

Performance Report - 2014



Department of Development Finance

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Vision

“ To become the key government agency as facilitator to develop Small and Medium Enterprises (SMEE), Micro Enterprises, Banking Sector and Financial Markets in order to accelerate the growth of the economy.”

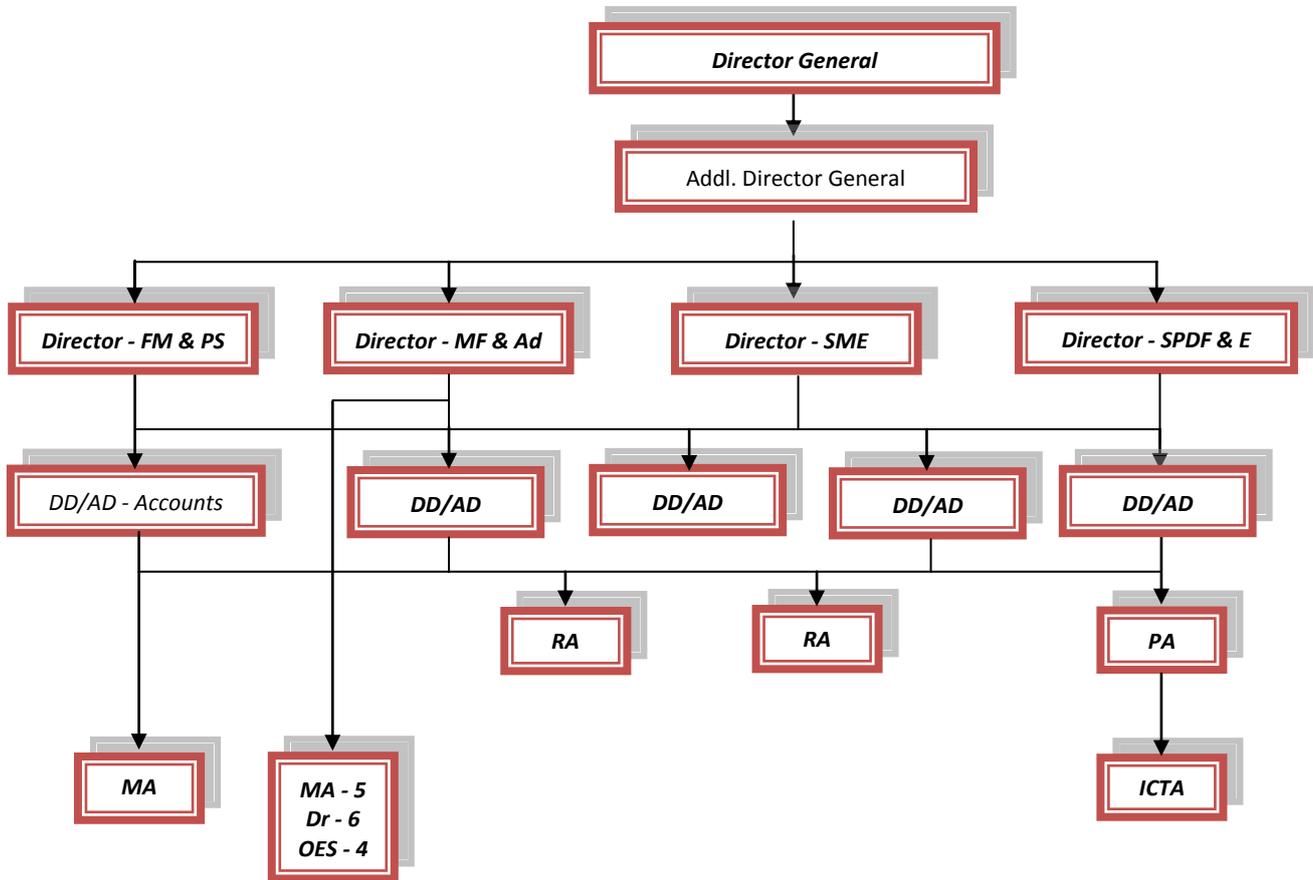
Mission

“ Formulate appropriate policies and strategies to mobilize financial resources for the development of SME sector, micro enterprises sector, Banking sector and improvement of the financial markets through necessary intervention with the relevant stakeholders.”

Functions of the Department

- Formulate appropriate policies, programmes and strategies for the development of the financial sector and government sponsored financial assistance schemes.
- Identify key issues and provide solutions to the development of small and medium enterprise and micro finance sectors.
- Facilitate enacting legislations for banking, insurance, small and medium enterprise and the micro enterprises.
- Formulation, implementation and follow up action on budget proposals and conducting empirical research to facilitate policies.
- Facilitate policy formulation to solve current issues which arises from time to time in the domestic economy.

Organization Chart



- DD - Deputy Director
- AD - Assistant Director
- PA - Planning Assistant
- RA - Research Assistant
- ICTA - Information Communication & Technology Assistant
- MA - Management Assistant
- Dr - Driver
- OES - Office Employment Service

- Sector**
- FM & PS - Financial Market & Primary Sector
 - MF & Ad - Microfinance and Administration
 - SME - Small and Medium Enterprise
 - SPDF & E - Strategic Planning in Development Finance and Evaluation

2. Performance During 2014

2.1 Overview

The Government has adopted policies and strategies to promote Small and Medium Sector Enterprises (SME) and micro finance sectors having recognizing the advantage of these sectors for development of the country with achieving balance economic growth, equitable regional development, creating employment and improving productivity. Moving beyond the task of traditional banking, the commercial banks as well as development banks have moved forward to assure the proper functioning of SMEs through continuous financial assistance along with advisory support and supervision specially in marketing and in introducing new technology to support them to reach the next higher level of modernization.

Micro finance presents many opportunities to develop entrepreneurship at the regional level, but entails some special qualities that makes it a unique form of a segment in the economy. Micro finance sector of the country has expanded substantially over the last several decades and has had an enormous impact on the rural development in the country. It also has satisfied the financial needs of the low income urban community including the micro entrepreneurs in the informal sector who do not have direct access to the formal banking system.

With the objectives of increase regional contribution to the Gross Domestic Products (GDP), minimize regional disparities, enhance farmers' income and ensure total security in the country the Government continued providing input subsidies including fertilizer, seed and planting materials, cultivation loans at concessionary interest rates, establishing guaranteed prices for agricultural produces in order to promote agricultural sector. Further, the Government has taken action to ensure farmer's social security and welfare through expanding farmer's pension scheme and widening crop insurance coverage.

2.2 SME Financing

The Government encouraged financial institutions to reach out to the SMEs in order to enhance the financial facilities available for them while functioning as advisory centers for SMEs which are recognized as the backbone of economic development. In 2014, approximately Rs. 521,385 million was granted by both state and private commercial and development banks to fulfill the funding needs of SMEs.

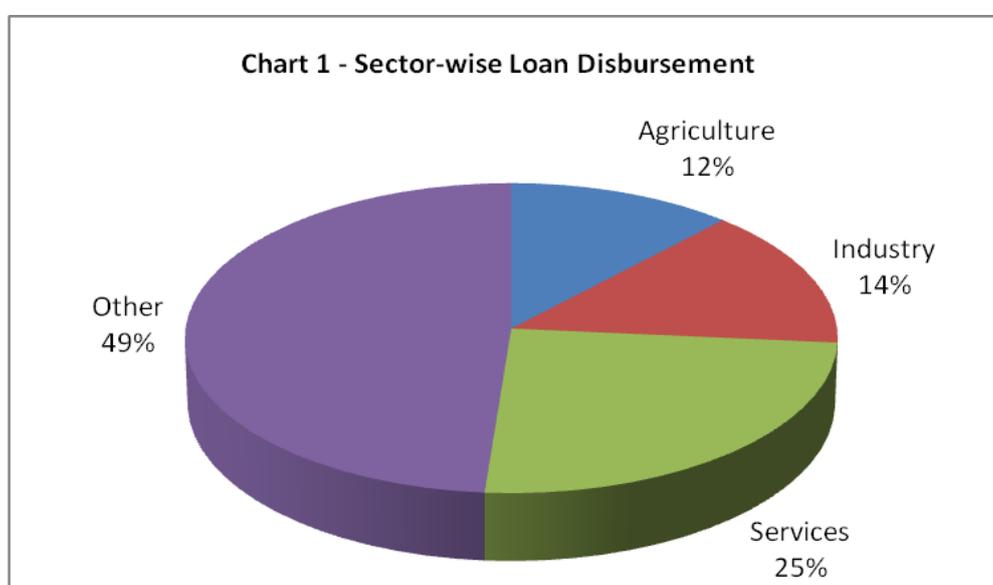
Table 1 > Funds Disbursed by Commercial and Development Banks to SMEs – 2014

Bank	Agriculture		Industry		Services		Other		Total	
	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)
Bank of Ceylon	2,667	6,390.63	1,465	2,993.40	228	437.59	16,730	26,490.20	21,090	36,311.82
People's Bank	308	641.42	1,119	3,575.51	169	538.6	2	1.7	1,598	4,757.23
Regional Development Bank	834	552.12	1,015	772.54	1,120	859.42	613	421.17	3,582	2,605.26

Lankaputhra Development Bank	73	127.87	93	367.44	3	2.8	10	29.67	179	527.78
Sanasa Development Bank	652	318.6	139	205.7	73	112.4	401	282.3	1,265	919
National Development Bank PLC	889	2,219.55	2,556	8,451.53	194	1,121.05	494	1,485.67	4,133	13,277.80
DFCC Bank PLC	400	2,235.00	1,161	6,805.84	1,106	8,056.03	2,318	11,936.89	4,985	29,033.76
Commercial Bank of Ceylon PLC	4,753	15,070.83	6,929	30,645.06	25,703	151,678.85	10,041	22,850.87	47,426	220,245.61
Sampath Bank PLC	5,420	9,184.00	7,255	13,590.00	7,374	19,992.00	28,304	34,767.00	48,353	77,533.00
Seylan Bank PLC	1,617	5,931.00	4,443	16,809.00	6,063	13,037.00	3,507	9,543.00	15,631	45,320.00
Hatton National Bank PLC	4,054	6,980.74	2,417	11,561.72	6,439	26,400.88	1,150	2,471.78	14,060	47,415.12
Nations Trust Bank PLC	275	2,014.67	673	2,220.56	2,240	8,594.12	9,445	15,010.65	12,633	27,840.00
Union Bank of Colombo Ltd.	2,848	1,409.03	1,170	2,283.11	1,028	1,783.21	28,829	10,123.18	33,875	15,598.53
Total	24,790	53,075.46	30,435	100,281.41	51,740	232,613.95	101,844	135,414.08	208,810	521,384.91

Source: Respective Banks

In 2014, out of the total SME sector loans granted by commercial and development banks, 12 percent was to the agriculture sector, 14 percent to the industry sector, 25 percent to the services sector while 49 percent went to all the other sectors under SME loans.



