



HARTI

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Hector Kobbekaduwa Agrarian Research and Training Institute

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CHAPTER ONE

Institutional Profile/Executive Summary



1.1 Introduction



About us

Hector Kobbekaduwa Agrarian Research and Training Institute established under the Agrarian Research and Training Ordinance No. 5 of 1972 is a statutory body functioning under the Ministry of Agriculture.

Promotion of policy oriented research and addressing training needs of the agricultural and rural sector are the key objectives of the institution.

As a pioneer in the field of agricultural research in the country, the institution has been serving its stakeholders since its inception. It is armed with a wide range of experience gathered by conducting socioeconomic research, training and providing information for formulation of development policies for the agricultural sector.

Vision

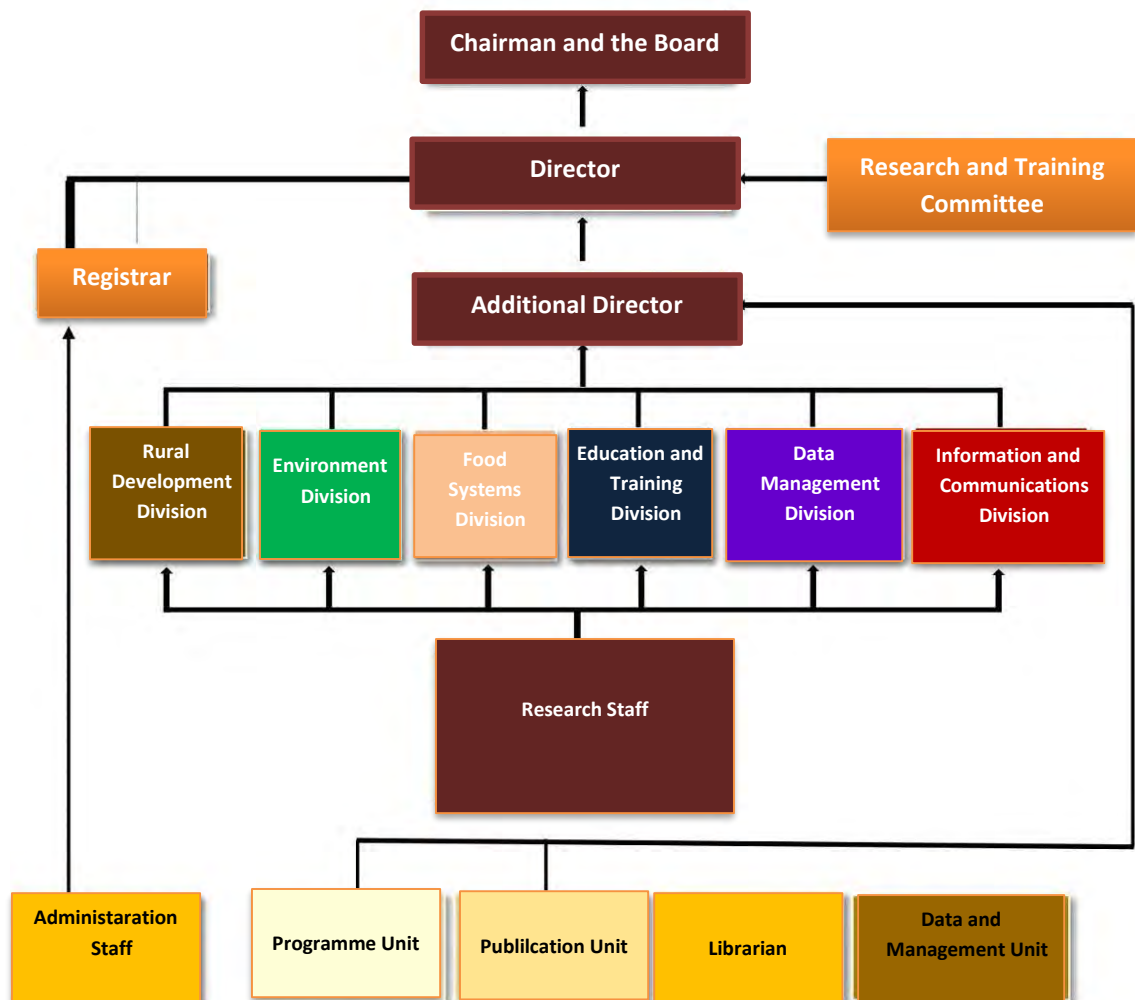
Be the leader for generating and disseminating knowledge for sustainable agrarian and rural development.

Mission

To strengthen agrarian and rural sector through conducting research and training.

1.2 Organizational Chart

Organizational Chart of the Hector Kobbekaduwa Agrarian Research and Training Institute



1.3 Directors/CEOs at HARTI (1972-2022)



Mr. Narayansami



Mr. T.B. Subhasinghe
13.09.1978



Mr. N.P.G.J. Alwis
18.06.1987 –
19.01.1984



Mr. D.P.G.
Seneviratne
28.06.1989 –
01.10.1993
16.01.2004-
11-01.2005



Mr. S.G.
Samarasinghe
30.12.1993 –
22.11.2001



Prof. M.O.A.
de Zoysa
18.04.2002-
18.03.2003



Dr. Prasanna
Corey
23.06.2005 –
08.08.2005



Mr. V.K.
Nanayakkara
21.09.2005 –
23.06.2009



Prof. Ranjith
Premalal de Silva
05.10.2009 –
22.04.2010
23.09.2019 –
16.02.2021



Mr. Lalith Kantha
Jayasekara
16.07.2010 –
26.07.2013



Mr. E.M.
Abeyratne
28.02.2012 –
22.04.2015



Mr. Haputhanthri
Dharmasena
15.04.2015 –
20.09.2017



Mr. K.W.E.
Karaliyadde
20.09.2017 –
26.06.2019



Dr. Keerthi B.
Kotagama
17.01.2019 –
20.09.2019



Mr. Malinda
Seneviratne
17.02.2021 –
22.09.2022



Dr. G.G. Bandula
From
23.09.2022

1.4 BOARD OF GOVERNORS – 2022

Name	Designation	Duration	Secretary, Ministry/ Department/ Institute or University
Mr. D.M.L. Bandaranayake	Chairman of the Board of Governors	From January 2022	Secretary, Ministry of Agriculture
Mr. M.B. Rohana Pushpakumara	Chairman of the Board of Governors	From August 2022	Secretary, Ministry of Agriculture
Mr. Gunadasa Samarasinghe	Chairman of the Board of Governors	From November 2022	Secretary, Ministry of Agriculture
Mr. Malinda Seneviratne	Board Member	From January to September 2022	Director / CEO, HARTI
Dr. G.G. Bandula	Board Member	From September 2022	Director / CEO, HARTI
Dr. S.H.A. De Silva	Board Member	From January to October 2022	Director General of Agriculture, Dept. of Agriculture
Ms. H.M.J. Illankoon Menike	Board Member	From 29/11/2022	Director General of Agriculture, Dept. of Agriculture
Mr. G.D. Keerthi Gamage	Board Member	From January to April, 2022	Land Commissioner General, Land Commissioner General's Dept.
Mr. K.D. Bandula Jayasinghe	Board Member	From April 2022	Land Commissioner General, Land Commissioner General's Dept.
Mr. W.M.M.B. Weerasekara	Board Member	From February 2021	Commissioner General, Dept. of Agrarian Development
Mr. A.H.M.L. Abeyratne	Board Member	From January 2022	Commissioner General of Agrarian Development, Dept. of Agrarian Development
Mr. (Eng) Nihal Siriwardana	Board Member	From January 2022	Director General of Irrigation, Department of Irrigation
Mrs. G.N. Liyanarachchi	Board Member	From January to July 2022	Commissioner of Dept. of Co-operative Development and Registrar of Co-operative Societies, Dept. of Co-operative Development
Mr. Keerthi Gamage	Board Member	From August to December 2022	Commissioner of Dept. of Co-operative Development and Registrar of Co-operative Societies Dept. of Co-operative Development
Dr. D.B.T. Wijeratne	Board Member	From January to April 2022	Asst. FAO Representative (Programme), FAO Office

Mr. K.P. Karawita	Board Member	From January to December 2022	Addl. Secretary (Agricultural Development - I), State Ministry of Agriculture
Mrs. Pubudika S. Bandara	Board Member		Senior Asst. Secretary (Admin), Ministry of Lands
Mrs. R.P.R. Ranasinghe	Board Member		Director (Land Acquisition), Ministry of Lands
Ms. R.A.D.R. Ranasinghe	Board Member	From January to March 2022	Director (Acting), Ministry of Finance, Economy and Policy Development
Ms. C.D. Liyanage	Board Member	From April 2022	Deputy Director, Department of Public Finance, Ministry of Finance
Mrs. Aruni S. Ranasinghe	Board Member		Addl. Secretary (Admin), Ministry of Plantation
Mrs. B.L.D. Balasuriya	Board Member		Director of Education, (Agriculture & Environmental), Ministry of Education
Mrs. R.M.C.M. Herath	Board Member	From January to October 2022	Addl. Secretary (Land and Law), Ministry of Irrigation
Mr. O.M. Jabeer	Board Member	From November 2022	Addl. Secretary (Admin), Ministry of Irrigation
Ms. Gilma Dahanayake	Board Member		Addl. Secretary, Ministry of Trade
Mr. N.A.A. Wijesiri	Board Member	From January 2022	Regional Manager, Regional Office of the Central Bank
Prof. K.A.S.S. Kodithuwakku	Board Member	From August 2022	Dean / Faculty of Agriculture, University of Peradeniya

1.5 Board of Governors Meetings – 2022

<u>Date of the Meeting</u>	<u>No. of Members Attended</u>
1. 04 th January 2022	12
2. 24 th February 2022 (Zoom)	15
3. 12 th April 2022	17
4. 06 th September 2022	15
5. 28 th October 2022	12
6. 23 rd December 2022	13

1.6 Audit and Management Committee Meetings – 2022

Number of Meetings	-	04
Date of Meetings	-	15 th February 2022 07 th September 2022 27 th October 2022 13 th December 2022

1.7 Members of the Audit and Management Committee

Name	Designation	Duration	Institute
Ms. R.A.D.R. Ranasinghe	Chairman	From January to March 2022	Director (Acting), Department of Management Services, Ministry of Finance.
Ms. C.D. Liyanage	Chairman	From April 2022	Deputy Director, Department of Public Finance, Ministry of Finance
Ms. Gilma Dahanayake	Member		Addl. Secretary, Ministry of Trade,
Ms. Aruni S. Ranasinghe	Member		Additional Secretary, Ministry of Plantation
Ms. S.A.D.N. Perera	Observer		Audit Superintendent, Auditor General's Department
Mr. E.W.G.K. Priyadarshana	Observer		Chief Internal Auditor, Ministry of Agriculture

1.8 Composition of Research and Training Committee 2022

No	Name	Designation/Establishment
1	Wijithapura Wimalaratana Prof. (Rev.)	Senior Professor Department of Economics Faculty of Arts University of Colombo
2	Abeywickrama L. M. (Prof.)	Senior Professor Department of Agricultural Economics & Extension Faculty of Agriculture University of Ruhuna
3	Aheeyar M.M.M. (Mr).	Researcher International Water Management Institute (IWMI)
4	Chandrakumara D.P.S. (Prof.)	Senior Professor Department of Economics Faculty of Humanities and Social Science University of Sri Jayewardenepura
5	Dayawansa N.D.K. (Prof.)	Professor Department of Agriculture Engineering Faculty of Agriculture University of Peradeniya
6	Dharmasena P.B. (Dr.)	Chief Scientist International Center for Research & Development
7	Dileepa M. Endagamage (Ms.)	Senior Lecturer Department of Decision Sciences Faculty of Management Studies & Commerce University of Sri Jayewardenepura
8	Fernando A.P.S. (Dr)	Senior Lecturer Department of Agricultural Systems Faculty of Agriculture Rajarata University of Sri Lanka
9	Frank Niranjan (Dr.)	Consultant Former Additional Director Sri Lanka Council for Agricultural Research Policy
10	Fredric Abeyratne (Dr.)	Consultant, Policy Initiatives Former Agricultural Economist United Nations Development Program

11	Gunathilaka H.M. (Prof.)	Consultant Former Director (Environment and Safeguard) Asian Development Bank
12	Gunawardena E.R.N. (Prof.)	Senior Professor Department of Agriculture Engineering Faculty of Agriculture University of Peradeniya
13	Keminda Herath (Prof.)	Professor Department of Agribusiness Management Faculty of Agriculture and Plantation Management Wayamba University of Sri Lanka
14	Girihagama P.H.A.P.C. (Dr.)	Senior Scientist Sri Lanka Council for Agricultural Research Policy
15	Manjula P. Sumith Magamage (Prof.)	Professor Department of Livestock Production Faculty of Agricultural Sciences Sabaragamuwa University of Sri Lanka
16	D.D. Prabhath Vitharana (Eng.)	Consultant Ex- Head of Water Management Division Department of Agrarian Development
17	Prasada D.V.P. (Prof.)	Professor Department of Agricultural Economics and Business Management. Faculty of Agriculture University of Peradeniya
18	Prasanthi Gunawardena (Prof.)	Professor Department of Forestry and Environmental Science Faculty of Applied Science University of Sri Jayewardenepura
19	Priyanga Dunusinghe (Dr.)	Senior Lecturer Department of Economics Faculty of Arts University of Colombo
20	Rupasena L.P. (Dr.)	Senior Lecturer Department of Agricultural Systems Faculty of Agriculture University of Rajatrata

21	Sooriyakumar K. (Dr.)	Senior Lecturer Department of Agricultural Economics Faculty of Agriculture University of Jaffna
22	Saman K. Herath H.M. (Prof.)	Professor Dean Faculty of Animal Science and Export Agriculture Uva Wellassa University
23	Shantha Wijesinghe (Dr.)	Senior Lecturer Department of Geography Faculty of Humanities and Social Science University of Sri Jayewardenepura
24	Thivahary Geretharan (Dr.)	Senior Lecturer Department of Agriculture Economics Faculty of Agriculture Eastern University of Sri Lanka
25	Tudor Silva (Prof.)	Professor Emeritus Department of Sociology University of Peradeniya
26	Wijeratne D.B.T. (Dr.)	Assistant Representative (Programme) Food and Agriculture Organization of the United nations

1.9 Executive Summary

At the outset of the 50th Anniversary of HARTI, it is a privilege to review the progress and the downturns of the Institute in its journey of research and training, with particular focus on the year 2022.

The Institute has been providing an invaluable service for five decades through its research and training towards making policy decisions, recommendations and making blueprints for the agrarian and rural development for the country. Its research with a socio-economic thrust and training focusing on timely needs arising in the agriculture and rural development, have been instrumental in carrying out development related work in the sector while uplifting the lives of its associated community. Further, HARTI has set an excellent example to public institutions by balancing its academic independence, professionalism and effective utilization of Treasury grants.

Extending its role in research and training, HARTI renders a significant contribution to agrarian and rural development through data management, information and communication functions. In 2022, set in a challenging post-Covid recovery phase with a severe economic crisis looming large, the Institute was able to make a remarkable intervention by engaging with local media and social media platforms to meet data, information and communication needs of the country.

It is well understood that in the midst of a host of global and domestic socio-economic and climate related challenges Sri Lanka as a country and HARTI as an organization need to outgrow in its scope and deliver rapidly to find solutions for the persistent problems affecting the agrarian and rural sector. The ultimate responsibility at this important juncture is to ensure the nation's food security while achieving environmental sustainability and raising the income of farming communities through improved productivity and export promotion. To achieve those ends, we must make an unwavering commitment to research, education, training, communication, and data management in the area of agrarian and rural development.

Chairman
Board of Governors
HARTI

Director's/ CEO's Message

The year 2022 has been a challenging year with trying circumstances and full of uncertainties. However, HARTI continues to prove its reliance in responding to the challenges and obstacles by generating timely and important research as well as delivering training programmes where needed.

We distributed research and training targets during the course of the year on three thematic areas under the newly set up divisions of Rural Development, Environment and Food Systems. We could complete 20 research projects with Treasury funds and in partnership with development agencies. Special mention should be made of several projects carried out on behalf of the World Food Program (WFP). Those projects became an eye-opener to the real food and nutritional status of people living in the midst of financial difficulties and to recommend actions to be taken by decision-making authorities. Another, key area addressed in our research was sustainable management of human-wildlife conflict—a pressing problem of national importance-- while working along with governmental and non-governmental organizations, academics and researchers.



The Education and Training Division and the Data Management Division performed their functions with greatest commitment to serve the farming communities and citizens, amidst travel restrictions. Another milestone in the year 2022 was launching of the general read – Govimina—a newspaper dedicated to agriculture, by the Information and Communication Division (ICD). The YouTube channel started in the same year has reached nearly 4,000 subscribers, having more than 35 videos uploaded within a short period of time. It has become a popular resource to gain new knowledge on agri entrepreneurship and begin new ventures for income generation. Setting up of the virtual agriculture photo library was another feat achieved by the ICD.

I wish to extend my sincere appreciation to the Board of Governors, Research and Training Committee and Audit and Management Committee, who always supported us in our achievements, and the Government institutions, international organizations and the private sector that provided funding for research, training, education, data management and information and communication activities.

Having crossed the 50th milestone this year I wish to add best wishes to HARTI in its research journey and it be endowed with more strength and commitment to forge ahead to make crisis an opportunity for achieving the short and long term goals.

Dr. G. G. Bandula
Director/Chief Executive Officer

CHAPTER 02

Progress and the Future Outlook, Special Achievements, Challenges and Future Goals

2.1 Restructuring of Research Divisions

Hector Kobbekaduwa Agrarian Research and Training Institute marked its 50th anniversary last year. It was a window of opportunity to review the role of the organization over the past half a century and re-formulate our corporate strategy on par with complex and rapid changes occurring in the local as well as global spheres. Accordingly, a well-coordinated and holistic approach is now in place binding together research, training, education, data management, communication, administration and human resources, strategy and planning to transform the knowledge generated for the betterment of the agrarian sector.

Three main research areas were established based on the research thrusts of the institute and timely issues in the field of agriculture. The end goal of setting up those research divisions was to improve the quality of life and economic well-being of people living in rural areas, who depend on agro-based livelihoods by increasing the productivity of food systems subject to environmental intensification principles. Accordingly, the Environmental Division, Food Systems Division and Rural Development Division were established.

Furthermore, training and creating awareness is another responsibility assigned to the institution since its inception. The Education and Training wing was established to expand the educational courses that were previously reserved for training of trainers. The Publication Unit, which was largely confined to publishing, transformed into the Information and Communication Division, harmonizing traditional and novel forms of communication, broadening its scope while targeting a diverse audience. The Data Bank and Data Processing Units were combined and reformulated as the Data Management Division. Accordingly, the academic work of the institute was assigned under six main divisions.

