Performance Report - 2013

Department of Development Finance

Content

Vision

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

Mission

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

Functions of the Department

- Formulate appropriate polices, programmes and strategies for the development of the financial sector and government sponsored financial assistance schemes.

- Identify key issues and provide solutions to the development of small and medium enterprise and micro finance sectors.

- Facilitate enacting legislations for banking, insurance, small and medium enterprise and the micro enterprises.

- Formulation, implementation and follow up action on budget proposals and conducting empirical research to facilitate policies.

- Facilitate policy formulation to solve current issues which arises from time to time in the domestic economy.

2. Performance During 2013

2.1 Overview

SME sector is recognized as an important strategic sector in the country for generating high economic growth, reducing unemployment, inequity and poverty. It contributes 30 percent to the Gross Domestic Product, 35 percent of employment, and 30 percent of manufacturing activities and 20 percent of exports. The Government has provided many incentives including tax concessions, enhanced access to finance and infrastructure to improve productivity, competiveness, innovation, and encouragement of value added production of SMEs considering their potential for development.

Microfinance provides easy access to finance in rural areas. Government institutions taking the lead assist microfinance programmes through Samurdhi Banking Societies, Agricultural Banks, Regional Development Bank (RDB) etc. Further, access to finance was strengthened by introducing new loan schemes particularly for women in 2014.

NEW INITIATIVES FOR INCLUSIVE DEVELOPMENT

The Government development strategies and initiatives are designed to ensure that the benefits of development are shared by a wider segment of the society. Hence, in addition to relying on market forces in areas where such activities work well, Government encourages, through various incentives and initiatives, the creation and promotion of market forces in areas where markets fail or show inefficiency. Many development initiatives are designed to address these concerns in order to make the development process involved in all aspects of the society.

- Guaranteed price for Potato, Big Onion and Dried Chilies – *Towards beyond self-sufficiency*
- Guaranteed price for seed Potato and Big Onion seeds – *Self-sufficiency in local seed varieties*
- Crop insurance through fertilizer subsidy – *Protection for cultivation*
- Incentives for increasing land use productivity of small holder plantations – *Improvement of land productivity*
- Farmer's pension scheme – *Providing social security*
- Revolving Funds under five District Secretary/Government Agent in grain producing districts – *For field level intervention to promote agricultural marketing*
- Enhancing storage capacities for paddy, Big Onion, Soya and other grains – *Strengthening food security*
- EIB loan scheme to SMEs – *To promote export growth and energy conservation*
- "Liya Isura" loan scheme for women entrepreneurs – *To provide easy access to credit*
- Commercial scale dairy development loan scheme – *Towards Self-sufficiency in milk*
- Rice donation to the World Food Programme – *To share excess production towards global humanitarian assistance*

2.2 Financing SME Sector

2.2.1 Local Bank Financing

The deepening of financing facilities to SME sector remains a priority in the Government's development strategy. In 2013, approximately Rs. 546,383 million was provided by both state and private sector commercial and development banks to promote SMEs. It is important to note that the banks have taken steps to assist these SMEs not by merely fulfilling their borrowing needs but also by functioning as advisory centres in line with the guidance issued by the Government.

Table 1 > Funds Disbursed by Commercial and Development Banks to SMEs - 2013

Bank	Agricultural		Industries		Services		Other		Total	
	No of Loans	Total Loan Amount (Rs. Mn)	No of Loans	Total Loan Amount (Rs. Mn)	No of Loans	Total Loan Amount (Rs. Mn)	No of Loans	Total Loan Amount (Rs. Mn)	No of Loans	Total Loan Amount (Rs. Mn)
Bank of Ceylon	26	221.92	152	761.64	93	626.70	157	601.23	428	2,211.49
People's Bank	87,655	6,066.00	2,242	4,668.00	2,094	1,224.00	544,183	141,408.00	636,174	153,366.00
Regional Development Bank	21,313	3,146.00	15,282	2,642.00	22,643	4,095.00	7,651	2,283.00	66,889	12,166.00
Lankaputhra Development Bank Ltd.	16	30.53	48	185.78	14	83.26	12	23.32	90	322.89
Sanasa Development Bank	330	67.50	209	213.90	184	33.70	136	27.80	859	342.90
National Development Bank PLC	812	2,196.00	3,808	9,290.00	582	1,000.00	2,182	3,014.00	7,384	15,500.00
DFCC Bank	125	619.90	351	2,275.30	995	3,980.60	110	591.50	1,581	7,467.30
Commercial Bank of Ceylon PLC	2,847	10,208.00	20,791	124,265.00	5,985	20,238.00	8,640	26,812.00	38,263	181,523.00
Sampath Bank Ltd.	5,969	9,502.00	28,304	31,525.00	5,444	15,969.00	8,386	22,257.00	48,103	79,253.00
Seylan Bank PLC	472	1,062.99	1,227	3,009.99	1,259	2,182.54	5,494	8,568.38	8,452	14,823.90
Hatton National Bank PLC	3,769	4,207.54	2,332	8,138.23	6,672	21,802.70	1,298	2,247.63	14,071	36,396.10
Nations Trust Bank PLC	128	424.56	477	1,109.44	1,389	3,542.85	7,154	9,168.42	9,148	14,245.27
Union Bank of Colombo Ltd.	90	705.00	2,450	14,996.00	481	10,678.00	332	2,387.00	3,353	28,766.00
Total	**123,552**	**38,457.94**	**77,673**	**203,080.28**	**47,835**	**85,456.35**	**585,735**	**219,389.28**	**834,795**	**546,383.85**

Source: Department of Development Finance

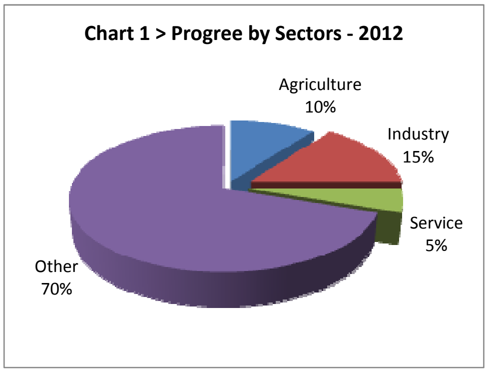
In terms of the sectoral distribution of loan disbursements by commercial and development banks in the SME sector during 2013, the agriculture sector accounts for 7 percent and industry sector 37 percent, while the service and other sector account for 16 percent and 40 percent respectively.

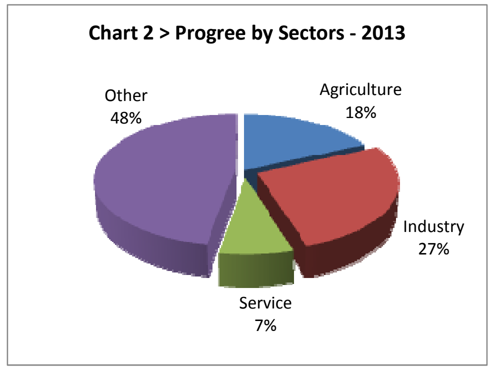
The state banks have taken a lead to setup dedicated SME bank centres which are committed to the fostering SME financial services. Small and medium entrepreneurs at regional level are mostly to be benefited from these dedicated centres since these centres assist them in building up their entrepreneurial skills beyond fulfilling their borrowing needs.

Table 2 > Progress of SME Banking Centres 2012 - 2013

Bank	No of SME Centers Established		Loan Disbursed			
			No of Loans		Amount (Rs. Mn)	
	2012	2013	2012	2013	2012	2013
Bank of Ceylon	10	4	197	233	1,048.63	873.30
People's Bank	6	11	1,524	2,431	2,616.54	4,582.51
Regional Development Bank	2	9	31	543	44.70	412.76
Total	**18**	**24**	**1,752**	**3,207**	**3,709.87**	**5,868.57**

Source: Department of Development Finance





2.2.2 Dairy Development Finance – Towards Self Sufficiency in Milk

Well Managed Dairy Farm

Supporting the efforts towards achieving the national goal of self-sufficiency in milk, the Central Bank of Sri Lanka (CBSL) introduced the Dairy Development Loan Scheme (DDLS) in 2013. The scheme is implemented with the support of 13 PFIs. The objectives of the DDLS are to increase the milk production by around 75 million liters per annum, establish at least 1,000 mega farms with minimum of 25 cows per farm encouraging medium scale entrepreneurs to engage in commercial scale dairy farming activities covering farm to dairy processing, encourage Plantation Companies to engage in dairy development activities to improve underutilized land resources, and encourage commercialization of activities of the milk supply chain, particularly dairy farming, dairy cooperatives, processors and domestic dairy product marketers. The scheme facilitates medium to large scale dairy developers to obtain credit facilities for commercialized dairy activities at a concessionary rate.

