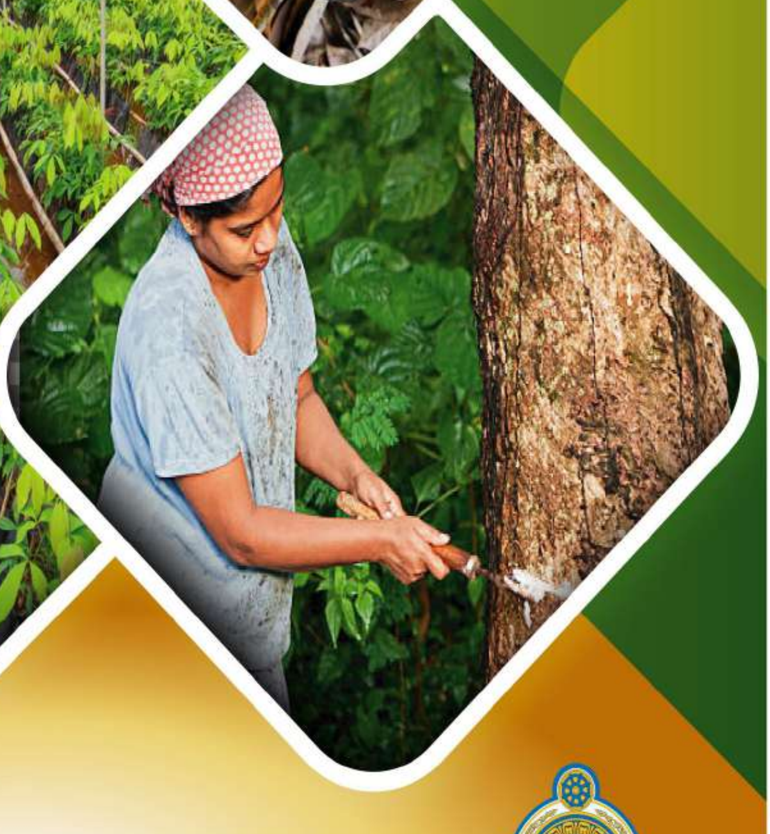
PERFORMANCE REPORT 2022



RUBBER DEVELOPMENT DEPARTMENT
MINISTRY OF PLANTATION INDUSTRIES

Message of the Director General

Rubber new planting, rubber re-planting, installation of rain guards for mature plantation and maintenance of rubber seedling nurseries have become specific services among the services implemented by the Rubber Development Department. Rubber re-planting target of the rubber smallholding sector in the year 2022 had been 500 ha and we were able to replant in an extent of 522 ha exceeding the set target. An extent of 755 ha had been replanted in the plantation company sector exceeding its target of 700 ha. Replanting rubber in an overall extent of 1,277 ha exceeding 1,200 ha which had been the overall target for replanting was an achievement accomplished by us.

Removing rubber cultivation from the lands, where rubber was planted and cultivating the other alternative crops, and using those lands for alternative uses, other than the rubber cultivation have become the recent trend. Therefore, the new rubber cultivation programme implemented by the Rubber Development Department has become very important in increasing the extent of land beyond the fixed level as the extent of land maintained would gradually decrease owing to this trend. According to this programme, the Department has managed to achieve the said goal by newly cultivating rubber in an extent of 489 hectares according to the identified target of rubber new planting in 500 ha in the year 2022.

At the time, when the weather pattern of the country is changing, the rain that is widespread throughout the year has become a great hindrance to the productivity of the rubber harvest. In this situation, the Department has identified the target of installing the rain guards in the year. The target had been 800 ha in the rubber smallholding sector and it had been 2,500 ha in the plantation company sector. Successful progress has been achieved in installing rain guards by completing 817 ha in the rubber smallholding sector and 2,774 ha in the plantation company sector. This has made it possible to increase the declining annual rubber production up to a certain stable value.

With the increase in demand for cultivation in the year 2022, the need for rubber plants has also been increased. According to the existing quality of the plants issued from the nurseries belonging to the Department, there was a high demand for the plants of those nurseries. Accordingly, the number of plants produced by the nurseries of the Department in the year 2022 has reached a high value of 1.3 million plants. Through this, it was possible to mainly supply the requirement of plants of the rubber smallholding sector and to supply a certain amount of plant requirement of the plantation companies.

The export revenue of the rubber sector in the year 2022 was Rs. 327,277 million, which was in line with the figure of USD 01 billion in 2021. This year can be introduced as a year, in which the Rubber Development Department had contributed to strengthen the economy of Sri Lanka by increasing the foreign earnings received to the country when the value of the rupee was depreciating against the dollar, export earnings was declining and the amount of foreign exchange was depleting.

Madhava Warnakulasuriya
Director General
Rubber Development Department

CONTENTS

Vision

To become a leading stakeholder in the plantation industry to achieve socio-economic development in Sri Lanka.

Mission

Implementation of agricultural extension services for the qualitative and quantitative development in rubber cultivation and rubber related industries in Sri Lanka in accordance with the powers and functions legally vested in the Department

Objectives of the Department

- Increasing the productivity of the existing lands under rubber cultivation and increasing the local rubber production by increasing the extent under rubber cultivation.
- Obtaining a higher price for rubber and increasing the income of farmers by increasing the quality of rubber and rubber-related products.
- Establishing the social security through increasing the employment generation in the sector.
- Contributing to meet local timber requirement.
- Ensuring the sustainability of the cultivation to preserve the balance of the natural environment.

1. Introduction

1.1. Rubber Development Department

Powers and responsibilities have been further vested by the Rubber Control Act No. 11 of 1956 to the Rubber Control Department, which has been established by the Ordinance No. 06 of 1934 for the expansion and administration of rubber cultivation started in Sri Lanka in the year 1876.

Accordingly, the Rubber Control Department carries out functions such as the issuance of permits for rubber cultivation, registration of rubber cultivation, production and distribution of quality grafted rubber plants, issuance of trade licenses for the purchase of rubber locally, issuance of licenses for rubber export and the provision of the necessary technical assistance for cultivation for the improvement of the rubber cultivation. The importance of rubber cultivation among the commercial crops has led to greater expansion of rubber cultivation in Sri Lanka. The Rubber Replantation Act No. 36 of 1953 has been implemented and the provision of assistance for the rubber replantation in Sri Lanka has been started in order to further develop the rubber cultivation. Accordingly, the mandate of the Rubber Control Department has been further expanded. The Rubber Control Department was abolished in 1994, and the Rubber Development Department was established in order to carry out that function more efficiently.

The Head Office of the Rubber Development Department established in Battaramulla area and the regional offices of the Rubber Development Department established in Kegalle, Kalutara, Ratnapura, Galle and Monaragala covering all the rubber growing areas of the island to provide extension services for rubber cultivation.

In addition to this, the department has established 08 rubber plant nurseries in Welikadamulla, Mirigama, Egaloya, Gurugoda, Karapincha, Middeniya, Kumbukkana and Padiyathalawa areas for the production of plants required for the rubber cultivation.

1.2. Rubber Plantation

Rubber cultivation, which started as an export-oriented cultivation, remained mainly as a cultivation focused on the export of raw materials until the implementation of the open economic policy in Sri Lanka. Foreign companies have majorly set up rubber-related industries in Sri Lanka based on the quality of rubber in Sri Lanka and the easy availability of rubber. Several local institutions operated at the same time have started rubber-related factories. In this context, the domestic consumption of rubber in Sri Lanka has increased and the export of rubber as raw material has decreased.

Sri Lanka is currently earning an export revenue of over USD 01 billion per year as the leading producer of rubber-related finished products by exporting finished rubber-related products. On the other hand, more job opportunities have been generated in the sector with the establishment of the rubber-related industries in the country.

Although the rubber cultivation in Sri Lanka is operated in commercial level at present, the decrease in the price of rubber from time to time relative to the cost of rubber production has become a threat to the sustainability of the rubber cultivation.

1.3 Major functions of the institution

1.3.1 Functions of the Head Office

- Execution of powers vested by major Acts and Legal Sources.
- Implementation of replanting and new planting subsidy schemes and the supervision of the provision of subsidies by Regional Offices.
- Production and provision of high-quality rubber plants in government nurseries.
- Issuing licenses for rubber cultivation and trade.
- Updating and maintaining data and information on extent under rubber plantation, production, local consumption, export and import.
- Making the rubber smallholders aware about the rubber market.
- Dealing with international organizations in relation to production, consumption and trade of natural rubber.
- Collection and administration of cess funds.
- Provision of necessary knowledge and advices to the rubber smallholders regarding the respective stages of rubber cultivation and production.
- Organizing and implementing necessary activities for the economic upliftment of the rubber smallholders.
- Implementing government policies aimed at increasing the productivity and production of the rubber sector and functioning as the leading agency for that.
- Estimating and collecting of the government revenue.
- Supervising the Regional Offices.

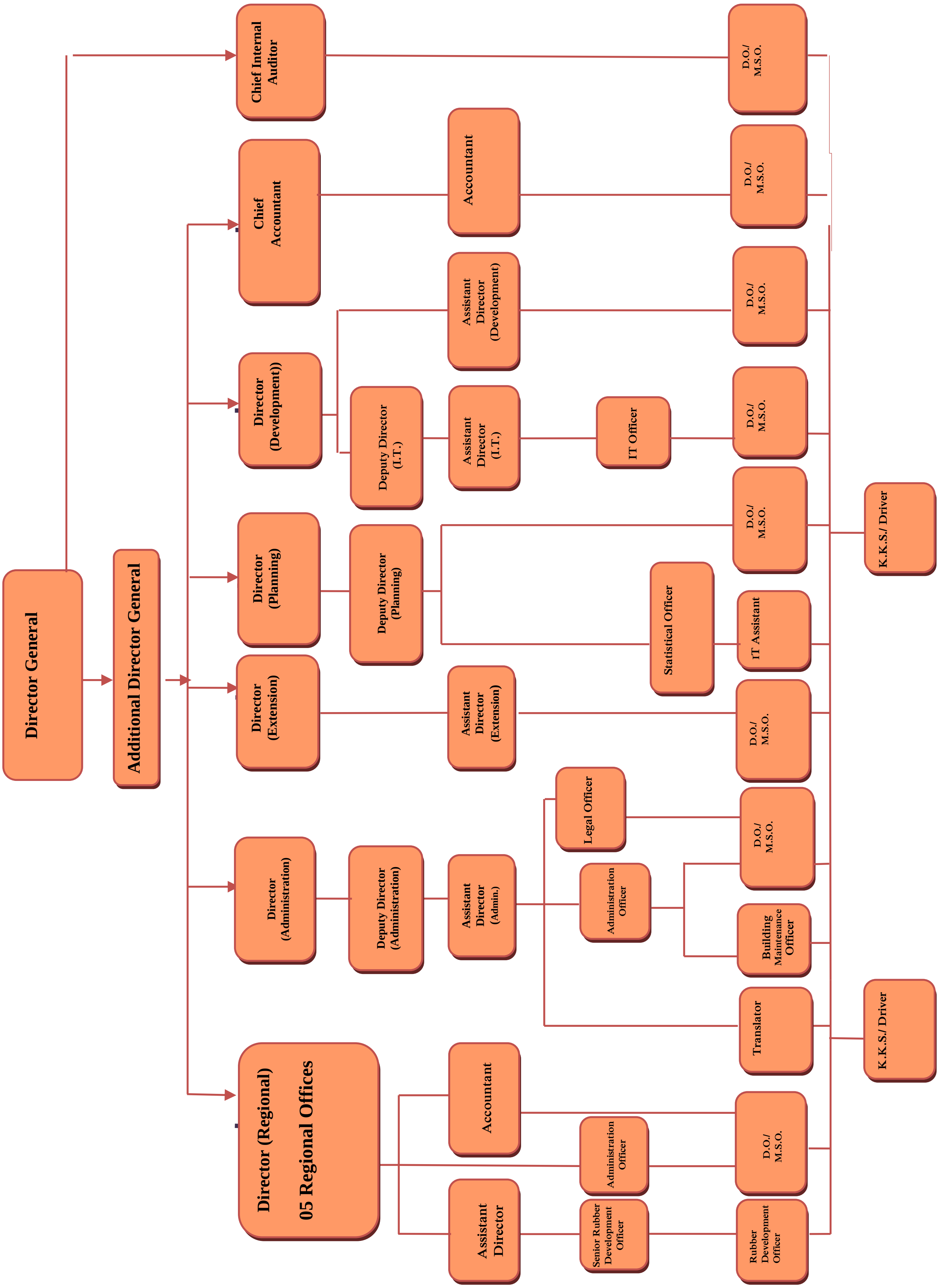
1.3.2 Functions Performed by Regional Offices