2.2.1 Foreign Funded Projects for SME Development

Small and Medium Enterprise Development Facility Project (SMEDeF)

The main objective of the project is to improve access to finance for Small and Medium Enterprises (SMEs) in Sri Lanka affected by the Global Financial Crisis. The project consists of two main components namely Financing and Risk Sharing Facility (USD 50.4 million) and Policy and Capacity Enhancement for SME Banking (USD 7 million). The project commenced in January 2011 and it was restructured on 2nd August 2013. As at 31st December 2014, PIU has granted approval for 743 number of loans amounting to Rs. 5,902 million and out of that PFIs have disbursed Rs. 4,256 million for 585 projects which is 72 percent disbursed against approved loan amount and 70 percent from the total credit line.

Table 2 > Progress of the Project as at 31.12.2014

PFI	Approved		Disbursements		Outstanding to be disbursed		
	No. of Loans	Amount (Rs. Mn)	No. of Loans	Amount (Rs. Mn)	No. of Loans	Amount (Rs. Mn)	USD Mn
Bank of Ceylon	135	1,001.01	95	579.07	62	421.94	3.22
Commercial Bank	85	598.20	83	552.20	3	46.00	0.35
DFCC Bank	27	368.05	26	363.70	1	4.35	0.03
Hatton National Bank	55	783.28	44	559.64	26	223.64	1.71
National Development Bank	32	503.93	31	482.43	2	21.50	0.16
Peoples' Bank	133	973.99	99	545.97	53	428.02	3.27
Regional Development Bank	183	743.75	120	386.58	74	357.17	2.73
Sampath Bank	93	929.90	87	786.09	17	143.81	1.10
Total	743	5,902.10	585	4,255.67	238	1,646.43	12.56

Source: Respective Banks

During the 2014 the highest number of loans was disbursed by the Regional Development Bank and lowest number of loans disbursed by Commercial Bank and National Development Bank. As at 31st December 2014, highest values of disbursements have been made by Sampath Bank which is Rs. 786 million and the lowest by DFCC amounting to Rs. 364 million. Geographical distribution of the disbursements as at the end of 2014, the highest value of Rs. 818 million recorded in Colombo District followed by Gampaha (Rs. 572 million), Kurunegala (Rs. 465 million), Kalutara (Rs. 303 million), Galle (Rs. 296 million), Matara (Rs. 240 million), Puttalam (Rs. 227 million), and Kandy (Rs. 221 million) respectively.

Table 3 > Disbursements by PFIs

Bank	During Year 2014		Cumulative as at 31 st December 2014		
	No. of Loans	Amount (Rs. Mn)	No. of Loans	Amount (Rs. Mn)	Amount (USD)
Bank of Ceylon	40	140.04	95	579.07	4.42
Commercial Bank	5	48.00	83	552.20	4.21
DFCC Bank	-	-	26	363.70	2.78
Hatton National Bank	26	237.41	44	559.64	4.27
National Development Bank	12	147.00	31	482.43	3.68
Peoples' Bank	44	222.73	99	545.97	4.17
Regional Development Bank	46	141.12	120	386.58	2.95
Sampath Bank	38	367.39	87	786.09	6.00
Total	211	1,303.70	585	4,255.67	32.47

Source: Respective Banks

The identified 23 sub-sectors of enterprises which has obtained refinancing at the end of December 2014. Hotels, Restaurants & Tourism sector has received the highest amount (Rs. 934 million) of loans, followed by Agro Processing sector (Rs. 855 million). Manufacturing, Services, Apparel, Agriculture and Construction sectors show a significant improvement of receiving refinance while other sectors show low value.

Promoting Export and Green Energy

With the focus on supporting investment that contribute to the private sector development in Sri Lanka through the finance of SMEs and to renewable energy and energy efficiency in the country, the Government signed a financial contract with the European Investment Bank (EIB) in November 2013 to obtain a concessionary loan of Euro 90 million (approximately Rs. 16,200 million). This credit line finances eligible projects in SME sector, Renewable Energy (RE) Sector and Energy Efficiency (EE) Sector in Sri Lanka in order to stimulate the economic growth and expand economic development activities. Accordingly, SME sector and RE & EE have been allocated 70 percent (Euro 63 million) and 30 percent (Euro 27 million) respectively.

This credit line is being implemented through three Participating Financial Institutions (PFIs) which are Commercial Bank, DFCC Bank and Regional Development Bank. The beneficiaries of this credit line would have to undertake investment projects with a minimum cost of Euro 100,000 and a maximum cost of Euro 25 million.

This Credit line not only brings financial benefits to the country but also the environmental sector benefits too as this scheme encourages the usage of renewable energy sources such as wind, solar, mini hydro, bio mass and geothermal. Further, it encourages efficient utilization of existing energy too. Giving more concern on developing the local SME sector, this Credit line approved providing loan facilities to Start-up SMEs, extension of existing facilities and rehabilitation or modernization of

existing facilities of SMEs. By the end of 2014, Rs. 1,324 million has been disbursed for 30 projects under this EIB loan scheme.

2.3 Micro Financing

At present, microfinance industry is developing a new dimension called “financial inclusion” which covers four key areas; savings, credit, micro-insurance and money transfers. Microfinance of the country is facilitated by many actors; ministries, commercial banks, specialized banks, registered financial companies and informal lenders. Many development agencies and NGOs also support the improvement of accessibility of poor people to financial services at grass root level

The Government plays a key role in providing concessional funding through various agencies in order to alleviate poverty and to create financial inclusion of underprivileged people in rural and remote areas of the country. Various Government-led micro financing programs targeting the low income families have been implemented during 2014. The progress of micro financing programmes carried out by government affiliated institutions in 2014 is as follows.

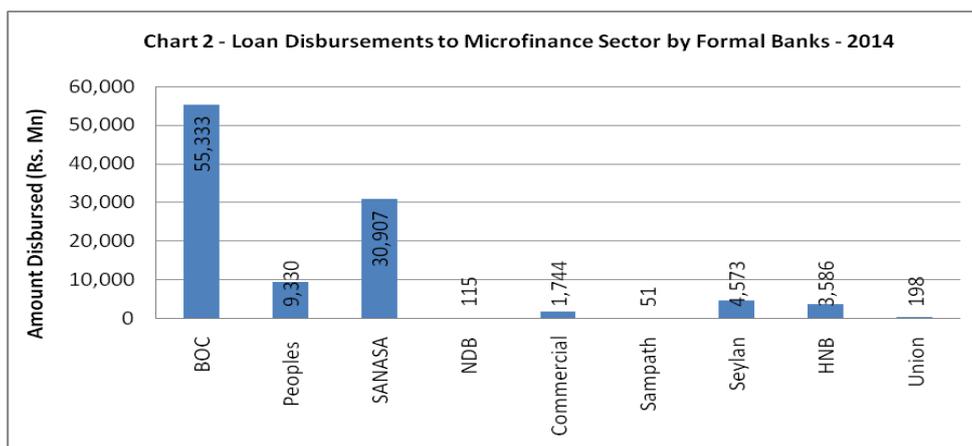
Table 4 > Progress of Major Microfinance Institutions – 2014

Microfinance Institution	No. of Branches	No. of Depositors	No. of Borrowers	Total Deposits (Rs. Mn)	Total Investment (Rs. Mn)	Total Borrowings (Rs. Mn)
Department of Divineguma	1,074	9,104,024	6,618,730	54,479	48,308	128,026
Department of Co-operative Development	2,185	8,743,625	1,454,695	89,634	74,919	37,757
Department of Agrarian Development	532	272,023	483,250	328	2,213	5,826
Regional Development Bank	265	5,228,002	466,106	72,544	25,807	25,881
Lankaputhra Development Bank	08	40,244	7,677	354	5,490	2,768
Total	4,064	23,387,918	9,030,458	217,339	156,737	200,258

Source: Department of Development Finance

Overall these micro finance institutions provide financial services either through loans or deposit facilities. The outstanding loan portfolio of major microfinance institutions stands at Rs. 200 billion out of which 64 percent (Rs. 128 billion) is held by Department of Divi Neguma, 19 percent (Rs. 38 billion) is held by Department of Cooperative Development, 13 percent (Rs. 26 billion) is held by Regional Development Bank, 3 percent (Rs. 6 billion) is held by Department of Agrarian Development and the balance 1 percent (Rs. 3 billion) is held by Lankaputhra Development Bank.

Table 2 indicates that the savings of the indigent have reached up to Rs. 217 billion by 2014. The major MFIs have spent Rs. 156 billion on long term and short term investments.