1. Environment Division
2. Food Systems Division
3. Rural Development Division
4. Education and Training Division
5. Data Management Division
6. Information and Communication Division

2.2 Achievements, Challenges and Goals

1. Networking

- Since 2021 HARTI has been strengthening its academic and training partnerships by entering into agreements with institutions related to agricultural research and academic activities.
- Accordingly agreements were signed with seven agricultural faculties to enter into academic and research collaborations with all universities in the island where agricultural faculties are established.
- Further, linkages were established with the University of Sri Jayewardenepura, University of Kelaniya and Wickramarachchi Ayurveda University and institutes.

2. Research Partnerships

We also entered into contracts for partnership research with external aid agencies to expand the research functions as identified by the Consolidated Fund for Research of the Treasury.

3. Focusing on case studies that contributed to making nationally important policy decisions in the years 2021 and 2022.

Eg. Food security, use of chemical fertilizers, wildlife damage

4. Implementation of an incentive scheme to encourage externally funded projects

5. Due to the fuel crisis, the field work was interrupted in the middle of the year. Collecting data in most studies based on field surveys were severely hampered.

6. The existence of many vacancies in the research staff, especially the posts of Research Officer, Statistical Officer and Statistical Assistant and those in the Administrative Division which provides support to research, posed a challenge to the implementation of the Annual Action Plan.

7. The government's procurement of goods was suspended in 2022, this move particularly halted in the absence of a computerized deficit.

Goals

- Carrying out organizational functions using Cloud system to efficiently maintain the administrative and financial affairs of the organization
- Developing a more effective evaluation procedure for the research and non-research staff of the institute.
- Creating a paperless environment within the institution.

2.3 Research Progress

Addressing Current Issues in the Field of Agriculture

Under the newly established three research divisions--Rural Development, Environment and Food Systems-- studies were conducted under three nationally important research topics in the field of rural and agriculture in 2022. This year, the

findings and recommendations obtained from these research were forwarded to the policymakers and other stakeholders in the field.

Effects of Economic Crisis on Household Food Security In Sri Lanka- 2022

HARTI POLICY BRIEF
December 2022



Hector Kobbekaduwa Agrarian Research and Training Institute, Colombo, Sri Lanka¹

In Collaboration with



World Food Programme, Sri Lanka



¹ N.P.G.Samantha, Prasanna Wijesinghe, Roshini Rambukwella, Ruvini Vidanapathirana, Nalaka Wijesooriya, Jayamini Champika, Raveena Udari, Anupa Dissanayake, Sangeeth Fernando, M. Dilini D. Perera

01. Impact of the economic crisis on household food security

Among many economic and social problems that have intensified in the past few years, the issues related to food security have received high attention from local and global policymakers, academics, and the general public. From the last quarter of 2021, the prices of food items continued to rise rapidly owing to import restrictions on essential food items and agricultural inputs, reduced production, shortage of foreign exchange, declining investments and war conditions in foreign countries. Those issues have a direct impact on food security.

By August 2022, food inflation was at a record high of 94%. Although Sri Lanka has made significant progress in ensuring domestic food security in the last few decades a serious threat to food security was looming large at national and household levels. Although hunger is the short-term result of food insecurity, it has many negative consequences in the long run.

In line with the Sustainable Development Goals, ensuring food security is critical to battling hunger and poverty in Sri Lanka, while improving the well-being of the people, the productivity of the workforce, and reducing long-term health and nutritional problems. Accordingly, for ensuring food security of the people of Sri Lanka and to increase resilience of the country's food system and household units, a policy approach that covers all aspects with short-term and long-term strategies was a dire need. This study was conducted to examine the impact of the economic crisis on household food security in Sri Lanka covering rural, urban, and estate sectors.

02. Recent Policy Changes in Fertilizer and Other Agrochemical Imports: Short-Term Effects on Agricultural Production and Farming Communities

On May 6 2021, the government imposed a ban on the import of chemical fertilizers and agrochemicals into the country. In the face of heightened opposition to the move, on July 31, 2021, the government eased restrictions by permitting the private sector to import chemical fertilizers under specific licenses.. Given the national significance of this issue this research was subsequently designed to investigate the direct and indirect impacts of recent changes in fertilizer policy on agricultural production, household economies, food security, and the overall well-being of farming communities.

In collaboration with the United Nations World Food Program (WFP), HARTI conducted a national representative survey involving 3346 farmers. The aim was to assess the short-term effects of the aforementioned policy decision on the production sectors of vegetables, other field crops, potatoes, and cut and ornamental plants.

The study revealed five key findings of utmost significance:

- I. The sudden shift in the fertilizer policy has resulted in a decrease in the amount of cultivated land.
- II. All crop types, regardless of growing area, experienced a reduction of over 50 percent in average yield.
- III. The majority of farmers applied at least one type of chemical fertilizer, albeit in quantities below the recommended levels.
- IV. Most farmers believed that the availability of quality fertilizers at a reasonable price was more important than receiving subsidies.
- V. The unavailability of quality organic fertilizers in time, lack of information and knowledge on the adoption of organic farming, and the absence of regulations pertaining to fertilizer quality and prices have adversely affected the farmers.

The survey findings indicate that over-reliance on imported chemical fertilizers and provision of fertilizer subsidy are unsustainable from both economic and environmental standpoints. Further, it was stressed that transition from traditional farming –in which chemical inputs form a large part-- to organic farming should be a gradual process.



03. Agrarian -wildlife conflict



Agrarian-wildlife conflict, a major farming problem in Sri Lanka, has many adverse effects on the lives of farmers, farming activities and the ecosystem. It is an extremely acute problem in certain parts of the island and various parties have emphasized the need to reach effective policy decisions to manage the conflict. Lack of background information to analyse the problem from different dimensions was a serious drawback in this regard. Accordingly, the institution engaged in various related academic activities in 2022.

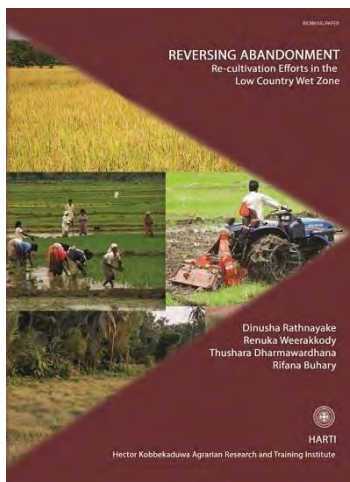
A main task was to compile a report by analysing the data collected by the Department of Agrarian Development at the level of the agrarian service centres. The analysis covered 464 (83%) agrarian service centre areas with regard to animal damages in the 2021/22 maha season and the report compiled by the institute is a qualitative assessment of the wild animals damaging crops cultivated in those areas and the a rough financial assessment on the intensity of the damage caused.



Studies completed

Twenty eight research studies-- eight studies conducted in 2022 and 20 studies that were due in 2021-- were completed in 2022.by the three research divisions of the institute.

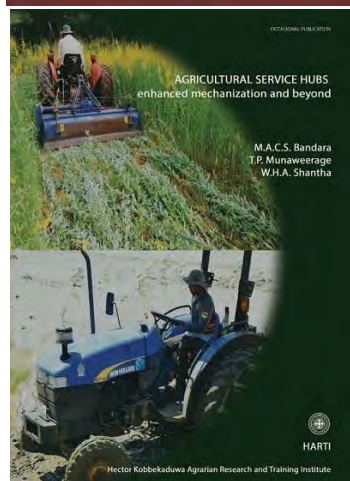
The following 16 research reports/ working papers completed at the end of 2021 were published in 2022.



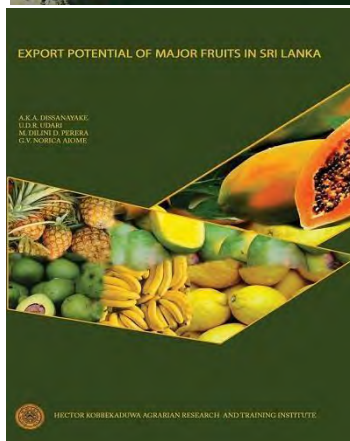
1. Agricultural Extension and Advisory Service in the Food Crop Sector in Sri Lanka: Challenges, Issues and Options.

2. Active Paddy Land Use through Organic Rice Cultivation and Youth Participation

3. Success of Re-Cultivation Efforts in Abandoned Paddy Lands in Low Country Wet Zone

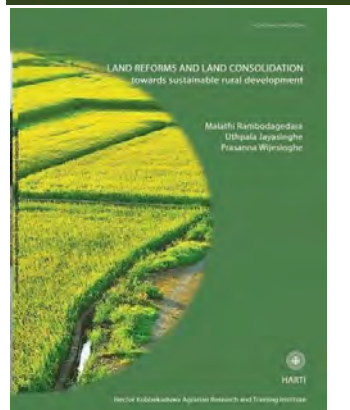


4. Initiating Farm Mechanization through Agricultural Service Providing Hubs run by Local Agri-entrepreneurs: Challenges and Opportunities.



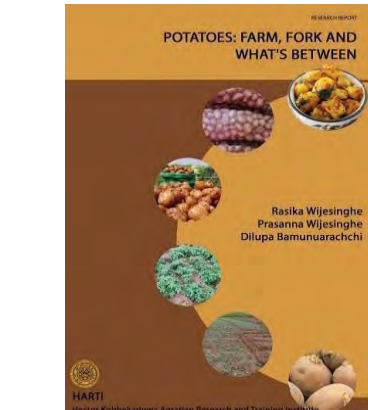
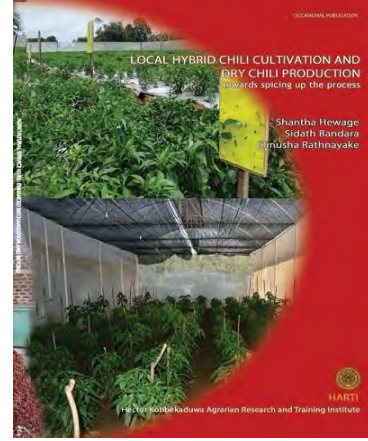
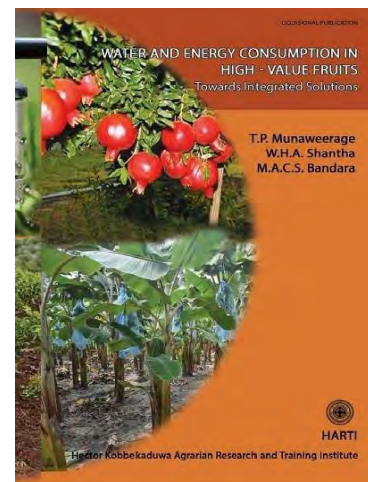
5. Land Reforms and Land Consolidation: Towards Sustainable Rural Development

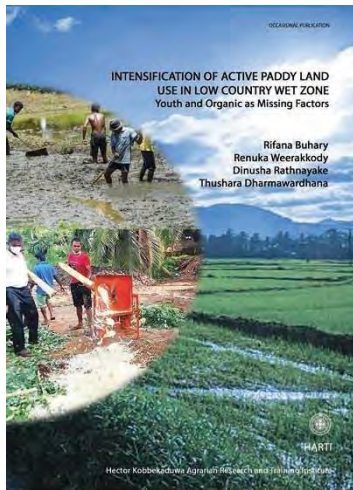
6. Integrated Solutions for Water and Energy Consumption in Selected High Value Fruit Crop Production in Sri Lanka.



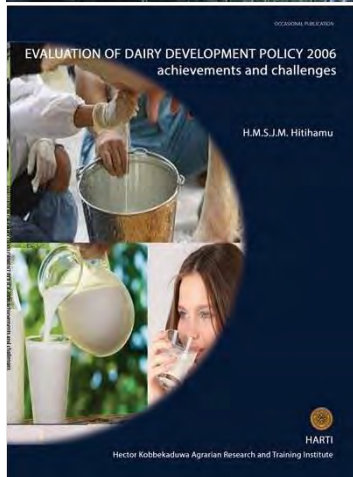
7. Commercialization of Organic Fertilizer Production: Issues and Prospects

8. Evaluation of 2006 Dairy Development Policy in Sri Lanka.

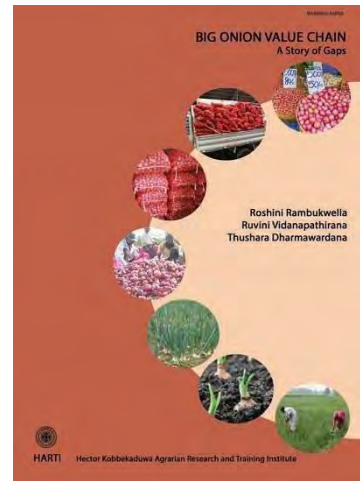




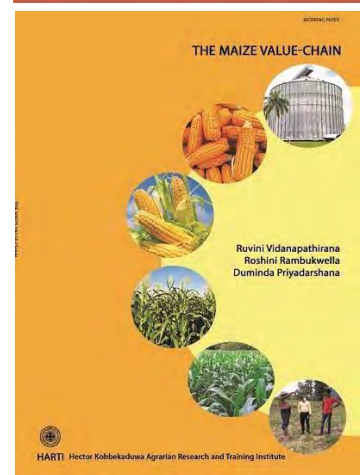
9. Production and Marketing Trends of Chilie in Sri Lanka



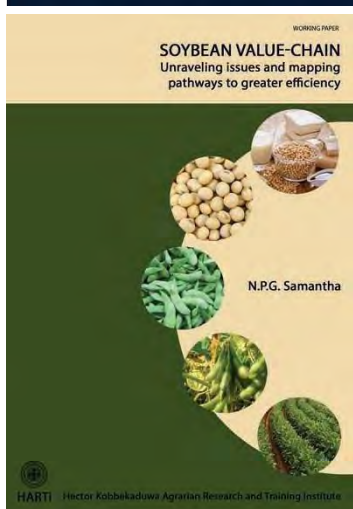
10. Production and Marketing of Big Onion in Sri Lanka: A Value Chain Analysis



11. Maize Value Chain Analysis: Status, Constraints and Opportunities in Feed and Food Industry

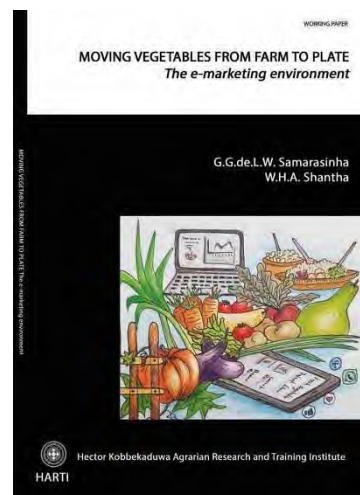


12. Modern Vegetable Value Chains of Sri Lanka which Use Online Sales Methods



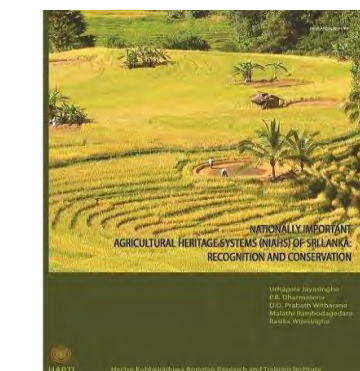
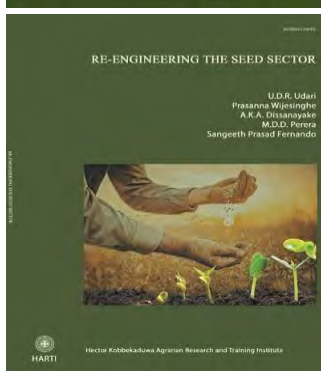
13. Potato Value Chain: Status, Challenges and Opportunities

14. Value Chain Analysis for Soybean



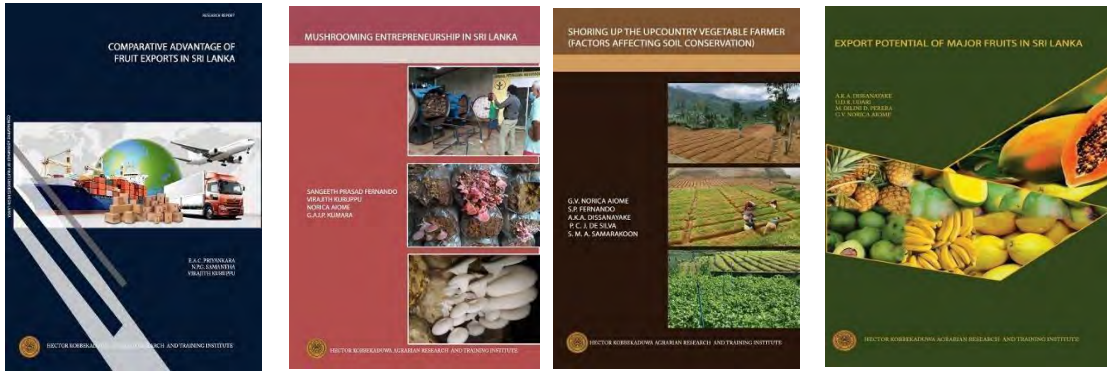
15. Seed Sector in Sri Lanka: Performance, Potentials and Strategies: The Way Forward.

16. Nationally Important Agricultural Heritage Systems (NIAHS) of Sri Lanka: Recognition and Conservation.



Research Completed in 2022

The following research studies completed in the year 2021 were published in the year 2022.



1. Comparative Advantage and Export Competitiveness of Selected Food Commodities
2. Promoting Mushroom Industry through Farm Entrepreneurship in Sri Lanka
3. Factors Determining Soil Conservation Practices used in Upcountry Vegetable Farming in Sri Lanka
4. Export Potentiality of Major Fruits of Sri Lanka: An Economic Analysis of Sri Lanka

Similarly, draft reports and policy recommendations of eight research studies identified in the 2022 revised action plan were also presented at the end of 2022. In 2022, Rs. 7.47 million was allocated from the Consolidated Fund for research studies. In order to carry out the field work more successfully, for seven research studies, the World Food Program of the United Nations has funded Rs. 9.1 million.

The findings and recommendations have been presented in various programs in which the researchers participated. Policy briefs containing key findings and recommendations of the study have been published.

Background

In May 2022, Government of Sri Lanka issued the Import and Export (Control) Regulations No. 7 which banned importation of chemical fertilizers and other agricultural products. The objective was to make agricultural systems more financially and environmentally sustainable. This ban has created a sense of uncertainty and stress among farming communities who have been accustomed to import various agricultural products from the Subcontinent. The government lifted the ban on importing chemical fertilizers on 10 September 2022, allowing the avenue for farmers to resume importing chemical fertilizers, but as a result of foreign exchange shortages and high international market prices, fertilizer importation has not restored the volume of imports that was observed before the ban was lifted.