- Issuing licenses for rubber cultivation and registration of lands.
- Rubber replanting and new planting.
- Providing other services including the provision of cultivation subsidies for growers.
- Issuance of trade licenses for rubber traders.
- Running government rubber sapling nurseries, distribution of rubber saplings and supervision of private sapling nurseries.
- Maintaining government rubber plant nurseries, distribution of rubber plants and supervising private plant nurseries.
- Provision of necessary technical instructions to farmers and estate owners.
- Informing the Rubber Research Institute of Sri Lanka regarding diseases affecting rubber cultivation and taking necessary steps for disease control.
- Implementation of livelihood development projects to uplift the economic strength of rubber growers.
- Provision of knowledge and training related to rubber cultivation.

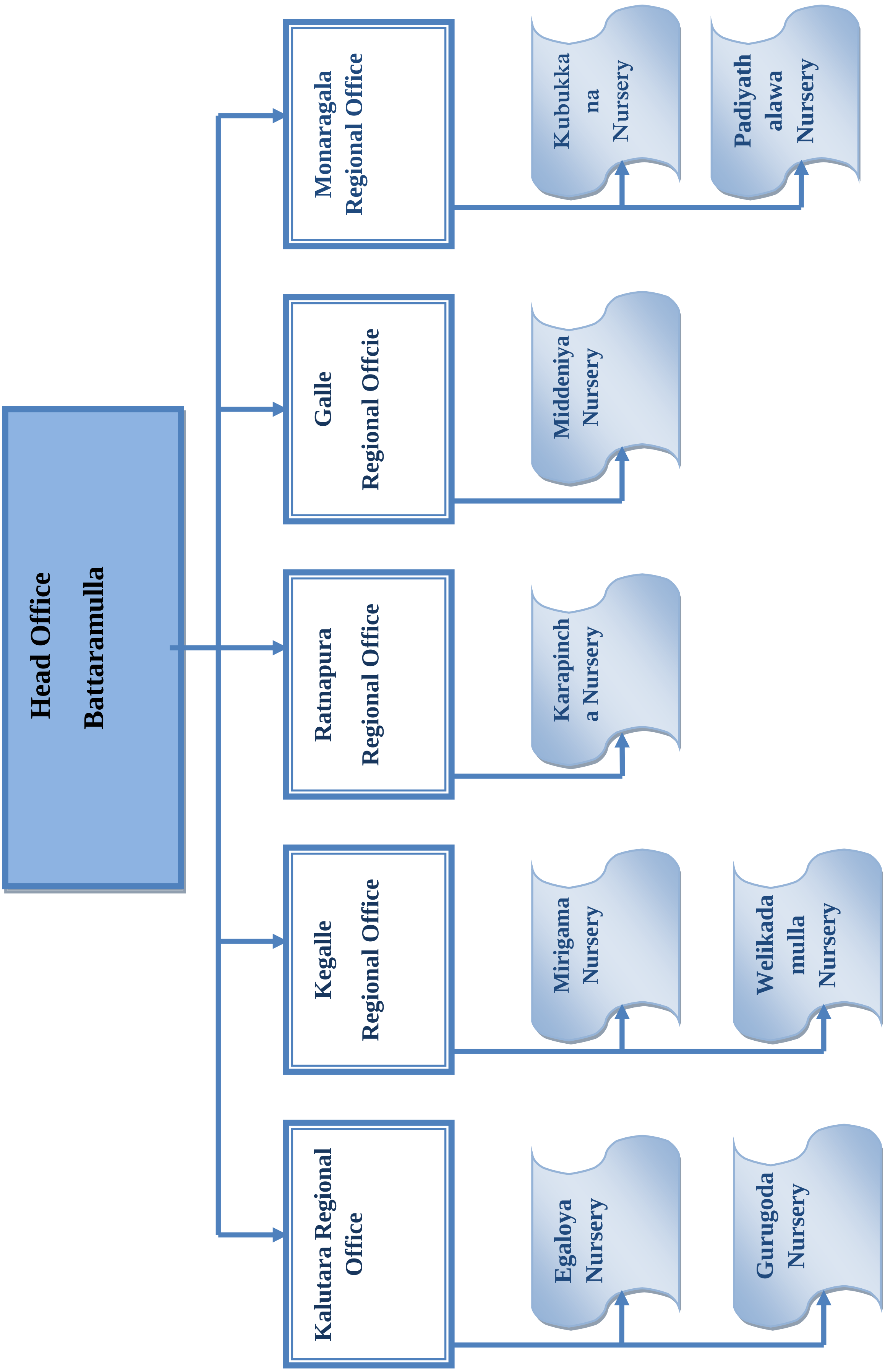
1.3.3 Functions of the Rubber Plant Nurseries

- Production and distribution of high-quality bud grafted rubber plants for replanting and new planting on the recommendations of the Rubber Research Institute.
- Introduction of improved varieties to farmers based on new clone findings of Sri Lanka Rubber Research Institute.
- Fulfilment of plant requirements of plantation companies as and when required.
- Provision of necessary support for research plantations in the Rubber Research Institute.

1.4 Organizational Chart of the Rubber Development Department



1.5. Institutional Structure of the Rubber Development Department



1.5 Information of the Departmental Staff

Serial Number	Designation	Approved Cadre	Present Cadre	Vacancies	Excess
01	Director General (S.L.A.S. – Special Grade)	1	1	0	0
02	Additional Director General (S.L.A.S. – Special Grade)	1	1	0	0
03	Director / Director -Regional (S.L.A.S. – Grade I)	7	5	2	0
04	Director (S.L.P.S. – Grade I)	1	1	0	0
05	Director (Departmental)	1	0	1	0
06	Chief Accountant (S.L.Ac.S. – Grade I)	1	1	0	0
07	Chief Internal Auditor (S.L.Ac.S. – Grade 1)	1	1	0	0
08	Deputy Director / Assistant Director (S.L.A.S. – Grade II, III)	12	7	5	0
09	Deputy Director / Assistant Director (S.L.P.S. – Grade II, III)	1	1	0	0
10	Deputy Director / Assistant Director (Departmental)	1	0	1	0
11	Legal Officer (Departmental)	1	0	1	0
12	Accountant (S.L.Ac.S.- Grade II, III)	6	4	2	0
13	Deputy Director (SLICTS- Grade II)	1	1	0	0
14	Assistant Director (SLICTS III)	2	1	1	0
15	Administrative Officer (P.M.A.S – Special)	4	2	2	0
16	Senior Rubber Development Officer – Extension (Departmental – Supra Grade)	17	6	11	0
17	Translator – Sinhala / Tamil (G.T.S.)	1	0	1	0
18	Information Technology Officer (SLICTS)	2	0	2	0
19	Information Technology Assistant (SLICTS)	5	2	3	0
20	Development Officer (D.O.S.)	22	68	0	46
21	Clerk /Typist (Departmental)	6	1	5	0
22	Nursery Manager (Departmental)	2	2	0	0
23	Buildings Maintenance Officer (Departmental)	1	1	0	0
24	Management Service Officer (M.S.O.)	122	120	2	0
25	Management Assistant (M.A.)	8	7	1	0
26	Rubber Development Officer (Departmental)	170	123	47	0
27	Driver (D.S.)	40	25	15	0
28	Driver (Departmental)	1	01	0	0
29	Lorry Assistant (Departmental)	10	10	0	0
30	Office Assistant (K.K.S.)	33	30	3	0
	Total	**481**	**422**	**105**	**46**

Table No. I

2. Progress of the Major Programmes Implemented by the Department

The Rubber Development Department has basically implemented the following programmes in the year 2022 to achieve the objective of increasing foreign exchange earnings by expanding rubber cultivation in Sri Lanka.

1. **Rubber Replanting Programme - (Rubber Smallholdings / Plantation Companies).**
2. **Rubber New Planting Programmes (Rubber Smallholdings).**
3. **Plants Production Programme (Government Nurseries / Private Nurseries).**
4. **Programme for Fixing Rain Guards (Rubber Smallholdings / Plantation Companies).**
5. **Intercropping Programme.**
6. **Training Programmes Related to Rubber Plantation.**
7. **Projects implemented under the 2022 budget proposals**
8. **Sub-projects implemented under Smallholder Tea and Rubber Revitalization Project**

2.1. Rubber Replanting

The requirement of uprooting and removing mature rubber trees and replanting of new rubber plants occurs nearly in 30 years after a rubber plant is established in the field when the yield of rubber plantation declines. Accordingly, the Rubber Development Department provides replanting subsidies amounting to Rs. 350,000 each per one hectare of lands, where rubber is replanted to rubber smallholders and regional plantation companies to encourage farmers to replant rubber.

2.1.1. Rubber Replanting – Rubber Smallholding Sector

The information related to the physical progress achieved by the Department according to the target of replanting 500 hectares in the Rubber Smallholding Sector for the year 2022 is given in the following table.

