



2019

Performance Report

Department of Trade and Investment Policy
Ministry of Finance, Economy and Policy Development
General Treasury
Colombo -01

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01. ORGANIZATIONAL FRAMEWORK

1.1 Introduction

The Department of Trade and Investment Policy focuses mainly on the formulation and implementation of sustainable tariff policies to facilitate external trade, investment, domestic industries and agriculture for the benefit of Sri Lankan economy and the people. In June 2006, this Department was established with the broad objective of promotion and facilitation of country's international economic integration and named as "Department of Trade, Tariff and Investment Policy" under the General Treasury, Ministry of Finance. To broaden the functions of the Department, it was renamed in 2012 as the "Department of Trade and Investment Policy"

The Department presently constitutes of two divisions to implement its core business as follows;

- i. Trade Division
- ii. Administration and Finance Division

1.2 Vision

Ensuring to establish proactive policies in trade and investment for inclusive development of the country.

1.3 Mission

Fostering a trade and investment friendly environment to facilitate international economic integration for inclusive development.

1.4 Goals

- To gain industrial friendly tariff regime
- To improve the position of Ease of Doing Business Index to below 50
- To implement competitive advantage trade agreements
- To implement tax concessions in order to achieve economic and social goals of the Government
- To promote Sri Lanka as preferred FDI destination in the region

1.5 Objectives

- To eliminate the restrictions which discourage the investment
- To strengthen the Temporary Importation for Export Processing (TIEP) Scheme and Bonded Warehouse Policy
- To organize the dialogue with relevant stakeholders for preparing a policy for SME sector
- To assist the entrepreneurs providing necessary information through customer friendly database
- To streamline the issuance of public officers' concessionary vehicle permits

- To promote free trade agreements based on reciprocal benefits within the asymmetrical nature of island trading economy
- To promote free trade agreements which provide access to the global value chain trading / industries

1.6 Key Functions

Trade Policy Functions

Trade Division is responsible for formulation, implementation and revision of Tariff Policies related to trade, industry, agriculture and free trade agreements. It is also responsible for co-ordination of Customs administrations including promulgation of regulations and processing of appeals on Customs and Tariff related issues. Implementation of duty concessionary schemes for importation of motor vehicles and disposal of vehicles imported under the various duty concession Schemes are also falls under the purview of this division. The key functions of this Division can be spelt out as follows;

Trade Policy

- i. Management of Automobile Import Policy
- ii. Organization of Trade/Business Forums
- iii. To conduct Trade Policy Stakeholders' Dialogue
- iv. Coordination with Trade related National and International Organizations
- v. Resolving Trade Policy related issues represented by the stakeholders
- vi. Development of Trade/ Tariff Policy Papers to the Cabinet of Ministers
- vii. Compilation of responses to Trade Policy related Court Cases
- viii. Preparation of Cabinet Memoranda / Observations / Comments on Tariff Policy
- ix. Preparation and implementation of Trade/ Tariff related Budget proposal
- x. Facilitation of Promulgation of Regulations under the Customs Ordinance
- xi. Facilitation of Promulgation of Regulations/Issuance of Orders under Foreign Exchange Act
- xii. Review of appeals on Customs cases including valuation
- xiii. Review of Audit reports on Customs Administration
- xiv. Policy Coordination of TIEP scheme
- xv. Policy Coordination of Bonded Warehouse Facilities

Tariff Policy

- i. Coordination of 19(A) Duty Waivers
- ii. Publication of Revenue Protection Order (RPO)
- iii. Resolving grievances related to Tariff Anomalies
- iv. Management of HS Code National Sub Divisions
- v. HS Code compliance and transposition
- vi. Analysis of Tariff Policy related Issues and Alternatives
- vii. Enforcement of Special Commodity Levy Act
- viii. Tariff Policy review and update
- ix. Parliamentary Affairs on Tariff Policy

- x. Coordination with Tariff related National and International Organizations
- xi. Resolving Tariff Policy related issues represented by the stakeholders
- xii. Development of Tariff Policy Papers to the Cabinet of Ministers
- xiii. Compilation of responses to Tariff Policy related Court Cases