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Background

The government of Sri Lanka issued the Import and Export Regulations No. 7 of 2022 which banned the import of chemical fertilizers and other agrochemicals. The objective was to promote organic agriculture in order to improve soil health and environmental sustainability. However, the ban on chemical fertilizers and other agrochemicals has led to a significant reduction in paddy yields. This report aims to assess the short-term effects of the ban on the paddy sector.

Key Findings:

- 9 percent reduction in paddy yield (average)
- 62 percent average pounds per acre
- 84 percent loss of paddy yield per acre
- 77 percent of farmers reported to experience stress
- 3 percent of farmers reported to experience stress

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Background

In April 2022, the Sri Lankan government imposed a ban on the import of agricultural fertilizers with the aim of promoting a sustainable and low-carbon agricultural system. The ban on chemical fertilizers and other agrochemicals, resulting in 2022, has a significant impact on the volume of imports of these products. This report aims to assess the short-term impact of the ban on selected OFCs and potato crop.

Key Findings:

- 26% Reduction in extent cultivated
- 52% Loss of total average yield
- 76% Farmers' response to agrochemicals as the main reason for yield reduction
- 57% Growth of organic fertilizer users

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Further, a workshop will be held to inform the stakeholders on the findings and recommendations of the studies. This information will also be communicated on print and electronic media.

01. Import Ban on Chemical Fertilizers and Other Agrochemicals: Short-term Impacts on the Paddy Sector

Source of Funding: Consolidated Fund and World Food Programme

Research Team: Sidath Bandara, Rifana Buhari, Malathi Rambodagedara

Research Objective:

To identify the short-term effects and consequences of the fertilizer policy changes on rice production, household economy and food security.

Sustainable Development Goal:

Goal 2 – End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Key Findings:

- I. Five percent reduction in the paddy extent cultivated was recorded. This was either by temporary suspension of cultivation or farmers deciding to cultivate smaller extents than usual. However, only eight percent of farmers reported this reduction.
- II. The average yield per acre of paddy has declined by 53%, with a majority of farmers reporting a yield decline of more than 50%. Farmers cited non-availability of chemical fertilizers in required quantity and failure to apply chemical fertilizers in time as the reasons for crop loss.
- III. A significant number of paddy farmers believed that the government's immediate shift to an organic farming policy is unrealistic in terms of obtaining an adequate supply of plant nutrients in a context where most paddy farmers prefer chemical inputs.

Key Recommendations:

- I. A move towards full organic farming is neither desirable nor sustainable as it can lead farm returns to dwindle and various threats to food security through reduced yields and abnormally high input prices.
- II. Sri Lanka needs a more environmentally and economically sustainable fertilizer policy, but extreme solutions such as a complete ban or restriction of imports through licensing are not optimal in the short term and planning should be done through a comprehensive approach, considering market behavior both domestically and internationally.



02. Import Ban on Chemical Fertilizers and Other Agrochemicals: Short-term Impacts on Vegetables

Source of funding: Consolidated Fund and United Nations World Food Programme

Research Team: Thilani Padmajani Munaweera, Chinthaka Jayasooriya, Dinusha Ratnayake

Research Objective:

To identify short-term impacts of recent chemical fertilizer and other agrochemical import policy changes on vegetable production, household economy and food security.

Sustainable Development Goal addressed:

Goal 2 – End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Key Findings

- I. An abrupt shift in fertilizer policy led to a notable 21% reduction in the vegetable cultivated area, accompanied by a significant decrease of over 50% in average yield, irrespective of the crop type or cultivation area.
- II. A large majority (95%) of vegetable farmers attributed the low yield to scant availability of chemical inputs.
- III. Absence of timely availability of quality organic fertilizers, the presence of substandard and expensive chemical fertilizers, along with inadequate knowledge to transition into organic farming, have adversely impacted the farming sector.



Key Recommendations:

- I. Over-reliance on imported chemical fertilizers and the provision of subsidized fertilizers are economically and environmentally unsustainable, hence a gradual process to transform the traditional farming system should be initiated.
- II. Efforts should be directed towards generating new knowledge and educating farmers regarding alternative nutrient management techniques and integrated pest and disease management.

03. Import Ban on Chemical Fertilizers and Other Agrochemicals: Short-term Impacts on Selected OFCs and Potato Crop

Source of Funding: Consolidated Fund and United Nations World Food Programme

Research Team: Dinusha Ratnayake, Thushara Dharmawardhana, Shantha Hewage

Research Objective:

To identify the short-term effects and consequences of the fertilizer policy changes on selected other field crops and potato production, household economy and food security.

Sustainable Development Goal

Goal 2 – End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Key Findings

- I. Overall, 36 percent of farmers stated that the extent of crops cultivated was reduced after the policy change. The total cultivated extent declined by 26 percent compared with the previous season. According to the crop breakdown, chilli had the highest decline (31%), followed by maize (25%), big onion (25%) and potato (16%).
- II. The results confirmed that 64 percent of the farmers' yields declined by more than half (50%) after the policy change. The highest yield reduction was observed in maize (68%) and the lowest in chilli (43%).
- III. Only one percent of farmers are willing to use complete organic inputs in crop production. Overall, the majority of farmers (56%) preferred chemical fertilizers while 43 percent prefer a combination of organic and chemical fertilizers.



Key Recommendations:

- I. It is advisable to pursue a balanced and well-planned amalgamation of conventional and organic-based agricultural practices, coupled with fertilizer policies that are both environmentally and economically sustainable.
- II. A gradual reduction in the use of chemical inputs should be implemented alongside a long-term strategy to guarantee a sufficient availability of organic fertilizers and other viable organic-based alternatives. This approach ensures a sustainable transition while maintaining agricultural productivity.

04. Import Ban on Chemical Fertilizers and Other Agro Chemicals: Effects on Floriculture

Source of Funding: Consolidated Fund and United Nations World Food Programme

Research Team: Geethani Samarasinha, Rifana Buhari,
Thushara Dharmawardhana

Research Objective:

To identify the short-term effects of the ban on the import of chemical fertilizers and other agrochemicals on ornamental plant and cut flower farming communities in Sri Lanka.

Sustainable Development Goal related to research:

Goal 2 – End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Key Findings

- I. The scarcity and elevated cost of certain plant micronutrients and other agricultural chemicals is presenting significant obstacles to farmers engaged in floriculture industry. Consequently, around 86 percent of farmers have had to downsize their operations, leading to a substantial decrease in household income derived from floriculture.
- II. Most of the sample farmers (92 percent) are of the view that most of the organic fertilizers and agro-chemicals currently available on the market are of inferior quality and therefore not very effective.
- III. Non-availability of quality organic fertilizers at the required time, substandard and expensive chemical fertilizers and lack of basic knowledge required to transition to organic farming have affected the cultivation of cut flowers and ornamental plants.



Key Recommendations

- I. The relevant authorities should consult with flower growers to identify essential plant nutrients, plant hormones and other agrochemicals for cut flower and ornamental plant cultivation and intervene to ensure that these products are available in the market in sufficient quantities.
- II. The existing regulatory mechanism should be further strengthened to ensure the quality of fertilizers (organic and chemical) and other agrochemicals in the market.

05. Study on the Impact of the Current Economic Crisis on Household Food Security in Sri Lanka – Rural Sector.

Source of funding: Consolidated Fund and World Food Programme.

Research Team: Nalaka Wijesuriya, N. P. G. Samantha,
Prasanna Wijesinghe, Roshini Rambukwella,
Ruwini Vidanapathirana, Jayamini Champika,
U. D. R. Udari, Anupa Dissanayake, Sangeeth Fernando,
Dilini Perera.

Research Objective:

To assess the effects of high food prices on food security levels in rural households to understand present buying behavior, change of consumption, and coping strategies to take proper interventions with suitable food safety net programmes.



Specific Objectives

- 1) To explore household food consumption patterns
- 2) To assess the effects of rising food prices on household food security and nutrition
- 3) To investigate coping strategies adopted by households during times of food price hikes
- 4) To suggest strategies to mitigate the vulnerability and shape food safety nets effectively.

Sustainable Development Goal Related to the Research

Goal (2)- End hunger, improve food security and nutrition and promote sustainable agriculture.

Key Findings

- I. By October 2022, 46 percent of households were moderately and eight percent were severely food insecure. In the rural sector, acute food insecure households were six percent and moderately food insecure households were 46 percent.
- II. Overall, the majority of households (62 percent) reported having an acceptable level of food consumption. Households that did not consume an adequate diet in the fourth quarter of 2021 constituted 3.4 percent and by the fourth quarter of 2022 it has risen to 38 percent.
- III. In response to the ongoing economic crisis, 63 % of households were reported to regularly use food-based coping strategies. Among them, consuming less preferred foods was reported as the main coping strategy (67%) followed by limiting the amount of food (37 %).

Key Recommendations

- I. Government, humanitarian and development partners should strongly intervene to provide cash-based or direct food assistance to moderately and severely food-insecure households through existing social safety nets. Provision of supplementary food should be continued targeting small children, lactating mothers, and pregnant mothers.
- II. The import restrictions on essential food items should be relaxed, marketing channels should be developed, and agricultural inputs should be strengthened through subsidized prices to increase availability and affordability of food.
- III. A food safety monitoring system that facilitates periodic updating of key indicators related to food and nutrition safety and monitoring of food and nutrition safety status and implementation of related programs needs to be established.

06. Study on the Impact of the Current Economic Crisis on Household Food Security in Sri Lanka – Urban Sector

Funding Source: Consolidated Fund and the World Food Programme

Research Team: Roshini Rambukwella, N. P. G. Samantha,
Prasanna Wijesinghe, Nalaka Wijesuriya,
Ruwini Vidanapathirana, Jayamini Champika,
U. D. R. Udari, Anupa Dissanayake,
Sangeeth Fernando, Dilini Perera

Research objective

To assess the effects of high food prices on food security level at urban households to understand present buying behavior, change of consumption, and coping strategies to make interventions with suitable food safety net programmes.

Specific Objectives

- 1) To explore household food consumption patterns
- 2) To assess the effects of rising food prices on household food security and nutrition
- 3) To investigate coping strategies adopted by households during times of food price hikes
- 4) To suggest strategies to mitigate the vulnerability and shape food safety nets effectively.

Research Related Sustainable Development Goal:

Goal (2)- End hunger, improve food security and nutrition, and promote sustainable agriculture.



Key Findings

- I. Nearly half of the households in the urban sector are moderately food insecure, which is a low-risk situation compared to other sectors. Various food and financial assistance programs functioning through non-governmental organizations and institutions in the urban sector are the key strength.
- II. In the urban sector, 81 percent had an acceptable level of food consumption and 3.6 percent did not consume enough food; 40 percent of households never consumed iron-rich foods during the survey period.
- III. Due to the ongoing economic crisis, a majority (63%) of households used food-based coping strategies-- consuming less desirable foods, limiting the amount of food.

Key recommendations

- Government, humanitarian and development partners should strongly intervene to provide cash-based or direct food assistance to moderately and severely food-insecure households through existing social safety nets. In order to ensure food and nutrition security in family units with small children, lactating mothers, and pregnant mothers, the provision of supplementary food should be continued.
- In order to increase the availability of local food and provide them at an affordable price, the import of essential food items should be relaxed, marketing channels should be developed, and agricultural inputs should be strengthened through subsidized prices.
- It is important to establish a food safety monitoring system that facilitates periodic updating of key indicators related to food and nutrition safety and monitoring of food and nutrition safety status and implementation of related programs.

07. A Study on the Impact of the Current Economic Crisis on Household Food Security in Sri Lanka – Plantation Sector.

Funding Source: Consolidated Fund and the World Food Programme.

Research team: N.P.G. Samantha, Nalaka Wijesooriya, Prasanna Wijesinghe, Ruwini Vidanapathirana, Roshini Rambukwella, Jayamini Champika, U. D. R. Udari, Anupa Dissanayake, Sangeet Fernando, Dilini Perera.

2 ZERO HUNGER



Research objective

To assess the effects of high food prices on food security levels at urban, rural, and estate households to understand present buying behavior, change of consumption, and coping strategies to take proper interventions with suitable food safety net programmes.

Specific Objectives

- 1) To explore household food consumption patterns
- 2) To assess the effects of rising food prices on household food security and nutrition
- 3) To investigate coping strategies adopted by households during times of food price hikes
- 4) To suggest strategies to mitigate the vulnerability and shape food safety nets effectively.

Research Related Sustainable Development Goal:

Goal (2) End hunger, improve food security and nutrition and promote sustainable agriculture.

Key Findings

- I. By October 2022, nearly half of the households are found to be moderately and eight percent were severely food insecure. The estate sector is highly vulnerable, with 17 percent of acutely food insecure households and 50 percent of moderately food insecure households.
- II. In the estate sector, 18 percent did not consume enough food and the amount of acceptable food consumption was lower compared to other sectors (44 %). Also, during the survey period, seven percent of households in the estate sector never consumed protein-rich foods, and 78 percent never consumed iron-rich foods.
- III. Majority of households (63%) regularly used food-based strategies. Of them, many consumed less preferred food while to the rest limited the amount of food.

Key recommendations

- Government, humanitarian and development partners should strongly intervene to provide cash-based or direct food assistance to moderately and severely food-insecure households through existing social safety nets. In order to ensure food and nutrition security in family units with small children, lactating mothers, and pregnant mothers, the provision of supplementary food should be continued.
- In order to increase the availability of local food and provide them at an affordable price, the import of essential food items should be relaxed, marketing channels should be developed, and agricultural inputs should be strengthened through subsidized prices.
- It is important to establish a food safety monitoring system that facilitates periodic updating of key indicators related to food and nutrition safety and monitoring of food and nutrition safety status and implementation of related programs.

08. Income Diversification as a Sustainable Livelihood Strategy for Rural Development: An Assessment of Optimal Conditions

Source of Finance: Consolidated Funds

Research Team: Uthpala Jaysinghe, Sagarika Hitihamu,
Rasika Wijesinghe, Norica Aiome



Objectives:

This study was conducted with the objective of assessing the optimal conditions required in a particular rural setting to promote income diversification as a sustainable livelihood strategy for rural development.

Sustainable Development Goal related to research: Goal (1) Eradication of poverty.

Major Findings

- I. Based on the micro data of the Household Income and Expenditure Survey (HIES) for 2019 and 2013 collected by the Department of Census and Statistics, major determining factors for income diversification were: age of the household head, level of education of the household head, number of members in the household, number of workers in the household who are above 15 years, number of members suffering from chronic illness or disability, district, gender of household head, indebtedness, and ownership of agricultural lands and ownership of livestock.
- II. Considering the major income diversification initiatives implemented in Sri Lanka for the last 15 years starting from 2006, having a well-structured project structure at national and regional level, provision of assistance to a large number of households, and availability of Island wide network were identified as key strengths.
- III. Poor focus, lack of transparency, corruption, frequent changes in leadership and external influences in selecting leadership rather than focusing on leadership qualities, and poor addressing of actual needs of beneficiaries were found to be major weaknesses.

Key Recommendations

- I. Proper planning as to how the income diversification programme would achieve key social, economic and environmental sustainability factors at the initial planning stage and during monitoring and evaluation stages should be done.
- II. Emphasis should be given to key determinants identified during beneficiary selection and their impact on sustainable project implementation should be evaluated.
- III. During project design, implementation, and monitoring and evaluation stages a clear plan should be drawn up to address potential macro and micro environmental issues and beneficiaries should be well-trained to thrive in a crisis situation, using diverse coping or diversification mechanisms.

09. Factors Affecting Soil Conservation Practices (Shoring up the Upcountry Vegetable Farmer)

Source of Funding: Consolidated Fund

Research Team: G.V.N. Aiome, S.P. Fernando, A.K.A. Dissanayake,
P.C.J. De Silva, S.M.A. Samarakoon

Objective:

A major objective of the study is to identify the factors affecting soil conservation practices and the relationship of values and beliefs to determine the soil conservation practices used in upcountry vegetable farmers in Sri Lanka.

Sustainable Development Goals related to the research

Goal 1. End poverty in all its forms everywhere

Goal 13. Take urgent action to combat climate change and its impacts.



Major findings

- I. Most vegetable farmers' mainstay was agriculture. Sloping lands accelerate the top soil erosion. Poorly drained fields or those within lowlying areas can become water logged during periods of excessive rains. Such conditions cause diseases, reduce plant health and yield. A major form of environmental damage associated with agriculture is land degradation; particularly intensive vegetable cultivation practices have caused soil erosion on the steeply sloping lands of Central Hills.
- II. Soil conservation practices adopted by farmers were assessed according to the DOA recommendations. In soil conservation, most of the farmers follow at least one method of soil conservation. Organic manure application and terracing are the most popular conservation methods.
- III. Varied soil conservation techniques are practiced in the study area: biological, cultural and structural conservation methods. Structural techniques and incorporating organic manure as amendments are popular among the farmers in the study area. Adding organic amendments is a positive impression on soil health.

Major Recommendations

- I. Farmers in the districts of Nuwara Eliya and Kandy are mainly engaged in intensive vegetable cultivation and fallowing period is not much popular for soil fertility regeneration. Soil health can be restored by applying organic manure directly after harvesting.
- II. Encouraging the use of micro irrigation systems for intensive vegetable cultivation in Upcountry is a timely move to replace methods that accelerate top soil erosion. Training programmes and seminars can help farmers with latest technical know-how on water application.

- III. It is important to develop an off farm -soil erosion control system monitored by agrarian research and production assistants and provide training on integrated soil conservation methods towards conserving off- farm water management.

10. Export Potential of Major Fruits in Sri Lanka.

Source of Funding: Consolidated Funds

Research Team: A.K.A. Dissanayake, U.D. R. Udari
Dilini Perera, G.V.N. Aiome

Objective

To analyze the current export performance, export potential and to identify factors inhibiting exportation to suggest policy measures to enhance the fruit export industry in Sri Lanka.

Sustainable Development Goal related to research:

Target 2.3: Double the productivity and incomes of small-scale food producers



Key Findings

- I. According to the Balassa's Index of revealed comparative, papaw and pineapple have retained the comparative advantage as RCA values are greater than one, during the study period 2010 – 2020. Further, Balassa's RCA index values for papaw remained the highest throughout the study period.
- II. The American region was the preferred destination for Sri Lanka's major fresh and processed fruit exports followed by the Middle East and South Asia. The results depict that Sri Lanka has not tapped more than 50 percent of its potential in the Oceania (79.36%), Europe Export Potential of Major Fruits in Sri Lanka (77.03%) and Asian regions (68.08%).
- III. Quality standards play a significant role in maintaining the quality of the exportable fresh fruit produce. Majority of the surveyed farmers (80 %) were aware of quality standards. However, the majority (73 %) of the surveyed fruit farmers do not have a quality certificate.

