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செயலாற்றுகை அறிக்கை
PERFORMANCE REPORT
2017



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சமுர்த்தி அபிவிருத்தி திணைக்களம்
சமூக வலுவூட்டல், நலன்புரி மற்றும் கண்டி மரபுரிமைகள் அமைச்சு

DEPARTMENT OF SAMURDHI DEVELOPMENT
MINISTRY OF SOCIAL EMPOWERMENT, WELFARE AND KANDYAN HERITAGE



CONTENTS

	PAGE
CONTENTS	02
ACKNOWLEDGEMENT	03
VISION AND MISSION	04
01 Message of the Director General	4-9
02 Performance of the Human Resources Division	10-16
03 Performance of the Training Division	17-24
04. Performance of the Investigation Division	25-27
05. Progress of Development Projects – 2017	28
06. Performance of the Social Welfare Division	29-33
07. Performance of the Social Security Division	34-45
08. Performance of the Social Development Division	46-58
09. Performance of the Community Based Organizations Division	59-62
10. Performance of the Livelihood Development Division	63-75
11. Performance of the Marketing Development Division	76-84
12. Performance of the Information Technology Division	85-87
13. Performance of the Media Division	88-91
14. Performance of the Community Based Banking Division	92-121
15. Accounting Reports	122

DEPARTMENT OF SAMURDHI DEVELOPMENT

ACKNOWLEDGEMENTS

First of all, I would like to thank the entire staff of the Department of Samurdhi Development who had worked with dedication in the year 2017 to perform an efficient and quality service for the country and the poor people of the country, whilst achieving the objectives of the Department of Samurdhi Development, which was established under the Divineguma Act No 1 of 2013.

Further, on behalf of the entire staff, I am grateful to all relevant officers, including Secretaries of the Ministry of Finance, General Treasury and the Ministry of Social Empowerment and Welfare for providing the kind co-operation to this Department in serving the people as mentioned above through proper guidance. Also, I recollect with gratitude the kind cooperation and the devotion to duty shown by all the District Secretaries/District Additional Directors Generals and Divisional Secretaries of the island to properly maintain the development activities, subsidies and social welfare services of the Department.

Finally, I bestow my thanks to all relevant government agencies, other relevant institutions and individuals who co-operated in various ways in maintaining the duties of our Department in the year 2017.

Mahesh Perera

Deputy Director (Planning and Monitoring)

Department of Samurdhi Development

VISION

To be the Premier Organization in making a poverty free, empowered and prosperous Sri Lanka by 2030

MISSION / PURPOSE

Contributing to economic development through the building up of a poverty free prosperous country by empowering disadvantaged people (economically, socially, politically, physically, psychologically, legally and environmentally) and minimizing regional disparity through delivering effective, efficient, speedy and productive solutions in a people friendly manner through the satisfactory contribution of the network of Departmental, Community Based Organizations and Micro-Finance Institutions and professionals with the collaboration of the private, public, people and political sectors and local and global agencies.

01.MESSAGE OF THE DIRECTOR GENERAL

The Department of Divineguma Development was established in accordance with the Divi Neguma Act No 01 of 2013, amalgamating 05 Government institutions, including the three Authorities; the Samurdhi Authority of Sri Lanka established under Act No 30 of 1995, the Southern Development Authority of Sri Lanka established under Act No 18 of 1996 and the Up Country Development Authority of Sri Lanka established under Act No 26 of 2005 and the two Departments of the Kandyan Peasantry Rehabilitation and the Commissioner General of Samurdhi. In accordance with the provisions of the Divineguma Act, this Department was officially incorporated subsequent to the publication of gazette notification no 1843/47 dated 03rd January 2014 by the Hon Minister of Economic Development. Subsequently, the staff of over 26,000 who had served in the above 05 establishments were absorbed into the new Department. Later, the name of the Department was changed as the Department of Samurdhi Development in accordance with the Divineguma Amendment Act No 02 of 2017. The operation of this Department is widespread covering the 25 Districts, the 332 Secretarial Divisions and the 14,022 Grama Seva divisions in the island. Accordingly, District Secretaries as District Additional Director Generals, and Divisional Secretaries as District Divineguma Directors contribute directly to implement the activities of the Department.

One major objective of this Department is the enhancement of individual, family, group and community based livelihood development activities, galvanizing the national policy for the eradication of poverty and ensuring social justice, to achieve the goal of promoting the economic development process in the island. Another basic aim of the Department of Samurdhi Development is the mobilization of the people for a community level national development process by the development and promotion of the micro-finance banking system, through the establishment of Samurdhi Community Based Organizations and by the creation of a national, district and divisional level coordination network for this. In this respect, in accordance with the provisions of the Divi Neguma(Samurdhi) Act No 01 of 2013, the Department operates under the three main streams as shown below:

- (1) The Departmental stream with the official structure
- (11) Community based banking system stream
- (111) Community based organization stream

(1) The Departmental Stream with the Official Structure

The make-up of the official structure of the Department comprises the following chain of command. That is, the 14 main Divisions operated under the official leadership of the Director General by the Additional Director General, Human Resources and Administration,

the Directors in charge of the Divisions of Social Security and Social Welfare, Social Development, Community Based Organizations, Marketing, Planning and Monitoring, Training and Research, Livelihood Development, and Community based banks and the Chief Accountant, Chief Internal Auditor, Heads of the Information Technology and Media Divisions performing the duties covering the Head Office and the 25 Districts. At the District level, under the guidance of the Additional District Directors Generals/District Secretaries, the staff headed by the Divi Neguma District Directors and their staff perform the duties relevant to achieving the objectives of the Divi Neguma (Samurdhi) Act at District, Secretarial Division and Grama Niladhari division level. Community based banking activities, building of community based organizations and the implementation of development projects at village levels are performed by all the other office and field officers, including Samurdhi Managers and Samurdhi Development Officers led by the Divisional Secretaries.

(11) Community Based Banking System Stream

The function of this Division is the implementation of this banking system through the staff coming under the control of the Director of Banking Finance of the Head Office and the entire staff of the respective Headquarters Offices and Community Based Banking Societies relevant to the 332 Secretarial Divisions island wide and the 1074 banks operating at Grama Niladhari division levels. Through this banking system, disbursement of Samurdhi subsidies, maintenance of the compulsory savings deposits of beneficiaries, granting of micro-finance loans to beneficiaries and low income earners, investment of balance funds in sources which bring more returns and other social welfare activities are also implemented.

During the year 2017, the value of total loans disbursed to the needy rural people through various loan schemes was Rs. 40,643.95 million. The relevant number of loans given was 653,370. From the year 1999 up to the end of year 2017, the cumulative value of the loans disbursed was Rs Mn 220,873.20. The relevant cumulative number of loans was 461,820. Further, it is anticipated to program all functions of this Division through new technological methods and to provide a more efficient and quality service to the people. Information in respect of the performance of this Division is shown under chapter 14.

(III) Community Based Organization Stream

In accordance with the Samurdhi Act No 1 of 2013, amended by the Divi Neguma Act No 2 of 2017, the necessary rules and regulations (section 42 of the Samurdhi Act) for the establishment of Samurdhi Community Based Organizations, Regional Organizations and Samurdhi District Organizations were published in Government Gazette Extraordinary of the Democratic Socialist Republic of Sri Lanka, No 2009/08 dated 07th March 2017. Accordingly, in order to achieve the main objective of the Samurdhi Act of the alleviation of poverty and the accomplishment of social justice, the establishment of Samurdhi Community Based Organizations, organized voluntarily so as to cover each Grama Seva Wasama (section 19 of the Samurdhi Act), regional organizations (section 15 of the Samurdhi Act) and Samurdhi District Committees (section 42 of the Samurdhi Act) has been done. 30,088 Community Based Organizations, 331 regional organizations and 25 district committees are in operation by the year 2017, with the objective of establishing and

strengthening Community Based Organizations, empowering the community, developing them economically, socially and spiritually and directing them towards community based banking and livelihood programmes. During the year 2017, in order to achieve the objectives of the Act, under the Training of Trainers Programme, all district and regional level Samurdhi Managers and Samurdhi Development Officers, including 132 officers, 331 Headquarters Managers and 25 officers in charge of the subject of Community Based Organizations had been briefed. In addition, action had been taken to conduct 26 Awareness Programmes about the role and functions of Community Based Organizations and regional organizations for 1,324 community representatives' being Presidents, Secretaries, Treasurers and Auditors of Community Based Organizations. Detailed information in respect of the performance of this Division in the year 2017 is shown under the chapter 09.

Also, a summary of performance achieved by the Department of Divineguma Development in respect of the year 2017 is appended below.

Livelihood Development Based Development Projects

In accordance with the global development agenda in respect of 2016-2030 published by the United Nations Organization, alleviation of poverty and the ending of hunger have been included as major topics in the 17 sustainable development goals. Concurrent to this, in the beginning of the year 2017, two special incidents took place in our country too.

1. His Excellency, the President named the year 2017 as the year of alleviation of poverty.
2. The Hon Prime Minister proclaimed the sustainable development declaration of our country

Accordingly, a committee has been set up under the Presidential Secretariat to take respective action for the alleviation of poverty in Sri Lanka by 2030. Mr S B Dissanayake, the Hon Minister of the Ministry of Social Empowerment and Welfare, under which this Department comes, is a member of that committee. Due to the above reasons, in the preparation of the action plan for the year 2017 of the Samurdhi Development Department, which is the major institution in the process of the alleviation of poverty in Sri Lanka, all projects of the Department were prepared, keeping uppermost the major aim of empowering poor families and rescuing them from poverty. In this connection, through the empowerment of poor families, it is expected to make them a strong a group empowered overall integrated economically, socially, politically, physically, mentally and legally. Accordingly, the vision and the mission of the Department have been diverted to a new path, and in order to achieve that vision and the relevant goals, planning the future activities of the Department has commenced from the year 2017.

Accordingly, by the month of December 2016, the total number of Samurdhi families living in Sri Lanka was 1,414,340. These families were categorized as empowered families, families that cannot be empowered and families that could be empowered. Accordingly, 1,253,846 families have been identified as capable of being empowered, and plans had been prepared to empower 125,385 families, being 10% thereof. Accordingly, in the implementation of projects of Divisions executing Livelihood Development Programmes of the Department, projects had been implemented to

empower beneficiary families so identified overall economically, socially, politically, physically, mentally and legally.

Accordingly, a provision of Rs Mn 1,200 was given direct to this Department from the General Treasury to implement Livelihood Development Projects. Among the active projects of the Livelihood Development Division, through the implementation of projects such as Agricultural Development Projects, Animal Husbandry Projects, Fisheries Development Projects, Self Employment and Industrial Development Projects, the main function of this Division is increasing the income levels of Divi Neguma (Samurdhi) families and low incoming earning families, enhancing their health and nutrition levels and providing vocational training to make available labour appropriate to the job market.

During the year 2017, the number of projects planned to be completed by all the Development Divisions of this Department was 20,866 and by the end of the year, it was possible to complete 25,712 projects. Accordingly, 363,767 Livelihood Development Projects had been completed spending a sum of Rs Mn 1,148.71 by the end of the year. Accordingly, the financial progress achieved during the year 2017 was 96%, the physical progress achieved is 95%.

Further information about the projects implemented sub sector-wise and district-wise as shown above, the funds spent for the same, the respective projects and the project beneficiaries are shown under the chapters 08 to 13.

Performance of other Divisions

The data and information about the performance achieved by the other service and the development divisions during the year 2017, are included in this report as follows. That is, the performance achieved by the Administration, Training and Investigation divisions as support service units is mentioned under the chapters 02, 03 and 04 respectively, while detailed information about the performance achieved by the Social Welfare and the Social Security divisions is shown under chapters 06 and 07 respectively, information about the performance of the Social Development division is shown under chapter 08 and the performance of the Marketing division is shown under chapter 11. In addition, the performance of the Information and Technology division is shown under chapter 12, the performance of the Media division is shown under chapter 13, and details about accounting reports are shown in chapter 15.

The summary of performance achieved by one of the major programmes of this Department, the Samurdhi Subsidy Programme, relevant to the year 2017, is as follows. That is, the total value of subsidies provided to 1,388,342 beneficiaries is Rs. Mn 39,707.05, and this amount had been spent out of the total provision of Rs. Mn 43,793.36 allocated to the Department.

In addition, under the Social Security Programme, in the year 2017, benefits were given to 130,059 beneficiaries in respect of important events of their daily life from birth to death, incurring an expenditure of Rs. Mn 1054.42, as shown below:

For births at 7,500.00	for 6369 persons
For deaths at 15,000	for 28228 persons
For marriages at 7,500	for 27905 persons
For illnesses at 7,500	for 51719 persons
For scholarships	for 10,000 persons
For special births	for 5838 persons etc

In addition to the above Development Project provisions, Rs. 7.5 m. was received from the General Treasury during the year 2017 for training the staff and developing their capacities, and training opportunities/benefits were provided to 10,297 employees spending Rs. 7.09 Mn. Thereby, the financial progress achieved in that respect is 89%. This Division had targeted to implement 125 projects, and the number of completed projects is 136.

In addition to this, preparation of files for the implementation of the pension procedure and the Agrahara insurance procedure in respect of the officers who had been absorbed into the Department during the year 2017 from the 05 government institutions mentioned earlier, formulation of the recruitment procedure for the Department, and matters in relation to the preparation of the institutional administrative structure were continuously implemented in co-ordination with institutions such as the Department of Pensions, the Public Service Commission and the Management Services Department.

In the back ground described above, facing various practical difficulties and problems in respect of stabilizing the Department organizationally and administratively, it was possible for the Department to implement island-wide 28,268 development projects, spending Rs Mn 1,148.71 to raise the living standards of the beneficiaries, thereby being able to provide 363,765 beneficiary families with benefits. It was an achievement for the Department to have been able through various means, to provide loans to 653,370 beneficiaries to the value of Rs Mn 40,643.85. I must also state that through the above means, it was able to achieve to some extent the objectives stated in section 04 of the Divineguma Act. Also, this Department was involved in the year 2016 to achieve the noble aims of liberating the people from poverty and making them active and fixed stakeholders of the major economic stream of this country, while empowering the Divineguma (Samurdhi) beneficiary and low income earning people of this country and accelerating livelihood and economic development. It is with pleasure that I mention that this Department will endeavor with dedication to achieve those aims rationally and totally in the future too. I would like also to state that future plans would be prepared and implemented, also with the objective of creating a motivated and dedicated human resource, to achieve those aims in the ensuing years.

Dr Sunil Jayantha Navaratne

Director General

Department of Divineguma Development

02. Performance of the Human Resources Division(Administration Division)

The Human Resources Division of the Department of Samurdhi Development functions in relation to establishment, training, legal and investigation matters. A major function of this Division is attending to the day to day activities faced in administration and also the implementation of policy decisions.

2.1.1 Main Objectives

- Implementation of the recruitment and promotion procedure.
- Taking action necessary to maintain good order and discipline of the staff and to facilitate day to day work.
- Ensuring the good order of the institution.
- Formulation of the office lay out and the office organization chart

2.1.2 Daily Routine Duties

- Attending to the daily tappal
- Inter-divisional and intra-divisional co-ordination.
- Responding to requests made by the public
- Taking action regarding requests made by the staff.
- Maintenance and updating of personal files of staff
- Management of the transport section.
- Taking action with regard to the payment of staff salaries, allowances, traveling expenses and all payments.
- Organizing of efficiency bar examinations, competitive examinations and promotion examinations.
- Maintenance of statistical data in respect of the posting of Officers.
- Duties pertaining to inter District transfers
- Disciplinary functions in respect of officers.

2.1.3 Special Assignments

- Providing replies to questions in Parliament relevant to the Administration Division, and coordination with the Ministry.
- Duties pertaining to the Public Petitions Committee
- Compiling answers for audit queries relevant to the Administration Division and co-ordination thereof.
- Taking action regarding matters arising from Parliamentary Advisory Committee meetings, and briefing divisional heads about such matters.
- Holding of efficiency bar examinations and other promotion examinations, and attending to the communication function of same.

- Recruitment of new Officers taking into consideration the existing vacancies.
- Providing answers to problems brought up through the Monitoring Committee on Social Empowerment.

2.1.4 Staff

The overall staff of the Department of Divineguma Development is 25794, inclusive of Divineguma Development Officers engaged in field duties.

Table- 2.1- Summary of the Proposed Cadre and Vacancies

S. N.	Post	Approved cadre	Present strength	No of Vacancies
1	Director General	1	1	0
2	Additional Director General	2	0	2
3	Director	7	1	6
4	Director	5	3	2
5	Director	1	0	1
6	Chief Accountant	1	1	0
7	Chief Internal Auditor	1	1	0
8	Assistant Director	3	3	0
9	Deputy Director/Assistant Director	426	28	398
10	District Director	20	20	0
11	District Director	5	5	0
12	Accountant	28	6	22
13	Internal Auditor	2	2	0
14	Legal Officer	1	1	0
15	Administration Officer	1	1	0
16	Systems Analyst	1	1	0
17	Financial Assistant	1	1	0
18	Media Officer	1	1	0
19	Internal Audit Officer	10	8	2
20	Samurdhi Manager (Special Grade)	1850	1850	0
21	Senior Coordinating Officer	20	20	0
22	Coordinating Officer	56	56	0
23	Samurdhi Manager (Grade VI a)	549	549	0
24	Development Officer	48	48	0
25	Development Assistant	7	7	0
26	Promotion Officer	27	27	0
27	Development Assistant	4	4	0
28	Development Officer	4	4	0
29	Accounts Assistant	1	1	0

S. N.	Post	Approved cadre	Present strength	No of Vacancies
30	Information Technology Officer	1	1	0
	Information Technology Assistant	365	-	365
31	Accounts Assistant	1	1	0
32	Media Assistant	1	1	0
33	Translator (Sinhala/Tamil)	1	1	0
34	Internal Audit Officer	95	95	0
35	Internal Audit Assistant	54	-	54
37	Video Cameraman/Editor	1	1	0
38	Book Keeper	1	1	0
39	Computer Assistant	1	1	0
40	Technical Officer	9	9	0
41	Public Management Assistant	445	189	256
42	Management Assistant		164	-
45	Samurdhi Development Officer	22611	22444	167
46	Driver	107	99	8
47	Driver		19	-
48	Circuit Bungalow Keeper	1	1	0
49	Karyala Karya Sahayaka	377	59	318
50	Karyala Karya Sahayaka		16	-
51	Lorry Cleaner	9	9	0
52	Labourer	8	18	-
53	Watcher	2	3	-
54	Security Guard	6	6	0
55	Cook	6	-	6
56	Unskilled Labourer			0
TOTAL		27191	25794	1397

(Source – Departmental sources)

2.1.5 Minister, Deputy Minister, Secretary and Members of the Board of Management

Hon Minister of Social Empowerment and Welfare – Mr. S B Dissanayake

Deputy Minister of Social Empowerment and Welfare – Mr. Ranjan Ramanayake

Secretary of the Ministry of Social Empowerment and Welfare – Mrs. Shirani Weerakoon

2.1.5.1. List of Names of Members of the National Council

Name of Officer

1. Dr.Sunil Jayantha Nawarathna – Chairman
2. Dr. R. M. K. Ratnayake – Consultant to the Hon Minister
3. Mr. M. K. Bandula Harischandra – Additional Secretary (Rural Development)
4. Dr. P. A. Kiriwandeniya – Chairman (SANASA)
5. Dr. M. Balasuriya – Director (Medical Institution)
6. Dr. D. M. Ajith Dissanayake – (University of Kelaniya)
7. Mr. Abhith Kavinda Dangalla - Consultant to the Hon Minister
8. Mr. B. A. T. Rodrigo – Director (Ministry of Finance)
9. Mr. H.K.A. Ranjith Udayasiri – Director (Micro Finance)
10. Mr. A G Wellappili –Director (Social Empowerment and Rural Development)
11. Mr. P. R. D. H. Anurawansa – Deputy Director (Community Based Development)
12. Mrs. I .D. N .Sanjeevani – Secretary

2.1.5.2. List of Names of Members of the Bank Management Board

Name of Officer

1. Dr.Sunil Jayantha Nawarathna – Director General (Chairman)
2. Mr. H.K.A. Ranjith Udayasiri – Director (Micro Finance) (Member)
3. Mr. T. B. Weerasena – Director (Member)
4. Mr. H. D. Ajith - Deputy Director (Member)
5. Dr. Sunil Jayantha Navaratne – (nominated member)
6. Dr. P. A. Kiriwandeniya – (nominated member)
7. Dr. R. M. K. Ratnayake – (nominated member)
8. Mr. M. Ramamurthy – Director (Planning) (Member)

2.1.5.3. List of Names of Members of the Board of Trustees of the Social Security Funds

Name of Officer

1. Dr.Sunil Jayantha Nawarathna – Director General
2. Mr. H.K.Ranaweera - Director (Social Security)
3. Mr. U. G. Rathnasiri – Additional Secretary (Ministry of National Policy and Economic Affairs)
4. Mr. H. A. N. Samankumara - Director (Ministry of Finance)
5. Mr. S. D. Udawatta - Additional Secretary (Administration)
6. Mr. M. K. Bandula Harischandra - Additional Secretary (Development)
7. Dr. R. M. K. Ratnayake – Consultant to the Hon Minister
8. Mr. D. M. G. Wijesiri – Member
9. Professor Athula Senaratne – Member
10. Mr. P. G. Jayasinghe – Member
11. Mr. Nalin Mahesh Perera, Attorney at law – Member

2.1.6. List of Names of the Staff Officers of the Department of Samurdhi Development -2017

1. Director General

1. Mr. Neil Bandara Hapuhinna –
2. Dr. Sunil JayanthaNavaratne – (from 06.10.2017)

2. Additional Director General

Mrs. N. A. P. Nissanka – (from 06.03.2017)

3. Chief Accountant

Mr. S. M. S. G. Rathnayake

Miss R. Manamperi – (from 21.12.2017)

. Directors

1. Mr. C. D. Kaluarachchi -Director (Human Resources)
2. Mr. A. G. Wellappili - Director (Social Empowerment and Rural Dev)

3. Mr. K. K. L. Chandratilake -Director (Micro Finance)
4. Mr. RanjithUdayasiri - Director (Micro Finance) from 27.07.2017 to date
5. Mr. J. K. Padmasiri - Director (Planning and Monitoring)
(Has retired since)
6. Mrs. KanthiDissanayake - Director (Training and Research_
(Has retired since)
7. Mr. W. A. L. Lankathilake -Director (Social Development and Environment)

5. Accountant

1. M.r P. A. S. J. Kumara (Finance and Payments)

6. Chief Internal Auditor

Mrs. R. P. P. Abeykone - From 21.01.2016

7. Samurdhi District Directors

No	Name	District
1	Mr. K. A. M. Perera	Gampaha(Officiating)
2	Mrs. B. A. S. Udayangani	Kalutara(Officiating)
3	Mrs. D. W. Marambage	Kandy
4	Mr. M. S. M. Safraz	Kurunegala(Officiating)
5	Mrs. T. A. P. Kusumsiri	Kegalle
6	Mr. J. A .S. P. Jayasinghe	Ratnapura
7	Mrs. F. R. M. Riyaldeen	Matale
8	Mrs. H. M .S. K KHerath	NuwaraEliya(Officiating)
9	Mr. K. G. Premadasa	Trincomalee (Acting)
10	Mrs. A. Thavabalan	Kilinochchi(Officiating)
11	Mr. A. G. S .AshokaKumra	Colombo
12	Mr .U .P. S. A .Piyadassa	Ampara(Officiating)
13	Mrs .D. S. Vithanage	Galle (Officiating)
14	Mr.H. D. N. S .Fernando	Anuradhapura (Officiating)
15	Mr. W. A. Dharmasiri	Moneragala (Acting)
16	Mr. P. Prabakaran	Mannar (Officiating)
17	Mr. W. G. W. Wanasinghe	Polonnaruwa (Acting)
18	Mrs.JeyahavaniKaneshamurthi	Mullaitivu (Officiating)
19	Mr. W. M. P. WijayaBandara	Badulla
20	Mr. K. A. L. Cyril	Matara
21	Mr. N. G. J. P.Rohitha	Hambantota
22	Mr. P. Gunaratnam	Batticaloa
23	Mr .S. A. N. Priyashantha	Puttalam (Officiating)
24	Mr. K. Maheshwaran	Jaffna (Acting)
25	Mrs.SarojanideviPadmaranjan	Vavuniya

8. Deputy Directors

1. Mr. Mahesh Perera - Dy Director (Planning and Monitoring)
2. Mr. S. Liyanarachchi - Dy Director (Training and Research)
3. Mr. H. K. Ranaweera - Dy Director (Livelihood Development)
4. Mrs. R. M. L. W. L. Rathnayake - Dy Director (Micro Finance)
5. Mr. B. G. L. R. N. S. Bandara - Dy Director (Kandy District)
6. Mr. S. R. Wijesekera - Dy Director (Legal)
7. Mr. S. Wannigama - Dy Director (Matara District)
8. Mr. Kapila Masakorala - Dy Director (Galle District)
9. Mrs. S. D. Kalyani - Dy Director (Galle District)
10. Mr. Ranjith de Silva - Dy Director (Matara District)
11. Mr. P. R. D. H. Anurawansa - Dy Director (Community Based Orgs) Head Office

9. Assistant Directors

1. Mr. Ananda Gamage - Marketing Division - Head Office.
2. Mrs. I. D. N. Sanjeevani - Social Development - Head Office
3. Mr. S. P. Wanigatunga - Matara District
4. Mr. I. C. J. Gunaratne - Administration - Head Office
5. Mr. P. D. R. K. Perera - Kandy District
6. Mr. A. F. Fernando - District Secretariat, Colombo
7. Miss W. M. T. U. Wijeratne - Administration - Head Office
8. Mr. W. G. S. Wickremasinghe - Sub Office, Kandy District.