Free Trade Agreements

- i. Analysis of Fiscal Policy Implications of Free Trade Agreements
- ii. Trade Policy review and update in line with the FTAs of Sri Lanka
- iii. Tariff Policy Implementation of:
 - India - Sri Lanka Free Trade Agreement (ISFTA)
 - Pakistan - Sri Lanka Free Trade Agreement (PSFTA)
 - South Asian Free Trade Agreement (SAFTA)
 - The Asia Pacific Trade Agreement (APTA)
 - Sri Lanka Singapore Free Trade Agreement (SLSFTA)
 - Bay of Bengal Initiative for Multi-Sector Technical & Economic Co-operation (BIMSTEC)
 - Proposed China Sri Lanka Free Trade Agreement(CSFTA), and
 - Economic and Technical Cooperation Agreement (ETCA)

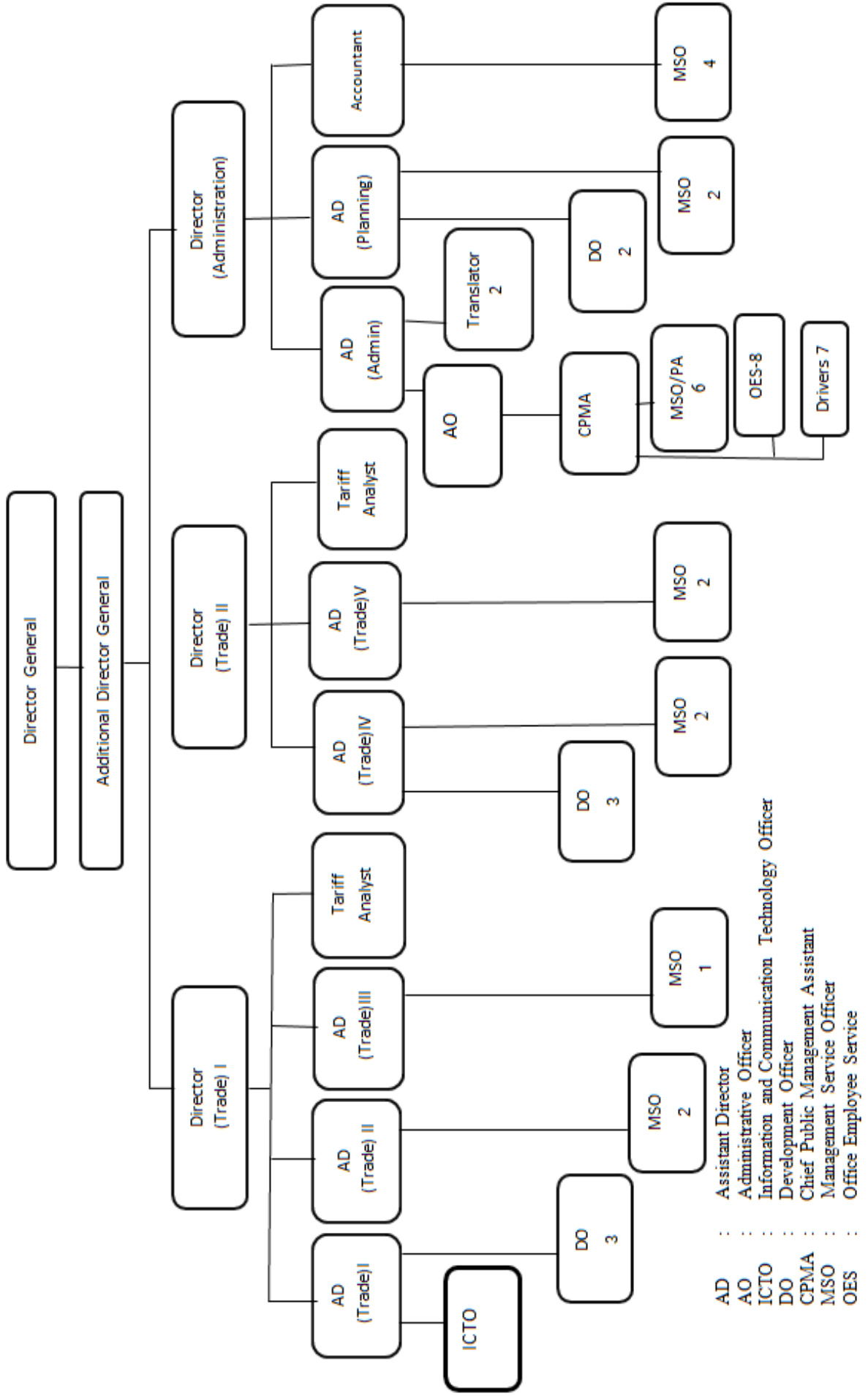
Special Scheme Projects

- i. Scheme for the Public Officers to Import Vehicles under Concessionary Terms
- ii. Permits under Public Administration Circular No.22/99
- iii. Concessionary Scheme for Importation of Motor Vehicles under the Foreign Affairs Ministry Circular No. 210 for the Diplomatic Officers
- iv. Disposal of Vehicles imported under the various Duty Concession Schemes
- v. Granting Customs duty waivers under the Customs Ordinance
- vi. Importation for Export Processing Scheme (TIEP)
- vii. Preparation of observation for the Cabinet Memoranda Submitted by other Ministries and preparation of Cabinet Memorandum by this Department
- viii. SAARC Development Fund

Administration and Finance Division

Administration and Finance Division is responsible for management of Human, Assets and Financial Resources. Human resource management is included Placement, capacity development and welfare of the officers within the Department and Physical and Finance Resources management is covered acquisition, maintenance and keeping the records of Physical and Finance resources.

1.7 Organizational Structure



02. PERFORMANCE OF THE DEPARTMENT

2.1 Key Achievements

- A policy framework for appointing of public Customs bonded Warehouse under section 69 of the Customs Ordinance has been introduced in 2016 whereas there was a policy gap in the appointment of private Customs bonded warehouse. In the year 2019, this Department was able to formulate a new policy framework for the private Customs bonds in consultation with stakeholders, fulfilling the policy gap existed relating to the private Customs bonded warehouse.