Key Recommendations

- I. Commercial cultivation of suitable fruit varieties should be encouraged to achieve higher gains. Nucleus commercial farmer with an out-grower model is recommended to enhance the exportable fruit supply. In the first stage, this model can be used for most potential fruit crops such as pineapple, banana, papaya, and mango. When applying this model government can provide facilities like arable lands, financial assistance, and technical support to potential fruit farmers.

- II. A close linkage should be established between farmers and fruit exporters to guarantee reasonable prices to farmers and supply quality products to export destinations.
- III. Farmers should be correctly directed from cultivation to reach the export market by establishing a mechanism to build linkages among responsible and related institutes to work together with a purpose.

11. Promote Mushroom Industry through Farm Entrepreneurship in Sri Lanka

Source of Finance: Consolidated Fund

Research Team: S.P. Fernando, I.V. Kuruppu, G.V. Norica Aiome,
G.A.I.P. Kumara



Research objective

Assessing farmers' entrepreneurial behavior and emerging agribusiness opportunities to strengthen rural farming economy and food security by uplifting the local mushroom industry

Key Findings

- I. The majority of mushroom entrepreneurs were women (57%) and around half of them were in the age group of 31 to 45 years. This shows that the mushroom industry is popular among young women. However, the majority of farmers in the sample (73.4%) showed a low level of entrepreneurial behavior.
- II. Farmers with high entrepreneurial behavior produce a significant mushroom production (about 2,600 kg) per year, while the produce of farmers with low entrepreneurial behavior was 1,840 kg per year. Furthermore, the net income/profit of less entrepreneurial farmers from 1,000 bags of mushroom cultivation per cycle is Rs. 39,040/= for which farmers showing high entrepreneurial behavior (Rs. 57,000).
- III. Poor rapport between the stakeholders and lack of the government intervention are the major problems. Lack of good training on the cultivation has also created many problems.

Key recommendations

- I. To develop the entrepreneurship of mushroom producers, programs nurturing entrepreneurial skills should be formulated. Basic aspects of mushroom cultivation, pests and diseases, value added products of mushroom cultivation should also be covered under training. The government should play a major role by creating a public-private orientation with a formal follow-up.
- II. A national level database containing information of all stakeholders involved in the mushroom industry should be set up with government intervention.
- III. Virtual and physical platforms inclusive of all stakeholders in the mushroom value chain (producers, retailers, collectors, processors and consumers), mushroom cultivation societies, private and non-governmental organizations

involved in the mushroom industry.) should be set up with government intervention. A dedicated 'YouTube' channel and web page should be set up for mushroom, which will be a platform to share news and information about the mushroom industry in Sri Lanka.

12. The comparative advantage of Sri Lankan fruit exports

Source of Finance: Consolidated Fund

Research Team: E.A.C. Priyankara, N.P.G. Samantha, Virajit Kuruppu

Sustainable Development Goals Related to Research: Poverty Alleviation

Research Objective:

To assess the comparative advantage of export of fruit in Sri Lanka, measure the level of comparative advantage, identify major competitors of Sri Lanka in the international fruit trade, and explore possible potentials.

Specific Objectives

- i. To calculate and determine the level of comparative advantage of fruit crops.
- ii. To investigate the trends and patterns of comparative advantage of fruit crops.
- iii. To determine the major competitors for Sri Lanka's fruit crops.
- iv. To identify the contributing factors behind the comparative advantage/disadvantage of fruit crops.

Key Findings

- I. Sri Lanka is in an internationally competitive position in the export of pineapple and papaya in the world market and the country is among the leading exporters of those fruits.
- II. Despite having a comparative advantage in exporting papaya and pineapple Sri Lanka's export share is low compared to other leading countries.
- III. From 2000 to 2019 a declining trend in international competitiveness is evident in the pineapple export sector.

Key recommendations

- I. Papaya is an internationally efficient crop in Sri Lanka's agricultural sector. Allocating land and other resources papaya cultivation would benefit. As papaya exports occupy the position of a net exporter, more exports can generate higher returns.
- II. Allocating more resources to the pineapple production and export sector will help boost efficiency of the sector.



2.4 Education and Training Division



1. Awareness Programme on Increasing Household Food Security for Communities in Peri-Urban Areas.

Purpose & overview:

In the backdrop of the prevailing economic crisis the country's food production sector is faced with many challenges and this awareness programme was conducted in parallel to the Government's objective on ensuring the food security of the people.

The aim of this awareness program was to improve the knowledge and attitudes of the community and encourage them to take action for maintaining the household food security of the communities living in the peri-urban areas.

Accordingly, participants were informed on the problems and challenges faced by the food production sector at present, food security through the production of crops and animal production in home gardens, food security through changing food consumption patterns and adopting food preservation methods, and the nutritional aspect of food security.

The programme was conducted in Kegalle, Kalutara and Galle districts respectively in August, October and December 2022. Under the Programme 30 one-day programmes in total were completed covering 10 selected semi-urban areas from each district.

Accordingly, 386 trainees from Didigama, Mawanella, Kegalle, Dehiowita, Warakapola, Ruwanwella, Rambukkana, Galigamuwa in Divisional Secretariat Divisions of Kegalle District; 435 trainees from Kalutara, Panadura, Bandaragama, Beruwala, Dodangoda, Horana, Bulathsinhala, Ingiriya, Madurawala, Millaneiya Divisional Secretariat Divisions of Kalutara district and; 447 trainees from Balapitiya, Akmeemana, Imaduwa, Hikkaduwa, Habaraduwa, Rathgama, Bope Poddala, Baddegama, Benthota, in Galle district attended.



Expected results/outcome

The expected long-term outcome of this awareness program is to contribute to maintain the food security in the country by creating a group of people with knowledge, attitudes and desire to act towards maintaining the household food security.

Program coordination

The programme was conducted by the Education and Training Division of the Hector Kobbekaduwa Agrarian Research and Training Institute while regional organizing work was carried out by the relevant district secretariats and divisional secretariat offices in the respective areas.

Resource persons

Chinthaka Jayasooriya (Program Coordinator/ Head – Education and Training Division), Dr. NGP Samantha (Additional Director- Cover-up), S.M.A. Mr. Samarakoon (Senior Researcher), Norika Aiome (Research Officer, Rural Development Division), Thushara Dharmawardena (Research Officer, Environmental Division) were the resource persons from HARTI. In addition, a team of officers including, Agriculture Instructors attached to the Provincial Agriculture Department – Galle, Kegalle and Kalutara districts; and Medical Officers of Health and Health Education Officers attached to the Regional Director of Health Services office – Galle, Kagalle and Kalutara participated as external resource persons.

Source of Finance: Consolidated Fund



02. Awareness Programme for Rural Women and Youth Farmers on Opportunities To Develop As Agri-Entrepreneurs

Purpose & overview

Contribution of rural women and youth towards the overall economic development of the country and their engagement in both short and long term development strategies has been earmarked as a key strength. Towards that goal increasing the participation of rural women and youth in the labour force, honing their entrepreneurship skills and motivating them towards development of agribusiness are crucial.

This awareness program was conducted to educate the rural communities--with special emphasis on rural women and youth-- about potential agri-entrepreneurship opportunities - both on and off farm; develop the knowledge and attitudes; motivate them to self-develop as emerging entrepreneurs.

Participants were informed on the qualities to become successful entrepreneurs, introduction of new and attractive agribusiness opportunities related to crop production, animal production and export agricultural crops and skills to be mastered in planning and managing small enterprises and connecting with related support services.

Thirty programs were conducted covering 10 Agricultural Development Center jurisdictions/Divisional Secretariat divisions from Kurunegala, Badulla and Hambantota districts in September to November 2022.

In total 410 trainees in Wariapola, Rambe, Panduwasnuwara, Galgamuwa, Nikaweratiya, Ibbagamuwa, Kurunegala, Polgahawela, Kuliypitiya, Kitalawa Agrarian Service Center areas of the Kurunegala district; 427 trainees in Badulla, Haputale, Haldummulla, Haliela, Soranathota, Bandarawela, Meegahakivula, Ridimaliyadda, Welimada, Uvaparaganagama Divisional Secretariat Divisions of the Badulla District; and

418 trainees in Lunugamwehera, Tissamaharamaya, Hambantota, Ambalantota, Suriyawewa, Agunakolapalassa, Walasmulla, Okewela, Tangalle, Weeraketiya Divisional secretariat Divisions of the Hambantota district benefitted.



Expected results/outcome

The output of this awareness program was to produce strong women and young entrepreneurs who can contribute towards a prosperous and sustainable agricultural society in Kurunegala, Badulla and Hambantota districts.

The expected long-term outcome of this awareness program was to strengthen the household economy through active participation of the women and youth community in the income generation process and thereby raise the standard of living of the rural farming community.

Program coordination

The programme was conducted by the Education and Training Division of the Hector Kobbekaduwa Agrarian Research and Training Institute while regional organizing work was done by the relevant district secretariats and divisional secretariat offices and agrarian services centers in the respective areas.

Resource persons

S.M.A.. Samarakoon (Program Coordinator/ Research Fellow), Chinthaka Jayasooriya (Head – Education and Training Division), . Sagarika Hitihamu (Senior Research Officer, Rural Development Division) and Sangeeth Fernando (Research Officer, Data Management Division) joined as resource persons from HARTI. In addition, a team of officers including Agriculture Instructors attached to the Provincial Agriculture Department- Kurunegala, Badulla and Hambantota; Extension Officers attached to the Department of Export Agriculture; Veterinary doctors, Livestock Development Officers, Subject specialist officers attached to the Provincial Animal Production and Health Department –Kurunegala and Hambantota districts; District level Training Officers attached to the Industrial Development Board- Kurunegala District;

entrepreneur development officers attached to the Small Enterprise Development Unit – Badulla district; Subject Specialist Training Officers attached to the National Enterprise Development Authority-Hambantota District participated as external resource persons.

Source of Finance: Consolidated Fund



3. Training of Trainers on Participatory Rural Planning and Management for District Agriculture Directors and their support staff

Purpose

This training was conducted in line with the Ministry's proposed project to build livelihood development based model villages.

Accordingly, the aim was to provide formal training on the aforementioned community-centered development approaches and methods to the officials who deal directly with the rural development programmes in general and more specifically with the 'livelihood development based - model village programme.

Participants were educated on the importance of community participation in rural development, rapid and participatory rural appraisal technique (RRA and PRA), data collection methods under the RRA and PRA, the art of utilizing this data in project planning, problem identification and prioritization, problem tree and objective tree basic facts to be included in a community action plan and preparation of a community action plan in practice.

The three-day training program was conducted at the National Cooperative Studies Institute, Polgolla from 07.02.2022 to 09.02.2022. A total of 45 trainees including District Agriculture Directors and Development Officers attached to the District Director's offices and Policy and Project Evaluation Division of the Ministry of Agriculture participated as trainees. Also, 195 villagers participated in the two field studies conducted in relation to this program.



Expected results/outcome

A training team capable of using participatory methods effectively in planning and managing rural and community development programmes was created and; two model community action plans were prepared for two selected villages.

Program coordination

The Education and Training Division of the Hector Kobbekaduwa Agrarian Research and Training Institute conducted the programme. Coordinating support for organization of the program was provided by the Policy and Project Evaluation Division of the Ministry of Agriculture.

Resource persons

Chinthaka Jayasuriya (Coordinator of the Training Programme/ Head, Education and Training Division), Chathura Jayampathy de Silva (Senior Research Officer, Education and Training Division), Sidath Bandara (Senior Research Officer, Environmental Division), Prasanna Wijesinghe (Research Officer, Data Management Division) Sangeeth Prasad (Research Officer, Data Management Division) joined as resource persons from HARTI. In addition R.L.N. Jayatissa (Former Additional Director, Hector Kobbekaduwa Agrarian Research and Training Institute) and A.B.M Wijetunga (Director Agricultural Technology, Ministry of Agriculture) participated as external resource persons.

Source of Finance: The Ministry of Agriculture

2.5 Data Management Division

Agriculture Market Information System (AMIS)

The main objective of the project is to collect market price and information, processing, analyzing and disseminating data and information. Wholesale prices, retail prices and farm-gate prices of the food commodities are collected from 45 marketplaces covering major producing and distributing areas in the country. Market data and information are published daily, weekly and monthly bulletins. In addition, daily wholesale prices of the 10 Economic Centers and Wholesale markets are disseminated via “6666” of the Mobitel network. To enhance the efficiency of market data collection and dissemination, Automated Cloud System has been developed and completed up to the final stage. Information gathered has been disseminated among policymakers, ministries, public and private institutes, students of the universities and any other data users on request. It is also one of the major responsibilities of the Data Management Division.

HARTI
Hector Kobbekaduwa Agrarian Research and Training Institute

WEEKLY FOOD COMMODITIES BULLETIN

Vol: 44 18th - 24th March 2022 ISSN 1391 - 049 No.12

RETAIL MARKET AT A GLANCE

Rice/Paddy
The prices for all the paddy varieties have increased considerably due to the decreased supply as a result of ending of harvesting of the Maha season and prices around Rs.100.00/kg in most of the major producing areas. Accordingly, prices of all the local rice varieties have increased by Rs.30.00-50.00/kg. Meanwhile, the prices of all the imported rice varieties have increased by Rs.9.00-18.00/kg due to the depreciation of the local currency.
(Page No.01-02)

Other Field Crops
Prices of 12/12/12, red onion and imported red onion have decreased and price ranged between Rs.120.00-150.00/kg, Rs.300.00-360.00/kg respectively. Prices of imported red onion has decreased by Rs.3.00/kg and price ranged between Rs.140.00-220.00/kg. Prices of Welimada and Nivarnela Elya pottolera have decreased and prices ranged Rs.140.00-200.00/kg and Rs.260.00-500.00/kg.
(Page No.02-04)

Vegetables
Vegetable prices have declined further due to ongoing harvesting in local regions. In line with the wholesale prices, prices of most of the dry country and low country varieties have decreased. Regarding dry country varieties, the highest price decrease was reported for carrot at Rs.7.00/kg. Prices of cabbage, cauliflower and brinjal have decreased by Rs.2.00/kg, Rs.6.00/kg, Rs.28.00/kg and Rs.47.00/kg respectively. Regarding low country varieties, the highest price decrease was reported for bitter melon at Rs.6.7.00/kg. Prices of snake gourd, luffa, drumstick and okra have decreased in the range of Rs.2.00-5.00/kg.
(Page No.05-06)

Hector Kobbekaduwa Agrarian Research and Training Institute
Data Management Division
(Wholesale Prices of Rice & Subsidiary Food Crops)

2022.03.23

Items	Pettah				Mirasalagamulla				
	Range		Average		Range		Average		Change +
	23 Mar	22 Mar	22 Mar	23 Mar	23 Mar	22 Mar	22 Mar		
Rice (Bc/kg)									
Samba 1	160.00 - 175.00	187.00	188.75	-1.75	187.00 - 197.00	197.00	188.00	1.00	
Samba 2	174.00 - 185.00	182.00	161.00	1.00	178.00 - 189.00	179.50	176.40	2.80	
Koeri Samba	230.00 - 245.00	239.00	232.00	7.00	210.00 - 233.00	220.40	218.00	1.80	
Nadu 1	160.00 - 185.00	183.75	178.00	5.75	180.00 - 184.00	181.33	182.00	-0.67	
Nadu 2	175.00 - 190.00	179.00	169.00	10.00	170.00 - 178.00	173.00	169.00	4.00	
Raw red	185.00 - 190.00	186.00	179.00	6.40	170.00 - 180.00	175.00	171.00	4.00	
Raw White	180.00 - 185.00	184.00	179.00	5.00	165.00 - 170.00	168.00	168.00		
Imported Rice									
Forme Samba	148.00 - 155.00	150.00	149.00	1.00	155.00 - 155.00	155.00	157.50	-2.50	
Nadu	140.00 - 148.00	144.00	133.00	1.00	150.00 - 150.00	150.00	152.50	-2.50	
Raw White	135.00 - 140.00	136.00	133.20	0.80	143.00 - 143.00	143.00	147.50	-2.50	
Subsidiary Food Crops									
Dried Chillies									
02/Kg									
Imported	1050.00 - 1175.00	1142.50	1098.00	44.50					
Local									
Onion (Bc/Kg)									
Siam									
Vedlan	220.00 - 240.00	232.00	246.00	-14.00					
Imported	190.00 - 200.00	198.00	202.00	-4.00					
Raw Onion									
Imported	103.00 - 125.00	123.00	132.00	-9.00					
Local									
Potatoes (Bc/Kg)									
Wellimada	130.00 - 160.00	152.50	151.25	1.25					
Nivarnelya	170.00 - 180.00	174.00	174.00						
Imported	100.00 - 110.00	104.00	128.00	-24.00					
Pulses (Bc/Kg)									
Green Gram	850.00 - 900.00	870.00	860.00	10.00					
Cowpea	350.00 - 680.00	500.00	578.00	12.00					
Red Dhal	370.00 - 388.00	379.20	378.00	1.20					
Eggs (Bc/Kg)									
Brown	31.00 - 31.50	31.25	31.25						
White	29.00 - 29.50	29.25	29.25						

2.6 Information & Communication Division

Activities/projects/Program	Information
Research reports/Working papers	Research reports (Sinhala) -02 Research reports (English) -16 Working papers (Sinhala) -01 Working papers (English) -09 Occasional Publications (English)-06
Journals	Sri Lanka Journal of Agrarian Studies-01 issue Govi Katauthi Adyanaya – issue 01
Periodicals	Govi Janatha -02 Govimina – Newspaper- Issue 06, 50,000 copies Hadamiba paper - issue 01, 5000 copies Newsletter -01
TV & Radio Programmes	ITN -08 RUPAVAHINI -05 HARITHA – 003 SIRASA – 01 LAKVIRU FM -01
Facebook	Agricultural Interviews with DIMO -04

Public lectures

During the year six public lectures were conducted by university lecturers, scholars and administrators of external institutions.