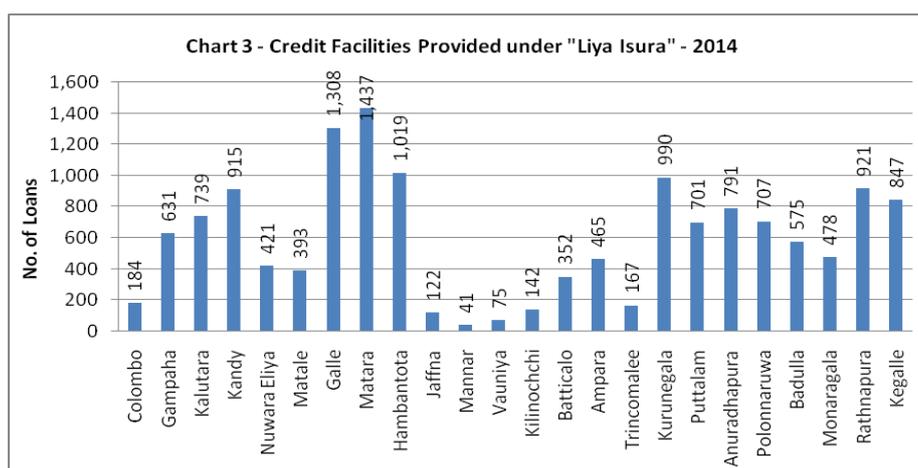


In 2014, licensed commercial banks disbursed Rs. 106 billion in loans to the microfinance sector. Of this, Rs. 55 billion was provided by the Bank of Ceylon as small loans under New Comprehensive Rural Credit Scheme (NCRCS), Poverty Alleviation Micro Finance Project (PAMP) and “Saubhagya” Loan Scheme. SANASA Development Bank and People’s Bank also play a significant role in this process and have disbursed Rs. 31 billion and Rs. 9 billion respectively in 2014. Compared with the state banks, Seylan Bank and Hatton National Bank (HNB) are the private banks with significant microfinance portfolio and have offered loans to the rural areas facilitating access to finance through various microfinance programs.

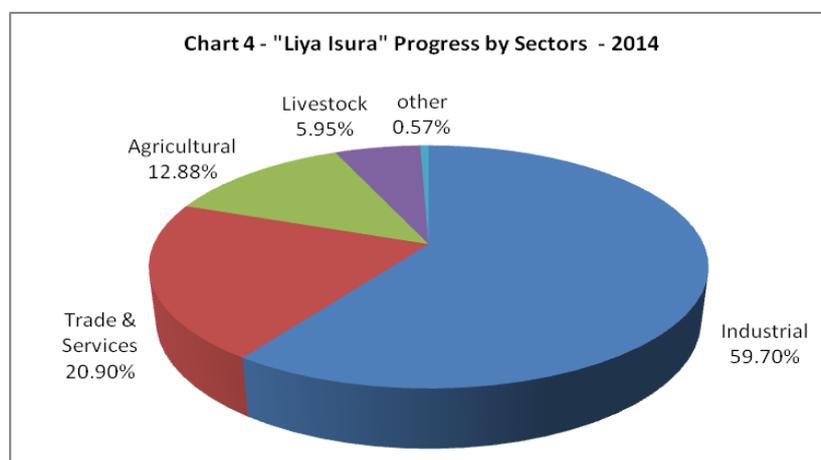
2.3.1 “Liya Isura” - A Loan Scheme for Women in Small Business

“Liya Isura” is a special loan scheme initiated by the Government in March 2014 targeting women entrepreneurs who do not have collateral but have profitable business or business proposals. Under this loan scheme, credit facilities are provided for women up to a maximum of Rs. 250,000 to expand their ongoing businesses or to start up new businesses through the Regional Development Bank (RDB).

Women entrepreneurs who are engaged in their own business in various sectors were granted credit facilities without interest and collateral irrespective of their age. A substantial percentage of women who were unable to start their own businesses or unable to expand their business activities due to limited access to finance, were benefitted under this loan scheme in 2014.



The target, under the “Liya Isura” loan scheme in 2014 was to provide Rs. 3,350 million to 13,400 women Entrepreneurs Island wide. Achieving the expected targets in 2014, the “Liya Isura” loan scheme was successfully implemented by providing Rs. 2,316 million loans among 14,421 women entrepreneurs in island wide. Galle, Matara and Hambantota districts are significant in loan disbursements and more than 3,500 women entrepreneurs have been benefited in 2014. These loan facilities have been utilized for new businesses and for the development of the existing businesses in agriculture, industries and service sectors etc.



In 2014, about 60 percent of loans have been utilized in industrial sector especially in garments, coir and handy crafts industry and 21 percent in trade and services sectors. In addition 13 percent and 6 percent of women entrepreneurs have engaged in agricultural and livestock activities respectively. Most of the women have engaged in domestic industries with the support of their family members, as it was an great opportunity for women to protect their family while carrying out their own businesses and adding additional income to their family budget.

Box 1 > Special Relief for Pawning Advances

The new Government has implemented several special measures to provide relief to the people by reducing the rising cost of living, which was considered as one of the key burning issues of the country. People who suffered from the cost of living burden have pawned their Jewellery received from their parents and close relatives as memorials to obtain instant loans in order to fulfill their day to day needs. Most of the people were not been able to settle those loans in line with the contract since they have utilized this money for consumption and the high interest rate charges by banks is not reachable. Therefore, poor people who have obtained loans from unauthorized sources to settle these pawning advances finally face the loan-trap.

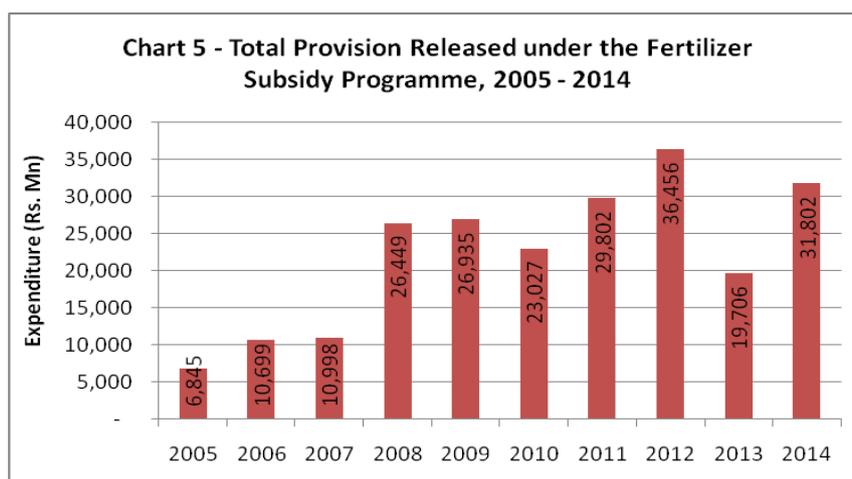
The new Government understands the misery of the people who had gone through numerous hardships in facing up to the rising cost of living and announced to waive off the excess interest rate charged on pawned Jewellery as a special relief with effect from 15th March 2015.

According to this relief package, people who have obtained a pawning advance up to a maximum amount of Rs. 200,000 from the state owned banks are eligible to enjoy the benefit under this scheme. Rs. 7,000 million has been allocated to implement this relief package by the Interim Budget 2015 and more than 100,000 people will be benefited through this scheme.

2.4 Enhancing Agriculture Sector

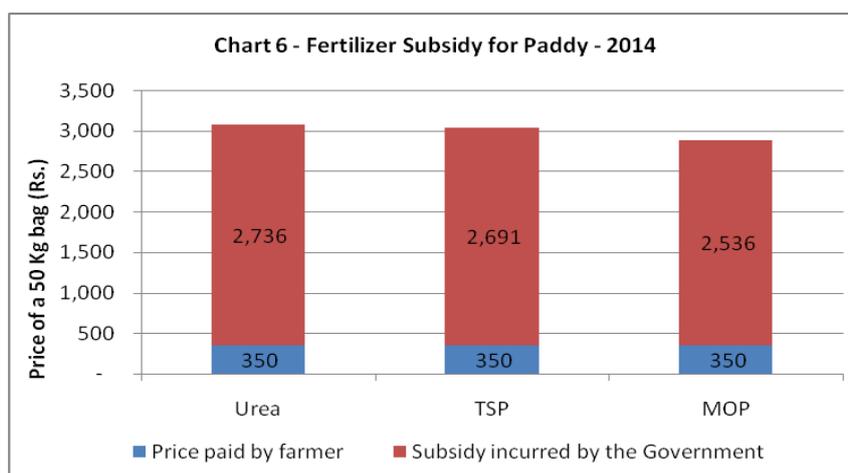
2.4.1 Fertilizer Subsidy Programme

The contribution made by the fertilizer subsidy programme towards achieving agriculture sector growth targets was enormous due to the reduction of the cost of production in agricultural goods and improved access to agricultural inputs. The ongoing fertilizer subsidy programme was announced in 2005 enabling the farmers to get rid of the impediments faced due to high prices of fertilizer. At present, the fertilizer subsidy is provided for paddy as well as for other crops in order to obtain an optimum level of yield with a desired level of soil conservation. The actual expenditure incurred in this programme during 2014 was around Rs. 31,802 million.



2.4.1.1 Fertilizer Subsidy for Paddy

As fertilizer is identified as one of the key determinants in paddy cultivation, the three major fertilizer types used for paddy in their straight form was made available at a subsidized price of Rs. 350/- per 50 Kg bag each from 2005. Accordingly, Urea, TSP (Triple Super Phosphate) and MOP (Muriate of Potash) are issued at Agrarian Service Centers through the distribution channel of the two state fertilizer companies.



