



ANNUAL PERFORMANCE REPORT 2021



DEPARTMENT OF EXPORT AGRICULTURE



State Ministry of Development of Minor Crops including Sugarcane,
Maize, Cashew, Pepper, Cinnamon,
Cloves, Betel Related Industries and Export Promotion

Ministry of Plantation

2021

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Chapter – 01

Institutional Profile / Summary of Implementation

1.1. Introduction

Eventhough Sri Lanka had won a reputation for cinnamon since the ancient times, a national level focus was made on this industry by the National Agriculture Policies of 1971. Thereafter, the Department of Minor Crops was established affiliated to the Ministry of Plantations through a Cabinet Memorandum in 1972. In 1975, this department was brought under the purview of the Ministry of Agriculture. Instead of the cultivation of spice in the bordering lands which had been the function of the department then, the Department of Export Agriculture became the navigator of export development based on the spice related crops development with the assignment of a part of the functions of the Crops Diversification Development Programme initiated by the World Food Programme (WFP) and United nations Development Programme (UNDP).

The Department was renamed as the Department of Export Agriculture by the Parliamentary Act No.46 of 1992 by which the department was vested with the legal authority relating to the export of spice and agricultural crops. From that point, this department has been operating field researches as well as development activities. Accordingly, being the expert in this sector, the department facilitates the relevant stakeholders in this sector for its development and dissemination, through an island wide network.

The Department of Export Agriculture mainly targets the export of crops categories such as cinnamon, pepper, clove, nutmeg, cardamom, coffee, cocoa, betel, areacanut, vanilla, citronella, lemon grass, garcinia, kithul, ginger and turmeric as commodity spices. In crops development, coffee, cocoa and vanilla have captured the attention as beverages and areacanut as a stimulant crop. The main duty of the department is the introduction of technological know-how innovations, and crop varieties, which results in a high yield. The department continues with research and developmental and research services for the promotion of the Export Agricultural Sector.

Accordingly, the total Capital Investment Programs of the Department were implemented with an allocation of Rs .700.00 million allocated for the department in the year 2021. Although the impact of the Covid -19 global pandemic which has had a major impact on all

sectors of the country including the economic and social sectors as a whole, has adversely affected the Export Agriculture sector as well, the department was able to overcome those challenges in 2021 with its special intervention and commitment.

The department identified the economic disadvantages of focusing on the importation of turmeric, which is a high quality locally grown crop and has paid special attention in the year 2021 to discourage imports and encourage the cultivation of turmeric and ginger locally with the aim of cultivating locally and reaching the level of self sufficiency Compared to previous years , the area under turmeric cultivation increased in the year 2021 and turmeric production also increased significantly.

During the year 2021, More attention was paid to gaining higher market benefits by increasing the value added products of export crops than the attention paid to increase area under cultivation annually, in achieving the objective of increasing the export earnings by increasing the volume of production which is the main goal of the department.

The ability to increase export earnings From Rs72,991.98 million in 2020 to Rs 102,939.40 million by 2021 and the ability to reach a performative level in crisis hit the turmeric production, despite the adverse effects of the Covid – 19 Global Pandemic, which is an uncontrollable external impact, climate changes and impact of market prices were positive signs.

1.2. Vision, mission and the objectives of the department

Vision

Excellence in the export of spice and products

Mission

Planning and implementing the research and development process necessary for a quantitative and qualitative promotion of export agri – crops and eco secure manner with the prime motive of the increased foreign exchange earning and the sustainable economic and social development of all stakeholders involved in the sector of export agri- crops.

Objectives

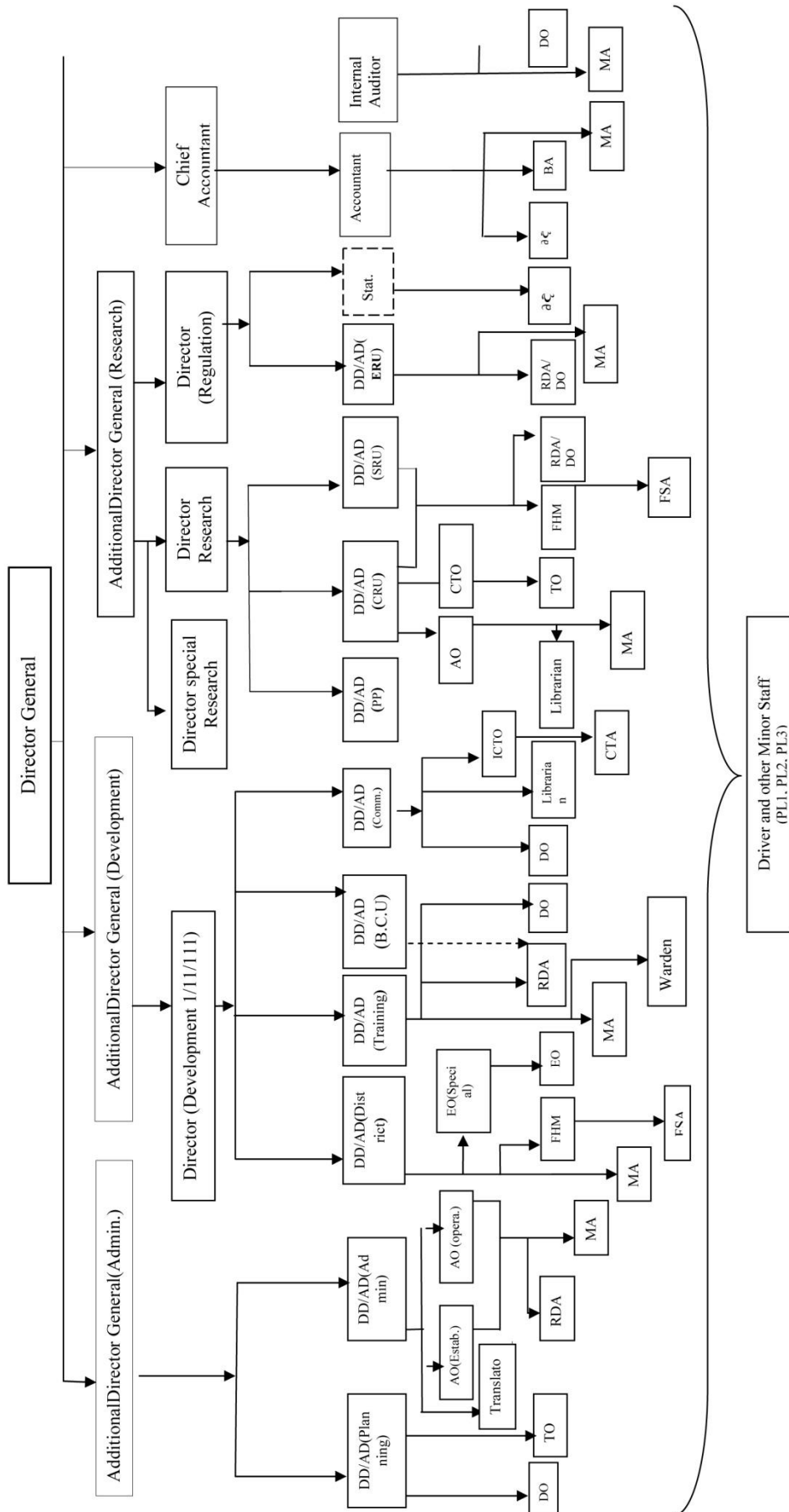
Development of export agri crops sector paving way for a high foreign exchange earnings through the enhancement of the Quality of the product by increasing the export volume.

1.3. Major functions

The Promotion of Export Agriculture Crops Act No. 46 dated 22nd September, 1992 of Parliament of the Democratic Socialist Republic of Sri Lanka, embodies and gives statutory status to the functions and services mentioned below.

- Organizing and promotion of cultivation and processing of EACs
- Undertaking multidisciplinary research on crop improvement, crop husbandry, crop protection, post-harvest handling and socio economics
- Production and supply of quality planting material
- Implementation of EAC assistant schemes on crop production, productivity improvement and quality improvement
- Providing crop protection advisory services
- Promotion of Integrated Pest Management
- Promotion of Integrated Plant Nutrient Management
- Promotion of Organic Farming
- Dissemination of information on marketing, quality standards and prices etc.
- Control of importation of EAC products and planting materials etc.
- Training of personals involved in EAC production, processing and trading
- Providing advisory services for the promotion of EACs in estate sector
- Strengthening of the linkages among public and private organizations involved with EACs
- Executive authority vested under the Export Agriculture Act No. 46 of 1992
- Contributing towards EACs related policy matters in other governmental organizations
- Maintenance of technological demonstrations

1.4. Organizational Chart



DD-Deputy Director AD-Assistant Director PMU-Progress Monitoring Unit PP-Plant Protection CRU- Central Research Unit SRU-Sub Research Unit ERU-Economic Research Unit Stat-Statistician AO -Administrative Officer EO-Extension Officer RDO-Research & Development Officer DO-Development Officer CTO-Chief Technical Officer TO-Technical Officer FHM-Farm House Manager BA-Budget Assistant MA- Management Assistant FSA-Farm Service Assistant CDEO- Computer Data Entry Operator

1.5 Main Divisions of the Department and Installations under the Department

1.5.1 Main Divisions of the Department

1. Development Division
2. Research Division
3. Administrative Division
4. Financial Division

1.5.2. Expansion of District offices, research centers and nurseries of the department

Distribution of District Offices

- Seventeen offices distributed in the following districts of the country as follows.

Central Province	- Kandy, Matale and Nuwara-Eliya
Sabaragamuwa Province	- Kegalle and Ratnapura
Uva Province	- Badulla and Monaragala
Southern Province	- Galle, Matara and Hambantota
Western Province	- Colombo, Kalutara and Gampaha
North- Western Province	- Kurunegala (cover Puttalam District also)
Eastern Province	- Ampara (cover Batticallo District also)
North Central Province	- Anuradhapura and Polonnaruwa

- Locations of research stations and Sub-Units

Eight Research Stations and Sub-Units located as follows.

1. Central Research Station in Matale
2. Cinnamon Research Station at Pallolpitiya of Matara district
3. Intercropping and Betel Research Station at Dampelassa close to Narammala
4. Economics and Market Research Unit at Head Office in Peradeniya
5. Mid Country Research Station at Delpitiya close to Gampola
6. Tissue Culture Unit and Plant Nursery at Walpita of Gampaha district
7. Sub Research Station at Kundasale of Kandy district
8. Sub Research Station at Nillamba close to Galaha of Kandy district

Location of department nurseries

Production of plants are carried out in 10 nurseries in different locations as follows.