Topic	Speaker
Vignettes of Sri Lanka's Economic Crisis and Path to Recovery	 <p style="text-align: right;">Dr. Vagisha Gunasekara (Senior Economist at the UNDP)</p>

Topic	Speaker
<p>Positioning Sri Lanka as a Prominent Hub for Innovative Products and Services</p>	 <p>Speaker - Mrs. Indira Malwatte (Former Chairperson, EDB)</p>
<p>Radical thoughts of G.V.D. de Silva : Country, City, Communism</p>	 <p>Prof. Kanishka Goonewardena (Professor of Geography and Planning, University of Tronto)</p>
<p>Digital Agri food Ecosystems: A Modular Path for Sri Lanka To Achieve Food Security</p>	 <p>Prof. Athula Ginige (Professor in Information Technology, Western Sydney University, Australia)</p>
<p>Pricing Nature - Using Economic Valuation Methods To Agri - Environment Policies</p>	 <p>Dr. Sahan T.M. Dissanayake (Associate Professor in Economics, Portland State University, USA)</p>

Discourse of Research and Policy for Restructuring Rural Agrarian Sector



Dr. Upul Aberathna
**(Professor in Political Science/
Public Policy University of
Peradeniya)**

Photo Library



A virtual photo library and a video documentary library (PL & VDL), with easy access, was set up during the year. Photographs and videos related to agriculture and agrarian sectors are the main feature of the new addition.

The material is developed on the field visits and training programmes undertaken by the research staff to various parts of the country. The Audio Visual Unit (AVU) of the Information and Communication Division updates and maintains the picture and video library.

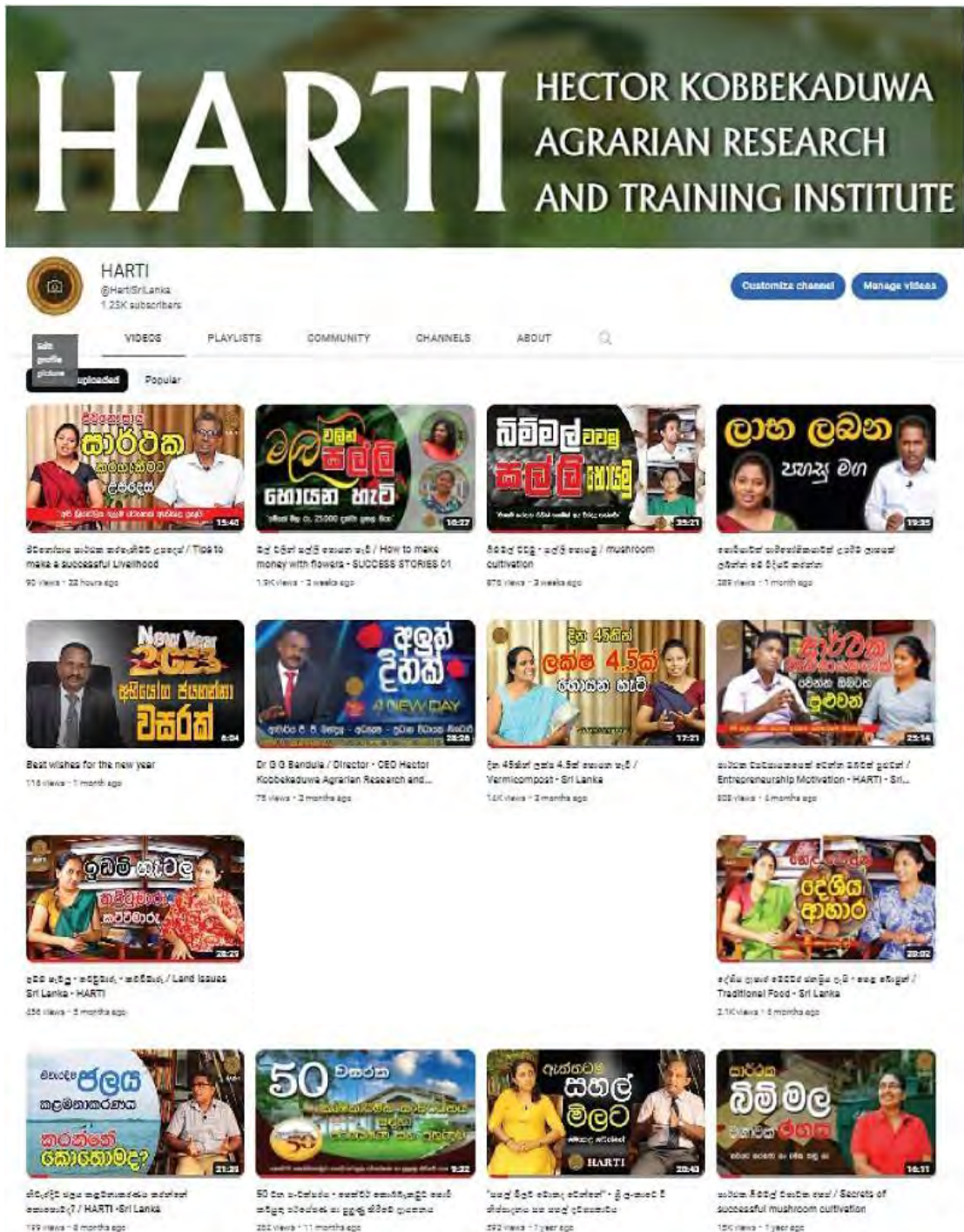
The content produced is stored on the Cloud system and categorized into different types. The material is provided to the research and other related staff on request. The YouTube videos produced and uploaded by the AVU are also cataloged in this PL&VDL enabling interested parties to watch the uploaded content anytime.

The video documentaries produced and uploaded to the HARTI YouTube Channel in 2022 are listed below.

Dates	Location	Category	Photo Library	Video recording
2022.05.02	Weerawila Thissamaharamaya	Greengram Paddy	√	√
2022.05.03	N'Eliya	Paddy, upland	√	√
2022.05.04	Seetha-eliya	Cabbage, Beet, Leeks, Salad	√	√
2022.08.20	Putththur, Nireweli, Neliyadi	Banana, Red onion	√	√
2022 .08 21	Urumpirai, Kopai Nainadhi	Kurahan, Yams, Onions	√	√
2022 .08.22	Sirupede, Manipai, Thirunaweli markets	Chili, Grapes Wormy compost	√	√
2022.08.23	Urumpirai, Palpannai, Sunakkam	Dairy products Compost production	√	√
2022.08.24	Koppai, Jaffna	Jaffna University	√	√
2022.08.24	Ratmalana	Provincial Agriculture	√	√
2022.12.08	Colombo, Kotahena, Kalubowila, Maharagama	Urban Agriculture		
2022.12.08	Kaduwela	Urban Agriculture	√	√
2022.12.13	Rabukkana	Home garden	√	√
2022.12.14	Kalpitiyas	Pomegranate	√	√
2022.12.15	Kaduwela, Malabe, Homagama	Urban Agriculture	√	√
2022.12.17	Panadura	Urban Agriculture	√	√
2022.12.18	Bandaragama	Urban Agriculture	√	√
2022.12.20	Seetha Eliya	Seed potato	√	√
2022.12.21	Bandara Wela	Control agriculture	√	√
2022.12.22	Banadarawela	Cut flower, Regional Agriculture Research & Development Centre	√	√
2022.12.23	Ambewela	Agriculture farm	√	√
2022.12.24	Gampaha	Cut flower & Export floriculture	√	√
2022.12.25	Gampaha	Cut flower & Export floriculture	√	√

HARTI YouTube Channel – 2022 (MEDIA/1/2022) Project

The knowledge and experience gained through the socio-economic research and training activities conducted by Hector Kobbekaduwa Agrarian Research and Training Institute is constantly being shared among various stakeholders. Modern social media has also been used for that purpose. Accordingly, to socialize the knowledge and experience of its research officers, a YouTube channel called "Farmer's Talk" has been started. The program has been highly acclaimed with a very high audience response. The recordings and campaigns made under it are given below.



The 'HARTI Govijana Kathikaawa' Interview Series and Video Documentaries Uploaded to the HARTI YouTube Channel – 2022

	Date	Resource Persons	Title
01.	19.01.2022	Mr. Sidath Bandara	Efficient Water Management in Agriculture
02.		Mr. Nalaka Wijesuriya	Price Fluctuations in Local Rice
03.	25.07.2022	Mr. Chinthaka Jayasuriya	How to become a successful Entrepreneur
04.		Mr. Sangeeth Prasad	Mushroom Cultivation
05.	26.07.2022	Ms. M.T. Padmajani	Agricultural Land Issues: <i>Katti Maaru & Thattu Maaru</i>
06.		Ms. Geethani Samarasinghe	E-marketing
07.	27.07.2023	Ms. Susila Lurdu	<i>Hela Bojun</i> and Local Foods
08.		Mr. W.H.A. Shantha	Chillie Cultivation
09.	14.09.2021	Ms. Sagarika Hitihamu	Local Dairy Production
10.	15.09.2022	Ms. Anupa Dissanayake	Issues in the Local Fruit Cultivation
11.		Ms. Raveena Udari	Seed Sector of Sri Lanka
12.	16.09.2022	Ms. Thushara Dharmawardana	Micro Finance
13.		Ms. Rasika Wijesinghe	The Importance of Research in the Agricultural Development
14.		Ms. P.R. Weerakkody	Vermi Compost Production
15.	06.10.2022	Dr. N.P.G Samantha	Agricultural Market Information System
16.		Mr. Amal Dissanayake	Wild Animal Issue in Crop Cultivation
17.	07.10.2022	Miss Uthpala Jayasinghe	Agricultural Heritage Systems
18.		Dr. W.A.R. Wickramasinghe	Agricultural Sector and the Livelihood Development in the Rural Agrarian Community of Sri Lanka
19.	03.11.2022	Mr. Prasanna Wijesinghe	The Importance of Data and Information in the Agricultural Sector
20.	04.11.2022	Ms. Roshini Rambukwella	Agricultural and Agrarian Insurance
21.		Ms. Norika Ayomi	Soil Conservation in the Crop Production Sector
22.	28.12.2022	Ms. Ruvini Vidanapathirana	Quality of Vegetable and Fruit
		Ms. Dilini Perera	Policies related to agriculture

Annual Report 2022

		Ms. Rifana Buhari	Agricultural Inputs
	29.12.2022	Mr. P.C.J. de Silva	Structure and function of Farmer Organization in Sri Lanka
		Mr. S.M.A. Samarakoon	Issues and challenges in agricultural sector in Sri Lanka

2.7 The library



The main function of the library is to collect, compile, retrieve and disseminate information related to the agrarian sector for the benefit of HARTI research staff and other interested persons and organizations. During the year, the staff borrowed 319 books, 21 books and 27 journals for reference. The number of visitors to the library during the year was 65.

Acquisition of books, journals and reports

During the year, 90 books were received for the library collection. A large number of periodicals, newsletters, annual reports have been received in the form of exchange or donation from local and foreign institutions. The library subscribed to three foreign journals including 11 issues during this year.

Library Services

Requests from the research staff and outside users for information and documentation services such as literature search, reference services, current awareness services and SDI services were attended to.

Access to internet based information facilities was further extended for the research staff with the WiFi facility being set up in the library. Collection of newspaper articles on various subjects and indexing of the articles for quick referencing was done for the use of both internal staff and external users.

Inter-library Cooperation (ILC)

The HARTI Library provides material through the inter-library loan facility. This facility is available only for libraries on request and not for individuals. Inter-library loan facility functions between university and special libraries at present. The libraries that wish to request for the facility have to sign the inter-library loan agreement prior to obtaining publications on loan. In addition, e documents were shared via email with the universities for research purposes.

To update the National Union Catalogue for year 2021 bibliographical references were supplied from the library database to the National Library and Services Board.

Library Promotional Activities

A promotional leaflet on the HARTI library was distributed among university students and visitors of HARTI.

Bibliography HARTI Publication: 1972 - 2022



Bibliography HARTI Publication: 1972 – 2022 prepared by Ms. Yamuna Weeraratne, Assistant Librarian, HARTI was launched on 21.02.2022 at the 50th commemoration function of HARTI. The first copy of the bibliography was presented to a former Director of the Institute, Mr. Gamini Seneviratne whose contribution was instrumental for the development of the library. This bibliography contains bibliographical

information of 590 Sinhala and English books and research reports published by HARTI from 1972 to 2022. This bibliography can be accessed on: <http://www.harti.gov.lk>

2.8 External Partnerships

The prevailing economic recession in the country has compelled the state institutions to seek additional funding outside the Treasury funds to carry out their functions. HARTI was no exception, hence sought additional funding to carry out its research programmes in the year 2022. Thus apart from the Treasury allocation of Rs.15 million for the year Rs.55 million was received through contacting external partner institutions.

In 2022, the institute was a part of a number of projects implemented for the well-being of rural farmers by partnering with the following external organizations.

1. Food and Agriculture Organization (FAO)
2. United Nations World Food Program (WFP)
3. World Vision Lanka (WVL)
4. International Water Management Institute (IWMI)

1. Food and Agriculture Organization (FAO)



Leveraging the integrated e-extension services to minimize the Sri Lankan agricultural sector vulnerability to climate shocks.

Research Team: Sidath Bandara, Thilani Padmajani Munaweera, Geethani Samarasinha, Shantha Hewage, Rifana Buhari, Thushara Dharmawardhana, Dinusha Ratnayake, Chinthaka Jayasuriya

Research Objective:

Provide support to the Ministry of Agriculture to identify and evaluate timely policies to reduce vulnerability of the Sri Lankan agricultural sector to weather shocks through

implementation of e-extension services by conducting a nationally representative baseline survey among paddy farmers in the country.

Sustainable Development Goal related to research:

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Key findings:

- I. Farmers are not satisfied with the efficiency of the existing agricultural extension service in Sri Lanka and expect an enhanced service.
- II. The majority of farmers are advanced in age but lack knowledge about the utilization of modern technology, particularly related to agriculture.
- III. Farmers exhibited low level of awareness regarding the availability of e-extension services, while their reliance on informal sources for obtaining information was prominent.

Key Recommendations:

- I. Undertaking a comprehensive national survey at household level among rice producers in Sri Lanka could be vital in establishing and sustaining a resilient data system.
- II. To ensure successful adoption of e-extension services among the majority of farmers, it is imperative to enhance the rural-level infrastructure supporting these initiatives during their introduction.

Recommendations and the way forward for future research

Based on the findings and recommendations of the study, a research titled: "Utilizing integrated e-extension services to mitigate the agricultural sector's susceptibility to climate shocks in Sri Lanka", is planned for the year 2023.

02. United Nations World Food Program (WFP)



Market Functionality Index (MFI)

Research Team: N.P.G. Samantha, Roshani Rambukwella, Nalaka Wijesuriya, Prasanna Wijesinghe, Sangeeth Fernando, Jayamini Champika, Anupa Dissanayake.

World Food Programme (WFP) along with the Data Management Division and the Food System Division of the HARTI collaboratively conducted this survey. MFI has been developed by the WFP based on nine dimensions of market functioning. Data collection was completed in 37 locations representing all markets across the country from August 2022 to January 2023. MFI is measured the functioning level of the market. Accordingly, if the value of the indicator is 0-3, the functioning of the market is low and they recommend providing an in-kind subsidy. If the value stands at 3-6, the market is functioning moderately and they recommend a voucher system for their subsidy programme. If the indicator value is 6-9, the market is functioning well then cash grants are recommended.

03. World Vision Lanka



Researching Climate-Adapted Farming Practices and Climate Adaptation of Vulnerable Groups in the Dry Zone of Sri Lanka

Research Team: Sidath Bandara, Thilani Padmajani Munaweera, Githani Samarasingha, Shantha Hevage, Rifana Buhari, Thushara Dharmawardena, Dinusha Ratnayake, Chinthaka Jayasuriya

The research will collaborate with a range of local stakeholders (both governmental and non-governmental) to identify the nature of climate adaptation farming and its implications on the resilience of women and children. Gaps in policy implementation will be identified and communicated to relevant stakeholders as a means of contributing to larger efforts of formulating effective climate policy for Sri Lanka. The study was conducted in selected locations covering four districts in Sri Lanka: Batticaloa, Hambantota, Killinochchi, and Moneragala.

Sustainable Development Goals of the research:

Goal 2 – End hunger, food security, achieve high nutrition and promote sustainable agriculture.

The study is ongoing.

4. International Water Management Institute (IWMI)



Survey on Willingness to Participate in Bundled Insurance Programme

HARTI and International Water Management Institute have jointly conducted this survey in Moneragala, Anuradhapura, Hambantota, Gampaha and Kurunegala districts. The main objective was to assess the willingness to participate in weather-based insurance programmes. This survey focused only on paddy-cultivated farmers of selected districts. The ODK Collect app was used to collect data.

Chapter 03

Financial Performance of the Year


3.1 Final Accounts

Hector Kobbekaduwa Agrarian Research & Training Institute
Statement of Financial Position as at 31 December 2022

LKR

ASSETS	Notes	2022	2021
Current assets			
Cash and cash equivalents	2	23,265,388	13,984,557
Receivables-Debtors	3	32,886,372	34,310,368
Receivables-Deposits	4	763,070	613,070
Inventories	5	6,464,913	6,540,513
Prepayments	6	26,613	-
Other current assets	7	10,212	544,768
		63,416,567	55,993,275
Nun-current assets			
Other financial assets	8	4,485,371	4,294,283
Infrastructure, plant and equipment	9	13,517,556	15,062,278
Land and buildings	10	34,179,749	35,479,441
		52,182,676	54,836,002
Total assets		115,599,243	110,829,277
LIABILITIES			
Current liabilities			
Payables	11	24,244,463	19,681,654
		24,244,463	19,681,654
Non-current liabilities			
Employee benefits	12	58,189,008	61,196,120
		58,189,008	61,196,120
Total liabilities		82,433,470	80,877,774
Net Assets		33,165,772	29,951,503
NET ASSETS/EQUITY			
Government Grant - Capital	13	31,195,361	34,582,108
Grant from Mr.Malinda		593,600	-
Reserves	14	3,376,907	3,376,907
Revaluation Reserve		26,450	26,450
Incentive and Training Fund	15	8,611	8,611
Capital Grant Funded Project		498,853	
Accumulated surplus/(deficits)	16	(2,534,011)	(8,042,573)
Total net assets/equity		33,165,772	29,951,503

The accounting policies on pages 5 to 8 and Notes on pages 9 to 16 an integral part of these financial statements. I certify that the financial statements have been prepared in compliance with the requirements of Public Sector Accounting Standards.


G. W. Thushari Wedage
Accountant
Hector Kobbekaduwa Agrarian Research
and Training Institute
114, Wijerama Mawatha, Colombo - 07.


Thushari Wedage
ACCOUNTANT
Date 28/12/2023


Dr. G. G. Bandula
DIRECTOR
Director / CEO
Hector Kobbekaduwa Agrarian
Research & Training Institute
114, Wijerama Mw., Colombo 07

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf.


Gunadasa Samarasinghe
Secretary
Ministry of Agriculture
No.80/5, "Govijana Mandiraya",
Rajamalwatta Avenue, Battaramulla.

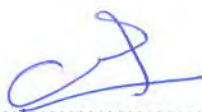
CHAIRMAN


A.H.M.L. Aberathna
Board Member
Commissioner General of Agrarian Development
Department of Agrarian Development
No. 42, Sir Marcus Fernando Mawatha,
P.O.Box:537-Colombo 07.

