st December		-	-	**ACA-3**
			(322,995,867)	555,895,867	

3.2. Statement of Financial Position

ACA-P

Statement of Financial Position
As at 31st December 2021

	Note	Actual 2021 Rs	2020 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	670,623,450	605,570,552
Financial Assets			
Advance Accounts	ACA-5/5(a)	21,886,221	23,951,809
Cash & Cash Equivalents	ACA-3	-	-
Total Assets		692,509,671	629,522,361
Net Assets / Equity			
Net Worth to Treasury		(178,880,786)	(36,920,002)
Property, Plant & Equipment Reserve		670,623,450	605,570,552
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	200,767,007	60,871,811
Unsettled Imprest Balance	ACA-3	-	-
Total Liabilities		692,509,671	629,522,361

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 7 to 69 and Notes to accounts presented in pages from 70 to 80 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Finacial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement.

We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.

Chief Accounting Officer
Name :
Designation :
Date : 24. 02. 22

R.M.I. Rathnayake
Secretary
Ministry of Fisheries
2nd Floor, New Secretariat Building,
Maligawatta, Colombo 10.

Accounting Officer
Name :
Designation :
Date :

Chief Financial Officer/ Chief Accountant/ Director (Finance)/ Commissioner (Finance)
Name :
Date : 24 K.B Milton S. Perera
Chief Financial Officer
Ministry of Fisheries
New Secretariat, Maligawatta,
Colombo 10

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3.3. Statement of Cash Flows

ACA-C

Statement of Cash Flows

for the Period ended 31st December 2021

	Actual	
		Restated
	2021	2020
	Rs.	Rs.
Cash Flows from Operating Activities		-
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	-
Revenue Collected on behalf of Other Revenue Heads	76,337,798	33,020,565
Imprest Received	2,693,148,000	1,297,590,000
Recoveries from Advance	7,633,379	643,907
Deposit Received	90,332,307	10,897,412
Total Cash generated from Operations (A)	**2,867,451,484**	**1,342,151,884**
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	184,432,748	223,316,255
Subsidies & Transfer Payments	32,633,617	-
Expenditure incurred on behalf of Other Heads	8,292,134	11,658,626
Imprest Settlement to Treasury	-	30,000,000
Advance Payments	7,036,504	5,293,786
Deposit Payments	49,619,736	11,552,704
Total Cash disbursed for Operations (B)	**282,014,739**	**281,821,371**
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	**2,585,436,745**	**1,060,330,513**
Cash Flows from Investing Activities		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	**-**	**-**
Less - Cash disbursed for:		

Purchase or Construction of Physical Assets & Acquisition of Other Investment	2,585,436,745	1,060,330,513
Total Cash disbursed for Investing Activities (E)	**2,585,436,745**	**1,060,330,513**
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	**(2,585,436,745)**	**(1,060,330,513)**
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	**-**	**-**
<u>Cash Flows from Fianacing Activities</u>	-	-
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)		-
	-	
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)		-
	-	
Net Movement in Cash (K) = (G) + (J)	-	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.4. Notes to the Financial Statements

Basis of Reporting

1) Reporting Period

The reporting period for these Financial Statements is from 01st January to 31St December 2020.

2) Basis of Measurement

The Financial Statements have been prepared on historical cost modified by the revaluation of certain assets and accounted on a modified cash basis, unless otherwise specified.

The figures of the Financial Statements are presented in Sri Lankan rupees rounded to the nearest rupee.

3) Recognition of Revenue

Exchange and non exchange revenues are recognized on the cash receipts during the accounting period irrespective of relevant revenue period.

4) Recognition and Measurement of Property, Plant and Equipment (PP&E)

An item of Property, Plant and Equipment is recognized when it is probable that future economic benefit associated with the assets will flow to the entity and the cost of the assets can be reliably measured.

PP&E are measured at a cost and revaluation model is applied when cost model is not applicable.

5) Property, Plant and Equipment Reserve

This revaluation reserve account is the corresponding account of PP&E.

6) Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins on hand as at 31st December 2020.

3.5. Performance of Revenue collection

RevenueCode	Description of RevenueCode	RevenueEstimate		Collected Revenue	
		Original Estimate	Final Estimate	Quantity (Rs.)	% as of Final Revenue Estimate
2002.01.01	Government building & house rent	100	100	-	-
2002.02.99	Interest-Other	850	970	956	99%
2003.02.99	Administrative charges & Payment-Miscellaneous	20,000	75,000	70,972	95%

3.6. Performance of the Utilization of Allocation

Rs. ,000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	252,100	605,250	486,301	80.35%
Capital	3,572,000	3,572,000	2,671,804	74.80%

3.7. Grant Of allocations to this Department /District Secretariats /Provincial council as an agent at another Minister / Department in terms at F.R. 208.