The average subsidy borne by the Government on a 50 Kg bag of paddy fertilizer is around 88 percent of the market price.

The drought situation which prevailed in 2014 has made a direct impact upon paddy cultivation. As a result, there was a significant drop in paddy production and even the extent cultivated, extent harvested and hence fertilizer issuance has fallen compared with both seasons of 2014.

Table 5 > Comparison of Paddy Cultivation Data in 2013 and 2014

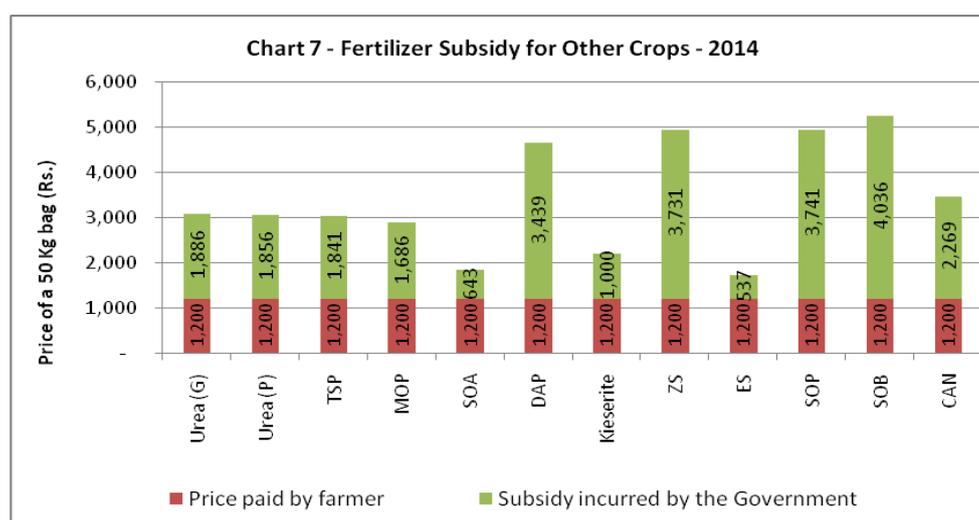
Description	No. of Farmers Obtained Fertilizer	Fertilizer Quantity Issued (Mt)	Gross Extent Sawn (Ha)	Nett Extent Harvested (Ha)	Paddy Production (Mt)
2012/13 Maha	1,044,343	247,078	779,635	664,804	2,846,276
2013 Yala	658,560	113,434	447,613	402,534	1,774,452
2013 Total	1,702,903	360,512	1,227,248	1,067,338	4,620,728
2013/14 Maha	941,792	186,846	651,289	520,608	2,235,851
2014 Yala	538,048	92,518	312,979	272,339	1,144,929
2014 Total	1,479,840	279,364	964,268	792,947	3,380,780
Percentage Reduction from 2013 to 2014	13	23	21	26	27

Source : Department of Agrarian Development and Department of Census and Statistics

2.4.1.2 Fertilizer Subsidy for Other Crops

As an incentive for farmers to expand their cultivating capacity from one crop to multiple crops and to increase the productivity of crops other than paddy, the fertilizer subsidy for other crops was announced in 2011 at the following concessionary prices.

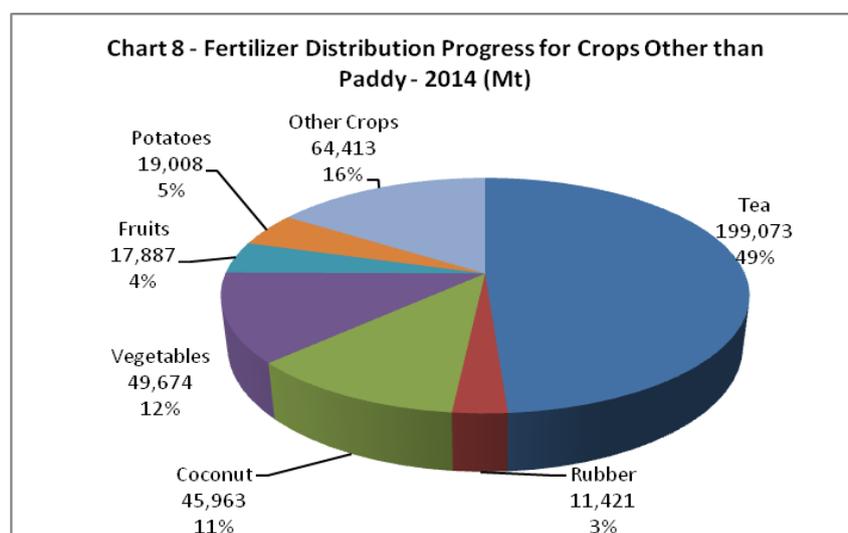
- A 50 Kg bag of any type of straight fertilizer to be sold at Rs. 1,200/-
- A 50 Kg bag of mixed fertilizer to be sold at Rs. 1,300/-



The subsidy borne by the Government as a percentage of the market price on a 50 Kg bag of straight fertilizer lies between the range of 31 percent to 77 percent.

This programme has increased the accessibility to fertilizer while providing consumers a variety of straight and mixed types with a range of quantities from both private and state owned fertilizer outlets.

In 2014, a total volume of 407,439 Mt of fertilizer was distributed under this programme for different types of crops other than paddy.



2.4.2 New Comprehensive Rural Credit Scheme (NCRCS)

New Comprehensive Rural Credit Scheme (NCRCS) was continued during 2014, enhancing the rural sector production and uplifting the living standards of rural community as well by providing credit facility for cultivation. The concessionary interest rate charged for the loans granted under NCRCS was revised in 2014 considering the prevailing situation of the financial market of the country. Accordingly, the interest rate granted by the PFIs to farmers was reduced from 9 percent to 7 percent and the subsidy rate paid by the Government was reduced from 6 percent to 5 percent. In order to promote the local crops up to the self-sufficiency level as envisage by the government, the maximum loan amounts for the 32 crops has increased considerably as a positive step given to offset increases in cost of cultivations.

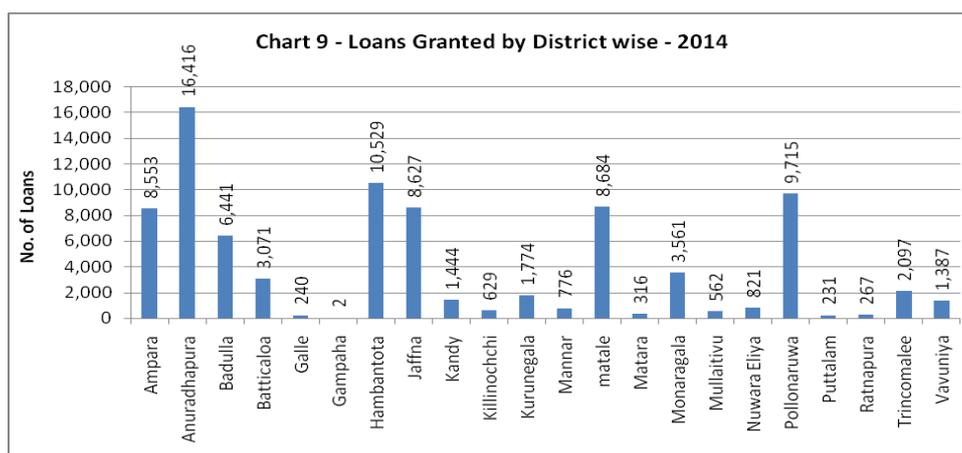
Table 6 > Loan Disbursements under NCRCS-2014

Crop	Maximum Loan Limit per Acre (Rs.)	Maximum Land Units (Acres)	No. of Loans Granted	Amount Released (Rs. Mn)	Extend of Land (Acres)
Paddy-Irrigated	30,000	10	53,343	3,773	183,916
Rain fed	32,000	10			
Maize	34,000	10	8,446	465	20,466
Potato	252,000	2	3,907	612	3,975
Onion	140,000	2	12,518	1,448	19,575
Chilies	88,000	2	3,141	177	4,744

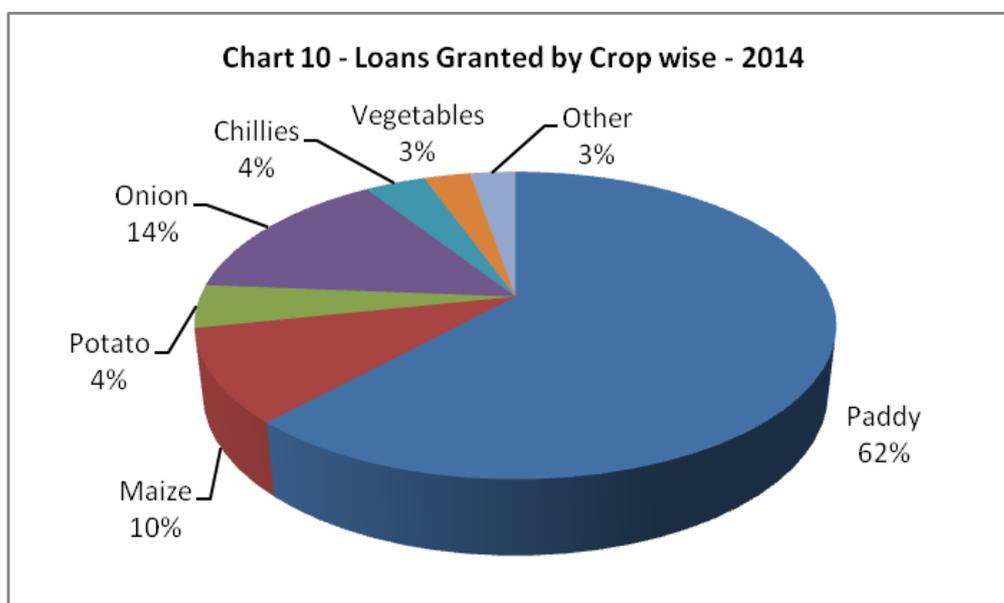
Vegetables	31,000 - 119,000	2	2,414	136	3,797
Other-Ginger	70,000	2	2,374	137	4,447
Total			86,143	6,748	240,920

Source: Central Bank of Sri Lanka

In terms of loan distribution, the small loans below the maximum loan limit of Rs. 32,000 per Acre have been provided mostly to the paddy sector, and this represent 62 percent of the total loan disbursement in 2014 .Onion and maize cultivators have also benefited under NCRCS and 14 percent and 10 percent of the total loan amount has been released for these sectors. In 2014 land to the extent of 240,921 acres has been utilized for crop cultivation of which 76 percent was for paddy which received more concessions by the Government to reach self-sufficiency level.