Extent of Land Replanted by the Smallholder Rubber Sector under the Rubber Replanting Subsidy Scheme -2022

District	Target (ha)	Number of Applications received	Extent of land relevant to the applications (ha)	Number of Licenses Issued	Extent of Lands related to the Licenses Issued (ha.)	Number of Licensees, who Replanted Rubber	Extent under Replanting (ha)	Number of Farmers Replanted
Ratnapura	80	148	140.47	136	111.32	88	68.55	88
Colombo	20	39	37.14	38	32.07	32	28.96	32
Monaragala	7	7	3.64	6	3.64	6	3.64	6
Badulla	8	1	6.88	1	6.88	1	6.61	1
Galle	5	4	3.91	4	3.91	1	2.43	1
Matara	10	25	29.05	25	29.05	16	18.04	15
Kegalle	215	575	344.56	511	307.20	388	228.62	363
Gampaha	20	50	39.97	42	33.59	30	22.14	23
Kurunegala	20	37	29.79	32	24.43	27	21.43	26
Kandy	10	63	30.63	57	28.04	39	20.82	33
Matale	5	2	7.29	2	7.29	2	7.29	1
Kalutara	100	210	154.87	187	139.14	136	93.91	136
Total	**500**	**1,161**	**828.20**	**1,041**	**726.57**	**766**	**522.44**	**725**

Table No. II

In the year 2022, 1,161 applications submitted by rubber growers in the Rubber Smallholding Sector for rubber replanting have been received to the Department and permits for 1,041 applications, out of the applications, have been issued by the Department. out of those applications. Rubber has been replanted in an area of 522.44 ha by 766 licensees under those licenses. It is a positive feature that the area under cultivation in the year 2022 had been 522.44 ha while the replanting target of the Department in the Smallholder Rubber Sector had been 500 ha.

2.1.2. Rubber Replanting – Plantation Sector

Information on replanting of rubber by Plantation Companies in the year 2022 is given in the table below.

Rubber Replanted by Plantation Companies - 2022

Name of the Plantation Company	Extent of Land as per the Applications Received (ha)	Extent, for which Licenses are issued (ha)	Extent Replanted (ha)
Pussellawa Plantation Company	219.74	161.21	154.21
Balangoda Plantation Company	31.12	26.77	26.77
Kahawatte Plantation Company	8.18	8.04	8.04
Agalawatte Plantation Company	374.70	227.30	161.63
Lalan Plantation Company	107.95	104.40	97.84
Kegalle Plantation Company	93.58	89.58	84.40
Kelani Valley Plantation Company	52.22	37.93	37.93
Malwatte Valley Plantation Company	38.45	34.45	34.45
Elkaduwa Plantation Company	5.00	5.00	5.00
Janatha Estate Development Board	17.70	17.70	8.50
Namunukula Plantation Company	74.18	40.16	34.23
Horana Plantation Company	26.93	14.92	14.92
Kotagala Plantation Company	140.06	70.42	70.42
Elpitiya Plantation Company	34.62	34.62	15.73
Total	**1,224.43**	**872.50**	**754.07**

Table No. III

According to the table above, it is obvious that commendable contribution has been made towards the completion of the replanting target of the Department by replanting 754.07 ha. by the Plantation Companies in the year 2022 when the rubber replanting target of the Plantation Company Sector Set by the Department for the year 2022 had been 700 ha.

2.2 Rubber New Planting

In order to increase the production of rubber by increasing the extent of rubber lands available in Sri Lanka, cultivation subsidy amounting to Rs. 300,000 per hectare is provided by the Department for rubber new planting in Rubber Smallholding Sector. Accordingly, the target identified by the Department for rubber new planting in the year 2022 has been 500 ha.

Extent of lands under rubber new planting by utilizing the Subsidies of the Department - 2022 (Small holdings)

District	Target (ha)	Number of Applications received	Extent of land related to the No. of applications (ha)	Number of Licenses Issued	Extent, to which Licenses are Issued (ha)	Number of licensees who have completed the New Planting	Extent under New Planting (ha)	No. of Farmers, to whom subsidies have been paid
Ratnapura	30	84	45.23	84	45.23	56	24.93	55
Colombo	10	21	9.36	21	9.36	19	7.38	19
Monaragala	260	499	350.83	443	305.14	443	292.13	212
Badulla	20	38	29.17	26	10.16	26	10.17	15
Ampara	20	22	11.94	13	6.52	13	6.52	12
Galle	10	19	9.40	19	9.40	16	4.83	16
Matara	15	21	21.09	21	21.09	17	17.56	14
Hambantota	15	29	14.91	29	14.91	24	12.28	24
Kegalle	35	198	82.00	165	64.67	131	52.00	127
Gampaha	10	14	15.25	14	15.05	6	8.47	3
Kurunegala	10	29	16.51	29	14.76	23	12.25	17
Kandy	5	40	14.09	34	12.21	26	8.60	19
Matale	20	12	15.71	12	15.71	10	14.17	8
Anuradhapura	20	20	11.06	13	7.48	7	2.83	7
Kalutara	20	79	34.33	70	26.44	50	15.32	50
Total	**500**	**1,125**	**680.88**	**993**	**578.13**	**867**	**489.44**	**598**

Table No. IV

According to the above table, Monaragala and Kegalle districts have provided a higher contribution for the achievement of the new planting target of the Rubber Development Department in the year 2022. The total extent under new rubber planting in Sri Lanka from 2017 to 2022 is indicated in the table below.

Extent under New Rubber Cultivation 2017– 2022 (ha)

Year	Smallholdings (ha)	Plantation Companies (ha)	Total (ha)
2017	700	335	1,035
2018	981	48	1,029
2019	1,103	-	1,103
2020	726	25	751
2021	1,186	02	1,188
2022	**489**	**15**	**504**

Table No. V

2.3 Production of Rubber Plants

2.3.1 Government Plant Nurseries

Information on the production and distribution of rubber plants in the year 2022 by the 08 rubber plants nurseries established by the Rubber Development Department for the production of quality rubber plants updated constantly according to the new findings made through researches of the Rubber Research Institute in coordination with the Institute is given below.

Production and Distribution of Rubber Plants in the Nurseries of the Government - 2022

Name of the Nursery	Target of Producing Plants	Number of Plants Produced	Number of Plants Distributed
Karapincha	75,000	85,189	60,862
Kumbukkana	300,000	404,795	274,101
Padiyathalawa	100,000	91,778	76,760
Middeniya	75,000	68,457	48,813
Welikadamulla	300,000	292,716	184,352
Mirigama	150,000	145,785	106,538
Egal Oya	250,000	69,212	59,378
Gurugoda	250,000	152,972	120,153
Total	**1,500,000**	**1,310,904**	**930,957**

Table No. VI

As mentioned in the table, 1,310,904 rubber plants have been produced and 930,957 plants, out of that, have been distributed for new planting and replanting according to the production target of 1,500,000 plants in the year 2022.

The details of the annual distribution of plants in government nurseries section wise in the year 2022 are given in the table below.

Name of the Nursery	Distribution of Rubber Plants in 2022						Total
	STaRR Project	Smallholdings	Plantation Companies	Rubber Research Institute	Private Nurseries	Others	
Karapincha	-	60,842	-	20	-	-	60,862
Kumbukkana	96,850	141,469	27,829	542	2,050	5,361	274,101
Padiyathalawa	35,365	40,775	620	-	-	-	76,760
Middeniya	22,160	26,653	-	-	-	-	48,813
Welikadamulla	34,815	138,847	5,900	1,000	-	3,790	184,352
Mirigama	11,800	90,744	1,136	-	-	2,858	106,538
Egal Oya	29,805	25,965	1,750	-	-	1,858	59,378
Gurugoda	60,600	53,649	4,475	-	-	1,429	120,153
Total	**291,395**	**578,944**	**41,710**	**1,562**	**2,050**	**15,296**	**930,957**

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Table No. VII

2.3.2 Private Plants Nurseries

The annual plant requirement for replanting and new planting in Sri Lanka is not fulfilled by the government nurseries. Private plants nurseries as well as plantation companies make a significant contribution in meeting the requirement of plants. The production and distribution of plants in the private sector according to the districts in the year 2022 is mentioned below.

Production and Distribution of Rubber Plants - 2022 (Private Nurseries)

District	Production of Plants	Distribution of Plants
Ratnapura	183,000	141,750
Colombo	153,360	100,750
Monaragala	99,200	20,000
Galle	37,439	16,986
Kegalle	563,700	389,109
Gampaha	72,000	47,512
Kurunegala	4,200	2,700
Kandy	12,430	7,542
Kalutara	180,642	63,849
Total	**1,305,971**	**790,198**

Table No. VIII

2.4 The Programme of Fixing Rain Guards

According to the subsidized rain guard installation programme of the Rubber Development Department, a subsidy of Rs. 70/- per tree would be provided to rubber smallholders, who have successfully fixed rain guards and a subsidy of Rs.35/- per tree would be provided to plantation company sector.

The progress achieved as per the targets identified by the Department as 800 ha for the smallholding sector and 2,500 ha for the plantation company sector for the fixing of rain guards is as follows.

Fixing of Rain Guards - 2022 (Smallholder Sector)

District	Target (ha)	Land Extent under Rain Guards (ha)	Number of Trees Fixed with Rain Guards	Number of Farmers Fixed Rain Guards	Amount Paid as Subsidies (Rs. Million)
Ratnapura	170	208.82	79,673	125	5.83
Colombo	80	61.49	23,847	39	1.56
Galle	35	18.56	7,430	5	0.52
Matara	35	53.82	21,537	25	1.50
Kegalle	330	308.10	123,241	179	8.38
Gampaha	20	25.67	10,268	13	0.72
Kurunegala	20	39.49	15,797	26	1.11
Kandy	10	4.34	1,734	6	0.12
Kalutara	100	96.62	38,179	67	2.67
Total	**800**	**816.92**	**321,706**	**485**	**22.41**

Table No. IX

Information about the installation of rain guards for rubber cultivation in the year 2022 by plantation companies is depicted in the table below.

Installation of Rain Guards - 2022 (Plantation Companies)

Name of the Plantation Company	Land Extent under Rain Guards (ha)	Number of Trees installed with Rain Guards	Amount Paid as Subsidies (Rs. Million)
Agalawatte Plantation Company	210.62	71,210	2.49
Pussellawa Plantation Company	455.01	164,575	5.76
Balangoda Plantation Company	155.82	44,900	1.57
Kahawatta Plantation Company	227.00	64,012	2.24
Lalan Plantation Company	335.49	137,420	4.81
Kegalle Plantation Company	251.76	79,981	2.80
Kelani Valley Plantation Company	292.96	100,614	3.52
Malwatte Valley Plantation Company	46.32	18,061	0.63
Elkaduwa Plantation Company	10.00	3,969	0.14
Horana Plantation Company	231.60	105,622	3.70
Agalawatte Plantation Company	302.37	113,825	3.98
Namunukula Plantation Company	98.69	37,521	1.31
Rubber Research Institute	66.63	22,282	0.78
Elpitiya Plantation Company	64.91	25,973	0.91
Talawakele Plantation Company	7.89	3,157	0.11
Mathurata Plantation Company	16.77	6,708	0.23
Total	**2,773.84**	**999,830**	**34.98**

Table No. X

According to the above information, it is obvious that rain guards have been fixed in 3,591 ha according to the target of 3,300 hectares identified by the Department for the fixing of rain guards in the year 2022.

