Finance Commission

Annual Report

2018

Contents

Members of the Commission

The Commission consisted members of eminently qualified persons including the Chairman, two appointed members and two ex-officio members.

Mr.U.H.Palihakkara – Chairman
Dr. Indrajit Coomaraswamy - ex-officio member
Dr. R.H.S.Samaratunga - Ex-Officio Member
Mr. V.Kanagasabapathy – Member
Prof. H.M.Zafrullah - Member

Management Team

Mr. A.T.M.U.D.B.Tennakoon	- Secretary
Mr. S.M.R.S. Bandara	- Director
Mr. R.A.S.K. Ranasinghe	- Chief Accountant
Ms. S.N. Sanjeewani	- Director
Mr. M.L.A. Chandradasa	- Director
Ms. A.W.K.S. Ranasinghe	- Internal Auditor
Ms. D.S. Gunawardana	- Accountant
Ms. T. G. Chandra Malanie	- Assistant Director
Ms. T. Abeysekera	- Assistant Director
Mr. P.R.N. Sujeewa	- Assistant Director
Ms. D.P.L.E.N. Gunasekera	- Assistant Director

THE FINANCE COMMISSION

VISION

A prosperous Sri Lanka with balanced regional development

MISSION

Recommendation of policies for achieving balanced regional development of the country recognizing different provincial specific needs.

THRUST AREAS

1) Need assessment and apportionment of funds on a logical basis to achieve sustainable balanced regional development

2) Guidance for provincial development planning and plan implementation.

3) Availability of data and information for policy making process

4) Development of human and institutional capacity of the Finance Commission

The Finance Commission was established by the 13th Amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka in 1987 with the objective of achieving balanced regional development in the country and facilitating the process of transfer of funds to the Provinces for provincial development. The main functions and responsibilities of the Finance Commission as indicated in Article 154 R (3), (4), (5) and (6) of the 13th Amendment to the Constitution are as follows:

1) The Government shall, on the recommendation of, and in consultation with, the Commission, allocate from the Annual Budget, such funds as are adequate for the purpose of meeting the needs of the Provinces.

2) It shall be the duty of the Commission to make recommendation to the President as to:
   a) the principles on which such funds as are granted annually by the Government for the use of Provinces, should be apportioned between the various Provinces; and

   b) Any other matter referred to the Commission by the President relating to provincial finance.

   c) the Commission shall formulate such principles with the objective of achieving balanced regional development in the country, and shall accordingly take into account the population of each Province, per capita income of each Province, the need progressively to reduce social and economic disparities and the need progressively to reduce the difference between the per capita income of each Province and the highest per capita income among the Provinces".

As per the Article 154 R (7) of the Constitution "The President shall cause every recommendation made by the Finance Commission under the above article to be laid before Parliament and shall notify Parliament as to the action taken thereon".

Within the context of constitutional mandate, the Finance Commission is responsible for the following functions in respect of provincial development.

- Issue guidelines and circulars to the Provinces on preparation of Annual Provincial Development Plans

- Assess provincial needs on both capital and recurrent expenditure and recommend to the General Treasury on bulk amounts annually needed for the Provinces.

- Apportion bulk amount of funds between the Provinces using suitable criteria for capital and recurrent needs and advice the Provinces accordingly.

- Assess the Provincial Development Plans and grant concurrence for their implementation, using relevant criteria, particularly, on feasibility, policy coherence, regional potentials and comparative advantages.

- Submit recommendations to His Excellency the President on principles with regard to apportionment of funds between the Provinces, and appropriate measures to be taken for minimization of inter and intra - regional disparities in development.

- Provide guidance to the Provinces on preparation, implementation, monitoring and evaluation of development plans.

- Collaborate with the relevant stakeholders in the assessment of optimal cadre requirements at sub national level with a view to improving productivity and efficiency of the agencies.

- Direct provincial authorities to adhere to government financial regulations for promoting accountability, transparency and governance, particularly, in procurement activities.

- Conduct studies on current issues for facilitating the formulation of policies and strategies for development at sub-national level.

1. Activities and Achievements

Main activities and achievements of the Finance Commission in 2018 are given in the summary form below.

1.1. Recommendations & Apportionment of Funds - 2019

One of the main functions of the Commission is to make recommendations to the Government on allocation of annual budget to meet the needs of the provinces and apportionment of funds among nine provinces with the objective of achieving balanced regional development in the country.

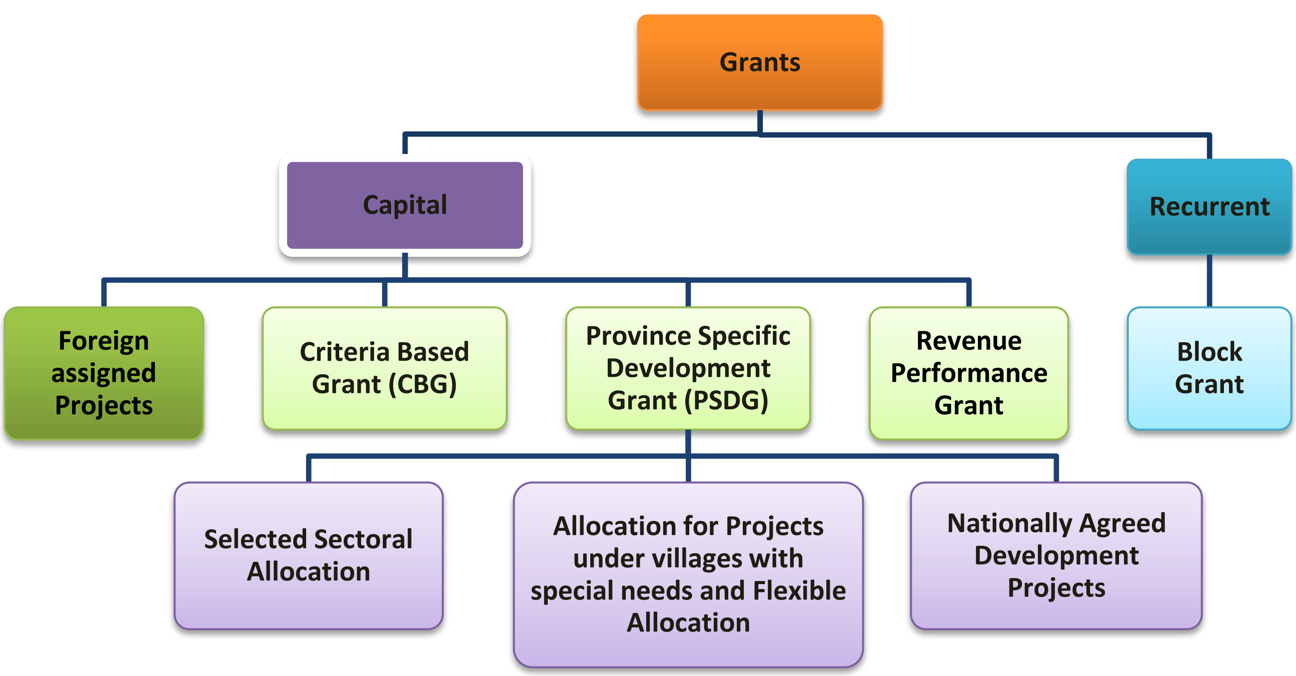
The recommendations to the Government on budget allocation for Provincial Councils for the financial year 2019 were prepared methodologically based on the needs of the provinces. The recommendations with apportionment of funds among nine provinces for Capital and Recurrent Expenditure for 2019 were prepared in three languages and submitted to H E the President on 29th September 2018.

The comprehensive report on recommendations also includes proposed policies giving attention to balanced and inclusive regional development in the country and effective implementation.

1.1.1. Apportionment of Funds to the Province and Provincial Expenditure

The Finance Commission is mandated for operationalzing the devolved governance by apportionment of funds allocated by the government, and guiding the Provinces for sound development planning. An outline of the fund allocation process is given below.

Figure 1-1 : Financial Resources Allocation



1.1.2. Capital Funds

Apportionment of Funds to the Provinces

The grants are made to the provinces on the recommendation of the Finance Commission. The Commission analyzed the annual provincial needs sent by each province paying attention to Government policies and provincial medium- term development plans.

In 2018, Finance Commission analyzed provincial needs were submitted to the General Treasury to allocate capital grants for the year 2019. The General Treasury allocated a bulk amount of Rs. 23,000 Mn. for PSDG and Rs. 4,000 Mn. for CBG under Capital Expenditure. The Finance Commission apportioned among the provinces adopting a statistical methodology developed in collaboration with the Department of Census and Statistics. In the fund apportioning formula of capital funds, the following socio-economic indicators were taken into account.

- Population of each Province in the year 2015
- Provincial Per Capita Income in the years of 2012-2013
- Provincial GDP in the year 2014
- Persons per Medical Officer in the year 2013
- Candidates qualified for Universities in Science Stream (Province-wise %) during the year 2015.

After apportionment of funds among the provinces, allocations for different sectors were determined. In this exercise, sectoral weights presented by the provinces were taken into consideration by the Finance Commission.

Revenue Performance Grant

The Finance Commission recommended a new grant called “Revenue Performance Grant” in order to encourage provincial revenue. This is a development-oriented grant, based on incremental devolved revenue collection. The provinces have the discretionary power to use this grant for capital related development programmes.

Apportionment of Capital Funds – 2019

Table 1-1: Apportionment of Capital Funds – 2019

(Rs.Mn)

Province	CBG	PSDG	Sub-Total	% of Provincial Share	Foreign Funded Projects	Total	% of Provincial Share
Western	254	1463	1,717	6.36	300	2,017	6.72
Central	389	2236	2,625	9.72	350	2,975	9.91
Southern	389	2233	2,622	9.71	310	2,932	9.77
Northern	551	3169	3,720	13.78	350	4,070	13.56
North Western	408	2348	2,756	10.21	350	3,106	10.35
North Central	482	2769	3,251	12.04	300	3,551	11.83
Uva	559	3218	3,777	13.99	350	4,127	13.75
Sabaragamuwa	454	2611	3,065	11.35	350	3,415	11.38
Eastern	514	2953	3,467	12.84	350	3,817	12.72
Total	**4000**	**23,000**	**27,000**	**100.00**	**3,010**	**30,010**	**100.00**

Source: Finance Commission

Table 1.1 shows the capital funds allocated among the provinces for 2019 under PSDG, CBG and foreign funded projects. The Uva Province has been allocated the highest amount while the Western Province has been provided the least. The relevant provincial shares were 13.75 and 6.72respectively.