10. Administration Officers

1. Mr. P. G. Upu Jayashantha - (Administration)
2. Mr. T. B. Ilangathilake (Establishment) (Acting)

03. Performance Report of the Training and Research Division

3.1. Introduction

The year 2017 had been declared as the Year of Poverty Eradication, with the objective of minimizing poverty in Sri Lanka. The basic aim of the Training and Research Division is updating the knowledge, skills, attitudinal development and subject related knowledge of the staff of the Department of Divineguma Development involved in the task of minimizing poverty with the aim of increasing their efficiency and productivity, based on the mission of sustainable development in order to achieve its goals.

In this respect, the Training and Research Division plans, introduces, coordinates, provides guidance and the required facilities for the necessary training courses and programmes.

vision

The creation of a strong human capital for a Poverty Free Sri Lanka by the year 2030.

Mission

The creation through the Department of a human resource, replete with the necessary knowledge, skills, attitudes and ideals required for the poor to be empowered and made contributory to the national economy.

Functions

Development of the knowledge, skills and attitudes of the internal staff.

Maintaining the Training Centers in an efficient and productive manner and conducting training

Identifying the successes/failures of ongoing programmes and identifying new approaches.

3.2 Details Of Projects And Activities Implemented

For this purpose, the Training and Research Division planned to implement the following activities through it:

1. Providing subject related knowledge and training to the staff.
2. Making officers aware about the functions of a state employee.
3. Academic and field research matters, formulation of methodologies to minimize poverty, and coordinating with external institutions being the School of Social Services, local and international higher education and research institutes and Universities.

4. Guidance for foreign scholarship courses and providing opportunities to exchange local experiences.
5. Procuring the required finances for officers to undergo training relevant to the recruiting procedure and service requirements.
6. Maintaining Training Centers properly and efficiently.

3.2.1. Making Officers Aware about the Functions and Accountability of a State Employee

This programme was planned in the year 2016, because there was an acute need for briefing the officers about the issues regarding rules, regulations and procedures that had arisen financially and administratively in the integration of officers, who had worked in three Authorities being the Samurdhi Authority of Sri Lanka, the Southern Development Authority and the Upcountry Development Authority, to the Departmental methodology.

As its first phase, one hundred Managers with expertise in these subjects had been selected at District level and a three day training programme given jointly with the National Social Services Institute and a trainer's pool and a training module had been established.

As its second phase, in the year 2017, District Directors were instructed to get these trainers to plan Awareness Programmes at district level in respect of the under mentioned fields, and to take action taken to get provisions released through the Training Division after the programmes submitted by the various Districts were approved.



An instance of a Training Programme held at District level

3.2.2Matters to be Included in Awareness Programmes at District level

Establishment Regulations, Financial Regulations, disciplinary procedure, duties and obligations of a state employee, office systems, establishment problems, use of the Internet and methodologies for efficient exchange of information

Amount allocated	– RsMn2.50
Expenditure	– RsMn2.09
No of programmes held	– 94
No of officers trained	– 5535

Socio economic benefits derived through these programmes.

The internal staff has been provided with the ability to provide a more correct and efficient service to the beneficiary through the awareness received from this programme conducted for novices to the government service.

3.2.3Subject Related Training for the District Staff

This subject related training has been planned to be given with the objective of increasing the expertise and performance of the field one is engaged in, in addition to the common circular orders they should be familiar with as Departmental employees.

Under this, training programmes were conducted relevant to the fields of micro finance, the Samurdhi bank accounting process, social development, community based organizations, administration and establishment matters, accounts and financial administration, audit and investigations, livelihood development and marketing.

For this purpose, workshops should be planned according to the training requirements identified to be provided to officers at district level/regional level, submitted to the Training and Research Division and action taken to get the provisions released subject to the recommendations and approval.

Amount allocated	– RsMn2.50
Expenditure	– RsMn2.83
No of programmes held	– 69
No of officers trained	– 4231

Socio economic benefits derived through these programmes.

Due to officers obtaining new knowledge relevant to their subject fields and the updating of knowledge, they have been made capable of achieving the targeted objective of the Department more efficiently and productively.

3.2.4. Directing the Staff for Experience Exchange Programmes.

This programme had been organized with the aim of achieving the targeted objective of the Department more efficiently and productively, with the goal of providing experience in respect of programmes conducted linearly by the institution, and maintaining good coordination with sister institutions. Under this, awareness programmes had been conducted at District level for District Secretaries and Divisional Secretaries in respect of the responsibility of those institutions in the eradication of poverty and conducting training programmes for technical officers in the preparation of strategic plans, open discussions and awareness programmes for the management of frequent disasters.



Amount allocated – Rs Mn2.50

Expenditure – Rs Mn1.76

No of programmes held – 18

3.2.5. Maintaining Training Centers Properly and Efficiently.

It is expected to provide the necessary facilities to make use of the Training Centers located regionally belonging to the Department of Samurdhi Development, for the training of staff, and for the government and private sectors, thereby directing the Training Centers to earn income.

The following Centers operate as National Training Centers belonging to the Department of Samurdhi Development:

Balangoda – Samalawewa Training Center – 045-3400821

Peradeniya – Nillamba Training Center - 081-2067215

Trincomalee – NilaweliSamurdhi Center - 026-2232335

Estimates have been prepared and planned after consulting the Officers in charge when training programmes are implemented in the above Centers at District level.

Also, as it is expected to use these Centers more efficiently and productively for training purposes, a publicity programme has been implemented to direct the training programmes of government and the private sector in the Districts to these Centers.

Similarly, Officers in charge of the centers are taking action to generate income in accordance with a proper programme for providing the facilities of the Center to external parties, based on the financial and administrative instructions of the Training Centers, issued by the Finance Division. Officers in charge of the Centers should submit the quarterly progress of the above Training Centers to the Training Division quarterly.

Socio economic benefits derived through these programmes.

Mainly, the Department will get an income through this, in addition to the ability to provide a more productive service to the beneficiary, and the possibility of providing the necessary facilities to the employees of the government and private institutions.



3.2.6 Research and Survey Matters

Discussions have been held to conduct surveys and research to identify the successes and failures of the programmes conducted so far by the Department and new approaches thereto, to submit the

results of research at national and international conferences for scholarly discussion, and to discuss pragmatic solutions.

In this connection, action will be taken for the Training and Research Division to contribute to a national conference regarding environmental factors linked to poverty and their management.

The under mentioned research and survey topics have been identified in order to prepare the necessary mechanism to do research activities in conjunction with various authorized organizations for the exchange of experience required for sustainable development and eradication of poverty, whilst obtaining local and foreign research grants and technical facilities:

i. Study about the manner in which the Livelihood Development Credit Programme under the Micro Finance Credit Programme has been socially integrated.

ii. Study about the manner in which the Social Security Programme has been socially integrated.

iii. Study about the manner in which the desired objective of the Livelihood Cyclic Fund has been reached.

Even though preliminary steps had been taken to conduct the above surveys, due to issues regarding the formulation and procurement of provisions and preparation of estimates, these could not be conducted as planned.



3.2.7 Coordination of Foreign Scholarship Courses and Directing Officers for the Exchange of Foreign Experience Opportunities.

Briefing Heads of Divisions in the Head Office/Districts in respect of foreign scholarship courses awarded to officers serving in the Department and directing appropriate officers for foreign scholarships, and the coordination thereof has been done by the Training and Research Division.

The main objective here is obtaining experience about programmes being implemented by regional countries for the eradication of poverty.

No of officers directed for foreign visits – 29.

Socio economic benefits derived through these programmes.

The knowledge gained about programmes in foreign countries for the eradication of poverty being helpful to achieve our objectives.

3.2.8 Providing Provisions for Degrees/Postgraduate Degrees/ and Financial Cooperation for Following Professional Development Programmes.

Action had been taken to release financial provisions in respect of courses subject to Public Administration circulars and other provisions applicable to state officers in Departments in respect of the relevant local and foreign courses, when selections had been made by the relevant institutions for courses directly contributing to the main objective of the Department, and the performance of the functions of the respective post more efficiently and productively, in accordance with criteria approved by the Samurdhi National Council in respect of the officers of the permanent staff of the Department of Samurdhi Development.

Further, the places where these courses are being held should be State Universities, Vocational Training Establishments and local and foreign institutes of higher education, registered with the Tertiary Education Commission, approved by the University Grants Commission of Sri Lanka.

Amount allocated – Rs. Mn. 1.00

Expenditure - Rs. Mn. 1.66

No of officers - 61

Socio Economic Benefits Derived through these Programmes.

The knowledge obtained through these programmes would be of assistance during the programmes being implemented in order to achieve the objective of the institution, and would be helpful to perform an efficient and productive service.

3.2.9 Conducting Training Courses for Micro Finance Bank Loan Staff.

Training courses were conducted with the objective of achieving the desired goal by the improvement of the efficiency of the staff of the 1074 Micro Finance Banks belonging to the Department. The provisions for these were borne by the Micro Finance Banking Division.

Table-3.1

S/No	Training Programme	No of officers
01	Basic Accounts for the Samurdhi Bank staff	96
02	Programme for the restructuring and innovation of the Samurdhi banking system	144
03	Training Programme for increasing the performance of Samurdhi banks.	227
	Total	467

04. Performance of the Investigation Division

Vision

Creating a model Department devoid of fraud, corruption and irregularities that renders an efficient and productive service by the creation of a law abiding and disciplined work force.

Mission

Investigating into violations of common laws, indiscipline and criminal acts, and punishing officers found guilty in accordance with state disciplinary procedure, providing them an opportunity to become law abiding and disciplined state employees, and dismissing from public service officers established to be prejudicial to good order in the state service and the welfare of the general public.

4.1. Functions of the Division

- Conducting preliminary investigations about complaints received
- Taking onward disciplinary action in respect of Special Audit Inspections done by the Internal Audit Division.
- Calling for explanation and issuing of charge sheets.
- Holding formal disciplinary inquiries
- Issue of disciplinary orders.
- Submitting reports to the Public Service Commission about appeals against disciplinary orders.
- Steering the Appeal Committee relevant to vacation of post orders.
- Coordinating matters with institutions such as the Presidential Investigation Division, Commission of Inquiry against Bribery or Corruption, Sri Lanka Human Rights Commission

4.2. Current Legal Background

Only the Head of the Department has been vested with disciplinary powers over non staff grade Departmental officers of the Samurdhi Development Department, under the following legal provisions:

- i. Clauses 57 (1) and 57 (2) of the Constitution.
- ii. Gazette Extraordinary No 1941/41 dated 20.11.2015 declaring the provisions for delegation of authority by the Public Services Commission.
- iii. Procedural rules of the Public Services Commission

4.3. Present Composition of the Division

- Assistant Director (Investigations)
- Chief Management Assistant
- Samurdhi Development Officers – 06
- Full time Investigating Managers attached to District Offices – 11
- Audit Managers – 02
- Non full time Investigating Managers

4.4. Performance as at 31.12.2017 in Brief

- No of incomplete files as at 31.12.2016 – 304
- No of new files opened up to 31.12.2017 -
- No of charge sheets issued for the period 01.01.2017 to 31.12.2017 - 114
- No of files completed during the year – 78
- Progress as a percentage – 37.14%
- Expenditure for disciplinary inquiries as at 31.12.2017 – Rs.1,872,034.25

4.5. Requirements of the Division to be Further Completed

- Increase in accommodation.
- Increase in the staff, including the posting of an experienced Manager.
- Posting an officer conversant in Tamil and English
- Providing Laptop Computers for full time Investigating Managers.
- Providing fax facilities.

4.6. Future Plans

- Posting a full time Manager knowledgeable in the subject to the Division and the recruitment of Managers for the pool for vacant districts.
- Improving the office premises of the Division.
- Completing during the year 50% of the files opened in the year.
- Introduction of an assessment methodology reckoning the performance of the officers of the Division.
- Providing a formal training for the entire staff about administrative law and the disciplinary procedure.
- Formulation of a methodology for the proper disposal of completed files.

4.7. New Proposals

- Adoption of a formal transfer procedure
- Fully computerizing the bank accounting procedure
- Until then, introduction of methodologies to prevent instances where frauds could take place in taking over and handing over money.
- Decentralization of the authority to select beneficiaries for Livelihood Projects.
- Livelihood Projects to be properly monitored.
- Creating awareness about procedure being adopted towards officers who violate laws.

05. Progress of Development Projects – 2017

Table-5.1

5.1. Progress of Action Plan (Summery) - 2017 (as at 31.12.2017)

S. N.	Programme	Total Allocation (Rs. Mn.)	Physical Target	Progress		
				Financial (Rs.Mn.)	Physical	No. of Beneficiaries
1	Social Empowerment and Rural Development Programme	740.00	15,946 projects	730.82	20,882 projects	20,882
2	Marketing Promotion Programme	169.60	2,080 programs	144.33	2,561 programs	6,719
3	Social Development and Environment Programme	200.00	2,730 programs	197.68	4,747 programs	310,706
4	Community Based Organization Programme	38.80	03 programs	26.47	03 programs	25,460
5	Information Technology Programme	30.00	06 programs	28.26	05 programs	
6	Samurdhi Relief Survey Programme	6.40	01 program	6.40	01 program	
7	Media Programme	11.20	88 programs	11.16	64 programs	
8	Planning and Monitoring Programme	4.00	12 programs	3.59	10 programs	
Total		1,200.00		1,148.71		363,767

06. Performance of the Social Welfare Division

6.1. Introduction:

Successive governments had implemented various programmes to enhance the welfare of the poor community in Sri Lanka, and the following programmes took precedence among those:

1. Food Stamp Scheme
2. Janasaviya Programme
3. Samurdhi Programme

The Samurdhi Scheme is in operation since 1994 as the major welfare scheme of the government being implemented focusing on the main objective of the alleviation of poverty. This scheme was implemented under the two institutions of the Samurdhi Authority of Sri Lanka and the Department of the Commissioner General of Samurdhi, and the Subsidy Programme was implemented under the Department of the Commissioner General of Samurdhi.

Also, the Department of Divineguma Development established under the Divineguma Act No 01 of 2013 functioned as the Samurdhi Development Department being amended as the Samurdhi Act No 02 of 2016. Accordingly, the Subsidy Programme is presently being implemented by the Subsidy Division of this Department.

6.2. Main Objectives of the Subsidy Programme:

- Fulfilling the nutritional requirements of the poor people and lining them up for development requirements.
- Making them to contribute to the Housing Lottery Fund.
- Strengthening the low income earner financial through compulsory savings.
- Getting them to contribute to the Social Security Programme and providing financial support during expected and unexpected risky situations of those families.

6.3. Selection of Beneficiaries

From January 2017, beneficiaries who were in receipt of subsidies as at 31st December only will be qualified to receive Samurdhi benefits.

6.4. Classification of Subsidies

Table 6.1

No of Family Members	Value of Subsidy Rs.	How the Subsidy Allowance is Distributed			
		Compulsory Savings Rs.	Social Security Rs.	Housing Lottery Fund Rs.	Amount Payable to the Beneficiary Rs.
04 or above 04	3500/-	300/-	100/-	50/-	3050/-
03 (Three)	2500/-	200/-	100/-	50/-	2150/-
03 (Less than three)	1500/-	100/-	100/-	50/-	1250/-
Empowered families	420/-	270/-	100/-	50/-	

6.5. Providing Subsidies to the Clergy

The subsidy entitled to members of the clergy is the subsidy value of Rs.1500/- due to a single person. Subsidy payments entitled to members of the clergy below 18 years of age are credited to the accounts of the lawful custodian of the institution. These religious institutions should be registered with the government.

6.6. Elders Homes/Children's Homes/Disabled Homes

A subsidy of Rs.1500/- has been issued to persons who do not receive a sufficient income and who are registered in the Department of Probation and Child Security and the Department of Social Services, treating them as single persons. Subsidies of children under 18 years are given in the name of the wardens and in respect of children over 18 years, it is issued under the single system.

6.7. Appeals/Objections

If anyone feels that he has not received the subsidy even though he is qualified to receive it, he should appeal in that behalf to the Divisional Secretary. The Divisional Secretary should send such appeals to the Samurdhi Development Officers through the Zonal Manager, get them examined and returned, and maintain a stand by register.

6.8. Reasons for Suspending/Revoking the Subsidy:

- Going abroad for employment (after 06 months of going abroad)
- Obtaining government employment
- Increase in the level of income
- Submitting false information
- Addicted to liquor and gambling

However, attention would be paid to preventing the family unit from getting more helpless through this.

6.9. Releasing of Subsidy Money to the Beneficiary

Money required for the payment of subsidy allowances is electronically transmitted to the official current account of the Samurdhi Community Based Bank by the Head Office, based on the monthly maximum report submitted by the District Samurdhi Office at Samurdhi Community Based Bank level. Thereafter, action is taken to pay the money through the savings accounts of the beneficiaries.

Table- 6.2

No of Samurdhi Beneficiaries During the past 05 years (2013-2017)

Year	No of Beneficiaries
2013	1,477,173
2014	1,479,811
2015	1,453,078
2016	1,407,235
2017	1'388,242

Source – Departmental Sources

Table- 6.3

Expenditure of the Samurdhi Subsidy Programme

During the Past 05 years (2013-2017)

Year	Expenditure (Rs.)
2013	15,255,979,958.73
2014	15,041,799,341.62
2015	40,209,736,640.00
2016	40,740,170,648.31
2017	39,707,051,488.00

Source – Departmental Sources

Table- 6.4.**No of Samurdhi Beneficiaries in the Year 2017(District Wise)**

District	Rs-420/-	Rs.1500/-	Rs.2500/-	Rs.3500/-	Total no of beneficiaries
Colombo	1,108	21,161	8,718	15,364	46,351
Gampaha	6,414	41,130	20,365	40,074	107,983
Kalutara	5,259		10,226	20,281	59,666
Kandy	6,507	31,296	14,213	30,210	82,226
Matale	2,807	15,738	7,382	13,767	39,694
Nuwara Eliya	7,479	12,762	5,976	12,475	38,692
Galle	7,230	20,526	11,369	28,747	67,872
Matara	4,142	23,502	10,733	23,308	61,685
Hambantota	5,879	15,107	9,582	22,254	52,822
Jaffna	0	13,169	9,122	31,022	53,313
Mannar	0	3,248	2,104	7,666	13,018
Vavuniya	2,693	2,956	1,552	4,657	11,858
Mullaitivu	44	2,086	2,453	6,476	11,059
Kilinochchi	0	2,964	1,882	6,710	11,556
Batticaloa	15,709	21,787	9,889	30,547	77,932
Ampara	12,958	21,569	10,111	27,226	71,864
Trincomalee	5,973	11,508	5,723	14,786	37,990
Kurunegala	7,962	50,960	26,297	53,587	138,806
Puttalam	1,346	21,893	8,549	18,234	50,022
Anuradhapura	4,033	22,997	11,089	20,832	58,951
Polonnaruwa	3,740	7,530	5,497	10,676	27,443
Badulla	5,194	19,296	9,470	20,695	54,655
Moneragala	6,725	12,569	7,684	17,901	44,879
Ratnapura	10,189	26,596	20,164	47,929	104,878
Kegalle	7,638	19,421	11,329	24,639	63,027
Total	131,029	465,671	241,479	550,063	1,388,242

Table- 6.5

6.10. Distribution of Samurdhi Subsidy Payments - 2017

S. No	District	Rs. 420/= (1)	Rs.1500/=						Total Rs. 1500/= (6+7) (8)	Rs. 2500/= (9)	Rs. 3500/= (10)	Total Beneficiaries (1+8+9+10) (11)	Compulsary Savings			Cash Rs. {(8*1250)+(9*2150)+(10*3050)} (14)	Cash To DCB Rs. {12+14} (15)	Social Security Fund Rs. (11*100) (16)	Lottery Fund Rs. (11*50) (17)	Total Allocation Rs. (13+15+16+17) (18)
			Clergy (2)	Elders Home (3)	Home Home (4)	Disability Care Center (5)	Beneficiaries (2+3+4+5)	Others (7)					Institutional Beneficiaries (To DCB)	Others Compulsary Savings Rs. {(1*270)+(7						
1	Colombo	1,108	943	222	516	541	2,222	18,939	21,161	8,718	15,364	46,351	222,200	8,545,860	92,055,150	92,277,350	4,635,100	2,317,550	107,775,860	
2	Gampaha	6,414	1,223	91	877	13	2,204	38,926	41,130	20,365	40,074	107,983	220,400	21,719,580	217,422,950	217,643,350	10,798,300	5,399,150	255,560,380	
3	Kalutara	5,259	1,282	30	303	0	1,615	22,285	23,900	10,226	20,281	59,666	161,500	11,777,930	113,717,950	113,879,450	5,966,600	2,983,300	134,607,280	
4	Galle	7,230	1,137	98	133	39	1,407	19,119	20,526	11,369	28,747	67,872	140,700	14,761,900	137,779,200	137,919,900	6,787,200	3,393,600	162,862,600	
5	Matara	4,142	837	396	90	5	1,328	22,174	23,502	10,733	23,308	61,685	132,800	12,474,740	123,542,850	123,675,650	6,168,500	3,084,250	145,403,140	
6	Hambantota	5,879	290	16	1	19	326	14,781	15,107	9,582	22,254	52,822	32,600	11,658,030	107,359,750	107,392,350	5,282,200	2,641,100	126,973,680	
7	Ratnapura	10,189	597	166	0	60	823	25,773	26,596	20,164	47,929	104,878	82,300	23,739,830	222,781,050	222,863,350	10,487,800	5,243,900	262,334,880	
8	Kegalle	7,638	354	76	125	37	592	18,829	19,421	11,329	24,639	63,027	59,200	13,602,660	123,782,550	123,841,750	6,302,700	3,151,350	146,898,460	
9	Kandy	6,507	1,075	106	173	83	1,437	29,859	31,296	14,213	30,210	82,226	143,700	16,648,390	161,818,450	161,962,150	8,222,600	4,111,300	190,944,440	
10	Matale	2,807	315	5	70	0	390	15,348	15,738	7,382	13,767	39,694	39,000	7,899,190	77,533,150	77,572,150	3,969,400	1,984,700	91,425,440	
11	Nuwaraeliya	7,479	273	2	37	20	332	12,430	12,762	5,976	12,475	38,692	33,200	8,200,030	66,849,650	66,882,850	3,869,200	1,934,600	80,886,680	
12	Kurunegala	7,962	885	41	139	8	1,073	49,887	50,960	26,297	53,587	138,806	107,300	28,473,940	283,678,900	283,786,200	13,880,600	6,940,300	333,081,040	
13	Puttalam	1,346	167	62	99	45	373	21,520	21,893	8,549	18,234	50,022	37,300	9,695,420	101,360,300	101,397,600	5,002,200	2,501,100	118,596,320	
14	Badulla	5,194	617	11	122	0	750	18,546	19,296	9,470	20,695	54,655	75,000	11,359,480	107,600,250	107,675,250	5,465,500	2,732,750	127,232,980	
15	Monargala	6,725	330	0	25	0	355	12,214	12,569	7,684	17,901	44,879	35,500	9,944,250	86,829,900	86,865,400	4,487,900	2,243,950	103,541,500	
16	Anuradhapura	4,033	554	4	12	47	617	22,380	22,997	11,089	20,832	58,951	61,700	11,794,310	116,125,200	116,186,900	5,895,100	2,947,550	136,823,860	
17	Polonnaruwa	3,740	404	42	104	20	570	6,960	7,530	5,497	10,676	27,443	57,000	6,008,000	53,792,850	53,849,850	2,744,300	1,372,150	63,974,300	
18	Ampara	12,958	180	0	203	38	421	21,148	21,569	10,111	27,226	71,864	42,100	15,803,460	131,739,200	131,781,300	7,186,400	3,593,200	158,364,360	
19	Jaffna	0	16	2,903	69	463	3,451	9,718	13,169	9,122	31,022	53,313	345,100	12,102,800	130,690,650	131,035,750	5,331,300	2,665,650	151,135,500	
20	Batticaloa	15,709	37	6	5	368	416	21,371	21,787	9,889	30,547	77,932	41,600	17,520,430	141,663,450	141,705,050	7,793,200	3,896,600	170,915,280	
21	Trincomalee	5,973	28	1,128	11	117	1,284	10,224	11,508	5,723	14,786	37,990	128,400	8,215,510	71,786,750	71,915,150	3,799,000	1,899,500	85,829,160	
22	Vavunia	2,693	2	0	0	0	2	2,954	2,956	1,552	4,657	11,858	200	2,730,010	21,235,650	21,235,850	1,185,800	592,900	25,744,560	
23	Mulative	44	8	326	23	61	418	1,668	2,086	2,453	6,476	11,059	41,800	2,612,080	27,633,250	27,675,050	1,105,900	552,950	31,945,980	
24	Mannar	0	3	0	1	1	5	3,243	3,248	2,104	7,666	13,018	500	3,044,900	31,964,900	31,965,400	1,301,800	650,900	36,963,000	
25	Kilinochchi	0	0	8	24	0	32	2,932	2,964	1,882	6,710	11,556	3,200	2,682,600	28,216,800	28,220,000	1,155,600	577,800	32,636,000	
	Total	131,029	11,557	5,739	3,162	1,985	22,443	443,228	465,671	241,479	550,063	1,388,242	2,244,300	293,015,330	2,778,960,750	2,781,205,050	138,824,200	69,412,100	3,282,456,680	

07. Performance of the Social Security Division

7.1. Introduction

The Samurdhi Social Security Fund has been started and is being maintained under the Department of the Commissioner General of Samurdhi with effect from 01.01.1997 through trusteeship deed no 8. This fund is treated as a government owned non-commercial entity. Accordingly, while the Social Security Fund is an entity not dependent on government provisions, and generates income on its own, it has been categorized in this manner.