In 2014 the highest loan disbursement of Rs. 1,256 million was recorded in Jaffna District and 8,627 farmers benefitted. Broader access to credit facilities and the peaceful environment encouraged more farming in those areas. The number of farmers who benefitted under this credit scheme are considerably high in Anuradapura, Hambantota and Pollonaruwa districts in comparison with other Districts.



In terms of crop distribution, the paddy sector further dominates in the total number of loans granted accounting for 62 percent of total disbursements in 2014 followed by onion and maize which have been promoted as import substitute crops to promote food security and livelihood income opportunities.

Box 2 > A Relief for Cultivation Loans

The contribution given by the farmers to foster the agriculture based economy is immense. However, in the recent past they had to undergo many difficulties since their crops have failed due to factors beyond their control such as floods, droughts, pests, natural calamities, civil commotion etc. On such situations, the farmers were unable to repay their loans obtained from banks to undertake their agricultural activities. By understanding the difficulties faced by the farmers, the Interim Budget 2015 proposed to write off 50 percent of the capital of cultivation loans granted by the state banks to farmers.

Individual farmers who have obtained cultivation loans for paddy and other field crops under cultivation loan schemes up to a maximum amount of Rs. 100,000 from state owned banks and transferred to non-performing category are eligible for the relief package. The banks write off 50 percent of the total outstanding capital of the cultivation loans of non-performing categories and the losses are reimbursed to the banks by the Treasury. Accordingly, Rs. 2,500 million has been allocated by the Government from 2015 budget to implement this scheme with effect from 06th March 2015.

2.4.3 Crop Insurance

The crop insurance, which was introduced in 2013 with the intention of providing relief to the farmers for the damage caused to their cultivations due to drought, floods and wild elephants, was initially implemented by the National Insurance Trust Fund (NITF). In year 2014, few timely amendments were made to this scheme in order to provide more efficient service for farmers insured under this scheme. Extension of this scheme from paddy farmers to all smallholder farmers engaged in all crops was made in year 2014 and the implementation authority was shifted from NITF to the Agricultural and Agrarian Insurance Board (AAIB) from December 2014 avoiding the unnecessary delays that had occurred on payments. In 2014, approximately Rs. 795 million was collected as the premium and Rs. 365 million was paid among 33,387 farmers for crop damages during this year.

2.4.4 Social Security for Farmers

The Farmers Pension Scheme was continued throughout 2014 with the higher benefits proposed in the Budget 2014. At the end of 2014, 123,768 elderly farmers were being benefited under this scheme and total of Rs. 2,130 million was spent during the year 2014 on this new scheme. Since the Farmers' Pension Fund is not in at a level of self-sufficiency, the Treasury provided Rs. 180 million per month for AAIB to provide the pension on time. Currently, the entitled farmers receive their monthly pension within the first week of each month through the post office.

Table 7 > Pension Provided for Farmers by Age Group

Age Group	Monthly Pension (Rs.)	No. of Farmers Entitled	Amount Paid (Rs. Mn)
60 - 63	1,000	18,832	163
64 - 70	1,250	73,018	1,095
71 - 77	2,000	28,981	696
Above 78	5,000	2,937	176
Total		123,768	2,130

Source: Agriculture and Agrarian Insurance Board

2.4.5 Assistance to the Small Holder Plantation Sector

In the process of developing the economy of the country, proper utilization and continuous improvements in the plantation sector are significant since it plays a vital role as a major foreign exchange earner. As the country has benefitted from the plantation sector for several decades the sector also was fortunate to get incentives from all the governments that came to power after independence. This plantation sector contributes 1.9 percent to the Gross Domestic Product and shares 17.5 percent of total exports.

At present, the plantation sector is being led by the small holders with plots of land less than 10 acres in tea and rubber and less than 5 acres in coconut. Further, this smallholder sector contributes 72 percent of tea, 65 percent of rubber and 82 percent of coconut production.

Table 8 > Performance of Small Holder Plantation Sector, 2010 – 2014

Year	Tea		Rubber		Coconut	
	Extent (Ha)	Total Production (Kg Mn)	Extent (Ha)	Total Production (Kg Mn)	Extent (Ha)	Total Production (Mn nuts)
2010	204,619	331	125,645	153	394,836	1,900
2011	206,104	328	128,120	158	394,836	2,303
2012	194,508	328	130,780	152	394,836	2,411
2013	194,508	340	133,668	130	394,836	2,061
2014	194,508	338	140,000	99	394,836	2,890

Source: Ministry of Plantation Industries, Department of Rubber Development, Sri Lanka Tea Board

In order to encourage the small holder plantation sector, the incentives that the Government provided for re-planting and new planting of tea and rubber increased in 2014. Accordingly, a subsidy of Rs. 500,000 and Rs. 400,000 per hectare was given respectively for the re-planting and new planting of tea. Further, a subsidy of Rs. 175,000 and Rs. 150,000 per hectare was given respectively for the re-planting and new planting of rubber.

Box 3 > Guaranteed Price for Natural Rubber

The guaranteed price of Rs. 300 per Kg of natural rubber was provided through the Department of Rubber Development (RDD) with effect from 15th November 2014 in line with the Budget Proposal announced at the Budget 2015 in order to encourage the rubber smallholders. At the initial stage, it was provided only to smoked sheet rubber (RSS 1,2,3,4 and 5) and this subsidy was further extended to latex rubber after considering the request made by the small scale latex rubber producers.

It was proposed at the Interim Budget 2015 to increase this guaranteed price up to Rs. 350 per Kg to further encourage the rubber smallholders and ensure the long term sustainability of the industry. Accordingly, the new scheme is being implemented with effect from 1st April 2015 and provides a guaranteed price under four categories based on the price prevailing at the local market through the RDD to the rubber smallholders who claim for this benefit in order to encourage the value added production.

Table 9 > Guaranteed Price and Subsidy Provided for Each Category

Category	Guaranteed Price (Rs. per Kg)	Local Market Price on 30.03.2015 (Rs. Per Kg)	Subsidy to be Paid (Rs. Per Kg)
RSS 1 & RSS 2	350	210	140
RSS 3	325	200	125
RSS 4 & RSS 5	300	190	110
Latex	300	195	105

Source : Department of Development Finance

The Government has to spend approximately Rs. 690 million per month to implement this scheme in a sustainable manner and Rs. 3,600 million has been allocated for this purpose for year 2015.

Box 4 > Guaranteed Price for Tea Leaves

Tea industry plays a significant role in the economy from colonial era as a foreign exchange earner and livelihood provider. At recent past, the price of tea leaves has drastically dropped and tea smallholders have suffered most as they contribute around 72 percent to the tea industry. Considering these facts, the new Government proposed to provide a guaranteed price of Rs. 80 per kg of Green Leaves with effect from April 2015.

Around 400,000 tea smallholders who supply green tea leaves to about 712 active tea factories will be benefitted from this scheme and it is proposed to implement through Sri Lanka Tea Board. According to the proposed methodology, the price difference will be paid to tea smallholders when the tea small holder is paid less than Rs. 80/- per kg of green leaves based on the price at the Colombo Tea Auction.

By implementing this scheme, the production of made tea and annual export income are expected to increase by 30 million Kg and Rs. 9 billion per annum respectively. The estimated cost for implementation of this scheme is approximately Rs. 700 million per month and Rs. 5,000 million has been allocated for this purpose by the Interim Budget of 2015.

2.5 Food Security

2.5.1 Paddy Purchasing Programme

As in the previous years, the Government engaged in a special role in 2014 towards ensuring food security in the country. Due to the drought conditions that prevailed in the country during the 2013/2014 Maha season and 2014 Yala season, paddy production decreased by a considerable volume and the total paddy production was recorded at 3,380,780 Mt in 2014, which was a reduction by around 27 percent compared to the paddy production in the year 2013.