Table 3 > Dairy Development Loan Scheme Progress - 2013

Participatory Financial Institution (PFI)	No of beneficiaries	Loan Amount (Rs. Mn)
Bank of Ceylon	6	13.9
People's Bank	8	41.7
Regional Development Bank	11	15.2
Hatton National Bank	13	40.5
Commercial Bank	7	15.9
Sampath Bank	3	30.4
DFCC Bank	1	4.0
National Development Bank	1	8.8
Seylan Bank	11	31.8
Total	**61**	**202.2**

Source: Regional Development Department, Central Bank of Sri Lanka

2.2.3 Foreign Funded Projects for SME Development

Small and Medium Enterprise Development Facility Project (SMEDeF)

The SMEDeF project consists of three components namely credit, risk sharing facility and capacity enhancement for SME banking. By end of 2013, the PFIs had utilized 97 percent of the total allocated amount of line of credit, Rs. 2,952 million, to provide loans to 387 SMEs.

During 2013 the project has disbursed Rs. 612 million among 80 entrepreneurs in 18 districts. 63 percent of the loans are less than Rs. 5 million. The remainder of the loans are in the Rs. 5 to 30 million category. The project objective was to provide loans to 23 sectors but in 2013 it had issued loans only to 13 sectors. More than 50 percent of the loans were granted to the agro processing, tourism, apparel and garment, services and manufacturing sectors. Agro processing and manufacturing sectors received the highest number of loans. The project has provided loans to the entrepreneurs who are outside the main districts. Out of the total loans granted during 2013, 59 percent of loans have been provided to 13 districts other than Colombo, Gampaha, Kalutara, Galle and Kandy. However, the highest loan amount of Rs. 147 million was granted to the Colombo district during the same period.

Mushroom Farm and Poly Sack Company Funded under SMEDeF

USD 3.8 million has been allocated to train the officers of PFIs and the small and medium entrepreneurs. Accordingly 3,029 entrepreneurs were trained during 2013 increasing the total number of trained entrepreneurs to 7,536.

SME Sector Development Programme

To empower the SME Sector in Sri Lanka, the Implementing Agreement was signed in June 2012 between the Federal Republic of Germany and the Government of Sri Lanka providing EURO 2.785 million through German International Cooperation (GIZ) for the implementation of the SME Sector Development Programme. The objective of this programme is to improve the financial and non-financial pre-conditions required for the development of SME sector. The programme consists of three components namely,

1. Formulating SME policy
2. Improving access to technology
3. Improving access to finance

Main activities undertaken during 2013

- Drafted the “National Policy Framework” for SME Development in consultation with the relevant line agencies and stakeholders.
- Conducted thematic workshops related to SME sector
- Taken necessary steps to establish the Technology Transfer and Development Fund (TTDF) in order to encourage and accelerate the technological improvement and business development of industrial and service sectors
- Commenced University Business Linkage Project to addresses the gap between the demand of international spice markets and the export supplies of Sri Lanka
- Conducted capacity building programme for SMEs in the food processing industry
- Conducted public-private-dialogue at sectoral, regional and national level
- Assisted to establish a Dairy Development Center in Chavakachcheri for the purpose of increasing the milk yield and income from dairy farming by at least 50 percent
- Conducted a workshop series for Banks regarding access to finance for SMEs
- Conducted seminar on new accounting standards for SMEs in collaboration with the Institute of Chartered Accountants of Sri Lanka

A New Facility to Promote Export and Green Energy

The Budget 2014 assigned high priority to developing local entrepreneurs to expand export sectors to large markets such as, India, Japan, China, Australia, United Arab Emirates, Saudi Arabia, Qatar, Russia, South Africa, Brazil, American and European markets. In this regard, the Government signed the Financial Contract with the European Investment Bank (EIB) in November 2013 to obtain a concessionary loan of Euro 90 million (around Rs. 17 billion) to finance the SME sector and for investment in the Green Energy Sector such as renewable energy and energy efficient initiatives in the public and private sector enterprises in Sri Lanka.

The Government on-lends proceeds of this loan to the selected PFIs namely DFCC Bank, Commercial Bank and RDB. Out of the total funds, 70 percent is allocated to extend the credit line to the SME sector and the remaining 30 percent to the green energy sector in the country, to finance eligible projects. The beneficiaries of this credit line would have to undertake investment projects with a minimum cost of Euro 100,000 and a maximum cost of Euro 25 million. Further, 50 percent of the total eligible project cost will be financed, at an interest rate not exceeding 8 percent for Rupee loans and 5 percent for foreign currency loans. One-third of the proceeds of the loan is on-lent in foreign currency and the remainder is on-lent in Rupee terms to the PFIs to grant sub loans to intimate borrowers.

2.3 Microfinancing

Microfinance has made an enormous impact on rural development in the country. In this process the Government plays a key role in building a favorable environment for all poor and underserved people. The Government has from time to time promoted microfinance through the state banks through an extensive programme to provide concessional funding to counter market manipulation in rural finance. Reaching the poor households in efficient ways, women empowerment has been the key theme during this decade where the budget proposals of 2013 and 2014 made commitments to develop women entrepreneurs island wide.


Encouraging Women in Self-employment

Various Government–led micro financing programmes targeting low income families have been implemented during 2013.

Table 4 > Progress of Major Microfinance Institutions - 2013

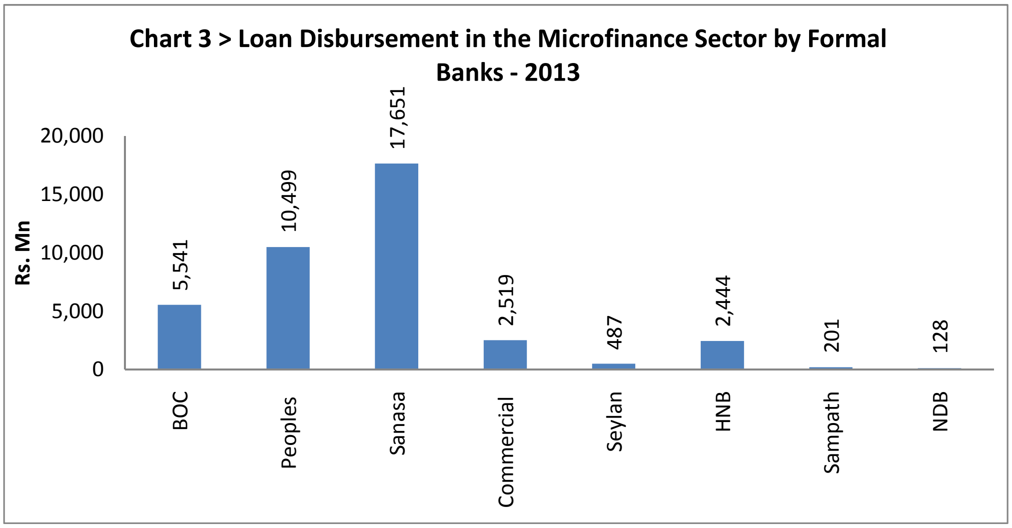
Microfinance Institute	No of Branches	No of Depositors	No of Loans	Total Deposits (Rs. Mn)	Total Investment (Rs. Mn)	Total Loan Portfolio (Rs. Mn)
Samurdhi Authority	1,073	8,528,862	5,362,009	45,848	50,840	98,066
Department of Co-operative Development	2,080	7,927,655	1,514,412	152,610	66,772	34,969
Department of Agrarian Development	532	226,521	366,947	268	2,213	4,030
Regional Development Bank	265	4,854,047	1,278,107	62,647	14,754	54,710
Lankaputhra Development Bank	8	33,764	4,439	228	5,412	743
Sri Lanka Savings Bank	4	175	5,535	130	1,743	1,320
Total	**3,962**	**21,571,024**	**8,531,449**	**261,731**	**141,734**	**193,838**

Source: Department of Development Finance

Overall these microfinance institutions provide financial services either through loans or deposit facilities. The outstanding loan portfolio of major microfinance institutions stands at Rs. 194 billion and Samurdhi Authority holds the highest outstanding loan portfolio of

Rs. 98 billion followed by the RDB and Department of Co-operative Development with amount of Rs. 54 billion and Rs. 34 billion respectively. The Government's cash transfers to Samurdhi beneficiaries are being credited to Samurdhi Bank accounts to promote savings and increase micro credit facilities among recipients.

Table 4 indicates that the savings of the poor people have reached Rs. 262 billion by 2013. However, those major MFIs have spent Rs. 142 billion on long term and short term investment purposes.



In 2013 formal banks disbursed Rs. 39 billion of loans to the microfinance sector. Of that Rs. 17 billion was by Sanasa Development Bank. People's Bank and Bank of Ceylon also play a significant role in this process and have disbursed Rs. 10 billion and Rs. 5 billion respectively in 2013 providing small loans under New Comprehensive Rural Credit Scheme, Poverty Alleviation Microfinance Project, and "Saubagya" Loan scheme. Compared with state banks, Commercial Bank and Hatton National Bank are the private banks with significant microfinance portfolios and have offered loans to the rural areas providing access to finance through various microfinance programmes.

"Liya Isura"– A loan for women in small business

Empowerment of Rural Women

The contribution of women to the economic development of the country is significant. A substantial percentage of women are engaged in successful small enterprises producing a wide range of high quality products while generating a good source of family income and creating employment opportunities. However, some are unable to start their own businesses while those who have started on their own are unable to expand these activities due to limited access to finance.