Recommendations on Provincial Recurrent Needs under the Block Grant

In the assessment of the provincial recurrent needs for the year 2019, due attention has been given to the followings.

1. The approved cadre by the Department of Management Services.
2. The staff already assigned by the Line Ministries on pending approval by the DMS.
3. The personal emoluments of the staff expected to be attached to the Provinces in the year 2019 by the Ministry of Education, Ministry of Agriculture, Ministry of Health and Indigenous Medicine and the Ministry of Fisheries and Aquatic Resources Development & Rural Economic Affairs.
4. The maintenance cost of roads and irrigation has been considered in the assessment of ORE.
5. The personal emoluments of the approved cadre for the Child Development Authority, the Road Development Authority and the Passenger Transport Authority have been estimated aiming at providing quality infrastructure and services, in the assessment of ORE.

The assessment of the provincial recurrent needs made by the Finance Commission is given in the Table 1.2. In the assessment of Block Grant, estimated revenue of the Provinces (revenue collection and revenue transfers) was deducted from the total provincial recurrent expenditure in order to ensure equity among the Provinces.

Table 1-2: Total Block Grant Recommended for 2019

(Rs. '000)

Province	Total Recurrent Expenditure **	Revenue Target Excluding Stamp Duty and Court Fines by Prov. Councils **	Estimated Transfers of Government Revenue to the Provinces	Total Block Grant Recommended by FC	%
(1)	(2)	(3)	(4)	(5)= (2) -(3)-(4)	
Western	58,300,050	7,385,000	30,624,000	20,291,050	9
Central	41,863,774	1,936,000	5,742,000	34,185,774	15
Southern	34,499,613	2,016,200	5,742,000	26,741,413	12
Northern	28,182,241	755,000	3,190,000	24,237,241	11
North Western	36,514,397	2,156,500	5,742,000	28,615,897	13
North Central	23,535,717	1,126,000	3,190,000	19,219,717	9
Uva	25,232,756	985,000	3,190,000	21,057,756	9
Sabaragamuwa	30,805,614	1,330,000	3,190,000	26,285,614	12
Eastern	27,746,367	990,000	3,190,000	23,566,367	11
Total	**306,680,529**	**18,679,700**	**63,800,000**	**224,200,829**	**100**

Source: Finance Commission

Note: As per the Fiscal Policy Circular No. 01/2010

*** Excluding SD & CF and including Local Government Transfers, Vacancies, Salary arrears and PE for attachments by Line Ministries and PE for authorities/ Boards*

The Block Grant is to meet the assessed recurrent expenditure needs of the Provinces including personal emoluments and other recurrent expenditure. This grant also includes transfers to the Local Authorities and to the other authorities that provide services such as road, transport and early childhood development. Their expenditure in respect of salaries, wages, overtime and other allowances is met by these transfers.

Table 1-3: Allocated Block Grant 2019

(Rs. Mn.)

Province	Block Grant Allocated by the by the General Treasury	%
Western	16,700	8.8
Central	29,000	15.2
Southern	23,200	12.2
Northern	20,550	10.8
North Western	24,250	12.7
North Central	16,300	8.5
Uva	17,900	9.4
Sabaragamuwa	22,300	11.7
Eastern	20,500	10.7
Total	**190,700**	**100**

Source: Finance Commission

1.2. Major Activities Performed by Finance Commission in 2018

1.2.1. Visits to Provinces to Review and Grant Concurrence for the Provincial Annual Development Plans

In 2018, the Chairman and the Secretary along with other relevant officers of the Finance Commission visited each Province to review the proposed Annual Development Plans of the Provincial Councils and ongoing projects. The Chief Secretaries, Provincial Secretaries and Heads of Department and other senior officials participated these review meetings in each province.

The Annual Development Plans of the Provincial Councils for the year 2018 were reviewed and concurrence of the Finance Commission was granted for implementation subject to make few revisions as discussed and agreed at the review meetings.

1.2.2. Issue Budget Guidelines on Recurrent and Capital Needs of the Provinces for Ensuing Year

The Finance Commission issues guidelines annually to provincial authorities regarding the Assessment of needs under both recurrent and capital budget. The guidelines on need assessment for the year 2019 were prepared with necessary attachments and sent to the All Chief Secretaries of the Provincial Councils.

These comprehensive guidelines included specific formats for the practices in effective manner and for submission of need assessment of the provinces to Finance Commission.

The list of components and sub components and newly introduced formats intended to be used in 2019 are given in annexure I.

1.2.3. The Annual Reports of the Finance Commission - 2016 and 2017

The printed version of Annual Report - 2016 of the Finance Commission in three languages was handed over officially to H E the President at the Presidential Secretariat on 15th of February 2018.

The Annual Report - 2017 was also prepared in three languages and submitted to H E the President on the 05th December 2018.

1.2.4. Review of Strategic Plan

A Strategic Plan of the organization is an efficient guiding tool in achieving institutional goals and objectives. Recognizing it, the Finance Commission has taken initiatives to produce Strategic Plan for Finance Commission. A draft Strategic Plan with goals and targets under each thrust area in line with the mandatory function of the Finance Commission was prepared with active participation of staff of the Finance Commission. The Draft Strategic Plan was tabled at Commission meeting. The Commission has approved the Strategic Plan in principal and suggested for further improvement. Necessary action was taken with the input from senior staff to upgrade the document as improved quality version.

1.2.5. The Activity Plan for 2018

The Annual Activity Plan which contains out line of planned activities with timeframe to be performed by the Finance Commission Secretariat during the year 2018 was prepared. The Activity Plan - 2018 was prepared in line with the achievements and the targets in Strategic Plan 2017 - 2020 which approved by Commission in principal.

1.2.6. Preparing Reports on Provincial Audit Reports

Provincial Audit Reports of the Auditor General's Department were studied and observations of the Finance Commission on the audit reports were sent to the Chief Secretaries of the respective Provincial Councils with a view to improving accountability of the Provincial Councils.

1.2.7. Construction of New Building for the Finance Commission

The new Office Building Complex for the Finance Commission was completed in 2018. The total cost for the construction of this building was Rs. 442 mn. The staff of the Finance Commission shifted to new building with a soft opening on 15th August 2018.

1.2.8. Data Base and MIS of the Finance Commission

A Memorandum of Understanding signed between the Asia Foundation and the Finance Commission to develop Database and Information System for the Finance Commission with the financial assistance of the Asia Foundation.

Accordingly, a well-known software development agency "Theekshana" was selected by the Asia Foundation as the service provider for this software development. A series of discussions conducted to study the current systems and further requirements for new system. It was decided to start the MIS for recurrent expenditure immediately and then development of MIS for capital programme and for revenue system. The system development for recurrent programme was commenced with input of the Finance Commission.

1.2.9. Draft Finance Commission Act

The Commission has been functioning without an Act and the absence of an Act and the own procedures, have stifled the working of the Commission to a great extent.

The Draft Finance Commission Bill was formulated and submitted to H.E. the President. The Presidential Secretariat made few observations on the draft and the Finance Commission has already responded thereto. Consequently, the Commission was informed that H. E. the President had forwarded a cabinet paper to assign this task to the Legal Draftsman on 02nd January 2018. On 26th of June 2018 the Finance Commission received the preliminary draft of the Act from the Legal Draftsman for our observations. Accordingly, the observations of the Finance Commission were submitted to the Legal Draftsman for their considerations. The Finance Commission received the Bill on 18th October 2018 from the Legal Draftsman Department and it was forwarded to the Attorney General on 26th October 2018 for their clearance.

1.2.10. Meeting on the matters related to Independent Commissions

A meeting was held at the Presidential Secretariat on 2nd February 2018 on the invitation of Mr. Austin Fernando, Secretary to the President. The Commission and the Secretary of the Finance Commission participated in the meeting.

The objective of the meeting was to provide an opportunity to all representatives to discuss issues of their Commissions and make necessary recommendations.

1.2.11. Joint Field Visit to Community Water Supply Scheme at Dorowwa

The officials of the Western Province and the Finance Commission participated in a field visit in Dorowwa village in Gampaha District on 15th February 2018 and observed the water supply scheme for the Dorowwa village. Water supply tanks have been constructed under a Community Water Supply Scheme. The major finding was the insufficiency of water in the well. There is a need for should be an alternative water source for the project. The Western Provincial Council has been requested to identify proper solution for the issue.

1.2.12. Meetings with Provincial Revenue Commissioners and the Officers of Provincial Transport Sector

The Finance Commission conducted two different meetings with the Provincial Revenue Commissioners and the Officers of Provincial Transport Sector on 2nd April 2018 at the Finance Commission. The objective of the meetings was to provide an opportunity to all representatives to discuss the issues and problems faced in the Provincial Transport and Revenue Sectors with a view to developing policy decisions.

1.2.13. Discussion on the Policy Recommendations of the Finance Commission -2018

A meeting on the Policy Recommendations of the Finance Commission 2018 was held on 23rd May 2018 at the Presidential Secretariat chaired by the Secretary to the President. The Members and Officers of the Finance Commission, Chief Secretaries and relevant Secretaries of the Line Ministries attended this meeting. After the discussion of the Finance Commission Recommendations, the issues already submitted to the Finance Commission by the Chief Secretaries were also discussed.

1.2.14. Field Visit to Kalutara District - Kanewela Anicut and Agriculture Projects (Good Agricultural Practices -GAP)

The officials of the Western Province and the Finance Commission participated a field visit in Kaluthara District to view the Reconstruction of Kanewela Anicut and few Agriculture Projects (Good Agricultural Practices (GAP). During the visit, certain issues have identified. In order to address those issues, a special meeting was conducted with relevant authorities on 25th June 2018. The Deputy Chief Secretary Planning (WP), the Secretary, Ministry of Agriculture (WP), Provincial Directors of the Department Agriculture and Irrigation and other responsible officers in the Western Province and the Export Development Board attended this meeting.