- As per Section 19(A) (i) of the Customs Ordinance, Minister of Finance has powered to waive off Customs duty on importation of any items or goods. Details of all duty waivers granted under section 19(A) (i) should be published in the Gazette and be tabled in the Parliament as soon as possible after its publication in the gazette.

Due to delay of receiving the details of waived - off duty from the Department of Customs from year 2011 to 2017, the Department of Trade and Investment Policy had not been able to publish such details in the Gazette.

However, with in the pursued effort in the last year, the Department was able to publish all due details of the duty waivers during the period of 2011 to 2018 in the Gazette and table at Parliament. In addition to that, the Department has introduced a new process to collect information on time from Department of Customs on the duty waived.

2.2 Trade Policy

Sri Lanka's Trade Policies are aimed at the improvement of domestic productive capacity and trade performance, revitalize the nation's integration in global and regional markets, raise the living standards of the people and accelerate the nation's long-term economic growth rate.

The foreign trade is an integral part of the economy which aims at integrating Sri Lanka with the global economy within the positive attributes of external trade, while facilitating the interests of the domestic industry.

Tariffs and other border levies are main tools of creating level playing field for trade in goods in the market and there are hardly any barriers or impediments such as licensing and quotas on either imports or exports. The tariff policy of the government aims at providing a transparent and predictable framework for all stakeholders in the foreign trade sector. Sri Lanka's tariff structure ranges from 0% to 30% under a three - band structure with rates being 0%, 15% and 30%. This is in fact apply as 0% mainly for essential goods and basic raw materials, 15% mainly for intermediate products and 30% mainly for other finished products.