Rs,000

Serial No.	Provisions received Ministry/Departmentප	Objective of the Provision	Provisions		Utilized provisions % as of granted final provision
			OriginalProvisions	Final Provisions	
1	Sri Lanka Railway Department	To issue warrants	9	9	100%
2	Colombo, Gampaha, Kaluthara District Secretariats	To pay compensation for fisher communities whose livelihood loss due to Express Pearl ship fire disaster	269,225	269,225	100%
3	Department of Government factory	To prepare the name board of the ministry	856	856	100%
4	Department of Fisheries & Aquatic Resources	For fisheries product enhancement programs through introduction of Technology	28,000	20,592	100%
5	Department of Fisheries & Aquatic Resources	To strengthen fisher communities and for Social Development programmes	30,980	10,241	100%
6	Department of Coast conservation & Coastal Resource Management	Renewal of construction permits on Wellamunkara ,Gandara ,Negambo and Rekawa anchorages and lagoon	275	275	100%
7	State Ministry of Rural housing and construction & building materials Industries promotion	For the renovation of fisheries houses of hikkaduwa	39,012	39,012	100%
8	Department of fisheries and Aquatic Resources and District secretariat , Jaffna	For lagoon development and conservation	47,734	15,390	100%

3.8. Performance of the Reporting of Non-Financial Assets

Rs. ,000

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2021	Balance as per financial Position Report as at 31.12.2021	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures		149,212		
9152	Machinery and Equipment		339,821		
9153	Land		5,172		
9154	Intangible Assets		-		
9155	Biological Assets		-		
9160	Work in Progress		176,419		
9180	Lease Assets				

3.9 Auditor General's Report

04 — Performance Indicators

4.1. Performance Indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected output			
	100% - 90%	75% - 89%	50% - 74%	
Increase total fish production by 2021 in4,36,910Mt.	√			$\frac{436,910}{482,420}$ X 100 = 90.56
Export volume 2021 26,749 Mt.	√			$\frac{26,749}{27,500}$ X 100= 97.27

05 –Performance of the achieving Sustainable Development Goals (SDG)

5.1 Indicate the Identified Respective Sustainable Development Goals

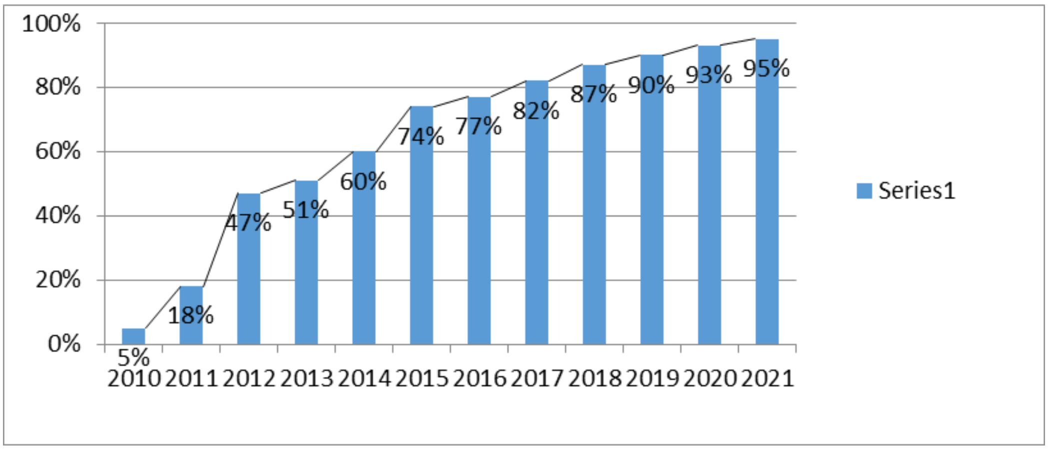
Goal/ Objective	Targets	Indicators of the achievements	Progress of the Achievement of date			
			0%-49%	50%-74%	70%100%	
Sustainable Development Goal 14 – Life below water(Blue SDG) Goal 12 - Ensure Sustainable Consumption and Production Patterns	372,470 Mt of Marine fish production in 2021	331,675 Mt			√	$\frac{331,675}{372,470}$ X 100 = 89
	109,950 Mt of Inland and aquaculture fish production in 2021	104,235 Mt			√	$\frac{104,235}{109,950}$ X 100 = 94.8
	27,500 Mt of fish exports in 2021	26,749 Mt			√	$\frac{26,749}{27,500}$ X 100 = 97.2

5.2 Achievementof Sustainable Development Goals in Fisheries sector

Target 14.6 By 2022, prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation. Indicator 14.6.1 Degree of implementation of international instruments aiming to combat illegal, unreported and unregulated fishing (Proxy Indicator)

- The level of compliance with the relevant laws and agreements by the lndian Ocean Tuna Commission on Fisheries industry in Sri Lanka.