Unavailability of required collateral, absence of a proper mechanism for appraisal and follow-up of small loans, high transaction cost of small financing are key factors affecting small enterprises development finance. A substantial gap prevails in demand for and supply of financial facilities in the microfinance market particularly for rural women. Some of the financial institutions assume that they are not adequately competent to receive financial facilities.

Accordingly, as proposed in the 2014 Budget, "Liya Isura", the collateral and interest free loan scheme for women entrepreneurs, was launched in March 2014 through the RDB which is delegated by the Government as a shareholder for women entrepreneur development.

Integrated Market Facilities

"Liya Isura" targets the woman entrepreneur who does not have collateral but has a profitable business or business proposal. Under this scheme, credit facilities are provided for women up to a maximum of Rs. 250,000 to expand their ongoing businesses or to start up new businesses through the RDB. Initially, 1,500 women entrepreneurs who are involved in their own businesses in various sectors were granted credit facilities. It is expected, during 2014, to provide Rs. 3,350 million to 13,400 women entrepreneurs island-wide in each village as women entrepreneurship development oriented loans, without interest and collateral, irrespective of their age.

In addition to the economic benefits gained from this loan scheme, it is expected to discourage unskilled labour migration, which creates enormous social issues in the country. This is an opportunity for women to protect their family while carrying out their own businesses and adding additional income to their family budget. Other banks and financial institutions are being supported to give 500 working capital loans of Rs. 25,000 for "Divi Neguma" families without requiring any collateral.

New Comprehensive Rural Credit Scheme (NCRCS)

NCRCS is a scheme diversified to reach the poorest of poor island-wide and improve income generating avenues of small farmers. Under this loan scheme short term loans are provided by the Participatory Financial Institution (PFIs) out of their own funds, for farmers to cultivate 32 crops including paddy, chilies, onion, pulses, oil seeds, root and tuber, ginger and vegetables. The PFIs grant loans at a concessionary rate of 9 percent per annum to farmers, and the Government provides the interest subsidy at 6 percent per annum to the PFIs.

Table 5 > Loan Distribution under NCRCS - 2013

Crop	Maximum Loan Limit per Acre (Rs.)	Maximum Land Units (Acres)	No of Loans Granted	Amount Released (Rs. Mn)	Extend of Land (Acres)
Paddy- Irrigated Rain fed	25,000 15,000	10	60,706	4,393.91	217,927.23
Maize	65,000	10	7,491	397.71	17,419.72
Potato	175,000	2	5,008	934.90	5,883.58
Onion	95,000	2	14,853	1,894.59	25,231.59
Chilies	65,000	2	3,137	167.70	4,627.26
Vegetables	20,000- 90,000	2	3,277	268.39	5,057.04
Other-Ginger	70,000	2	1,909	105.95	3,374.58
Total			**96,381**	**8,163.15**	**279,522.00**

Source: Central Bank of Sri Lanka

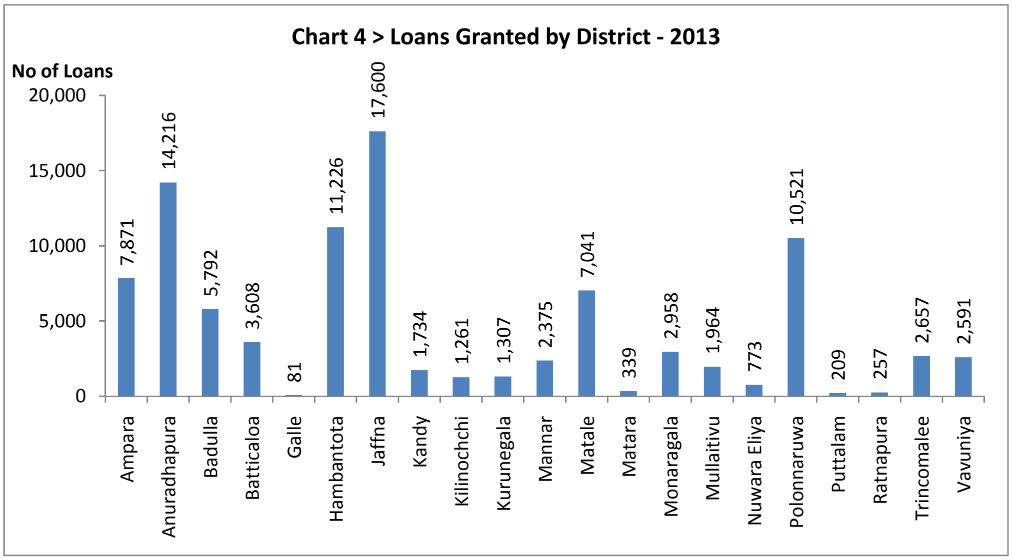

Maize and Chilies Farm Funded by NCRCS

In terms of loan distribution, the small loans below the maximum loan limit of Rs. 25,000 per acre have been provided mostly to the paddy sector, and this represents 53 percent of the total loan amount released in 2013. Onion and Potato cultivators have also benefitted under NCRCS and 23 percent and 11 percent of the total loan amount has been released for these sectors. In 2013 land to the extent of 280,000 acres has been utilized for crop cultivation of which 78 percent was for paddy which had more concessions by the Government to reach self-sufficiency level.

Table 6 > Credit Facilities provided under NCRCS 2010-2013

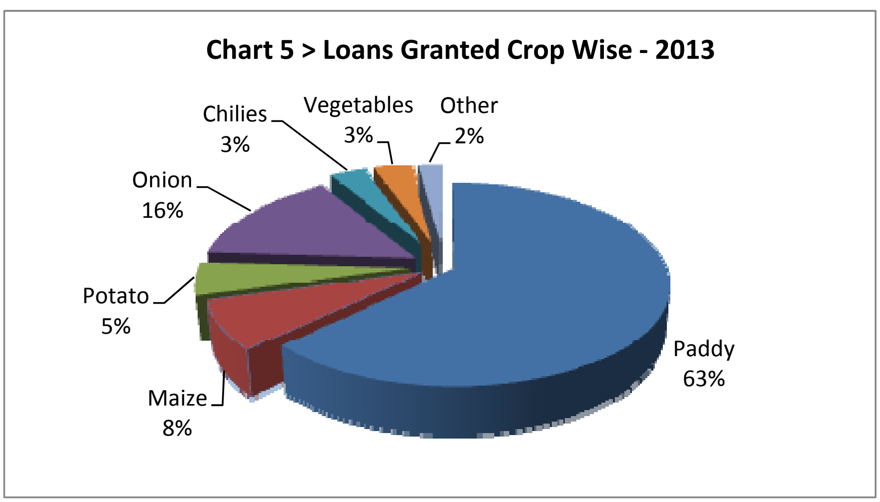
Cultivation Loans	2010	2011	2012	2013
No of loans granted	71,973	98,568	112,413	96,381
Amount released (Rs. Mn)	3,564.5	6,456.2	9,359.8	8,188.8
Extend of land (Acres)	202,754	309,561	355,993	279,21
Interest subsidy (Rs. Mn)	131.8	220.5	341.8	249.5

Source: Central bank of Sri Lanka



NCRCS has provided an average of Rs. 6,892 million worth cultivation loans per year to 94,834 beneficiaries. The Government continues with the provision of interest subsidy to PFIs and has provided an average of Rs. 235.9 million per annum for loans granted by PFIs.

In 2013 the highest loan disbursement of Rs. 2,607.68 million was recorded in Jaffna District and 17,600 farmers benefitted. Broader access to credit facilities and a peaceful environment encouraged more farming in these areas. Provision of cultivation loans and the number of farmers who benefitted under this credit scheme are considerably high in Ampara, Anuradapura, Hambantota, Matale and Polonnaruwa Districts in comparison with other Districts.



In terms of crop distribution, the paddy sector further dominates in the total number of loans granted accounting for 63 percent in 2013 followed by onion and maize which have been promoted as import substitution crops to promote food security and livelihood income opportunities.

Credit Facilities to the Socially Re-integrated Trainees

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

In order to ensure the successful implementation of the Scheme, a Tri-Party agreement was signed among the Ministry of Finance and Planning, Rehabilitation of persons, properties, and Industries Authority (REPPIA) and the State Banks; Bank of Ceylon, Peoples Bank and Sri Lanka Savings Bank. At the first stage Rs. 300 million was allocated to provide loan facilities among the Targeted Beneficiaries. The interest rate for the loans disbursed under this scheme is 12 percent per annum of which 4 percent from the end borrower and remaining 8 percent paid by the Government as an Interest Subsidy to the selected PFIs.

Table 7 > Progress of Loan Disbursements - 2013

District	No of Loans Disbursed	Amount Disbursed (Rs)
Jaffna	288	48,336,000
Killinochchi	342	51,984,000
Mullathivu	428	77,760,000
Vavuniya	307	47,025,000
Mannar	268	48,250,000
Batticaloa	56	8,235,000
Trincomalee	70	14,050,000
Ampara	9	1,450,000
Other Districts	5	1,150,000
Total	**1,773**	**298,240,000**

Source: Rehabilitation of Persons, Properties, and Industries Authority

In terms of disbursement, 1,773 number of beneficiaries have received loans in the North and Eastern Provinces by 2013. Out of these, 555 trainees are engaged in Small Business Activities. The highest loan disbursement is recorded in Mullaithivu District and 428 trainees benefitted. The government has paid Rs. 23 million to the PFIs as interest subsidy by the end 2013. Cabinet of Ministers at its meeting held on 23.01.2014 has granted approval to implement the 2nd stage of this loan scheme in respect to 4,724 beneficiaries who have been re-integrated in to the society.