Kurunegala District	- Serapias Plant Nursery at Polgahawela, Holongolla Plant Nursery at Dodangaslanda, Wennoruwa Plant Nursery at Narammala
Nuwaraeliya District	- Blackwater, Plant Nursery at Ginihaththena Mulhakele Plant Nursery at Walapane
Matale District	- Central Plant Nursery at Elwela
Matara District	- Central Plant Nursery at Mapalana in Kamburupitiya
Kegalle District	- Central Plant Nursery at Gasnawa, Nelundeniya
Gampaha District	- Central Plant Nursery at Walpita
Hambantota District	- Central Nursery and Spice Park at Middeniya

Chapter 02

Progress and the Future vision

2.1. Special Achievements

Even amidst the covid -19 pandemic prevalent in the year 2021, programmes were implemented to promote the sector of Export Agriculture and to earn more foreign exchange through the export of related products. Under the Export Agricultural Zones Programme, programmes to a values of Rs,360,697,382.13 of Rs 700 million provided by the Treasury and Rs 71,578,022.00 of the allocations made by the ministry, were implemented. In addition, developments programmes to a value of Rs 68,190,554.83 under the Turmeric and Ginger Cultivation Programme and provision of Micro – Irrigational Systems to a value of Rs 10,773,487,48 were also implemented. In addition ,provisions of Rs 30.00 million was provided to the department for the installation of water supply systems under expenditure subject 432-2-3-7-2507 under the provisions, construction of tube wells, installation of pipelines and purchase of materials required for completion of the project at Gasnawa Central Nursery and Mathale Central Nursery were completed. A tube well was also constructed at the Mathale Central Research Station.

When the results of the above programmes are considered.

- The new cultivation extent of Export Agricultural Crops such as cinnamon, pepper, nutmeg, clove, cocoa, cardamom, vanilla and coffee was 1635.15 hectares. This is 96.7 % of the Land extent targeted to achieve by the department for the year 2021. Since there was a high demand among the farmers to cultivate Export Agricultural Crops, as had been in the previous year, various programmes were implemented by the Department of Export Agriculture in that regard. To this end, farmers were provided ,free of charge, with planting materials certified by the Department of Export Agriculture. Under this, the number of Export Agricultural Crops plants made available for the farmers was 9,383,310.00.
- The Home Gardening programme, implemented with a view to promoting Export Agricultural Crops, was continued in the year 2021 as well. Through the Small Scale Home Gardening Programme and “Saubhagya” Home Gardening Programme 3,108,129 plants were provided to farmers to be cultivated in lands less than ¼ acres with the objectives of encouraging the oweners of small lands to cultivate Export Agricultural Crops in their Lands and to meet the domestic requirement for spice through it.

- The complete ban on the import of turmeric upon a concept of His Excellency the president , resulted in a large number of farmers taking to turmeric cultivation. Accordingly, considering the high demand for the cultivation of turmeric the Turmeric and Ginger Cultivation Promotion Programme was implemented under the Export Agricultural Crops Development Programme in 2021. The targeted turmeric cultivation extent for 2021 was increased by the Department of Export Agriculture. Here, investment financial assistance was provided to the cultivators on the basis of Rs 150.00 per 1 Kg of qualitative turmeric seed within a limit of 10 Kg minimum and 300 Kg maximum live cultivation extent of 1 hectare. Accordingly ,661.10 hectares in all the districts coming under the purview of the Department of Export Agriculture, were cultivated.
- In addition , a programme to provide turmeric plants for home garden was implemented Under, this , it was targeted to produce the domestic turmeric and ginger requirement in ones own home garden. Here, with the priority being given to urban and semi urban house holds, each household was given 5 turmeric plants to a maximum and 5 ginger plants to a maximum free of charge. Here 5,222,527 plants of turmeric were distributed island wide.
- Similarly ,a turmeric and ginger seed establishing programme was also in operation under the allocations of the State Ministry of Export Promotions. Under this, Seed Gardens were established in the Lands belonging to government and non – governmental institutes which were willing to and had the requirement, to establish a turmeric or ginger seed garden on their premises. There, the actions were taken by the Department of Export Agriculture to provide free of charge, the quantity of qualitative turmeric seed to the relevant institute for a maximum cultivation extent of 01 hectare. The technical guidelines and supervision in this regard were given by the officers at the Department of export Agriculture.
- Accordingly, under the Home Gardening Programme, plants were issued to each Divisional Secratariat , Agrarian Centers ,Grama Niladhari Divisions or home garden development at programmes implemented national levels. Under this programme, 120,541 Plants were distributed. Under the cluster village programme , 98 vanilla, cardamom, and nutmeg villages were established. Farmers in these villages received 104,622 plants free of charge from the department.
- Through the Turmeric and Ginger Seed Establishment Programme , it was expected to supply without shortage the turmeric and ginger seeds required by the turmeric and ginger cultivators and to expand the cultivation of turmeric and ginger in governmental and non- governmental institutes.
- The Cluster Village Programme was implemented by integrating one village or several villages as a cluster village. Here actions were taken to empower the farmers by preparing a streamlined plan which covered from the issuance of Export Agricultural Plants to the sale of the harvest. Under this programme, 104,622 of cardamom vanilla and nutmeg Plants were made available for 98 villages.

- The Arecanut Cultivation Programme was implemented at district levels in 2021, with the objective of environment conservation. Under the Arecanut Cultivation Programme 1,099,420 arecanut plants were distributed among home gardens, governmental and non – governmental institutes and Plantation companies.
- This Programme was implemented under three main sectors with an objective of increasing the Export Agricultural Crops products both quantitatively and qualitatively.

Provision of gap filling plants free of charge in order to increase the productivity of the existing cultivations through the adherence to good agronomic practices, provision of required investment assistance for the establishment of Micro – Irrigation Units required for protection of Export Agricultural Crops cultivations from water scarcities and introduction of accessories and systems with a view to prevent the pest and animal damages to Export Agricultural Crops, were carried out Accordingly actions were taken under 50% of the Cost Investment Assistance Scheme to establish 56 Drip an Sprinkler Irrigation Systems and 80 security fences and cultivation protective systems.

This Programme is being implemented with the objective upgrading of the quality of the products through streamlining the process of post harvest technology of the Export Agricultural crops encouraging value added products and streamlining the process of granting Government Investment Assistance.

This Invest Assistance Scheme is not only a system of providing and introducing modern technical equipment, machinery, buildings, facilities of post harvest processing. This also focuses on a wholistic process towards carrying out agronomic practices of export crops, enhancement of the quality of Export Agricultural Crops products by Good Manufacturing Practices (GAP) in accordance with local and foreign standards, encouragement of value added products and increasing the generation of employment opportunities.

- In 2021, under the Post Harvest Technology Investment Assistant Scheme, the department provided investment assistance to 58 small and medium scale cinnamon processing centers, 09 central processing units and 04 other processing centers. Financial assistance was provided for 396 machines and 18 Cinnamon Extraction Units with a view to obtaining a high quality in the harvest through the mechanization of post harvesting and to minimize the production cost through minimal use of human labor.
- Targeting the global Niche Market available for organic products , the Department of Export Agriculture continued its Organic Agricultural Crops Programme for the year 2021 as well. While 47.5 hectares of new organic cultivations were initiated , the financial contribution was also made to convert last years cultivation of 85 hectares for the second year. The Department of Export Agriculture has also made its technical and financial contribution in obtaining an internationally recognized organic certification for 3 organic farmer organizations in Yatawatta, Pussella and

Divulapitiya where organic villages have already been established.

- Under the Good Agricultural Practice (GAP) programme for the Export Agricultural Crops, the preparation of relevant standards and code of practice has been completed as the preliminary stage activities for the award of GAP certificates for pepper, cinnamon, coffee and cocoa cultivations. The auditing activities have been initiated for 429 applications received.
- Under the certification programme for certifying the quality of Export Agricultural Crops, A Certificate of Hazards Analysis and Catastrophe Control (HACCAP) and a Certificate of Management System on Food Security (ISO 2200) and also the certificate issued by the British Retail Consortium on Global Standards (BRCGS) were issued in the year 2021 itself. The technical and financial contribution required in this regard was extended by the Department Of Export Agriculture.
- While the co – ordinating activities required for 11 local and foreign institutes involved in exports and for the sale of the products of the organic certified associations have been carried out, 134 individual counseling sessions were held for the prospective entrants in to the spice sector.
- The planting material plays a significant role in receiving a high and qualitative harvest from Export Agricultural Crops . The department with objective of providing a qualitative planting material to the farmers in 2021, operated 12 departmental nurseries and 739 private nurseries with which the requirement for planting material was met. In the year 2021, a mother plant nursery was established for the departmental nursery at Gasnawa. In addition under the ministerial provisions, micro irrigation systems were set up at Gasnawa and Matale while infrastructure facilities were provided for the other central nurseries. Accordingly, 2.7 million plants were produced at departmental and central plant nurseries and under the plant certification process, 2.05 million plants were distributed among the farmers for the programmes carried out by the department in 2021. Further, actions were taken to increase the price of seeds on par with the rising market prices. Accordingly, with effect from 09th April 2021, the price of an arecanut seed was increased to Rs .04 while the price of a nutmeg was increased to Rs 13.00 with effect from 22nd July 2021.
- The In service Training Centre which bears the responsibility of internal training activities of all the officers at the Department of Export Agriculture and updating the technical knowledge of all stakeholders. commenced the training activities in the first part of 2021, even in a scenario of covid -19 spread. Accordingly, training and officer training activities for upgrading technical and productive aspects of post harvesting were carried out under the approved health regulations. Since the Covid -19 pandemic occurred from time to time, social gatherings of any sort were banned. As a result, we were compelled to accommodate a quarantine centre at the hostel of the training centre. Owing to this situation , in order to avert the obstacles present, a weekly online programme named “ Apanayana Krushi Thakshanika Vidvath Kathikawatha” was held through the Zoom Technology for the benefit of the stakeholders island wide

with the contribution of the departmental and outsourced resource persons. Through these programmes scholarly discussions were held on the problems in the Export Agricultural Sector, post harvesting technology and entrepreneurial opportunities. Here, the relevant training activities were carried out for 40 departmental officers and 151 officers of other institutes. 1250 beneficiaries received their training through the online method. A training programme on Good Agricultural Practices, control activities and control pests in cinnamon cultivation was conducted by the National Cinnamon Research and Training Centre at Palolpitiya, Matara.