Year	Compliance Rate
2010	5%
2011	18%
2012	47%
2013	51%
2014	60%
2015	74%
2016	77%
2017	82%
2018	87%
2019	90%
2020	93%
2021	95%



5.2.1 Target 14.7.1 By 2030, increase the economic benefits from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism. Indicator 14.7.1: Fisheries as a proportion of GDP in small island developing States, least developed countries and all countries (Proxy Indicator)

Description	Notation (given in metadata 14.7.1)	Value	Unite RS Million	Year
GDP	GDP	11,943,654	Rs. Million	2021
Marine Fishing and Marine Aquaculture		99,679	Rs. Million	2021
Fresh water fishing and Fresh water Aquaculture		24,724	Rs. Million	2021
Value Added Fisheries and Aquaculture	VAFIA	124,403	Rs. Million	2021
GDP from Fisheries and Aquaculture (%)	GDPFIA VAFIA/GDP	1.0	Percentage	2021
Value added of marine capture Fisheries proxy (%)	VA =GDP *Q M / QT	0.76	Percentage	2021

Source :Statistical Unit, Ministry of Fisheries--2020

5.2.2 Target 14.4 By 2022, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics.

Indicator 14.4.1: Proportion of fish stocks within biologically sustainable levels Source: Statistical Unit, Ministry of Fisheries--2021

Lobster (PanulirusHomarus) stock assessment results in Hambanthtoa district, Sri Lanka from equilibrium Spawning Potential Ratio (2021 study)

Year	Spawning Potential Ratio
2007	22% (20% - 24%)
2014	18% (15% - 22%)
2015	17% (15% - 19%)
2017	20% (19% - 21%)
2018	27% (24% - 31%)
2019	21% (20% - 23%)
2020	27% (23% - 31%)

Conventional reference point	SP proxies
Precautionary and febuildSPR	60%
Precautionary maximum sustainable / Economic yield	50%
Upper Target Reference point (Maximum Sustainable Yield MSY)	40%
Lower Target Reference Point (Maximum Sustainable Yield MSY)	30%
Limit Reference point (LRP)	20%

Source :Statistical Unit, Ministry of Fisheries--2021

Pelagic fish biomass estimated by Acoustic Methods (2019/ 2020)

Coastal Area	Year	Biomass of Small pelagic: PEL1 (Metric Ton)	Biomass of medium pelagic: PEL2 (Metric Ton)
North East	2019	164.0	7281.0
North East	2020	2240.2	2271.3

5.3Gaps and Challenges

Marine and coastal ecosystems around the island are getting exposed to growing maritime activities in the busy sea lanes of the Indian Ocean. Simultaneously, Sri Lanka's efforts to capture 'blue economy' opportunities also bring them under stress. As a result, there are a number of emerging gaps and challenges that could affect sustainable management of marine biodiversity, including some of the most critical issues that are listed below.

- Unlawful fishing operation by South Indian fishers in Sri Lankan waters using harmful bottom trawling methods is a major challenge for the sustainability of fisheries. This has developed into a problem of such scale that even the naval force of the country finds it hard to cope with. Poachers continue to defy all diplomatic efforts and law enforcement measures.
- Growth of Illegal, Unreported and Unregulated (Iuu) fishing operations is a major threat that could impart significant damage to local fisheries. Besides its harmful impact on the resource base, it could also affect the growth of the fish export industry in an adverse. The EU has once banned fish exports from Sri Lanka, identifying Sri Lanka as a non-cooperating country on the basis that sufficient actions are not being taken to deter IUU fishing.
- Marine traffic in sea lanes around Sri Lanka as well as ship arrivals at Sri Lankan ports are increasing. As a result, the risk of marine pollution through oil spills and marine accidents is likely to increase in the future. Offshore oil exploration in the Manna basin could lead to increased marine pollution unless proper safeguard measures are taken. Marine pollution cannot be controlled by efforts of national hardly any control over international sources of pollution.
- Growing marine traffic increases the risk of invasive alien species, creating issues of biosafety.
- Although Sri Lanka has developed a comprehensive legal, policy and institutional framework for managing coastal and marine resources, there are several inefficiencies in the implementation of this framework. limited capacity of implementing agencies for undertaking surveillance, monitoring and enforcement is a major factor responsible for this situation.