2.5. Intercropping

Since it takes 6 or 7 years to harvest a rubber plant after it is established in the field, **intercropping system** has been introduced to provide additional income to the growers during that time. Accordingly, crops such as pineapple, banana, passion fruit, papaya, cocoa, chillies, ginger, arecanut, cinnamon, onions, green beans, cowpeas, orid, sesame seeds, kurakkan, cardamom, nutmeg, pepper, vegetables and maize are cultivated here. An amount of Rs. 4,000/- will be paid by the Department as subsidies for an acre of a rubber plantation with intercrops successfully grown as per the recommendations issued by the Rubber Research Institute.

Intercropping in the year 2022

District	Target (ha)	Type of Crop Cultivated	Extent Cultivated (ha)	Number of Farmers, who have Cultivated
Ratnapura	35	Vegetable	1.69	5
		Pineapple	5.96	6
		Banana	4.17	12
		turmeric	0.45	1
		cinnamon	1.21	2
		Seasonal Crops	0.40	1
		Pepper	0.78	3
Colombo		Pineapple	17.49	15
		Banana	0.17	1
			32.33	**46**
Kegalle	110	Banana	28.77	56
		Pineapple	30.82	44
		turmeric /chillies/ cinnamon/ arecanut/ginger/betel /pepper	6.64	11
		Onions / vegetable	8.81	21
Gampaha		Banana	0.80	1
		Pineapple	13.58	24
Kurunegala		Banana	10.81	7
		turmeric /chillies/ cinnamon/ arecanut/ginger/betel /pepper	0.81	2
Kandy		Banana	4.62	11
Matale		Undu/sesame seeds/kurakkan	4.86	10
Anuradhapura		Pineapple	0.20	1
		Undu/sesame seeds/kurakkan	4.66	8
		Passion fruit	0.60	1
			115.98	**197**
Monaragala	70	Banana	7.26	22
		Seasonal Crops	66.59	100
Badulla		Banana	1.20	3
			75.05	**125**
Galle	15	Banana	1.42	2

Matara		Pineapple	1.34	6
		Banana	2.55	7
		Seasonal Crops	0.16	2
		Vegetable	0.03	1
Hambantota		Banana	1.79	5
		Seasonal Crops	10.39	16
			17.67	**39**
Kalutara	**20**	Pineapple	9.29	28
		Banana	4.70	
		Vegetable	0.40	
		Mixed	2.89	
			17.28	**28**
Total	**250**		**258.31**	**435**

Table No. XI

2.6. Conducting training programmes related to the rubber cultivation

2.6.1. Training Programme on Tapping – Ordinary / Professional

It is essential to perform tapping according to the technology in order to get the harvest of the rubber plantation accurately and to get that harvest for a longer time. Accordingly, the Department provides ordinary / professional training for tappers to make such tappers abundantly available in the field.

Training Programme on Tapping (Ordinary) - 2022

Regional Office	Target (Persons)	No. of Programmes Conducted	No. of Tappers Received the Training	Amount incurred (Rs.)
Ratnapura	**90**	**5**	**90**	**150,800.00**
Kegalle	**130**	**7**	**130**	**225,365.00**
Moneragala	**60**	**9**	**90**	**155,970.00**
Kalutara	**90**	**5**	**90**	**135,320.00**
Galle	**30**	**3**	**33**	**51,200.00**
Total	**400**	**29**	**433**	**718,655.00**

Table No. XII

Training Programme on Tapping (Professional) - 2022

Regional Office	Target (Persons)	No. of Programmes Conducted	No. of Tappers Received the Training	Amount incurred (Rs.)
Ratnapura	20	1	20	114,650.00
Kegalle	50	2	55	347,220.00
Moneragala	20	1	20	131,540.00
Kalutara	40	2	40	206,250.00
Galle	20	1	20	139,100.00
Total	150	7	155	938,760.00

Table No. XIII

2.6.2 Training of Bud Grafters

The assistance of a grafter with the formal systematic knowledge is essential for the production of a successful grafted rubber plant of high quality. Accordingly, private nursery owners engaged in bud grafting, employees of government nurseries as well as apprentices who are interested in bud grafting are selected for this training programme.

Training of Bud Grafters - 2022

Regional Office	Target (Persons)	No. of Programmes Conducted	No. of Bud Grafters Received the Training	Amount incurred (Rs. Million)
Kalutara	60	2	36	29,110.00
Galle		1	23	8,220.00
Total	60	3	59	37,330.00

Table No. XIV

2.6.3. Training in Installing Rain Guards

The Training programme for installing rain guards is conducted to introduce the proper methodology of installing rain guards to prevent the discontinuing of latex harvesting from time to time throughout the year due to rain. The objective of this programme is to introduce the proper method of installing rain guards effectively to the growers and workers to avoid damages that may occur to the rubber tree or the latex yield.

Training programme on Installing Rain Guards – 2022

Regional Office	Target (Persons)	No. of Programmes Conducted	No. of Persons Received the Training	Amount incurred (Rs.)
Ratnapura	60	3	71	48,745.00
Kegalle	90	5	90	88,995.00
Kalutara	60	3	71	28,198.00
Galle	40	11	63	40,000.00
Total	**250**	**22**	**295**	**205,938.00**

Table No. XV

2.6.4. Awareness Programme on Diseases Control

The aim of this programme is to educate the farmers on the commonly reported diseases in rubber plantation and get more yield through disease control.

Regional Office	Training Programme to Create awreness on Diseases in Rubber Plantation			
	Target (Persons)	No. of Programmes Conducted	No. of Persons Received the Training	Amount incurred (Rs.)
Ratnapura	50	2	58	43,352.00
Kegalle	90	6	120	79,490.00
Moneragala	40	4	40	35,200.00
Kalutara	50	3	58	26,660.00
Galle	20	3	32	16,110.00
Total	**250**	**18**	**308**	**200,812.00**

Table No. XVI

In addition to the above training programmes, training programmes on rubber related manufacturing industries, establishment of model farm units, training on rubber sheet production, awareness training on rubber cultivation have also been implemented.

2.7. Projects implemented under the Budget Proposals for the year 2022

In the year 2022, 05 sub-projects under the main project presented under provision allocated by the Budget speech and approved were implemented by the Rubber Development Department in the year 2022.

Project Implemented:

Encourage private investment to build a plantation crop sector with value addition equipped with modern technology to conquer the international market and to strategically conquer the export market.

Programme/Project	Target (Units)	Completed (Units)	Provision Approved Rs. Million	Amount Incurred Rs. Million
Establishment of 168 Rubber Sheets Processing Centres for the production of quality rubber sheets	168	168	13.680	13.673
Installation of 32 irrigation units for rubber cultivation	32	32	3.282	3.248
Control of Leaf Fall Disease (Mechines)	15	15	14.150	14.148
Development of Infrastructure facilities in Rubber Seedling Nurseries	1	1	0.617	0.616
Enhancement of the economic strength of rubber small holders	16	16	0.624	0.544
Total			32.353	32.229

Table No. XVII

2.8. Sub Projects Implemented under Smallholder Tea and Rubber Revitalization (STaRR) Project

The Smallholder Tea and Rubber Revitalization Project has been started in 2016 with the aim of improving the living condition of the rural poor by increasing their income under the financial contribution of the International Fund for Agricultural Development (IFAD) and the Government of Sri Lanka.

The provision of subsidies for rubber new planting to growers in traditionally non-rubber growing areas such as Monaragala and Ampara districts and provision of financial assistance to develop the infrastructure of Padiyathalawa and Kumbukkana Rubber Plants Nurseries, which are government nurseries, and providing financial assistance to develop the infrastructure facilities of tea and rubber smallholdings had been done through this project.

Accordingly, the following table shows the sub-projects carried out under this project for the development of infrastructure facilities in the government nurseries, namely, Padiyathalawa and Kumbukkana Rubber Plant Nurseries.

	Programme/ Project	Estimated Amount (Rs.)	Amount Incurred (Rs.)	Physical Progress (%)
Padiyathalawa Nursery				
	Development of the water tank	2,000,000.00	1,949,507.25	100%
	Construction of employees' rest room	1,000,000.00	1,000,000.00	100%
	Constructing a net house	1,000,000.00	970,125.00	100%
	Purchase of nursery equipment	500,000.00	500,000.00	100%
Kumbukkana Nursery				
	Construction of employees' rest room	7,000,000.00	557,500.00	Is being Operated.
	Purchase of nursery equipment	500,000.00	496,545.00	100%
	Refurbishment of the office of the nursery	1,000,000.00	620,725.00	Is being Operated.
	Buying a printer for the nursery office	100,000.00	58,000.00	100%
	Repairing the bridge on access road	6,500,000.00	-	Is being Operated.

Table No. XVIII

2.9. Information Related to Natural Rubber Industry - 2022

2.9.1. Extent under Rubber Cultivation

The estimated extent of rubber lands in Sri Lanka in the year 2022 has been calculated as per the annual extent of lands under new planting and the extent of lands removed from cultivation based on the data of the island-wide rubber land census carried out in the year 2010.

Extent of Rubber Lands (2022)

Year	Estimated extent of Lands (ha)		
	Rubber Smallholder Sector	Regional Plantation Companies / Estates of the Government	Total
2022	**94,198**	**44,328**	**138,526**

Table No. XIX

Rubber production in the year 2022 had been 70,867 metric tons. That figure was a decrease of 6,017 metric tons when compared to the year 2021. A sharp drop in rubber prices in mid-2022, heavy rains, and widespread leaf fall disease in the plantations have contributed to lower production.

World Rubber Production - 2022 (thousands of metric tons)

Country	Production of Rubber 2021	Production of Rubber 2022
Thailand	4,836	4,799
Indonesia	3,045	3,135
Vietnam	1,260	1,236
China	851	853
India	757	830
Malaysia	470	394
Cambodia	368	382
Myanmar	290	300
Bangladesh	22	23
Papua New Guinea	6	6
Philippines	172	180
Sri Lanka	77	70
Other countries	1,953	2,136
World production	14,107	14,344

Table No. XX

Source- From data of the Association of Natural Rubber Producing Countries (ANRPC)

According to the above table, the world rubber production in 2022 has increased by 237 thousand MT compared to the year 2021. Thailand, a Southeast Asian country had produced the highest rubber quantity in the year 2021 as well as in the year 2022.

2.9.2. Cost of Rubber Production

Cost of Rubber Production 2021 – 2022 (Rs. /1 kg)

Year	Plantation Companies	Smallholder Rubber Sector
2021	364.91	221.00
2022	369.43	288.00

Table No. XXI

2.9.3 Natural Rubber Export

There had been a slight decrease in rubber exports in Sri Lanka in the year 2022 compared to the year 2021. The export of natural rubber in the year 2022 had declined to 15,138 metric tons when compared to natural rubber export of 15,490 in the year 2021.

2.9.4. Total Rubber Exports in Sri Lanka

According to the statistics of rubber exports in Sri Lanka, the rubber sector has been able to add a value of USD 01 billion to the local economy by receiving Rs. 327,277 million as the total export income in the year 2022.