2.4 Storage Capacity and Marketing Network

The expansion of storage capacity is necessary in order to manage a high level of production in food and grains. Accordingly, measures have been taken to rehabilitate existing storage facilities and to construct new stores under the Paddy Marketing Board (PMB), Government Agent/District Secretaries (GA/DSs) and co-operative societies. PMB spent Rs. 414 million during last three years on rehabilitation and construction of new stores. There is a storage capacity of 228,610 Mt for paddy. The storage facilities under the Department of Food Commissioner was modernized at a cost of Rs. 75 million.

Table 8 > Storage Capacity of Paddy Marketing Board

Year	No of Stores	Storage Capacity (Mt)
2008	51	51,000
2009	141	156,545
2010	184	217,960
2011	194	212,441
2012	210	221,415
2013	219	228,610

Source: Paddy Marketing Board

The newly built warehouses in Oyamaduwa in the Anuradhapura District and Maradagahamula in the Gampaha District further expanded the storage capacity by 74,000 Mt. The warehouse at Maradagamula functions as a trade centre integrating and linking farmers, millers, traders and other service providers while becoming a feeder market for rice supply to the metropolitan market.

Newly Constructed Warehouse Complex

Table 9 > Paddy Storage Capacity – as at 31.12.2013

Institution	Capacity (Mt)
Department of Cooperative Development	13,820
Department of Food Commissioner	55,170
Paddy Marketing Board	228,610
Mahaweli Authority of Sri Lanka	12,500
District Secretary/Government Agent : Anuradhapura (Oyamaduwa)	16,000

Gampaha (Marandagahamula) Ampara (Proposed)	50,000 10,000
Total	**386,100**

Source: Department of Development Finance

Priority has been given to expand the storage capacity for other field crops as well. During the harvesting period, the entire production comes to the market and the producer prices drop drastically. As a result the farmers receive lower prices and this affects the sustainability of such cultivation. In order to address this issue the Government has provided assistance to expand storage facilities at community level. The farmers have the opportunity of storing their production to level out market supply. Household level warehouses for big onion with 4,145 Mt capacity have been built in Matale, Anuradhapua, Polonnaruwa and Kurunegala Districts with the assistance of Warehouse Receipts Financing Project, while a warehouse for soya bean and maize with the capacity of 10,000 Mt is under construction in Huruluwewa, Anuradhapura District.

Table 10 > Storage Capacity for Other Field Crops

Crop	District	Capacity (Mt)	Expenditure (Rs. Mn)
Big Onion (At household level)	Matale	1,905	25.15
	Anuradhapura	1,240	15.50
	Polonnaruwa	500	6.42
	Kurunegala	500	6.25
	Total	**4,145**	**53.32**
Maize	Oyamaduwa * (Anuradhapura)	8,000	231.00
Soya bean, Maize and other crops	Huruluwewa (Anuradhapura)	10,000	138.00
Grand Total		**22,145**	**422.32**

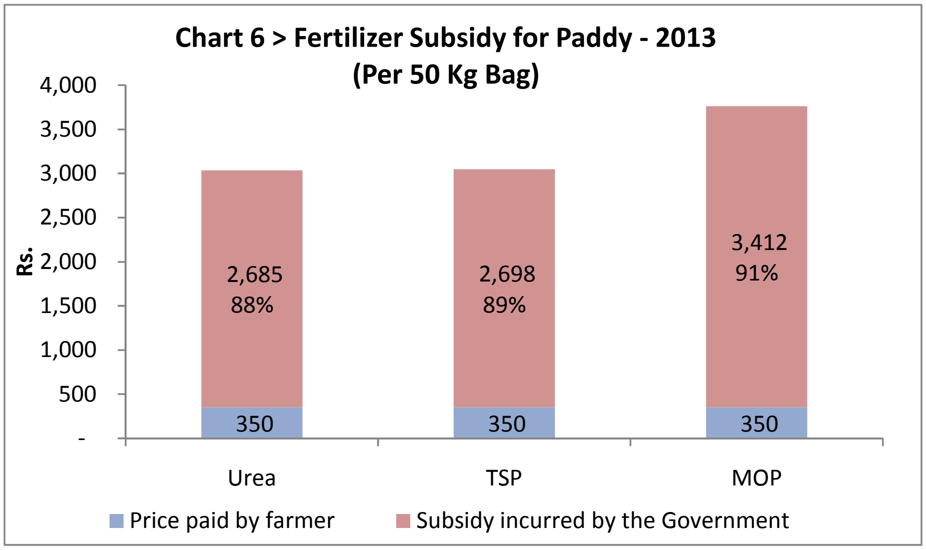
Source: Department of Development Finance
** The expenditure is for the construction of entire storage capacity of 24,000 Mt*

2.5 Fertilizer Subsidy for High Agricultural Production

The fertilizer subsidy scheme was introduced in 2005 with a view to reducing the cost of production in agricultural products and providing improved access to agricultural inputs. It was implemented during the last 8 years assisting the farmers to use fertilizer at lower prices. At present, the fertilizer subsidy scheme is implemented for paddy as well as other crops through fulfilling the fertilizer requirement of the country. While maintaining an annual budget of Rs. 40 billion for fertilizer, the Government has emphasized proper fertilizer application to obtain the optimum level of yield with desired level of soil conservation.

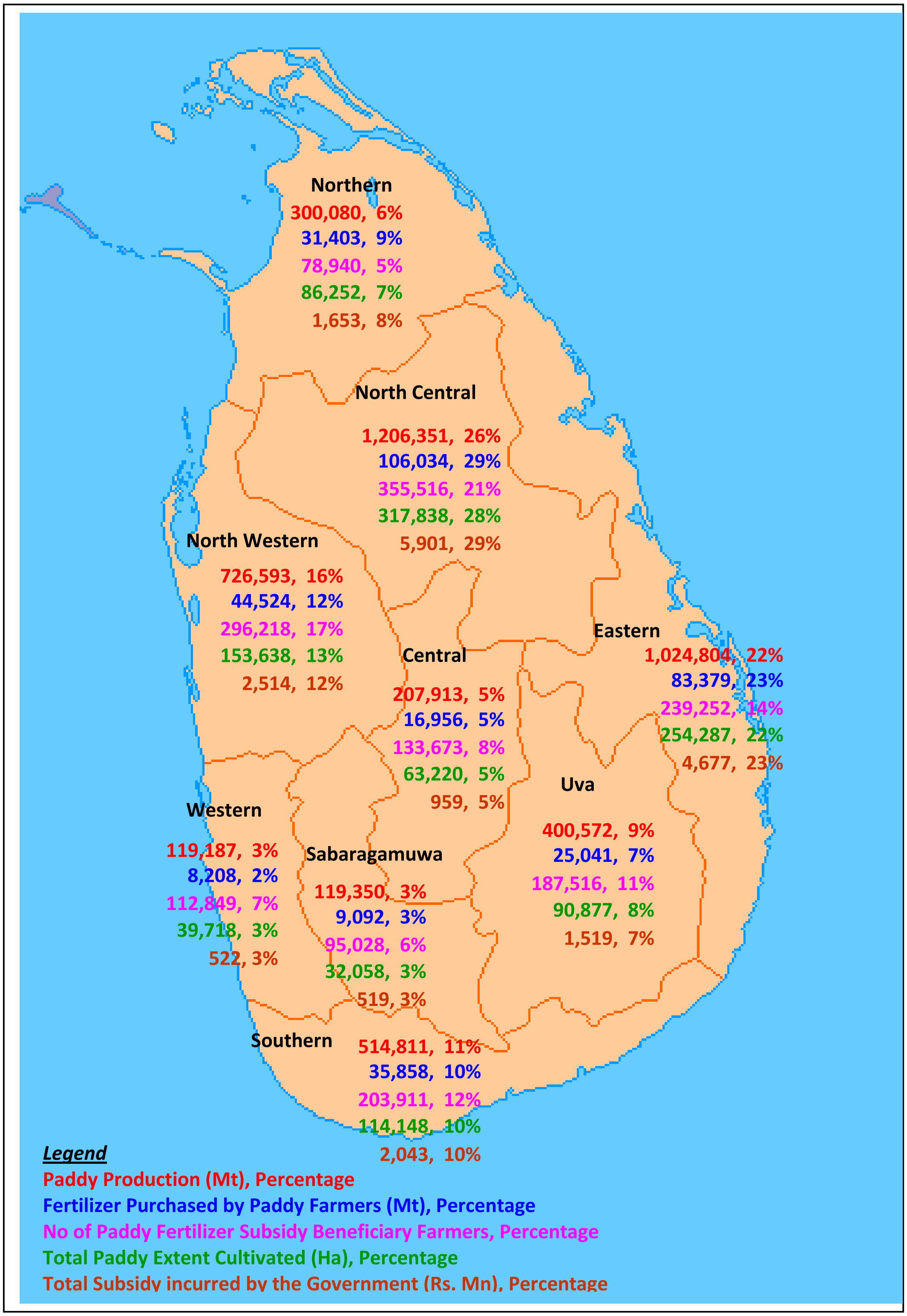
2.5.1 Fertilizer Subsidy for Paddy

Through the distribution network of the two state fertilizer companies, (i.e. Ceylon Fertilizer Company Ltd. and the Colombo Commercial Fertilizer Company Ltd.) fertilizer is issued to farmers by the Agrarian Service Centres. Urea, TSP and MOP are the major types of fertilizer issued for paddy cultivation at a subsidized price of Rs. 350 per 50 kilogram bag.