- Year 2021 was a remarkable one for the export agriculture crop (EAC) sector since it recorded the highest export income in its history. Even in the global pandemic situation, total export volume of EAC in 2021 had reached to 62,580.86mt with Rs 102,939.40 million export earnings. Total export volume of EAC had increased by 20.38% along with 41.03% increase in earnings in 2021 over previous year. Exports of EACs such as Cinnamon, Pepper, Clove, Cardamom, Mace, Coffee, Vanilla and essential oils such as Cinnamon leaf oil, Pepper oil, Cardamom oil, Nutmeg oil, Mace oil, had shown an increase over 2020.
- Export volume of cinnamon had reached to 18,813.52mt showing a 0.49% growth over previous year. Export earnings of cinnamon had also increased from Rs. 38,218.08 million in 2020 to Rs. 45,879.17 million in 2021 showing a 20.04 % growth rate. It is observed that, round 48.5% of the total export earnings of EAC in 2020 had obtained from cinnamon exportation. Pepper exportation volume and value in 2021 had shown a drastic growth over the previous year. Export volume and value of pepper had increased by 98.74% and 148.31% respectively over 2020.
- Total imports of EACs in 2020 had decreased over 2020 showing a 5.69% decrease in import volume and 31.8% decrease in import expenditure. Cocoa and cocoa products were the commodities which consumed around 88% of the total import expenditure. Out of the EACs Cinnamon, Cardamom, Vanilla, Ginger and turmeric showed a decrease in importation over 2020 while Cinnamon leaf oil, Cinnamon bark oil, Pepper, Pepper oil, Clove, Clove oil, Cocoa, Coffee, Areca nut, Vanilla oil, Citronella oil, Lemongrass oil and ginger oil showed an increase in both volume and quantity with compared to 2020.
- Pepper prices which started to decline in late 2016 further declined throughout 2018 and continued to 2020 had shown a gradual increase in 2021. At the last quarter of 2021, pepper prices had increased drastically up to a level where average market price of black pepper exceeded 1000 rupees per kilogram.
- However, at the end of 2021, since the COVID 19 situation became under controlled, EAC farming operations and other related activities were noticed to be back in to the normal pattern. The most important thing is, even in the global pandemic situation, Export agriculture sector of Sri Lanka recorded its highest export income in 2021.
- With complete banning of importation of turmeric, the Department of Export Agriculture has taken required actions to promote turmeric cultivation in 2021 in

order to meet the local demand in the upcoming year. Research division of the Department of Export Agriculture has contributed productivity improvement and quality improvement research programmes.

- A research was done to study processing of turmeric by different curing methods and its effects on the quality of turmeric. *Results* of study clearly revealed that there were differences among turmeric produced locally and imported from India, based on curcumin content and the most of the other physicochemical parameters. Curing is essential for producing high quality turmeric powder. According to the drying time duration, most suitable drying method is the artificial drying of turmeric slices.
- After the evaluation of twenty turmeric accessions, under coconut in low country intermediate zone (IL_{1a})T4 was selected as the highest average yield performed accession (1011.2 g/clump).
- It was observed that quick wilt disease in black pepper can be managed through application of organic matter like Gliracidia and cattle manure.
- Conservation of germplasm is very important. Because it helps to protect biodiversity and can be used for future research. Forty six different betel accessions were *ex-situ* conserved in plastic pots.
- Betel is a cash-crop and earns remarkable amount of foreign exchange. Kurunegala is a main betel growing district. Soil fertility status, especially at betel growing areas in Kurunegala districts were characterized.
- Practicing of green agriculture as government policy, organic solutions for pest and disease management of cinnamon under nursery conditions were evaluated. For controlling LBD, still Folicur is the best solution. Instead of Folicur, Bordeaux mixture, dissolved sulfur and Neem extract showed moderate success. For lower leaf galls, dissolved sulfur showed a significant mite gall controlling effect when comparing with the other treatments. Miner attack is significantly controlled by the Bordeaux mixture. Caterpillar attack reduction can be observed in Bordeaux mixture and sulfur treated cinnamon seedlings with high significance.
- Identification and taxonomy of the Cinnamon thrips as a newly emerged pest in Cinnamon plantations and nurseries in Sri Lanka was done. Cinnamon thrips, a devastating insect pest of cinnamon, specially under nursery conditions was taxonomically identified as *Helionothrips annosus* Wang 1993 and its morphological characteristics were recorded, updating the checklist of Thysanoptera in Sri Lanka.
- For the management of cinnamon wood boring moth, an alternative option was tested, other than earthing up. Clay based applications would be useful to manage this pest in cinnamon plantations located at a gradient, where run off is high.
- Taxonomic Identification of leaf miner in Sri Lanka was done as *Acrocercopsspp.* under Gracillariidae family.

- Irregular rainfall pattern could be the reason for the staggered nature of black pepper flowering and it caused to reduce the yield.
- Chemical constituents & antioxidant properties of nutmeg in Sri Lanka was determined.
- Physio-chemical properties of turmeric powder available in Sri Lankan market were analyzed. Farmer field turmeric in Sri Lanka has very high curcumin percentages about 6%. But, there are turmeric powder samples available in the local market, which have curcumin percentage less than 3% and do not comply with Sri Lanka Standards.
- Effect of time duration from harvesting to subsequent sowing on sprouting ability of ginger was studied. Moisture content of the rhizome that were stored without any media, reduced with the time in both season and off-season. Paddy husk is the best media than saw dust as a storage method with higher moisture conservation. The lowest time taken for 50% sprouting was observed with maximum storage time . Keeping of ginger seed rhizome at least for 5 weeks after harvesting could be recommended for quick sprouting of ginger seeds.
- It is observed that kapok tree is the best support tree for black pepper vines. Highest fresh weight per vine observed in pepper vines which are supported by Kapok trees. Highest Number of capsules per vine observed in pepper vines supported by kapok trees.
- Demand for cardamom cultivations is increasing due to its high economic value. Expansion opportunities for cardamom cultivations are getting limited with availability of suitable lands. The crop prefers high humid low temperature conditions with favourable soil moisture levels without extreme depletions. Therefore, new expansion opportunities for cultivating cardamom should be investigated. This particular trial was established to check feasibility of cultivating low elevation cardamom under shade net conditions. The trial showed that cardamom can be cultivated successfully in 60-70% shade net conditions with supplementary irrigation.
- Effect of Nitric acid and Formic acid on Cardamom seed germination was compared. Cardamom seed germination performance is limited with its hard seed coat. In general, the germination percentage of cardamom is around 30%. Seed treatment using 25% concentrated nitric acid has been recommended by DEA to overcome this issue while achieving seed germination percentage of 70%. Access to concentrated nitric acid at farmer level or nursery level is difficult due to security and health

hazard. As solution, this trail proves use of concentrated formic acid for treating cardamom seed. According to the results 25% formic acid with 10-minute exposure time can increase germination of cardamom seeds up to 85%. Concentrated formic acid is readily available in the market which commonly utilized as rubber latex coagulant.

- Effect of added mineral fertilizer in nursery mixture on growth & vigor of black pepper nursery plant was studied. Recommended nursery mixture, Top soil: cow dung: coir dust: sand in 1:1:1:1 is the best medium for successful growth of black pepper nursery plants. But, in the absence of cow dung, a potting mixture prepared as Top soil: coir dust: sand in 2:1:1 can be recommended with addition of 1 g of mineral fertilizer to supply nutrients. 1g of phosphate fertilizer, Diammonium phosphate (N:P:K: 18:46:0) /pot (8x5" size) is the best nutrient source identified . In-addition , use of 1g of compound fertilizer containing N:P:K- 12:11:18 /pot (8x5" size) or use of 1 g of compound fertilizer containing N:P:K- 15:15:15, where K supply by SOP per pot (8x5" size) is also suitable. However care should be taken to not to use amounts higher than 2 g/ pot (8x5" size) of compound fertilizer as high levels gave negative effects to plants.
- Integrated Pest Management (IPM) package was developed for major pest and diseases of Ginger.

2.2. Challenges and Future Goals

2.2.1 Challenges

01. The department was in a position to continue its mission unhindered in the face of Covid – 19 pandemic in the year 2021 as well. Even amidst the curfew imposed time to time , the officers at the department provided the necessary technical instructions and guidelines on Export Agricultural Crops through internet facilities such as the departmental website , Face book, Zoom as well as through the mass media such as television and radio and also over the phone.

02. Eventhough the Agricultural Extension Service carried out a more productive task in making available the technology required for the farming sites, a yawning gap exists between

the number of the field officers required for the department and the numbers employed at present.

03. While there was an inability to provide the physical requirements of the department to an optimal level, it was a challenge for the department not to be in possession of sufficient funds to duly supply office facilities, equipment , items and transport facilities required by the officers due to the Covid -19 pandemic.

04. The outbreak of the second and third waves of the COVID 19 in year 2021 has continued to effect on the livelihood of people all around the world. In Sri Lanka, one of the main issues noticed pertain to the export agriculture crop sector in the COVID 19 outbreak are transportation issues due to island wide lockdowns and interprovincial travel restrictions imposed time to time. Although, the exporters had their facility to purchase products, producers faced a difficulty in reaching them especially due to the transportation issues and as the purchasing centres were closed during this lockdown periods.

05. Some major local markets like betel fairs were noticed to be closed for weeks. Collection of weekly Farm Gate Prices of Export Agricultural Crops is the main task which is carried out by the Economics Research Unit. Due to the Island wide lockdowns and interprovincial travel restrictions, field officers couldn't collect that market information from the purchasing centres. Research Officers attached to the Economics Research Unit faced difficulties in conducting filed surveys related to their researches due to this lockdown and interprovincial travel restrictions imposed during the year.

06.Out break of quick wilt disease and stem borer damage spread specially in Monaragala and Badulla districts. Awareness programmes were conducted to manage the condition by entomologist, pathologist and field officers in the department.

07. Practicing of green agriculture is a government policy. Department recommendations of chemical fertilizer applications re-evaluated using organic based fertilizers.

08. Due to the COVID 19 pandemic, harvesting of research trials and data collection were not able to perform within the scheduled time period.

09 .Limitations of the supporting staff were adversely affected to the research activities.

2.2.2 Future Goals / Objectives

- Increasing the Export Earnings

The export income generated in the vyear 2021 was recorded as Rs .102,939.40 million. It was higher value compared to the previous year. It is expected to expand the current cultivation extent and to increase the harvest which could be obtained from a unit in order to reach the target of Rs 150 billion income through the export of Export Agricultural products by 2025.

- Popularizing Organic Crops Cultivation

As a result of decision made by the government to minimize the use of chemical fertilizer, a scarcity for chemical fertilizer prevailed at the market. Consequently, farmers were more inclined towards organic cultivations. Further more attention was paid to increasing the Organic Export Agricultural Crops extent with the objective of securing the economic benefits by increasing the organic crops products considering the higher prices for organic products. In this context, it is a mandatory requirement that the department receives the allocations for the extension programmes meant for popularizing and encouraging the organic cultivation.

- Implementation of Good Manufacturing Practices Certification process, Good Agricultural Practices Programme and Export Agricultural processing Centres.

It is essential to take in to consideration the existing potential to obtain a higher income by sending Export Agricultural products to the local and foreign market in the form of value added products in order to gain a higher foreign exchange. It has been planned out to popularize Good Agricultural and Manufacturing practices among the cultivators involved in the sector. Accordingly, actions have been taken for the departmental intervention to attract the interested producers and to introduce the machinery and the equipment with modern technology and monitor the activities. Under this , it is expected to gain a higher foreign income by presenting more Export Agricultural Crops Products to the foreign market.

- Use of accessories and tools to mitigate climatic changes and animal damages

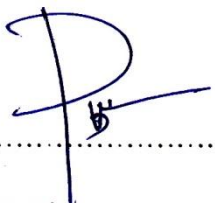
It is expected to popularize the use of Micro – irrigational Systems to protect the Export Agricultural Crops Cultivations from the impact of climate such as floods and droughts and

thereby minimize the damage to the crops cultivations achievement of related targets. Here , it has been a matter of great importance to make the necessary allocations for the department to provide the required Micro – irrigation Systems and the necessary accessories to protect their cultivations from animal damages.