The Government has made significant efforts to increase the fish supply from marine sources (Target 14.7). However, rapid production growth reported during the last two decades can mainly be attributed to increased private investments on modernized crafts and technology that has enabled long-distance fishing operations in offshore/ deep sea regions. As a result, the total size of the fishing fleet has more than doubled since 1980. Nearly 60% of the fleet in 1980 consisted of traditional crafts. Private investment in motorized crafts such as inboard – multiday, inboard-day, outboard-FRP, and motorized traditional crafts has increased steadily since then, exceeding the number of traditional crafts. Private sector initiatives were facilitated by state support for infrastructure facilities such as fishing harbours, landing sites, storage and marketing facilities.

To overcome the environmental and resource management issues associated with increased fishing efforts encouraged by supply side interventions, the Government implements regulatory measures such as registering boats,issuing licenses, controlling uses of harmful fishing gear and promoting participation of fishers' organization in management of local fisheries to prevent over-exploitation (Target 14.4). These interventions are undertaken by the Department of Fisheries Aquatic Resources (DFAR) under the provisions of Fisheries and Aquatic Resources Act. The objective of these measures is to maintain production levels under sustainable limits, preventing over-exploitation.

06 - Human Resource Profile

6.1. Cadre Management

	Approved Cadre	**Existing Cadre**	**Vacancies / (Excess)****
Senior	27	21	06
Territory	05	03	02
Secondary	96	75	21
Primary	51	42	09

6.2. How the shortage or excess in human resources has been affected to the performance of the institute.

Despite the vacancies available, the present staff has been able to carry out duties efficiently. Requests have been made to relevant authorities to fulfil vacancies for further improvement in the service.

6.3. Development of Human Resources

Name of the Programme	No of employees trained	Duration of the Programme	Total Investment (Rs. '000)		Nature of Programme (local/Foreign)	Product obtained Knowledge
			Local	Foreign		
Drivers Training Programme	13	01day	20,000/-	-	Local	Total Productivity has been increased in training subject area
Office Systems	55	01day	5,000/-	-	Local	
Book binding course conducted by Sri Lanka Institute of Printing	O.E.S. 6	28 weeks	156 000/-	-	Local	
"Advanced Certificate in public procurement and Asset Management"	Management Service Officer / Development Officer 2	2 months	60 000/=	-	Local	
Online workshop on Report writing skills	Assistant Director 1	3 days	5000/=	-	Local	
Online workshop on financial regulations	Development Officer 2	2021.05.19 – 2021.05.21	10000/=	-	Local	
Certificate Course on Human resources management	Administrative Officer 1	5 days	10000/=	-	Local	
Course in office management & financial regulations	Development Officer/ Management Service Officer 67	2 days	70000/=	-	Local	
Course in office management & financial regulations	Development Officer/ Management Service Officer 6	2 days	60000/=	-	Local	

07— Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief explanation for Non Compliance	Corrective actions proposed to avoid non-compliance in future
1	**The following Financial statements/accounts have been submitted on due date**			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Applicable		
1.4	Stores Advance Accounts			
1.5	Special Advance Accounts			
1.6	Others			
2	**Maintenance of books and registers (FR445)/**			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2,2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2,3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and updat	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		

2.11	Register of Counterfoil Books (GA — N20) has been maintained and update	Complied		
3	**Delegation of functions for financial control (FR 135)**			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	**Preparation of Annual Plans**			
4.1	The annual action plan has been prepared			
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	**Audit queries**			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Not Complied	Delays due to corona epidemic	Will reply soon
6	**Internal Audit**			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019	Complied	-	-
6.2	All the internal audit reports has been replied within one month	Not Complied	Delays due to corona epidemic	Will reply soon

6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3	Complied		
7	**Audit and Management Committee**			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019	Comply with the Management Audit Circular	-	-
8	**Asset Management**			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circul	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	**Vehicle Management**			
9.1	The daily running charts and monthly summaries of the pool	Complied		

	vehicles had been prepared and submitted to the Auditor General on due date			
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	**Management of Bank Accounts**			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	**Utilization of Provisions**			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		

11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	**Advances to Public Officers Account**			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Not Complied	Failure to find information on loan balances older than 20 years	
13	**General Deposit Account**			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	**Imprest Account**			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	**Revenue Account**			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	**Human Resource Management**			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		

16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	**Provision of information to the public**	Complied		
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	**Implementing citizens charter**			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Complied		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Complied		
19	**Preparation of the Human Resource Plan**			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Not Complied	Process is on going	

19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	**Responses Audit Paras**			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		