A total volume of 360,494 Mt of fertilizer has been distributed for paddy cultivation to a total number of 1,702,903 farmers covering a total area of 1,152,036 Ha in both 2012/13 Maha and 2013 Yala seasons. Accordingly, the total subsidy incurred by the Government for paddy fertilizer was Rs. 20,306 million in 2013. Due to improved access to agricultural inputs and favorable weather conditions, paddy cultivation recorded its highest ever production of 4,619,662 Mt in 2013.

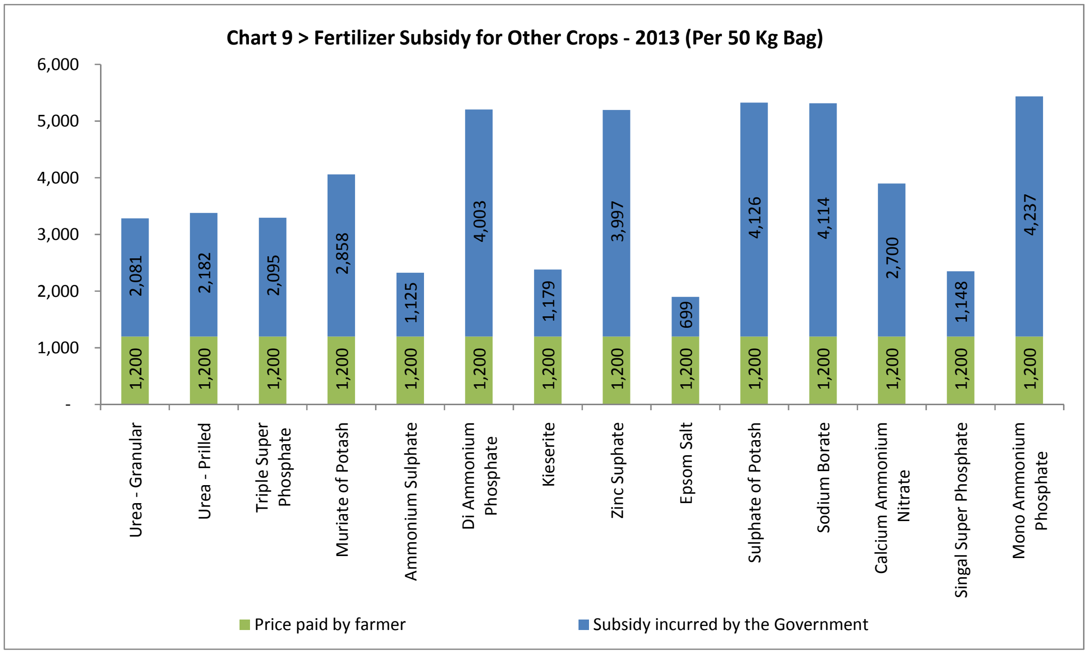
Map 1 > Province wise Paddy Production and Fertilizer Distribution for Paddy – 2013



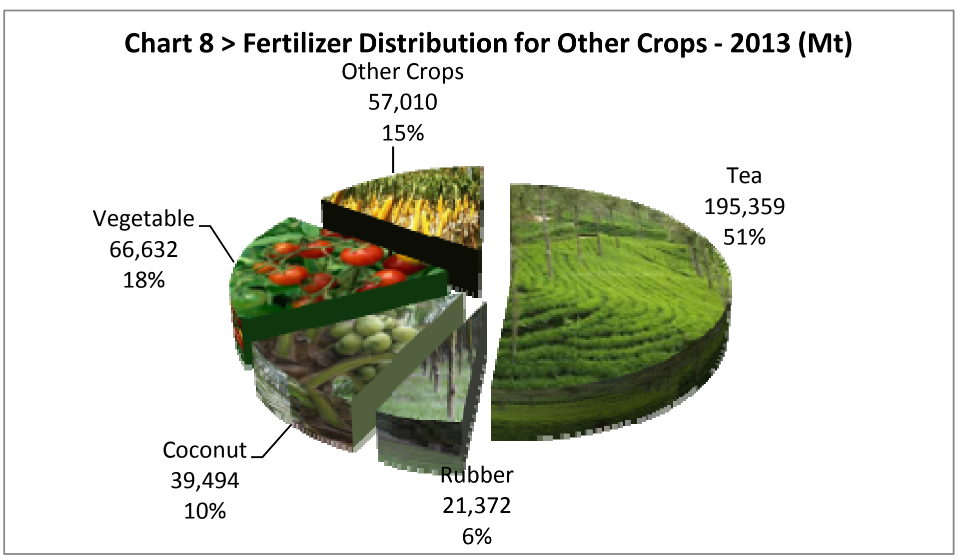
2.5.2 Fertilizer Subsidy for Other Crops

Considering the activities predominantly undertaken by small holder farmers, the Government has expanded the fertilizer subsidy to other crops from May 2011 at the following concessional prices.

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



In 2013, a total volume of 379,866 Mt of fertilizer was distributed island-wide for plantation crops, other field crops, vegetables, fruits etc.



Currently, the fertilizer subsidy scheme for other crops caters to around 395,000 tea small holders who account for a total tea extent of 121,267 Ha. The contribution made by the small holder sector to national tea production in 2013 is around 70 percent. Similarly, rubber and coconut plantation crops also benefitted from the common fertilizer subsidy scheme.

Table 11 > Fertilizer Usage and Production of Plantation Crops 2008 - 2013

Year	Tea				Rubber				Coconut				Annual Average Rain fall (mm)
	Extent (Ha)	Fertilizer Usage (Mt)	Production (Mt)	Productivity (Mt/Ha)	Extent (Ha)	Fertilizer Usage (Mt)	Production (Mt)	Productivity (Mt/Ha)	Extent (Ha)	Fertilizer Usage (Mt)	Production (000' nuts)	Productivity (Nuts/Ha)	
2008	211,876	113,418	318,700	1.50	122,200	7,552	129,243	1.06	394,836	16,872	2,909,000	7,368	2,020
2009	208,633	171,659	291,100	1.40	124,300	7,150	136,880	1.10	394,836	17,625	2,762,000	6,995	1,711
2010	204,619	193,474	331,400	1.62	125,645	10,825	152,987	1.22	394,836	26,502	2,317,000	5,868	1,992
2011	206,104	169,534	327,500	1.59	128,120	14,291	158,198	1.23	394,836	54,194	2,808,000	7,112	2,027
2012	203,020	208,560	328,400	1.62	130,780	26,401	152,050	1.16	394,836	48,470	2,940,000	7,446	1,776
2013*	203,020	195,359	340,200	1.68	132,229	21,372	130,421	0.99	394,836	39,494	2,513,000	6,365	1,687

Source: Ministry of Plantation Industries, Ministry of Coconut Development and Janatha Estate Development, Department of Meteorology and Department of Development Finance
** Provisional*

2.6 Food Security

The highest ever paddy production of 4.6 million Mt was recorded in 2013. Against this background maintaining stable prices for farmers was a challenge. The PMB purchased 233,026 Mt of paddy spending Rs. 7,588 million while GA/DSs purchased 25,216 Mt of paddy incurring Rs. 864 million through co-operative societies, to build a stock for lean periods and ensure reasonable prices at farm gate level.