1.2.15. Meeting on the matters related to Municipal Councils and Urban Councils in Western Province.

The meeting with Mayors, Chairmen, Commissioners, Secretaries, of the Municipal Councils and Urban Councils in Western Province was held on 19th July 2018 at the Finance Commission.

The objective of the meeting was to provide an opportunity to all representatives to discuss the issues and problems faced by the Municipal Councils and Urban Councils in the Western Province with a view to developing policy decisions and directions.

1.2.16. Meeting with the Economic Council

The Chairman, Secretary and some of the Senior Officials of the Finance Commission had a fruitful discussion with Prof. Lalith Samarakoon, Secretary General of the National Economic Council (NEC)on 5th July 2018 at the Presidential Secretariat .

The Secretary General (SG) of the NEC appreciated the work carried out by the FC and requested to submit a draft report. A report was submitted to the NEC on 23rd July 2018.

1.2.17. Common Planning Framework for National and Sub-National Level Development

The Finance Commission is in the view of having a common planning framework for National and Sub National Level Development. This subject was discussed at the meeting chaired by the Secretary to the President and he advised to have a meeting with Ministry of National Policies and Economic Affairs together with officers from the Department of National Planning. The Secretary, Ministry of National Policies and Economic Affairs arranged a meeting on 19th September 2018 and the Chairman, Secretary and three other senior officers of the Finance Commission participated. The other relevant officers of the Line Ministries also attended this meeting.

1.2.18. Meeting on Issues in Budget 2018 and Budgetary Provisions for 2019

The meeting with the Chief Secretaries and the Deputy Chief Secretaries (Finance) of nine Provinces was arranged on 05th October 2018 at the Finance Commission. Director General, Department of Treasury Operation also participated at this meeting.

The main objective of the meeting was to provide an opportunity to Chief Secretaries to discuss issues on 2018 provincial budget and provisions for 2019 and made necessary recommendations.

1.2.19. Meeting on Preparation of Annual Development Plan - 2019

A special meeting was organized on 16th October 2018 at the Finance Commission to discuss on Budgetary Allocation, Guidelines and Preparation of Annual Development Plan and other related matters (Sectors, Components, and Sub Components) for the year 2019. The Deputy Chief Secretaries (Planning) of all Provinces participated at this Meeting.

1.2.20. Two Day National workshop on Development of Provincial Food Technology Parks for implementing Food Value Chain Development Proposals for Achieving Balanced Regional Development.

The Finance Commission formulates principles with objective of achieving balanced regional development and recommends allocation of funds to the Provincial Councils to reduce progressively socioeconomic disparities.

The core group under took was to organize a two-day national workshop on development of provincial food technology parks for implementing food value chain development proposals for achieving balanced regional development of Sri Lanka to obtain stakeholder's views.

The intended two-day workshop was to jointly organize by the presidential Secretariat, the Finance Commission and the National Enterprise Development authority in collaboration with the Asia Foundation. The workshop was expected to be conducted in early 2019 but due to the reasons beyond the control of Finance Commission it could not be held.

1.2.21. Study Visits of Medical Administrators

A group of Medical Administrators from various part of the country visited the Finance Commission to study the role and functions of the Finance Commission. The subjects related to recommendation process, planning and budgeting process in connection with provincial administration were presented to them. Grants provided to the provinces, revenue sources of the provinces, financing for local government and cadre of the provinces also presented and discussed at this visit.

1.2.22. Discussion on Socio Economic Indicators and Measuring Balance Regional Development

A discussion organized by the Finance Commission was held with Department of Census and Statistics, Central Bank, Department of Fiscal Policies, Department of National Planning on 5th December 2018 at the Finance Commission. The main objectives of the discussion was to identify the nature of regional disparities among provinces, performing a study and to present measures, methodologies to overcome critical issues related to regional imbalances.

As discussed at this meeting, a draft TOR was prepared and submitted to the participating agencies on 12th December 2018 for observations and comments.

1.2.23. Participation /Attendance Seminars and Workshop

Few staff of the Finance Commission attended seminars on State of Sri Lankan Cities, Local Development Support Project, Primary Health Care Sector, Sustainable Development Goals, Financial Regulation Act, Public Accounts, Early Childhood Development, Inter Provincial Coordination, etc.

1.2.24. Internal Audit Committee

The Management and Audit Committee was established at Finance Commission and four meetings were held with participation of an Audit Superintend and the Director, Department of Management Audit. The decisions of the meetings were informed to the all staff of the Finance Commission for necessary follow up actions. The Commission decided that in addition to regularity aspects, Internal Audit should deal with performance aspects as well.

1.2.25. National Audit Act

The Commission considered the provisions of the National Audit Act passed in the Parliament in July 2018, and in terms of its provisions the National Audit Act and good governance the Internal Audit would be reporting to the Commission through the Commission Sub Committee.

1.2.26. Joint Research Studies in Collaboration with Sri Lanka Institute of Local Governance

The Commission has taken initiatives to carry out joint research studies in collaboration with the Sri Lanka Institute of Local Governance in the areas Local Government and Provincial Councils system.

Through this effort, it is also expected to build the capacity of the officials of the Finance Commission in the field of research. In order to proceed with this exercise, a draft MOU has been prepared and sent it to the Sri Lanka Institute of Local Governance on 30th November 2018 for its further development and finalized.

1.2.27. Performance Reports of the Finance Commission

Performance Reports of the 1st and 2nd Quarters of 2018 were submitted to the Parliament and 3rd Quarter was submitted to the Constitutional Council.

1.2.28. Performance Assessment of Senior Staff

As per the provisions of the Code of Governance adopted by the Commission in 2017, the performance of the Chief Executive Officer (Secretary) and other Senior Management Staff (at Directors Level) were evaluated by the Sub Committee of the Commission and their report was submitted to the Commission in November 2018. The Commission intends to carry out the appraisal of the Senior Management Staff on a quarterly basis in order to improve the performance of the Commission.

1.2.29. Work Study

As per a decision taken by the Finance Commission it was decided to conduct a work study to determine the requirements of staff to perform its mandatory functions in more effective and efficient manner.

The overall objective of the study is to improve the productivity of the organization by an intensive study of each operation along with utilization of human resources and technology within the Commission.

1.2.30. Special Studies

A number of special studies were carried out for the support of Finance Commission activities. Followings are the major studies carried out.

- Development of a New Fund Apportioning Formula
- Intergovernmental Financial Relations in Sri Lanka
- Provincial Revenue in Sri Lanka

- Assessment of Provincial Recurrent Needs
- Provincial Councils, Provincial Authorities and Local Authorities Cadre
- Maintenance Expenditure Cost Recovery
- Comparison of Health Sector Expenses between National and Provincial Levels
- Comparison of Education Sector Expenses between National and Provincial Levels
- Sharing Revenue from Government to the Provincial Councils
- Assessment of Line Ministry Staff (Education) Attached to Provincial Councils - 2019.
- Private Sector involvement of Education in Sri Lanka -2017
- Private Sector Involvement in Health Care Sector in Sri Lanka
- Study on Financial Distributions of Budgetary Allocations Among the Provinces by Line Ministries
- Internal Policies and Procedure manual

1.2.31. Financial Performance of the Finance Commission

The Commission reviewed the financial performance of the Finance Commission regularly on a monthly basis.

1.2.32. Compliance Report of the Finance Commission

The Commission ensures that all compliances required in its functioning are met. In this regard Compliance Reports are submitted to the Commission on a monthly basis.

1.2.33. Sector Studies

The Commission recommends Provincial Specific Development Grants (PSDG) to the provinces based on the sectors. In this regard the Commission has embarked on several sector studies such as health, education, irrigation, agriculture and social services etc. which are used in the process for recommendations to H.E. the President as well as in fund allocations to provinces.

1.2.34. The use of media an Regional Development

The Commission reviewed the media reports published in daily national papers on provincial affairs. In addition the Commission had initial discussion with the SLBC Sinhala National Service which identifies on a daily basis certain problems and issues pertaining to Local Government and Provincial Councils.

In addition news highlights in Daily News Papers and matters discussed in the Parliament has reported in Hanzard are being followed.

1.2.35. The Performance of the Commission during the Period November 2015 to 2018

The Commission considered some allegations made against Independent Commissions towards end 2018 past. Accordingly the Commission took a decision that a news brief be released to the media indicating the Performance of the Finance Commission during its three years tenure.

The news releases were published in Ceylon Daily News, Financial Times and Sunday Observer.

1.2.36. The Operational Manual of the Finance Commission

Action was taken to prepare an operational manual is being prepared based on the recommendations made by the Commission meetings. The manual consists of the three major sections, which are the i.) system and procedures for financial management, ii.) the need assessment procedures and iii.) The general administration procedures of the office of the Finance Commission. In addition a separate internal policy manual for streamlining the function of Finance Commission was also being prepared.

1.2.37. Commission Meetings/ Core-group Meetings/ Staff Meetings

- Commission Meetings 12 held
- The Commission Sub Committee met regularly before each Commission Meeting
- Core-group Meetings were held regularly every week.
- Staff meetings were held on regular basis