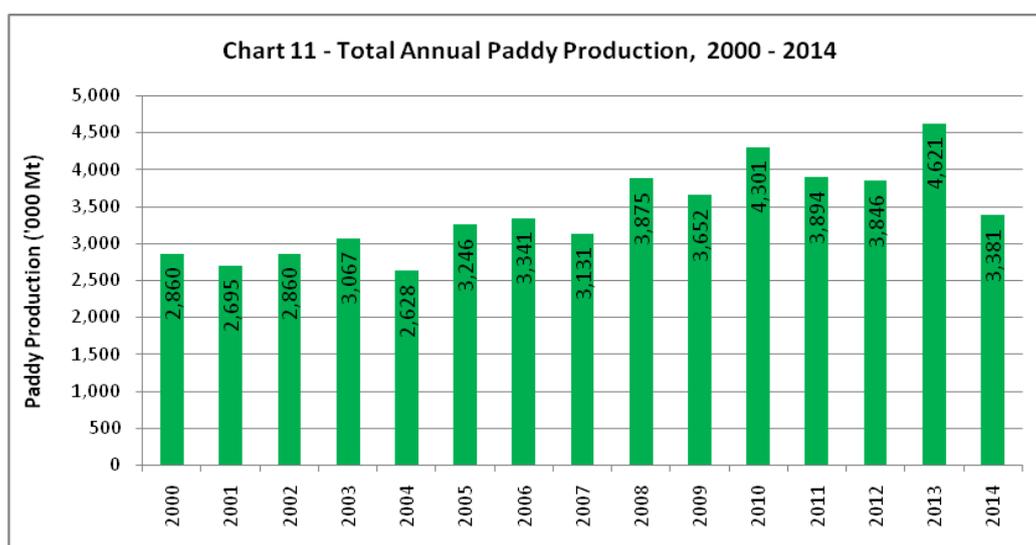


Table 10 > Quantity of Paddy Purchased by Paddy Marketing Board

Season	Nadu (Mt)	Samba (Mt)	Total (Mt)	Value (Rs. Mn)
2009/10 Maha	63,850	6,919	70,769	1,995
2010 Yala	83,819	27,910	111,729	3,184
Total	147,669	34,829	182,498	5,179
2010/11 Maha	2,913	556	3,469	98
2011 Yala	58,967	16,205	75,172	2,137
Total	61,880	16,761	78,641	2,235
2011/12 Maha	107,319	8,467	115,786	3,259
2012 Yala	9,936	540	10,476	294
Total	117,255	9,007	126,262	3,553
2012/13 Maha	107,445	31,205	138,650	4,530
2013 Yala	81,834	12,542	94,376	3,058
Total	189,279	43,747	233,026	7,588
2013/14 Maha	3971	592	4563	148
2014 Yala	0	0	0	0
Total	3971	592	4563	148
Grand Total	520,054	104,936	624,990	18,703

Source: Paddy Marketing Board

This decline in paddy production led to a competition among private millers in purchasing paddy, which, in turn, paved the way for the farmers to receive a higher price for their paddy than the guaranteed price, at the farm gate level. In the circumstances, Paddy Marketing Board purchased only 4,563 Mt from the farmers in 2014.

However, District Secretariats of Jaffna, Kilinochchi, Vavuniya, Mullaitivu, Monaragala and Baticaloa have purchased 7,586 Mt of rice under the Government's Paddy Purchasing Programme, utilizing Rs. 263 million of the funds provided by the Treasury. According to the revised Budget Proposals 2015, it was planned to purchase 200,000 Mt of paddy for the Maha 2014/15 season. A provision of Rs. 9,900 million was made for this purpose. By the end of April 2015, 157,158 Mt of paddy has been purchased by utilizing Rs. 7,500 million. Further, the revised Budget Proposal 2015 certified a guaranteed price of Rs. 50/kg for Keeri Samba and other varieties of Samba while Rs. 45/kg was guaranteed for all other varieties of rice.

Paddy purchasing through the Paddy Marketing Board (PMB) started in 2008. Funds for PMB paddy purchasing programme was arranged from two funding sources: the Treasury and State Banks. The total funds released to PMB from 01.01.2008 to 31.12.2014 through Treasury funds and State Banks for paddy purchasing was Rs. 16,947 million. However, total outstanding out of the funds provided is Rs. 8,432 million which is a 49 percent of the amount granted. The total paddy stock purchased by PMB from 01.01.2008 to 31.12.2014 by utilizing these funds was 680,831 Mt and currently there aren't any paddy stocks available with PMB.

Treasury guarantees were issued to the State Banks (Bank of Ceylon, People's Bank, National Savings Bank, and Regional Development Bank) to cover the total outstanding loan amount of the PMB as at 30.06.2013 which was Rs. 7,326 million. Period of these guarantees were extended till 31.12.2014 to cover the total outstanding loan (capital and interest) amount of Rs. 6,599 million as at 20.03.2014. However, by 31.01.2015 a balance of Rs. 6,453 million was outstanding.

Paddy purchasing through District Secretaries/ Government Agents started in 2006. The total amount of money released to District Secretaries/ Government Agents by the Treasury for paddy purchasing from 01.01.2006 to 31.12.2014 was Rs. 4,413 million. As at 31.01.2015, total outstanding dues to be collected from respective District Secretaries/Government Agents was Rs. 485 million. This is approximately 11 percent of the total amount granted so far. However, currently there are no paddy stocks available with District Secretaries/Government Agents.

Out of the total Treasury funds provided to District Secretaries/ Government Agents and Paddy Marketing Board the outstanding balance as at 31.01.2015 is Rs. 2,540 million. Outstanding dues of the Paddy Marketing Board payable to State Banks is Rs. 6,453 million. Accordingly, total outstanding amount of the entire Government paddy purchasing programme as at 31.01.2015 is Rs. 8,993 million.

Table 11 > Loans Granted to Private Sector for Paddy Purchasing - 2014

Bank	2013/14 Maha		2014 Yala		Total	
	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)	No. of Loans	Total Loan Amount (Rs. Mn)
People's Bank	193	1,583	142	1,706	335	3,289
Bank of Ceylon	333	9,000	229	6,100	562	15,100
Regional Development Bank	80	150	114	109	194	259
Total for State Banks	606	10,733	485	7,915	1,091	18,648
Commercial Bank	53	144	199	875	252	1,019
Hatton National Bank	221	1,732	161	1,230	382	2,962
Seylan Bank	33	226	80	434	113	660
Sampath Bank	130	1,362	194	2,043	324	3,405
DFCC Bank	13	75	17	207	30	282
National Development Bank	21	249	0	0	21	249
Total of Private Banks	471	3,788	651	4,789	1,122	8,577
Grand Total	1,077	14,521	1,136	12,704	2,213	27,225

Source: Respective Banks

Due to the effects of drought situation on paddy harvest the increase in paddy purchasing is not significant compared to 2013. In the year 2014 state banks and private banks have granted Rs. 27,225 million for paddy purchasing in total. This is an increase of around 19 percent compared to the amount granted in 2013 which was Rs. 22,868 million. The number of loans has increased from 1,423 in 2013 up to 2,213 in 2014.

2.5.2 Ensuring Guaranteed Prices for Farmers

With the aim of achieving self-sufficiency in food crops, the Government has taken several policy actions to encourage farmers in their farming activities. Providing guaranteed prices for food crops, crop insurance and the farmer pension scheme are the main policy decisions that were implemented by the Government for the benefit of local farmers.

In February 2014, the Cabinet of Ministers approved providing guaranteed prices of Rs. 80/- per Kg, Rs. 60/- per Kg and Rs. 350/- per Kg for Potato, Big Onion and Dried Chilies respectively. In addition to that, approval was given to provide guaranteed price of Rs. 160/- per Kg for Seed Potato and Rs. 12,000/- per Kg for Big Onion Seeds with the aim of making local farmers more profitable and enhance the availability of more productive local seeds. Further action was taken to ensure the implementation of these decisions and as a result, the harvests of local farmers were purchased through Lanka Sathosa

Limited and District Secretaries/ Government Agents of respective districts at the guaranteed prices. Accordingly, a total quantity of 6,352 Mt of the potato harvest was purchased by Lanka Sathosa Limited, District Secretaries/ Government Agents of Badulla and Nuwara Eliya districts spending Rs. 605 million and 5,469 Mt of Big Onion were purchased by Lanka Sathosa Limited spending Rs. 464 million in year 2014.

2.5.3 Storage Facilities

The Government, with the assistance of the World Bank, has introduced an innovative mechanism to assist the farmer produces in the dry zone by providing them with quality storage facilities to store their produce such as Paddy, Maize and Soya Bean during harvesting periods and to use stored commodities as collateral to access financial facilities from the financial institutions. Under this project, construction of three warehouses has been initiated in the Districts of Anuradhapura, Mannar and Monaragala. Out of these, Anuradhapura warehouse was completed with a storage capacity of 8,000 Mt for the above crops.

In addition, 374 agreements have been signed to construct household based warehouses for Big Onion in the Districts of Anuradhapura, Matale, Polonnaruwa and Kurunagala. The total storage capacity of Big Onion warehouses was 3,980 Mt and it has been allocated to 1,685 Mt, 1,415 Mt, 560 Mt and 320 Mt in the Districts of Matale, Anuradhapura, Polonnaruwa and Kurunagala respectively. Among the above storages, 220 warehouses with a total capacity of 2,275 Mt have been completed as at 31st December 2014.

2.5.4 Rice Imports

With the objective of preventing a rice shortage in the country and stabilizing prices of rice in the market, while providing rice to the consumers at affordable prices, private and public sector institutions were encouraged to import rice from foreign countries. Accordingly, financial facilities required for importation of rice were arranged through the state banks. In addition, the import tax of Rs. 39/- imposed per 1Kg was reduced to Rs. 5/- with effect from 2014.01.01 and then to Rs. 1/- with effect from 2014.08.01.

The Government of Sri Lanka entered into an agreement with the Government of Bangladesh to import 25,000 Mt of rice on Government to Government basis. Importation of rice under this agreement was carried out through Lanka Sathosa which was the main rice importer among the government institutions engaged in rice importation at the time. A total quantity of 599,718 Mt of rice was imported to the country during the year 2014, out of which, and 108,897 Mt has been imported by Lanka Sathosa Ltd.

2.6 Drought Relief

As a result of the drought condition which occurred during the mid 2014 people throughout the country faced the problems such as shortage in drinking water, shortage in irrigable such water for cultivation and loss of their daily income sources. By considering the possible damage to crops including paddy and many social and

economical drawbacks, the “Development Programme for Providing Relief and Uplifting Livelihood of Drought Affected People” was implemented under the direct supervision of the Ministry of Finance. This development programme consists of four separate projects that aim to uplift living conditions of the affected people and it was conducted successfully in 17 districts within a 3 month period commencing 21.07.2014.