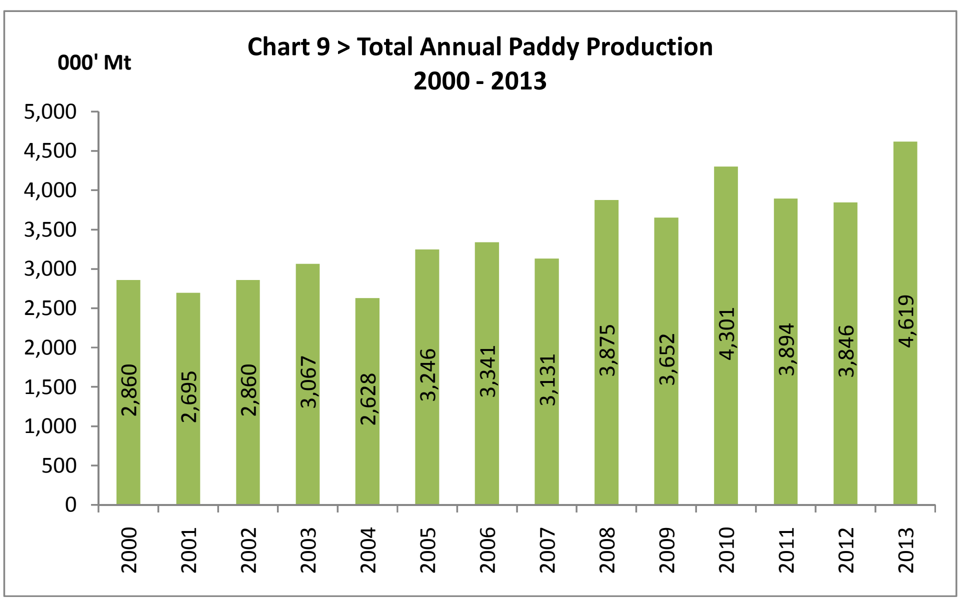


Chart 9 > Total Annual Paddy Production 2000 - 2013

Minimizing Post Harvest Losses

The Government also increased the guaranteed price of paddy from the 2012/13 Maha season in line with the budget proposal of 2013 to encourage paddy production. Accordingly, the guaranteed price for 1 kilogram of nadu paddy is Rs. 32 and for samba paddy is Rs. 35. Further, the budget proposals of 2013 encouraged organic paddy farming by establishing a guaranteed price of Rs. 40 per kilogram of paddy produced using organic fertilizer to gradually provide a proper use of chemical fertilizer in production.

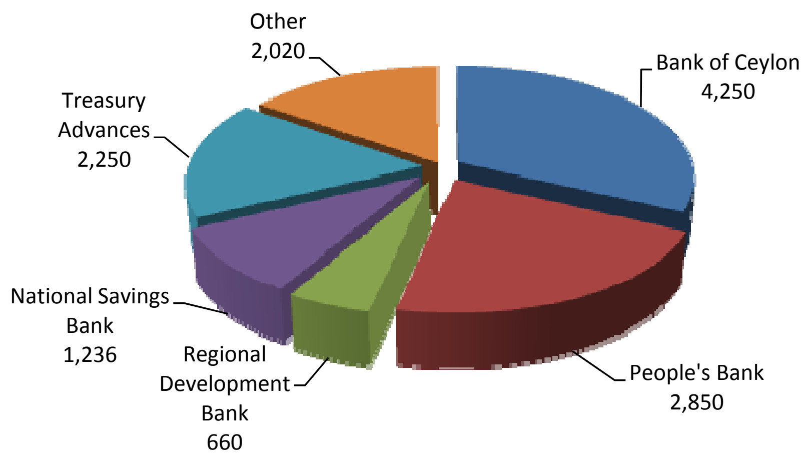
Table 12 > Quantity of Paddy Purchased by Paddy Marketing Board

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

Source: Paddy Marketing Board

Rs. 13,266 million had been provided to the PMB to purchase paddy through the paddy purchasing programme by end of December 2013. The Treasury issued guarantees to the value of Rs. 7,326 million till 30th June 2013 for the loans granted by state banks to PMB.

Chart 12 > Financing the Paddy Purchasing Programme of Paddy Marketing Board as at 31.12.2013 (Rs. Mn)



The private sector plays a vital role in paddy purchasing. About 65 percent of the total paddy production is purchased by the private sector utilizing their own funds and pledge loans from state and private banks. In 2013 both state banks and private banks granted Rs. 22,868 million for paddy purchasing, more than double the amount of Rs. 10,024 million granted in 2012. The state banks have provided the larger share, 77 percent, of the total pledge loans to 577 borrowers, the highest amount of the total loan, 68 percent, being granted by the Bank of Ceylon. The loans granted by the private banks provided by funding loans to medium and large scale millers.

Table 13 > Loans Granted to Private Sector for Paddy Purchasing - 2013

Bank	2012/13 Maha		2013 Yala		Total	
	No of Loans	Total Loan Amount (Rs. Mn)	No of Loans	Total Loan Amount (Rs. Mn)	No of Loans	Total Loan Amount (Rs. Mn)
People's Bank	106	814	120	1,068	226	1,882
Bank of Ceylon	206	9,171	93	6,360	299	15,531
Regional Development Bank	22	73	30	85	52	157
Total of State Banks	**334**	**10,058**	**243**	**7,513**	**577**	**17,570**
Commercial Bank	3	23	48	189	51	212
Hatton National Bank	190	975	173	1,231	363	2,206
Seylan Bank	93	279	63	250	156	529
Sampath Bank	109	1,310	127	882	236	2,192
DFCC Bank	14	43	13	88	27	131
National Development Bank	3	9	10	19	13	28
Total of Private Banks	**412**	**2,638**	**434**	**2,659**	**846**	**5,298**
Grand Total	**746**	**12,697**	**677**	**10,172**	**1,423**	**22,868**

Source: Department of Development Finance

The excess production of paddy opened the avenue to export rice. The 2014 Budget proposed to donate 50,000 Mt of rice to the United Nations World Food Programme (WFP) in appreciation of their assistance during the past, and to provide food for the needy countries, symbolizing that Sri Lanka has been transformed from a rice recipient country under the WFP to a donor country. Of the total, 10,000 Mt would be donated to

Rice Donation for WFP

the local programme to be distributed in the Northern Province and the remaining 40,000 Mt would be provided to member countries of WFP. The initial donation to WFP was made in March 2014. Further, the gazette notification which restricted the use of rice for animal feed was repealed in July 2013 allowing excess rice to be used in animal feed production.

2.7 Towards a Net Food Exporting Economy

Sri Lanka has achieved self-sufficiency in rice, maize and black gram and 50 percent self-sufficiency in selected food crops strengthening food security. It is expected to reach self-sufficiency in other field crops such as red onion, green gram, cowpea, ginger, kurakkan, by 2015 replacing imports. It is further anticipated to reach 50 percent and 100 percent of self-sufficiency in big onion, potato, and dried chilies by 2016 and 2020 respectively.

At present, the local production of major field crops meets only 30 – 40 percent of the total requirement of the country while the shortfall is met by imports. In 2013, Rs. 29,219 million (USD 227 million) was spent in importing these crops. By increasing local production the country would be able to maintain food security, reduce foreign exchange outflow, increase farmer incomes and the value chain process in manufacturing in the food processing industry.

Table 14 > Production and Imports of Selected Other Field Crops 2009 – 2020

Crop	Description	2009	2010	2011	2012	2013	2016	2020
Red onion	Production (Mt)	46,234	61,811	72,339	73,970	90,289	85,000	90,000
	Imports (Mt)	16,207	11,908	6,807	7,017	15,386	-	-
	Value of Imports (Rs. Mn)	1,083	641	464	378	1,383	-	-
	Value of Imports (USD Mn)	9	6	4	3	11	-	-
	Production as a percentage of Requirement (%)	74	84	91	91	85	100	100
Green gram	Production (Mt)	9,258	11,703	16,975	18,945	19,771	46,000	66,900
	Imports (Mt)	14,720	11,754	10,448	7,912	7,182	-	-
	Value of Imports (Rs. Mn)	1,276	1,794	1,523	929	991	-	-
	Value of Imports (USD Mn)	11	16	14	7	8	-	-
	Production as a percentage of Requirement (%)	39	50	62	71	73	100	100
Soya bean	Production (Mt)	3,788	7,521	3,847	2,169	13,445	80,000	215,000
	Imports (Mt)	49,615	52,669	70,472	71,175	93,564	120,000	-
	Value of Imports (Rs. Mn)	2,635	2,667	3,653	4,573	6,933	-	-

	Value of Imports (USD Mn)	23	24	33	36	54	-	-
	Production as a percentage of Requirement (%)	6	10	4	2	10	40	100
Black gram	Production (Mt)	7,071	9,991	5,782	10,180	16,921	20,000	26,760
	Imports (Mt)	3,433	1,594	7,083	3,232	4,158	-	-
	Value of Imports (Rs. Mn)	320	206	793	380	457	-	-
	Value of Imports (USD Mn)	3	2	7	3	4	-	-
	Production as a percentage of Requirement (%)	67	86	45	76	80	100	100
Potato	Production (Mt)	61,705	62,933	59,360	72,186	72,040	105,500	190,000
	Imports (Mt)	104,060	133,821	131,626	111,217	123,898	75,000	-
	Value of Imports (Rs. Mn)	2,728	4,249	3,943	2,893	3,679	-	-
	Value of Imports (USD Mn)	24	38	36	23	29	-	-
	Production as a percentage of Requirement (%)	37	32	31	39	37	58	100
Big onion	Production (Mt)	81,707	58,930	45,682	83,561	64,701	140,000	220,000
	Imports (Mt)	148,927	162,504	171,394	146,445	170,898	75,000	-
	Value of Imports (Rs. Mn)	4,838	6,812	6,556	3,762	9,267	-	-
	Value of Imports (USD Mn)	42	60	59	29	72	-	-
	Production as a percentage of Requirement (%)	35	27	21	36	27	65	100
Dried chilies	Production (Mt)	11,176	12,105	13,821	14,764	18,892	53,500	60,850
	Imports (Mt)	36,848	38,626	42,614	40,475	44,269	20,000	-
	Value of Imports (Rs. Mn)	4,977	5,117	9,076	5,844	6,394	-	-
	Value of Imports (USD Mn)	43	45	82	46	50	-	-
	Production as a percentage of Requirement (%)	23	24	24	27	30	48	100
Cowpea	Production (Mt)	13,485	11,609	10,453	14,812	14,436	23,000	35,000
	Imports (Mt)	429	45	905	497	1,109	-	-
	Value of Imports (Rs. Mn)	31	2	77	54	115	-	-
	Value of Imports (USD Mn)	0.27	0.02	0.70	0.42	0.89	-	-
	Production as a percentage of Requirement (%)	97	100	92	97	93	100	100
Total Value of Imports	**(Rs. Mn)**	**17,888**	**21,488**	**26,085**	**18,813**	**29,219**	**-**	**-**
	(USD Mn)	**156**	**190**	**236**	**147**	**227**	**-**	**-**