Total Quantity of Rubber Exports and Rubber Export Income - 2022

Category	Quantity Exported	Export Income (Rs. Million)
Natural Rubber (kg)	15,138,244	12,742
Synthetic Rubber (kg)	25,370	6
Semi-Finished Rubber (kg)	7,244,429	957
Finished Goods (kg)	58,548,690	121,207
Finished Goods (Units)	34,845,001	192,365
Total Rubber Export Volume (kg)	80,956,733	134,912
Total Rubber Export Volume (Units)	34,845,001	192,365
Total		**327,277**

Table No. XXII

2.9.5. Total Rubber Export Income (Country wise) - 2022

Country	Export Revenue (Rs. Million)	Percent %
United States of America	103,639.43	31.67
Germany	32,532.24	9.94
Belgium	17,786.07	5.44
Italy	15,925.41	4.87
Canada	10,912.10	3.34
France	10,533.07	3.22
United Kingdom	10,156.34	3.10
Australia	9,864.51	3.01
India	9,568.48	2.92
Brazil	9,308.09	2.84
Other countries	97,051.35	29.65
Total Rubber Export Revenue	**327,277.09**	**100.00**

Table No. XXIII

Major Countries that Purchased Natural Rubber from Sri Lanka 2022

Country	Purchased Quantity (MT)	Percent %
Pakistan	5,490	36%
Japan	1,555	10%
China	1,120	7%
Germany	970	6%
Malaysia	835	6%
Italy	793	5%
Vietnam	653	4%
India	583	4%
South Africa	433	3%
United States of America	424	3%
Other countries	2,282	16%
Total	**15,138**	**100%**

Table No. XXIV

2.9.6. Natural Rubber Imports

In the year 2022, 64,459.4 metric tons of natural rubber has been imported and it had been a decrease of 11% when compared to 72,068.2 MT, which had been the quantity imported in 2021.

Total Rubber Imports - 2022

Category	**Quantity Imported**	**Expenditure on Imports (Rs. Million)**
Natural Rubber (Kg)	64,459,380	38,991.63
Synthetic Rubber (kg)	60,753,584	43,772.69
Semi-Finished Rubber (Kg)	46,384,215	15,016.67
Finished goods (kg)	7,271,398	14,416.16
Finished Goods (Units)	2,851,403	13,666.07
Total Import Volume of Rubber (kg)	178,868,577	112,197.15
Total Import Volume of Rubber (Units)	2,851,403	13,666.07
Total		**125,863.22**

Table No. XXV

Although the quantity of imports in the year 2022 had decreased compared to the year 2021, there had been a significant increase in the expenditure on imports in the year 2022. It was an increase up to Rs.125,863 million in the year 2022 when compared to the expenditure on imports of Rs.101,046 million in 2021.

Country Wise Imported Volumes of Natural Rubber -2022

Country	Quantity Imported (Metric Tons)	Percentage (%)
Thailand	26,258	40.74
Vietnam	18,217	28.26
Indonesia	14,793	22.95
Ivory Coast	1,855	2.88
Malaysia	1,070	1.66
India	829	1.29
Singapore	487	0.76
United Kingdom	363	0.56
Myanmar	202	0.31
Spain	202	0.31
Other Countries	183	0.28
Total	**64,459**	**100%**

Table No. XXVI

2.9.7. Total Rubber Imports (Country Wise) - 2022

Country	Expenditure on Imports (Rs. Million)	Percentage %
Thailand	20,206	16.05
India	14,046	11.16
China	11,360	9.03
Vietnam	11,167	8.87
South Korea	10,779	8.56
Malaysia	10,497	8.34
Indonesia	10,113	8.04
Japan	8,873	7.05
Taiwan	5,655	4.49
Brazil	5,029	4.00
Other countries	18,138	14.41
Total	**125,863**	**100**

Table No. XXVII

2.9.8. Monthly Average Price, at which Rubber is Purchased by Rubber Traders from Farmers

Average Price, at which Rubber is Purchased by Rubber Traders from Farmers (Farm Gate Price – Rs.) 2022							
Month	**Sheet Rubber (R.S.S.)**					**Rubber Latex**	**Scrap Rubber**
	1	**2**	**3**	**4**	**5**		
January	477.44	459.29	448.56	434.27	317.94	434.18	239.96
February	444.77	427.24	421.72	414.62	415.92	427.86	222.53
March	507.53	496.27	480.54	477.36	470.79	433.61	237.28
April	613.56	485.22	475.18	587.17	587.90	420.49	274.34
May	647.89	640.86	622.30	626.99	626.20	589.20	294.65
June	685.11	677.38	671.15	661.32	658.25	647.63	312.91
July	693.49	687.74	671.78	657.84	655.67	697.81	321.93
August	689.84	683.02	670.13	654.34	653.64	696.35	309.87
September	620.16	613.71	579.78	571.15	566.40	599.31	251.76
October	476.61	492.15	453.61	451.95	447.70	493.24	181.33
November	492.90	486.08	476.46	474.11	473.54	409.09	199.98
December	472.20	465.87	457.30	455.36	454.81	421.53	202.42
Average Value	**568.46**	**551.24**	**535.71**	**538.87**	**527.40**	**522.53**	**254.08**

Table No. XXVIII

Average Prices – (Rs.)of Rubber at the Colombo Rubber Auction Monthly – 2022																
Month	**Sheet Rubber (R.S.S)**					**Latex Crepe**					**Scrap Crepe**					
	1	**2**	**3**	**4**	**5**	**1X**	**1**	**2**	**3**	**4**	**1XBR**	**2XBR**	**3XBR**	**No.4**	**F.B.**	**SKIM**
January	461.00	Not presented	440.00	430.00	Not presented	652.25	651.50	585.00	512.50	411.25	398.75	392.50	394.67	386.33	380.00	**385.50**
February	458.50	Not presented	Not presented	Not presented	Not presented	701.23	698.25	667.50	619.50	455.75	399.25	388.50	384.88	380.13	Not presented	**390.00**
March	562.70	594.33	503.00	Not presented	Not presented	803.60	797.00	765.00	722.00	545.00	459.50	450.00	399.50	430.00	410.00	**438.80**
April	648.75	639.00	629.00	610.00	Not presented	953.33	937.50	882.50	790.00	598.75	538.25	515.00	533.50	505.00	Not presented	**485.00**
May	718.33	Not presented	Not presented	Not presented	Not presented	1162.50	1153.75	1066.25	916.25	661.25	551.75	548.33	554.25	535.00	523.50	**541.42**
June	800.80	Not presented	743.00	710.00	Not presented	1400.00	1391.67	1308.75	1143.75	732.50	675.00	663.00	607.67	588.33	567.50	**633.00**
July	Not presented	Not presented	Not presented	Not presented	Not presented	1450.00	1248.33	1095.00	930.00	680.75	643.25	645.00	619.06	603.75	Not presented	**655.50**
August	685..00	Not presented	660.00	Not presented	Not presented	987.50	987.50	874.00	694.00	558.60	529.00	515.00	559.50	540.00	Not presented	**521.75**
Septembe	670.00	Not presented	Not presented	Not presented	Not presented	813.00	805.00	733.33	656.25	480.75	451.25	405.00	443.00	433.00	Not presented	**435.00**
October	500.00	495.20	489.50	473.00	456.50	675.00	675.00	585.00	513.75	454.50	412.50	407.67	401.67	389.33	400.00	**358.33**
Novembe	526.70	520.10	515.00	480.00	Not presented	612.50	609.00	543.50	510.00	499.00	446.25	432.20	427.80	423.75	425.00	**343.40**
December	517.67	505.00	473.00	473.00	457.50	628.33	626.33	527.50	473.25	462.75	445.25	441.33	441.10	434.33	430.00	**366.51**
Average	595.40	550.73	556.56	529.33	457.00	903.27	881.74	802.78	706.77	545.07	495.83	483.63	480.55	470.75	448.00	**462.85**

Table No. XXIX

International Rubber Prices (2017 – 2022)

Year	Sri Lanka Rupees			
	Colombo Auction Price (Rs.) (RSS 3)	Bangkok Auction Price (Rs.) (RSS 3)	Kottayam Auction Price (Rs.) (RSS 4)	Sicom Auction Price (Rs.) (RSS 3)
2017	324.50	311.69	322.75	307.70
2018	263.11	257.00	301.80	256.01
2019	272.43	296.90	343.08	297.05
2020	318.86	327.01	339.82	322.17
2021	435.52	389.13	443.64	416.54
2022	556.56	619.89	676.16	585.65

Table No. XXX

2.10. Information regarding the Licensed Rubber Traders

The manner of issuing of licenses district-wise in the year 2022 to rubber traders for purchasing rubber is as follows.

District	No. of Licenses Renewed	No. of New Licenses Issued	Total
Ratnapura	122	5	127
Colombo	32	1	33
Moneragala	35	4	39
Badulla	2	0	2
Ampara	2	0	2
Galle	27	1	28
Matara	28	1	29
Hambantota	1	0	1
Kegalle	147	11	158
Gampaha	26	2	28
Kurunegala	6	0	6
Kandy	9	0	9
Matale	1	0	1
Kalutara	129	10	139
Total	**567**	**35**	**602**

Table No. XXXI

2.11. Consolidated Fund

Object		Provision Allocated (Rs.)	Net Expenditure as at 31.12.2022 (Rs.)
Recurrent Expenditure			
Salaries & Wages	1001	185,000,000.00	173,321,955.66
Overtime and holiday payment	1002	4,000,000.00	3,794,032.36
Other allowances	1003	90,000,000.00	79,590,143.27
Domestic Travelling	1101	11,500,000.00	11,395,665.95
Foreign Travelling	1102	-	-
Stationery and office requisites	1201	5,250,000.00	5,142,895.99
Fuel	1202	11,000,000.00	10,627,766.46
Diets and uniforms	1203	600,000.00	575,135.83
Other Supplies	1205	500,000.00	486,674.00
Vehicles Maintenance	1301	8,500,000.00	8,350,014.34
Plants, Machinery Maintenance	1302	850,000.00	840,071.40
Building and Structures Maintenance	1303	500,000.00	484,396.31
Postal and Communications	1402	6,000,000.00	5,443,302.93
Electricity and water	1403	1,600,000.00	1,566,700.28
Rent and Local Taxes	1404	40,500,000.00	39,489,167.45
Lease Rental for Operational Leasing Vehicles	1408	9,485,000.00	7,172,000.00
Others Services (Cleaning/Security etc.)	1409	10,000,000.00	9,723,201.19
Development subsidies	1504	-	-
Subscription and Contributions fee	1505	10,800,000.00	-
Property Loans interest to for Public Servants	1506	1,900,000.00	1,848,218.28
Losses and Write-off	1701	15,000.00	14,580.00
Total (recurrent Expenditure)		**398,000,000.00**	**359,865,921.70**
Capital Expenditure			
Buildings and Structures	2001	5,000,000.00	4,432,106.86
Plants,Machinery & Equipment	2002	1,000,000.00	986,887.77
Repair and Improvements-Vehicles	2003	4,000,000.00	3,874,071.72
Furniture and Office Equipment	2102	-	-
Plants,Machinery & Equipment	2103	-	-
Buildings and Structures	2104	-	-
Software Development	2106	-	-
Staff Training	2401	1,000,000.00	975,775.60
Development Assistance	2202	700,000,000.00	652,140,101.28
Research and Development	2507	5,000,000.00	4,403,336.00
Total (Capital Expenditure)		**716,000,000.00**	**666,812,279.23**
Grand Total		**1,114,000,000.00**	**1,026,678,200.93**

Table No. XXXII

2.12. Levy of Cess

According to the CESS Regulations No. 01 of 2007, Cess of Rs. 4/- each must be paid for 1 kg of raw rubber purchased locally for the manufacture of rubber-based finished products from the industrialists who manufacture those products in Sri Lanka. Accordingly, the information about the levy of cess by Rubber Development Department in the year 2022 is given below.