2.3 Trade Agreements

Bilateral and multilateral / plurilateral trade agreements are beneficial in enhancing commercial relationships and facilitation of trade and investment by reducing/eliminating tariffs, import quotas, export restrictions and other trade barriers. Trade agreements often include investment guarantees and can also help to minimize trade deficits. The economic gains from international trade could be reinforced and enhanced when many countries or regions agree to a mutual reduction in trade barriers. Sri Lanka is a signatory for number of trade agreements;

➤ **Trade agreements at active level**

- India - Sri Lanka Free Trade Agreement (ISFTA)
- Pakistan - Sri Lanka Free Trade Agreement (PSFTA)
- South Asian Free Trade Agreement (SAFTA)
- Asia-Pacific Trade Agreement (APTA)
- Sri Lanka - Singapore Free Trade Agreement – (SLSFTA)

➤ **Trade Agreements at negotiation level**

- Bay of Bengal Initiatives for Multi - Sectoral Technical and Economic Cooperation Agreement (BIMSTEC)
- Economic and Technical Cooperation Agreement – (ETCA)
- China - Sri Lanka Free Trade Agreement - (CSLFTA)
- Sri Lanka - Thailand Free Trade Agreement

At the earlier stages of the trade liberalization Sri Lanka entered into a few bilateral and multilateral / plurilateral Free Trade Agreements which were mostly focused on liberalization of trade in goods. Free trade agreements such as India - Sri Lanka Free Trade Agreement (ISFTA) and Pakistan - Sri Lanka Free Trade Agreement (PSFTA) are examples for Bilateral Free Trade Agreements. South Asian Free Trade Agreement (SAFTA) and Asia-Pacific Trade Agreement (APTA) are Plurilateral Free Trade Agreements to liberalize trade in goods. At the later stages this had developed focussing several sectors such as trade in services, investment and Customs Corporation.

The macro objectives of trade agreements to Sri Lanka is achieving high per capita income, promoting Sri Lanka as a trading and investment hub in the region while protecting and developing its potential industries in a competitive trading environment. High priority was given to attract appropriate investments and to create a favourable environment for trade in services through formulating frameworks for comprehensive economic cooperation.

2.3.1 Performance under Trade Agreements

Department of Trade and Investment Policy in consultation with the Department of Commerce has carried out appropriate follow ups to implement tariff revisions under the trade agreements. Accordingly, following performance was recorded during the period under review with regards to the implementation of trade agreements including Tariff Liberalization Programme (TLP).

2.3.1.1 Trade Agreements at Active Level

2.3.1.1.1 India-Sri Lanka Free Trade Agreement (ISFTA)

The India-Sri Lanka Free Trade Agreement (ISFTA), which was signed on 28th December 1998 and entered into force with effect from 1 March 2000, aims at promoting economic linkages between India and Sri Lanka through enhancement of bilateral trade and investment where the investment has been facilitated by the bilateral investment treaty between Sri Lanka and India. The ISFTA covers only trade in goods and requires the two countries to offer market access for each other's exports on duty free basis or on concessionary basis.

Performance of the ISFTA during the year 2019 are as follows;

In 2019, the following HS Codes show the top five imported products based on Cost-Insurance-Freight (CIF) value under ISFTA.

Table 2.1 Imports under ISFTA in 2019

HS Code	HS Description	Quantity	CIF Value
72279000	Other - Bars and rods, hot-rolled, in irregularly wound coils, of other alloy steel	40,429,686	4,095,911,051
84181090	Other – Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 84.15	74,602	2,643,787,542
84151022	Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated - Of a capacity exceeding 9,000 BTU and not exceeding 12,000 BTU	44,646	2,020,535,634
70052900	Other - Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked.	2,977,873	1,410,047,249
23040000	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya bean oil.	14,388,482	1,383,190,490

Source: Department of Sri Lanka Customs, 2019

In 2019, the following HS Codes show the top five exported products based on Free on Board (FOB) value under the ISFTA.

Table 2.2 Exports under ISFTA in 2019

HS Code	HS Description	Quantity	FOB Value
23099030	Poultry feed	14,500,838	11,014,115,551
08028090	Other - Other nuts, fresh or dried, whether or not shelled or peeled	5,715,030	3,646,703,960
85443000	Ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships, Cables for Motor Vehicles, Other electric conductors, for a voltage not exceeding 1,000 V	1,913,592	3,408,003,742
47079000	Other, including unsorted waste and scrap -Recovered (waste and scrap) paper or paperboard.	77,688,806	2,652,399,247
15162000	Vegetable fats and oils and their fractions, hydrogenated, etc, not further prepared	15,812,038	2,207,458,844

Source: Department of Sri Lanka Customs, 2019

Following table shows the total export and import values recorded in 2019 and the comparison of the statistics with 2018 under the ISFTA.