Source: Ministry of Agriculture, Department of Census and Statistics, Sri Lanka Customs, Department of National Planning

Locally produced soya bean is sufficient to meet the human consumption which mainly is the requirement of the Thriposha Programme designed to provide nutritional food for lactating mothers. The Thriposha Company purchased a kilogram of soya bean at Rs. 100 from suppliers allowing them to pay Rs. 80 per kilogram to soya bean farmers during 2013. This mechanism facilitates the famers to engage in soya bean cultivation. The requirement of soya bean in animal feed production is annually imported in the form of soya bean meal. The total quantity of 93,564 Mt of soya bean meal has been imported spending Rs. 6,933 million (USD 54 million) of foreign exchange during 2013. Steps are being taken to promote soya bean locally targeting zero level imports by 2020.

The annual requirement of maize is 228,000 Mt of which 200,000 Mt is used for animal feed while the remaining 28,000 Mt is used for human consumption. The total maize production in 2013 recorded 269,250 Mt which exceeds the country's requirement.

During harvesting time farmers are unable to secure a break even point. In order to protect the farmer against falling prices the Special Commodity Levy was imposed at the point of importation to maintain farm gate prices.

Table 15 > Farm Gate Prices for Selected Crops 2000 – 2013

(Rs.)

Crop	2000	2005	2007	2009	2010	2011	2012	2013
Red Onion	36.03	38.59	50.62	73.33	73.71	123.47	68.94	124.27
Green Gram	37.94	54.09	80.54	104.87	134.55	140.54	158.30	181.52
Black Gram	39.93	45.49	69.35	112.06	160.99	124.04	138.78	134.88
Kurakkan	25.45	30.75	38.62	56.87	61.47	61.77	78.46	116.04
Ground Nut	33.78	40.73	52.02	82.10	85.20	106.10	117.75	110.93
Cowpea (Red)	-	-	70.54	103.02	118.76	138.64	148.42	163.78
Potato	34.72	53.23	55.45	68.33	69.30	80.74	76.65	79.25
Big Onion	23.04	30.84	46.41	57.83	75.05	51.71	54.84	86.93
Dried Chilies	93.05	95.50	161.92	189.66	174.44	223.58	170.05	190.31
Soya bean	31.63	39.67	45.47	76.38	75.05	59.52	81.18	90.32
Maize	14.77	20.58	25.73	35.46	34.64	38.93	35.25	31.48

Source: Department of Census and Statistics

The provision of agricultural infrastructure facilities such as free irrigated water, cultivation loans at concessionary interest rates, fertilizer at subsidized rate and imposition of taxes during the harvesting period have been helpful to increase production and farmer income.

2.8 Strengthening Farmer Incomes

The farmer is the key player in achieving self-sufficiency in food crops. The agricultural infrastructure facilities provided by the Government have created further incentives for cultivation and marketing. The Government also introduced the crop insurance, guaranteed prices for food crops and the farmer's pension scheme.

Table 16 > Annual Total Farmer Income from Paddy and Selected Other Field Crops 2006 – 2013

(Rs. Mn)

Year	Paddy	Maize	Potato	Big Onion	Soya Bean	Black Gram	Dried Chilies
2006	53,456	958	3,073	1,622	227	455	1,835
2007	50,096	1,452	4,291	4,277	218	537	2,328
2008	62,000	3,978	4,292	3,274	165	709	2,418
2009	58,432	4,602	4,219	4,725	289	792	2,120
2010	64,704	5,601	4,361	4,423	564	1,608	2,115
2011	62,308	5,364	4,793	2,362	229	717	3,090
2012	61,535	6,268	4,691	4,636	419	737	2,402
2013	71,558	9,050	5,229	8,748	1,460	1,481	3,319

Source: Department of Development Finance

The crop insurance cover for farmers was initiated by the Budget 2013 as a remedial measure to mitigate damage caused to cultivations due to drought, floods and wild animals. Accordingly, every farmer receiving the paddy fertilizer subsidy has been enrolled as a member of the insurance scheme which was implemented by the National Insurance Trust Fund (NITF). A compulsory insurance contribution of Rs. 150 is collected from paddy farmers at the time of purchase of a 50 kilogram bag of fertilizer by the Agrarian Development Centers which sell subsidized fertilizer, during each cultivation season starting from Yala 2013. The insurance benefits are paid subject to a maximum limit of Rs. 25,000 per hectare in the event of a total damage. In 2013, approximately 2,000 farmers were insured under this scheme and a total premium of Rs. 366 million collected. The total amount paid to farmers for crop damage during 2013 was around Rs. 22 million. Considering the regular flow of funds in support of payment of compensation for crop failures, Budget 2014 has proposed extending this insurance cover for all smallholder farmers engaged in all crops.

The major initiative taken in self-sufficiency in rice was the establishment of guaranteed price for paddy. The Cabinet of Ministers also approved in February 2014 to establish guaranteed prices for big onion, potato and dried chilies in line with the budget proposals of 2014. The key feature of guaranteed prices is that these prices allow farmers to secure reasonable market prices thus encouraging the farmers in their cultivation. Action has been taken to sign forward sales contracts between Lak Sathosa and farmers. Further, in order to encourage farmers in seed production, guaranteed producer prices were set up for seed potato and big onion.

2.9 Strengthening Farmers' Social Security

The 2014 Budget proposed to expand the existing farmers' pension scheme by providing higher benefits for securing the farmer's life in his old age. Accordingly, a minimum of Rs. 1,250 will be provided as a monthly pension to farmers over 63 years of age whereas Rs. 1,000 was provided per month under the previous scheme. Further, Rs. 5,000 per month will be provided as the maximum amount for a farmer who reaches 78 years of age under the new scheme.

Table 17 > Payment Schedule of New Farmers' Pension Scheme

Age group (Year)	Monthly pension per person (Rs.)
60 – 63	1,000
64 – 70	1,250
71 – 77	2,000
Above 78	5,000

Source: Agricultural and Agrarian Insurance Board

It is estimated that 128,659 beneficiaries are already qualified to enjoy the benefits from January 2014 and approximately 30,000 farmers will be qualified to enjoy the pension benefits annually. The monthly pension bill is around Rs. 180 million and the total estimated annual liability is around Rs. 2,200 million.

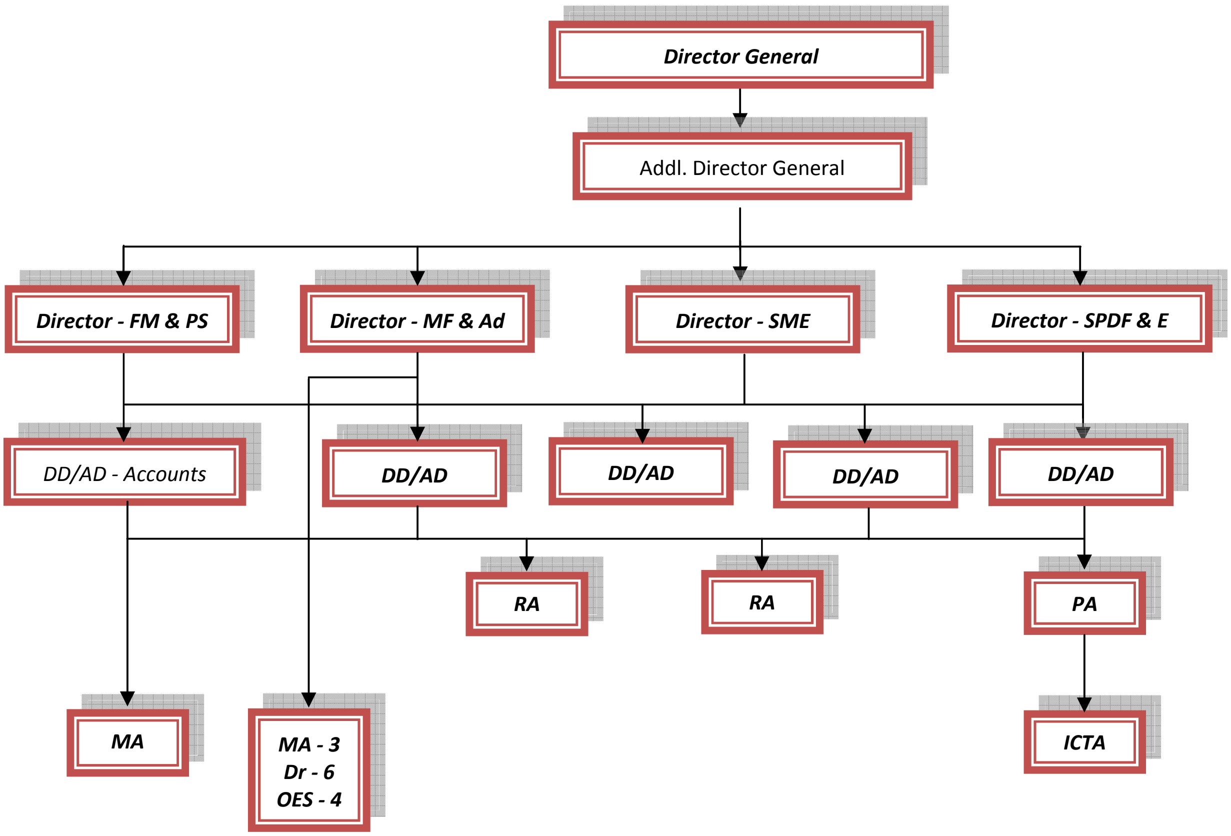
In this regard the Government provided treasury bonds to the value of Rs. 1,000 million as the seed capital and the Treasury provides the balance of the monthly bill until the funds reach sustainable level. At present, the entitled farmers receive their monthly pension within the first week of each month through the post offices which is the most convenient mode for the rural farmers in receiving their benefits.