Details of Institutions Registered for Cess - 2022

Number of registered Rubber based Manufacturing Industrial institutions for the year 2022	-	151
Number of Institutions, which had paid Cess	-	60

Amount of Cess levied on domestic consumption per month – 2022

Month	Amount of Cess levied on Domestic consumption (Rs. Million)
January	12.31
February	19.61
March	30.21
April	15.56
May	11.64
June	12.50
July	19.12
August	17.59
September	34.10
October	11.46
November	9.40
December	20.37
Total	**213.87**

Table No. XXXIII

According to the Cess Regulations, the details of the cess charged by the Sri Lanka Customs on the import and export of rubber in the year 2022 are given in the table below.

Amount of Cess levied on Exports and Imports per Month – 2022

Month	Amount of Cess Levied on Imports (Rs. Million)	Amount of Cess Levied on Exports (Rs. Million)
January	371.75	7.47
February	301.95	7.10
March	237.02	7.53
April	201.67	5.92
May	126.88	4.51
June	179.27	4.65
July	145.47	4.41
August	273.82	4.53
September	185.53	5.53
October	326.62	6.13
November	497.56	4.34
December	368.02	5.53
Total	**3,215.56**	**67.65**

Table No. XXXIV

3. Overall Financial Performance for the year ended 31 December 2022

3.1. Financial Performance

ACA-F

Statement of Financial Performance for the Year ended 31 December 2022

Budget 2022		Note	Actual 2022	Actual 2021	
-	**Revenue Receipts**		-	-	
-	Income tax	1	-	-	ACA -1
-	Taxes on local goods and services	2	-	-	ACA -1
-	Taxes on International Trade	3	-	-	ACA -1
-	Non-tax revenue and Others	4	-	-	ACA -1
-	**Total Revenue Receipts (a)**		-	-	
-	Non-revenue receipts		-	-	
-	Treasury Imprest		722,250,000	870,420,000	ACA -3
-	Deposits		91,214,920	120,498,664	ACA -4
-	Advance Accounts		23,452,751	20,956,392	ACA -5
-	Other General Ledger Accounts Receivable		-	-	
-	Total Non-Revenue Receipts (b)		**836,917,671**	**1,011,875,056**	
-	Total revenue receipts and non-revenue Receipts c = (a) + (b)		**836,917,671**	**1,011,875,056**	
	Remittances to Treasury (d)				
	Net revenue receipts and non-revenue receipts e=(c) – (d)		**836,917,671**	**1,011,875,056**	
	Less - Expenses				
	Recurrent Expenditure		-		
282,000,000	Salaries, Wages and Other Employee Benefits	5	256,706,131	246,567,049	ACA 2(ii)
102,700,000	Other Goods and Services	6	101,296,992	100,242,823	ACA 2(ii)
13,300,000	Subsidies, grants and transfers	7	1,848,218	2,619,150	ACA 2(ii)
	Interest payments	8	-	-	ACA 2(ii)

	Other Recurrent Expenditure	9	14,580	-	
398,000,000	Total Recurrent Expenditure (d)		**359,865,921**	**349,429,022**	
	Capital Expenditure				
10,000,000	Rehabilitation of Capital Assets and Improvements	10	9,293,066	10,076,925	
-	Acquisition of Capital Assets	11		2,402,761	
700,000,000	Capital Transfers	12	652,140,101	896,807,914	ACA - 2 (ii)
-	Acquisition of Financial Assets	13	-	-	
1,000,000	Capacity Development	14	975,776	1,056,017	
5,000,000	Other Capital Expenditure	15	4,403,336	5,835,193	
716,000,000	Total Capital Expenditure (g)		**666,812,279**	**916,178,810**	
	Deposit Payments		90,112,941	121,470,510	ACA -4
	Advance Payments		25,072,400	23,155,940	ACA -5
	Payments of Other General Ledger Accounts		-	-	
	Major Ledger Expenditure (h)		115,185,341	144,626,450	
	Total Expenditure i = (f + g + h)		1,141,863,541	1,410,234,282	
-	Balance as at 31 December j= (e-i)		(304,945,870)	(398,359,226)	
	Balance as at Imprest Reconciliation Statement		304,945,870	(398,359,226)	ACA -7
	Imprest Balance as at 31 December				ACA -3
			-	-	

Table No. XXXV

3.2. Performance of Utilizing Allocated Provision

Category of Provision	Allocated Provision		Actual Expenditure	Provision utilized as a % of the fully utilized Final Provision Made
	Initial Provision	Final Provision		
Recurrent	398,000,000	398,000,00	359,865,921.70	90.41
Capital	716,000,000	716,000,000	666,812,279.23	93.13

Table No. XXXVI

3.3 Performance on Donations and Other Receipts

Not applicable.

3.4 Performance of Reporting Non-Financial Assets

Rs.

Asset Code	Code Description	Balance as at 31.12.2022 as per the Goods Survey Report	Balance as at 31.12.2022 as per the Statement of Financial Position	To be Accounted in the Future	Reporting the Progress as %
9151	Buildings and Structures	181,929,111.60	181,929,111.60	-	-
9152	Machinery	232,107,767.07	232,107,767.07	-	-
9153	Lands	408,370,800.00	408,370,800.00	-	-
9154	Intangible Assets	789,006.00	789,006.00	-	-
9155	Biological Assets	-	-	-	-
9160	Work in Progress	-	-	-	-
9180	Leased Assets	-	-	-	-

Table No. XXXVII

3.5 Report of the Auditor General

My No: - PAL/E/RDD/92/22/03 19.05.2023

Accounting Officer
Rubber Development Department

Head 293 - Summary Report of the Auditor General on the Financial Statements of the Rubber Development Department for the year ended 31 December 2022 in terms of Section 11(1) of the National Audit Act No. 19 of 2018.

1. Financial Statements

1.1 Opinion

The audit of the financial statements of Head 293 – the Rubber Development Department for the year ended 31 December 2022 comprising the statement of financial position as at 31 December 2022 and the statement of financial performance and cash flow statement for the year then ended was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. My comments and observations on the financial statements submitted to the Rubber Development Department in terms of Section 11 (1) of the National Audit Act No. 19 of 2018 are stated in this report. The Report of the Auditor General which should be presented to Parliament in pursuance of provisions in Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 10 of the National Audit Act No. 19 of 2018 will be tabled in due course.

In my opinion, the financial statements of the Rubber Development Department give a true and fair view of the financial position of the Rubber Development Department as at 31 December 2022 and its financial performance and cash flow for the year then ended, in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibilities of Chief Accounting Officer and the Accounting Officer on Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and in terms of Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Department.

In terms of Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such system and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibility for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Secretariat’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5. Report on Other Legal and Regulatory Requirements

As required by Section 6 (1) (d) and Section 38 of the National Audit Act, No.19 of 2018, I state the following:

(a) The financial statements presented is consistent with the preceding year.

(b) The following recommendation that I had made regarding the financial statements related to the previous year had not been implemented.

Reference to The Paragraphs of The Report related to the Previous Year	Audit Observation	Recommendation
2.3	Action had not been taken to recover or write off the losses and damages totalling to Rs.3,159,640 in respect of 09 incidents, which had occurred between 07 and 03 years as at 31 December of the year under review.	Arrangements should be made to recover the losses for the vehicles.

2. Financial Review

2.1 Expenditure Management

Provision amounting to Rs.10,800,000 allocated for subscriptions and contributions (1505), out of provision totalling to Rs.110,285,000 allocated for 03 recurrent Objects in the year under review, had not been spent fully. Provision amounting to Rs. 10,409,857 and Rs.2,313,000 respectively, out of the provision allocated for operating leases and other allowances, had been saved or 12 percent and 24 percent of the net allocation had been saved.

2.2 Incurring Liabilities And Commitments

Although liabilities and expenditure incurred should never exceed the provision for the year in terms of FR 94 (1), liabilities amounting to Rs.634,867 had been incurred exceeding the net provision allocated under 03 Objects during the year under review.

2.3 Non-compliance with Laws, Rules And Regulations

Reference to Laws, Rules and Regulations	Non-compliance
Paragraph 02 (b) of Asset Management Circular No. 04/2022 dated 25 January 2022	Although the process of repairing of vehicles should be completed expeditiously according to the instructions provided by 02 (b) of Asset Management Circular No. 05/2020 for repairing vehicles, which are not in running condition, but can be repaired effectively and can be put into use, 03 vehicles owned by the Department remained idle due to defects and due to facing accidents for a period of 01 to 05 years without repairing.

3. Operational Review

3.1 Losses and Damages

Action had not been taken by the Department to recover or write off the losses and damages totalling to Rs. 3,106,351 in respect of 08 incidents, which had occurred between 03 and 08 years as at 31 December of the year under review.

3.2 Uneconomic transactions

Although the Department had purchased a land in extent of 75 perches valued at Rs.66,700,000 owned by the Urban Development Authority in the year 2009 by paying a sum of Rs.59,304,347 for the construction of the administrative building of the Rubber Development Department, this land had not been transferred to the Rubber Development Department until the end of the year under review. Any construction had not been done on this land although more than 13 years had passed.

3.3 Management weaknesses

(a) A sum of Rs. 113,368,340, out of the cultivation subsidies given for rubber replanting and new planting for 32720 growers in 15 districts, should have been collected from 3,327 growers owing to the abandonment of cultivation by them.

(b) The legal ownership of 69 official quarters administered under the Rubber Development Department had been with the other government institutions and action has not yet been taken to formally transfer the ownership of those quarters.

(c) Twelve (12) official quarters under 03 regional offices belonging to the Department had not been used for a period of 03 to 10 years and as a result, the houses had been in dilapidated condition and the Department had lost income sources that could be obtained to the Department.

(d) Action had not been taken to register 04 motor vehicles and 16 motorcycles, used by the Department after they had been received to this Department from other departments and ministries for a period of 1 to 11 years, in favour of the Rubber Development Department until the end of the year under review.

4. Human Resource Management

The following observations are made.

(a) Even though the approved staff of the Department had been 481 at the end of the year under review, the actual staff had been 422 and as a result, 59 staff vacancies were observed during the audit. The Department had not taken action to revise the approved staff after considering it with the actual staff or to recruit new staff.