2.6.1 Increasing the Water Storage Capacity of Reservoirs and Tanks through Desiltation

Under this project, approximately 750 reservoirs and tanks were de-silted spending about Rs. 1,300 million in order to increase the water level available in reservoirs and tanks for cultivation in the 17 districts affected from the drought.

Table 12 > Progress of the Tank Desiltation Project

District	No. of De-silted Tanks	Volume De-silted (Acre Feet)	Expenditure (Rs. Mn)
Anuradhapura	37	1,182.00	220.00
Polonnaruwa	42	204.70	31.09
Hambantota	85	769.00	56.12
Puttalam	27	86.40	14.08
Vavuniya	16	79.10	36.88
Trincomalee	45	10.00	11.85
Ampara	17	200.10	-
Kandy	4	4,690.00	4.89
Kurunagala	23	61.50	10.52
Mannar	15	55.12	56.84
Mullaitivu	9	18.43	19.30
Bataloa	17	3.55	24.22
Monaragala	21	517.00	45.68
Jaffna	52	-	-
Total	410	7,876.90	531.47

Source: Department of Development Finance, Department of Project Management and Monitoring

2.6.2 Enhancing Availability of Drinking Water

The main purpose of this project was to supply hygienic drinking water to people in those areas when it was not possible to find such drinkable water due to the drought. Approximately 97 bowsers were used to provide drinking water and Rs. 42.4 million was spent on the project.

Table 13 > Performance of the Drinking Water Supplying Project

District	Nature of the Work	Expenditure (Rs. Mn)
Anuradhapura	supplied water through 18 water bowsers	3.14
Polonnaruwa	supplied water through 46 water bowsers	23.05
Mannar	305 water supply connections were built	2.50
Vavuniya	Tube well repairing and water supplying	11.27
Ampara	supplied water through 3 water bowsers	0.15
Monaragala	supplied water through 27 water bowsers	2.29

Source: Department of Development Finance and Department of Project Management and Monitoring

2.6.3 Rehabilitation of Agro Wells

As an option to increase water available for farmers who are using agro wells to obtain water for cultivation, the project of rehabilitation of agro wells was conducted mainly in Anuradhapura, Polonnaruwa, Mannar, Vavuniya and Matale Districts. Approximately 675 agro wells were rehabilitated by spending around Rs. 37.02 million.

Table 14 > Performance of the Rehabilitation of Agro Wells Project

District	No. of Agro Wells Rehabilitated	Expenditure (Rs. Mn)
Anuradhapura	137	2.02
Polonnaruwa	7	3.21
Matale	168	6.42
Mannar	96	17.00
Monaragala	2	0.41
Vavuniya	49	1.11
Mullaitivu	216	6.85
Total	675	37.02

Source: Department of Development Finance and Department of Project Management and Monitoring

2.6.4 “Cash for Work” for Enhancing Income of Affected People

This project was implemented to rehabilitate and maintain small irrigation systems/ channels and rural roads with the participation of the rural community. Simultaneously, it was expected to expand the short-term income generation opportunities in the affected areas to support affected people. A member of an affected family was assigned for this purpose, with the maximum payment of Rs. 6,000 per month.

Table 15 > Progress of the “Cash for Work” Project

District	No. of Projects Implemented	No. of Beneficiaries	Expenditure (Rs. Mn)
Anuradhapura	129	68,770	48.96
Polonnaruwa	325	77,084	45.42
Puttalam	40	3,411	4.79
Kurunagala	-	-	18.39
Mullaitivu	270	4,994	29.15
Hambantota	346	60,937	186.89
Vavuniya	109	3,455	14.62
Trincomalee	31	5,100	6.20
Ampara	298	14,558	24.00
Monaragala	118	5,012	15.34
Bataloa	13	2,720	8.60
Total	1,679	246,041	402.36

Source: Department of Development Finance and Department of Project Management and Monitoring

2.6.5 Seed Paddy Programme

Since the farmers in most districts were badly affected by the drought in 2014, the Budget 2015 proposed to provide seeds paddy free of charge to all small scale farmers for the 2014/15 Maha season. Implementing this budget proposal in 2014, Rs. 2,985 million was distributed among all fertilizer subsidy recipient farmers in 18 drought-affected districts to meet the requirement of seed paddy for cultivation of 1,136,438 acres of paddy. Around 609,145 farmers benefited from this relief measure.

Table 16 > Provision of Seed Paddy Free of Charge

District	Expenditure (Rs.)	Extent Cultivated (Acres)	No. of Beneficiaries
Kurunegala	550,086,714.00	196,682.00	155,160
Polonnaruwa	456,192,490.00	164,751.04	63,377
Ampara	297,795,800.00	106,355.65	50,870
Anuradhapura	255,941,660.00	91,408.00	49,773
Trincomalee	254,808,812.00	91,003.14	39,312
Killinochchi	50,000,000.00	67,984.50	32,245
Hambantota	181,394,227.25	67,574.33	33,354
Bataloa	143,240,420.00	57,772.35	22,454
Vavuniya	140,161,000.00	51,172.25	16,533
Mannar	120,423,500.00	43,008.60	14,622
Puttalam	112,448,514.50	40,160.14	21,944
Monaragala	96,649,800.00	34,830.22	22,560
Mathale	73,205,316.68	26,144.76	28,518
Mullaitivu	70,405,300.00	32,329.25	10,424
Kandy	65,115,084.50	23,457.20	23,651

Jaffna	62,663,916.57	22,379.97	15,175
Badulla	49,965,100.00	17,844.67	7,999
Ratnapura	4,440,887.50	1,580.00	1,174
Total	2,984,938,543.00	1,136,438.07	609,145

Source: District Secretaries

2.7 Special Loan Schemes

2.7.1 Self-Employment Loan Scheme for Socially Re-Integrated Trainees

The self-employment loan scheme for socially re-integrated trainees was developed in June 2012 based on the Cabinet decision dated 29th February 2012 to provide credit facilities to the economic activities for enhancement of their income generating avenues and living standards in order to create a better environment for them to live as good citizens in the society. Under this program the loans are provided to eligible rehabilitees up to a maximum Rs. 250,000 to purchase of equipment for the development of agriculture and dairy farming activities, extension services for agricultural activities, animal husbandry, purchase of productive enterprise equipment, domestic industries, fisheries activities, and small business activities and to pursue primary/ secondary/ higher education and vocational training.

In order to ensure the successful implementation of the Scheme, a Tri-Party agreement was signed among the Ministry of Finance and Planning, Rehabilitation of persons, properties, and Industries Authority (REPPIA) and the State Banks (Bank of Ceylon, People's Bank and Sri Lanka Savings Bank). At the first stage Rs. 300 million was allocated to provide loan facilities among the targeted beneficiaries. The interest rate for the loans disbursed under this scheme is 12 percent per annum of which 4 percent from the end borrower and remaining 8 percent paid by the Government as an Interest Subsidy to the selected PFIs. Maximum loan repayment period of this loan scheme is 10 years inclusive of maximum one year grace period, if required.

Initially, awareness programmes were conducted and interviews were held for selection committee consisting of the followings;

1. Divisional Secretary or an Officer from Divisional Secretary's office
2. Bank Manger or a bank officer
3. An officer from Commissioner General of Rehabilitation
4. An officer from Rehabilitation Authority

The progress of stage I of this loan scheme as at 28.02.2015 was as follows.

Table 17 > Progress of Socially Re-integrated Trainees Loan Scheme as at 28.02.2015

District	No. of Loans Granted	Amount Disbursed (Rs.)	Subsidy Paid up to 31.06.2014 (Rs.)
Jaffna	288	48,336,000	5,649,096
Killinochchi	342	51,984,000	5,624,980
Mullaitivu	430	78,310,000	6,756,977

Vavuniya	307	47,075,000	5,410,252
Mannar	270	48,700,000	6,047,028
Batticaloa	74	11,075,000	513,610
Trincomalee	72	14,250,000	778,906
Ampara	10	1,650,000	139,752
Other Districts	05	1,150,000	59,403
Total	1,798	302,530,000	30,980,004

Source: Rehabilitation Authority

In terms of disbursement, 1,798 beneficiaries have obtained loans in the North and Eastern Provinces by 2015. The highest loan disbursement is recorded in Mullaitivu District and 430 trainees benefitted. The Government has paid Rs. 31 million to the PFIs as interest subsidy by June 2014. Cabinet of Ministers at its meeting held on 23.01.2014 has granted approval to implement the 2nd stages of this loan scheme in respect of 4,724 beneficiaries who have been re-integrated in to society.

2.7.2 Special Vehicle Loan Scheme for Senior Artists and Writers and Journalists

A special vehicle loan scheme was introduced in 2012 to enable Senior Artists, Writers and Journalists who have made an uninterrupted contribution to the service for more than 25 years. This loan scheme was implemented through the Ministry of Mass Media and Information and the Ministry of Cultural and the Arts to provide interest free loans to a maximum loan limit of Rs. 1.2 million with a repayment period of 7 years. The interest rate for the loans disbursed under this scheme was totally paid by the Government as an Interest Subsidy at a rate of 12 percent to 14 percent to the selected PFIs: Bank of Ceylon, People's Bank and National Savings Bank. The targeted number of beneficiaries in 2012 budget and 2013 budget were 150 and 1000 respectively. The progress of the loan scheme as at 31.12.2014 was as follows.