When establishing the Department of Samurdhi Development in accordance with the Divineguma Development Act No 01 of 2013, the Department of the Commissioner General of Samurdhi too was incorporated into it. Accordingly, it operated as the Divineguma Social Security Fund under the Department of Samurdhi Development, and with the name of the Department being amended as the Department of Samurdhi Development, it operates under the name of the Samurdhi Social Security Fund. The management of the fund is being done by the Social Security Board of Trustees comprising 10 members under the chairmanship of the Head of the Department.

Vision:

A secure tomorrow for a prosperous community

Mission:

Uplifting the Samurdhi beneficiaries economically, socially, medically and educationally preventing breakdown when faced with expected and unexpected situations.

Objectives:

- Minimizing financial difficulties that have to be faced expectedly and unexpectedly when Samurdhi beneficiaries, socially disadvantaged persons and groups are engaged in institutional economic activities, and safeguarding their social and living conditions.
- Taking action to develop the social and economic condition of the beneficiary community by enhancing their nutrition level.

Overall progress of the Division

- Receipt of beneficiary contributions – Table-7.1
- Payments to beneficiaries and payments made with the approval of the Board of Trustees – Table-7.2
- Details of investments – Table-7.3

Table - 7.1

**Samurdhi Social Security Fund
Receipt of contributions from year 2011 to 2017**

Year	No of beneficiaries	Receipts (Rs)
2011	1,006,026	526,956,418.80
2012	1,262,216	661,148,580.38
2013	1,479,960	775,202,873.40
2014	1,480,450	775,464,467.85
2015	1,466,090	767,937,637.00
2016	1,419,534	1,570,238,635.00
2017	1,407,235	1,677,301,000.00
Total		6,754,249,612.43

Table - 7.2
Payment of Social Security benefits from year 2011 to 2017

Year	Births		Marriages		Illness		Deaths		Special births		Scholarships		Total	
	Number	Amt. Rs	Number	Amt. Rs	Number	Amt. Rs	Number	Amt Rs	Number	Amt. Rs	No of times	Amt . Rs	Number	Amt. Rs
2011	5540	26968500	20192	55208000	16361	23229300	19954	199535000			138020	69028000	200067	373968800
2012	5148	25740000	24405	73213000	22460	61993900	24187	241865000			125151	105792500	201351	508604400
2013	9902	49507000	29287	135116000	29699	83438000	29009	290090000			177313	177043000	275210	735194000
2014	10833	54160000	32630	163098000	32969	91714270	28690	286891500			70040	70040000	175162	665903770
2015	10015	50075000	34111	170555000	33423	92072200	29154	291545000			225952	225952000	332655	830199200
2016	7884	56405000	29853	215562500	36758	111245700	26739	382120000	34	135000	222128	222128000	323396	987596200
2017	6369	47727500	27905	209201500	51719	144152800	28228	423370000	5838	29242000	131465	200736000	251524	1054429800
Total	55691	310583000	198383	1021954000	223389	607846170	185961	2115416500	5872	29377000	1090069	1070719500	1759365	5155896170

Table - 7.3
Investments of Social Security Funds as at 31.12.2017

S.N	<i>Investment Institution</i>	investment Date	investment Amount	TimePeriod	Interest rate of investment %	Interest amount of Investment	W.H.T. 8%	Total Interest Income	Total amount of realize
1	<i>Bank of Ceylon, Torrington</i>	2017-08-18	121,863,851.42	06 months	11.75	7,100,656.05	568,052.48	6,532,603.57	128,396,454.99
	Total		121,863,851.42			7,100,656.05	568,052.48	6,532,603.57	128,396,454.99
2	<i>Peoples Bank, Battaramulla</i>	2017-08-09	167,119,156.15	06 months	12.25	10,151,916.41	812,153.31	9,339,763.10	176,458,919.25
3	<i>Peoples Bank, Battaramulla</i>	2017-10-26	106,210,000.00	06 months	11.75	6,188,551.16	495,084.09	5,693,467.07	111,903,467.07
4	<i>Peoples Bank, Battaramulla</i>	2017-11-29	1,425,197,198.48	06 months	11.50	81,275,286.81	6,502,022.94	74,773,263.87	1,499,970,462.35
5	<i>Peoples Bank, Battaramulla</i>	2017-11-30	559,043,366.89	06 months	11.50	31,880,788.17	2,550,463.05	29,330,325.12	588,373,692.01
6	<i>Peoples Bank, Battaramulla</i>	2017-12-04	685,612,712.12	06 months	11.50	39,098,708.50	3,127,896.68	35,970,811.82	721,583,523.94
7	<i>Peoples Bank, Battaramulla</i>	2017-12-19	520,212,379.05	06 months	11.25	29,021,437.17	2,321,714.97	26,699,722.20	546,912,101.25
	Total		3,463,394,812.69			197,616,688.23	15,809,335.06	181,807,353.17	3,645,202,165.86

S.N.	<i>Investment Institution</i>	investment Date	investment Amount	TimePeriod	Interest rate of investment %	Interest amount of Investment	W.H.T. 8%	Total Interest Income	Total amount of realize
8	<i>National Savings Bank, Battaramulla</i>	2017-07-03	2,249,129,266.68	06 months	12.85		143,318,830.27	11,465,506.42	131,853,323.85
9	<i>National Savings Bank, Battaramulla</i>	2017-11-19	589,347,065.18	06 months	11.65	34,329,466.55	2,746,357.32	31,583,109.22	620,930,174.40
10	<i>National Savings Bank, Battaramulla</i>	2017-12-02	150,332,511.53	06 months	11.50	8,644,119.41	691,529.55	7,952,589.86	158,285,101.39
11	<i>National Savings Bank, Battaramulla</i>	2017-12-05	1,376,292,321.02	06 months	11.50	79,136,808.46	6,330,944.68	72,805,863.78	1,449,098,184.80
12	<i>National Savings Bank, Battaramulla</i>	2017-12-06	797,775,720.89	06 months	11.50	45,872,103.95	3,669,768.32	42,202,335.64	839,978,056.53
13	<i>National Savings Bank, Battaramulla</i>	2017-12-07	940,759,772.74	06 months	11.50	54,093,686.93	4,327,494.95	49,766,191.98	990,525,964.72
14	<i>National Savings Bank, Battaramulla</i>	2017-12-12	262,006,556.32	06 months	11.50	15,065,376.99	1,205,230.16	13,860,146.83	275,866,703.15
15	<i>National Savings Bank, Battaramulla</i>	2017-12-15	136,753,922.97	06 months	11.50	7,863,350.57	629,068.05	7,234,282.53	143,988,205.50
	Total		4,253,267,870.65			245,004,912.86	19,600,393.03	225,404,519.83	4,478,672,390.48
			7,838,526,534.76			449,722,257.15	35,977,780.57	413,744,476.57	8,252,271,011.33

7.2. Special Payments which were approved by Social Security Trust Fund

This fund has been built up through voluntary monthly contributions of Samurdhi beneficiaries and through interest income earned by investing balances of money left after making beneficiary payments from contribution funds. Through the funds built up thus, benefits are given to Samurdhi beneficiaries, low income earners, disadvantaged persons, groups and institutions and for non-beneficiary twin births. Benefits are mainly given for expected and unexpected births, twin births, marriages, hospitalizations, deaths and Sipdora scholarships as an insurance methodology. In addition, financial and material assistance is given to socially disadvantaged persons, groups and institutions, based on the approval of the Samurdhi Social Security Board of Trustees.

Table - 7.4

S.No.	Year	Amount (Rs.)
1	2015	1,350,000.00
2	2016	228,586,587.11
Total		229,936,587.11

- Target group:**
- i. Samurdhi beneficiaries
 - ii. Socially disadvantaged persons, groups and institutions

7.3. Implementation Methodology

Utilizing the monthly contributions of Rs.100/= voluntary made by Samurdhi beneficiaries and the interest income earned by investing balances of money left after making beneficiary payments from contribution funds, benefits are given for births, marriages, twin births and Sipdora scholarships. Out of these occurrences, the numbers can be specifically shown only for Sipdora scholarships. That is, the number of Sipdora scholarship holders for an year is 10,000, and 360 Millions are allocated at the rate of Rs.1,500/= monthly for two years. No specific calculation can be made in respect of all other occurrences. Benefits in respect of all the above occurrences are made in the following manner.

Accordingly, at the beginning of the year, the Samurdhi Social Security Division of the Head Office releases an advance to all Divisional Secretariats and District Secretariats. Payments for benefits should be made utilizing these advances, and the respective expenditure reimbursed thereafter.

In respect of the relevant occurrence, the Development Officer in charge of the wasama should hand over the completed application with the relevant documents to the Zonal Manager or the Manager of the Community Based Banking Union. Thereafter, these applications should be handed over to the Headquarters Manager of the Divisional Secretariat. The subject officer of the Divisional Secretariat submits these applications to the Divisional Secretary. Later, payments are made to the respective beneficiaries through the Samurdhi Community Based Banks, after the Accountant of the Divisional Secretariat certifies the expenditure.

Action should be taken to reimburse through the District Secretariat beneficiary payments made in respect of all wasams coming under a Secretarial Division. Thereafter, the District Secretariat should reimburse all beneficiary payments of all the respective Secretarial Divisions through the Samurdhi Social Security Fund of the Head Office. If for some reason, the advance given is not sufficient, an application can be made for an advance again from the Social Security Fund.

In addition to this, depending on the circumstances, financial and material assistance is provided to Samurdhi beneficiaries, low income earners and socially disadvantaged persons, groups and institutions, based on the approval of the Board of Trustees.

Places where implementation takes place:

Wasama → Zonal Office → Divisional Secretariat → Community Based Banking Union → District Secretariat → Samurdhi Social Security Fund of the Head Office.

Approved provisions: According to the Action Plan 2017, payments of Rs. 2,227 Mn have been made.

Date of commencement: 01.01.2017

Date of completion: 31.12.2017

Expenditure returns: Expenditure for payments made with the approval of the Board of Trustees as at 31.12.2017 – Table – 7.5

Expenditure for beneficiary payments as at 31.12.2017 – Table – 7.6

Table – 7.5

Social Security Fund

Special Payments from 01.01.2017 to 31.12.2017

Serial No	Year and month	Details	Payable to	Amount (Rs.)
1	2017	Providing sanitary toilet facilities under the Samurdhi Model Villages Programme.	For the 25 Districts	37,765,000.00
2	2017 Jan	Payments for the purchase of band instruments for the children of low income earning families of Tri/Sinhala Maha Vidyalala.	Account No.66100150035794 of the Main Branch, Peoples Bank, Trincomalee	520,000.00
3	2017 February	Payment for the purchase of air tickets for the 17 experts to participate in the drama festival being held in New Delhi, India	University of Visual and Performing Arts, Cbo 7	816,000.00
4	2017 February	Payments for the deaths of the people who died on 19.12.2017 at the trawler accident at Beruwala	For 12 deaths at the rate of Rs.25000/- per death	300,000.00
5	2017 March	Payments for obtaining 3500 bottoms for the Rata Wenuwen Pibidena Pulasithi Youvanaya Youth Camp	District Secretary, Polonnaruwa	1,680,000.00
6	2017 March	Providing assistance to Samurdhi beneficiaries players taking part in the Asian hearing handicapped cricket tournament.	Sri Lanka Hearing Handicapped Cricket Assn	700,000.00
7	2017 March	Providing sanitary toilet facilities under the Samurdhi Model Villages Programme.	Rs.595,000/= for the DS Hambantota and Rs.105,000/= for the DS Trincomalee	700,000.00
8	2017 May	Release of money for the fund set up for students of low income earning and Samurdhi beneficiary families studying in the University of Peradeniya.	sir ivor jennings endowment fund bank of ceylon kollupitiya branch a/c no 0080645032	1,000,000.00
9	2017 May	Payment of arrears for repairs to the Elders Home, Saliyapura	District Secretary, Anuradhapura	1,666,916.42
10	2017 May	Providing sanitary toilet facilities under the Samurdhi Model Villages Programme.	DS Gampaha	3,500,000.00
11	2017 May	Release of money for the Sri Lanka Visually Handicapped Association Building Fund	Acet no 078100122285318 Narahenpita Branch, Peoples Bank.Sri Lanka Hearing Handicapped Cricket Assn	2,000,000.00
12	2017 June	Providing money for the reconstruction of the Pulleyar Kovil, Nilaveli.	District Secretary, Trincomalee	845,153.30
13	2017 June	Payments made for the purchases of goods to Samurdhi beneficiary and low income earning families affected by floods and land slides.	union development & investment company (pvt) limited	18,187,500.00

14	2017 June	Payments made for the purchases of goods to Samurdhi beneficiary and low income earning families affected by floods and land slides.	tegma city sale centre	41,231,250.00
15	2017 June	Payments made for the purchases of goods to Samurdhi beneficiary and low income earning families affected by floods and land slides.	kandy plastics (pvt) ltd	527,140.57
16	2017 June	Payment for the All Sri Lanka Music Competition of the students of Doragmuwa Maha Vidyalaya.	Account no. 0075667096 School Development Society, Doragamuwa Maha Vidyalaya	80,000.00
17	2017 July	Providing money to the player and trainer taking part in the Boxing competition being held in Hungary.	Manager-Samurdhi Community Based Bank-Hanguranketha	400,000.00
18	2017 July	Payments made for the purchases of goods to Samurdhi beneficiary and low income earning families affected by floods and land slides.	tegma city sale centre	32,985,000.00
19	2017 July	Financial assistance for University education	Account no 8521112130543 G Sanjeewa Dinesh, Warapitiya Branch, Samurdhi Community Based Bank	100,000.00
20	2017 August	Providing money for the function to appreciate Olympic players	Sports Development Fund, Ministry of Sports	1,000,000.00
21	2017 August	Payment of examination entrance fees of Japanese scholarship holders		85,500.00
22	2017 August	Payment of residential charges, Nillamba for Japanese scholarship holders	Account no. 0078295667 Officer in charge, Nillambe Training Center	1,340,640.00
21	2017 September	Providing money for the supply of lunch to the participants of the International Day of the Deaf.	Sri Lanka Central Association for the Deaf	200,000.00
22	2017 September	Payments for obtaining visas for three Japanese scholarship holders.	For three scholarship holders	22,500.00
23	2017 Oct	Payments for obtaining air tickets for three Japanese scholarship holders.	Orinway Leisure Pvt Ltd.	204,000.00
23	2017 Oct	Providing school fees for three Japanese scholarship holders.	Sendagaya Language School Japan	3,315,945.09
24	2017 Oct	Providing residential fees for one year for three Japanese scholarship holders.	CHIKUJIN Japanese educational institute	1,157,667.75
25	2017 Nov	Providing financial patronage to appreciate disabled children	National Fund for the Disabled	365,000.00
26	2017 Nov	Sponsoring the Social Insurance Commemoration Volume	General Manager, Sri Lanka Social Insurance Council	200,000.00
27	2017 Nov	Contributing for the leadership training of new officers.	Account no. 7041562 Director General, Department of Divineguma Development	24,000,000.00
28		Release of funds for the Samurdhi Model Village Programme	Account no. 7041562 Director General, Department of Divineguma Development	307,126,475.00
		Total		484,021,688.13

Table – 7.6

Social Security Fund

Beneficiary Payments From 01.01.2017 to 31.12.2017

Serial No	District	Births		Marriages		Diseases		Deaths		Scholarships		Special births		Total	
		Amount	Rs.	Amount	Rs.	Amount	Rs.	Amount	(Rs.)	Amount	(Rs.)	Amount	Rs.	Amount	Rs.
1	Colombo	67	485,000.00	493	3,697,500.00	937	2,853,500.00	999	14,985,000.00	3,636	5,559,000.00	187	1,040,000.00	6,319	28,620,000.00
2	Gampaha	329	2,467,500.00	1,781	13,357,000.00	3,713	10,750,000.00	2,307	34,605,000.00	8,075	12,112,500.00	462	2,385,000.00	16,667	75,677,000.00
3	Kalutara	139	1,042,500.00	957	7,177,500.00	1,808	5,372,250.00	1,716	25,740,000.00	4,645	6,999,000.00	367	1,840,000.00	9,632	48,171,250.00
4	Kandy	334	2,505,000.00	1,653	12,397,500.00	3,287	9,747,750.00	1,973	29,595,000.00	7,902	11,853,000.00	484	2,500,000.00	15,633	68,598,250.00
5	Matale	157	1,177,500.00	632	4,740,000.00	1,272	3,853,500.00	865	12,975,000.00	4,680	7,011,000.00	90	490,000.00	7,696	30,247,000.00
6	Nuwara Eliya	201	1,507,500.00	636	4,770,000.00	1,308	3,795,250.00	943	14,145,000.00	4,354	6,531,000.00	127	685,000.00	7,569	31,433,750.00
7	Galle	185	1,387,500.00	1,140	8,550,000.00	1,859	5,358,000.00	1,420	21,300,000.00	7,411	11,116,500.00	344	1,742,500.00	12,359	49,454,500.00
8	Matara	267	2,002,500.00	1,332	9,984,500.00	2,750	7,373,000.00	1,540	23,080,000.00	5,674	8,565,000.00	197	1,045,000.00	11,760	52,050,000.00
9	H'tota	317	2,377,500.00	1,157	8,665,000.00	2,446	6,735,150.00	992	14,870,000.00	4,346	6,515,500.00	369	1,985,000.00	9,627	41,148,150.00
10	Jaffna	357	2,677,500.00	1,447	10,852,500.00	2,948	7,320,250.00	907	13,605,000.00	5,779	8,756,500.00	352	784,500.00	11,790	43,996,250.00
11	Manaar	128	955,000.00	312	2,340,000.00	345	848,500.00	85	1,275,000.00	1,588	2,186,000.00	1	5,000.00	2,459	7,609,500.00
12	Vavuniya	65	467,500.00	187	1,410,000.00	183	725,350.00	66	990,000.00	1,332	4,981,500.00	16	80,000.00	1,849	8,654,350.00
13	Mullaitivu	53	397,500.00	150	1,125,000.00	209	666,000.00	62	930,000.00	1,896	2,844,000.00	6	55,000.00	2,376	6,017,500.00
14	Kilinochchi	83	625,000.00	233	1,747,500.00	412	1,181,250.00	123	1,845,000.00	2,044	3,594,000.00	59	345,000.00	2,954	9,337,750.00
15	Batticaloa	379	2,842,500.00	2,201	16,507,500.00	3,224	8,230,050.00	863	12,945,000.00	7,054	10,581,000.00	194	912,500.00	13,915	52,018,550.00
16	Ampara	512	3,840,000.00	2,467	18,502,500.00	4,643	11,294,100.00	1,079	16,185,000.00	5,399	8,100,000.00	302	1,620,000.00	14,402	59,541,600.00
17	T'malee	184	1,380,000.00	920	6,900,000.00	839	2,268,750.00	439	6,585,000.00	4,101	6,151,500.00	170	850,000.00	6,653	24,135,250.00
18	Kurunegala	559	4,192,500.00	2,449	18,367,500.00	5,333	14,997,500.00	3,272	49,070,000.00	10,603	15,904,500.00	499	2,692,500.00	22,715	105,224,500.00
19	Puttalam	352	2,640,000.00	1,027	7,702,500.00	1,390	3,988,150.00	1,133	16,995,000.00	5,502	8,253,000.00	382	1,977,500.00	9,786	41,556,150.00
20	Anuradhapura	392	2,940,000.00	1,095	8,212,500.00	1,860	5,614,500.00	1,154	17,310,000.00	6,517	9,754,500.00	226	1,130,000.00	11,244	44,961,500.00
21	Polonnaruwa	233	1,747,500.00	600	4,500,000.00	836	2,571,750.00	441	6,615,000.00	3,520	5,280,000.00	143	652,500.00	5,773	21,366,750.00
22	Badulla	247	1,852,500.00	1,019	7,642,500.00	2,254	6,129,100.00	1,060	15,895,000.00	6,828	10,242,000.00	157	817,500.00	11,565	42,578,600.00
23	Moneragala	221	1,657,500.00	863	6,397,500.00	1,444	4,171,150.00	747	11,205,000.00	6,408	9,591,000.00	158	840,000.00	9,841	33,862,150.00
24	Ratnapura	457	3,427,500.00	2,171	16,282,500.00	3,689	10,676,250.00	2,290	34,350,000.00	6,439	9,656,000.00	324	1,610,000.00	15,370	76,002,250.00
25	Kegalle	151	1,132,500.00	983	7,372,500.00	2,730	7,631,750.00	1,752	26,275,000.00	5,732	8,598,000.00	222	1,157,500.00	11,570	52,167,250.00
	Total	6,369	47,727,500.00	27,905	209,201,500.00	51,719	144,152,800.00	28,228	423,370,000.00	131,465	200,736,000.00	5,838	29,242,000.00	251,524	1,054,429,800.00

Output of the Project: Making payments to all beneficiary applicants from 01.01.2017 to 31.12.2017 and performing functions related to approved board papers of the Social Security Board of Trustees.

7.4. Socio economic Benefits Derived

- Minimizing the financial hardships of beneficiaries through providing financial benefits as stipulated.
- Encouraging the children of Samurdhi beneficiaries who had obtained excellent results at the GCE (O/L) and qualified to study for the GCE (A/L) to successfully pursue higher education, without allowing their secondary education to break down.
- Contributing towards a healthy social security environment by enhancing the nutrition level by providing financial benefits for births and twin births.
- Contributing to the country's leading social security net.