(b) There were 13 senior level vacancies and there had been 02 Director positions in the Sri Lanka Administrative Service, 04 Assistant Director positions and 03 positions in the Accountants' Service within those vacancies. However, recruitment had not been made since the year 2020.

V.D. Seetha
Senior Assistant Auditor General
For Auditor General

3.6. Statement of Financial Position as at 31 December 2022

ACA -P

	Note	2022 Rs.	2021 Rs.
<u>Non-Financial Assets</u>			
Property, Plant and Equipment	ACA -6	823,196,685	819,065,496
<u>Financial Assets</u>			
Advance Account	ACA-5/5(A)	53,748,863	52,129,215
Cash and Cash Equivalents	ACA -3	-	-
Total Assets		**876,945,548**	**871,194,711**
<u>Net Assets / Equity</u>			
Net assets to the Treasury		47,150,993	46,633,324
Pool of Property, Plant and Equipment		823,196,685	819,065,496
Pool of Rents and Work Advances	ACA-5(B)		
Current Liabilities			
Deposit Accounts	ACA -4	6,597,870	5,495,891
Imprest Balance	ACA -3	-	-
Total Liabilities		**876,945,548**	**871,194,711**

Accounts details presented in Forms ACA F to ACA7 from page Nos. 01 to 23 and particulars of accounts notes included in pages 24 to 29 are also integral parts of this final account. These financial statements are prepared in accordance with Generally Accepted Accounting Principles and the most appropriate accounting policies have been used as revealed in the notes to the financial statements. We certify that the figures mentioned in the aforementioned final account and the relevant accounts notes and other accounts information have been reconciled with the Treasury Accounts books and they reconcile with those figures.

We hereby certify that an effective internal control system for the financial control is in place in the reporting entity and periodic reviews are conducted to monitor the effectiveness of the internal control system for financial control and to make changes as necessary for the effective operation of those systems accordingly.

…………………….	……………………..	……………………………..
Chief Accounting Officer	Accounting Officer	Chief Financial Officer / Chief Accountant / Director (Finance) / Commissioner (Finance)
Name:	Name:	Name:
Position:	Position:	Date:27/02/2023
Date: 27/02/2023	Date:27/02/2023	

3.7. Cash Flow Statement

ACA-C

Cash Flow Statement

for the Year Ended 31 December 2022

	Actual	
	2022 Rs.	**2021** Rs.
Cash Flows Generated from Operational Activities		
Total Tax Receipts	-	-
Fees, Surcharges, Fines and Licenses	-	-
Profit	-	-
Non-Revenue Receipts		
Revenue collected for the Other Heads	327,922,242	399,227,461
Imprest Received	722,250,000	870,420,000
Recovery of Advances	22,954,509	17,403,083
Receipt of deposits	91,214,920	120,498,664
Cash flows generated from operating activities (a)	**1,164,341,671**	**1,407,549,208**
Less: Cash disbursed for:		
Personal Emoluments and Operating Expenses	357,998,048	346,779,160
Subsidies and Transfer Payments	1,848,218	2,619,150
Expenditure incurred on other Expenditure Heads	22,715,386	972,642
Imprest Settlement to Treasury	-	-
Recovery of Advances	24,854,799	19,632,687
Receipt of deposits	90,112,941	121,470,510
Cash flows utilized for operating activities (b)	**497,529,392**	**491,474,149**
Cash flows generated from operational activities (c)=(a)-(b)	666,812,279	916,075,059
Cash flows generated from Investment Activities		
Interest	-	-
Dividends	-	-
Equity Waiver Provisions and sale of physical assets.	-	-

Recovery on Lending	-	-
Cash flows generated from investment activities (d)	-	-
Less: Cash disbursed for:		
Construction or purchase of physical assets and acquisition of other investment	666,812,279	916,075,059
Total Cash Flow incurred for Investment Activities (e)	666,812,279	916,075,059
Net Cash Flows Generated from Investment Activities (f) = (d) - (e)		
Net Cash Flow Generated from Operational and Investment Activities (g) = (c) + (f)	**666,812,279**	**916,075,059**
Cash flows generated from Financial Activities		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Cash flows generated from Financial Activities (h)	-	-
Less: Cash disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash incurred for Financial Activities (i)	-	-
Cash flow generated from Financial Activities (j) = (h) - (i)	-	-
Net Movement in Cash (k) = (g) –(j)	-	-
Opening Cash Balance as at 01 January	-	-
Closing Cash Balance as at 31 December	-	-

Table No. XXXVIII

4 - Performance Indicators

4.1 Performance Indicators of the Department (Based on Action Plan)

Specific Indicators	Target	Progress	Actual Output as a Percentage of Expected Output (%)
1. Land under Replanting – Rubber Smallholdings (ha)	500	522.44	105%
2. Land under Replanting – Plantation Companies (ha)	700	754.07	108%
3. Land under New Cultivation (ha)	500	489.44	98%
4. Production of Rubber Plants – in Departmental Nurseries (Plants)	1,500,000	1,310,904	87%
5. Lands with Rain Guards – Smallholdings (Ha)	800	816.92	102%
6. Lands with Rain Guards – Plantation Companies (ha)	2,500	2,773.84	111%
7. Intercropping (ha)	250	258.31	103%
8. Number of Persons obtained the Training on Tapping (Ordinary) – (Persons)	400	433	108%
9. Number of Persons obtained the Training on Tapping (Professional) – (Persons)	150	155	103%
10. Number of Persons obtained the Training on Rain Guards - (Persons)	250	295	118%
11. Number of Persons obtained the Awareness Training on Rubber Diseases - (Persons)	250	308	123%
12. Number of Persons Obtained the Training on Bud grafting (Persons)	60	59	98%

Table No. XXXIX

5. Performance in the Achievement of Sustainable Development Goals

5.1 Relevant Sustainable Development Goals Identified

Goal / Objective	Target	Progress	Indicators of Achievements	Progress in Achievements So far
Establishment of Equal Rights to access to financial services, including economic resources, basic services, land ownership and control and other forms of ownership for real estates, natural resources, appropriate new technology and microfinance by 2030, for all men and women, especially including those who are poor and vulnerable.	1. New Planting- for smallholdings 500 ha 2. Replanting - for smallholdings 520 ha	489.44 522.44	ha ha	98% 105%
Implementation of agricultural practices, which can assist in confirming the existence of sustainable food production systems by 2030 and help sustain ecosystems, strengthen capabilities to adapt to weather changes, withstand adverse weather conditions, droughts, floods and other disasters, and improve land and soil quality.	1. Installation of Rain Guards Smallholdings - 800 ha 2. Installation of Rain Guards Plantation Companies – 2,500 ha 3. Cultivation of Intercrops 250 ha	816.92 2773.84 258.31	ha ha ha	102% 111% 103%
Establishment of Rights to equal access and equal enjoyment of benefits derived from maintaining the genetic diversity of seeds, plants grown and farms and domestic animals by 2021 and maintaining well-managed and diversified seed and plant banks at the national, regional and	Production of bud grafted rubber seedlings in government nurseries - Production of 1,500,000 seedlings.	1,310,904	ha	87%

international levels and use of genetic resources and traditional knowledge in the manner agreed internationally.				
Increasing investment in rural infrastructure, agricultural research and extension services, technological development and plant and livestock genetic banking through enhanced international cooperation to increase agricultural production capacity, especially in developing countries, especially including the least developed countries.	Provision of Ordinary Training for Tappers – 400 Persons Training of Bud Grafters – 60 Persons Providing awareness training on rubber diseases - 250 people	433 59 308	Indivi duals Indivi duals Indivi duals	108% 98% 123%
Significantly increasing the access to Information and Communication Technology by 2020 and strive to provide affordable and accessible Internet access to least developed countries.	Initiating a programme to deliver inoperative computers removed from the usage in regional offices and to assemble computers suitable for installation of Oracle software in a manner that it is suitable for the subsidy payment programme. Implementation of the subsidy payment computer programme with revisions and conducting training programmes in relation to the programme for the relevant officials. Providing necessary technical facilities for conducting departmental services (Video Conferencing) through the online system. To appoint a Procurement Committee on Consultancy Services			

	for the implementation of Phase II of the RIMS Project and to prepare technical specifications and procurement documents for selecting a suitable agency for software development and maintenance.			
Provision of effective and sustainable employment opportunities for all women and men, including people with disabilities and youth by 2030.	Provision of ordinary training to tappers - 400 persons	433	Indivi duals	108%
Minimizing the weather change and adapting accordingly, mitigating the impacts and increasing the education, awareness and human and institutional capabilities on early warning.	Provision of training on the installation of rain guards -250 persons	295	Indivi duals	118%

Table No. XL

5.2. Achievements and challenges in the accomplishment of the Sustainable Development Goals

In the year 2022, the Rubber Development Department had contributed to cultivate 1,781 hectares through new rubber cultivation and replanting of rubber. Contribution in the increase of the percentage of atmospheric oxygen through the increase of forest cover is an achievement obtained under the accomplishment of the Sustainable Development Goals. Although there was a big setback in Sri Lanka in the past years due to the Covid-19 epidemic, the sectors such as replanting, plant production, and installation of rain guards have made high progress, surpassing the expected targets in 2022. Moreover, the attention of the Department has been focused more on the task of identifying diseases related to rubber cultivation and introducing treatments for them in the year 2022.

6. Human Resources Profile

6.1. Cadre Management

	Approved Cadre	Present Cadre	Vacancies
Senior	37	24	13
Tertiary	21	08	13
Secondary	339	324	15
Primary	84	66	18
Contract/Casual	-	324	-
	481	**746**	**59**

Table No. XLI

6.2. Development of Human Resources

Name of the Programme	Number of Employees Trained	Duration of the Programme	Overall Investment (Rupees)		Nature of the Programme (Local / Foreign)	Output / Knowledge Obtained /
			Local	Foreign		
Training programme with group activities	50	01 Day	145,000.00	-	Local	Developing leadership qualities, team spirit and positive attitude
For following the Postgraduate Degree course	2	01 Year	119,700.00	-	Local	Post Graduate Degree
Second language (Tamil) training	2	150 Hours	20,000.00	-	Local	Proficiency in Tamil language

Table No. XLII

6.3. Number of Employees in the Government Nurseries – As at 31.12.2022

Name of the Nursery	Number of Employees (Contract Basis)
Welikadamulla Nursery	46
Mirigama Nursery	35
Egal Oya Nursery	37
Gurugoda Nursery	35
Karapincha Nursery	31
Kumbukkana Nursery	89
Padiyathalawa Nursery	32
Middeniya Nursery	19
Total	**324**

Table No. XLIII

6.4 Contribution of the Training Programmes for the Performance of the Organization

The officers have been able to increase the performance of the organization by functioning efficiently and effectively after developing their subject knowledge and attitudes through participating in the training programmes. so. The training programmes conducted are as follows.