Table 2.3 Total Imports and Exports value under ISFTA for Sri Lanka - 2018 / 2019

2018		2019		Difference in Imports from 2018 to 2019 (CIF) (%)	Difference in Exports from 2018 to 2019 (FOB) (%)
Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)	Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)		
41,273	81,929	38,705	86,916	(6.22%)	6.09%

Source: Department of Sri Lanka Customs (2018/2019)

The table shows that there is a decline in imports by Rs. Mn. 2,568 in 2019 compared to the previous year whereas the exports increased by Rs. Mn. 4,987. In addition, it is observed that the trade surplus in 2019 increased by Rs. Mn. 7,555 in comparison to 2018.

The ISFTA is under review in order to further facilitate trade between two countries at the meetings of Economic and Technical Cooperation Agreement (ETCA). In this context, discussions had been carried out with the participation of stakeholders by the Department of Commerce though there was a slowdown in the negotiation process in 2019.

As a matter of fact, few issues regarding HS Codes for bicycles have been worked out with the consultation of relevant stakeholder organizations and ratified in timely manner.

2.3.1.1.2 Pakistan - Sri Lanka Free Trade Agreement (PSFTA)

The Pakistan Sri Lanka Free Trade Agreement (PSFTA), which came into force on 12th June 2005, a substantial improvement in trade has been recorded since the Agreement came into force. Pakistan implemented its final phasing out commitment in March 2009. Hence, Sri Lanka has duty free market access for more than 4500 products at present. Sri Lanka has also completed all her phasing out commitments in November 2010.

Performance of the PSFTA during the year 2019 are as follows;

In 2019, the following HS Codes show the top five imported products based on CIF value under the PSFTA.

Table 2.4 Imports under PSFTA in 2019

HS Code	HS Description	Quantity	CIF Value
10019910	Wheat grain	126,953,521	5,628,381,961
73063000	Other, welded, of circular cross-section, of iron or non-alloy steel	4,749,743	716,002,426
70052900	Other - Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked	908,205	470,235,222
08052110	Fresh - Citrus fruit, fresh or dried	6,465,541	299,188,174
10063040	Basmati Rice and Long Grain Rice	1,950,000	237,602,468

Source: Department of Sri Lanka Customs, 2019

In 2019, the following HS Codes show the top five exported products based on FOB value under PSFTA.

Table 2.5 Exports under PSFTA in 2019

HS Code	HS Description	Quantity	FOB Value
14049020	Betel leaves	4,217,903	3,053,971,586
12030000	Copra	3,939,350	915,414,139
08011200	In the inner shell (endocarp) - Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled	11,267,459	834,771,990
44111490	Other – Fiber board of wood or other ligneous materials, whether or not bonded with resins or other organic substances- Of a thickness exceeding 9 mm	18,448,759	824,329,395
58079000	Other - Labels, badges and similar articles of textile materials, in the piece, in strips or cut to shape or size, not embroidered	69,601	345,507,704

Source: Department of Sri Lanka Customs, 2019

Following table shows the total export and import values recorded in 2019 and the comparison of the statistics with 2018 under the PSFTA.

Table 2.6 Total Imports and Exports value under PSFTA for Sri Lanka - 2018 / 2019

2018		2019		Difference in Imports from 2018 to 2019 (CIF) (%)	Difference in Exports from 2018 to 2019 (FOB) (%)
Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)	Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)		
12,062	8,772	7,822	10,882	(35.15%)	24.05%

Source: Department of Sri Lanka Customs, 2018/2019

The table shows that there is a decline in imports by Rs. Mn. 4,240 in 2019 compared to the previous year whereas the exports increased by Rs. Mn. 2,110. In addition, it is observed that there was a trade deficit in 2018 whereas a trade surplus of Rs. Mn. 3,060 has been recorded in 2019.

2.3.1.1.3 South Asia Free Trade Agreement (SAFTA)

The SAARC Preferential Trading Arrangement (SAPTA) was signed in April 1993 and came in to force in December 1995. The SAPTA aimed at promoting mutual trade and economic cooperation among the member countries through exchange of concessions.