Sipdora Scholarship – Academic Year 2015/017

Name :LaxithaChathurangaMa

First place in Stream: Bio systems

District: Ratnapura

Divisional Secretariat: Ratnapura

School: R/SeevaliMahaVidyalaya, Ratnapura

Social Security payments for twins – Madampe Secretarial Division



Mundalama Secretarial Division



Payment of Social Security Benefits for a Death – Nattandiya Secretarial Division



Payment of social security compensation for the death of Mrs Mary Magilin of the Narawila Grama Niladhari Wasama, Narawila Zone, Nattandiya. Date of death: 14.07.2017. 10.30 am. Samurdhi Officer – S H Jeewa Nandani. Manager – R M Indrani Ratnayake

08. Performance of the Social Development and Environment Division

8.1. Introduction

The Department of Samurdhi Development, which has made the national mission of eradication of poverty in Sri Lanka its major task, has lined up its activities within the broad range of economic, social, mental, political, cultural, legal and environmental fields, in order to totally empower the community. For this purpose, one of the major Divisions established within the organization structure of the Department of Samurdhi Development is the Social Development and Environment Division.

This Division, paying attention to all groups (children, youth, elders, women) of society, identifying and minimizing the problems faced by them socially, humanly, environmentally and culturally, has implemented a large number of programmes incurring Rs 200 Mn in the year 2017 too, in order to create a society replete with knowledge, skills and attitudes.

Vision

“A community strengthened socially, mentally and culturally”

Mission

“Implementing social development and environmental programmes in order to build a human community strong socially, mentally, environmentally and culturally”

Objectives

- Contributing to increasing forest density whilst enhancing the attitude of the community regarding preservation of the environment.
- Ensuring the ownership of houses to members of the community who, for various social reasons, are without a proper house to live, thereby safeguarding their social life.
- Rehabilitation of the internal harmony of family units, broken down due to smoking, use of liquor and other social reasons.
- Identifying children within the age limit of 7 – 18 years spread over the island, grouping them, highlighting their talents, development of leadership qualities and ensuring security.
- Increasing the understanding of the community about the themes of the International Women’s Day, International Anti-Smoking Day, International Day of Literacy, International Elders’ and Children’s Day, and the implementation of productive programmes.

- Identifying the psycho-social problems of the community, implementing appropriate programs to minimize them and ensuring the effectiveness of their social lives.
- Conservation of indigenous food, giving publicity and strengthening the livelihood of low income earning families.
- Implementation of the above program in time objective wise and assessment of the outcome.

08.2. Summary of Overall Progress of the Division

Table – 8.1

No	Programme	Amount allocated Rs	Amount spent Rs	Expenditure percentage	No of programmes	Participation
1	Samurdhi Green Park	15,315,000.00	14,823,450.60	97%	373	33,918
2	DiriyaPiyasa Housing Programme	12,905,000.00	12,905,000.00	100%	892	892
3	A happy family through the prevention of drinking and smoking and spiritual development	15,000,000.00	14,809,226.00	99%	954	87,378
4	Child protection, childrens' clubs and cultural programme	15,000,000.00	14,004,358.86	93%	1463	83,168
5	Commemoration of international days	6,000,000.00	5,994,510.90	100%	579	59,701
6	Counselling and Vocational Guidance	8,000,000.00	7,938,290.19	99%	448	38,887
7	Empowerment and welfare of women	9,135,000.00	9,131,776.52	100%	38	814
8	Progress review	2,500,000.00	1,933,979.64	77%	161	5,850
	Total	200,000,000.00	197,685,592.71	99%	4908	310,608

08.3 Samurdhi Haritha Uyana Programme

Introduction:

The reduction of forest density in Sri Lanka has caused an increase in environmental and social damage in the long term. It is the poor, the women and marginalized social groups who are directly impacted by such calamities. If it is necessary to safeguard those groups from this state, conservation as well as development of the environment is important. The expectation of this programme is to add the contribution of the Department of Samurdhi Development of the Ministry of Social Empowerment, Welfare and Kandyan Heritage under the SamurdhiHarithaUyanaProgramme to the “Wanaropa” national programme implemented by His Excellency, the President through a joint approach by the governmental, non-governmental and private sectors

with the aim of increasing the existing forest density from 29% to 32%. Through this, it is hoped to achieve the under mentioned objectives:

- Preservation of forestry resources and water resources by increasing the forest cover of Sri Lanka
- Rehabilitation of destroyed lands areas through reforestation
- Preservation of catchment areas.
- Enhancing food security.
- Developing the understanding of the community about conservation of the environment.
- Safeguarding of lives on earth in accordance sustainable development targets.

Target groups: The poor, women, children, marginalized groups

Implementation methodology: Identifying lands appropriate for reforestation at Secretarial Division level and implementing the programme in collaboration with auxiliary organizations.

Implemented locations: 373 locations identified at Secretarial Division level.

Approved provisions: Rs.15,315,000/=

Date of commencement: 01.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.14,823,450.60

Output of project: Establishing 373 green parks planted with about 100,000 types of saplings organic to the various environmental conditions.

Socio economic outcome received: Multifarious benefits such as broadening the understanding of the community about preservation of the environment, involvement of school children in the preservation of the environment, addition of 100,000 saplings to the national forest density and the increase of food security.



Beach park - Matara



SamurdhiHarithaUyana - Thambuttegama

08.4. Diriya Piyasa Housing Programme

Introduction: It is an accepted fact in society that housing is a fundamental human requirement. Depending on the conditions, houses could be symbols of the poverty of the individual and the community manifest externally. Living houseless is a major factor in measuring poverty, and is also a criterion regarding the whole of privacy, safety, hygiene, lack of economic as well as personal inter relations.

A house is a part of the environment. A certain link has been built up between the people living in a house and the environment. It is a worthy relationship built mentally. The major component here is the concept of the family. The two concepts of house and family are very closely conjoined, and the house performs a major practical and symbolic role.

Since the inception of human origin, inability to fulfill a house requirement being a major component in their being socially integrated, still remains a main problem from the days of civilization up to the current era. A person's inability to construct a house is not only an economic issue, but also can be assumed as due to being imprisoned in concepts or due to a short coming in social policies. Taking into consideration such approximate causes, after identifying low income earning families undergoing various inconveniences due not being owners of houses, the aspiration of the Social Development Division of the Department of Samurdhi Development is to make their dream of a house a reality.

Due to harm caused by outside persons especially to the lives of girls of families living in unsafe conditions, and the harmful effects of the environment, their reaching the extremes of poverty cannot be prevented. To prevent this social injustice, the methodology of the DiriyaPiyasa Housing Programme is to construct a house with the intervention of officials and the community, whilst providing financial assistance of Rs.150,000/= for families fulfilling the respective criteria. The aggregation of experience gained by these beneficiaries in constructing their houses becomes more

important in building social responsibility and personal dignity. Along with housing satisfaction, enhancing the educational and health levels of the children through obtaining physical and mental satisfaction whilst ensuring security in one's family, it is expected to get their contribution to the national development process by guiding them to the empowerment process, by improving living conditions through personal spiritual development and economic development.

Target group – Families without houses come under the following criteria:

1. Families whose breadwinner is dead or inactive
2. Female centered families with more girls
3. Disabled bread winner with disabled children
4. Families with grown up unmarried children looking after the parents
5. Families with orphaned children under the care of grandparents.
6. Families that had started constructing houses, but are unable to complete for a long time due to economic difficulties.
7. Families without houses with at least one kidney patient from the Anuradhapura, Polonnaruwa, Matale, Ampara and Trincomalee Districts, where kidney diseases are plentiful.

Implementation methodology: Identifying appropriate families through Samurdhi Development Officers, establishing same through the recommendations of GramaNiladharies and implementing the project after releasing provisions in 3 stages.

Implemented locations: Lands of beneficiaries identified at Secretarial Division level based on the above criteria.

Approved provisions: Rs.129.05 Mn.

Date of commencement: 01.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.129.05 Mn

Output of project: The construction of 840 houses and renovation of 52 houses of Samurdhi beneficiaries and low income earners have been completed.

Socio economic outcome received: Broad social benefits such as the creation of self-esteem about the ownership of a house, ensuring security, being accepted by society and the safeguarding of the privacy of family members are endowed.



The house of Mrs A M GanganiManjula, Padaviya Secretarial Division, Anuradhapura.



The house of Mrs. M G Nishanthi Chandramali, Udunuwara Secretarial Division, Kandy District.

08.5. Prevention of Drugs and Smoking, Happy Families Programme through Spiritual Development

Introduction: The primary unit of the social body is the family. The major mirror that reflects the behavior of the family is society. With the evolution of society, the family institution has transformed from the extended family unit to the nuclear family unit. When attention is paid to the modern family unit, it can be seen that it is acting in a very extremist form, devoid of human relations. The defeats they have suffered are massive, by becoming victims of modern technological equipment indiscriminately, competition to acquire certain things overtaking each other, becoming victims of drugs and liquor, increased tendency to contract non infectious diseases and stress.

As such, it is clear from the experience of what is seen and heard at present that the family unit has become a phenomena of social decline due to parent children relations, husband and wife relations becoming slack as a result of the mutual links amongst

members of the family unit being broken. As such, it is of no use discussing about total social development, without strengthening the links of the family unit.

Through the Drugs and Smoking Prevention, spiritual development and Happy Families programme, the Social Development Division of the Department of Samurdhi Development is attempting to develop the understanding of the community about leading a contented family life with a full understanding about the modern social dynamics by strengthening the human links of the family unit. This programme was implemented at Secretarial Division level under this, covering themes such as the importance of leading a contented family life, refraining from drugs and liquor, and home management.

Target group:Samurdhi beneficiary families and low income earning families that had become victims of modern technological equipment indiscriminately, drugs and liquor and faced with increased tendency to contract non infective diseases and face stressful conditions.

Implementation methodology: Selecting families facing the above problems through Samurdhi Development Officers at GramaNiladhariwasam level and briefing them through appropriate resource persons.

Implemented locations:Within the Secretarial Divisions

Approved provisions: Rs.15,000,000/=

Date of commencement: 01.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.14,809,226/=

Output of project: 87378 persons have been provided with the subject related knowledge under 954 Programmes.

Socio economic outcome received: The community coming to understand the adverse effects of liquor and broadening the understanding of leading a contented family life.



Jaffna District – Kopay Secretarial Division

Prevention of drug abuse District

Programme- Kalutara

08.6. Child Safety, Childrens’ Clubs and Cultural Programme

Introduction: With the expansion of modern technology, the generations of children have become a group poor in cultural and literary values and spiritually declined. As such, the implementation of children focused more productive cultural and literary programmes is the most appropriate nursery to socially integrate again such cultural and literary values and change the tendency towards a regressive culture.

The Social Development Division of the Department of Samurdhi Development operates this programme with the aim of safeguarding the tomorrow of the children of the nation in order to empower them physically, mentally, spiritually, socially and culturally in line with the future working world by mustering all children between the ages of 7 – 18 years around SamurdhiKekulu Children’s Societies. Here, it is expected to bestow to the nation children capable of overcoming future challenges, replete with knowledge, skills and attitudes whilst taking part in various activities spread over a broad range.

Target group: All children between the ages of 7 – 18 years

Implementation methodology: Mustering children between the ages of 7 – 18 years around SamurdhiKekulu Children’s Societies, and holding of SamurdhiKekulu Children’s Clubs cultural and literary competitions at zonal, regional, district and national level.

Implemented locations: Samurdhi zone, Secretarial Division, Secretarial District and the Department of Samurdhi Development.

Approved provisions: Rs.15,000,000/=

Date of commencement: 01.04.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.14,004,358.56

Output of project: 1074 zonal competitions, 331 Secretarial Division competitions, 42 District Level Tamil and Sinhala media and 02 Sinhala media national level competitions.

Socio economic outcome received: Taking action to develop various talents of 200,000 children.



08.7. Commemoration of International Days

Introduction: Various days have been announced internationally targeting the social groups of children, women and elders aimed at overcoming their social challenges. The Social Development Division of the Department of Samurdhi Development implements various programmes targeting these social groups under themes for the following days under its Annual Action Plan:

1. International Women's Day
2. International Anti-Smoking Day
3. International Day of Literacy
4. International Elders' and Children's Day

Target group: Children, women and elders

Implementation methodology: Identifying the various problems faced by children, women and elders, briefing them to minimize those and to provide certain types of assistance..

Implemented locations: Divisional Secretariats, Schools, Elders' Homes.

Approved provisions: Rs.6,000,000/=

Date of commencement: 01.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.5,994,510.90

Output of project: Implementation of 579 Programmes making a theme of the above days.

Socio economic outcome received: Through the emergence of a group of children replete with aesthetic talents, preventing them socially from being victims of various social abuses.



**Commemoration of Elders Day –Commemoration of Childrens' Day –
Panadura Elders HomeMataleDistrict**

08.8. Counseling and Vocational Guidance

Introduction: Economic poverty has been the main topic during discussions about poverty. However, the mental factor too has also become a major factor in present day poverty. It is said that a certain percentage of all levels of society suffer from some sort of psychological stress due to factors such as technological advances, competition and the break-down of family relations. This is evident from conditions such as suicides, use of drugs, increase in the number of road accidents, and increase in family disputes. This is a situation common to the poor community too, and the basic objective of the SamurdhiProgramme, being the national programme for the eradication of poverty, is to bestow total development to them.

As such, this counseling programme was implemented targeting Samurdhi beneficiary and low income earning families, and thereby it is expected to build their self-esteem by the development of their self-reliance, physical and mental health

Target group: Members of Samurdhi beneficiary and low income earning families

Implementation methodology: The programme was conducted at Secretarial Division level after identifying appropriate target groups through Samurdhi Development Officers.

Implemented locations: Divisional Secretariats and other appropriate training centers..

Approved provisions: Rs.8,000,000/=

Date of commencement: 31.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.7,938,290.19

Output of project: 448 training programmes had been implemented involving 38,887 Samurdhi beneficiaries and low income earners.

Socio economic outcome received: Providing the necessary guidance to build self esteem, developing self reliance, physical and mental health.



Pussellakanda Maha Vidyalaya, Badulla District



Batticaloa District.

08.9. Empowerment of Women Programme

Introduction: Samurdhi restaurants were opened with the objective of utilizing the time and energy of women for productive economic activities, in order to empower women in the process of minimizing poverty, being the major objective of the Department of Samurdhi Development.

Through this, it is expected that a few women would get together as a group, enhancing their livelihood by producing and marketing toxic free food, giving preference to indigenous food. Similarly, it is expected to safeguard the community from conditions such as kidney diseases and non- infective diseases, which have to be faced by them due to food and beverages being sold without any standard, and to promote the marketing of food produced without the use of artificial flavouring agents and according to standards.

Target group: Samurdhi beneficiary and low income earning women

Implementation methodology: After briefing the community at Secretarial Division level, selecting women who are keen about it and giving them a training, action had been taken construct restaurants in appropriate places.

Implemented locations: After selecting locations with appropriate potential at District level, 38 restaurants have been constructed in Divisional Secretariat premises and other places.

Approved provisions: Rs.9,135,000/=

Date of commencement: 01.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.9,131,776.52

Output of project: 38 small scale and medium scale restaurants have been constructed

Socio economic outcome received: 78 Samurdhi beneficiary and low income earning women have been introduced to a path of direct income generation. Over 150 persons are indirectly economically benefitted.



08.10. Progress Review Programmes

Introduction: During the implementation of any programme, it is possible to achieve the anticipated targets and develop worker efficiency, through it being subjected to continuous evaluation. Under this, in the implementation of Samurdhi social development and environment programmes, action had been taken to evaluate District activities at national level quarterly and Secretarial Division activities at District level monthly.

Target group: Assistant Samurdhi Social Development Officers working at Secretarial Division level, Headquarters Managers, District Social Development Manager, District Director of Samurdhi and officers of the Social Development Division of the Head Office.

Implementation methodology: Evaluation of District activities at national level quarterly and evaluation of Secretarial Division activities at District level monthly.

Implemented locations: District Secretariat and the Department of Samurdhi Development.

Approved provisions: Rs.2,500,000/=

Date of commencement: 01.03.2017

Date of completion: 31.12.2017

Expenditure as at 31.12.2017: Rs.1,933,979.64

Output of project: Conducting 161 District and national level progress workshops.

Socio economic outcome received: Obtaining a 99% progress from the Rs. 200 Mn allocated to the Social Development Division in the year 2017.

09. Performance of the Community Based Organizations Division

9.1. Introduction

The function of the Community Based Organizations Division is the establishment of the national network of Community Based Organizations for the empowerment of the enforcement of the national policy to ensure social justice, as the basic unit of the coordination network at zonal, district and national level, galvanizing the enormous objective of the promotion of the process of economic development, centered on the individual, family, group and the community for the alleviation of poverty, in accordance with the provisions of the Divineguma Act No 01 of 2013, enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka.

The Community Based Organizations Division has been established under the Department of Samurdhi Development for the empowerment of the community economically, socially and spiritually. Accordingly, it has been also being aimed to implement development programmes centered on the individual, family, group and the community for the alleviation of poverty and ensuring social justice in accordance with the provisions of the Divineguma Act No 01 of 2013. All development programmes should be community centered and are being implemented through Community Based Organizations. Accordingly, Community Based Organizations have been established so as to cover each Grama Niladhari wasam, part of a Grama Niladhari wasam or several such wasams.

The Community Based Organization is the lowest organized unit linked to the community to launch the functions of this Division under the Department of Samurdhi Development. A Community Based Organization is a village level organization linking with the community in the operational process proposed by the Divineguma Act. Based on this unit, the Samurdhi organizational structure has been built as the Samurdhi Divisional organizations, Samurdhi District committees and the Samurdhi National Conference.

All development functions to be carried out by the Department of Samurdhi Development according to the Samurdhi Act are being performed under the guidance of the Community Based Organizations, being the lowest organized unit linked to the people, with the full participation of the community. Divisional organizations and district committees have been established and maintained concurrent to the establishment of Community Based Organizations. The establishment, updating, maintenance and management of all these organizations as well as the monitoring of all activities of these societies are being done by the Community Based Organizations.

Vision:

“An empowered prosperous community”

Mission:

Empowering the community through Community Based Organizations, sectorial organizations and District Committees by developing knowledge, attitudes and skills to enhance the socio economic conditions of the individual, family and the community in strengthening human and physical resources.

Objectives:

1. Enhancing the social and economic conditions of the Divineguma beneficiaries living in its area of authority.
2. Identification of livelihood development opportunities and their potential.
3. Providing equipment and assistance required for livelihood development activities under the guidance of the Department.
4. Development of human and physical resources required for the promotion of livelihood activities.
5. Providing opportunities that may be required to enhance the savings habits of Divineguma beneficiaries.
6. Broadening opportunities available to obtain micro finance facilities and enhancing investment capacity.
7. Enhancing the educational levels and skills of Divineguma beneficiaries and their families.
8. Providing raw materials, advisory services and technological facilities likely to be required to promote production and productivity.
9. Providing necessary facilities for the processing and storage of the produce of Divineguma beneficiaries and necessary facilities to promote the marketing of those products.
10. Promotion of the self-confidence of Divineguma beneficiaries, collective responsibility towards Samurdhi, good character and quality.

9.2. Establishment of Community Based Organizations

Progress of the Action Plan for the year 2017 - Community Based Organizations and Sports Division

No of Community Based Organizations -30088

No of Divisional Organizations -331

No of District Committees – 25

Serial No	Programme	Amount allocated	Physical progress	Provisions allocated	Actual expenditure
1	<i>Registration of Community Based Organizations</i>	10			
	i. Expenditure for the printing of applications for the registration of Community Based Organizations		2,578,304	3,076,414.00	2,014,859.00
	ii. Award of certificates of registration of Samurdhi Divisional Organizations		331	763,100.00	497,730.00
2	<i>Implementation of Awareness Programmes</i>	10			
	i. Briefing of Samurdhi Bank and Community Based Organizations officials (on 03.03.2017 by the Trg Division)		2,075	342,750.00	342,700.00
	ii. Briefing of Community Based Organizations subject officers (06.03.2017)		32	8,026.00	8,026.00
	iii. Briefing of Headquarters Managers Programme (on 21, 22, 23/03/2017)		331	102,600.00	50,660.00
	iv. Briefing of Headquarters Managers about process of registration of Samurdhi Community Based Organizations and Divisional Organizations (2017/05/08,09,16,22,23)		331	276,300.00	216,757.00
	v. Briefing of Samurdhi Managers at District and Division level programmes		2,229	893,800.00	7,192,897.58

	vi. Briefing of Samurdhi Development Officers at District and Division level programmes		20,793	7,963,990.00	
	vii. Training workshop for Community Based Organizations and Divisional Organizations) on 2017/09/11,12,15)		132	159,175.00	118,545.00
	viii. Awareness Programmes for District Managers, Managers of Community Based Banking Unions and civic leaders of Regional Organizations)from 2017/10/03 to 2017/12/14(1,680	2,473,524.50	2,473,524.50
3	<i>Establishment of District Committees i</i>		25	274,275.00	111,343.00
	<i>Establishment of District Committees ii</i>		25	274,275.00	
4	<i>National Conference</i>	15	1	5,690,910.36	5,278,858.36
5	<i>Social Empowerment</i>	5	Approval not received.		
Total		40		22,299,139.86	18,305,900.44

9.2. Anti-Smoking and Prevention of Liquor Flag Day

On 31st May 2017, the Community Based Organizations Division conducted the Anti-Smoking and Prevention of Liquor Flag Day under the guidance of the President with the participation of civil leaders. The Social Development Foundation has earned an income of Rs 185 Mn through the sale of flags. All the required provisions for this had been incurred from the Social Development Foundation, without obtaining Treasury funds.



Awareness on CBOs



Pinning the first flag on His Excellency, the President, commemorating the 2017 Samurdhi Anti-Smoking and Prevention of Liquor Flag Day

10. Performance of Economic Empowerment and Rural Development Division

10.1.Introduction

Implementing the state policy of eradicating poverty by the year 2030, 2017 was named as the year of commencement of poverty eradication, and the Samurdhi Development Department also implemented concurrent to it all development programmes in order to empower Samurdhi beneficiaries.

Under this, the Economic Empowerment and Rural Development Programmes were also planned, giving priority to empowering Samurdhi beneficiaries and the Department, in order to achieve the target given to this Division of empowering 25,000 families, and the under mentioned 06 innovative and special development programmes were implemented

For this purpose, a Treasury provision of Rs 740 Mn was allocated to the Livelihood Development Division, and Rs 500 Mn further required for development programmes were allocated from the Social Security Trust Fund owned by the Samurdhi Development Department.

Accordingly, Rs.1,740Mn had been used for 28,348 projects aimed to empower Samurdhi beneficiaries to implement the under mentioned development programmes, and it was possible to obtain a beneficiary contribution of Rs 512.97 Mn for it.