3. Establishments and Administrations

3.1 Cadre Position

Position		Approved Cadre	Existing Cadre
01	Director General	01	01
02	Additional Director General	01	01
03	Director	04	04
03	Deputy Director/Assistant Director	04	03
04	Deputy Director/Assistant Director - Accountant	01	01
05	Planning Assistant	01	01
06	Research Assistant	02	01
07	Information Communication & Technology Assistant	01	01
08	Management Assistant	04	04
09	Driver	06	06
10	OES	04	04
Total		***29***	***27***

3.2 Organization Chart



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

Sector

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

3.3 Staff Information

Name	Designation	Contact Details		
		Telephone	Fax	Email
Mr. D.S. Jayaweera (Retired on 30.11.2013)	Director General	2484542	2394908	tspcdon@sltnet.lk
Mr. A.M.P.M.B. Atapattu (Appointed on 02.05.2013 and promoted to DG on 02.12.2013)	Director General	2484542	2394908	dgdf@dfd.treasury.gov.lk atapattu@dfd.treasury.gov.lk
Ms. C.S. Perera	Director	2484572	2484955	christinep@dfd.treasury.gov.lk
Ms. A.H.S. Fareeda	Director	2484595	2484955	fareedah@dfd.treasury.gov.lk
Mrs. M.K.D.N. Madampe	Director	2484605	2484955	nilukad@dfd.treasury.gov.lk
Mr. P.M.K. Hettiarachchi	Director	2484596	2484955	manjulap@dfd.treasury.gov.lk
Mrs. W.L.M.A. Liyanage	Accountant	2484596	2484955	liyanagem@dfd.treasury.gov.lk manorigl@yahoo.com
Ms. R.A.D.R. Ranasinghe	Assistant Director	2484594	2484955	ranithad@dfd.treasury.gov.lk radranitha@gmail.com
Ms. J.D. Kotinkaduwa	Assistant Director	2484854	2484955	dilrukshij@dfd.treasury.gov.lk jdilkotinkaduwa@yahoo.com
Ms. Dilumi W. Kumaraguru (Appointed on 15.07.2013)	Assistant Director	2484501	2484955	dilumiw@dfd.treasury.gov.lk
Mr. H.P.S. Shantha	Planning Assistant	2484884	2484955	shantha@dfd.treasury.gov.lk
Ms. A.M. Wickramasinghe	Research Assistant	2484884	2484955	amanthiw@dfd.treasury.gov.lk
Mrs. C. Assalarachchi	Management Assistant	2484855	2484955	-
Mrs. P.H.S. Samarawickrama	Management Assistant	2484862	2484955	-
Mrs. T. Hewawasam	Management Assistant	2484862	2484955	-
Mrs. H.A.D.A. Nilanthi (Appointed on 01.01.2013)	Management Assistant	2484862	2484955	-

Name	Designation	Contact Details		
		Telephone	Fax	Email
Ms. J.M.I.A. Geeshani	ICT Assistant	2484884	2484955	-
Mr. M.N.L. Premathilake	Driver	2484855	2484955	-
Mr. H.P.R. Samarasinghe	Driver	2484855	2484955	-
Mr. K.G.A. Kumarasiri (Appointed on 02.05.2013)	Driver	2484855	2484955	-
Mr. K.D. Keerthiranthna	Driver	2484855	2484955	-
Mr. S.A. Keerthisena	Driver	2484855	2484955	-
Mr. R.P.J. Hanton	Driver	2484855	2484955	-
Mrs. J.A.H.C.K. Jayasinghe	OES	2484855	2484955	-
Mr. R.M. Kulathunga	OES	2484855	2484955	-
Mr. K.P.I. Chaminda	OES	2484855	2484955	-
Mr. J.M.D.J.S. Hemantha	OES	2484855	2484955	-

3.4 Local Training Courses, Study Tours & Seminars

Name of the Officer	Name of the Course	Period of the Course	Name of the Institute
Mrs. W.L.M.A. Liyanage Accountant	Sri Lanka Public Sector Accounting Standards	10.06.2013-11.06.2013	Center for Banking Studies
Mrs. T. Hewawasam Management Assistant	Maintaining of Personal File	10.06.2013 (One day)	Skills Development Fund (SDFL)
	CIGAS Training	23.07.2013-27.07.2013	State Accounts Department
Mr. K.D. Keerthirathna Driver	Training Programme for Drivers	25.07.2013 (One day)	Construction Equipment Training Centre
Mr. R.M. Kulathunga OES	OES Skills Development	14.02.2013 (One day)	Skills Development Fund (SDFL)
Mr. K.P. Chaminda OES	OES Skills Development	21.12.2013 (One day)	Skills Development Fund (SDFL)
Mr. J.M.D.J.S. Hemantha OES	OES Skills Development	21.12.2013 (One day)	Skills Development Fund (SDFL)

3.5 Foreign Training Courses, Study Tours & Seminars

Name of the Officer	Name of the Course	Period of the Course	Name of the Country
Mr. A.M.P.M.B. Atapattu Director General	Capacity Building Workshop	12.08.2013-17.08.2013	South Korea
Ms. C.S. Perera Director	Study visit on Food and Beverage Industry	25.11.2013-30.11.2013	Thailand
Ms. A.H.S. Fareeda Director	SME Policy Development	31.03.2013-06.04.2013	South Korea
Mrs. M.K.D.N. Madampe Director	Trade Facilitation Week	25.03.2013-28.03.2013	Thailand
Mr. P.M.K. Hettiarachchi Director	Knowledge Sharing Programme	14.01.2013-20.01.2013	South Korea
	Value Chain Development	04.11.2013-08.11.2013	Myanmar
Ms. R.A.D.R. Ranasinghe Assistant Director	Master Degree on Development Economic	14.01.2013-31.07.2014	Australia
Ms. J.D. Kotinkaduwa Assistant Director	Key Indicators for Asia and Pacific	20.04.2013-07.05.2013	Philippines
Mr. H.P.S. Shantha Planning Assistant	SME Policy Development	31.03.2013-06.04.2013	South Korea
	Workshop on Transport and Climate	24.07.2013-26.07.2013	India
Ms. A.M. Wickramasinghe Research Assistant	Strengthening Financial Market to Fight Financial Crises for Asian Countries	25.03.2013-08.04.2013	China

4. Financial Information

Item	Estimated (Rs.)	Actual Cost (Rs.)
Recurrent Expenditure	**408,025,000**	**337,406,926**
Personal Emoluments	11,600,000	11,356,955
Traveling Expenses	560,700	534,758
Supplies	2,029,000	2,027,373
Maintenance Expenditure	1,604,900	1,604,751
Services	1,601,100	1,211,086
Development Subsidies (Interest Subsidies)	390,229,300	320,283,403
Other Transfers	400,000	388,600
Capital Expenditure	**2,566,200,000**	**1,210,571,864**
Acquisition of Capital Assets	400,000	86,000
Capacity Building	300,000	153,184
Crisis Response SME Development Facility Project (WB)	907,800,000	642,040,418
National Agribusiness Development Programme (IFAD)	420,000,000	127,542,357
Promotion of SME Sector (GTZ)	261,000,000	236,541,290
Global Food Crisis Response Programme (WB)	476,700,000	4,208,615
Contribution to expand Credit Guarantee Scheme through Lankaputhra Development Bank	500,000,000	200,000,000
Grand Total	**2,974,225,000**	**1,547,978,790**