2. Organization and Human Capital

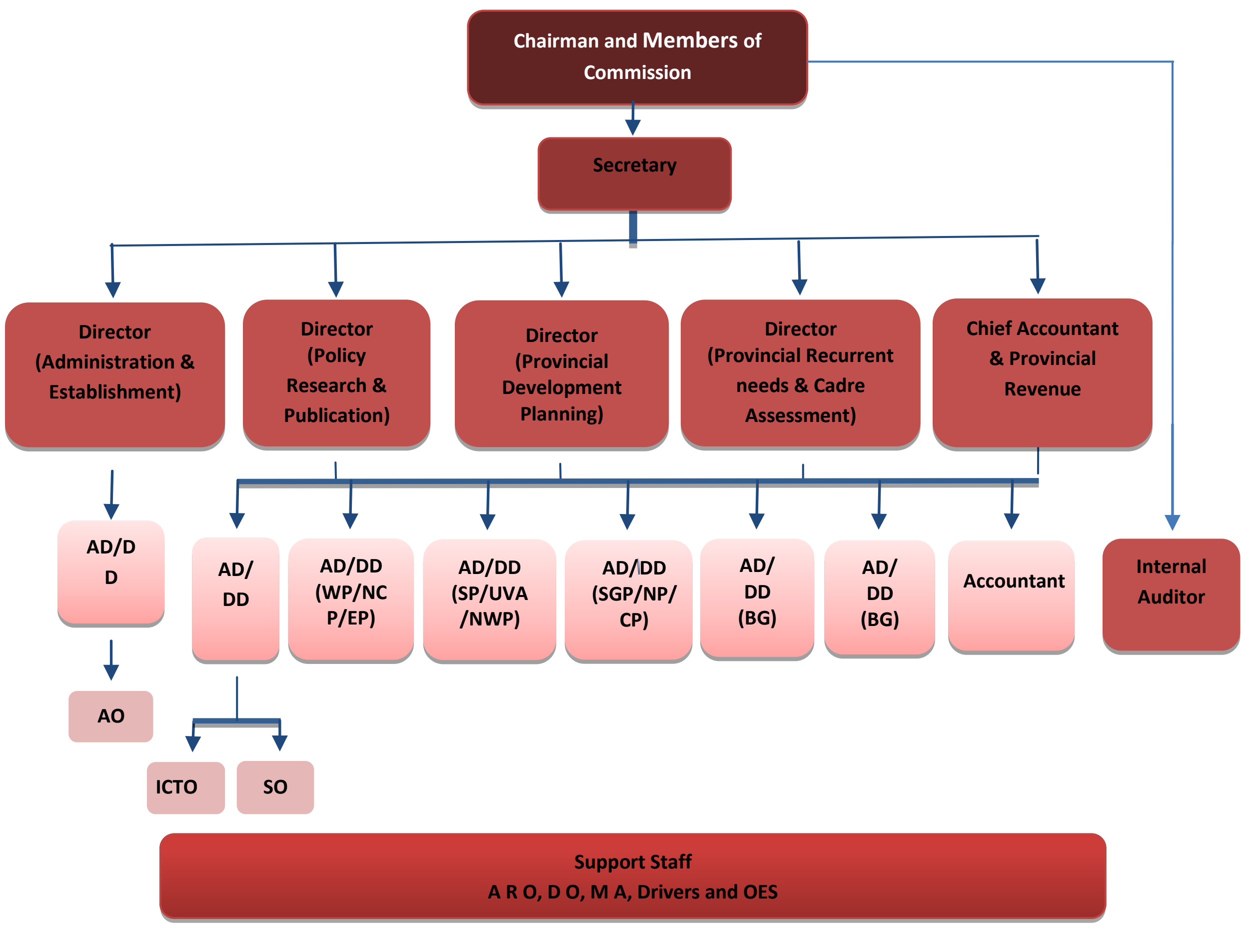
2.1. Organization and Structure

The Chairman and the members of the Finance Commission were appointed under the provisions of 13th Amendment of the Constitution and the secretary is appointed by the Commission and other staffs are appointed through public services recruitment process.

The administrative aspect of the Commission comes under the preview of the secretariat headed by the secretary and supported by the directors and other staff as depicted in the organization chart.

The office is structured in line with the major functions of the Finance Commission and support services in line with strategic plan. The Commission recognizes the importance of improved Human Resources in performing its intended tasks to achieve the goals.

Figure 2-1: Organization Chart of the Finance Commission



DD/AD-Diputy director/Assistant Director
AO- Administrative Officer
ITO- Information Technology Officer
SO- Statistical Officer
ARO- Assistant Research Officer

DO- Development Officer
PMAS- Public Management Assistant Service
OES- Office employee Service

2.2. Human Capital and Development

The Finance Commission considers that its staff is most valuable asset. Therefore, the Commission gives special attention for mustering and developing its required human resources

Staff of the Finance Commission

The approved cadre of the Finance Commission Secretariat is 85. However, at the end of the 2018, the prevailing cadre was 51. The Finance Commission experienced a shortage of senior professional staff. There were 27 vacancies at secondary level which includes Assistant Research Officers, Development Officers and Managements Assistants. The details are shown in the Figure 2.2 below.

Figure 2-2: Approved Cadre and Living Cadre as at 31.12.2018

	Senior Level	Tertiary Level	Secondary Level	Primary Level	Total
Approved Cadre	17	5	45	18	85
Living Cadre	11	3	27	10	51

Source: Finance Commission

Figure 2-3: Education Qualifications of Functional Staff – 2018

	Post Graduate	Basic Degree	Diploma	Professional Qualification
Staff Grade	10	12	05	06
Non – Staff Grade	12	21	05	06
Total	22	33	10	12

Source: Finance Commission

All staff officers in the Commission have basic degrees and 10 officers have completed post-graduate qualifications. In non-staff level officers, 21 officers hold basic degrees and 12 officers completed their post-graduate qualification.

2.3. Capacity Development of the Officers

The Finance Commission had recognized the needs of Human Resource Development Plan in Finance Commission to improve Human Capital. The Human Resource Development Plan is expected to prepare in line with Ministry of Public Administration circular No. 2018/2.

The Finance Commission provided opportunities to build capacities of the staff through local and foreign trainings. In this ground, the following officers participated in foreign and local training programmes in 2018

Table 2-1: Participation of Foreign Training Programme - 2018

Name & Designation	Programme	Country
Mr. A.T.M.U.D.B. Tennakoon (Secretary)	Sustainable Development of Middle – Income Countries: Korea's Experience and Practices	Korea
Mr. R.A.S.K. Ranasinghe (Accountant)	Public Procurement Best Practices in Japan	Japan
Ms. T.G. C. Malanie (Asst. Director)	2nd Country visit of the Diploma in Public Procurement and Contract Administration	India

Source: Finance Commission

Table 2-2: Participation of Local Training Programme - 2018

Name & Designation	Training Programme	Institute
Mr. S.M.R.S. Bandara	Capacity Building Programme	SLIDA
Ms. D.S.Gunawardana (Accountant)	Seminar on PAYE and WHT	The Institute of Chartered Accountants Sri Lanka
Ms. A.W.K.S. Ranasinghe (Internal Auditor)	Diploma in English Professional.	NIBM
Ms. P.D.C. Niroshi	Certificate Course in Computer Application	Skills Development Fund

Source: Finance Commission

2.4. Guest Lectures

The Finance Commission arranges regular guest lectures for the staff to provide opportunities to improvement the capacity and update knowledge in performing their work. The following Guest Lecturers made presentations in various topics for the staff of the Finance Commission.

Name	Topic
Prof. Siri Hettige, Department of Sociology, University of Colombo	Vision 2025
Mr. D.N.S.Kuruppumullage, CEO and Director Ind-expo of Certification Institute and Ex-Director General of Institute of Textile and apparel	Time & Stress Management
Mr. R.M.S.P. Rathnayaka, Traffic Police, Bambalapitiya	Road safety awareness programme

Mr. Davd Baxter, Specialist USAID	Public Private Partnership
Dr. P.A. Kirivandeniya, Former Chairman of Sanasa Development Bank	Impact of SME Credit for Rural Development
Mr .W.C.Dheerasekera, External Collaborator for International Food Policy Research Institute (IFPRI) in Sri Lanka & Ex-Secretary Ministry of Industries	Implementation of Proposals for Food Value Chain Development Plans through Provincial Councils
Mr. Lakshaman Jayasekara, Project Director, Western Region Mega Police Planning project.	Overview of Western Region Mega Police Developments projects
Dr. Thamara Bogoda	Healthy Life with Ayuruvedic.
Prof. S.P. Premarathna, Department of Economics, University of Colombo	Current Economic Issues in Sri Lanka
Prof. Diyanath Samarasingha, Psychiatry Educator	Money and Health

2.5. Staff Studies

The Finance Commission officers also prepared and made presentations on the basis of further studies done under the assigned duties to them.

2.6. Presentation and Discussion on MIS/DB of the Finance Commission

On the invitation of the Finance Commission, Mr. A. Subakaran, Executive Director, The Asia Foundation and his associate jointly made a presentation to the Commission on the MIS software development for Finance Commission with the ground the programme currently being developed by the Northern Province with the financial support of the Asia Foundation.

2.7. Recruitment of the Staff

An Assistant Director, Four Public Management Assistants, Five Graduate Trainees and an Administrative Officer were appointed to the Commission Secretariat.

3. Financial Performance

Budget Allocation to the Finance Commission

In 2018, the Finance Commission was allocated Rs. 58.35 mn. for the recurrent expenditure and the utilization rate for recurrent expenditure was 96%. Personal Emoluments represents the significant portion of the Recurrent Expenditure. Mainly due to the increased overtime and other allowances with the implementation of new salary structure with effect from 1st January 2018 caused to slight growth in Personal Emoluments. Recruitments of new officers to Finance Commission were also caused to above increase.

Finance Commission was allocated Rs. 310.95 mn. for the Capital Expenditure and out of this, Rs. 286.85 mn was allocated for the construction of new office building at Rajagiriya. Utilization for capital expenditure was 70%.

Budgetary allocations and actual expenditure for 2018 and 2017 is shown in the following table.