10.1 Physical And Financial Progress of Programmes Completed with Government and Beneficiary Contributions.

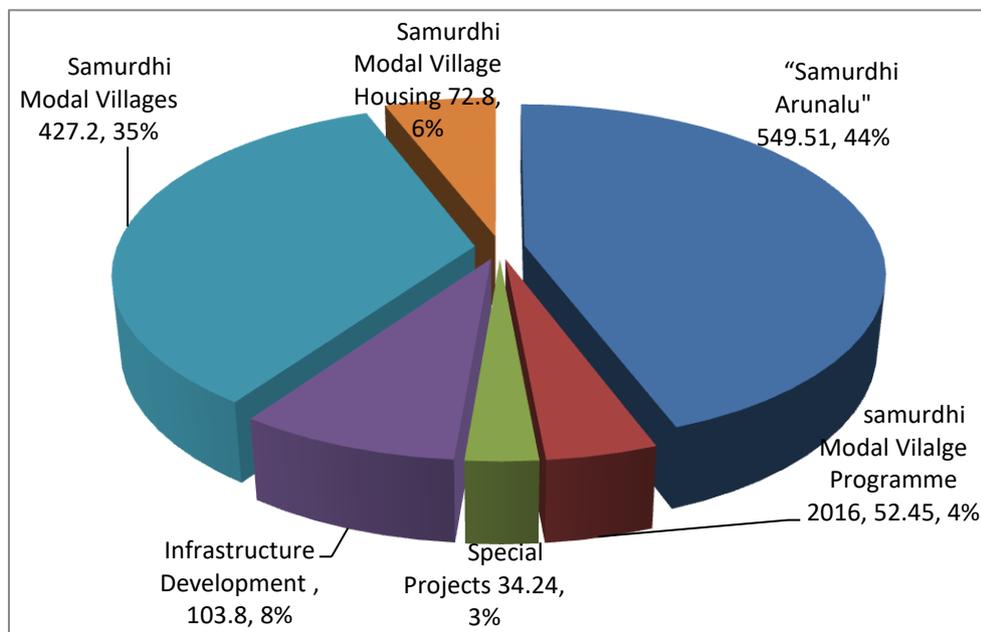
Tabl 10-1

Programme	Amount allocated	No of projects completed	Expenditure(Rs Mn)	Beneficiary contribution (RsMn)	No of beneficiary families
1. "Samurdhi Arunalu" Small and Medium Scale Development Programme	549.51	17,286	548.03	324.54	17,286
2. Samurdhi Model Villages Programme	52.45	1,860	51.98	27.17	1,860

3. Special Projects Development Programme	34.24	1,646	30.17	22.39	2,646
4. Infra Structure Development enabling Livelihood Development Programme.	103.80	78	99.25	0.62	26,534
Total (Treasury provisions)	740.00	20,870	730.82	374.72	48,326
5. Samurdhi Products Model Villages Development Programme	427.20	7,465	279.30	94.69	7,465
6. Housing Development Programme in Samurdhi Production Model Villages	72.80	13	17.95	43.56	300
Total (Security Trust Fund)	500.00	7,478	297.25	138.25	7,765
Total	1,240.00	28,348	1,014.73	512.97	56,091

Distribution of Provisions of Ongoing Programmes

Chart 10-1



10.2.Samurdhi Arunalu Small and Medium Scale Project Development Programme



Action was taken to implement this programme targeting beneficiaries in 25 districts so as to cover every GramaNiladhari division. In this connection, concurrent to the state policy on poverty eradication, Samurdhi beneficiaries of whatever income level capable of being clearly empowered had been targeted, and a provision of RsMn 549.51 had been released in that behalf.

In the allocation of provisions, the number of Samurdhi beneficiary families at district level had been targeted. Similarly, relative to the limited provisions allocated for the programme, instructions had been given to prepare the necessary development plans required to enhance the family income, while providing a definite target for empowerment in every district.



The maximum amount given for each project was Rs.45,000/= and a beneficiary contribution of 40% of the estimated expenditure of the project had been obtained.

Table 10-2

The progress of the projects implemented under this programme is as follows.

Type of project	No of projects	Departmental expenditure (RsMn)	Beneficiary contribution (RsMn)	No of beneficiary families	No of families empowered
Agricultural Development Projects	3,177	87.57	53.69	3,177	1,635
Live Stock Development Projects	2,004	77.28	60.18	2,004	1,034
Fisheries Development Projects	363	15.83	8.53	363	230
Industrial and Entrepreneurship Development Projects	11,535	359.62	199.72	11,535	6,232
Job oriented vocational training projects	207	7.73	2.41	207	87
Administrative Expenditure		2.19			
Total	17,286	548.03	324.53	17,286	9,218

Accordingly, financial grants had been given for the livelihoods of 17,286 Samurdhi families, exceeding the overall target, and action had been taken to empower 9,218 families out of

those. Similarly, RsMn 543.04 had been spent out of a provision of RsMn 549.51 allocated, and special mention must be made that the contribution of the beneficiaries was RsMn324.53.



10.3 Samurdhi Model Villages Programme 2016/2017

In the year 2016, 50 Samurdhi Model Village Programmes, representing each district had been implemented with the objective of attaining family nutrition and food security, utilizing a sustained production methodology.

In the year 2017, out of these 50 villages, 28 villages had been identified where some production/service projects were being implemented, a provision of RsMn 52.45 had been allocated at the rate of approximately RsMn 02 each.



Table 10-3

Shown below is the physical and financial position of the products implemented in those 28 villages:

Serial No	Name of village	Production project	No of projects/beneficiaries	Amount spent (RsMn)
1	Pelenwatta North.	Sewing industry	45	1.99
2	Dambutuwa	Pepper cultivation	271	1.99
3	Kirikitta East	Industrial Projects	93	1.96
4	Ukwatta East	Horticulture	23	0.56
5	Kekirigashena	Cultivation of cinnamon and tea and tilling of fallow paddy fields	91	1.96

6	Mawarala	Peter and tea cultivation	261	1.29
7	Punchiappujandura	Milch cows and exotic fish	37	1.96
8	Kongastenna	Tea, cinnamon and pepper cultivation	105	1.43
9	Pahalagama	Restaurants, agricultural projects	65	1.99
10	Meeruppa	Agriculture and Live Stock Farming	52	2.00
11	Makempe	Agriculture and Live Stock Farming	45	2.00
12	Kithulbedda	Agriculture and Live Stock Farming	55	2.00
13	Madawa	Coir industry	48	1.08
14	Ikriyanpola	Pottery	12	1.99
15	Ambalawa	Milch cows and cultivation of anthuriums	34	0.94
16	Helamada	Poultry, milch cows and goat farming	58	1.59
17	Seelagama	Agriculture and Live Stock Farming	80	1.99
18	Keeragala	Agriculture and Live Stock Farming	72	1.99
19	Moragoda	Nutritive eggs and milch cows	40	1.58
20	Ambanganga North	Goat farming	40	1.99
21	Thalokolawewa	Milch cows, pepper and highland crops cultivation	51	1.96
22	Luxauyana	Sewing industry, milch cows and nutritious eggs	54	1.86
23	Walagampura	Reed industry	3	2.11
24	Mawediwembu	Milch Cows and Goat farming projects	23	1.95

25	Omanthai	Home gardening, pine apple, goat and pig farming	51	1.88
26	Poomalanthan	Agriculture and Live Stock Farming	60	1.97
27	Ottaruttakulam	Agriculture and Live Stock Farming	47	2.00
28	Mulankavil	Agriculture and Live Stock Farming	44	1.99
	Total		1,860	50.03



10.4 Special Projects Development Programme

When the provisions allocated to districts are not sufficient, this Division retains annually a certain part of provisions in order to allocate provisions to implement essential livelihood projects in those districts. Accordingly, a sum of RsMn 32.24 had been allocated for this programme.



In this connection, provisions had been made based on district requirements, for crops with better potential in each district and in order to improve common facilities, with the objective of ensuring a better foreign market with a higher price and to encourage beneficiaries to do cultivations even during the dry season.

Here too, the maximum contribution of the Department for a beneficiary was Rs. 50,000/=, and out of the estimated expenditure of a project, 40% had been borne by the beneficiary and the balance 60% by the Department.

Table 10-4

Physical and financial progress of the Special Projects Programme

Type of project	No of projects	Departmental expenditure (RsMn)	Beneficiary contribution (RsMn)	No of beneficiary families
Reed bark industry	46	1.79	3.45	46
Cinnamon cultivation	8	0.11	1.13	8
Indigenous gruel and rice flour food	4	0.17	0.01	4
Pepper	580	0.49	0.76	580
Kitul treacle related products	74	0.91	0.78	74
Betel cultivation	29	0.06	0.07	29
Restaurants	6	0.30	0.15	6
Cultivation of pears	383	0.91	0.98	383
Milch cow farming	60	3.36	3.23	60
Fishery projects	37	1.08	0.45	37
Cultivation of fruits	90	1.02	2.18	90
Carbonic home gardening	40	1.00	1.00	40
Pottery related products	75	2.98	4.38	75
Goat farming	63	2.32	2.30	63
Industrial projects	146	5.00	1.39	140
Improvement of road facilities	5	8.67	0	1,011
Total	1,646	30.17	22.38	2,646



10.5. Infrastructure Facilities Development Programme

Action had been taken to allocate provisions also for essential infra-structure projects supporting livelihood development under the Economic Empowerment and Rural Development Programme 2017. For this purpose, provisions of RsMn 103.8 had been allocated to the Kandy, NuwaraEliya, Kalutara, Kegalle, Galle, Ampara and Gampaha districts to implement 78 relevant projects.

Out of the projects completed, road development projects were prominent and potable water projects were also among those. Accordingly, it can be pointed out that the under mentioned projects relevant to facilitating the income generating activities of 26,534 beneficiaries had been implemented

Table 10.5

Physical and financial progress of the Infra Structure Facilities Development Programme supporting livelihood development.

Type of project	No of projects	Departmental expenditure (RsMn)	Beneficiary contribution (RsMn)	No of beneficiary families
Improvement of Potable Water Schemes	04	3.85	3.45	813
Road development	74	92.80	90.80	25,721
Total	78	96.65	94.25	26,534



10.6 Samurdhi Production Model Villages Programme

The basic objective of the Samurdhi Development Department was the implementation of an initiative through this programme to take Samurdhi products identical to the Samurdhi campaign to the local and international markets, whilst enhancing any agricultural, livestock farming, fisheries, industrial and services products.

Accordingly, 65 villages had been identified to implement this programme. Out of which 15 villages as A villages and another 50 villages as B villages were identified and development plans implemented.

Products such as ready-made garments, textile industry, betel cultivation, pottery and curio, gold and silver products, talipot, vanilla, plantains, rose saplings, bougainvillea were developed in A villages, and among these there were villages where milch cow and goat farming projects were implemented.

In village B, carbonic gotu kola cultivation, tourism, dry fish, maldive fish, orchids, anthurium, kitul, *sesath* drum making, exotic horticulture, cashew products, cultivation of fruits and indigenous yams, exotic fish, bricks, milk related products, non-toxic agricultural products, gingelly oil, textiles, fisheries products etc were implemented.



Under this programme implemented providing innovative experience, villages between 02 or 05 were identified per district, and action taken to increase the incomes of the entire community engaged in production, including Samurdhi beneficiaries and low income earners, whilst enhancing the current production activities. It has to be especially pointed out here that even though this programme was launched targeting the empowerment of Samurdhi beneficiaries, the entire village was being made a party to the benefits provided when the entire village was engaged in production activities.

Funds for this programme had been allocated from the Social Security Trust Fund. Depending on the relevant development plan of each production village, funds ranging from RsMn 7 to RsMn 10 had been allocated, Rs.50,000/- per project/beneficiary and in obtaining auxiliary services for the relevant products, funds ranging from Rs.50,000/- to Rs.200,000/- were given depending on the project.

Table 10.6**Physical and Financial Progress of the Samurdhi Production Model Villages Programme**

Type of Project	No of projects	Departmental expenditure (RsMn)	Beneficiary contribution (RsMn)	No of Beneficiary families	No of Empowered families
Agricultural Development Projects	3,203	79.59	47.88	3,203	1,628
Animal Husbandry Development Projects	1,327	57.13	42.39	1,327	975
Fisheries Development Projects	430	15.67	6.32	430	263
Industrial and Enterprise Development Projects	2,195	94.44	76.29	2,195	1,099
Marketing Development Projects	143	6.40	4.19	143	99
Infrastructure Development Projects	108	16.84	3.38	8,100	0
Other projects	59	709.	2.39	0	0
Administrative costs	0	2.11	0	0	0
Total	7,465	279.27	182.84	15,398	4,064

Table 10.7

Classification of productions according to the number of beneficiaries and the money spent is shown below:

Type of Project	No.of Projects	Expenditure (Rs.Mn.)
Cultivation of cut and exotic flowers	616	19.60
Cultivation of fruits	107	8.45
Cultivation of betel	610	8.17
Cultivation of indigenous yams	74	3.81
Cashew products	33	3.40
Home gardening (Leafy vegetables)	191	6.65
Domestic poultry farming	65	2.13
Milch cow farming	591	14.49
Animal Husbandry/Agro projects	994	41.57
Milk related products	166	6.88
Rearing of exotic fish	59	2.26
Dry fish, jaadi and maldive fish	219	9.73

Type of Project	No.of Projects	Expenditure (Rs.Mn.)
Fishery products	713	23.73
Palmyrah products	543	15.65
Confectionary products	87	3.79
Manufacture of Handicrafts	409	9.04
Brick making	122	6.81
Pottery related products	396	18.57
Manufacture of Handicrafts	409	9.04
Products for tourists	122	6.81
Forge products	22	1.38
Kitul products	184	4.95
Cultivation of vanilla	568	5.86
Drum making	21	2.13

10.7.Housing Programme implemented in Samurdhi Production Model Villages

This programme had been implemented in the 2016 and 2017 Samurdhi Production Model Villages, and funds for this too had been provided by the Social Security Trust Fund. Approval had been received to provide a sum of RsMn 72.8 from that fund for this purpose.

Here, 04 houseless Samurdhi beneficiary families had been identified from each village, and a sum of Rs.200,000/- paid for each house, and instructions were given to carry out the construction work by obtaining the participation of benefactors and the local community along with the contributions of the beneficiaries.

As this programme was implemented during the final quarter of the year, funds had been given for the first stage of each house where construction had begun, and providing funds for the final stage of construction is due to take place in the year 2018.

Shown below is the physical and financial position of that programme:



Table 10.8

Total no of Production Model Villages	96
No of approved houses	300
Amount released (RsMn)	17.95
No of houses completed	13
Total expenditure (RsMn)	17.95

10.8 Overall Progress

In this manner, it became possible to implement the Social Empowerment and Rural Development Programme productively and efficiently through 06 programmes in the year 2017, and positive action was taken to empower Samurdhi beneficiaries. Here, even though the programme was launched targeting highincome earning Samurdhi beneficiaries, anticipating the empowerment of 25,000 Samurdhi beneficiaries through this programme, the districts have pointed out that only 14,752 beneficiaries had been empowered.

While the funds provided for all the livelihood projects implemented had been grants, it became possible to increase the income levels of low income earners and Samurdhi beneficiaries by taking action to enhance the finished value of projects by including the contributions of the beneficiaries.

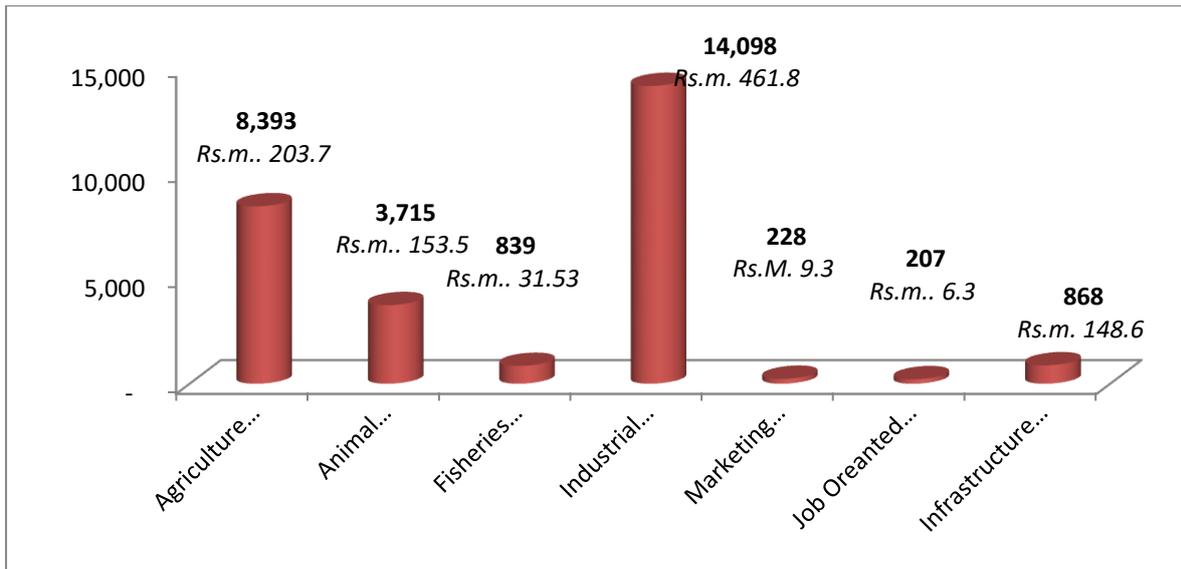
Also, when the Livelihood Development Programme was being implemented through the Livelihood Revolving Fund executed at Samurdhi Banking Union level, when beneficiaries were unable to provide their contribution, action had been taken to better facilitate the Livelihood Programme by providing loans at low interest in concessionary installments.

Accordingly, shown below are the number of projects completed, finished value and the number of beneficiaries project wise:

Table 10.9

Type of Project	No of Projects completed	Departmental expenditure (RsMn)	Beneficiary contribution (RsMn)	No of beneficiary families	No of empowered families
Agricultural Development Projects	8,393	203.67	125.89	8,393	3,908
Animal Husbandry Development Projects	3,715	153.53	78.18	3,715	2,245
Fisheries Development Projects	839	31.53	15.06	839	436
Minor Scale Enterprise Development Projects	14,098	461.8	284.14	14,098	7,753
Marketing Development Projects	228	9.33	3.68	228	143
Vocational Training Projects	207	6.29	2.41	207	87
Infra Structure Development	868	148.55	3.61	28,611	0
Total	28,348	1014.7	512.97	56,091	14,572

Chart – 10.2



11. Performance of Marketing Division

11.1. Introduction

During the year 2017, the Marketing Development Division implemented 02 main programmes.

1. Marketing Development Programme.

Under this, basically marketing opportunities were provided for the products of Samurdhi entrepreneurs, the market was expanded while maintaining market stability, scientific and technical knowledge were provided, infra-structure facilities relevant to the promotion of marketing were given, a price reasonable both to the producer and the consumer was established, and self-employment opportunities were enhanced through entrepreneurs being directed towards non-toxic eco-friendly quality products.

2. Maintaining the Samurdhi Housing Lottery Trust Fund

Implementation of the Samurdhi Housing Lottery Draw Programme monthly with the objective of providing a permanent house for each Samurdhi beneficiary family.

Vision : “A benevolent business community and a permanent house for each Samurdhi beneficiary family”

Mission: “Providing a fair price to the producer, a concessionary price to the consumer and increasing self-employment opportunities, and finding a sustainable solution to the housing problem of the Samurdhi beneficiary families.”

Objectives:

1. Ensuring that the products of Samurdhi beneficiary entrepreneurs are of a high quality and finish, creating a stable market, building up of a contented consumer community, obtaining a fair price for products and contributing directly to the national economy through empowering the entrepreneur economically and socially by making eco-friendly green employment opportunities plentiful.
2. Strengthening Samurdhi beneficiary families economically, socially, educationally and culturally and development of spiritual values through a permanent solution to their housing problem.

11.2. Summary of Overall Progress

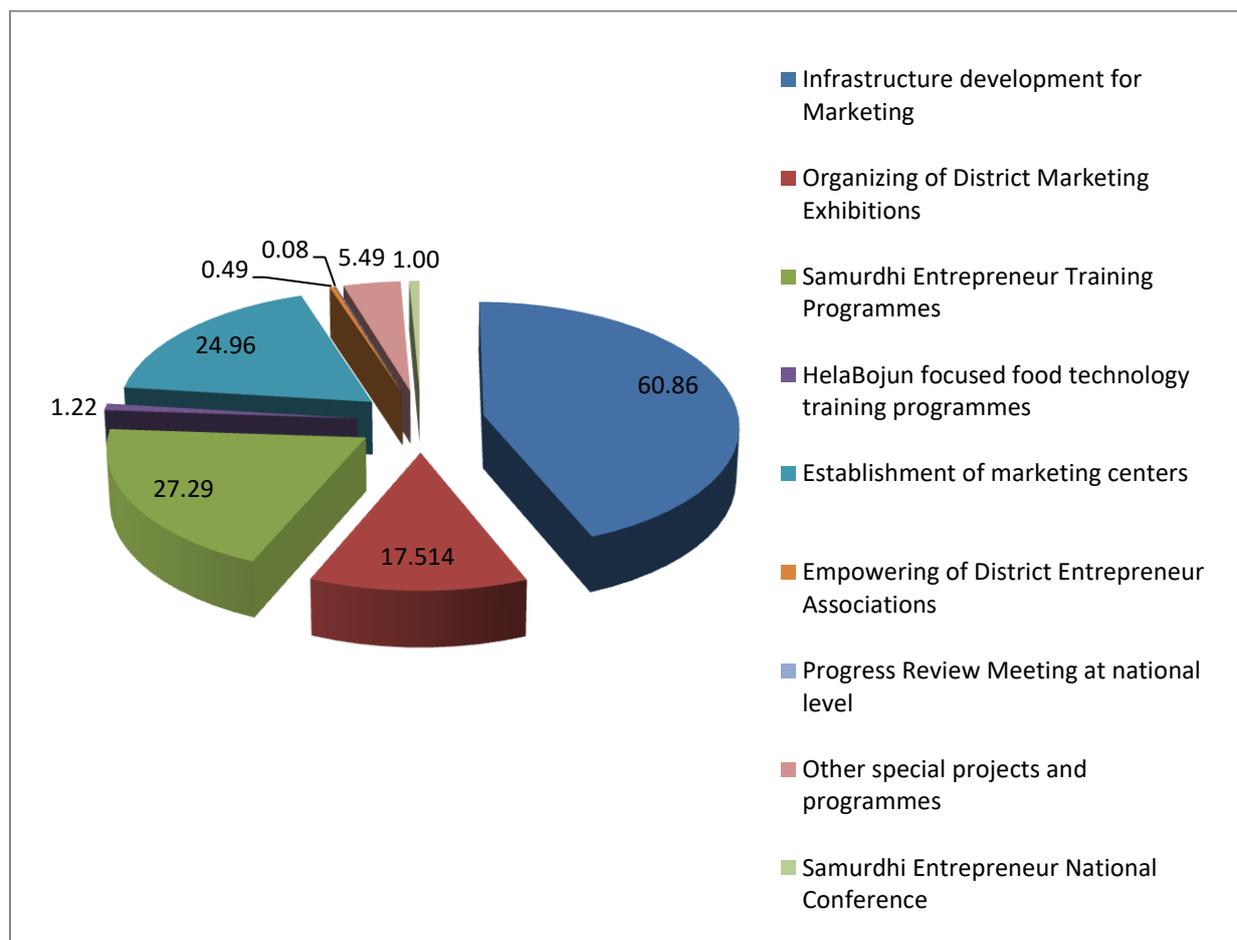
Only direct provisions from the Treasury were utilized for the Samurdhi Marketing Development Programme. Accordingly, the provisions allocated for the year 2017 were Rupees 169.6 Million, and the overall expenditure was Rs 137.9 Million.

Table 11.1**Marketing Development Programme – Financial and Physical Progress**

S.N.	Programme	Amount Allocated (Rs.Mn)	Expenditure (Rs.Mn)	Targeted no of Projects/ Programmes	Completed Projects
1	Development of marketing infrastructure facilities	66.2	62.86	1342	1807
2	District marketing exhibitions	19.65	17.51	51	50
3	Marketing training programmes	33.1	28.29	662	1183
4	HelaBojun centered food technology training	2.8	1.22	07	13
5	Establishment of District Marketing Centers	37.45	27.39	05	05
6	Empowering of district entrepreneur associations	0.625	0.49	25	23
7	Progress review	0.10	0.08	01	01
8	Special projects	8.675	6.49		
9	National conference of entrepreneur associations	1.000	-	01	0
	Total	169.60	144.33	2080	3088

11.3. Expenditure According to the Programms

Chart- 11.1



11.4. Marketing Development Programme

11.4.1 Provision of Marketing Infra-structure Facilities

Under this, the required assistance is given to obtain the necessary equipment and machinery to increase the condition, quality and standard of the products as well as those required for value added products, small scale domestic stores, small mobile vehicles facilitating marketing matters and mobile stalls necessary to safely preserve the excess of local products produced at village level by Samurdhi beneficiaries, and a provision of Rupees 66.2 Million had been made at Rs.200,000/- per Secretarial Division.

Accordingly, by 31.12.2017, under the programme for the provision of marketing infra-structure facilities, 108 domestic stores, 851 mobile vehicles and stalls and 848 small scale machinery had been provided to Samurdhi beneficiaries, with a 50% beneficiary contribution of the project value, and the overall expenditure incurred is Rs 60.86 Million. Through the provision of marketing infra-structure facilities, it is

anticipated that the monthly income of a beneficiary family would increase by a minimum of Rs.5000/=, thereby providing an opportunity to minimize poverty by increasing incomes.