- Development of organic models for export agricultural crops

Due to the green agricultural policies of the government department will evaluate the organic fertilizers for EACs.

- Introduction of non-chemical pest and disease control measures for EACs.
- Introduction of farmer friendly recommend nursery mixture for EACs due to the shortage of conventional material of potting mixtures.
- After multi-locational evaluation under recommended agronomic practices, selected accession or lines of EACs can be released to farmers as superior cultivars to enhance quality and quantity of national production.
- Conducting more researches on management of quick wilt disease and stem borer damage on black pepper.
- Establishment of mother plant fields to supply quality planting materials.
- To streamline the process of collecting crop forecast data from each district to obtain more reliable data and to construct a grass root level data base.
- Study on the crop forecasting models for the export agriculture crops and to carry out field level experiments.
- Collecting and publishing weekly farm gate prices from purchasing centres more accurately.
- To conduct research studies in order to address the thrust areas of export agriculture crop sector.



A.P. P. Disna

Director General

Department of Export Agriculture.

A.P.P. DISNA
Director General
Department of Export Agriculture
1095, Sirimavo Bandaranayake Mawatha,
Peradeniya

Chapter 03

Financial Performance

ACA -F

3.1. Statement of Financial Performance

for the period ended 31st December31/12/2020.....

Rs.

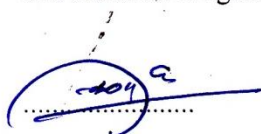
Budget 2021	Note	Actual 2021	2020	
	Revenue Receipts			
	Income Tax	1		
	Taxes on Domestic Goods & Services	2		ACA-1
	Taxes on International Trade	3		
	Non Tax Revenue & Others	4		
	Total Revenue Receipts (A)			
	Non Revenue Receipts			
1,536,516,000	Treasury Imprests	1,179,550,000	1,264,154,000	ACA-3
4,000,000	Deposits	4,864,487	1,241,836	ACA-4
47,000,000	Advance B Accounts	43,042,029	2,504,108,6.03	ACA-5/5(a)
	Other Main Ledger Receipts			
1,587,516,000	Total Non Revenue Receipts (B)	1,227,456,516	1,290,436,922	
1,587,516,000	Total Revenue Receipts & Non Revenue	1,227,456,516	1,290,436,922	
	Receipts C = (A)+(B)			
68,309	Remittance to the treasury (D)	1,927	3,001,089	
1,587,447,691	Net Revenue Receipts and Non Revenue	1,227,454,589	1,287,435,883	
	Receipts E= ©-(D)			
	Less: Expenditure			
	Recurrent Expenditure			
660,500,000	Wages, Salaries & Other Employment	5	629,847,910	623,951,152
	Benefits			
71,900,000	Other Goods & Services	6	71,209,393	67,901,012
12,600,000	Subsidies, Grants and Transfers	7	9,901,734	10,752,315
	Interest Payments	8		
	Other Recurrent Expenditure	9		
745,000,000	Total Recurrent Expenditure (D)	710,959,037	702,604,479	
	Capital Expenditure			
14,000,000	Rehabilitation & Improvement of Capital	10	12,590,281	8,910,086
11,900,000	Acquisition of Capital Assets	11	11,625,392	9,126,563
700,000,000	Capital Transfers	12	360,697,382	528,269,650
	Acquisition of Financial Assets	13		ACA-2(ii)
2,100,000	Capacity Building	14	409,325	438,265
12,150,000	Other Capital Expenditure	15	13,108,232	6,661,093
740,150,000	Total Capital Expenditure (E)	398,430,612	553,605,656	
	Deposit Payments		3,303,161	1,989,038
35,000,000	Advance Payments		51,433,938	25,329,758.24
35,000,000	Main Ledger Expenditure (H) 14+15		54,737,100	27,318,796
1,520,150,000	Total Expenditure G = (D+E+F)	1,164,126,748	1,283,528,932	
	Imprest Balance as at 31st December..... H	63,327,841	3,906,901	
	Balance as per the Imprest Recolaniciation Statement	63,327,841	3,906,901	
	Imprest Balance as at 31st December.....	63,327,841	3,906,901	

3.2. Statement of Financial Position

As at 31st December- ...2021.....

	Note	Actual	
		2021	2020
		Rs	Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	1,110,288,684	2,588,862,844
Financial Assets			
Advance B Accounts	ACA-5/5(a)	127,481,925	119,090,016
Cash & Cash Equivalents	ACA-3		
Total Assets		1,237,770,609	2,707,952,861
Net Assets / Equity			
Net Worth to Treasury		125,276,403	118,445,820
Property, Plant & Equipment Reserve		1,110,288,684	2,588,862,844
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	2,205,522	644,196
Imprest Balance	ACA-3		
Total Liabilities		1,237,770,609	2,707,952,861

Detail Accounting Statements in ACA format Nos. 1 to 6 presented in pages from ...1.... to...52... and Notes to accounts presented in pages from ...53.... to ...61..... form and integral parts 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 Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.



Chief Accounting Officer

Name :

Designation :

Date : 01/03/2022



Accounting Officer

Name :

Designation :

Date : 05/03/2022

A.P.P. DISNA
 Deputy Secretary to Government
 Department of Export Agriculture
 1095, Siripala Mawatha,



Chief Financial Officer/ Chief Accountant/

Director (Finance)/ Commissioner (Finance)

Name :

Date : 05/03/2022

R.D. ABEYWICKRAMA
 CHIEF ACCOUNTANT
 Dept. of Export Agriculture
 1095, Kandy Road
 Peradeniya

Saman Darshana Pandikorala
 Secretary

State Ministry of Development of Minor Crops
 Including Sugarcane, Maize, Cashew, Pepper,
 Cinnamon, Cloves, Betel Related
 Industries and Export Promotion
 16th Floor, "Suhurupaya", Battaramulla.

3.3. Statement of Cash Flows

ACA-C

for the Period ended 31st December-.....2021.....

	Actual	
	2021	2020
	Rs.	Rs.
Cash Flows from Operating Activities		
Total Tax Receipts		
Fees, Fines, Penalties and Licenses		
Profit		
Non Revenue Receipts	1,887,618	6,999,546
Revenue collected on behalf of other Revenue Heads	42,968,775	36,989,161
Imprest Receipts	1,179,550,000	1,264,154,000
Recovery of advance	1,103,318	1,853,615
Deposit Receipts	3,719,304	668,611
Cash flow generated from operational Activities	1,229,229,014	1,310,664,933
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	540,722,052	551,976,837
Subsidies & Transfer Payments	6,896,502	1,162,071
Expenditure incurred on behalf of other heads	623,471,903	727,456,706
Imprest Settlement to Treasury	1,927	68,309
Advance payments	46,705,708	18,966,777
Deposit Payments	3,305,186	1,907,670
Cash Flows from Investing Activities	1,221,103,278	1,301,538,371
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(a)-(b)	8,125,737	9,126,563
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	8,125,737	9,126,563
Total Cash disbursed for Investing Activities (e)	8,125,737	9,126,563
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(d)-(e)		
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)		
Cash Flows from Financing Activities		
Local Borrowings		
Foreign Borrowings		
Grants Received		
Total Cash generated from Financing Activities (h)		
Less - Cash disbursed for:		
Advance B Accounts		
Grants Received - -		
Deposit Received		
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 01 st January		
Closing Cash Balance as at 31st December		

3.4. Notes to the Financial Statements

Due dated financial statements respective on 2020 have been produced and presented to the general Auditor

3.5. Performance of the Revenue Collection

Rs. ,000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original Rs . Mn	Final Rs. Mn	Amount (Rs)	As a % of final Revenue Estimate
2002-01-01	Government building rent	2.6	2.6	2.71	104.2
2002-02-99	Loan - interest	5	5	5.14	102.8
2003-01-00	Sales and fees – Departmental sales	22	22	36.6	163.6
2003-02-99	Sales and fees. Administrative fees and payments - various	0	0	1.44	
2003-99-00	Sales and fees – Other receipts	12	5	7.8	156
2006-02-02	Sales of Capital assets - Other	0.1	0.1	0.015	15

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	745,000,000	745,000,000	710,959,037	95.43
Capital	741,150,000	741,150,000	398,430,612	53.76

3.7. In terms of F.R. 208 grant of allocations for expenditure to this Department / District Secretariat / Provincial Council as an agent of other Ministries / Departments.

Rs. ,000

Serial No	Allocation Received from Which Ministry / Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	State Ministry of Development of Minor Crops including sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion.	Distribution of Cinnamon centers and Turmeric Plants	179,751,394	179,751,394	715,780,22	39.8
02	State Ministry of Development of Minor Crops including sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion.	Distribution of Ginger and turmeric Seedlings	118,000,000	118,000,000	68,190,555	57.8
03	State Ministry of Development of Minor Crops including sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion.	Installation of water supply systems	30,000,008	30,000,008	10,773,487	35.9

3.8. Performance of the Reporting 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	439,548,711.79	439,548,711.79		100
9152	Machinery and Equipment	27,198,054.84	27,621,236.84		100
9153	Land	346,845,556.30	350,213,860.12		100
9154	Intangible Assets				
9155	Biological Assets				
9160	Work in Progress				
9180	Lease Assets				

3.9. Audit Report

Accounting Officer,

Department of Export Agriculture.

The Auditor General's Abstract Report as per the Section ii (i) of the National Audit Act No. 19 of 2018 on the Financial Statement of the Department of Export Agriculture for the year ending on 31st December 2021.

1. Financial Statement

The Financial Statement of the Department of Export Agriculture for the year ending on 31st December 2021 comprising the Financial Performance Statement and Financial situation as at 31st December 2021 was audited under my order as per the provisions included in the Constitution 154(1) of the Constitution of the Democratic Socialist Republic Of Sri Lanka, which must be read together with the National Audit Act No. 19 of 2018. Included on this report are my comments and observations on this Financial Report forwarded to the Department of Export Agriculture as per the Section 11 (1) of the National Audit Act No.19 of 2018.

The Auditor General's Report, which must be forwarded as per the Section 10 of the National Audit Act No. 19 of 2018 and must be read together with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka will be presented to the Parliament in the due course.

1.2. Opinion

The auditing opinion will be presented after your comments on the observations given in this report have been made.

1.3. The responsibility of the Chief Accounting Officer and the Accounting Officer with regard to the Financial Statement

Preparation of financial statements as per Commonly Agreed Accounting Principles and the provisions mentioned in the Section 38 of the National Audit Act No. 19 of 2018, depicting a true and a fair situation and determination of internal administration required to prepare financial statements devoid of quantitative false statement which may be caused by frauds and errors is the responsibility of the Accounting Officer. Books and reports on one's revenue, expenses, assets and liabilities must be duly maintained enabling the preparation of

annual and periodical financial statements by the department of Export Agriculture as per the Section 16 (1) of the National Audit Act No. 19 of 2018.