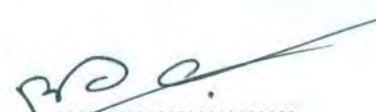
Hector Kobbekaduwa Agrarian Research & Training Institute
Statement of Financial Performance for the year ended 31 December 2022

LKR

Revenue	Notes	2022	2021
Funds from government Treasury		188,000,000	181,409,088
Funds from Outsiders for Research and Training Activities		41,409,992	4,955,348
Capital Grant received for Research and Training Activities		12,827,890	7,692,746
Other revenue	17	23,809,386	17,972,548
Bad Debt over Provision			-
Total Revenue		266,047,267	212,029,730
Expenses			
Wages, salaries and employee benefits	18	(162,775,856)	(153,328,140)
Research and Training Activities		(12,827,890)	(7,692,746)
Funds to Outsiders for Research and Training Activities		(41,409,992)	(4,955,348)
Depreciation	9, 10	(4,787,504)	(5,565,686)
Other expenses	19	(38,563,389)	(28,312,644)
Bad Debt under Provision		(180,265)	(2,750)
Bank Charges		(110,750)	(38,815)
Total expenses		(260,655,645)	(199,896,129)
Surplus / Deficit for the period		5,391,622	12,133,601



ACCOUNTANT



DIRECTOR

Dr. G. G. Bandula
Director / CEO
Hector Kobbekaduwa Agrarian
Research & Training Institute
No 114, Wijerama Mw., Colombo 07



Hector Kobbekaduwa Agrarian Research & Training Institute
Cash Flow Statement for the year ended December 31, 2022

2,021		Notes	2022	
	Cash flow used in operating activities			
12,133,601	Net deficit / Surplus for the year			5,391,622
	Adjustment for			
5,565,686	Depreciation		4,787,504	
(5,565,686)	Amotization		(4,787,504)	
5,108,663	Provision for Gratuity		5,066,363	
(1,382,793)	Investment Income		(1,297,991)	
2,364,861	Prior year adjustment		279,789	
(27,062)	Profit/Loss on Disposal scrap Items		16,333	
6,063,669				4,064,493
18,197,270	Operating profit before working capital changes			9,456,116
	Working Capital Changes			
(5,518,619)	Receivables		1,273,997	
(1,184,681)	Inventories		75,600	
23,780	Prepayments		(26,613)	
(399,959)	Other current assets		534,556	
2,474,572	Payables		4,562,809	6,420,348
13,592,363	Cash used in operating activities			15,876,464
(11,338,693)	Payment of Gratuity			(8,073,475)
2,253,670	Net cash used in operations			7,802,989
	Cash Flow from Investing Activities			
-	Receivables			
(168,830)	Other financial assets		(191,087)	
(263,398)	Infrastructure, plant and equipment		(2,107,135)	
1,382,793	Investment Income		1,297,991	
2,527	Library book cost recovery for loss books		1,196	
953,092	Net cash used in investing activities			(999,036)
	Cash Flow from Financing Activities			
8,700,000	Government Grant - Capital Received		14,000,000	
	Capital Grant from outsiders for Fixed Assets		1,321,100	
(7,692,746)	Capital Grant received for Research and Training Activities		(12,827,890)	
-	Incentive Fund Institute Share 40%		-	
27,062	Sale of disposal items		(16,333)	
-	Incentive Fund Institute Share 10%		-	
-	Bad debt Provision			
1,034,316	Net cash from financing activities			2,476,877
4,241,078	Net Increase in Cash & Cash equivalents			9,280,831
9,743,479	Cash & Cash Equivalent at the Beginning of Period	I		13,984,557
13,984,557	Cash & Cash Equivalent at the End of Period	II		23,265,388
	Notes:			
	Cash & Cash Equivalent		1	11
			01.01.2022	31.12.2022
13,916,913	Cash at bank		13,916,913	23,245,388
67,644	Cash in hand		67,644	20,000
13,984,557	Total		13,984,557	23,265,388



Hector Kobbekaduwa Agrarian Research & Training Institute
Statement of Changes in Net Assets/Equity
for the year ended 31 December 2022

LKR

	Government Grant Capital	Reserves	Grant from Mr.Malinda	Capital Grant Funded Project	Revaluation Reserve	Incentive and Training Fund	Accumulated Surplus/(Deficits)	Total
Balance as at 01 January 2022	34,582,108	3,376,907			26,450	8,611	(8,042,573)	29,951,503
Funds received from Treasury	14,000,000							14,000,000
Amotization for the year	(4,558,857)		(148,400)	(80,247)				(4,787,504)
Capital Grant from outsiders for Fixed Assets			742,000	579,100				1,321,100
Capital Grant received for Research and Training Activities	(12,827,890)							(12,827,890)
Prior Year balance transfer								-
Prior Year Adjustments							116,939	116,939
Income & Expenditure							5,391,622	5,391,622
Balance as at 31 December 2022	31,195,361	3,376,907	593,600	498,853	26,450	8,611	(2,534,011)	33,165,772



**Notes to the Financial Statements
For the year ended 31st December 2022**

1. Accounting Policies

1.1 General

The Financial Statements are prepared under the historical cost basis in accordance with Sri Lanka Public Sector Accounting Standards (SLPSAS) laid down by the Institute of Chartered Accountants of Sri Lanka and the provisions of the Finance Act No.38 of 1971. Adjustments have not been made for inflationary factors in these financial statements. The accounting principles are applied consistently on accrual basis.

1.2 Comparative information

The Accounting Policies have been consistently applied by the Institute with these used in the previous year, Previous year figures have been rearranged wherever necessary to confirm to the current year presentation.

1.3 Events occurring after the Balance Sheet date

All material post Balance Sheet events have been considered and where appropriate adjustments or disclosures have been made in the financial statements.

Investigation is being carried out of displaced institution logo at present.

1.4 Valuation of Assets

(i) Property, Plant & Equipment

The cost of property, plant & equipments are at their cost of purchase or construction together with any incidental expenses thereon. Expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature by means of which to carry on the institute or for the purpose of increasing the capacity of the institute has been treated as capital expenditure. Cost of maintenance and repairs are expensed as incurred. The property, plant & equipment are recorded at cost (or revaluation) less accumulated depreciation which is provided for on bases specified below

a) Depreciation is provided on the straight-lines method at the following rates per annum.

Buildings	2 ½ % per annum
Equipment/Furniture	10% per annum
Computer	20% per annum
Welfare Equipment	10% per annum
Books	10% per annum
Vehicles	20% per annum

A full year's depreciation is charged in the year of purchase.



b) Amortization amount is recognized & accounted on LKAS 20

c) Palwehera bungalow building

Palwehera bungalow had been transferred to Divisional Secretarial office - Dambulla as at 01.11.2019 that transfer value was Rs 1,962,545.66.

1.5 Debtors

i) Scholarship Debtors

Presently seven scholarship debtor balances are continued. According to SLIPSAS 08 this year adequate provision has been made on risk and uncertainties.

ii) Other Debtors

Other debtors are stated at the amounts which they are expected to realize. Adequate provision has been made for bad and doubtful debts as follows

1. Debtors balance over 5 years	-	100%
2. Debtors balance over 01 to 05 years	-	5%

III) Unrecorded Hostel Income

Unrecorded hostel income was Rs. 8,895,470/- that amount was created on hostel operation activities from 2015 may to 2018 July. This amount was identified by special committee that appointed by Director HARTI . This amount was not recorded that decision had been taken by Board of Governors'

IV) Receivable from Divisional Secretarial Dambulla

This amount included the transfer value of Palwehera bungalow, which total transfer value was not settled on due rental amount of bungalow.

1.6 Stocks

Stocks of consumable items are valued at cost. Other stocks are valued at lower of cost or net realizable value. Cost of the stocks is valued using FIFO method.

1.7 Investment

Fixed deposits renewed at the same banks.

1.8 Liabilities and Provision

1.8.1 Gratuity

Provision has been made in Financial Statements for Gratuity payable under the payment of Gratuity act No. 12 of 1983.



In the year 2022 gratuity has been calculated based on Basic Salary and Cost of Living Allowance.

1.8.2 Contingent Liabilities

A provision for contingent liabilities has been made on pending court decision

Mr Amal Dissanayake

Instructions have been requested from Attorney General's Department and Ministry of Agriculture.

Dr E A C Priyankara

Dr E A C Priyankara filed a case at Labour Tribunal and Department of Labour has instructed us written submission for it.

1.8.3 Contingent Assets

Contingent Assets has been made on pending legal cases for recovering to scholarship debtors that details are given below.

Mr. P.D.R. Kumarasiri

Court decision given in favour of HARTI in December 2011 against two guarantors. AGD informed that they proceed action to inform decision to two guarantors. It was found that one overseas and address was not found Mr. P.D.R.Kumarasiri's address cannot be traced.

Ms. A.C.K. Sepala

The case was settled on October 2013 and repayment was continued until end December 2017. Three reminders sent regarding the balance payment. The last reminder in January 2023.

Dr. G. Wickramasinghe

All appeal cases dismissed. The AGD is preparing 'Rite orders' to proceed 'Piscal' action against Dr. Gamini Wickramasinghe. The Bill of cost was prepared and waiting judge order to process on preparing decree (an official order that has the force of law) and file the case.

Ms. R.Atukorala

Two guarantors recovered the bond value (Rs. 1,250,000.00) Court is being processed. But due to unavailability of Ms. R. Athokorala's present address summons not been served. Through unofficial contact met her sister and known that she would pay when she return to SL.

Mr. M.S. Gowri Sanker

Legal action started. Letter of demand not sent due to not having address.



Mr. P.D.J. Ananda

Two guarantors recovered the bond value (Rs. 1,250,000.00)

Court is being processed. But due to unavailability of present address summons not been served.

Dr E A C Priyankara

This scholarship debtor has been created in the year 2022.

1.8.4 Defined Contribution Plan

Institute contributes 15% and 3% of employees monthly salary to Employee's Provident Fund (EPF) and Employee's Trust Fund (ETF) respectively. These contributions are recognized as expenses in the Statement of Financial Performance on current circulars issued by Department of Management Service.

1.9 Statement of Financial Performance

The statement of financial performance is stated after;

- a. Providing bad and doubtful debts and all expected future expenses in day - to- day operation of the institute and maintaining the property plants and equipment in a state of efficiency.
- b. Revenues are included Funds of Government Treasury, income of hostel charges, conference hall charges & others.

2.0 Transport and Printing cost

Transport and printing expenditures have to be accounted for all divisions and research and training. Therefore that expenditure has been valued at an approved rate and that cost is adjusted to a percentage between those relevant expenditures.

2.1 Capital Grants received for Research and Training Activities

The treasury was allocated the funds for research & training activities on head of government capital grants. According to LKAS -38, Research & Training cost can be treated as Intangible assets but institute's research & training cost can't be treated as intangible assets. Because output of institute's research was not comply with requirements of LKAS 38. Therefore total research & training cost are debited to the "statement of financial performance" that cost treated as recurrent expenses and above mentioned government capital grants also transferred to the institute's "statement of financial performance" for the year.

Fuel crisis has been affected our research & training activities during the early part of the year and it delayed the commencement of field activities.



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2 Cash and cash equivalents	2022	2021
Cash in hand	20,000	67,644
Cash at bank - A/c No 2323292	14,521,834	6,192,464
Cash at bank - A/c No 2323293	5,814,146	2,150,947
Cash at bank - A/c No 2323315	807,905	1,482,074
Cash at bank - A/c No 2323317	2,101,504	4,091,429
	23,265,388	13,984,557

3 Receivables

Staff Debtors

Housing Loan	177,144	225,368
Consolidated loan	21,495,623	21,670,224
Festival Advance	2,500	3,750
Auditorium Income Receivable	35,875	236,750
Hostel Income Receivable	100,114	4,993,645
Scholarship debtors	18,131,898	12,859,881
Salary Advance		-
Special Advance (Books)		-
	39,943,154	39,989,618

Other Debtors

Investment income receivable	105,758	26,953
Receivable from - Ms.B.A.D.S.Bamunuarachchi		-
Recoverable from resigned employees	610,106	549,384
Recoverable from medical insurance	2,500	500
Debtors - Mobitel Pvt Ltd	400,659	334,818
R-582	2,134,678	-
Receivable from admin division	14,234	-
Receivable Govimina Income	50,000	
Recoverable from Metropolitan Office (Pvt) Ltd	70	70
Receivable from Ministry of Public Administration	44,800	44,800
Supplier Registration unidentified	85,000	
R-481 Jaffna Lagoon and Contribution of the lagoon to the livelihood og periheral		-
Receivable from SMIB	-	32,398
Divisional secretariat Dambulla	1,962,546	1,962,546
561-2 Services in surport of the project Building evidence on the impact of omproved agricultural extension services on rice production in Anuradhapura district, Sri Lanka		900,475
R 562	-	
Receivable from supply registration	-	63,000
R 585	-	
R 586	-	
R 563	-	
R 569	-	
PR 585 Funded	592,010	
T 452	1,981,655	
T 453	5,676	
	7,989,691	3,914,943
	47,932,845	43,904,561
Less:		
Provision for Bad & Doubtful Debtors	(848,094)	(667,830)
Provision for scholarship	(14,198,379)	(8,926,363)
	32,886,372	34,310,368

4 Receivables

Deposits

Fixed - Caterer	70,000	70,000
Sundry - Sri Lanka Telecom (Internet facility)	3,125	3,125
Sundry - Post Master General	24,945	24,945
Sundry - Colombo Gas and Water Co.	4,750	4,750
Sundry - Water supply and Drainage Board	500	500
Sundry - Celltel Lanka Ltd.	3,500	3,500
Sundry - Ceylon Electricity Board	406,250	406,250
Sundry - Fuel Deposit	250,000	100,000
	763,070	613,070



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5 Inventories	2022	2021
Publication and journals	3,015,309	2,881,249
Consumables	1,999,294	2,454,882
Sales Center	1,450,309	1,204,382
	6,464,913	6,540,513

6 Prepayments		
Service Agreement Photocopy	-	-
Building Insurance	26,613	-
	26,613	-

7 Other current assets		
Purchase Advance	10,212	536,918
Advance	-	7,850
	10,212	544,768

8 Other financial assets		
Call Deposits	1,500	1,500
Fixed Deposits at State Mortgage & Investment Bank	1,500,000	1,500,000
Fixed Deposits at State Mortgage & Investment Bank-Housing Loan Scheme	2,983,871	2,792,783
	4,485,371	4,294,283



9 Infrastructure, plant and equipment

Schedule of Depreciation of Assets - 31 December 2022

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Particulars	Cost as at 01.01.2022	Additions / (Disposal) during the Year 2022	Total Cost as at 31.12.2022	Acc/Dep as at 01.01.2022	Dep.for the year 2022	Accu/Dep. ended 31.12.2022	Net Value as at 31.12.2022
Equipment/Furniture	61,390,465	396,200	61,786,665	51,121,748	2,169,280	53,291,028	8,495,637
Equipment/Furniture(Disposal)		(104,770)	(104,770)	-	-	(88,438)	(16,333)
Equipment/Furniture(Adjustment)		95,300	95,300	-	-	(47,650)	47,650
Equipment/Furniture - Total	61,390,465	386,730	61,777,195	51,121,748	2,169,280	53,154,941	8,526,954
Computer Installation	34,050,193	363,340	34,413,533	31,213,089	736,296	31,177,825	3,235,708
Motor Vehicles	71,888,647	-	71,888,647	71,584,344	49,750	71,844,594	44,053
Books	15,998,793	591,173	16,589,966	14,346,641	532,486	14,879,127	1,710,839
Welfare Equipment	3,735	(0)	3,735	3,734	-	3,734	1
Total	183,331,833	1,341,242	184,673,075	168,269,555	3,487,812	171,060,219	13,517,556

10 Land and buildings

Schedule of Depreciation of Assets - December 31,2022

Particulars	Cost as at 01.01.2022	Additions/ (Disposals) during the Year 2022	Total Cost as at 31.12.2022	Acc/Dep as at 01.01.2022	Dep.for the year 2022	Accu/Dep. ended 31.12.2022	Net Value as at 31.12.2022
Land	1,857,387		1,857,387	-	-		1,857,387
Buildings	56,330,265		56,330,265	22,708,211	1,299,692	24,007,902	32,322,362
	58,187,652	-	58,187,652	22,708,211	1,299,692	24,007,902	34,179,749



	2022	2021
11 Payables		
Accrued expenses	8,751,980	8,329,123
Payable Research & Training Expenses	2,876,942	1,464,268
Tender deposit refundable	130,462	124,462
Canteen deposit refundable -Upatissa Paranamana	50,000	50,000
Canteen deposit refundable -A.J.Fernando	-	-
Unpaid expenditure	11,826	26,333
Payable to Resigned Employees	688,051	841,520
Stamp Fees Payable	16,700	14,600
Retention	136,526	136,526
Creditors	429,124	825,452
Welfare Society	2	2
Gratuity Payable	126,913	126,913
Payable to Ministry	94,358	94,358
Management Development Book	8,000	8,000
Special Advance		
Payable to divisional secretary dambulla	1,000,000	1,000,000
Payable to Mr.Narayanasamy	10,800	10,800
Received in advance-Hostel & auditorium Income		-
Payable to Small holder Agri business Partnership Prog.	38,550	-
Unauthorized Deposit	330,000	140,000
Medical Insurance Payable	53,900	
Creditors against projects		
Rapid food Security & need Assessment	7,774	7,774
R-512 Capacity Development of Agrarian Research -Technology personnel in Sri Lanka on Global Change and sustainability	22,831	22,831
R-530 Baseline study for strengthening value chain for Banana,Mango and pineapple corp in selected regions in Sri Lanka	2,518,787	2,518,787
R-535 Addressing climate change impacts of Marginalized agricultural communities living in the Mahaweli river basin of Sri Lanka	440,981	440,981
Service Contract 03-2017	245,902	245,902
R-559 Energy/water baseline assessment for drip irrigation technologies for various crops in sri lanka	648,588	648,588
R-561 -2	11,825	-
Service Contract 01-2019	783,850	783,850
Service Contract 01-2020	488,404	488,404
R-540 Building the basis for implementing the "Save and Grow" Approach Regional strategies on sustainable and climate resilient intensification of cropping systems	700,000	700,000
CR582 Researching climate adapted farming practices and climate adaptation of vulnerable groups in the dry zone of sri lanka		416,370
Accrued expenses - CR 581		
PR 586 Funded	623,881	
SC- 01/2022	249,431	
SC - 02/2022	537,408	
CR 581	1,994,858	
T-442 Marketing information involved in agro products -Badulla	27,881	27,881
T-444 Marketing information involved in agro products -Monaragalla	58,109	58,109
T-450 Training programme on use of market information in agri business management - Nuwaraeliya	58,219	58,219
T-451 Training programme on use of market information in agri business management - Matale	71,600	71,600
	24,244,463	19,681,654
Employee benefits		
12 Balance as at January 01,	61,196,120	67,426,150
Payments during the year	(8,073,475)	11,338,693
Provision for the year	5,066,363	5,108,663
Balance as at December 31,	58,189,008	61,196,120
Government Grant - Capital		
13 Balance as at January 01,	34,582,108	39,140,540
Capital Contribution During the year	14,000,000	8,700,000
Capital Grant received for Research and Training Activities	(12,827,890)	(7,692,746)
Amortization for the year	(4,558,857)	(5,565,686)
Balance as at December 31,	31,195,361	34,582,108
Reserves		
14 Project Capital Fund	-	-
Capital Reserve	1,675,000	1,675,000
Incentive Fund - Institute share	1,701,907	1,701,907
	3,376,907	3,376,907
Incentive and Training Funds		
15 Incentive Fund 10% from project	8,611	8,611
	8,611	8,611