Name of the Programme	Number Participated	Expenditure (Rs.)
Training Programme on Land Affairs	70	37,050.00
Training on goods survey and warehouse management	22	8,500.00
Training of office-based officers, field-based officers and nursery workers	160	80,400.00
Training of office-based officers and field-based officers	50	42,700.00
Bud Grafting Training programme for nursery workers	40	31,300.00
Residential programme on rubber information management systems (for 16 officers)	30	57,222.00
Programme related to rubber information management systems		78,009.00

Training on the preparation of government salary	2	36,000.00
Tapper Training for Rubber Development Officers	29	93,900.00
Preparation of tender Papers- Metropolitan Institute of Higher Education	1	18,000.00
Training on Land Law and Procedural Rules	50	213,600.00
Training Programme on the preparation of Nursery working Accounts	24	16,712.50

Table No. XLIV

6.5. Progress in Constructions in the year 2022

Object	**Estimated Amount (Rs. Million)**	**Physical Progress %**	**Expenditure (Rs. Million)**
Renovation of the Quarters of the Manager of Karapincha Rubber Plant Nursery.	1.909	100%	1.739
Repairing of toilet system in Galle Regional Office.	0.708	100%	0.391
Repairing of the official quarters of R.D.O. of Aramanagolla of Horana.	0.999	100%	0.994
Repair of the roof of the garage in Mirigama nursery.	0.565	100%	0.562
Repairing of the toilet system in Karapincha Rubber Plant Nursery.	0.819	100%	0.746
Preparation of land for bud grafting nurseries in Egaloya nursery.	0.249	100%	0.248
Preparation of land for bud grafting nurseries in Egaloya nursery	0.220	100%	0.220
Ground preparation for bud grafted nurseries in Gurugoda nursery	0.250	100%	0.250
Repairing the irrigation system of Middeniya nursery	0.600	100%	0.462
Ground preparation for bud grafted nurseries in Karapincha nursery	0.303	100%	0.275
Repairing the irrigation system of Welikadamulla nursery	0.300	100%	0.279

Repairing of seed bed of Mirigama Nursery	0.200	100%	0.186
Establishment of bud grafted nursery in Mirigama nursery	0.300	100%	0.264
Repairing of the irrigation system of Mirigama nursery	0.153	100%	0.152
Ground preparation for bud grafted nurseries in Welikadamulla nursery	0.348	100%	0.231
Grand Total	**7.923**		**6.999**

Table No. XLV

7. The Compliance Report

Serial No.	Requirement to be Applied	Status of Compliance (Complied / Not Complied)	Brief Explanation if not Complied	Precise Decisions and Actions that are Proposed to Prevent Non-Compliance in the Future
1	**The following financial statements / accounts have been submitted on the due date**			
1.1	Annual Financial Statements	Complied.		
1.2	Others			
2	**Maintenance of books and registers (FR 445)**			
2.1	Maintenance of the updated fixed asset register as per Public Administration Circular No. 267/2018	Complied.		
2.2	Maintenance of the updated personal payroll registers / personal payroll cards	Complied.		
2.3	Maintenance of the updated audit query register	Complied.		
2.4	Maintenance of the updated register of internal audit reports	Complied.		
2.5	Maintenance of the updated cheque and money order register	Complied.		
2.6	Maintenance of the updated inventory	Complied.		
2.7	Maintenance of the updated Register of Consumable Stores	Complied.		
2.8	Maintenance of the updated register of loss and damages	Complied in relation to the vehicles.		
2.9	Maintenance of the updated Register of liabilities	Complied.		
2.10	Maintenance of the updated Register of Counterfoil Books (GA- N 20)	Complied.		
3	**Delegation of Functions for Financial Control (FR 135)**			
3.1	Should have delegated financial powers in the institution	Complied.		
3.2	Should have informed the institution about the delegation of financial powers	Complied.		
3.3	Delegation of Authority to enable each transaction is approved through two or	Complied.		

	more officers.			
3.4	Acting under the control of the Accountants in using the Government Payroll Software Package as per State Accounts Circular No. 171/2004 dated 11.05.2014	Complied.		
4	**Preparation of annual plans**			
4.1	Preparation of Annual Action Plan	Complied.		
4.2	Preparation of Annual Procurement Plan	Complied.		
4.3	Having approved the Budget for the year under review in terms of the Finance Act No. 38 of 1971	Complied.		
4.4	Preparation of Annual Internal Audit Plan.	Complied.		
4.5	Preparing the annual estimate and submitting it to the National Budget Department (NBD) on the due date	Complied.		
4.6	Should have submitted the Annual Cash Flow Statement to the Department of Treasury Operations on the due date	Complied.		
4.7	Submitting of quarterly reports to the Treasury on the due date	Complied.		
5	**Audit Queries**			
5.1	Answer all audit queries on the date prescribed by the Auditor General.	Complied.		
6	**Internal Audit**			
6.1	Preparation of the internal audit plan after making discussions with the Auditor General at the beginning of the year As per FR 134 (2) and DMA/1 2019.	Complied.		
6.2	Having replied to every internal audit report within a period of one month.	Complied.		
6.3	Submitting copies of all the internal audit reports to the Department of Management Audit in terms of sub-section 40 (4) of the National Audit Act No. 19 of 2018.	Complied.		
6.4	Submission of copies of all the internal audit reports to the Auditor General in accordance with FR 134 (3).	Complied.		
7	**Audit and Management Committees**			
7.1	Should have conducted at least 04 Audit and Management Committee meetings during the relevant year as per DMA	Complied.		

	Circular 1-2019.			
8	**Management of Assets**			
8.1	Submitting information on purchase and disposal of assets to the Comptroller General's Office as per Chapter 07 of the Asset Management Circular No. 01/2017	Complied in relation to the vehicles.		
8.2	Appropriate liaison officer should be appointed to coordinate the implementation of the provisions of that Circular as per Chapter 13 of the above Circular and the information about that officer should be reported to the Comptroller General's Office.	Complied.		
8.3	Should have conducted Verification of Goods in accordance with Public Finance Circular No. 05/2016 and the relevant reports should be submitted to the Auditor General on the due date.	Complied.		
8.4	Should have made excesses, deficiencies and other recommendations revealed in the Annual Verification of Goods should be reported within the period specified in the Circular.	Complied.		
8.5	Performing the disposal of condemned articles in terms of FR 772.	Complied.		
9	**Management of Vehicles**			
9.1	Preparation of daily running charts and monthly summary reports for pool vehicles and submitting them to the Auditor General on the due date.	Complied.		
9.2	Should have disposed of the vehicles within a period less than 06 months after condemning the vehicles.	Complied.		
9.3	Maintaining and updating the vehicle log books.	Complied.		
9.4	Taking action in terms of FR 103,104,109 and 110 regarding every vehicle accident.	Complied.		
9.5	Re-inspection of fuel combustion of vehicles in accordance with the provisions of paragraph 3.1 of the Public Administration Circular No. 2016/30 dated 29.12.2016.	Complied.		
9.6	After the lease period, full ownership of the log books of leased vehicle should have been taken over.	Complied.		
10	**Management of Bank Accounts**			

10.1	Should have prepared and certified the bank reconciliation statements on the due date and they should have submitted to audit	Complied.		
10.2	Should have settled the dormant bank accounts brought forward during the year under review or in the previous years.	Complied.		
10.3	The balances revealed through Bank Reconciliation Statements and that should be adjusted should be dealt in accordance with the Financial Regulations and those balances should have been settled within a period of one month.	Complied.		
11	**Utilization of Provision**			
11.1	Spending the provision made without exceeding their limits	Complied.		
11.2	In terms of FR 94 (1), incurring commitments without exceeding the remaining provision limit at the end of the year after utilization of the provision made	Complied.		
12	**Advance to Public Officers Accounts**			
12.1	Compliance with the limits	Complied.		
12.2	Having done a time analysis of outstanding loan balances	Complied.		
12.3	Should have settled the outstanding loan balances prevailed for more than one year	Not Complied.	Inability to recover.	Cases have been filed against two officers due to the inability of recovering the amounts.
13	**General Deposit Account**			
13.1	Lapsed Deposits should have been dealt in terms of FR 571	Complied.		
13.2	Maintaining the Control Account for General Deposits in updated manner	Complied.		
14	**Imprest Account**			
14.1	The balance of the cash book should have been remitted to the Department of Treasury Operations at the end of the year under review	Complied.		

14.2	Ad hoc Sub Imprest issued in terms of FR 371 should have been settled within one month after the completion of the purpose for which it is granted	Complied.		
14.3	In terms of FR 371 Ad hoc Sub Imprest should have been issued without exceeding the approved limit.	Complied.		
14.4	Balance of the Imprest account should be reconciled monthly with Treasury Books	Complied.		
15	**Revenue account**			
15.1	Repayments have been made from the collected income in accordance with the relevant regulations	Complied.		
15.2	Revenue collected should have been credited directly to the income without crediting to the deposit account	Complied.		
15.3	Returns of Arrears of Revenue have been submitted to the Auditor General in terms of FR 176	Not Complied.	Rubber Development Department is not a Department of collecting revenue.	
16	**Management of Human Resources**			
16.1	Maintaining the staff within the approved cadre limit.	Complied.		
16.2	The duty lists should have been provided in writing to all the members of the staff.	Complied.		
16.3	All the reports in terms of MSD Circular No. 04/2017 dated 20.09.2017 should have been submitted to the Department of Management Services	Complied.		
17	**Providing information to the public**			
17.1	Appointment of an Information Officer in terms of the Right to Information Act and Regulations and maintaining an updated register of providing information.	Complied.		
17.2	Information about the organization is provided through its website and facilitates have been provided to publish the commendations /accusations of the Public about the Organization through the website or through alternative channels.	Complied.		

17.3	Reports should have been submitted twice a year or once a year in terms of Sections 08 and 10 of the Right to Information Act.	Complied.		
18	**Execution of the Citizens' Charter.**			
18.1	Compilation and execution of a Citizen / Client Charter as per the Ministry of Public Administration and Management Circulars No. 05/2018 and 05/2018 (1).	Complied.		
18.2	As per paragraph 2.3 of the said Circular, the institutions have set up a system to monitor and evaluate the compilation and execution of the Citizen / Client Charter.	Complied.		
19	**Compilation of Human Resource Plan.**			
19.1	A human resource plan should have been prepared based on the Annexure 02 of the Public Administration Circular No. 02/2018 dated 24.01.2018.	Complied.		
19.2	A training opportunity of at least 12 hours per year should have been ensured for each member of the staff in the above Human Resource Plan.	Complied.		
19.3	Annual Performance Agreements should have been signed for the entire staff based on the format given in Annexure 01 of the above Circular.	Complied.		
19.4	Appointment of a Senior Officer with the responsibility of preparing Human Resource Development Plan, Development of Capacity Development Programmes and Implementation of Skills Development Programmes in accordance with paragraph 6.5 of the above Circular.	Complied.		
20	**Providing Answers to Audit Paragraphs.**			
20.1	Corrected the deficiencies pointed out in the audit Queries issued by the Auditor General for the previous years	Complied.		

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