While the Accounting Officer must certify that an effective internal administration system is arranged and continued as per the Sub- section (38)(1)(d) of the National Audit Act for the financial control of the Department of Export Agriculture and the changes required to continue the system effectively, must be made after carrying out reviews on the effectiveness of the system.

1.4 The Auditor's Responsibility on the Audit of Financial Statements

As a whole , my objective is to provide a reasonable confirmation that the financial statements are devoid of quantitative false statements caused by frauds and errors and to issue the Auditor General's Report including my opinion. Eventhough the fair certification is a high standard certification when carrying out the auditing as per Sri Lanka Audit standards, it will not be confirmed as devoid of quantitative misstatements. While quantitative misstatements could be caused by frauds and errors individually or wholly , the must be taken in to consideration by the users when arriving at economic decisions based on these financial statements. The audit was carried out as per Sri Lanka Audit Standards with professional judgment and professional suspicion, as a part of audit.

I base my opinion on planning a suitable auditing procedures opportune to identifying and assessing the risk of quantitative false statements which may occur in Financial Statements as a result of frauds and errors and obtaining sufficient and suitable auditing proof to avert possible risks occurring as a result of frauds and errors. The effect of a fraud is graver than that of quantitative false statements caused by misstatements since they can occur as a result of collusion, preparation of fake documents, international avoidance, misstatements or miss out by internal administration.

Even if it was not with view to expressing an opinion on the effectiveness of the internal administration, an understanding on the internal administration was gained in order to plan out appropriate auditing procedures opportunely.

Assessing that the transactions and events which were the bases for the structure and content of financial statements including disclosures have been included in financial statements appropriately and fairly.

I assessed that transactions and events which were the base for the structure and content of financial statements have appropriately and fairly been included and the whole presentation of financial statements including disclosures.

I made the Chief Accounting Officer / Accounting Officer aware of important auditing disclosures and main internal administrative short comings.

1.4. Report on other legal requirements..

I declare below mention information as per section 6 (d) of the National Audit Act No : 19 of 2018.

The balance of Property Plant and Equipment Account and the related reserve account included in the statements of the Financial Situation in the year under review was not compatible with the Financial Statements of the previous year as per the matters mentioned in para 1.6.1.1 of this report.

1.6. Commets on Financial Statements

1.6.1. Statement on the Financial Situation

1.6.1.1 Non – Financial Assets

The Following Observations are made

(a). As per the Statement on the Financial Situation prepared as at 31st December of the previous year the balance of Property Plant and Equipment Account was Rs 1,098,889,538. However, under the particulars of the previous year in the statement on financial situation prepared as at 31st December in the year under review, it had been mentioned Rs 1,489,973,306 in excess as Rs 2,588,862,844. Similarly, the value of Property Plant and Equipment reserve had been mentioned in excess.

(b) As mentioned above, even though, the value of Property Plant and Equipment was Rs 1,098,889,538 in the Statement on Financial Situation prepared as at 31st December of the previous year, it had been mentioned as Rs 1,102,130,963 when it is carried forward to the year under review. Therefore, the value of Property Plant Equipment had been mentioned in the Statement on the Financial Situation Rs 3,241,425 in excess. Since Accounts were kept in this manner, it was not clear for auditing how the accounts balanced.

1.6.1.2. Deposit Account Balances

According to the Statement on Deposit Accounts in the Financial Statements of the previous year, the retention balance for contracts was Rs.168,651. However, there was a difference of Rs 10,849 since the opening balance had been mentioned as Rs 179,500 in the Statement on Deposit Account when carrying the balance to the year under review.

1.6.2. Financial Flow Statement

In the Financial Flow statement prepared for the year under review, imprest receipts, deposit receipts and advance receipts had been mentioned by Rs 49,679,014, Rs 1,145,182 and Rs 41,938,711 less consecutively. The Expenditure incurred for other expenditure heads, had been mentioned Rs 468,061,621 in excess.

2. Financial Review

2.1. Entering in to Liabilities and Bonds

Liabilities to a value of Rs 111,308 due on bonds formed on 8 different occasions for the expenses relating to the year under review had not been disclosed in the Financial Statements.

2.2. Non – Compliance to rules and regulations

Non compliance to the following rules and regulations was observed.

Reference to rules and regulations	Value	Non - compliance
(a) Promotion of Export Agriculture Act No.46 of 1992		Even though export promotion assistance must be paid after the minister has made orders for schemes for subsidies and financial or other assistance for the persons cultivating and processing announced agricultural crops export promotion assistance had been paid without such orders being made.
(i) Section 15 (1)	Rs. 602,900,000	(Reference: KDA/C/DEA/D/2021/65)
(b) Establishment code of the Democratic Socialist Republic of Sri Lanka	Rs.44,100	Full Combined allowance can be paid for a period of not less than 12 hours spent on duty out side the work

Section 4.4 of
Chapter xiv

- (c) National Budget
Circular No. 01/2016
(1) dated 17th March 2016. Rs. 12,996,000

place, half of the combined allowance can be paid for a period of not less than 06 hours and combined allowance can not be paid for a period less than 06 hours. However, combined allowance had been paid in defiance of those provisions.

(Reference:
KDA/C/DEA/D/2021/61)

Although the Maximum monthly rent of a vehicle obtained for the director and similar officers when purchasing vehicles under the operating leasing scheme should be Rs 135,000 , Rs 163,500 per month had been paid for the vehicles which were obtain and attached to 08 Directors including the Additional Director General of the Department.

3. Operational Review

3.1. Performance

3.1.1. Annual Performance Report

The Annual Performance Report should have been prepared in accordance with Guideline No 14 issued by the Department of Public Finance in accordance with the paragraph 10.2 of the public finance circular No 02/ 2020 dated 28th August 2020 and it should be submitted for audit along with the Annual Financial Statements according to Section 16(2) of the National Audit Act No 19Of 2018. However, The Annual Performance Report had not been submitted along with the financial Statement for the year under review.

3.2. Asset Management

The following observation are made.

- (a) The Department had 90 government quarters out of which 07 quarters were in dilapidated condition. There were 32 quarters where the officers were staying and they had to be repaired due to water leaks on rainy days, broken toilets, lock of electricity and problems with plumbing systems.
- (b) Vehicles obtained under the operating lease can drive 3000km Per month without incurring any additional charges as per the relevant agreement. However, According

to the driving information relevant to the last 5 years of the 10 Vehicles obtained by the department on the aforementioned basis had not driven 3000km per month. Accordingly, the distance that could have been driven but not covered was 456827 km.

(c) 15 Vehicles with are estimated value of Rs 15,635, 000 had not been used for more than a year.

3.3. Losses and Damages.

Losses of Rs 3,926,808 were to be further recovered or write off from 4 incidents of damage incurred in previous years and it was revealed that 2 incidents involving Rs 2,348,453 have been going on for more than 5 years.

3.4. Management Weaknesses

The following Observations are made.

- (a) Gasnawa nursery has maintained nearly 20 varieties of crops as mother plants, at the research level and to obtain seeds since 1982 but over the past 5 years, yields from crops such as pepper, coffee, cloves, arecanut and nutmeg have been declining. The vegetation list maintained at the Gasnawa Export Crop Nursery 1982 has not been updated from 2011. A census of trees had not been carried out and the trees were not labeled with numbers.
- (b) 2873 kg Of 5 chemicals such as rock phosphate and dolomite received by the Gasnawa Nursery in December 2018 had not been used up to December had expired and the value of the stock purchased had not been submitted to the Audit.

4. Sustainable Development

The following facts are observed.

- (a) Although the department is aware of the United Nations 2030 “Agenda” for Sustainable Development, it did not identify the sustainable developments objectives, goals and the milestones for reaching those goals and the indicators for measuring achievement on targets.
- (b) Although stakeholders can be identified who are interested in the role of the Department in implementing the sustainable development goals, it did not demonstrate a participatory approach in setting goals for the department as the department had not taken any action to identify them.
- (c) Although it is essential to have an accurate performance database for any task, the department has not taken steps to set up an accurate database to measure the achievement of the sustainable development goals.

5. Human Resource Management.

Cadre details of the Department of Export Agriculture as on 31 December 2021 are given below.

Service Category	Approved Cadre	Actual Cadre	Number of Vacancies
Senior Level	85	62	23
Tertiary Level	29	09	20
Secondary Level	800	645	155
Primary Level	352	238	114
Total	<u>1266</u>	<u>954</u>	<u>312</u>

The Following observations are made

- (a). 16 of the 23 vacancies at the senior level were Assistant Directors of the Sri Lanka Scientific Service, which adversely affected the activities of the departments.
- (b). There were 16 vacancies for the post of District / Subject Related Project Officer, which was an impediment to the smooth running of the field work.
- (c) . 84 posts of Research and Development Assistant had been approved but no officer had been recruited for those posts.
- (d). 114 security guards and laborers who were not in the approved cadre were confirmed under Public Administration Circular no. 25/2014.

S.M.Wijerathne

Senior Assistant Auditor

Chapter 04

Performance indicators

4.1. Performance Indicators of the institution. (Based on Action plan)

4.1.1. Export Agricultural Crops Development Programme

The department implemented development programmes in 2021 worth 360,697,382.13 million rupees out of the 700.00 million rupees provided by the Treasury under the Export Crop Development Programme and 71,578,022.00 million rupees provided by the Ministry for the Export Agricultural Zonal programme, Rs 68,190,554.83 for turmeric and ginger cultivation programme and Rs, 10,773,487.48 for micro water supply units. In addition, provisions of Rs 30.00 million was provided to the department for the installation of water supply systems under expenditure subject 432-2-3-7-2507 under the provisions, construction of tube wells, installation of pipelines and purchase of materials required for completion of the project at Gasnawa Central Nursery and Mathale Central Nursery were completed. A tube well was also constructed at the Mathale Central Research Station.

Programme	Allocated Provisions (Rs, million)	Targets
Program to increase cultivation area	405.7	1. 1690 hectares 2. 3,239,644 small scale garden plants 3. Plants for home gardens 154,292 4.50 Cluster villages in the cluster villages programme 5.Turmeric& ginger investment assistance Programme 389 hectares 6. Arecanut cultivation –1,112,000 arecanut Plants
Development of Central Plant Nurseries	27.5	1. Areaca Sedds - 100,000 2. Nutmeg seeds -100,000 3. Purchase of seeds 4. poly bags and other inputs 5. Purchasing potting media 6.Establishment of water supply systems and mother plant gardens
Export Crop Productivity improvement Programme	126.7	1. Providing gap filling Plants 2580 hectares 2. Prevention of damages caused by animals -90 units 3.Micro water supply system 55 units 4.Value addition programme
Organic village Programme	82.0	1.Hectares 115 2.Post harvest technical equipment 600 3.Trade Promotion Programs 28 4.Software Development 25 5.Organic Certificates 05 6.GMP/GAP/ISO/BRC – 10
Mass Media and Communication	32.1	1.Print Media 2.Leaflet & posters- 300,000 3. Exhibition 4. Information Communication 3600

Development of Skills	5.0	1. Farmer Training -1,115 2. Field Days 145 3. Training of officers 22 4. Workshops , Seminars 11 5 Training – Cinnamon Research Center Matara
Administrative Expenses	21.0	
Total Allocation	700.00	

The new Cultivation Development Programme was carried out continuously in 17 Districts namely Colombo, Gampaha , Kaluthara, Galle, Mathara, Hambanthota, Kandy, Matale , Nuwaraeliya, Kurunegala, Kegalle, Rathnapura, Badulla, Monaragala, Anuradhapura and Polonnaruwa . Accordingly, under new Cultivation Development Programme implemented with the objective of increasing the cultivation area of export crops, export agro crops such as cinnamon, pepper, nutmeg, clove, cocoa, coffee and cardamom were cultivated in an area of 1635.15 hectares.