Vote	Payment Type	2018 (Rs. 000)				2017 (Rs. 000)			
		Estimate	Actual Expenditure	Savings	Actual Expenditure of a % of Estimate	Estimate	Actual Expenditure	Savings	Actual Expenditure of a % of Estimate
	Recurrent Expenditure	**58,350**	**55,984**	**2,366**	**96%**	**50,160**	**48,278**	**1,882**	**96%**
	Personal Emoluments	**35,100**	**33,853**	**1,247**	**96%**	**31,239**	**30,107**	**1,132**	**96%**
1001	Salaries & Wages	23,400	23,116	284	99%	16,935	16,082	853	95%
1002	Overtime and Holiday payments	600	579	21	97%	400	377	23	94%
1003	Other Allowances	11,100	10,158	942	92%	13,904	13,648	256	98%
	Travelling	**630**	**604**	**26**	**96%**	**248**	**231**	**17**	**93%**
1101	Travelling Local (Domestic)	200	174	26	87%	168	159	9	95%
1102	Travelling Foreign	430	430	0	100%	80	72	8	90%
	Supplies	**3,640**	**3,517**	**123**	**97%**	**2,447**	**2,380**	**67**	**97%**
1201	Stationery & Office Requisites	1,100	1,099	1	100%	685	677	8	99%
1202	Fuel	2,250	2,130	120	95%	1,330	1,283	47	96%
1203	Diets and Uniforms	40	40	0	100%	25	24	1	96%
1205	Other Supplies	250	248	2	99%	407	395	12	97%
	Maintenance	**2,100**	**2,057**	**43**	**98%**	**2,116**	**2,116**	**0**	**100%**
1301	Vehicles Maintenance	1,500	1,468	32	98%	1,400	1,400	0	100%
1302	Plant and Machinery Maintenance	600	589	11	98%	711	711	0	100%
1303	Buildings and Structures Maintenance	-	-	-	-	5	5	0	100%
	Services	**16,080**	**15,172**	**908**	**94%**	**13,310**	**12,689**	**621**	**95%**
1401	Transport (Services)	3,300	3,240	60	98%	2700	2317	383	86%
1402	Postal & Communication	1,500	1,364	136	91%	1,205	1,195	10	99%

	(Services)								
1403	Water & Electricity (Services)	2,500	2,221	279	89%	1,725	1,567	158	91%
1404	Rents and Local Taxes (Services)	1,320	1,320	0	100%	5,280	5,280	0	100%
1409	Other (Services)	7,460	7,027	433	94%	2,400	2,331	69	97%
	Transfers	**800**	**782**	**18**	**98%**	**800**	**756**	**44**	**95%**
1506	**Interest for loans**	800	782	18	98%	800	756	44	95%
	Capital Expenditure	**310,950**	**217,495**	**93,455**	**70%**	**102,900**	**87,838**	**15,062**	**85%**
	Rehabilitation and Improvement of Capital Assets	**2,050**	**1,568**	**482**	**76%**	**800**	**701**	**99**	**88%**
2002	Plant Machinery eq.rehab & Improve	300	278	22	93%	300	205	95	68%
2003	Vehicles	1,750	1,290	460	74%	500	497	3	99%
	Acquisition of Capital Assets	**21,000**	**20,941**	**59**	**100%**	**1,200**	**1,145**	**55**	**95%**
2102	Furniture and Office Equipment	2,500	2,470	30	99%	330	312	18	95%
2103	Plant, Machinery and Equipment	18,500	18,470	30	100%	870	833	37	96%
	Capacity Building	**1,050**	**1,024**	**26**	**98%**	**900**	**863**	**37**	**96%**
2401	Staff Training	1,050	1,024	26	98%	900	863	37	96%
	Building & Structures	**286,850**	**193,963**	**92,887**	**68%**	**100,000**	**85,129**	**14,871**	**85%**
2104	Building & Structures	286,850	193,963	92,887	68%	100,000	85,129	14,871	85%

The details of the 'Public Officers Advance B Account' are given in below table, accordingly the Finance Commission has been able to operate within the authorized limits.

Description	**2018** (Rs.)		**2017** (Rs.)	
	Limits Authorized	**Actual Limits**	**Limits Authorized**	**Actual Limits**
Maximum Limit of Expenditure	3,200,000.00	2,999,593.50	3,200,000.00	4,110,390.00
Minimum Limit of Receipts	1,000,000.00	1,923,284.07	800,000.00	2,213,017.65
Maximum Limit if Debit Balance	13,000,000.00	9,359,711.28	12,000,000.00	8,283,401.85

4. Financial Statements

The financial statements comprise the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements. These Financial Statements have been prepared in line with the Generally Accepted Accounting Principles and most appropriate Accounting Policies are disclosed in the Notes to the Financial Statements and Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

As per the Circular No. 267/2018 of the Department of State Accounts, following Financial Statements of the Finance Commission have been submitted to the Auditor General before the due dates.

- Statement of Financial Performance
- Statement of Financial Position
- Statement of Cash Flows

The Finance Commission has maintained adequate accounting records and an effective system of internal controls and complied with the relevant laws and regulations.

The Auditor General is responsible for reporting on whether the Financial Statements are fairly presented. Their report for 2018 is given below. The Auditor General concludes that the financial statements for 2018 of the Finance Commission are presented fairly in all material respects in accordance with Generally Accepted Accounting Principles.

Auditor’s Report

ජාතික විගණන කාර්යාලය
தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය எனது இல. My No.	ටීආර්ඊ/බී/එෆ්අයිසී/02/18/19	ඔබේ අංකය உமது இல. Your No.	
දිනය திகதி Date	2019 මැයි 29 දින		

ප්‍රධාන ගණන්දීමේ නිලධාරි
මුදල් කොමිෂන් සභා කාර්යාලය

මුදල් කොමිෂන් සභා කාර්යාලයේ 2018 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(1) වගන්තිය ප්‍රකාරව විගණකාධිපති සම්පිණ්ඩන වාර්තාව.

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1. මූල්‍ය ප්‍රකාශන

1.1 මතය

මුදල් කොමිෂන් සභා කාර්යාලයේ 2018 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්වය ප්‍රකාශය, එදිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය කාර්යසාධන ප්‍රකාශනය හා මුදල් ප්‍රවාහ ප්‍රකාශවලින් සමන්විත 2018 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශය 2018 අංක 19 දරන ජාතික විගණන පනතේ විධිවිධාන සමඟ සංයෝජිතව කියවිය යුතු ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාවේ ඇතුළත් විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(1) වගන්තිය ප්‍රකාරව මුදල් කොමිෂන් සභා කාර්යාලය වෙත ඉදිරිපත් කරනු ලබන මෙම මූල්‍ය ප්‍රකාශන පිළිබඳව මාගේ අදහස් දැක්වීම් හා නිරීක්ෂණයන් මෙම වාර්තාවේ සඳහන් වේ. 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(2) වගන්තිය ප්‍රකාරව ප්‍රධාන ගණන්දීමේ නිලධාරී වෙත වාර්ෂික විස්තරාත්මක කළමනාකරණ විගණන වාර්තාව 2019 මැයි 28 දින නිකුත් කරන ලදී. ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ 10 වගන්තිය ප්‍රකාරව ඉදිරිපත් කළ යුතු විගණකාධිපති වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුව වෙත ඉදිරිපත් කරනු ලැබේ.

මූල්‍ය ප්‍රකාශනවලින් 2018 දෙසැම්බර් 31 දිනට මුදල් කොමිෂන් සභා කාර්යාලයේ මූල්‍ය තත්ත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මූල්‍ය කාර්යසාධනය හා මුදල් ප්‍රවාහ ප්‍රකාශය පොදුවේ පිළිගත් ගිණුම්කරණ මූලධර්මවලට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව
இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை.
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1.2 මතය සඳහා පදනම

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට (ශ්‍රී.ලං.වි.ප්‍ර) අනුකූලව මා විගණනය සිදු කරන ලදී. මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් මාගේ වගකීම, විගණකගේ වගකීම යන වගන්තියේ තවදුරටත් විස්තර කර ඇත. මාගේ මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබා ගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවත් සහ උචිත බව මාගේ විශ්වාසයයි.

1.3 මූල්‍ය ප්‍රකාශය සම්බන්ධයෙන් ප්‍රධාන ගණන්දීමේ නිලධාරීගේ හා ගණන්දීමේ නිලධාරීගේ වගකීම

පොදුවේ පිළිගත් ගිණුම්කරණ මූලධර්මවලට අනුකූලව හා 2018 අංක 19 දරන ජාතික විගණන පනතේ 38 වගන්තියේ සඳහන් විධිවිධානවලට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිඹිබු කෙරෙන පරිදි මූල්‍ය ප්‍රකාශන පිළියෙල කිරිම හා වංචා සහ වැරදි හේතුවෙන් ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකි වනු පිණිස අවශ්‍යවන අභ්‍යන්තර පාලනය තීරණය කිරීම ප්‍රධාන ගණන්දීමේ නිලධාරීගේ වගකීම වේ. 2018 අංක 19 දරන ජාතික විගණන පනතේ 16(1) වගන්තිය ප්‍රකාරව කොමිෂන් සභා කාර්යාලය විසින් වාර්ෂික හා කාලීන මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවන පරිදි ස්වකීය ආදායම්, වියදම්, වත්කම් හා බැරකම් පිළිබඳ නිසි පරිදි පොත්පත් හා වාර්තා පවත්වා ගෙන යා යුතුය.

ජාතික විගණන පනතේ 38(1)(ඇ) උප වගන්තිය ප්‍රකාරව කොමිෂන් සභා කාර්යාලයේ මූල්‍ය පාලනය සඳහා සඵලදායි අභ්‍යන්තර පාලන පද්ධතියක් සකස් කර පවත්වා ගෙන යනු ලබන බවට ප්‍රධාන ගණන්දීමේ නිලධාරී සහතික විය යුතු අතර එම පද්ධතියේ සඵලදායිත්වය පිළිබඳව කලින් කල සමාලෝචනයක් සිදු කර ඒ අනුව පද්ධතිය ඵලදායි ලෙස කරගෙන යාමට අවශ්‍ය වෙනස්කම් සිදු කරනු ලැබිය යුතුය.

1.4 මූල්‍ය ප්‍රකාශන විගණනය පිළිබඳ විගණකගේ වගකීම

සමස්ථයක් ලෙස මූල්‍ය ප්‍රකාශන, වංචා හා වැරදි හේතුවෙන් ඇතිවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන්ගෙන් තොර බවට සාධාරණ තහවුරුවක් ලබාදීම සහ මාගේ මතය ඇතුළත් විගණකාධිපති වාර්තාව නිකුත් කිරීම මාගේ අරමුණ වේ. සාධාරණ සහතිකවීම උසස් මට්ටමේ සහතිකවීමක් වන නමුත්, ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනය සිදු කිරීමේදී එය සැම විටම ප්‍රමාණාත්මක අවප්‍රකාශයන්ගෙන් තොර බවට තහවුරු කිරිමක් නොවනු ඇත. වංචා සහ වැරදි තනි හෝ සාමූහික ලෙස බලපෑම නිසා ප්‍රමාණාත්මක අවප්‍රකාශනයන් ඇති විය හැකි අතර, මෙම මූල්‍ය ප්‍රකාශන පදනම් කර ගනිමින් පරිශීලකයන් විසින් ආර්ථික තීරණ ගැනීමේදී ඒ පිළිබඳව සැලැකිලිමත් විය යුතුය.