11.4.2 Establishment of Marketing Centers/Restaurants

Action was taken to open a marketing center with multifarious products for each District, as a strategy for expanding the market of small and medium scale Samurdhi entrepreneurs. The main objective of establishing marketing centers/restaurants was to encourage Samurdhi entrepreneurs to make toxic-free and eco-friendly products, and to accustom consumers to buy such quality products. Under this, in the year 2017, marketing centers were constructed in the Matale, Ampara, Polonnaruwa, Puttalam, Kilinochchi and Galle Districts. Provisions of Rs.37.45 Million were allocated for these projects, and the overall expenditure as at 31.12.2017 was Rs.24.96 Million.



(A marketing center under construction – Matale District)

11.4.3 Samurdhi Entrepreneur Training Programmes

Special training programmes were organized for Samurdhi entrepreneurs for the enhancement of knowledge about new marketing strategies and for entrepreneurs making equivalent products, and theoretical and practical required for entrepreneurs had been given there. While each Secretarial Division should organize a minimum of 02 training programmes, the provisions allocated are Rs.100,000/=. Accordingly, the overall amount of provisions allocated is Rs 33.1 Million. 1183 training programmes had been held as at 31.12.2017, and the overall expenditure was Rs.27.29 Million.



(Entrepreneur training – Matara District)

11.4.4 Organizing of District Marketing Exhibitions

District Trade Exhibitions were held based on the theme “SamurdhiAbhimani – 2017”, with the objective of obtaining more sales through a continuous market for the products of Samurdhi entrepreneurs who were linked to Marketing Development Programmes and Liveihood Development Progammes and who had benefited thereby. Accordingly, targeting the festive season in April and December, it was planned to hold one trade exhibition at national level and 50 trade exhibitions at district level. The total provisions allocated for this were Rupees 19.65 Million.

35Samurdhi entrepreneurs took part in the “ThirasaraYugayak” national trade exhibition that took place at the Bandaranayake Memorial International Conference Hall premises for three days on 06, 07 and 08/03/2017, and focusing on the festive season, 25 trade exhibitions had been held in the month of April and 25 trade exhibitions had been held in the month of December at district level. More than 3000Samurdhi entrepreneurs had taken part in these trade exhibitions at district level. The total expenditure incurred for the trade exhibitions had been Rs.17.541 Million.



(SamurdhiAbhimani Trade Exhibition – (SamurdhiAbhimani Trade Exhibition– Ampara District)
Trincomalee District)

11.4.5. HelaBojun Focused Food Technology Training Programmes

As there is an increasing demand for toxic free indigenous food from the present society, and to fulfill such demand, a proper theoretical and practical training was given to the Samurdhi beneficiaries presently engaged in the production of instant food and to those showing an aptitude for it, pointing out the necessity of making quality and hygienically clean products.

Provisions amounting to Rs 2.8 Mn had been allocated for this, and 13 training programmes had been organized by 31.12.2017 for 457 beneficiaries selected from the districts of Galle, Kandy, NuwaraEliya, Kurunegala, Puttalam, Kegalle, Anuradhapura, Polonnaruwa, Mullaitivu and Jaffna, and a total of Rs 1.22 Mn had been spent in that behalf.



(Practical training in food technology – Gannoruwa)

11.4.6. Empowering of District Entrepreneur Associations

The objective of establishing District Entrepreneur Associations is to produce quality Samurdi products minimizing expenditure, appropriate not only to the local market, but also to the foreign market, to create new market opportunities by being united as a team, thereby enhancing the ability to work as a team. Accordingly, the District Entrepreneur Association has to be established with the participation of the Chairmen of Regional Entrepreneur Associations, and the total provisions made for this is Rs. 0.625 Mn, allocated at the rate of Rs.25000/= per District. By 31.12.2017, action had been finalized to set up 23 District Entrepreneur Associations, and the total expenditure incurred had been Rs.0.490 Mn.

11.4.7. Progress Review Meeting at National Level

The Progress Review Meeting at national level due in April 2017 had been held at Polonnaruwa to discuss about the progress in respect of the entire Samurdhi Development Programme, including the Marketing Development Programme for 2017 and the implementation of future plans.

All District Samurdhi directors, staff officers of the Head Office and Ministry representatives took part in this.

The amount of provisions allocated for this Progress Review Meeting at national level was Rs 0.10 Mn and the expenditure incurred was Rs. 0.79 Mn.

11.4.8. Other Special Projects and Programmes

A sum of Rs.8.675 Mn had been allocated for projects to be implemented or programmes to be held so as to achieve the objectives and aims of the Marketing Development Programmes that had not been included in the Annual Action Plan, and the following projects had been implemented under special projects and programmes as at 31.12.2017.

Table 11-2

Project	Districts	No of families that received benefits	Expenditure RsMn
Providing relief to entrepreneurs affected by floods	Galle	55	2.13
	Matara	37	1.58
	Hambantota	03	0.15
Marketing stall	Kurunegala (Polpithigama)	05	0.30
Providing marketing facilities to kidney patients	Matale (Wilgamuwa)	22	0.35
	Kalutara	19	0.52
Special Inspection Tour Programme	Polonnaruwa	60	0.035
Marketing stall	Moneragala	10	0.430
Total		211	5.49



(Marketing stall – Galle District)



Mobile marketing stall, Model Village, Bandanagala – Polonnaruwa)

11.5.Maintaining the Samurdhi Housing Lottery Trustee Fund

The Samurdhi Housing Lottery Trustee Fund has been made up by crediting the sum of Rs.50/= monthly from the subsidy payments made to Samurdhi beneficiary families, to the Trustee Fund. This Fund is being administered in accordance with a series of regulations by a Board of Trustees. The main objective in maintaining the Fund is operating the Samurdhi Housing Lottery Draw Programmeto provide eachSamurdhi beneficiary family the ownership of a permanent house.

A specially designed computer data system where information about all Samurdhi beneficiary familiesis entered is used for the draw. Utilizing this data system, 331 winner beneficiaries are selected at the rate of a winner for each Secretarial Division. The value of the prize money awarded to each is Rs.200,000/=. This money could be utilized to construct a house, to renovate an existing house or to purchase a land or, if there is no requirement for a house, it could be utilized for an income generating

project. Through this, the capacity to empower Samurdhi beneficiary families economically and socially becomes available to find a sustainable solution of their housing problem.

In addition to this, the Board of Trustees is empowered to further utilize monies in such a manner to achieve the objectives of this Fund, if there is any balance left after awarding housing prizes. Accordingly, during the year ending 31.12.2017, the following action had been taken to solve the housing problem of beneficiary families from the Lottery Fund.

Table- 11.3

S. N.	Programme	No of Families Given Relief	Amount Paid (Rs.Mn)
01	Samurdhi Housing Lottery Draw	3972	794.4
02	Construction/renovation of houses in Samurdhi Model Villages	39	7.8
03	Construction of houses for the disabled	24	6.0
04	Special Housing Programme	14	2.85
05	Samurdhi Housing Wasana Village (Arachchikattuwa)	26	13.00
	Total	4075	824.05

12. Performance of Information Technology Division

12.1. Introduction

Vision:

Creation of an office environment devoid of correspondence through Information and Communication Programmes.

Mission:

In the process of transforming the national economy as a potential strength, directing products to the world market and extending Information Technology Communication up to the village, strengthening and guiding the employee and the low income earner to a new dimension through projects and banking net information technology.

Objectives

1. Obtaining information about new wasams by computerization through the resources profile CRM module in respect of 14000 Grama Seva Wasams in the island for the year 2016.
2. Entering information in the PPM module from the Action Plan for 2017 and the computerization of all projects of the year 2018.
3. Evaluation of the efficiency of the officers by updating the Human Resources Module.
4. Providing computer software for all 1074 Samurdhi Community Based Banks.
5. Making the Department computer efficient.

12.2. Performance of the Information Technology Division

1. Implementation of the E-Divineguma Programme

Creation of major modules under the Samurdhi Computer Programme and handing over to the respective Divisions.

- Human Resource Management (HRM)
- Beneficiary Management (CRM)
- Project and Programme Management (PPM)

Up-dating of information about all officers under this through the Human Resource Management Module.

2.Computerizing information of applicants of the low income earning family survey beneficiaries and implementing the selection of beneficiaries programme under a new scientific methodology.

3. Samurdhi Community Based Banks (Samurdhi Banks) Computerization Programme. The programme commencing with 8 pilot projects has been extended up to 300 banks, and it has been planned to take it forward with the assistance of an Advisor.

4. Preparation of the data system in respect of the lottery draw of the Samurdhi Housing Development Lottery for the year 2017 and taking action to hand over 3972 houses.

5. Maintaining the official website (www.samurdhi.gov.lk) of the Department of Samurdhi Development and updating all circulars, directives and information issued by the Department.

6. Providing 332 computers and Internet facilities to the 332 Samurdhi Headquarters Offices spread island wide and providing computer accessories to the District Offices too.

7. Operating hot line telephone no 0112-887722 of the Samurdhi Department and providing a service to the people by finding solutions after referring complaints received to the relevant Divisions.

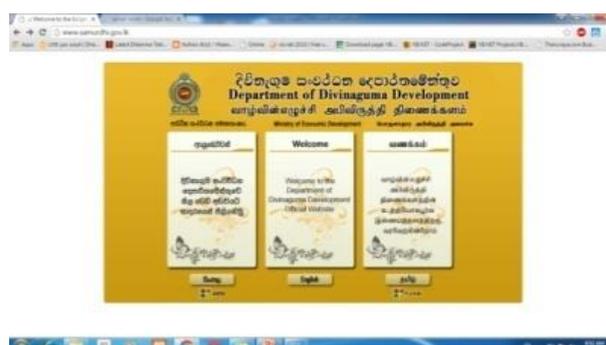
8.Relevant to the “Tell the President” programme started in the year 2016, downloading complaints sent to the Department of Samurdhi Development, obtaining prints out and referring to the respective divisions and updating the progress to the system.

9. Maintaining the Divineguma telephone network. (Calling circle)

10. Implementing the Departmental function of the Samurdhi Programme.

11. Maintenance of the computer network of the Head Office.

12. Providing the information technology training required by officers.



12.3. Progress of Annual Action Plan– 2017

Table-12.1

Program	Allocation (Rs Mn)	Expenditure as at 31.12.2017 (Rs.Mn.)
Computerization of banks		
Maintaining updated the module of the E-Samurdhi project	05	05
Training of Information Technology officers.		
Providing computer accessories to the Head Office and District Offices.	25	23.26
Total	30	28.26

13. Performance of the Media Division

13.1. Introduction

Objective

The function of this Division is giving publicity relevant to the building up a communication pattern that supports the development tasks and the efforts made by low income earning segments of society for the minimization of poverty, subjecting the Divineguma campaign to a broad dialogue, making its growth more productive and propagating it among the people.

S. No	Programme
01	SamurdhiUdanaya TV Programme.
02	Samurdhi Broadcasting Service
03	Samurdhi newspaper supplement – Dinamina, Thinakaran
04	Strengthening the regional Samurdhi communication network.
05	Media cover

13.2. Publicity through the Printed Media

Publishing the Samurdhi newspaper monthly as a supplement in the Dinamina newspaper



January number February number March number

April number



May number



June number



July number



August number

Publishing the Samurdhi newspaper monthly as a supplement in the Thinakaran news paper.



January number



February number



May number



June number



July number



August number



September number



October number

- 12 newspapers had been published monthly from January to December 2017.

13.3.Publicity through the Electronic Media

13.3.1 Rupavahini Programme

Telecasting the television programme called “DiriyakaWaruna” that includes news about DivinegumaDiriya people, through the National Rupavahini.

Telecasting on Mondays from 6.30 pm to 6.45 pm from January to May.

Telecasting on Sundays from 4.30 pm to 5.00 pm from August to December.

- No of programmes telecasted - 27.



13.3.2 Radio programme Called the Samurdhi Pilisandara

Broadcasting by the Sri Lanka Broadcasting Corporation from 11 am to 12 noon once a week every Saturday over the Commercial Service for one hour that includes information about the development functions of the Samurdhi campaign and the rehabilitation of beneficiary families.



Directing the “Samurdhi Radio Chat” programme from the publicity studio.

- No of programmes broadcasted - 12.

13.4. Conducting workshops to Strengthen the Divisional Communication Network

Implementation of programmes to strengthen the divisional communication network for the development activities of the Samurdhi campaign to be made aware and given publicity through the electronic and printed media



Training Programme for Tamil communicators, Nilaveli Training Center

- No of programmes 1. No of communicators trained 125.

Table- 13.1

Details of the programmes of the Media Division.

Programmes	No of programmes	Amount spent RsMn
1. Samurdhi newspaper. (Supplements in the Dinamina and Thinakaran newspapers)	Sinhala 12 Tamil 12	2.40
2. Rupavahini programme.	27 programs	6.26
3. Radio programme.	17 programs	2.00
4. District Media Workshops (Strengthening the Divisional Samurdhi Communication net)	-	0.50
Total		11.16

14. Performance of Micro Finance (Banking) Division

14.1 Introduction:

With the inauguration of the Samurdhi Authority of Sri Lanka in the year 1996, the “Credit Division” was opened as another Division of it. This Division was renamed the “Banking Finance” Division in the year 1998, due to the contemporary changes which had taken place.

In accordance with the Samurdhi Authority of Sri Lanka Act No 30 of 1995, Samurdhi banking unions were established in 1996 to implement the Samurdhi National Programme, and through this, it was expected to promote savings among the low income earners at community level, thereby increasing the investment potential to provide the capital (credit facilities) required for the development of goods and services, to minimize informal loan transactions and through it to rescue them from the clutches of indebtedness, and to establish a profitable institutional frame work.

After the Samurdhi Development Programme, for the expansion of the economic development process in accordance with the Divineguma Act No 01 of 2013 and with the objective of achieving the primary goal of the enforcement of the national policy of ensuring social justice for the minimization of poverty, by paying proper attention to low income earners who had not been given precedence by the existing commercial banking system in providing services, the micro financial system functions to achieve the primary objectives of increasing incomes and obtaining a better contribution towards the national product of this country, conforming to the objectives for the alleviation of poverty, and through the promotion of the savings habit of the people at the community root level and, by empowering the community at the economic level and catering to their financial requirements. This system is made up of the Community Based Banking Division of the Head Office of the Department of Samurdhi Development, 331 regional community based banking unions and 1074 community based banks spread island wide.

The Micro Finance Division became the main steering office of the Samurdhi community based banks and community based banking unions established accordingly, and the steering of those institutions to achieve the above mentioned objectives became the responsibility and function of the Micro Finance Division.

Vision

“Making the Samurdhi banking network a more innovative, strong and people friendly sustainable micro financial banking system”

Mission

“Guiding the poor people towards micro financing and financial literacy to rise up on their own economically and socially devoid of the dependent mentality, while embellishing their knowledge, attitude and skills with the noble objective of building a prosperous land free from poverty”.

Objectives

01. Making profitable the overall Samurdi Community Based Banking system .
02. Increasing up to 75% the number of Samurdi Community Based Banks with a profitability exceeding Two Million Rupees in the year 2018.
03. Reducing the percentage of bad debts down to 3% in the year 2018.
04. Reducing the rate of lapsed loans down to 5%
05. Increasing the credit deposit rate up to a higher rate of 70% in the year 2018.
06. To create a situation whereby all loans, deposits, investments and single trial balances of all Samurdi Community Based Banks balance with the relevant control ledgers.
07. Construction of 200 new bank buildings.
08. Construction of 10 pawning centers.
09. Samurdhi Community Based Banks Harasara 2018
10. Empowering of 80,000 Samurdhi beneficiary families through the Micro Finance Division.

14.2. Function of the Community Banking Division

1. Introduction of new credit schemes for the banking system and the issue of circular and operating instructions.
2. Providing the guidance and issue of instructions required for other operational activities
3. Introduction of savings promotion programmes and providing the guidance and issue of instructions required in that behalf.
4. Investment of bank funds and issue of instructions at divisional level.
5. Micro finance insurance functions
6. Investigation of all banks at national level and issue of instructions in that behalf
7. Certifying final accounts in accordance with audit reports issued in respect of the final accounts of Samurdhi community based banks and banking unions and issue of orders for the appropriation of profits.
8. Providing refinancing credit facilities to banks and attending to credit analysis.

9. Duties in respect of vesting/purchase of lands for Samurdhi community based banks and banking unions, and providing funds for the construction of bank buildings and asset management.
10. Convening the Samurdhi community based board of management, submission of board of management papers and implementation of such orders.
11. Supervision, progress control and monitoring of all community based banks and banking unions.
12. Implementation of the Viduli Athwela credit programme in collaboration with the Ceylon Electricity Board.
13. Coordination with projects implemented by approved institutions and organizations through Samurdhi beneficiaries and community based banking unions.
14. Taking action to contribute creatively to programmes implemented by the Livelihood and Marketing Divisions.

Accordingly, the functions of the Banking Finance Division are twofold:

1. Samurdhi Community based banking unions programme
2. Activities in the Samurdhi Community based Banking Division.

14.3. Community Based Banking Unions Programme

Setting up of the Samurdhi Community Based Banks had been implemented in 07 stages, and by 31/12/2016, there were 1074 banks and 331 Community Based Banking Societies operating in all districts, including the north and the east.

From this perspective, the network of branches which started as Samurdhi community based banks, which during a short span of time has become the largest micro financial institutional structure spread island wide in the field of the local micro finance, and the Samurdhi community based banking union system has achieved an outstanding rating internationally in the field of micro finance. The Samurdhi community based banking union system which has achieved an outstanding place among the giants of micro finance while conforming to the objectives of poverty eradication has reached a special place in the collection of deposits, and following new technological banking methodologies, has commenced and is now implementing the computerization of banks.

In performing the noble task of empowering the low income earning community through micro financing, whilst conforming to the basic objectives of the Department of Samurdhi Development, the Samurdhi community based banking system is being utilized as its base structure.

The progress shown in achieving this task is as follows:

14.3.1 Progress of Membership of Banking Unions and Share Capital

Samurdhi beneficiaries are eligible to be members of the community banking union on the purchase of a share of Rs.500/=, and become shareholders of the bank.

Table14.1

Progress of membership of Samurdhibanks –(201-20007)

Year	Female	Male	Total	Growth relative to previous year	Growth rate %
2000	943,142	628,094	1,571,236	326,300	26
2001	1,042,158	663,905	1,706,063	134,827	9
2002	1,149,226	716,833	1,866,059	159,996	9
2003	1,275,273	777,222	2,052,495	186,436	10
2004	1,351,769	806,470	2,158,239	105,744	5
2005	1,428,848	824,846	2,253,694	95,455	4
2006	1,516,985	853,604	2,370,589	116,895	5
2007	1,575,509	872,490	2,447,999	77,410	3
2008	1,641,872	859,900	2,501,772	53,773	2
2009	1,691,112,	896,947	2,588,059	86,287	3
2010	1,830,840	970,693	2,801,533	213,475	8
2011	1,881,808	987,740	2,869,548	68,015	2
2012	2,079,173	1,078,546	3,157,719	288,171	9
2013	2,199,135	1,121,833	3,320,968	163,249	5
2014	2,389,133	1,214,461	3,603,594	282,626	7.8

Year	Female	Male	Total	Growth relative to previous year	Growth rate %
2015	2,503,840	1,253,016	3,756,856	153,262	4.8
2016	2,543,403	1,248,042	3,791,445	34,589	0.91
2017	2,624,784	1,266,833	3,891,617	100,172	2.57

Table 14.1 shows the expansion of the membership during 16 years. In the year 2016 too, 34,589 new members had contributed newly to this programme even when financial institutions had to face economic situations due to various economic and social problems, and this manifests the trust the customers have placed in our community based banks.

Especially, loan schemes such as self-employment, cultivation, Mihijaya, fisheries, Swashakthi, distress, Kirula Naya, Yovun Diriya, consumer, livelihood, including the Diriya Saviya special loan scheme introduced in the year 2017 through community based banks, had been contributory to this development.

Table 14.2.
Shares Paid by Members (2000-2017)

Year	Amount(Rs Mn)	Growth (Rs Mn)	Growthrate %
2000	985.16	397.98	67.80
2001	1,383.15	397.99	40.40
2002	1,679.79	296.64	21.40
2003	1,930.37	250.57	14.90
2004	2,206.62	276.25	14.30
2005	2,601.01	394.40	17.90
2006	3,096.44	495.42	19.00
2007	3,639.53	543.10	17.50
2008	3,989.90	350.37	9.63
2009	4212.416	222.516	5.58
2010	4790,470	578,054	13.72
2011	5,370.53	580.06	12.11
2012	6380.00	1009.69	18.00

Year	Amount(Rs Mn)	Growth (Rs Mn)	Growthrate %
2013	7,101.00	721.00	10.15
2014	8,499.50	1,398.50	16.45
2015	9,927.81	1,428.31	14.39
2016	11,791.00	1,863.19	15.80
2017	13,724.19	1,933.19	14.08

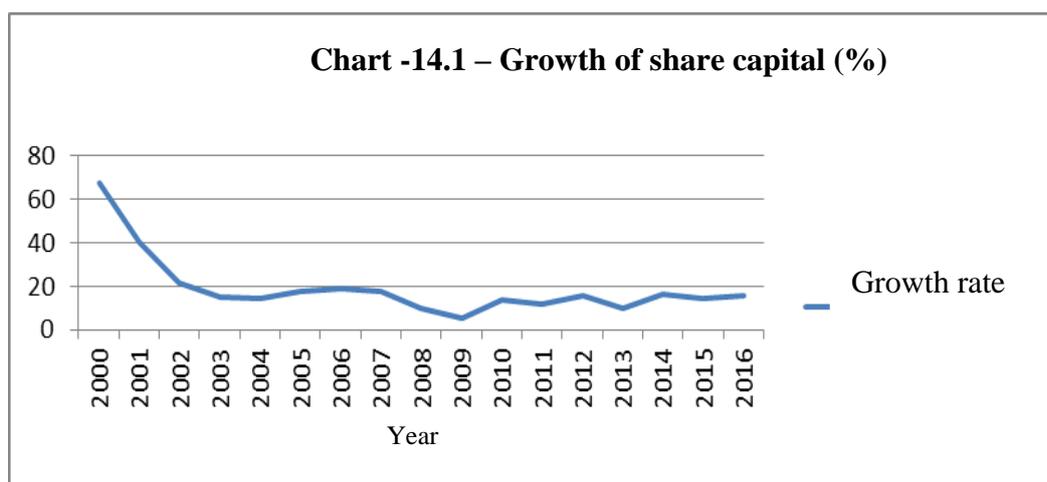


Chart-14.1 shows the expansion of the share capital during 16 years. During the initial stage, although the progress of the share capital showed a high value of 68%, the increased ratio has declined sharply during the past few years. Though there was a rise in the share capital during the current year relative to the previous year, the rate of growth has declined relative to the previous year. However, when taking into consideration the growth of the share capital during the current year, a decline of the share capital rate is indicated. While analyzing this situation further, attention is being paid to formulating future plans of the Community based Banking Division to contribute to ensuring the viability of the Banking unions, so that Samurdhi beneficiaries, low income earners and those engaged in livelihood development too would be incorporated.