The Export Agricultural Small Scale Promotion Programme was implemented to produce spices for home consumption from within the home garden, to establish small scale economic cultivation in the garden to cultivate export agro crops that are not cultivated on a large scale as cluster villages and to improve the land productivity.

The number of plants provided free of charge under the Small Home Garden Programme and Saubhagya Home Garden Programme, which aim to bring a small home garden of less than 2.5 acres to the maximum level of economic benefit was 3,108,129 and 120,541 respectively.

Small Home Garden Programme.

Crop	Number of Plants given
Cinnamon	2,755,123
Cloves	1,820
Coffee	4,238
Pepper	340,240
Garcinia	1,950
Nutmeg	4,758

Saubhagya Home Garden Programmes

Crop	Number of Plants given
Cinnamon	2100
Cloves	06
Coffee	25,776
Pepper	90,504
Garcinia	2134
Nutmeg	1
Areacanut	20

Cluster Villages Programme

One village or several villages are combined to form a cluster village under the programme. The Cluster Village Programme was implemented in such a way that each cluster village consists of at least 25 members. Organized as a team a systematic plan is worked out from plant release to harvest marketing to empower farmers and market coordination. Export crop Plants were given to 98 villages under this programme.

Crop	Number of Plants given
Cardamom	12,400
Vanila	81,685
Nutmeg	10,537

The Government implemented the Turmeric and Ginger Cultivation Promotion Programme under the Export Crop Development Programme for the year 2021 due to the increase in demand for turmeric and the import of turmeric. Accordingly, measures were taken to increase the targeted turmeric cultivation area. Investment assistance was provided to turmeric growers at the rate of Rs.150.00 per kilogram for quality seed turmeric for a minimum of 10 kg up to a maximum of 300 kg for maximum of 1 hectare of active cultivation area. Accordingly 661.10 hectares were cultivated in all the districts where the Department of Export agriculture operates.

The Department also launched a programme to provide turmeric seedlings for home gardening. Turmeric and ginger plants were given free of charge up to a maximum of 5 turmeric plants and 5 ginger plants per house giving priority to urban and semi urban households to produce turmeric and ginger required for home consumption in their own backyard.

5,222,527 turmeric plants were distributed under this programme. A programme to establish turmeric and ginger gardens was also implemented under the provisions provided by the state Ministry of Export Promotion.

A programme to establish turmeric and ginger seed gardens was implemented under the provisions provided by the state Ministry of export Promotion. The Department of Export Agriculture provided the required quantity of quality seed turmeric up to a maximum of one hectare free of charge to the relevant institutions and provided technical advice and supervision to them. The Ginger and Turmeric Seed Establishment Programme aims to

provide turmeric and ginger growers with the required quality turmeric and ginger seeds without any shortage and to export turmeric cultivation to government and non – government organization.

During the year 2021, the Arecanut Cultivation Programme was also implemented at the district level with the aim of conserving the environment. Under the Arecanut Cultivation Promotion Programme, about 1,099,420 arecanut plants were distributed among home gardens, government and private institutions and plantation companies.

The Plant production Programme was launched in parallel to these programmes, with the aim of providing high quality planting material to growers, Annual plant quantities required for the departmental Programmes are obtained from the twelve plant nurseries maintained directly by the department and from the private plant nurseries registered with the department. Under the Plant Production Programme, arrangements were made to meet infrastructure requirements, planting material and planting media as well as to meet the annual plant demand and it provided the necessary guidance for 739 private plant nurseries. During the year 2021, plant production of Departmental plant nurseries was 17.49 million . It is essential to increase the productivity of existing crops to get maximum yield from export crops. It is expected to increase the yield obtained from the cultivation unit area through this programme. Accordingly the Productivity Improvement Programme for 2021 was Continuously implemented and the plants required for gap filling in cultivation was provided. Accordingly 2291.17 hectares were cultivated under the gap filling programme.

The Department assisted to establish 56 micro irrigation systems incurring 50% of their cost by the department to prevent damages to crops due to frequent weather changes and to protect their crops from damages caused by wild animals.

In addition 80 fences were constructed incurring 50% of their cost by the department to prevent damages to crops by wild animals.

47.5 hectares of new organic cultivations were established under the organic village programme At the same time , the second installment was paid for the 59.8 hectares started in the year 2020. The department of Export Agriculture has provided its technical and financial assistance to three Organic farming organization in Yatawaththe, Pussella and Divulapitiya which are already established to obtain internationally recognized organic certification. Standards and order of practices for good agricultural practices have been

prepared and auditing of 429 applications has also been commenced. Necessary technical and financial assistance was given to obtain HACCAP , ISO 22000 and BCRGS Certificates for two export crop producers under the organic Certification Programme. In addition, 11 local and foreign institutions coordinated with organic certified farmer organizations and 134 personal counseling services have been provided.

Due to the unique recognition of Sri lankan spices both locally and abroad, It is importative to make the most of the newly emerging market opportunities as a strategy to take advantage of it. It identified value addition as a strategy to increase revenue under which the introduction of high quality products to the market, the issuance of internationally recognized quality certificates and the establishment of certified organic cultivation were carried out.

Equipment provided under post harvest technology development

Under the Post Harvest Technology Investment Assistance Scheme , investment assistance was provided to 58 small and medium scale cinnamon processing centers. Assistance was given for 396 machines and 18 cinnamon oil extraction units to achieve higher quality of harvests through mechanization of post harvest technology and to reduce production costs by minimizing the use of human labor.

Type of Equipment	Number
Dryers	47
Pepper seed separator	64
Blanchers	03
White Pepper production machines	02
Spice grinder	11
Coffee peeling machines	01
Coffee frying machines	01
Turmeric steamer	05
Ginger / Turmeric slicing machine	13
Machine for washing turmeric	01
Turmeric pulper	01
Turmeric polisher	03
Moisture meter	01
Polythene sealer	06
Threshing floor for drying	05
Dried arecanut slicer	01
Dried arecanut peeling machine	01
Garcinia wet grinding machine	01
Lawn mower	63
Aluminum ladder	161
Pit digging machine to plant seedlings in the field	04
Pepper shade pruning tool	01

In the face of the corona pandemic in the country, it is crucial to continue to attract public attention to crop cultivation and crop related products and to pass on agricultural technology to farmers. Promotional programs and media programs were conducted and the Annual Fresh Cinnamon Festival was held in 2021 at the Seenigama Devalaya in Galle with the participation of limited departmental officers and cinnamon growers.

Mass media is an easy way to transmit technical knowledge of export crops to the public and to attract more people to those crops. Therefore, in order to facilitate the communication of all research and development programmes and research and technical matters of the department to the farming community, 23 programmes of the documentary called “Segaunu Kahawanu” and 23 programmes of documentary called “Ranmasu Uyana” were telecasted on “Jathika Rupawahiniya”. Under the radio programmes, 51 programmes called “Rasa janani” were telecasted on Kandurata, Ruhunu, welada, Rajarata and Wayamba radio stations and 16 programmes called “Haritha Mansala” was telecasted on “swadeena sewaya”. In addition, 8 Export crop TV commercials were telecasted and 17 news paper advertisements were published.

Eight export crop TV commercials were broadcasted, 17 news pepper advertisement were published and the crop prices were published in 47 Dinamina news papers published every Friday and 1477 technical books, 304 posters and 235,000 leaflets on export crops were also printed. Advisory services were given to 5585 clients on export crops through 1920 Agricultural Counseling Service.

In Service Training Center in Matale conducted training programmes on export crops for 40 departmental officers and 151 non departmental officers. Furthermore due to travel restrictions enforced during corona pandemic the training center hosted a series of online training programmes via zoom named “Agricultural Technology Scholarly Discussions” every Friday from 10.00 am till 12.00 noon with the contribution of the resource officers of the Department and necessary counseling services were provided to 1250 beneficiaries through the programme.

Cinnamon Research and Training Centre in Matara conducted two training programmes on production practices of cinnamon crop, two field training programmes on good agricultural practices and a training programme on value addition in 2021 and it provided the necessary training opportunities for 117 beneficiaries.

Special Indicators	Actual out put as percentage (%) of the expected out put		
	100% - 90%	75%-89%	50%-74%
Extent of hectares cultivated	96.75		
Number of plants issued for cultivation	100		
Number of Central plant nurseries developed	100		
Extent of lands which has increased productivity through gap filling		88.8	
Number of micro water supply systems established	101		
Number of fences installed to protect organist animal damage		88.9	
Organic export cultivation hectares	93.3		
Post harvest technological equipment distributed	91		
Small scale home gardens	95		
Plants for home gardens		78	
Cluster village programme	108		
Turmeric and Ginger Investment Assistance programme			
Areacanut plantation	98		
Micro water supply system	101		
Post harvest technological equipment		80	
Print media	100		
Leaflets , posters		78	
Information Communication	155		

- Export agricultural crops research and integrated pest and disease management programme emphasized on maximum production and high quality from Export Agricultural Crops. This goal archives through the functioning of eight research stations. .
- Although COVID 19 pandemic situation, the research division of the Department of Export Agriculture has conducted 154 researches in year 2021. Out of these researches the highest number of 42 researches were based on cinnamon and the second highest number of 28 researches were based on black pepper. Other research programmes targeted on coffee, cardamom, nutmeg, ginger, turmeric, betel, garcinia, cocoa, vanilla, clove and arecanut.
- These research programmes emphasized based on the trust areas of crop improvement and genetic resource conservation, productivity improvement through crop management and natural resource management practices, plant protection from biotic & abiotic stresses, post harvest technologies for quality improvement and value

addition, quality plant material production, mitigation the effect of climate change on Export Agricultural Crops, crop adaptation strategy for nontraditional areas, introduction of novel cropping systems, awareness development of socio economic and market situation, and technical services and knowledge dissemination programme.

- Most of these research programmes of DEA are long term due to the most of the EACs are perennials and few are short term. Long term research programmes take considerable time to achieve output, but short term researches take one or two years to give the output.

Followings are the principal research findings obtained from researches.