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Accumulated deficits		2022	2021
16	Balance as at January 01,	(8,042,573)	(22,541,035)
	Prior year adjustment	116,939	-
	Prior year adjustment - for the year	-	2,364,861
	Expenditure over income as at December 31,	5,391,622	12,133,601
	Balance as at December 31,	(2,534,011)	(8,042,573)

Other Revenue

17	Hostel charges	7,809,244	7,025,500
	Conference hall charges	5,176,275	2,847,375
	Income From Mobitel Customer service		-
	Sales of publications	156,780	9,455
	Interest on investments	271,100	197,001
	Interest on staff loan	1,026,891	1,185,791
	Recurrent contribution from projects	783,151	10,198
	Bungalow fees and room rent	270,058	160,770
	Final data base complying Income		45,000
	Computer income		-
	Manpower Income		-
	Other income	57,623	54,057
	Differ Income	4,787,504	5,565,686
	Supplier's Registration	294,260	115,000
	Advertising Income		-
	Admin Cost		295,677
	50th Anniversary Income	89,925	
	Mobitel Income	131,051	
	Sales of Note Books & Bags	-	
	Questionnaire Editing Data Entering cleaning & analysis Income		-
	Reporting writing (Interim, data & Final Report) Income		-
	Compile Background material on the Rice & OFC Sectors & draft a comprehensive background document Income		-
	IncomeContribution to econometric analysis & Interpretation Income		-
	Scrap Disposal	-	27,062
	Tender Fees	23,000	29,000
	Govimina Publication	2,932,525	404,975
	Report Editing Income		-
		23,809,386	17,972,548

Wages, salaries and employee benefits

18	Salary -Permanent staff	85,076,103	90,557,851
	Salary - Investigators	13,992,273	10,172,250
	Cost of Living Allowance,Special Allowance & other	35,588,790	24,476,651
	EPF	16,939,691	17,408,158
	ETF	3,387,937	3,481,631
	Overtime	2,724,698	2,122,936
	Gratuity	5,066,363	5,108,663
		162,775,856	153,328,140



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2022

2021

Other expenses			
19	Local subsistence & Local transport	2,813,979	1,838,279
	Foreign Travel Allowance	-	-
	Stationery and office requisites	1,866,855	677,334
	Fuel and lubricants	1,986,646	995,163
	Uniforms	616,014	252,979
	Vehicle repairs	1,689,884	1,009,564
	Maintenance of Building	1,167,050	640,799
	Plant machinery and equipment repairs	3,061,051	1,806,626
	Telephone charges	4,241,254	2,354,974
	Electricity	3,243,284	2,687,894
	Water bills	1,018,994	1,056,647
	Taxes to local authorities	579,456	579,456
	Postal charges	168,905	116,830
	Transport	734,370	316,865
	Legal Activities on Defaulters	1,000	-
	Technical Advice for Vehicles	30,000	15,000
	Technical Advice for Construction	30,000	15,000
	Newspapers	92,850	98,570
	License and insurance	1,607,743	872,607
	Security charges	4,583,635	5,320,620
	Cleaning services	1,108,971	919,765
	Laundry services	234,555	138,655
	Audit fees	840,000	725,250
	Medical Insurance	874,500	934,000
	Canteen charges	257,403	12,173
	Miscellaneous expenses - Others	46,765	130,685
	Legal charges	700	-
	Welfare	-	43,029
	Advertisement	707,230	344,331
	Interview charges	4,125	16,245
	Board of governors	498,290	469,040
	Printing & Publication	364,871	1,528,449
	Entertainment	29,593	2,520
	Dissemination of information	1,079,672	331,800
	Cost of Sales - Publications	155,670	9,015
	Withholding Tax	-	-
	Audit & Mgt Committee	128,235	146,222
	Staff Development	139,762	462,744
	EB Examination Fees & Other	-	318,808
	Workmen's Compensation	-	-
	Translation Fees	107,904	117,605
	Technical Advice for Equipment & Others	37,500	30,000
	Loss on printed books	-	-
	Stock shortage	-	-
	Data Purchasing	72,250	51,750
	Govimina Publication	2,326,094	925,351
	contra	-	-
	Salary control	0	0
	Scrap Disposal	16,333	-
	Transport Facilities for Other Divisions	-	-
	amortization	-	-
		38,563,389	28,312,643



Chairman,

Hector Kobbekaduwa Agrarian Research and Training Institute.

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Hector Kobbekaduwa Agrarian Research and Training Institute for the year ended 31 December 2022 in terms of Section 12 of the National Audit Act, No. 19 of 2018

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Hector Kobbekaduwa Agrarian Research and Training Institute for the year ended 31 December 2022 comprising the statement of financial position, statement of financial performance, statement of changes in equity and as at 31 December 2022 and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, 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 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Hector Kobbekaduwa Agrarian Research and Training Institute as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

The following observations are made.

- (a) A sum of Rs. 742,000 which is the value of a computer donated by a former director of the institution had been erroneously indicated in the cash flow as a procurement of fixed assets under investment activities and as capital donation received under financial activities.

- (b) The salary of Rs.4,327,214 paid in 2020, 2021 and 2022 to an officer who had been completely released to the Paddy Marketing Board with effect from 07th February 2020 had not been reimbursed from the Paddy Marketing Board and this amount had not been revealed as a receivable sum.
- (c) Though a Senior Research Officer who had gone abroad to pursue a Ph.D on full pay study leave for two years from 2011 and on no pay study leave for another two years had returned for the service of the institution, he had failed to produce the relevant degree certificate having completed the degree programme within the stipulated time frame. Steps had not been taken to reimburse a sum of Rs. 9,039,682 which is the bond value to be recovered by the institution upon his non submission of the said degree certificate.
- (d) In the agreement made between a Senior Research Officer and the Institution regarding pursuing a Postgraduate Diploma at the University of Sri Jayawardenapura, the timeframe for the completion of the concerned course had not been mentioned. However, even by the year under review, this officer had not produced the degree certificate to the institution having completed the course even though a period of 07 years has been passed from its inception. Upon this officer's failure to produce the said degree certificate, the institution has not taken steps to reimburse the sum of Rs.223,500 paid as the course fee.
- (e) As per the agreement entered by a Senior Research Officer with the institution, for obtaining academic leave of 03 years for pursuing a Ph.D from a University in China, it is required that the relevant officer to serve at the institution at least for a period of 10 years following the completion of the said degree programme. However he had so served in the institution only for two years and had been released from the institution upon the approval of the director dated 29th March 2022 for acceptance of the post of lecturer at the University of Eastern with effect from 25th April 2022. However, steps had not been taken to recover the sum of Rs. 5,272,016 which is the due amount to the institution from this officer, even by the year under review.

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 qualified opinion.

1.3 Other information included in the Annual Report 2021 of the Institution

The information which I obtained prior to the date of this audit report and not included in the financial statements and my audit report but included in the Annual Report 2022 of the Institution is intended as “other information”. The management should be responsible for such “other information”.

In my opinion on the financial statement, any other information is not covered and I am not expressing any opinion or any assurance on that matter.

My responsibility on the financial statements in my audit is to read the above mentioned identified information as and when received and to consider whether it is not in accordance with the financial statements quantitatively or with my knowledge obtained in the audit or any other way.

Based on the information which I obtained prior to the date of this audit report and tasks performed by me, if I conclude there are quantitative errors shown in this other information, such matters should communicate to the controlling parties for the corrections. I have nothing to communicate in this regard.

1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute’s ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute’s financial reporting process.

As per Sub-section 16(1) of the National Audit Act, No. 19 of 2018, the Institute 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 Institute.

1.5 Auditor's Responsibility for the Audit of 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 judgment 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, misrepresentation 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

- 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 those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control I have identified during my audit.

2. **Report on Other Legal and Regulatory Requirements**

- 2.1.1 Special provisions have been set out in the National Audit Act, No. 19 of 2018, with respect of the following requirements.
- 2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- 2.1.3 Recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018, have been included in the financial statements presented.
- 2.2 Based on the procedures performed and evidence obtained, my observations were limited to matters that are material and nothing has come to my attention to state;
 - 2.2.1 That any member of the governing body of the Institute has any direct or indirect interest in any contract entered into by the Institute out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.
 - 2.2.2 to state that the Institute has not complied with any applicable written law, general and special directions issued by the governing body of the Institute as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for the following observations.

**Reference to Laws, Rules,
Regulations etc.**

Non-compliance

- i) Section 5.1 of Chapter xv of the Establishment Code of the Democratic Socialist Republic of Sri Lanka.
- Even though an officer who proceed for study or training abroad on no pay leave for a period in excess of one month, inclusive of minimum travel time should enter in to an agreement to return to service under the Government at the end of his leave and to serve the Government for a period equivalent to twice the full period of no – pay leave availed of by him, no such agreement had been entered in to regarding an officer who went abroad to pursue a Postgraduate Diploma in United Kingdom for a period of one year from 25th September 2021 to 10th September 2022.
- ii) Section 5.8 of Chapter six
- Even though the water supply for the official quarters of the Registrar had been given through the main water supply of the institution and the relevant bill has been paid by the institution due to the disconnection of the water supply to the said official quarters of the Registrar on 14th May 2018, the amount paid for the water bills from 14th May 2018 up to 31st December 2022 had not been reimbursed from the relevant officer.
- (b) Financial Regulation of the Democratic Socialist of Sri Lanka.
- (i) F.R. 104
- When it had been concluded the that the functioning of the bio gas unit was affected due to the purchase of spare parts breaching the Tender procedure, by the then director and the members of the Tender Board and utilization of such spare parts, following an investigation as to why the Bio gas Projectworth of Rs.1, 067,150become inactive from the year 2016, no steps had been taken to recover the said loss.
- (ii) F.R.1646
- Monthly summary of seven vehicles had not been forwarded to the Auditor General.

2. (c) Assets Management Circular No. 04/2022 dated 25th January 2022
- Steps had not been taken to repair or dispose 03 motor vehicles and 04 motor cycles which had been kept aside from the pool.

. that the Institute has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018 .

- 2.2.4 that the resources of the Institute had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

2.3 **Other matters**

- (a) No actions had not been taken to recover the balance sum of Rs. 737,423 existing in the balance of other debtors that have been derived for from 05 years.
- (b) Out of the outstanding foreign scholarship debts amounting to be Rs.18,131,898 as at 31 December of the reviewed year, there was a sum of Rs.12, 859,881 which is a to be recovered from six officers and that have been derived for more than 10 years and no actions had had not been taken to recover the said amounts.
- (c) Any action had not been taken to recover the balance sum of Rs. 8,895,470 which is the due charge for providing accommodation facilities for security officers of the Minister of Agriculture in the hostel for the period of May 2015 to July 2018.
- (d) Though it had been recommended through the formal disciplinary inquiry held over the misplacement of Nikon D 3100 camera which belong to the institution, that the former director should bear the complete loss of Rs. 29,086, any action had not been taken to recover this sum.

W.P.C Wickramarathne
Auditor General.

**Auditor General,
National Audit Office,
306/72, Ploduwa Road,
Battaramulla.**

**Report of the Auditor General on the Financial Statements and Other Legal and
Regulatory Requirements of the Hector Kobbekaduwa Agrarian Research and Training
Institute for the year ended 31December2022in terms of Section 12 of the National Audit
Act, No. 19 of 2018**

- 1.1 Qualified opinion
- 1.2 Basis for qualified opinion
 - (a) Accepted
 - (b) Accepted

Hector Kobbekaduwa Agrarian Research and Training Institution and the Paddy Marketing Board are government institutions belonging to the Ministry of Agriculture and any decision regarding payment or reimbursement of salaries has not been given by the Board of Governors. However, according to the decision of the Meeting of the Board of Governors held in November, Approval of the Board of Governors has been granted to reimburse the relevant salary from November 2022. Accordingly, steps have been taken to reimburse the relevant money from Paddy Marketing Board.

This balance has been referred for the recovery from Marketing Board. I will take measures to reveal this from accounts as well.

- (c) Though a period of seven years has elapsed from the due date of agreement, the Senior Research Officer has been failed to produce the certificate o the fact that he has completed PhD Degree Programme. Accordingly the institution is taking steps to recover the re calculated bond value amounting to a sum of Rs. 9,039,682 from the officer. It has been decided to submit information to the next meeting of the Board of Directors to receive the final decision in this regard.
- (d) The Senior Research Officer who obtained only the course of Rs. 223,500.00 to pursue the Doctorate Degree course in the University of Sri Jayawardenapura has finished her research report by now and it has been three months since she has handed over the draft of the said research report to her supervisor.

During the period of her reading for Doctorate, the impact of Covid -19 Pandemic and the strike of Academic staff and Non academic staff was prevailed and considering the situation the University of Sri Jayawardenapura has granted her an extended time period up to 31.09.2023 to complete the Degree.

In a setting where the university has granted the officer an extension of academic period considering the then situation prevailed in the country, the institution has also instructed the officer to complete her doctorate degree during the relevant period.

- (e) Since the Senior Research Officer Mr. E.A.C, Priyankara has breached the Security Bond and agreements, necessary actions are being taken to case a file against him at the Attorney General's Department to recover the value of the security bond.

2. Report on other legal regulations and requirements.

2.2.2

(a)

- (i) Research Officer Mr. AmalDissanayaka went abroad at his own expenses indicating that it was for academic purposes without entering into agreements. Even though he had been informed that he should enter into an agreement with the institution despite he goes abroad on approved leave, he has gone abroad before signing the agreement. As per the provisions of the Establishment Code, after deducting the amount of the Gratuity payment to which he is entitled from the sum to be recovered by the institution, a sum of Rs. 71,206.66 is to be paid to the institution. He had been informed in this regard several times and letters of reminding has also been sent.

- (ii) Electricity and water meters have been fixed for two official quarters by now and steps have been taken to recover payments from the relevant officer. As pointed out the Audit, steps are being taken to water bill charges from the relevant officer.

(b)

- (i) Even though the investigation has been conducted as per F.R. 104, definite responsible officers have not been appointed. As such, in accordance with a decision of the Board of Governors, it has been instructed to conduct a fresh investigation having appointed an Investigation Officer of the Ministry of Agriculture. Accordingly, the Ministry of Agriculture has been informed to appoint an Investigation Officer. However, after informing the relevant private company handling the Bio Gas project to check and submit report, an estimate of Rs.275000.00 for the restoration has been forwarded. In here, we have been informed that the project has faced an inactive status due to the mistakes of maintaining process despite the project's constructions have been carried out flawlessly.

- (ii) Monthly summaries and daily running charts of vehicles used in running have been forwarded to the Auditor General as per the F.R. 1646. Further the vehicle bearing number PF-8241 has been deployed in the duties of the Ministry of Agriculture up to May 2022.
- (b) It has been decided to repair again three vehicles which have been removed from running and these vehicles are expected to be repaired, depending on the amounts of receiving provisions.

One out of four motor cycle's remains in running condition and steps will be taken to dispose the other three.

2.3 Other matters

- (a) Debtor balance exceeding 05 years and to be recovered is as follows.

1.Hostel income	5113.75
2.Income to be received from the auditorium	10,875.00
3.Income to be received from Mobitel institution	129,801.74
4.to be received from the Ministry of Public Administration	44,800.00
5. to be received from employees left the institution	<u>546,833.27</u>
	<u>737,423.76</u>

Steps had taken to recover the amount indicated under number 3. which is due from Mobitel institution and it has agreed to pay it promptly.

Due amounts to be received such as the hostel income, and the income from the auditorium, income due from the Department of Public Administration will be forwarded to the next meeting of Audit and Management and steps will be taken to obtain recommendations for further actions. Reference has been made to the Attorney General's Department regarding the recovery of the sums due from officers who have left the institution and future actions will be taken based on such instructions given by the department.

- (b) In circumstances where an amount of Rs. 12,859,881.00 brought forwarded prior to 2021, is pending recovery from 06 foreign scholarship debtors as at 31st December 2021, the following explanation is presented with regard the recovering efforts of the said sum in 2021.

Due to the inability to find present addresses of 05 out of the concerned 06 foreign scholarship debtors, further actions regarding the recovery of the due amounts from them has come to a grinding halt.

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> 01. R. Athukorala 02. P.D.Ananda | } | Proceeding of the court case has been impossible. |
|---|---|---|

03. Gauri Shankar
04. G.D.R.Kumarasiri - Unable to find the present addresses for informing the verdict of the case to the guarantors
05. A.C.K.Sepala- Upon the reconciliation in 2013, an amount of Rs. 900,000.00 has been paid and the email reminders have been sent in 2021 for the recovery of the balance but it has not been responded.
- 06. Dr. Gamini Wickramasinghe**

According to the verdict dated 23.11.2011 against Dr. Gamini Wickramasinghe, the bill of fees including costs and legal interest amounting Rs. 14,620,132.76 as per the verdict dated 10.07.2020 has been filed in the court on 26.03.2021 and the Attorney General through the schedule dated 10.11.2021 has informed that the that filing is orderly. Accordingly, it had been further informed that document required for sending declarations of verdict for defendants has been filed in court on 05.01.2022. As such, fiscal reports were called in the court on 19.04.2022. However, due to the none presenting of the file to the court hall, the legal officer has informed us that a new date will be re fixed for calling fiscals.

The sum of Rs. 580,000 paid by Dr. Gamini Wickramasinghe to the institution time to time has been deposited in the institution's account. In circumstances where the institution rejected the payments of Dr. Gamini Wickramasinghe upon none conclusion of the court case, Mr. Wickramasinghe has deposited money in the institution's account time to time and only in the year 2021 and 2022 amounting to a sum of is Rs.330,000.00 and this money has been entered in accounts as unauthorized.