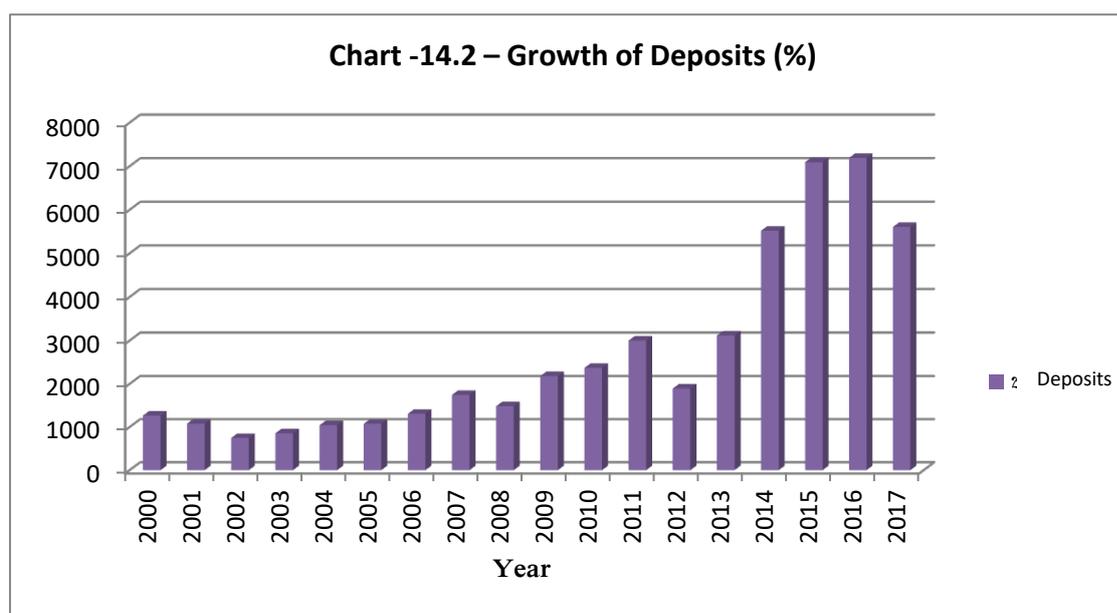
The share capital which was Rs 9,927.81 million in the year 2015 has shown a growth up to Rs Mn 11,791.00 in the year 2016.

14.3.2 Banking Unions Deposit Programme

Table 14.3

Deposits (member, non-member, group, Lama and Diriya Matha) (2000-2017)

Year	Numbers	Growth	Amount Rs	Growth Rs
2000	2,645,574	1,220,922	2,033.45	1,264.50
2001	3,035,233	389,659	3,111.16	1,077.71
2002	3,296,569	261,336	3,857.10	745.94
2003	3,680,786	384,217	4,710.80	853.70
2004	3,989,539	308,753	5,751.81	1,041.01
2005	4,229,575	240,036	6,824.88	1,073.07
2006	4,394,498	164,923	8,131.66	1,306.78
2007	4,613,504	219,006	9,875.63	1,743.97
2008	5,081,229	467,725	11,356.79	1,481.16
2009	5,167,854	86,625	13,536.65	2,179.86
2010	5,505,853	337,999	15,906.77	2,370.12
2011	5,524,025	18,172	18,907.33	3,000.56
2012	6,280,484	682,459	22,168.917	3201.58
2013	6,383,307	176,823	23,916.57	3,117.52
2014	6,822,409	439,102	29,436.10	5,519.53
2015	7,096,317	273,908	36,528.03	7,091.93
2016	7,417,540	321,223	43,716.00	7,187.97
2017	7,800,246	382,706	49,320.02	5,604.02



A sum of Rs Mn 7,187.97 million rupees had been deposited during the year 2016, indicating further trust in the banking union programme, and the New Year savings programme for the New Year 2016 and the Diriya Matha Deposit Promotion Programme implemented targeting the World Womens Day which fell on 08th March has had an effect on the expansion of these deposits. When compared to other competitive micro finance institutions, achieving such a growth should be appreciated.

14.3.3 Community Basedbank Credit Programme

- Under the community based banking union credit scheme, entrepreneurship potential of low income earners including Samurdhi beneficiaries is identified, and small credit facilities are provided to build an environment necessary to escape poverty through self-sustenance.
- Introduction and implementation of several special credit programmes to cater to capital funds and urgent financial requirements of members.
- Under this, for income generating projects under self-employment, Mihi Jaya, Kirula development, Yovun Diriya and livelihood loan programmes, loans of Rs.100,000/- to Rs.250,000/- are released. Facilities are available to obtain loans up to Rs.75000/= for funds required for cultivation. Under the Kirula development credit scheme implemented during the latter half of the year 2010, the credit limit of Rs.100,000/= hitherto followed was increased up to Rs.250,000/=.
- The banking union is prepared to throw a life line to members to fulfill their housing requirements, by giving loans subject to a maximum of Rs.50000/=, to build a house, complete a partly finished house or for requirements like house repairs.
- Members have been provided relief through the consumer, distress and Swashakthi loan schemes to obtain without difficulty loans for their financial requirements in an emergency, without getting into the clutches of usurers.
- Under the Viduli Ath Wela credit scheme started during the end of the year 2010, credit facilities are made available up to a maximum of Rs. 30,000/= to Samurdhi beneficiary and low income earning members of Banking unions.
- At present, in respect of loans given for income generating loan projects, an interest rate of 8% for Samurdhi beneficiary members and low income earners is charged.
- Under the Diriya Saviya loan scheme introduced to the low income earners in the year 2015, loans up to Rs.100,000/= are given at an interest rate of 4%.
- 462,970 members had been given loans totaling a sum of Rs Mn 26,184.25 by the end of the year 2016.

Table14.4

Issue of loans (1999-2017)

Year	Number (Cumulative)	Amount Rs. Mn.	Grant of loans during the year Rs Mn
1999	209,818	966.31	966.31
2000	481,475	2,788.50	1,822.19
2001	813,334	5,552.75	2,764.24
2002	1,016,392	7,448.08	1,895.33
2003	1,340,126	10,503.30	3,055.22
2004	1,697,866	13,977.81	3,474.51
2005	2,149,135	20,725.03	6,747.22
2006	2,527,841	26,035.09	5,310.06
2007	2,952,840	32,843.04	6,807.93
2008	3,450,469	42,757.37	9,914.36
2009	3,721,662	48,352.73	5,595.36
2010	4,160,596	58,531.61	10,178.88
2011	4,682,822	71,721.04	13,189.43
2012	5,085,275	87,046.00	15,324.96
2013	5,360,115	98,056.00	11,010.00
2014	6,388,489	127,805.40	29,749.40
2015	6,851,459	153,989.65	26,184.25
2016	7,536,257	180,229.25	26,239.60
2017	8,202,461	220873.20	40643.95

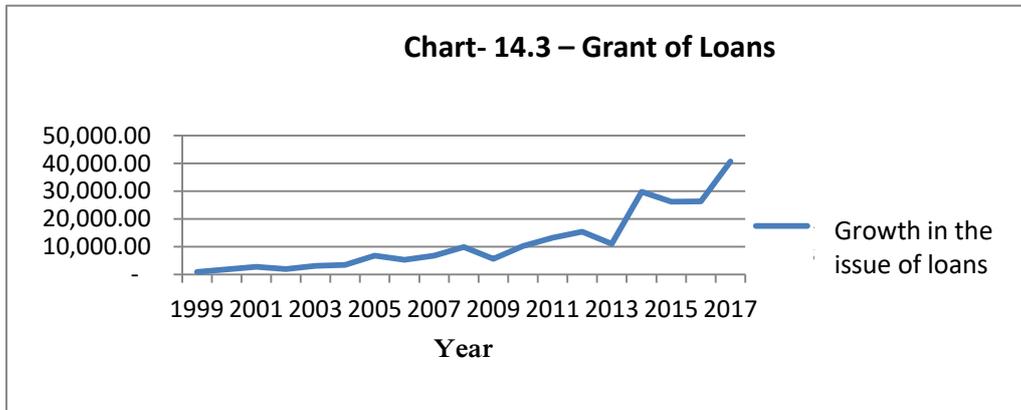
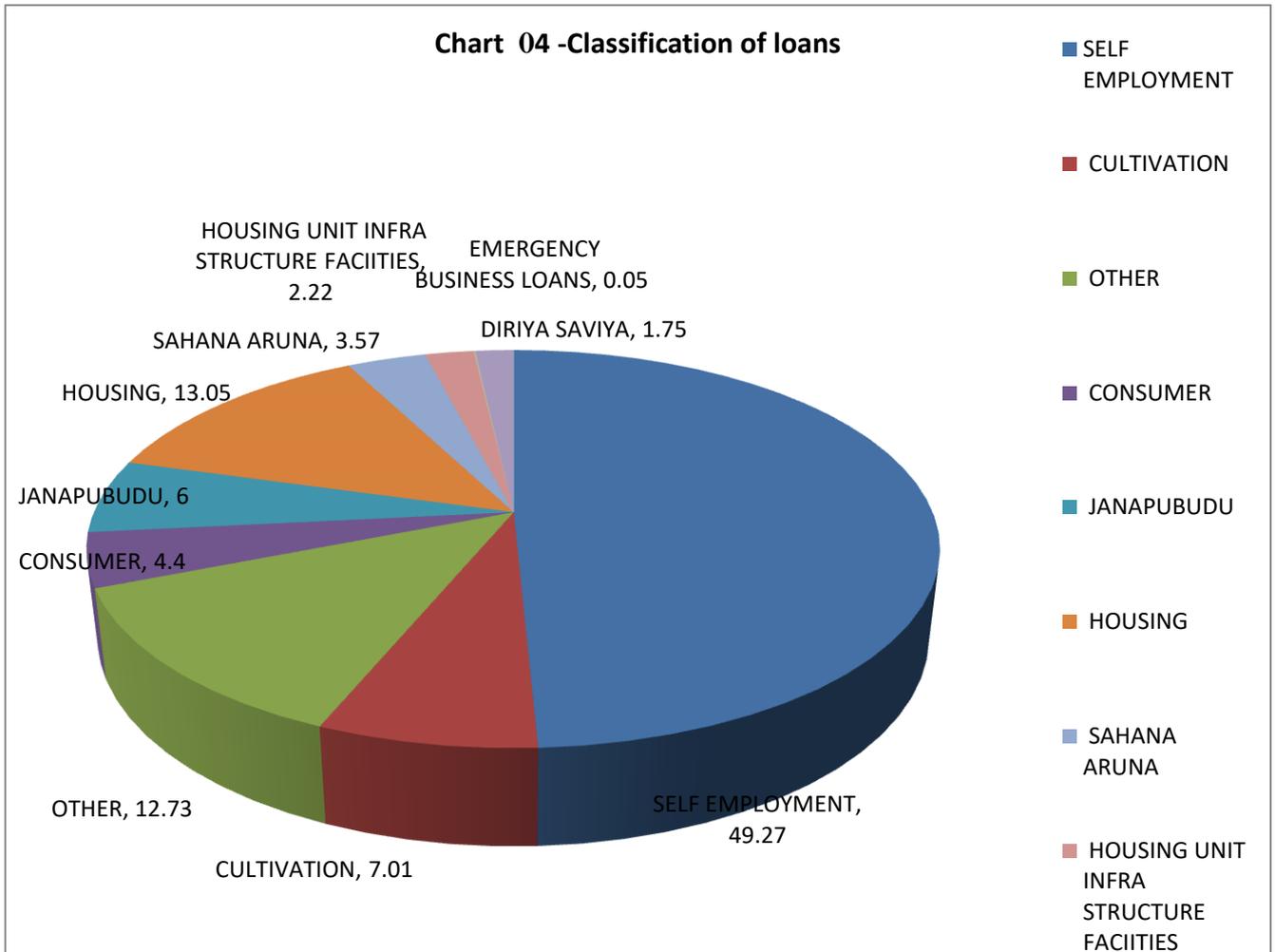


Table14.5.**Classification of Loans Aggregate as at 31.12.2017**

Type of Loan	No	Amount Rs Mn	Contribution
Self Employment	88,695	88,806	49.27
Cultivation	13,642	12,651	7.01
Other (Mihijaya, Fisheries, Swasakthi, Distress, Kirula Loans, Yowun Diriya, Livelihood Revolving, Rata Vuruwo, Livelihood Deveopment)	49,548	22,949	12.73
Consumer	9,772	7,946	4.40
Janapubudu	11,022	10,632	6.00
Housing	23,933	23,536	13.05
Diriya Saviya	3,002	3,170	1.75
Sahana Aruna	6,399	6,442	3.57
Housing Unit Infra Structure Facilities	14,412	4,003	2.22
Emergency Business Loans	446	94	0.05
Arunalu	03	180,229	100.00
Total	220,874	360,458	

Chart..14.4 -Classification of Loans



14.3.4 Investment of surplus funds of Community Based Banks

(Fixed Deposits and Treasury Bills)

With the objective of getting the maximum returns for the assets of banks, funds found surplus after releasing loans for loan applicants, have been authorized to be invested in state banks only, in accordance with Treasury circular instructions, through Community Based Organizations. Through this, it is envisaged to strengthen the Community Based Organizations also financially.

Table 14.6**Investment of Surplus Community Based Banking Society Funds(2000-2017)**

Year	Amount Rs Mn	Growth (Rs Mn)	Rate (%)
2000	1,620	1,038	178.00
2001	3,175	1,555	95.99
2002	5,097	1,922	60.54
2003	5,914	817	16.03
2004	7,828	1,914	32.36
2005	7,417	-411	(5.25)
2006	9,936	2,519	33.96
2007	13,791	3,855	38.80
2008	18,833	5,042	36.56
2009	24,039	5,206	27.64
2010	27,248	3,209	13.35
2011	39,048	11,800	43.31
2012	42,098	3,050	7.81
2013	55,690	13,592	32.29
2014	48,309	(7,381)	(15.27)
2015	55,906	7,597	53.13
2016	68,782	12,786	18.72
2017	78,068	9,286	11.89

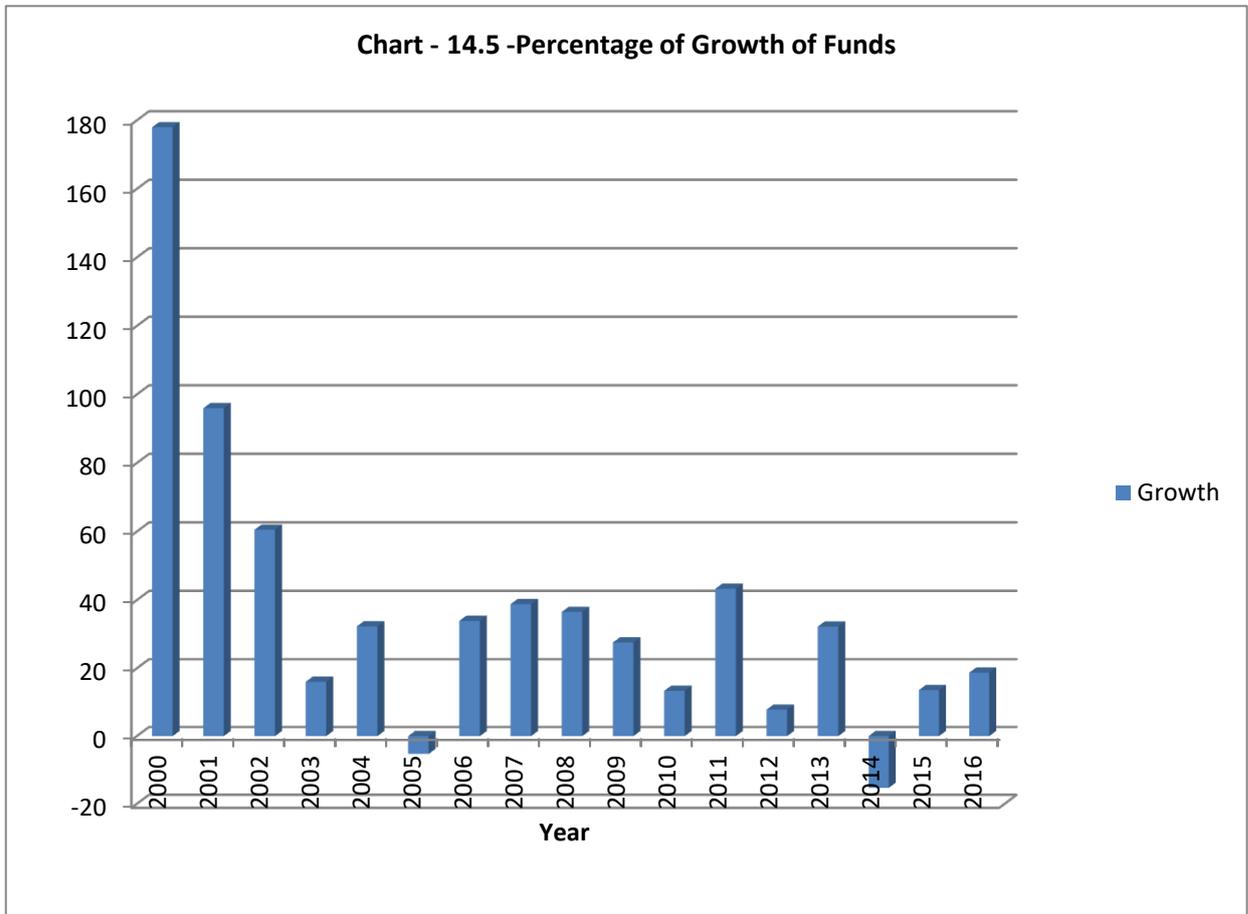


Chart 6 shows the investment of surplus community based banking union funds. Even though a high rate of investment was shown during the inaugural period of banking unions, subsequently, it has declined. Even though amounts investable had dwindled gradually due to the expansion of the credit programme, in the year 2016 an increase in investments is shown due to the expansion of deposits. It is a positive indication.

14.3.5 Grading of Samurdhi Community Based Banks and the National Ceremony for Appreciating Officers – “Banku Harasara” 2017

Grading of Samurdhi Community Based banks and the national ceremony for appreciating officers was held on 02nd April 2016 in a solemn manner, headed by Mr S B Dissanayake, the Hon Subject Minister. According to the methodology of grading, shown below are the details of the banks and bank details at national level:

1. National level first place : Yodhagama Samurdhi Community Based bank, Secretarial Division of Embilipitiya, Ratnapura District.
2. National level second place : Diganwewa Samurdhi Community Based bank, Secretarial Division of Arachchikattuwa, Puttalam District.
3. National level third place : Nawimana Makawita Samurdhi Community Based bank, Secretarial Division of Matara, Matara District.

52 Samurdhi Community Based banks were successful in obtaining grade A at national level, and details are given below.

Table 14.7

S. No.	District	Secretarial Division	Samurdhi Bank
1	Ratnapura	Embilipitiya	Walawe
2		Embilipitiya	Yodhagama
3		Balangoda	Kaltota
4		Weligepola	Pussathota
5		Weligepola	Weligepola
6		Nivitigala	Doloswela
7		Kalawana	Pothupitiya
8		Kolonna	Kella
9		Kolonna	Kolonna
10	Badulla	Welimada	Keppetipola
11		Moneragala	Moneragala
12	Galle	Elpitiya	Ganegoda
13		Karandeniya	Karandeniya
14	Gampaha	Attanagalla	Weerangula
15		Attanagalla	Kalotuwawa
16		Attanagalla	Bemmulla
17		Attanagalla	Veyangoda
18		Attanagalla	Nittambuwa

S. No.	District	Secretarial Division	Samurdhi Bank
19		Attanagalla	Ranpokunagama
20		Attanagalla	Ruwanpura
21		Biyagama	Makola
22		Dompe	Dompe
23		Dompe	Ganihigama
24		Jaela	Ragama
25		Meerigama	Indiparape
26		Minuwangoda	Udugampola
27		Negombo	Pitipana
28		Mahara	Ranmutugala
29		Jaela	Jaela
30		Gampaha	Ganemulla
31		Gampaha	A/Bogamuwa
32		Gampaha	Kirindiwita
33		Jaela	Kandana
34		Polpithigama	Madahapola
35	Kurunegala	Giribawa	Warawewa
36		Giribawa	Damsopura
37		Kuliyapitiya East	Polpitiya
38	Matara	Matara	Godagama
39		Matara	Kekenadura
40		Matara	Matara

S. No.	District	Secretarial Division	Samurdhi Bank
41		Matara	Nawimana
42	Puttalam	Arachchikattuwa	Diganwewa
43		Arachchikattuwa	Battuluoya
44		Mundalama	Madurankuliya
45		Puttalam	Puttalam
46	Colombo	Padukka	Padukka
47		Homagama	Meegoda
48	Jaffna	Karaveddy	Nelliady
49		Karaveddy	Uduppidy
50		Pt Pedro	Pt Pedro
51		Uduvil	Chunnagam
52		Uduvil	Inuvil

Shown below are the Samurdi banks that obtained the first place at district level

Table 14.8

Serial No	District	Secretarial Division	Samurdhi Bank
1	Colombo	Homagama	Meegoda
2	Gampaha	Biyagama	Makola
3	Galle	Karandeniya	Karandeniya
4	Matara	Matara	Kekunadura
5	Ratnapura	Nivitigala	Doloswela
6	Kegalle	Deraniyagala	Maliboda
7	Kandy	Uda Palatha	Gampola
8	Matale	Dambulla	Pannampitiya
9	Kurunegala	Polpithigama	Madahapola

Serial No	District	Secretarial Division	Samurdhi Bank
10	Puttalam	Puttalam	Puttalam
11	Badulla	Welimada	Boralanda
12	Moneragala	Badalkumbura	
13	Anuradhapura	Galnewa	Mulnewa
14	Ampara	Uhana	Meda Palatha
15	Batticaloa	Chenkalady	Mawadiwembu
16	Jaffna	Uduvil	Chunnagam
17	Kilinochchi	Karachchi	Kili Town

Gampaha District was acclaimed as the district obtaining the highest number of grade A banks.

District Secretaries, Directors and District Subject Managers relevant to the banks that had obtained the 1st, 2nd and 3rd places at national level were accolade.

Officers who received prizes relevant to the winning banks:

- First, second and third places at national level:
 - 1 District Secretary
 - 2 District Director
 - 3 Divisional Secretary
 - 4 District Bank Subject Manager
 - 5 Chairman of the Executive Committee
 - 6 Banking Union
 - 7 Project Manager



14.4. Overall progress within the Micro Finance Division

The main objective of the Micro Finance Division is the implementation of various development programmes, targeting the low income earning community from the interest income earned by the Division as a self-financing unit since the year 2000.

For this purpose, the following programmes are implemented within the Division:

14.5. Projects and Activities Implemented

14.5.1 Introduction

Implementation of Deposit Promotion Programmes

14.5.2 New Year Savings Promotion Programme

This programme is implemented with the objective of promoting long term savings in the bank, through awarding of gifts and prizes for customers coming to the bank during the New Year week.

Target group

The entire community of the area

Methodology used

Savings collected by field officers and deposits made by customers who come direct to the bank are accumulated in the bank under the Savings Promotion Programme. It is compulsory that this deposit is retained in the bank for a period of one year.

A special feature is the awarding of prizes on the various amounts and the accumulation of these deposits exceeding other competitive financial institutions.

Implementation location

This programme is implemented associated with all 1074 Samurdhi Community Based banks.

Approved provisions

In order to give prizes, authority had been given for each bank to spend Rs Mn 200 out of the bank expenditure.

Date of commencement – 16th April 2017

Date of completion – 25th April 2017

Expenditure as at 31.12.2017 – Rs Mn 200

Output of project

Rs Mn 4200 had been collected at bank level during the New Year Savings Week.

Socio Economic Results Obtained.

Concurrent to this Savings Promotion Programme, 1074 New Year Festivals associated with Samurdhi Banks were held island wide on a single day (16/04/2017). It became possible to make this an occasion for people to gather there and in the zone and to embellish the cultural feelings of the community. Through gathering people towards Samurdhi Banks day by day, it is expected to empower the low income earning community by instilling confidence among them about the bank.

14.5.3. Introduction of the PAY & GO programme associated with Samurdhi Community Based banks

- **Target group** – Customers who come to the Samurdhi Community Based bank and the low income earning community
- **Reasons for implementation** – Installation of PAY & GO machines associated with selected Samurdhi Banks in collaboration with the PAY & GO Company.
- **Implementing locations** – In association with selected Samurdhi Community Based banks
- **Approved provisions** – Nil
- **Date of commencement** – 01/08/2016
- **As at 31/12/2017** – Machines have been installed associated with 21 Samurdhi Banks
- **Socio economic outcome obtained** – Bringing closer to the beneficiary and the low incoming earning community facilities for settling bills (water, electricity, telephone). Getting an opportunity for people to gather at Samurdhi Community Based banks

14.5.4 .Providing people with "Laugh gas" cylinders through Samurdhi Community Based banks

Target group – The low income earning communit

14.5.5 Introduction of the Arunalu Instant Loan Programme in association with Samurdhi Community Based banks

- **Target group** – Implemented in association with 82 Samurdhi banks in the Kandy District, as a pilot project.
- **Reasons for implementation** – Providing short term loans to members of Community Based Organizations and rescuing members from rural usurers.
- **Implementing locations** – in 32 Community Based Organizations
- **Approved provisions** – Nil
- **Date of commencement**- 15/02/2017
- **Date of completion** - As at 31/12/2017
- **Project output** – Rs Mn 2.
- **Socio economic outcome obtained:**
 1. Granting loans to the value of Rs Mn 4.5 to 819 members
 2. Community Based Organizations have earned Rs Mn 0.35 within the

14.5.6. One Million Special Staff Loan Programme

- **Target group** – Staff posted to the Samurdhi Development Department
- **Reason for implementation** – Implemented for the Staff posted to the Department for housing and urgent loan requirements.
- **Target group** – Staff
- **Approved provisions** – Rs Bn 2
- **Date of commencement** - November 2016
- **Project output** – Progress as at 31/12/2017 – Rs.1,782,340,000.00
- **Socio economic outcome obtained:** Enhancing the socio economic conditions of the officers by fulfilling their loan requirements.