- Coco-peat pellets of size 120mm x 60mm can be recommended as an alternative media for cinnamon seedlings as nursery pots.
- Even the seed plants of (F1 generation) Sri Vijaya (1426 kg/ha/yr) and Sri Gamunu (1403.5kg/ha/yr) cinnamon varieties give higher yield than normal cinnamon plants (1039.1 kg/ha/yr).
- The thickness of canker point increment with the stem maturity finally causes the increment of the bark damage severity in proportionate to the over maturity of the cinnamon stem.
- Leaf blight disease causing pathogens in cinnamon were identified.
- Tissue culture turmeric paints production was commenced.
- Establishment and rooting of tissue cultured cinnamon was succeeded.
- Identification and taxonomy of the Cinnamon thrips as a newly emerged pest in Cinnamon plantations and nurseries in Sri Lanka was done.
- Practicing of green agriculture as government policy, organic solutions for pest and disease management of cinnamon under nursery conditions were evaluated.
- Application of a clay based formulation for the management of Wood Boring moth in Cinnamon (*Cinnamomumzeylanicum* Blume) was practiced.
- Besides the conducting research by the research centers, quality planting material of black pepper plants, turmeric rhizomes, tissue cultured plants, coffee seedlings, coffee seeds, cardamom treated seeds, cardamom seedling plants, cardamom suckers, nutmeg seedlings, nutmeg budded/ grafted plants, arecanut seeds, cocoa seedlings, garcinia budded/ grafted plants, cinnamon seedlings, cinnamon vegetative propagated

plants, betel cuttings and betel potted plants were also provided by the research centers. High quality planting material increase the production of EACs.

- Dissemination of knowledge on modern technology for stake holders, helped to obtain high quality production in order to meet the requirements of local and international market. Mass communication media of TV programmes (“Ranmasu Uyana”, “Sangawunu Kahawanu”, Crop clinic), radio programmes (“Rasa Janani”, “Haritha Mansala”, Live agriculture programmes), web publications and newspaper articles were used for knowledge disseminations.
- Technology dissemination was also given to the participants of the training classes on different subjects of EACS, stake holders who visited to the research stations, farmers those who contacted over the phone etc.
- Certified courses students, diploma level students, higher diploma students, university under graduated were trained at research stations. From these, their skills for laboratory research activities as same as field practices were developed. Supervising of the research projects of undergraduate and postgraduate students were also done.
- Laboratory testing of organic fertilizers, soil samples, tissue samples, pepper samples, turmeric samples were done. Field testing were also done for organic fertilizers, evaluation of organic pest and disease control methods and field testing of non-chemical weed control methods.
- Officers had contributed their knowledge, to national and international level workshops and committees, namely fertilizer advisory committee, national organic control unit, workshops at Ministry of Environment and national committee on organic agriculture.

Plant Protection Unit Activities were as follows.

- Ten training classes (for all stakeholders), 06 field days and 18 field visits were conducted on the request of stakeholders and it was given the appropriate solutions for their Plant protection problems. These training classes; field days and field visits were organized in collaboration with officers of Development Division of DEA in respective areas.
- Provide technical advisory service, disease sample analysis (80 of soil samples) and recommended fungicides and insecticides worth of Rs. 1,06,26,000.00 and 10 kg of commercial product of *Trichoderma* sp grown in talc medium to manage the black pepper quick wilt disease outbreak and vine borer damage in Badulla and Monaragala Districts
- Provide technical advisory service and monitoring of activities of Nutmeg Leaf Fall Disease Management Project (NLFD) conducting in Kandy, Kurunegala, Matale and Kegalle Districts

- It was given more than 35 reports, after examine the detain and smuggle consignments of turmeric, arecanut and cardamom, on the request of Sri Lanka Customs, Sri Lanka Police and Spice and allied products marketing board.
- Appropriate solutions were given for more than 1000 plant protection problems raised via direct telephone lines and 1920 “Govt Shana Sarana Sevaya”.

4.1.2. Construction of Buildings , Renovations, Land Development and Infrastructure Development.

Under the 2 programmes , the Export Agricultural Crops Development Programme and Export Agricultural Crops Research and Intergrated Disease and Pest Management, an allocation of Rs 17.01 million was made in 2021 for the construction and renovation of buildings, Land and land development and infrastructure development and it was necessary to take actions with special attention and intervention to reach 100% progress physically and financially by operating all the projects of construction , renovation, land development and infrastructure, subject to spending within the specified quarter. All the projects planned out investing all the allocations for the year reached 100% physical and financial progress.

Specific Indexes	Actual output as a percentage of the expected output		
	100%-90%	75%-89%	50%-74%
Number of building renovations completed	100		
Number of new buildings constructed	100		
Extent of land developed through the implementation of projects	100		
Number of infrastructure projects completed	100		

Chapter - 05

Performance to Achieve Sustainable Development Goals (SDG)

5.1. Sustainable development goals recognized related to the department.

Goal No .01 :- End Poverty in all its forms everywhere

Target

1.4. Equal rights to economical resources as well as access to basic services, ownership and control over land and other types of properties, inheritance, natural resources, ability to make use of modern technology and financial services including micro finance by all, especially poor and vulnerable men and women by the year 2030 must be ensured.

1.b. Designing a policy framework in regional and international levels with development strategies based on poor people and gender in order to assist accelerated investments designed to eradicate poverty.

ii. Goal No. 02 :- Ending hunger, achieving the improvement of food security and nutrition and improving sustainable agriculture.

2.3. Doubling the income of small scale food producers and agricultural productivity specially of women, indigenous people, farmers, dairy farmers and fisherman through safe and equal access to lands, other production resources and inputs, knowledge, financial services, market value addition and creating employment opportunities by 2030.

2.4. It must be ensured that suitable agriculture practices such as urge to protect ecosystems that increase productivity and production, strengthen the ability to adapt to climate changes, extreme weather, droughts, floods and other disasters and that improve land and soil quality are implemented and sustainable food production systems are established by the year 2030.

2.5. Widening access available to share the profit generated through usage of conventional knowledge associated with genetic resources in compliance with international treaties and continuing the genetic diversity of the domesticated farm animals and seeds through establishment of seeds and plant banks that are well managed and diversified in national, regional and international levels by 2020.

2.6. Development of rural infrastructure facilities, agricultural researches and extension services, technology and increase investments of plants and livestock at genetic banks in order to increase the capacity of agricultural productivity of developing countries including least developed countries as well through more international cooperation.

iii. Goal 4 :- Ensure equitable and quality education and increased lifelong education opportunities for all.

4.3. Ensure equal opportunities to affordable and quality technical , professional and tertiary education, including universities , for all women and men by the year 2030.

4.7. It has to be ensured that all the apprentices will have acquired the knowledge and skills required to promote sustainable development by 2030 through matters such as sustainable development and sustainable lifestyles, human rights, gender equality , promotion of violence free peaceful culture, global citizenship and appreciation of cultural diversity and cultural contribution for sustainable development.

iv. Goal 17:- Strengthening the implementation strategies for sustainable development and reviving global partnership.

17.11. Improving exports of developing countries with the aim of doubling the global exports under developed countries specially by 2020.

5.2. Briefly explain the achievements and challenges of the Sustainable Development Goals.

Even in the face of Covid – 19 Pandemic, the department of Export Agriculture implemented varied programmes in the year 2021 with a view to achieving the Sustainable Development Goals in food security. Through the implementation of these development programmes , it was targeted to attract the interested stakeholders towards the Export Agricultural Sector increasing the cultivation extent as well as increasing the income of the cultivators of Export Agricultural Crops. Accordingly, an extent of 1635.15 hectares of Export Agricultural Crops cultivations were started as new cultivations and 9,383,310 of Export Agricultural Crops plants needed in this connection were made available to the farmers, free of charge.

With the Sustainable Development Goals such as bringing about a food security, developing health and nutrition and promoting sustainable agriculture in mind, the department continued

Small Scale Home Gardening and “Saubhagya” Home Gardening Programme and it was targeted to expand as cluster villages the cultivations such as vanilla, Cardamom, nutmeg and garcinia which have a low potential of being maintained as large scale cultivations under the Home Gardening Programmes 2021. Small Home Gardens , Commercial home gardens and Commercial Cultivation Programmes, were implemented under this programme. Under the Small Scale Home Gardens Programmes turmeric, ginger, cinnamon, pepper and coffee were provided to the cultivators. Under the Commercial Cultivation Programme, plants were made available for a maximum land extent of 05 acres. Accordingly ,3,108,129 plants for Small Scale Home Gardens and 120,541 Plants under the “Saubhagya” Home Gardening Programme, were issued to the farmers by the department, free of charge. Further, under the Cluster Villages Programme, 104,622 plants of cardamom, vanilla and nutmeg were distributed to 98 cluster villages.

A large number of local cultivators have taken to turmeric cultivation with the government’s move to totally ban the import of dried turmeric with the objective of Safeguarding sustainable consumption and manufacturing patterns. Under this , it has been focused to provide investment assistance for the promotion of technical facilities and encouragement necessary for the farmers for the development of turmeric and ginger cultivations. Similarly, with the objective of getting the people to produce their turmeric and ginger requirements within their home gardens themselves, turmeric plants were issued free of charge to each household with the priority being given to urban and semi urban housing units. Being able to make a significant contribution towards the fulfillment of the local turmeric requirement through the programmes launched to that end, is a noteworthy achievement made by the department.

In achieving the Sustainable Development Goals environmental conservation is considered a major component. The Arecanut Expansion Programme was launched in 2021 in order to increase the income through the soil and water conservation. Under this programme, 1,099,420 arecanut plants were issued free of charge to be cultivated as mono crop, inter cropping or mixed crop on either sides of irrigation systems in water catchment areas, on either sides of roads, lands of cultivations , in the areas where environmental conservation is being carried out and to plantation companies.

A number of programmes were implemented in 2021 to enhance the productivity of the Export Agricultural Crops cultivations with a view to strengthen the ability to adopt to climatic and natural disasters and ensure the process of sustainable food production process.

Under the Millennium Development Goals, prompt response to climatic changes and sustainable food production process, to be achieved in the year 2030, plants were issued free of charge for gap filling in pepper and cinnamon cultivations. The objective here was to increase the productivity. Under this Export Agricultural Crops plants for 2291.17 hectares were made available. Further, investment assistance of 50% of the cost on the equipment and accessories needed for the prevention of pest damages was also provided. Under this 80 equipment systems were made available. Investment assistance of 50% of the cost on sprinkler drip irrigation systems was provided for 56 farmers for the prevention of the damages caused by droughts. Under the theme “ Towards a Green Socio Economic System with Sustainable Solutions for Climatic Changes” the eco friendly Export Agricultural Crops cultivation was implemented with the objective of creating a healthy nation through a hygienic food production by using eco- friendly manure and agro chemicals in cultivations.

Farmers are encouraged to cultivate eco friendly export crops with the aim of moving towards non – toxic quality export crop production by adopting correct agricultural practices and efficient water management, using organic inputs for export agricultural crops that make a significant contribution to the srilankan Economy. Under this programme, organically cultivated crops were recommended and the lands that follow those recommendations were incorporated into the organic certification programme as a cluster farm system.