Table 18 > Progress of Senior Journalists, Artists and Writers Loan Scheme as at 31.12.2014

Institute	No. of Loans Granted	Amount Disbursed (Rs. Mn)	Subsidy Paid (Rs. Mn)
Ministry of Mass Media and Information	500	573.2	30.4
Ministry of Cultural and Arts	615	710.60	54.9
Total	1,115	1,283.80	85.3

Source : Ministry of Mass Media and Information and Ministry of Cultural and Arts

Ministry of Mass Media and Information and Ministry of Cultural and Arts play a key role by recommending qualified applicants to obtain the loan under the above category. Accordingly, Rs. 1,284 million of loan facility has granted to purchase vehicles for 1,115 persons by the end of 2014. Treasury has paid Rs. 85.3 million as an interest subsidy during the same period.

Box 5 > Special Interest Rate for Senior Citizens

With the intension of providing financially stable and secure retirement life for senior citizens who supported for the country's development in their past, the Government decided to provide special interest rate for senior citizens above 60 years of age. Therefore, it was proposed to provide 12 percent special interest rate for senior citizens in the Budget 2015 presented by the previous Government. Initially, around 500,000 senior citizens were expected to be benefited through the implementation of this scheme.

Furthermore, this special interest rate was increased up to 15 percent through the Interim Budget 2015. Accordingly, senior citizens who deposit a total of rupee one million or less at a licensed commercial bank or specialized bank are eligible to receive this special interest rate of 15 percent per annum. Moreover, the additional interest cost incurred by banks, over and above normal interest rates to implement this scheme, will be reimbursed by the Treasury on a quarterly basis. The Government has allocated Rs. 4,000 million for the year 2015 in order to implement this scheme.

3. Establishments and Administrations

3.1 Cadre Position

	Position	Approved Cadre	Existing Cadre
01	Director General	01	01
02	Additional Director General	01	00
03	Director	04	04
03	Deputy Director/Assistant Director	04	03
04	Deputy Director/Assistant Director - Accountant	01	01
05	Planning Assistant	01	01
06	Research Assistant	02	01
07	Information Communication & Technology Assistant	01	01
08	Management Assistant	06	05
09	Driver	06	06
10	OES	04	04
	Total	31	27

3.2 Staff Information

Name	Designation	Contact Details		
		Telephone	Fax	Email
Mr. A.M.P.M.B. Atapattu	Director General	2484542	2394908	dgdf@dfd.treasury.gov.lk atapattu@dfd.treasury.gov.lk
Ms. C.S. Perera (Transferred on 05.05.2014)	Director	2484572	2484955	christinep@dfd.treasury.gov.lk
Ms. A.H.S. Fareeda (Transferred on 05.05.2014)	Director	2484595	2484955	fareedah@dfd.treasury.gov.lk
Mrs. M.K.D.N. Madampe	Director	2484605	2484955	nilukad@dfd.treasury.gov.lk
Mr. P.M.K. Hettiarachchi	Director	2484572	2484955	manjulap@dfd.treasury.gov.lk
Mr. O.M. Jabeer (Appointed on 08.01.2014)	Director	2484507	2484955	mjabeer@dfd.treasury.gov.lk
Mr. H.S.V. Kumara (Appointed on 06.05.2014)	Director	2484595	2484955	hemanthak@dfd.treasury.gov.lk
Mrs. W.L.M.A. Liyanage	Accountant	2484596	2484955	liyanagem@dfd.treasury.gov.lk manorigl@yahoo.com
Ms. R.A.D.R. Ranasinghe	Assistant Director	2484596	2484955	ranithad@dfd.treasury.gov.lk radranitha@gmail.com
Ms. J.D. Kotinkaduwa	Assistant Director	2484854	2484955	dilrukshij@dfd.treasury.gov.lk jdilkotinkaduwa@yahoo.com
Ms. Dilumi W. Kumaraguru	Assistant Director	2484501	2484955	dilumiw@dfd.treasury.gov.lk
Mr. H.P.S. Shantha	Planning Assistant	2484884	2484955	shantha@dfd.treasury.gov.lk
Ms. A.M. Wickramasinghe	Research Assistant	2484884	2484955	amanthiw@dfd.treasury.gov.lk
Ms. J.M.I.A. Geeshani	ICT Assistant	2484884	2484955	ayeshka207@gmail.com
Mrs. P.H.S. Samarawickrama	Management Assistant	2484855	2484955	-
Mrs. T. Hewawasam	Management Assistant	2484862	2484955	-
Mrs. H.A.D.A. Nilanthi	Management Assistant	2484862	2484955	-

Name	Designation	Contact Details		
		Telephone	Fax	Email
Mr. R.K. Lenora (Appointed on 03.01.2014)	Management Assistant	2484862	2484955	-
Mr. S.S.H.M.W.K. Senevirathne (Appointed on 26.11.2014)	Management Assistant	2484862	2484955	-
Mr. M.N.L. Premathilake	Driver	2484855	2484955	-
Mr. H.P.R. Samarasinghe (Transferred on 05.05.2014)	Driver	2484855	2484955	-
Mr. K.G.A. Kumarasiri	Driver	2484855	2484955	-
Mr. K.D. Keerthiranthna (Transferred on 17.06.2014)	Driver	2484855	2484955	-
Mr. S.A. Keerthisena (Transferred on 05.05.2014)	Driver	2484855	2484955	-
Mr. R.P.J. Hanton (Transferred on 11.07.2014)	Driver	2484855	2484955	-
Mr. K.D.D. Gunasekara (Appointed on 24.07.2014)	Driver	2484855	2484955	-
Mr. M.P. Gunawardhena (Appointed on 13.06.2014)	Driver	2484855	2484955	-
Mr. P.H.C.S. de Silva (Appointed on 13.08.2014)	Driver	2484855	2484955	-
Mrs. J.A.H.C.K. Jayasinghe (Transferred on 03.01.2014)	OES	2484855	2484955	-
Mr. R.M. Kulathunga	OES	2484855	2484955	-
Mr. K.P.I. Chaminda	OES	2484855	2484955	-
Mr. J.M.D.J.S. Hemantha	OES	2484855	2484955	-
Mr. M.R. Jayasinghe (Appointed on 29.01.2014)	OES	2484855	2484955	-

3.3 Local Training Courses, Study Tours & Seminars

Name of the Officer	Name of the Course	Period of the Course	Name of the Institute
Mrs. T. Hewawasam Management Assistant	Public Management Assistant's Duties and Responsibilities	24.07.2014 (One day)	Skills Development Fund Limited (SDFL)
	Workshop on 'E-Government and Basic IT Management Practices'	24.09.2014- 25.09.2014	Skills Development Fund Limited (SDFL)
Mr. R.K. Lenora Management Assistant	Public Management Assistant's Duties and Responsibilities	24.07.2014 (One day)	Skills Development Fund Limited (SDFL)
	Certificate Course on Storekeeping	29.08.2014- 07.11.2014	Construction Equipment Training Center (ICTAD)

3.4 Foreign Training Courses, Study Tours & Seminars

Name of the Officer	Name of the Course	Period of the Course	Name of the Country
Mr. A.M.P.M.B. Atapattu Director General	18 th Meeting of the SAARC Development Fund Board of Directors	28.04.2014-30.04.2014	Bangladesh
	19 th Meeting of the SAARC Development Fund Board of Directors	06.08.2014-08.08.2014	Pakistan
Mr. O.M. Jabeer Director	Grassroots Economic Development following Sufficiency Economic Philosophy	20.10.2014-21.11.2014	Thailand
Mr. S.H.V. Kumara Director	Workshop on Scaling up Rice Fortification in Asia	16.09.2014-19.09.2014	Thailand
Mrs. W.L.M.A. Liyana Accountant	SME Finance - Study Visit	18.09.2014-19.09.2014	Malaysia
	Public Sector Accounting	29.09.2014-30.09.2014	Indonesia
Ms. R.A.D.R. Ranasinghe Assistant Director	Master Degree on Development Economic	14.01.2013-31.07.2014	Australia
Ms. J.D. Kotinkaduwa Assistant Director	2013 Knowledge Sharing Programme Sri Lanka, Interim Report Seminar	20.01.2014-25.01.2014	Korea
	Regional Development Policy	17.08.2014-30.08.2014	Korea
Ms. Dilumi W. Kumaraguru Assistant Director	SME Finance - Study Visit	18.09.2014-19.09.2014	Malaysia
	Regional Perspective of Developing and Developed Countries Cooperation for SMEs Competitiveness, Marketing and Partnership in India	24.11.2014-05.12.2014	India
Mr. H.P.S. Shantha Planning Assistant	Seminar on Business Data Collecting, Summarizing and Analyzing	25.06.2014-22.07.2014	China
Ms. J.M.I.A. Geeshani ICT Assistant	Information Technology Management in the Public Sector	14.08.2014-05.09.2014	Malaysia

4. Financial Information

Item	Estimated (Rs.)	Actual Cost (Rs.)
<u>Recurrent Expenditure</u>	575,889,680	463,357,391
Personal Emoluments	13,755,000	13,516,952
Traveling Expenses	1,647,000	1,574,093
Supplies	2,221,100	2,218,708
Maintenance Expenditure	1,613,000	1,585,673
Services	1,844,680	1,679,837
Development Subsidies (Interest Subsidies)	553,000,000	441,553,084
Other Transfers	1,808,900	1,229,044
<u>Capital Expenditure</u>	7,388,161,020	6,841,134,709
Acquisition of Capital Assets	240,000	0
Capacity Building	805,320	805,307
Other Capital Expenditure	5,239,725,700	4,992,464,075
Small and Medium Enterprise Development Facility Project (WB)	1,612,000,000	1,355,309,974
Promotion of SME Sector (GTZ)	272,134,650	271,691,422
Global Food Crisis Response Programme (GOSL/WB)	263,255,350	220,863,931
Grand Total	7,964,050,700	7,304,492,100