- (c) Based on verbal order of the then Minister of Agriculture, hostel rooms have been given for the minister's security officers and no invoices have been issued for this purpose. It has been difficult to trace information of the accommodators as well as those of the officers responsible for charging hostel fees. This accommodation facility has been granted for the minister's security officers as per the instructions of the then Director.
- (d) A F.R. 104 investigation has been conducted with regard to the misplacement of the Nikon D 3100 type camera which belonged to the institution and the former Director Mr. Lalith Kantha Jayasekara has been named guilty. Accordingly, after deducting the value of the camera, from the amount which the institution should pay him, a sum of Rs. 29,000/- is pending from the former Director as the balance of the value of the camera. Reminders have been sent informing him to make this payment to the institution.

Director/ CEO
Dr. G.G. Bandula

Copy : Secretary, Ministry of Agriculture - for information

**Auditor General,
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306/72, Ploduwa Road,
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**Report of the Auditor General on the Financial Statements and Other Legal and
Regulatory Requirements of the Hector Kobbekaduwa Agrarian Research and Training
Institute for the year ended 31December2022in terms of Section 12 of the National Audit
Act, No. 19 of 2018**

- 1.1 Qualified opinion
- 1.2 Basis for qualified opinion
 - (a) Accepted
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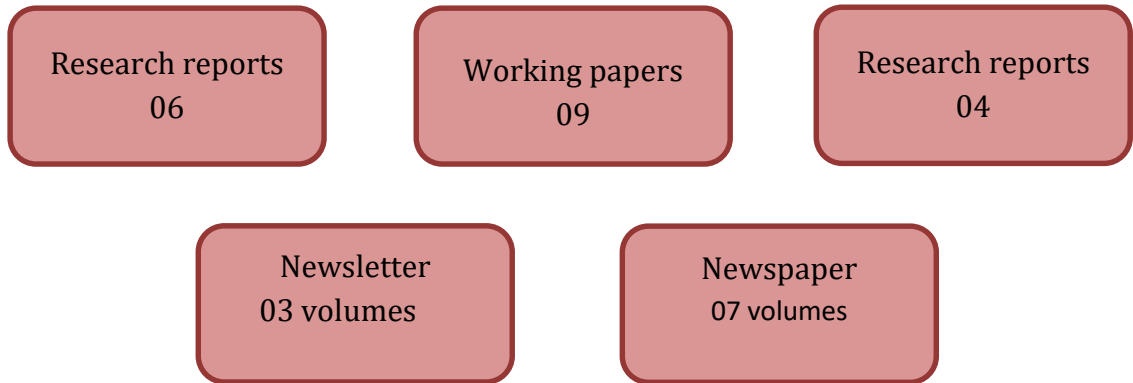
Director/ CEO
Dr. G.G. Bandula

Copy : Secretary, Ministry of Agriculture - for information

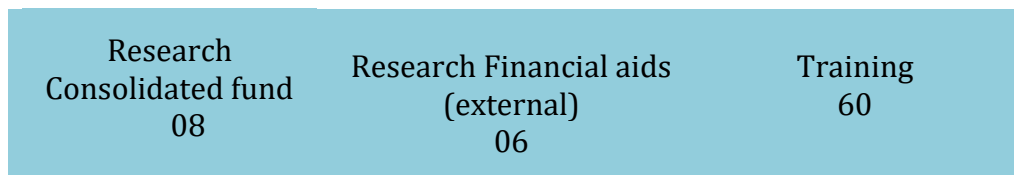
Chapter 04

Performance Indicators

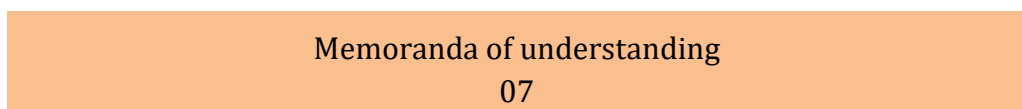
Publications



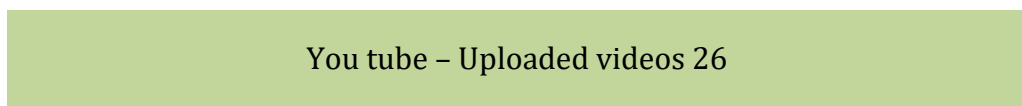
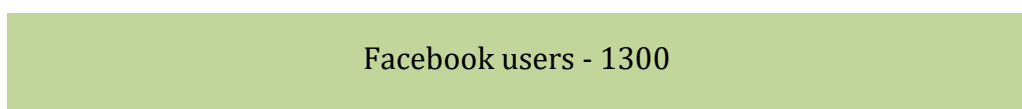
Projects



Partnerships



Social Media



Chapter 05

Performance in meeting the Sustainable Development Goals

Through a revised action plan, the organization was able to reach the sustainable development goals that expected to achieve through research and training programs through strategic planning of data collection methods in the last quarter.

Sustainable Development Goal	Target	Indices of achievement	Progress of achievements up to now		
			0% - 49%	50%- 74%	75%- 100%
Ensure sustainable consumption and production patterns	Awareness programme on increasing household food security for communities in peri-urban areas.	30 one-day programmes in Kegalle, Kalutara and Galle districts. 1298 participated.			✓
	Awareness programme for rural women and youth farmers on opportunities to develop as agri-entrepreneurs	10 Agricultural Development Center jurisdictions/Divisional Secretariat divisions at Kurunegala, Badulla and Hambantota districts. 1255 participated			✓
	Training of Trainers on Participatory Rural Planning and Management for District Agriculture Directors and their support staff	45 officers within the District Director's offices and Policy and Project Evaluation Division of the Ministry of Agriculture			✓

Zero poverty, end hunger in all its forms everywhere	Effects of Rising Food Prices on Household Food Security in Sri Lanka. (Rural/Urban/Estate)	Research report			✓
	Export Potential of Major Fruits in Sri Lanka.	Research report			✓
	Income Diversification as a Sustainable Livelihood Strategy for Rural Development: An Assessment of Optimal Conditions	Research report			✓
	Promoting Mushroom Industry through Farm Entrepreneurship in Sri Lanka	Research report			✓
Achieve food security and improved nutrition and promote sustainable agriculture	Export Potential of Major Fruits in Sri Lanka.				✓
	Comparative advantage of Sri Lankan fruit exports				✓
	Factors Affecting Soil Conservation Practices (Shoring up the Upcountry Vegetable Farmer)				✓
	Promote Mushroom Industry through Farm Entrepreneurship in Sri Lanka				✓
	Import Ban on Chemical Fertilizers and Other Agrochemicals: Short-term Impacts on Vegetables				✓
	Import Ban of Fertilizer and Other Agrochemicals: Assessing Short-Term Effects on the Paddy Sector				✓

	Effects of Fertilizer and Other Agrochemical Import Ban: The Case of the Floriculture Sector				✓
Calls for urgent action to combat climate change and its impacts	Factors Affecting Soil Conservations Practices (Shoring up the Upcountry Vegetable Farmer)				✓
	Export Potential of Major Fruits in Sri Lanka.	Research report			✓

Chapter 06

Human Resource Profile

Staff status as at 31st December 2022

Status of the cadre as at 31st of December 2022				
	Status as at 31.12.2021	Terminations resigning during the year	Appoint-ments	Status as at 31.12.2022
Director	1	1	1	1
Additional Director	-	-	-	-
Heads of the divisions	6	-	-	6
Research staff	28	3	-	25
Administrative staff	9	-	-	9
Senior Library staff	2	-	-	2
Data Development Bank	1	-	-	1
Computer Unit	-	-	-	-
Publication Unit	4	-	-	4
Statistic staff	15	-	-	15
Technical staff	6	3	-	3
Clerical, Secretarial and similar grade staff	44	5	-	39
Operational and similar grades	43	-	-	43
Total	159	12	1	148

Staff training

Most of the training in the year 2022 was conducted on online technology. Staff training includes external as well as internal training programs.

In the year 2022, the institute allocated Rs. 6 million from the Consolidated Fund. However, due to the economic situation in the country, the General Treasury restricted the training expenses of the year 2022. The amount spent on training during the year was Rs. 290,000.

The training given to staff and non-staff officers is shown below.

The following research officers were engaged in post-graduate studies:

- P.C.J. De Silva – PhD in Community Development, University of the Philippines
- Indika Edirisinghe – PhD in Agribusiness, University of Putra, Malaysia.
- Dinusha Ratnayake – Post Graduate Studies in Economics (Masters) University of Colombo.
- Susila Lourdu – Post Graduate Studies in Sociology (Masters) University of Sri Jayawardenepura.
- R. D. W. Rajapaksa - Post Graduate Studies (Masters) University of Colombo.

Participation in foreign training programs

Programs/Conferences/Workshops/Conferences/Meetings etc

Due to the financial situation during the year, foreign training was largely conducted in the online mode.

Ms. Uthpala Jayasinghe, Research Officer, participated in the "Regional Integrated Rural Development, Governance, Trade and Sustainable Development in Asia and the Pacific" training program organized by the Center for Integrated Rural Development in Asia and the Pacific (CIRDAP) from 04-25 of November in Dhaka, Bangladesh. .

2022 June 29-30 "Multicounty observational study mission on Innovative smart farming models for agriculture 4.0" Research Officer Rifana Buhari participated in the training program conducted in the online method.

Ms. U.D.R. Udari, Research Officer participated in the online training on "Smart Sustainability Assessment Tools and Techniques for Improving Agri-food Industries and "Seminar on Market System Construction for Developing Countries" conducted by the Agricultural Productivity Organization (APO) from 12-15 July and 8-28, October 2022

Ms. A.K.A. Dissanayake, Research Officer participated in "Seminar on Economic Development and Social Policy" conducted by the Chinese Embassy during 91-21, Nov 2022

Participation in local training programs

A lecture titled:" ආයතනයේ ඉතිහාසය, විකාශය හා කාර්යයභාරය”was held at the institution on 02.02.2022 for all staff of the institution.

An awareness program on the procurement process was held for Head of Section/ Head of Unit and Management Assistants on the 28.02.2022 and 02.03.2022

A training program on the Computer use for office work was conducted for Management Assistants on 08.02.2022

Training on MS Office (Word, Excel, power point) was held for Management Assistants on 09.03. 2022 and 14.03. 2022

A lecture on කාර්යාල කළමනාකරණය -සේවකයින්ගේ පැමිණීම හා නිවාඩු was conducted for management assistants on 26.05.2022

A lecture on the office procurement process for all staff was held on 2022.06.16.

Welfare programs

Due to the fuel crisis in the country transportation was restricted. Welfare activities were also limited during the year.



19.01.2022 - Pirith chanting in celebration of 50th Anniversary



2022.03.21 - Annual cricket tournament



May 2022 - Wesak Celebration

Chapter 07

Compliance Report

Requirement that should be considered	Status of compliance Comply with / incompliance with	brief explanation in case of non-compliance	Corrective measures to prevent future incidents of non-compliance
1. Submission of Financial Statements			
1.1 Having forwarded the Financial Statements for the reviewed year on due date.	√		
2. Responding the Auditing			
2.1 Answers for audit queries having being forwarded on the date prescribed by the Auditor General.	√		
2.2 Mistakes pointed out in the audit paragraphs issued in previous years by the Auditor General, having being rectified.	√		
3. Planning			
3.1 Annual Action Plan of the institution having being prepared.	√		
3.2 Approval for the Action plan for the year under review being obtained on due date.	√		
3.3 Having obtained the Approval for the budget of the year under review on due date.	√		
3.4 Having obtained the approval for the Annual Procurement plan on due date.	√		
4. Control of charges			
4.1 Having assessed the properties on which charges are applied, once in every five years.			Steps are being taken to conduct assessments
4.2 Having a 70% percentage of the billed value of income being collected for the reviewed year within the same.	√		
4.3 Having issued the warrants to recover the arrears charges.	Not applicable		
5. Control of rents			
5.1 Having all the properties rented out annually (Meat stalls/ fish stalls/ public fair premises) being rented out within the reviewed year	Not applicable		

5.2 Having entered into agreements in respect of all properties rented out annually	Not applicable		
5.3 Having charged the rental payments duly from the annually rented out properties.	Not applicable		
5.4 Having initiated legal actions to recover the due arrears payments.	Not applicable		
5.5 Having rented out the properties which were to be rented out on long term basis (Public market stalls)	Not applicable		
5.6 Having entered into agreements in respect of all properties which were to be rented out on long term basis.	Not applicable		
6. Administration of Business taxes and Trade licenses			
6.1 Having conducted a survey to collect business taxes and trade license fees.	Not applicable		
6.2 Cases having being filed against the business premises which has not obtained license.	Not applicable		
7. Audit and Management Committees			
7.1 Having conducted 04 sessions of Audit and Management Committees within the relevant year, at least.	✓		
8. Bank Accounts Management			
8.1 Keeping banking reconciliation statements ready for auditing having prepared and certified them on due dates.	✓		
8.2 Dormant bank accounts from the reviewed year or earlier years having being settled.	✓		
8.3 Actions being taken regarding balances disclosed by bank reconciliation statements and that should have been planned, in accordance with the Financial Regulations and having settled such balances within a period of one month.	✓		
9. Assets Management			
9.1 All asses having being documented.	✓		
9.2 Ensuring the safety of all assets.	✓		
9.3 Having acquired all the assets.	✓		
9.4 Board of Survey has been conducted as per Public Finance Circular No. 01/2020 and the relevant reports have been forwarded to Auditor General on due date.	✓		

9.5	Having implemented the recommendations within the time period prescribed in the Circular regarding the surpluses, deficiencies and other facts revealed through the Board of Survey.	√		
9.6	Disposal of the condemned goods as per F.R. 772			Branch is taking actions for disposal
10. Management of Vehicles				
10.1	Having prepared Daily Running Charts and Monthly summarized reports for vehicles in the pool and forwarded to Auditor General.	√		
10.2	Vehicles being disposed within a period less than 06 months following the condemnation.			Actions of disposals are to be taken.
10.3	Maintenance and updating of Vehicle log books.	√		
10.4	In respect of all vehicle accidents, the fuel consumption of such vehicles being re inspected as per the regulation number 103, 104,109 and 110 of Financial Regulations.	√		
10.5	Having re inspected the fuel consumption of vehicles as per the provisions of Paragraph No. 3.1 of the P.A. Circular No. 2016/30 of 29.12.2016.	√		
10.6	A Vehicle Repair Registry with updates being maintained in the institution.	√		
10.7	A registry of Institutional use of fuel being maintained.	√		
11. Staff Management				
11.1	Staff having being recruited and paid within the limits of the approved cadre.	√		
	Duty lists in writing having been assigned to all members of the staff.	√		
11.2	All reports having being forwarded to the Management Services Department as per the MSD Circular No. 04/2027 of 20.09.2017	√		
12. Maintenance of books and documents with latest updates				
12.1	Register of lands and buildings	√		
12.2	Register of Fixed Assets	√		
12.3	Register of Contracts	-		

12.4 Register of Audit Inquiries	√		
12.5 Register of Cheques and Money Orders	√		
12.6 Register of Inventories	√		
12.7 Register of Consumer Goods	√		
12.8 Register of damages and losses	Not applicable		
12.9 Register of counter foils	Not applicable		
12.10 Registry of Advances	√		
12.11 Registry of Industry / Business taxes	Not applicable		
12.12 Register of Debtors	√		
12.13 Register of creditors			Maintained on behalf of the project
12.14 Register of Tender Board decisions	√		
12.15 Registry of Street lamps	Not applicable		
12.16 Surveying book	Not applicable		
12.17 Road Register	Not applicable		
12.18 ඉඩම් කට්ටි බදු ලේඛනය land lot lease Register	Not applicable		
12.19 Register of Building Applications	Not applicable		
12.20 Register of compliance assessment	Not applicable		
13. Waste Management			
13.1 A Waste Management plan having being prepared in accordance with national policies	√		
13.2 Collection of garbage in separation within the council limits	√		
14. Environmental Activities			
14.1 No harm caused to the environment as a result of irregular dumping of garbage within the area.	√		
14.2 Measures being taken to control the environmental impacts caused by harmful waste materials released by the factories in the area.	Not Applicable		
15. Provisional opportunities			
15.1 Provisos having being prepared for functions which so required as per Section No. 126 of the Municipal Council Pradeshiya Sabha Ordinance.	Not Applicable		
15.2 Activities to be taken by the council with regard to the above provisos having being mentioned in the Annual Action Plan.	Not Applicable		
15.3 Provisions being allocated from the annual budget to implement the said activities.	Not Applicable		
16. Granting information to General Public			

16.1	An Information Officer having being appointed as per the Right to Information Act and a Registry of giving information being duly maintained.	√		
16.2	Submission of information of the institution through its web site and availing the opportunity for the Public to express their censures and commendations through the web itself or other channels.	√		
16.3	Reports having being submitted twice a year and once a year as per Section No. 08 and 10 of the RTI Act.	√		
17. Approving of building plans				
17.1	Maintenance of an updated registry to enlist all the building plans received to the council	Not Applicable		
17.2	Informing the relevant persons regarding the issues of the applications within 05 days	Not Applicable		
17.3	Having submitted the application to the first meeting of the planning committee within a week after receiving applications.	Not Applicable		
17.4	Having approved more than a 80 % of building plans as the date (8 weeks) mentioned in the Citizens Charter .	Not Applicable		
18. Implementation of the Citizens Charter				
18.1	Having prepared and implemented a Citizens / Clients Charter as per the P.A. Circular No. 05/2008 and 05/2008 (1)	Not Applicable		
18.2	Having prepared a methodology by the institution as per the Paragraph No. 2.3 f the above Circular to monitor and evaluate the processing and implementation of Citizens/ Clients Charter.	Not Applicable		
19. Preparation of a Human Resource Development plan				
19.1	Having prepared a Human Resources Development Plan as per the annexed form 02 to the P.A. Circular No. 02/2018 of 24.01.2018			Being prepared
19.2	Having confirmed in the above mentioned Human Resources Development Plan, that each member of the staff receives a training opportunity not less than 12 hours a year at least.		A period between 03-06 hours	

19.3 Having signed annual performance agreement for the entire staff based on the format stipulated in annex 01 of the above mentioned Circular.		Has not signed	
19.4 Having appointed a senior officer assigned with the responsibility of preparing Human Resources Development Plan, development of Capacity Building Programme and implementing Skills Development Programme	√		
20. Establishment of an E- Provincial Government System			
20.1 Having availed the general public the opportunity to submit application online as per the Provincial Government Circular No. 2018/e-Local Government-01 of 19.07.2018			Being prepared
20.2 Having facilitated the general public the opportunity to make online payments.			Operative from 2023.
20.3 Having introduced front offices and consumer service centers to provide a consumer friendly service.	Not Applicable		