Accordingly identification of export agricultural crops that has the potential to reap high economic benefits will be recognized taking in to account the environmental , social and agricultural factors specific to each area. It facilitates the development of the value chain of production through activities such as cultivation, product processing, value addition, sale and export as well as the certification of the total value addition, authentication and management within an established export agricultural zone. This programme aimed to mobilize the rural community and products were expected to target the local and international as well as the niche market. The Export Agriculture Zone Programme was launched in 2021 and 10,813,655 cinnamon plants and 596,174 pepper plants were distributed under this programme.

In order to achieve the sustainable goals of sustainable consumption patterns product security, programmes were launched in 2021 to promote to Good Agricultural Practices and Good Manufacturing Practices sectors. Steps were taken to encourage value added products and organic farming. The Organic Village Programme was launched on 107.3 hectares of cultivated area.

As there is a high demand for organic produce in the world, the department provided the necessary assistance to encourage production and encourage people to adopt a non – toxic diet and thereby to issue organic farming certificates to organic farming villages with a view to ensure healthy living. The Organic Farming Programme aims to sell organic produce internationally at a higher price and thereby uplift the economy of the people. Internationally recognized organic certificates were awarded to three organic farmer organizations.

Measures have also been implemented to promote value added products, enhance the quality of export crop based products and promote Good Agricultural Practices and Good Manufacturing practices with the objective of earning more foreign exchange. Relevant standards and order of practices were developed under the Good Manufacturing Practices programme.

Modern technical equipment for harvesting, machinery and building facilities were introduced under the programme to improve the quality of export crops using appropriate technology. Nor only the supply process, but also it was expected to fulfill agronomic measures of export crops to increase the quality of export agro products following the Good Manufacturing Practices in line with local and international standards to encourage value added production and to increase job creation.

With the aim of achieving the millennium development Goals by 2030, training programmes and field days were conducted in 2021 to promote knowledge and skills to all stakeholders in the field of export agricultural crops. Despite difficulty in conducting training programmes in the face of the corona situation in the country arrangements were made to conduct Good Agricultural practices , Good manufacturing practices and other training programmes.

Circulars , programmes and strategies were prepared at the departmental level to create the necessary background for the implementation of various programmes to strengthen the economy of the framing community. This strengthened the economics of all stake holders in the field of Export Agricultural Crops and ensured access to the necessary economic

resources to alleviate poverty. Through these programmes the department has contributed in 2021 to increase the income of the growers directly.

However, the challenge faced 2021 was the lack of adequate physical resources, human resources, and lack of adequate facilities at extension officers offices to increase productivity and efficiency of the Agricultural extension service and thereby increase the target of export earnings.

Chapter – 06

Human Resource Profile

6.1. Cadre Management

	Approved Cadre	Existing Cadre	Vacancies
Senior	85	62	23
Territory	29	09	20
Secondary	800	645	156
Primary	352	238	114
Watcher *Departmental		17	
Laborers* Departmental		97	
Total	1266	1068	313

6.2. The way in which the lack of human resources has affected the performance of the department.

Retirement of experienced staff and the lack of understanding among the new replacement staff in the duties of the scope concerned, and the non availability of allocation to purchase modern machinery to be used in getting the tasks fulfilled with the remaining trained staff.

6.3. Human Resource Development

Name of Programme	No. of Officers Trained	Duration of Programme	Total Investment		Nature of programme Local /Foreign	Output/ Knowledge Received
			Local	Foreign		
Program on warehouse management, inventory management, annual inventory survey and disposal of assets.	02	02 days	7500.00		Local	It was able to run the institution sparingly and efficiently through the knowledge gained on warehouse management, inventory management, annual inventory survey and disposal of assets.
Institutional Management Training	03	01 day	24,000.00		Local	Ability to carry out institutional activities

Course -06/04/2021						Productively
To study for a Post Graduate Course	01	1 year	150,000.00		Local	To Contribute more effectively to the development of the country through the improvement of knowledge.
Training Program on Writing research project reports online	12	01 day	24,000.00		Local	Ability to carry the activities of the institution easily.
To study for a post Graduate course		01 year	37,500.00		Local	To Contribute more efficiently to the development of the country through the improvement of knowledge.
Skill Development of use of Advance Excel Techniques -2021	22	01 Day	44,000.00		Local	Ability to perform computer related tasks easily and efficiently.
Training on Salary Conversion	06	02 Days	42,000.00		Local	Ability to expedite the Conversion of salaries of officers.
Awareness of the mechanical Functioning of a vehicle	03	01 Day			Local	Ability to carry out the transport activities of the officers of the department efficiently through the improvement of the knowledge of drivers regarding the mechanical functioning of vehicles.
Development of Positive Attitudes of Public Servants	01	02 Days			Local	Productivity of the department was increased by being aware of the positive attitudes of the Public servant
Problem Solving	01	02 Days			Local	Ability to perform duties through easy methods
Office management and office Procedures	01	02 Days			Local	Ability to compete office work quickly and efficiently
Use and maintenance of office equipment	03	01 Day			Local	Ability to reduce the cost of maintaining office equipment
Office Procedure	06	02 Days			Local	Ability to carry out the activities of the department efficiently
Training Program on Procurement Procedures	06	02 Days			Local	Facilitate the Procurement process through the knowledge acquired by officers

Chapter - 07

Report of Conformity

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	Complied		
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 Complied		
1.4	Stores Advance Accounts	Not Complied		
1.5	Special Advance Accounts	Not Complied		
1.6	Others			
2	Maintenance of books and registers (FR445)/	Complied		
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Not Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Not 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 update	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		
03	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 delegate din suchmanner 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 I 1.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
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	Non submission of answers to the Internal Auditing Section from the audited institutes on the due date	Not presenting the answers by the audited institutes on the due date
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor Genral in terms of Financial Regulation 134 (2) DMA/ 1- 2019	Complied The internal audit Plan has been prepared after having discussions with the Auditor General		
6.2	All the internal audit reports has been replied within one month	Complied		
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 The soft copies of internal audit reports have been forwarded through the e- mail.		
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 I -2019	Not Complied		Amidst the current covid – 19 pandemic 3 Audit Management Committees have been held
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 circular	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 vehicles had been prepared and submitted to the Auditor General on due date	Complied		
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	Complied		

	and for which adjustments had to be made, and had those balances been settled within one month			
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(I)	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	Complied		
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			
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 8 and 10 of the RTI Act	Complied		Arrangements have been made to submit the year end report
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	Actions are being taken to compile	
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	Actions are being taken to compile	
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	Complied		
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		Have got them corrected. The relevant institutes were made aware to make arrangements not to let such shortcomings occur again

Export Volume and Value of Export Agriculture Crops – 2020 & 2021

Commodity	Units	2020	2021	Growth% 2020/21
Cinnamon	Vol (mt.)	18,721.82	18,813.52	0.5
	Val (Rs.mn)	38,218.80	45,879.17	20.0
Cinnamon Leaf Oil	Vol (mt.)	300.49	307.29	2.3
	Val (Rs.mn)	1,156.55	1,384.50	19.7
Cinnamon Bark Oil	Vol (mt.)	67.16	73.98	10.2
	Val (Rs.mn)	2,755.89	2,629.14	-4.6
Clove	Vol (mt.)	1,963.70	5,040.00	156.7
	Val (Rs.mn)	2,709.19	6,521.12	140.7
Clove Stems	Vol (MT)	615.67	1,438.68	133.7
	Val (Rs.Mn)	107.02	367.02	242.9
Clove Oil	Vol (mt.)	17.83	7.82	-56.1
	Val (Rs.mn)	179.91	92.64	-48.5
Cocoa & Cocoa Products	Vol(mt.)	2,023.44	1,475.46	-27.1
	Val (Rs.mn)	1,232.19	2,273.99	84.5
Coffee	Vol(mt.)	26.63	30.47	14.4
	Val (Rs.mn)	58.66	62.33	6.2
Pepper	Vol(mt.)	9,038.45	17,959.16	98.7
	Val (Rs.mn)	9,128.97	22,669.34	148.3
Pepper Oil	Vol(mt.)	38.73	81.23	109.7
	Val (Rs.mn)	251.52	623.82	148.0
Oleoresine	Vol (MT)	366.35	610.25	66.6
	Val (Rs.Mn)	2,042.71	3,903.02	91.1
Cardamom	Vol(mt.)	1.35	2.61	93.1
	Val (Rs.mn)	17.56	59.03	236.1
Cardamom Oil	Vol(mt.)	0.91	1.32	45.7
	Val (Rs.mn)	92.51	126.64	36.9
Citronella	Vol(mt.)	5.78	4.09	-29.3
	Val (Rs.mn)	26.16	26.44	1.1
Nutmeg	Vol(mt.)	1,774.07	1,710.29	-3.6
	Val (Rs.mn)	2,077.92	2,468.01	18.8
Nutmeg Oil	Vol(mt.)	38.62	50.29	30.2
	Val (Rs.mn)	300.18	463.26	54.3
Mace	Vol(mt.)	272.12	280.08	2.9
	Val (Rs.mn)	958.51	1,051.86	9.7
Mace Oil	Vol(mt.)	0.00	2.75	137,630.0
	Val (Rs.mn)	0.05	10.36	20,622.9
Arecanut	Vol(mt.)	12,583.98	10,516.26	-16.4
	Val (Rs.mn)	8,375.78	8,669.64	3.5
Betel	Vol(mt.)	3,939.69	3,833.66	-2.7
	Val (Rs.mn)	2,942.55	3,076.90	4.6
Vanilla	Vol(mt.)	0.61	1.43	133.5
	Val (Rs.mn)	25.74	30.45	18.3
Vanilla Oil	Vol(mt.)	0.42	0.23	-44.6
	Val (Rs.mn)	1.44	0.58	-59.8
Lemon Grass Oil	Vol(mt.)	2.76	1.61	-41.5
	Val (Rs.mn)	18.74	13.96	-25.5
Total EAC	Vol(mt.)	51,800.58	62,242.48	20.16
	Val (Rs.mn)	72,678.55	102,403.22	40.90
Ginger	Vol(mt.)	110.49	113.81	3.0
	Val (Rs.mn)	86.10	100.41	16.6
Ginger Oil	Vol(mt.)	6.30	5.85	-7.2
	Val (Rs.mn)	141.05	165.34	17.2
Turmeric	Vol(mt.)	69.24	42.38	-38.8
	Val (Rs.mn)	86.30	114.41	32.6
Garcinia	Vol(mt.)		176.34	
	Val (Rs.mn)		156.01	
Total (Ginger & Turmeric)	Vol(mt.)	186.03	338.38	81.9
	Val (Rs.mn)	313.45	536.17	71.1
Total (with Ginger & Turmeric)	Vol(mt.)	51,986.61	62,580.86	20.38
	Val (Rs.mn)	72,992.00	102,939.40	41.03

DEPARTMENT OF EXPORT AGRICULTURE

ANNUAL PERFORMANCE REPORT 2021



+ 94 812 388651
helpdesk@dea.gov.lk
www.dea.gov.lk

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1095, Getambe, Peradeniya, Sri Lanka.