වෘත්තීය විනිශ්චය සහ වෘත්තීය සැකමුසුබවින් යුතුව ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනය කරන ලදී. මා විසින්

- වංචා හෝ වැරදි හේතුවෙන් මූල්‍ය ප්‍රකාශනවල ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන්ගේ අවදානම් හඳුනාගැනීමේදී හා තක්සේරු කිරීමේදී අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලැසුම් කිරීමෙන් වංචා සහ වැරදි හේතුවෙන් ඇතිවන්නා වූ අවදානම් මඟ හරවා ගැනීමට, ප්‍රමාණවත් සහ සුදුසු විගණන සාක්ෂි ලබා ගැනීම මාගේ මතයට පදනම් වේ. ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන අතර, දුස්සන්ධානය, ව්‍යාජ ලේඛන සැකසීම, චේතනාන්විත මගහැරීම, හෝ අභ්‍යන්තර පාලනයන් මඟ හැරීම වංචාවක් ඇතිවීමට හේතුවේ.
- අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කිරීම පිණිස කොමිෂන් සභා කාර්යාලයේ අභ්‍යන්තර පාලනයේ සඵලදායීත්වය පිළිබඳ මතයක් ප්‍රකාශ කිරීමට අදහස් නොකරයි.
- හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල ව්‍යුහය සහ අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණ අයුරින් මූල්‍ය ප්‍රකාශනවල ඇතුළත් බව ඇගැයීම.
- සමස්ථයක් ලෙස මූල්‍ය ප්‍රකාශන ඉදිරිපත් කිරීමේදී, මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණව ඇතුළත් වී ඇති බව,

මාගේ විගණනයෙන් හඳුනාගත් වැදගත් විගණන සොයාගැනීම් ප්‍රධාන අභ්‍යන්තර පාලන දුර්වලතා හා අනෙකුත් කරුණු පිළිබඳව ප්‍රධාන ගණන්දීමේ නිලධාරී දැනුවත් කරන ලදී.

1.5 වෙනත් නෛතික අවශ්‍යතා පිළිබඳ වාර්තාව

2018 අංක 19 දරන ජාතික විගණන පනතේ 6(ඇ) වගන්තිය ප්‍රකාරව මුදල් කොමිෂන් සභා කාර්යාලය විසින් ඉකුත් වර්ෂයට අදාළව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමේ අවශ්‍යතාවයක් නොතිබුණු බැවින් මූල්‍ය ප්‍රකාශන පිළිබඳ නිර්දේශ ඉදිරිපත් කර නොතිබුණි.

2- මූල්‍ය සමාලෝචනය

2.1 ආදායම් කළමනාකරණය

2018 වර්ෂයේ මූල්‍ය කාර්යසාධන ප්‍රකාශයේ ආදායම් නොවන වෙනත් ලැබීම් යටතේ වෙනත් ආයතන වෙනුවෙන් කොමිෂන් සභා කාර්යාලය විසින් රැස්කරන ලද තත්‍ය ශේෂය වූ රු.13,208,297 ක් වෙනුවට මූල්‍ය කාර්යසාධන ප්‍රකාශයේ රු.13,135,043 ක් ලෙස රු.73,254 ක් අඩුවෙන් සටහන් කර තිබුණි.

2.2 වියදම් කළමනාකරණය

පහත සඳහන් නිරීක්ෂණයන් කරනු ලැබේ.

(අ) මූලධන වැය විෂයයන් දෙකක් සඳහා අධි ප්‍රතිපාදන සැලසීම හේතුවෙන් වර්ෂය තුල උපයෝජනය කල පසු ඉතිරිය ශුද්ධ ප්‍රතිපාදනයේ ප්‍රතිශතයක් ලෙස සියයට 26 ක් හා සියයට 32 ක් විය.

(ආ) මූලික වියදම් ඇස්තමේන්තුව හා සංශෝධිත වියදම් ඇස්තමේන්තුව පිළියෙල කිරිමේදී වැය විෂයයන් 15 ක විචලතාවය සියයට සෘණ 100 සිට සියයට 67 අතර පරාසයක් ගෙන තිබූ බව නිරීක්ෂණය විය.

2.3 නීති, රීති හා රෙගුලාසිවලට අනුකූල නොවීම

නීති, රීති හා රෙගුලාසි යනාදියට යොමුව	අනුකූල නොවීම
ආයතන සංග්‍රහය xxiv පරිච්ඡේදයේ 13.6 වන උප වගන්තිය	මාස 12 ක කාලපරිච්ඡේදයක් තුල උත්සව අත්තිකාරම් ලබාදිය යුත්තේ එක් වරක් පමණක් වන නමුත් නිලධාරියෙකු හට 2018 පෙබරවාරි මස 02 වන දින හා 2018 දෙසැම්බර් මස 18 වන දින රු.10,000 බැගින් අවස්ථා දෙකකදී උත්සව අත්තිකාරම් ලබාදී තිබුණි.
රජයේ ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහය 6.2.2 ඡේදය	ජාතික තරගකාරී ලංසු කැඳවීමේ ක්‍රමය යටතේ ලංසු ඉදිරිපත් කිරිම සඳහා ලබා දියයුතු අවම කාලසීමාව දින 21 ක් විය යුතු වුවත් කොමිෂන් සභාවේ නව කාර්යාල ගොඩනැගිල්ල සඳහා මගී සෝපාන 02 ක් හා අපද්‍රව්‍ය බැහැර කිරීමේ පද්ධතිය සඳහා වටිනාකම පිළිවෙලින් රු.මිලියන 8 ක් හා 3 ක් වූ ප්‍රසම්පාදනයන්ට අදාළව ලංසු කැඳවීම සඳහා දින 15 ක් පමණක් ලබාදී තිබුණි.

2018 ජනවාරි 24 දිනැති අංක 02/2018 දරන රාජ්‍ය පරිපාලන චක්‍රලේඛය	චක්‍රලේඛය ප්‍රකාරව කටයුතු කර නොතිබූ අවස්ථා පහත පරිදි වේ. (i) සමස්ථ කාර්ය මණ්ඩලයේ නිශ්චිතව පැවතුණු වගකීම්වලට අදාලව පවතින නිපුණතා සහ රාජකාරි සාර්ථකත්වය සඳහා පැවතිය යුතු නිපුණතා අතර පරතරය හඳුනා ගැනීම සඳහා සුදුසු ක්‍රමවේදයක් සකස් කර නොතිබීම. (ii) නිපුණතා පරතරය අවම කිරීම සඳහා ආයතනයට සුවිශේෂී මානව සම්පත් සංවර්ධන සැලැස්මක් සකස් කර නොතිබීම. (iii) මානව සම්පත් සංවර්ධන සැලැස්ම තුළ කාර්ය මණ්ඩලයේ සෑම සාමාජිකයකු සඳහාම අවම වශයෙන් පැය 12 කට නොඅඩු පුහුණු අවස්ථාවක් සහතික විය යුතුය. 2018 දෙසැම්බර් 31 දිනට කොමිෂන් සභාවේ අනුමත කාර්ය මණ්ඩලය 85 ක් වූ නමුත් තථ්‍ය ස්ථිර කාර්ය මණ්ඩලය සාමාජිකයින් 52 ක ගෙන් සමන්විත වූ අතර, මුළු කාර්ය මණ්ඩලයෙන් 2018 වර්ෂය තුලදී පුහුණු අවස්ථා ලබාදීම 07 දෙනෙකුට පමණක් එනම් සියයට 13 කට පමණක් සීමා වී තිබුණි.

3 -මෙහෙයුම් සමාලෝචනය

3.1 වත්කම් කළමනාකරණය

කොමිෂන් සභා කාර්යාලය විසින් අත්පත් කරගෙන හෝ වෙනත් ආයතන වලින් ලැබී තිබූ භාණ්ඩ අදාල බඩු වට්ටෝරු පොත් තුලට ඇතුලත් කිරීමේ කාර්යය නිවැරදිව ඉටු නොකිරීම හේතුවෙන් භාණ්ඩ සමීක්ෂණයේදී භාණ්ඩ වර්ග 05 ක භාණ්ඩ ඒකක 13 ක් සම්බන්ධයෙන් අතිරික්තයන් හා භාණ්ඩ වර්ග 12 ක් සම්බන්ධයෙන් භාණ්ඩ ඒකක 15 ක ඌනතාවයක් නිරීක්ෂණය වී තිබුණි. භාණ්ඩ අතිරික්තතා හා ඌණතා සම්බන්ධයෙන් පසුගිය වර්ෂයේ විගණන වාර්තාවෙන්ද පෙන්වා දී තිබුණි.

4- තිරසාර සංවර්ධනය

4. තිරසර සංවර්ධන අරමුණු ළඟා කර ගැනීම

තිරසර සංවර්ධනය පිළිබඳ එක්සත් ජාතීන්ගේ වසර 2030 න්‍යාය පත්‍රය ප්‍රකාරව සෑම රාජ්‍ය ආයතනයක් විසින්ම කටයුතු කළයුතුව තිබුනද ජාතික ප්‍රසම්පාදන කොමිෂන් සභාව තම විෂය පථයට ගැනෙන කරුණු සම්බන්ධයෙන් එහි කාර්යයන්ට සම්බන්ධ තිරසර සංවර්ධන අරමුණු, ඉලක්ක හා එම ඉලක්ක කරා ළඟාවිය යුතු සන්දිස්ථානයන් ද ඉලක්ක මත ළඟාවීම්

මැනබැලීම සඳහා වන දර්ශකයන්ද හඳුනා ගැනීමට සමාලෝචිත වර්ෂයේදී කටයුතු කර නොතිබුණි. මේ සම්බන්ධයෙන් මුදල් කොමිෂන් සභාව විසින් නිකුත් කරනු ලබන මාර්ගෝපදේශයන් මගින් පළාත් සභා දැනුවත් කරනු ලබන අතර එම ඉලක්ක ළඟා කර ගැනීම හා ප්‍රගතිය මන බැලීම පළාත් සභා විසින් ඉටු කල යුතු බව කොමිෂන් සභාව පවසා තිබුණි.