14.6. Other Loan Programmes Implemented by the Banking Division

14.6.1. The Viduli Athwela Programme

With the aim of making electricity available for everyone, the Ministry of Power and Energy inaugurated the *Viduli Athwela* Programme, for Samurdhi beneficiary and low income earning families. This programme had been guided by the Ministry of Economic Development and the Ministry of Power and Energy, while presently the Ministry of Social

Empowerment and Welfare and Upcountry Heritage, the Samurdhi Authority of Sri Lanka (presently the Department of Samurdhi Development) and the Ceylon Electricity Board are contributing actively in this behalf.

The Micro Finance Division provides funds required to implement this concessionary “*Viduli Athwela*” credit programme through the island wide network of Divineguma community based banks for it to be put into operation concurrently.

14.6.1.1 The Anticipated Benefits of this Programme are:

1. Increasing economic strength through making productive the small industries and marketing developments programmes carried out or intended to be carried by low income earners.
11. Increased demand for loans for the Samudhi development programme resulting in new members converging with community based banks, thereby increasing deposits.
111. Possibility of increasing the income of the Banks due to the service charges provided by the Community Based Banking Division.
- IV. Further development of the financial stability, efficiency and trust of the community based banks.

The maximum loan payable to beneficiaries for this *Viduli Athwela* programme is Rs.30,000/-, and recoveries would be made through installments including the principal and an annual interest of 12% during a period of 60 months.

After obtaining loan applications from the relevant consumer service center and after being duly filled in under operating instruction no. 5, eligible applications would be forwarded to the Electricity Board with the recommendations of the Samurdhi Development Officer, Samurdhi Manager and the Divisional Secretary respectively, and electricity facilities provided thereafter.

The bilateral agreement between the Samurdhi Authority of Sri Lanka (presently the Department of Samurdhi Development) and the Ceylon Electricity Board pertaining to this *Viduli Athwela* credit programme had been signed in the year 2010, and no loans had been given during that year.

The bilateral agreement between the Department of Divineguma Development and the Ceylon Electricity Board pertaining to this *Viduli Athwela* credit programme had been signed for the year 2014 too.

Table 14.9- Progress of the Viduli Athwela Loan Programme (2011-2016)

Year	Details of loans given by the Community Based Banking Division to the Ceylon Electricity Board			Details of loans given by the Ceylon Electricity Board to beneficiaries/low income earners	
	No of loans	Amount (Rs Mn)	Outstanding amount (Rs Mn)	No of loans	Amount (Rs Mn)
2011	02	350	335.08	20694	354
2012	07	747	675.32	44932	853
2013	09	1080	861.67	64520	1237
2014	13	1537	1106.18	80153	1537
2015	15	1782	1036.93	97831	1899
2016	16	1984	1,082.52	101,800	1,985

14.6.2. Consumer Credit Programme

Under this programme which was launched in February 2004, up to 2008 loans up to a maximum of Rs.50000/- were given at an interest rate of 9% to Samurdhi Development Officers only. This loan scheme is open to all members of the staff. Payback period is 60 months. From 18/10/2008 the loan of Rs.50,000/= has been increased to Rs.100,000/=. By 18.12.2013, this programme had been decentralized to the districts, and recoveries are made at district level.

Since 19.01.2015 granting of these loans has been suspended and recoveries are being made at the District level.

Table 14.10
Staff Consumer Loans as at 31.12.2016 (aggregate)

No of Loans Given	Amount Rs Mn
28308	2001.00

14.6.3 Housing Loan Scheme for Staff

In June 2004, this loan scheme was inaugurated for the permanent staff of the Department of Samurdhi Development, and financial provisions are allocated from the earned income of investments made by the Community Based Banking Division. Under this loan scheme, credit facilities are given to purchase land, build a new house and for new additions or extension to a house. Payback period of the loan has been extended to 15 years and the rate of interest is..... Under the housing loan scheme, the following loans had been issued as at 31/12/2015. Whilst with effect from 01/01/2010, the relevant rate of interest had been brought down to 10%, and with effect from 01/11/2014 the recovery of these loans too had been decentralized to the District level. Granting of this loan has been suspended with effect from 19.01.2015.

Table -14.11
Housing loans as at 31/12/2016 (aggregate)

No of loans given	Amount Rs Mn
2129	905.08

14.6.4. Motor Cycle Loan Scheme

In November 2004, this programme was inaugurated and financial provisions are allocated for this from the earned income of investments made by the Banking Finance Division. This programme has been limited only to the permanent staff of the Department of Samurdhi Development. Motor cycle loans are given subject to a maximum of Rs.150,000/- at the interest rate of 10 per cent per annum, with a payback period of 60 months. After 31/12/2014, the issue of motor cycle loans had been handed over to the district level, and since 01.11.2014 the recoveries of these loans too have been decentralized to district level. Granting of this loan has been suspended with effect from 19.01.2015.

Table 14.12
Motor cycle loans as at 31/12/2016 (cumulative)

No of loans Given	Amount Rs Mn
4067	368.03

Table 14.13**Progress of the Refinancing Loan Programme (1999-2016)**

Year	No of Loans	No of Benefi- Ciaries	Amount Released Rs Mn	Rate of Recovery (%)
1999	11	523	300.	100
2000	175	5,578	5200.	92
2001	324	12,588	11700.	101
2002	472	18,400	17700.	100
2003	637	23,223	23300.	100
2004	786	27,605	28300.	101
2005	849	30,351	315.80	102
2006	971	36155	389	100
2007	1040	40008	450	100%
2008	1072	42631	499.71	100%
2009	1097	44180	523.58	100%
2010	110	45284	571.11	91%
2011	1,112	45,399	581.42	95%
2012	1,132	46,145	613.12	100
2013	1,163	48,460	710.91	100
2014	1,175	49,332	761.64	100
2015	1,179	49,798	797.88	100
2016	1188	50506,	851.44	100

Table 14.14**Progress of construction and repair of buildings and purchases of land as at 31.12.2017**

Programme	Monetary Progress (Rs Mn)
Newly constructed community based banks and community based banking society buildings	39.90

14.7. Staff Physical Injury Insurance

Under this programme, members are paid compensation for physical injuries sustained during cash robberies whilst taking cash of community based banks for depositing at commercial banks and when cash is being brought to community based banks from commercial banks. The Staff Physical Injury Compensation Insurance Fund had been implemented with effect from October 2005, and every bank union should pay Rs.1000/- annually to this Fund and obtain insurance cover. The maximum amount of compensation that could be claimed under this is Rs.300,000/= for all officers with effect from 19.08.2015.

During the year 2016, under this programme a sum of Rs.1,295,480/- has been received through the Banks by way of insurance premia, and for the year 2016, the amount is Rs.1,027,600/-. As at 31.12.2016, a sum of Rs.1,786,270/= had been paid as compensation for physical injuries.

14.7.1 Insurance of cash in hand of Samurdhi Community Based Banking

Unions

14.7.1.1 Through this, cash losses would be reimbursed caused due to thefts or robberies whilst transporting cash in hand belonging to Samurdhi community based banks from such banking unions to commercial banks and vice versa.

14.7.1.2. Taking into consideration the daily liquidity requirements of banks and societies, inquiries may be made from the council of management and a decision made after discussions regarding this insurance cover. For this, necessary steps have been organized to send the annual installments to the Micro Finance Division, and to obtain the insurance cover. Its progress as at 31st December, 2016 is that all banks and Community Based Organizations using safes have obtained this insurance cover.

14.7.1.3. All circulars and amendments issued up to the year 2015 in respect of staff physical injuries and cash in hand insurance have been cancelled, and a new circular has been issued on 14.08.2015. Accordingly, during the year 2016, action had been taken to increase the limit of cash in hand insurance from Rupees One Million to Rupees Two Million.

14.7.1.4. Installments sent by banking unions (including physical injury insurance premia) and maha sangams are credited to a fund established by the Community Based Banking Division, and the fund has been expanded by productive investments.

14.7.1.5. As at 31.12.2016, a sum of Rs.4,104,150/82 (aggregate) had been paid to Community Based Banks by way of cash in hand insurance compensation.

14.8 External audit of Community Based Banks and Community Based Organizations

In respect of Community Based Banks and Community Based Organizations, an annual audit report has been prepared at the end of each financial year, which is from 1st of January to 31st December, after auditing all activities done during that period. Earlier, the authority for the preparation of these audit reports had been given to the Accountants of the Divisional Secretariats. However, as this was not being done properly, the services of Accountants in Government/Semi government institutions were obtained and utilized as external Audit Officers to prepare audit reports in respect of the relevant years for which audit reports had not been prepared.

After the year 2006 up to date, the accounts for the relevant years are audited and financial statements prepared by the Internal Audit Division and submitted with the audit opinion to the Community Based Banking Division.

In addition to this, for better decision making, the final accounts for the years 2013, 2014 and 2015 have been referred to Earnest and Young Company, Chartered Auditors.

14.9 Bank Monitoring Unit

For the purpose of monitoring whether the operational process of the Samurdhi community based banking unions and community based banking societies are functioning properly in accordance with the operational instructions and circulars issued by the Micro Finance Division, for the necessary guidance and keeping in view the objective of increasing productivity and efficiency of the overall banking sangam system, a “Bank Monitoring Unit” has been established in the Micro Finance Division, and the following functions are being carried out by this unit:-

- ❖ Follow up action regarding complaints received through audit queries, audit investigation reports and from other sources, rectification of short comings discovered thereby in respect of Samurdhi Community Based Banks and Banking Societies, and referring relevant matters to the Internal Audit, Legal Investigations and other divisions, and the co-ordination of necessary matters.
- ❖ Taking action to rectify short comings in accounting matters, establishment matters and daily activities of Samurdhi community based banks and banking societies, providing the necessary guidance and the protection of the customers.
- ❖ Providing necessary guidance regarding the balancing of single entry trial balances, mobile banking services, amalgamation of Samurdhi Banking unions and issuing necessary instructions for the rehabilitation of banking operational activities of banks damaged by natural disasters, and taking action to rectify matters.

- ❖ Samurdhi Banking Societies Regulatory and Monitoring Units contribute to improving the productivity of banks and banking societies through operational instructions and guidance necessary to Community Based Banks/Banking Societies to cope up with their various topical requirements.
- ❖ Banking Maha Sangam Regulatory and Monitoring Units have been set up in all the 25 districts, to facilitate providing the necessary assistance in cases of requirements cropping up suddenly, for continuous monitoring and for ease of coordination. During the year 2016, 3 progress reviews had been held at national level in respect of the Community Based Banks and Banking Societies Regulatory and Monitoring Units, and a large number of issues identified there had been settled in that year itself.

14.10 Training Matters

The training unit of the Department, utilizing Community Based Banks funds, coordinates in training the staff of the network of 1074 Samurdhi banking unions and 331 Community Based societies in banking functions and other subjects.

The function of this Unit is to improve the knowledge, skills and positive attitudes of the banking staff, in order to provide the customer community with a more efficient and productive service.

Accordingly, action is being taken to provide every banking officer a basic training course in banking matters and the accounting process, which gives an understanding about banking procedures. In addition, action had been taken to train unskilled staff of the Community Based Banking Societies about functions of the Community Based Banks and Community Based Banking Societies and their accounting procedures. Similarly, training programmes had been conducted through the Institute of Banks of Sri Lanka, and during the year 2016 regulatory and monitoring training programmes had been implemented for bank officers. Under this, 61 Managers had been trained. In the year 2015, the number of officers who had completed the micro finance certificate course was 489.

14.11 Management Information Unit

Management of the data of the 1074 community based banking unions is done by the Management Information Unit of the Community Based Banking Division. Accordingly, every Community Based Banks and Community Based Banking Society has to send a monthly progress report on the prescribed format to the Information and Management Unit, and it has been planned to process such data and analyze the condition of the Community Based Banks and submit data and to create a ratio analysis necessary for the evaluation of progress of Community Based Banks and to evaluate Community Based Banks based on it.

Further, action has been taken to transmit to the Community Based Banking Division data about Community Based Banks and Community Based Banking Societies utilizing computer technology.

With the successful computerization of community based banks, this unit continues to analyze and evaluate the prevailing conditions of community based banks to make them more productive and efficient. 21 national level progress review programmes had been held at District Level in the year 2016.

Action has been taken to implement a programme to grade and evaluate banks and also for the motivation of the staff aimed at making the entire banking system a sustainable financial unit. It has been planned to implement this programme every year with improvements.

14.12 Compulsory Savings procedure of Community Based Banks

14.12.1. Introduction

The Compulsory Savings Programme was inaugurated to get low income earners to get used to saving more and more and for their future prosperity. In this connection, saving a certain portion of the government subsidy monthly is reserved monthly as compulsory savings.

By now, subsidy coupons being issued by the Department of Samurdhi Development have been changed in relation to the number of family members. If the number of family members is 04 or more than 04, Rs. 3500, if the number of members is 03, Rs.2,500, if the number members is less than 03, Rs.1,500 and for empowered families Rs. 420 have been paid. Out of this subsidy value, sums of Rs 300, Rs.200, Rs.100 and Rs.270 are respectively credited to the accounts of the beneficiaries operating in the community based banks monthly as compulsory savings from the year 2015. The compulsory savings scheme, which has been in operation since 1995 is being implemented mainly in two stages:-

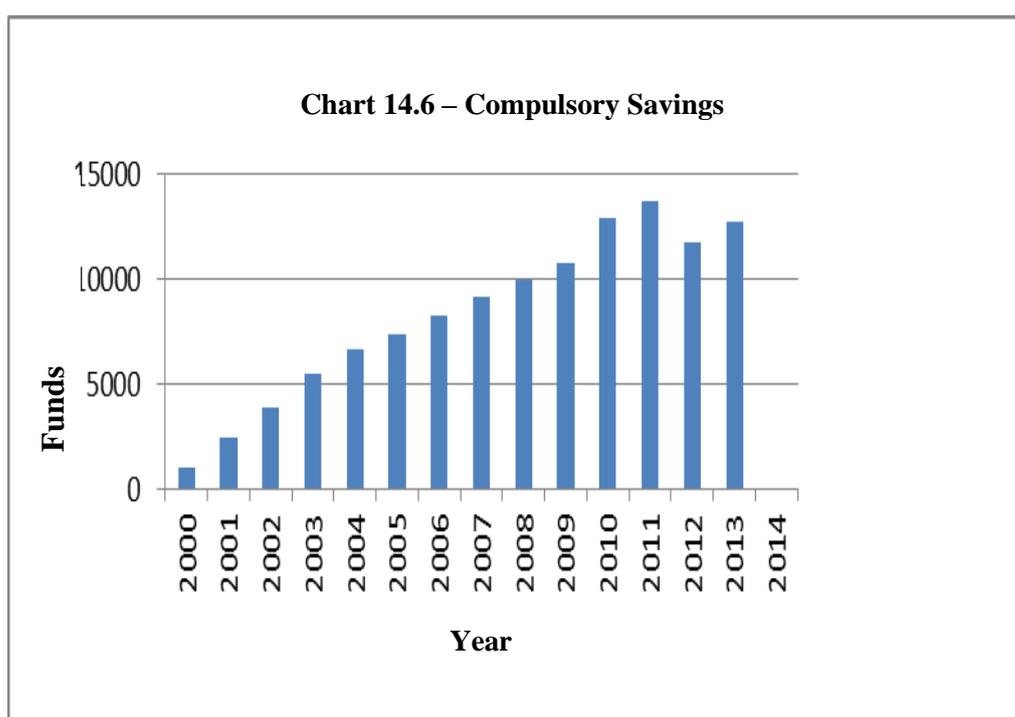
- 01 Compulsory Savings received by the Divisional Secretariats from Nov 1999 up to the year 2012 will be remitted to the Community Based Banking Division in favour of the various beneficiaries' Community Based Banks for monthly investment.
- 02 For the period 1995 to October 1999, out of the funds (funds belonging to beneficiaries) invested in the Peoples Bank and the Bank of Ceylon, 25% of the funds had been obtained by the Banking Finance Division and invested. The Head Office does not make investments in respect of compulsory savings, as the banking unions themselves make the relevant investments since March 2012.

Details of compulsory savings funds invested in the Banking Finance Division are shown below:

Table 14.15

Compulsory Savings Received for Investment (2000-2013)

Year	Funds (Rs Mn)	Growth (Rs Mn)	Growth (%)
2000	1,045		-
2001	2,424	1,379	131.96
2002	3,852	1,428	58.91
2003	5,510	1,658	43.04
2004	6,652	1,142	20.73
2005	7,349	697	10.48
2006	8,282	933	12.70
2007	9,099	817	9.86
2008	9,960	861	9.46
2009	10,738	778	7.81
2010	12,886	2,148	20.00
2011	13,702	816	6.33
2012	11,726	(1,976)	(14.42)
2013	12,760	1,034	8.82
2014	--	--	--

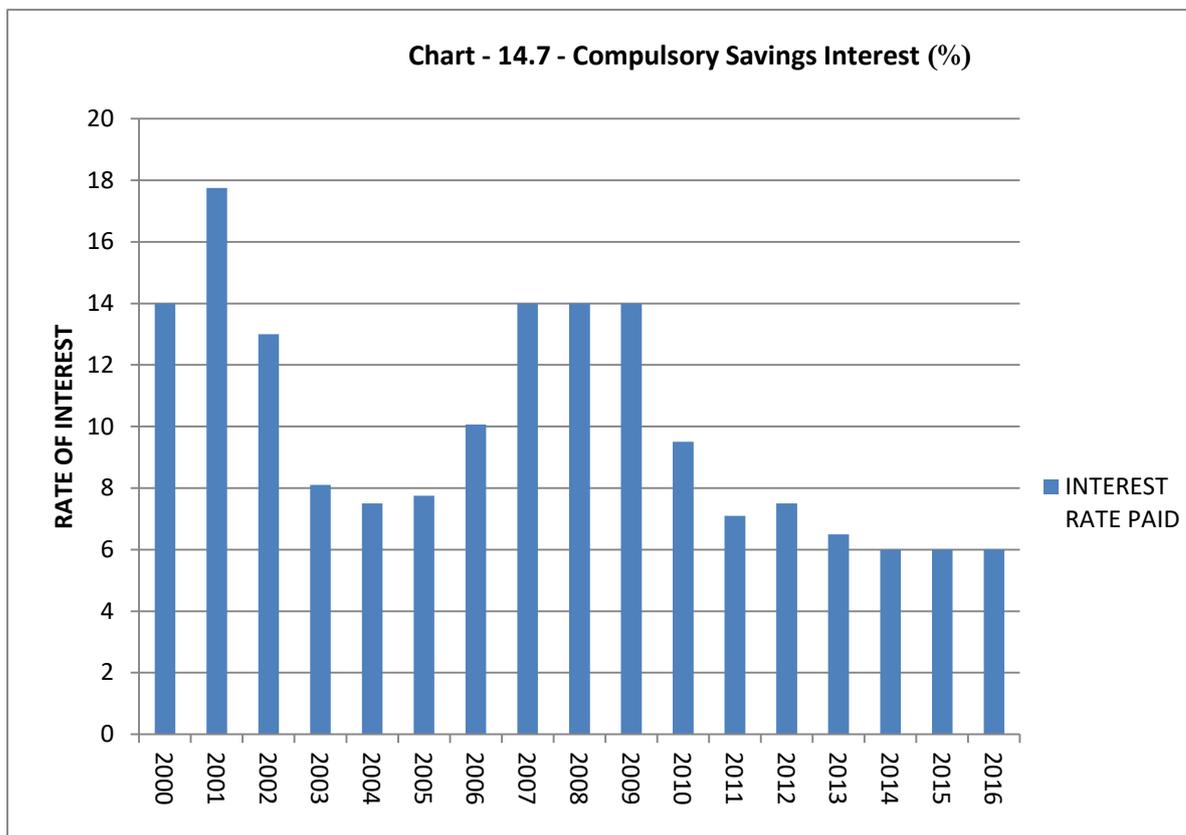


14.12.2 Payment of Compulsory Savings Interest

Compulsory savings received by the Community Based Banking Division are invested through the investment unit and, from the benefits received, interest is paid to the various community based bankings at the end of the year. Similarly, with the aim of mobilizing and strengthening Divineguma societies, since the year 2006, the payment of this interest is done through the community based banking unions. In the same manner, with the objective of introducing technical and productive systems to community based banks and banking societies, since the year 2008, the payment of interest for compulsory savings investments was done through direct remission to the Community Based Bank current account. Through this, it was possible for the Community Banking Division to earn around 3 million rupees annually as an additional income. The interest paid for compulsory savings to beneficiaries (through the limiting of the cash in transit period to one day) is a higher rate, when compared to other competitive commercial banks, and this is a special privilege bestowed on the account holder beneficiaries.

Table-14.16
Interest for Compulsory Savings (2000-2016)

Year	Rate of Interest Paid %
2000	14
2001	17.75
2002	13
2003	8.1
2004	7.5
2005	7.75
2006	10.06
2007	14
2008	14
2009	14
2010	9.5
2011	7.1
2012	7.5
2013	6.5
2014	6.0
2015	6.0
2016	6.0



The staff of the Micro Finance Division contributing to achieving the above tasks is as follows:

Table 14.17

	Post	Present strength
1	Director	01
2	Deputy Director	-
3	Asst. Director	-
4	Samurdhi Manager	29
5	Coordinating Officer	01
6	Transport Officer	01
7	Samurdhi Dev Officer	17
8	Clerks	01
11	Karyala Kara Sahayaka	02
12	Driver	0

15.Accounting Report

DGSA 1

Appropriation Account - 2017

Expenditure Head No: 331

Name of Department : Department of Divineguma(Samurdhi) Development

Programme Number given in Annual Estimates	Title of the Programme given in Budget Estimates	(1)	(2)	(3)	(4)	(5)	(6)	(Reference to relevant DGSA 2)
		Provision in Budget estimates	Supplimentary Provision and Supplimentary Estimate Allocation	Transfers in terms of F.R.66 and F.R.69	Total Net Provision (1+2+3)	Total Expenditure	Net Effect Savings/(Excesses) (4-5)	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	<u>Recurrent</u> Operational Activities	386,933,000	2,049,300	11,320,000 (50,520,000)	349,782,300	348,574,806	1,207,494	2
2	Development Activities	12,433,072,000	43,955,000,000	276,839,047 (237,639,047)	56,427,272,000	52,337,300,526	4,089,971,474	3
	Sub Total (Recurrent)	12,820,005,000	43,957,049,300	-	56,777,054,300	52,685,875,332	4,091,178,968	
1	<u>Capital</u> Operational Activities	11,700,000	-	-	11,700,000	11,156,607	543,393	2
2	Development Activities	1,225,000,000	-	-	1,225,000,000	1,168,187,861	56,812,139	3
	Sub Total (Capital)	1,236,700,000	-	-	1,236,700,000	1,179,344,468	57,355,532	
	Grand Total	14,056,705,000	43,957,049,300	-	58,013,754,300	53,865,219,800	4,148,534,500	

Detailed Accounting Statements in DGSA format Numbers 2 to 10 presented in pages from 2 to 35 and other Notes presented in pages from 36 to 39 are integral parts of this Appropriation Account. We hereby certify that the figures in this account, other detailed Statements and Notes are correct and relevant accounts were reconciled with

Accounts were reconciled with Treasury Books of Accounts and found correct.

Chief Accounting Officer

Name : Shirani Weerakoon

Designation : Secretary

Date :/03/2018

Accounting Officer

Name :

Designation :

Date :

Dr.Sunil Jayantha Nawarathna

Director General

...../03/2018

Chief

Accountant:

Name : R.Manamperi

Date :/03/2018