5-මානව සම්පත් කළමනාකරණය

5.1 අනුයුක්ත කාර්ය මණ්ඩලය හා තථ්‍ය කාර්ය මණ්ඩලය

සමාලෝචිත වර්ෂයේ කොමිෂන් සභා කාර්යාලයේ අනුමත, තථ්‍ය හා පුරප්පාඩු සේවක සංඛ්‍යාව පහත පරිදි විය. ඒ අනුව ජ්‍යෙෂ්ඨ මට්ටමේ පුරප්පාඩු 6 ක් හා ද්විතියික මට්ටමේ පුරප්පාඩු 17 ක් ද සහිතව පුරප්පාඩු 33 ක් පවතින අතර සමාලෝචිත වර්ෂයේ එම පුරප්පාඩු පිරවීමට හෝ එසේ අවශ්‍ය නොවන්නේ නම් අනුමත සේවක සංඛ්‍යාව සංශෝධනය කිරීමට හෝ අපොහොසත් වී තිබුණි.

සේවක වර්ගය	අනුමත සේවක සංඛ්‍යාව	තථ්‍ය සේවක සංඛ්‍යාව	පුරප්පාඩු සංඛ්‍යාව
ජ්‍යෙෂ්ඨ මට්ටම	17	11	06
තෘතියික මට්ටම	05	03	02
ද්විතියික මට්ටම	45	28	17
ප්‍රාථමික මට්ටම	16	09	07
වෙනත් (අනියම්/තාවකාලික)	02	01	01
එකතුව	85	52	33

එස්.එම්.ඩී.එස්.සුදීෂ් රෝහිත
නියෝජ්‍ය විගණකාධිපති
විගණකාධිපති වෙනුවට

(i) Statement of Financial Performance

ACA -F

Statement of Financial Performance
for the period ended 31st December 2018

Rs.

Budget 2018		Note	Actual 2018	Actual 2017	
-	**Revenue Receipts**		-	-	
-	Income Tax	1	-	-	ACA-1
-	Taxes on Domestic Goods & Services	2	-	-	ACA-1
-	Taxes on International Trade	3	-	-	ACA-1
-	Non Tax Revenue & Others	4	-	-	ACA-1
-	**Total Revenue Receipts (A)**		-	-	
-	**Non Revenue Receipts**		-	-	
-	Treasury Imprests		255,615,000	127,748,000	ACA-3
-	Deposits		5,708,011	12,507,480	ACA-4
-	Advance Accounts		1,923,284	1,662,273	ACA-5/5(a)
-	Other Receipts		13,135,043	1,879,215	
	Total Non Revenue Receipts (B)		**276,381,338**	**143,796,968**	
-	**Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)**		**276,381,338**	**143,796,968**	
	Less: Expenditure				
-	**Recurrent Expenditure**				
35,100,000	Wages, Salaries & Other Employment Benefits	5	33,852,541	30,106,745	ACA-2(ii)
22,450,000	Other Goods & Services	6	21,350,157	15,084,805	ACA-2(ii)
800,000	Subsidies, Grants and Transfers	7	781,604	756,162	ACA-2(ii)
-	Interest Payments	8	-	-	ACA-2(ii)
	Other Recurrent Expenditure	9	-	2,330,677	ACA-2(ii)
58,350,000	**Total Recurrent Expenditure (D)**		**55,984,302**	**48,278,389**	
	Capital Expenditure				
2,050,000	Rehabilitation & Improvement of Capital Assets	10	1,567,610	701,031	ACA-2(ii)
307,850,000	Acquisition of Capital Assets	11	214,903,624	86,273,738	ACA-2(ii)
-	Capital Transfers	12	-	-	ACA-2(ii)
-	Acquisition of Financial Assets	13	-	-	ACA-2(ii)
1,050,000	Capacity Building	14	1,024,174	863,090	ACA-2(ii)
-	Other Capital Expenditure	15	-	-	ACA-2(ii)
310,950,000	**Total Capital Expenditure (E)**		**217,495,407**	**87,837,860**	
	Main Ledger Expenditure (F)		**3,257,948**	7,391,773	
	Deposit Payments		258,355	4,205,347	ACA-4
	Advance Payments		2,999,594	3,186,426	ACA-5/5(a)
	Total Expenditure G = (D+E+F)		276,737,657	143,508,022	
-	**Imprest Balance as at 31st December 2018 H = (C-G)**		**(356,319)**	**288,946**	Note (ix)

31 MAY 2019

(ii) Statement of Financial Position

ACA-P

Statement of Financial Position
As at 31st December- 2018

	Note	Actual 2018 Rs	2017 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	658,044,231	456,624,258
Financial Assets			
Advance Accounts	ACA-5/5(a)	9,434,200	8,283,402
Cash & Cash Equivalents	ACA-3	6,508	288,945
Total Assets		**667,484,938**	**465,196,605**
Net Assets / Equity			
Net Worth to Treasury		(4,417,590)	(118,730)
Property, Plant & Equipment Reserve		658,044,231	456,624,258
Rent and Work Advance Reserve	ACA-5(b)	-	
Current Liabilities			
Deposits Accounts	ACA-4	13,851,789	8,402,133
Imprest Balance	ACA-3	6,508	288,945
Total Liabilities		**667,484,938**	**465,196,606**

Detail Accounting Statements in ACA format Nos. 1 to 6 presented in pages from ...05... to...51 and Notes to accounts presented in pages from ...52 to ...60... form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Finacial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

Chief Accounting Officer	Accounting Officer	Chief Financial Officer/ Chief Accountant/ Director (Finance)/ Commissioner (Finance)
Name :	Name :	Name :
Designation :	Designation :	
Date : 27/02/2019	Date :	Date : 27/02/2019
A. T. M. U. D. B. Tennakoon Secretary Finance Commission		R.A. Susantha Kumara Ranasinghe Chief Accountant Finance Commission No. 03, Sarana Mawatha, Rajagiriya.

(iii) Statement of Cash Flows

ACA-C

Statement of Cash Flows
for the Period ended 31st December-2018

	Actual 2018 Rs.	2017 Rs.
Cash Flows from Operating Activities		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses		-
Profit	-	-
Non Revenue Receipts	256,107,631	129,627,215
Total Cash generated from Operations (a)	**256,107,631**	**129,627,215**
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	55,348,136	41,500,410
Subsidies & Transfer Payments	-	-
Finance Costs - Imprest Settlement to Treasury	-	-
Total Cash disbursed for Operations (b)	**55,348,136**	**41,500,410**
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(a)-(b)	**200,759,495**	**88,126,805**
Cash Flows from Investing Activities		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (d)	-	-
Less - Cash disbursed for:		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	200,752,986	87,837,860
Total Cash disbursed for Investing Activities (e)	**200,752,986**	**87,837,860**
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(d)-(e)	**(200,752,986)**	**(87,837,860)**
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	**6,508**	**288,945**
Cash Flows from Fianacing Activities		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (h)	-	-
Less - Cash disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Change in Deposit Accounts and Other Liabilities	-	-
Total Cash disbursed for Financing Activities (i)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	-	-
Net Movement in Cash (k) = (g) -(j)	**6,508**	**288,945**
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	**6,508**	**288,945**

Annexure

Annexure I

Components and Sub Components

1. **Sector: Education**

Components	Sub Components
1. Strengthen equity in education: equitable learning opportunities for all children	1.1 Implementation of 13 years mandatory education policy. 1.2 Improving access to and participation for primary and secondary education. 1.3 Ensuring free-education policy. 1.4 Ensuring safe and attractive learning environment in schools. 1.5 Improving student's health and nutrition status. 1.6 Implementation of systematics career guidance and counselling programs
2. Improve quality of general education.	2.1 Development of science, technology and mathematics, English and **sport** education for improving skilled **healthy** human capital. 2.2 Broader approach to education focusing on improving transversal skills, socio-emotional skills, value education and ethics. 2.3 Teacher development, teacher education and teacher management. 2.4 Improving assessments and evaluation systems. 2.5 Improving attractive teaching and learning environment: promoting digital-based teaching and learning. 2.6 Improving learning outcomes of students: establish international linkages in general education system.
3. Strengthen stewardship and service delivery of general education.	3.1 Strengthening the empowerment of schools through the implementation of SBM / EPSI. 3.2Improving the quality and standards of the primary and secondary education through establishing school inspectorate. 3.3 Strengthening education administration and management provincial, zonal and divisional levels. 3.4 Implementation of long-term professional development programs.
4. Enhance education policy, planning, research and results-based monitoring and evaluation.	4.1 Strengthening education policy and planning, research and results-based monitoring and evaluations. 4.2 Creation of public awareness programs on education achievements.

2. Sector: Health

Components	Sub Components
1. Improvement of Curative Services	1.1. Hospital services improvement 1.2. Investigative services improvement 1.3. Emergency service improvement 1.4. Improvement of NCD and other clinical services 1.5. Strengthening hospital based maternal and child services 1.6. Medico legal services 1.7. Blood bank services improvement
2. Improvement of Preventive Services	2.1. Non-communicable disease control 2.2. Communicable disease control 2.3. Oral Health 2.4. Strengthening MCH/FP (RH) programme 2.5. Nutrition 2.6. School Health programme 2.7. Health programme for elders, disabled, adolescents and other vulnerable groups 2.8. Occupational health and safety 2.9. Estate Health 2.10. Mental Health 2.11. Environmental Health 2.12. Emerging and Re-emerging diseases
3. Organizational and management development	3.1. Health planning and management capacity development 3.2. Strengthening of Monitoring & Evaluation capacity including Information Systems 3.3. Strengthening of financial and procurement management capacity 3.4. HRH management 3.5. Disaster preparedness

3. Sector: Indigenous Medicine

Components	Sub Components
1.Development of Curative Care	1.1. Hospital services improvement (Quality, safety and equity) 1.2. Investigative services quality improvement 1.3. Improvement of NCD and other clinic services 1.4. Provision of equipment 1.5. Ayurvedic research and development 1.6. Production of medicine and quality control
2. Development of Preventive Care	2.1 Health promotion programs 2.2 Nutrition programs 2.3 Control of Communicable and Non-Communicable Diseases 2.4 Research and development
3.Conservation and development of traditional system of medicine	3.1 Research and documentation 3.2 Promotion of traditional medical systems
4.Capacity Development	4.1 Implementation of proper resource mapping, planning, supervision and monitoring system

4. Sector: Sports

Components	Sub Components
1. Enhancement of skills of sportsmen and women for provincial / national / international sports competitions	1.1 Development of infrastructure facilities 1.2 Educational programs for coaches and athletes 1.3 Conducting training for sportsmen and sportswomen 1.4 Conducting sports competitions and evaluations 1.5 Provision of equipment and sports goods
2. Motivating General Public to participate in community sports activities and exercises for healthy living	2.1 Conducting training 2.2 Persuading people for exercises 2.3 Promoting recreational sports
3.Capacity Development	3.1 Enhancement programs for sports Clubs 3.2 Capacity development of government institutions.

5. Sector: Probation and Childcare

Components	Sub-components
1. Protection the rights and safeguarding vulnerable children	1.1 Educate the society on rights of children 1.2 Protect children against abuse 1.3 Rehabilitation of drug addicted children 1.4 Rehabilitation of abused / exploited children 1.5 Prevention of institutionalization 1.6 Implementation of court orders / judiciary decisions 1.7 Prevention of Child Trafficking
2. Physical and mental healthy growth of destitute/ misled /orphanage children / probationers	2.1 Provision/Improve infrastructure facilities of children's homes 2.2 Improve health and nutrition status of the children 2.3 Skill development and Vocational training 2.4 Socialization of institutionalized children 2.5 Rehabilitation and socialization of probationers
3. Planning and Management capacity development	3.1 Improve management capabilities of children's homes 3.2 Institutional development of the department

6. Sector: Social Services

Component	Sub-component
1. Relief for poor, disabled persons, women in need and specified diseases	1.1 Provision of aid for poor, disabled, women in need and specified diseases 1.2 Support for self-employment activities of disabled persons in poor families
2. Solving social problems of elderly, poor disabled persons and disrupted family units	2.1 Provision of financial support and infrastructure facilities for home for elders and orphanages 2.2 Providing equipment for disabled persons 2.3 Celebration of social functions 2.4 Attitude changing for caring of elders and disabled within the family units 2.5 Prevention of alcohol and drug addiction
3. Rehabilitation of persons referred by judiciary	3.1 Provide accommodations 3.2 Human resource development
4. Disaster Management	4.1 Educate the society on disaster 4.2 Develop good management practices on disasters 4.3 Providing assistance and protective measures for harms from wild beasts and natural disasters
5. Planning and Management capacity development	5.1 Social Service Department 5.2 Service providing institutions

7. Sector: Cultural and Religious Affairs

Components	Sub Components
1. Recognition, promotion and conservation of cultural heritage and its value	1.1 Preservation and conservation of cultural treasures and heritage sites and indigenous communities 1.2 Collection and recording of indigenous cultural and artistic events 1.3 Collection and printing of books related to folk stories, folk lore and various cultural events
2. Bringing to the forefront the role of our culture and heritage, religious faith and aesthetic values	2.1 Teaching, developing and sharing our cultural values, rituals, arts, crafts, music, dance, cinema etc. 2.2 Celebration of religious and national festivals
3. Capacity development	3.1 Institutional development of cultural organizations 3.2 Capacity development of government organizations

8. Sector: Housing

Components	Sub Components
1. Housing Development	1.1 Housing development through provision of loans 1.2 Housing development through provision of grants
2. Capacity Development	2.1 Institutional development of housing constructions volunteer organizations 2.2 Capacity development of Government institutions

9. Sector: Cooperatives

Component	Sub-component
1. Strengthening cooperative societies to enhance service delivery	1.1 Facilitation development of cooperative services 1.2 Facilitation diversification of services 1.3 Quality improvement of income generating activities
2. Capacity development for planning and management	2.1 Cooperative department 2.2 Cooperative societies

10. Sector: Early Childhood Development (ECD)

Component	Sub Component
1. Providing Accessibility to ECD opportunities for all children	1.1 Pre- school/ Nursery infrastructure improvements 1.2 Improving Accessibility for ECD tools at Household level 1.3 Enhancing awareness of parents/ guardians on importance of ECD
2. Improve Quality of ECD	1.1 Capacity Building
3. Promoting health condition of children	1.1 Development of mental & physical health of children

11. Sector: Provincial Roads

Components	Sub Components
1. Establishment and operation of a quality road network in the province	1.1 Road rehabilitation 1.2 Road Improvement 1.3 Road maintenance 1.4 Construction of new roads 1.5 Road safety improvement 1.6 Reconstruction of major structures
2. Enhancement of Planning and management	2.1 Implementation of proper planning, supervision and monitoring system 2.2 Maintaining existing capital assets and provision of new assets

12. Sector: Estate Infrastructure

Components	Sub Components
1.Physical Infrastructure Development	1.1Housing 1.2Access Roads 1.3 Education Related Infrastructure 1.4 Health Related Infrastructure
2.Human Development	2.1 Education Development 2.2 Health and Nutrition 2.3 Income Generation and Social Services

13. Sector: Transport

Components	Sub Components
1. Provision of quality passenger service	1.1Development of Amenities for passengers 1.2 Enhance comfort and safety of passengers 1.3 Developing passenger friendly attitude among bus crew 1.4 Enforcement of Law
2. Expansion of the passenger service coverage	2.1 Introduction of new routes 2.2 Improvements of alternative transport modes
3. Capacity development	3.1 Capacity development of government organizations

14. Sector: Land

Component	Sub-component
1. Efficient utilization of government lands	1.1 Identification and survey of government lands 1.2 Facilitation for alienation of lands 1.3 Regularization of encroached lands 1.4 Settlement of land disputes and other related problems 1.5 Protection of reservations 1.6 Acquisition of lands
2. Land development and productivity improvement in colonies	2.1 Infrastructure development 2.2 Water and soil conservation 2.3 Agriculture development
3. Capacity development for planning and management	3.1 Institutional Development

15. Sector: Agriculture

Components	Sub Components
1. Production and productivity improvement	1.1 Quality improvement of seed, planting materials and crops. 1.2. Introduction of new technologies and good management practices. 1.3 Crop diversification and Crop zoning. 1.4 Homestead Development. 1.5 Soil and water conservation 1.6
2. Marketing and Technology development	2.1. Institutional Development. 2.2. Introduction of pre and post-harvest technologies. 2.3. Linking producers with markets / Market extension.
3. Promotion of agro-industries	3.1. Technology support for ongoing/new agro based industries. 3.2. Public and private partnerships. 3.3. Development of individual / group entrepreneurs.
4.Capacity Building	4.1. Institutional development of beneficiaries. 4.2. Capacity development of government organizations.

16. Sector: Livestock

Components	Sub Components
1. Production and Productivity development in the Livestock Sector.	1.1. Milk production development. 1.2. Meat production development. 1.3. Egg production development.
2. Marketing, value additions and Livestock related income generating activities.	2.1 Quality improvement and technical guidance. 2.2 Market linkages and market development. 2.3 Industries and enterprise promotion with the private sector.
3.Promotion of Veterinary Public Health	3.1 Zoonotic diseases control
4. Capacity Development	4.1 Institutional development of beneficiaries. 4.2Capacity development of government organizations

17. Sector: Inland Fisheries

Components	Sub Components
1. Development of Fish Production	1.1 Fish Cultivation 1.2 Ornamental fish cultivation 1.3 Fish breeding centers 1.4 Conservation of aquatic environment
2. Marketing Promotion	2.1 Provision of marketing facilities 2.2 Building of market linkages
3. Capacity Development	3.1 Institutional and fishing efforts development of fisheries community 3.2 Capacity development of Government organizations

18. Sector: Irrigation

Components	Sub Components
1. Improving the availability of irrigation water for agriculture	1.1 Maintenance of existing irrigation systems 1.2 Rehabilitation to irrigation, drainage and Salinity exclusion system 1.3 Improvements to irrigation, drainage and Salinity exclusion system 1.4 New constructions 1.5 Follow up of proper water management practices
2. Capacity development	2.1 Enhancement of farmer participation and farmer organization development 2.2 Implementation of proper resource mapping, planning, supervision and monitoring system 2.3 Institutional development and maintaining assets

19. Sector: Rural Development

Components	Sub Components
1.Rural infrastructure development	2.1 Improvement of rural accessibility 2.2 Provision of water for household requirements 2.3 Construction / Improvements of community centers
2. Mitigating of disasters	1.1 Lightning protection 1.2 Measures for mitigating of natural disasters
3.Institutional Capacity Development	3.1 Capacity development of individuals / families and organizations

20. Sector: Small Industries

Components	Sub Components
1. Development of micro/small industries and handicrafts,	1.1 Quality improvement 1.2 Market development
2. Skill and vocational development	2.1 Improvements to existing vocational centers to meet the market demand 2.2 Entrepreneurship development 2.3 Appropriate technology transfer and vocational training 2.4 Career guidance
3. Planning and management development	3.1 Capacity development of government organizations

21. Sector: Rural Electrification

Components	Sub Components
1. Providing access to electricity for households not served at present by national grid	1.1 Extension of the national grid 1.2 Augmentation
2.Development of alternative energy in remote/rural areas that cannot be served by national grid	2.1 Implementation of different types of alternative energy programs 2.2 Start/expand income generating activities / enterprises
3. Capacity development	3.1 Capacity development of government organizations

22. Sector: Tourism

Components	Sub Components
1.Diversification and development of tourists attraction and marketable products	1.1 Development of Infrastructure facilities of tourist attractions 1.2 Introduction and development of products and services
2 Marketing and promotion of tourism	2.1 Propaganda and promotion programs 2.2 Training and manpower development 2.3 Tourism information centers
3.Ensure the Income Generation for the Local Community through promotion of tourism	3.1 Training and technical guidance 3.2 Facilitate local entrepreneurs 3.3 Enhancement of Community participation
4. Capacity Development	4.1 Institutional development of the communities involved in tourism 4.2 Capacity development of government organizations

23. Sector: Local Government

Components	Sub Components
1. Local Authority Roads	1.1Road rehabilitation 1.2 Road improvement 1.3 Road maintenance 1.4 Construction of new roads 1.5 Road safety improvement
2. Community Water Supply	2.1 New water supply schemes 2.2 Maintenance of water supply projects 2.3 Supply of drinking water using bowser trucks
3. Waste Management	3.1 Sewerage Treatment 3.2 Scientific Disposals 3.3 Recycling 3.4 Composting
4.Other Local Government Services	4.1 Commercial-Oriented Facilities 4.2 Service-Oriented Facilities 4.3 Recreation Facilities