However, the member countries recognized the need to progress beyond a preferential trading arrangement and move towards a higher level of trade and economic cooperation in the region. As a result, the SAARC Council of Ministers signed a framework Agreement on South Asian Free Trade Area (SAFTA) in January 2004 in Islamabad. The SAFTA entered into force on 1st January, 2006.

Under the Tariff Liberalization Programme (TLP) of the SAFTA, the Phase I was completed in 2015. Sri Lanka is committed to liberalize several items of negative list similar to other member states of SAFTA under the phase II of SAFTA Tariff Liberalization Programme. In this respect, remaining list of items coming under Non – Least Developed Countries (NLDCs) have been identified to liberalize under the final stage of phase II and to be implemented in near future. After completion of Phase II, all member countries were planning to implement Phase III will be implemented in accordance with the mutual agreement between member countries. SAARC – ADB forth special meeting on Regional Economic Integration Study (Phase II) was held on 24 -25 June 2019 in Kathmandu. The meeting was attended by all the member states of SAARC including representatives of SAARC Secretariat and Asian Development Bank (ADB) in order to discuss on trade in services.

Performance of the SAFTA during the year 2019 are as follows;

In 2019, the following HS codes show the top five imported products based on CIF value under SAFTA.

Table 2.7 Imports under SAFTA in 2019

HS Code	HS Description	Quantity	CIF Value
84181090	Other - Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 84.15	26,996	1,034,211,758
03069500	Shrimps and prawns	860,083	176,957,940
64069091	Uppers attached to inner soles	486,856	92,457,524
48030000	Toilet or facial tissue stock, towel or napkin stock and similar paper of a kind used for household or sanitary purposes, cellulose wadding and webs of cellulose fibres, whether or not creped, crinkled, embossed, perforated, surface-coloured, surface-decorated or printed, in rolls or sheets	309,842	63,318,009
87089110	Radiator	20,699	30,295,335

Source: Department of Sri Lanka Customs, 2019

In 2019, the following HS Codes show the top five exported products based on FOB value under SAFTA.

Table 2.8 Exports under SAFTA in 2019

HS Code	HS Description	Quantity	FOB Value
08011190	Other - Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled	19,913,410	4,845,042,766
09041190	Other - Pepper of the genus Piper; dried or crushed or ground fruits of the genus Capsicum or of the genus Pimenta .	1,068,400	1,302,558,164
09041120	Matured Berries of pepper with a density exceeding 450 grams per liter	765,841	1,004,911,878
09041111	Organic - Pepper of the genus Piper; dried or crushed or ground fruits of the genus Capsicum or of the genus Pimenta .	550,000	720,247,512
09041119	Other - Pepper of the genus Piper; dried or crushed or ground fruits of the genus Capsicum or of the genus Pimenta .	68,000	144,831,464

Source: Department of Sri Lanka Customs, 2019

Following table shows the total export and import values recorded in 2019 and the comparison of the statistics with 2018 under the SAFTA.

Table 2.9 Total Imports and Exports value under SAFTA for Sri Lanka - 2018 /2019

2018		2019		Difference in Imports from 2018 to 2019 (CIF) (%)	Difference in Exports from 2018 to 2019 (FOB) (%)
Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)	Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)		
1,215	9,237	1,560	10,440	28.4%	13.02%

Source: Department of Sri Lanka Customs, 2018/2019

The table shows that there is an increase in both imports and exports by Rs. Mn. 345 and Rs. Mn. 1,203 in 2019 respectively. In addition, it is observed that the trade surplus in 2019 had been increased by Rs. Mn. 858 in comparison to 2018.

2.3.1.1.4 Asia Pacific Trade Agreement (APTA)

The Asia Pacific Trade Agreement (APTA), formerly known as Bangkok Agreement and was signed in 1975, is one of the Asia's oldest plurilateral preferential trade agreements with six participating States namely Bangladesh, People's Republic of China, India, Lao PDR, Republic of Korea and Sri Lanka.

APTA is a dynamic plurilateral agreement which has been instrumental in producing a favourable outcome to Sri Lanka. It is particularly important for Sri Lanka as it is the only trade agreement that facilitates Sri Lanka to do trade with fast growing economies such as People's Republic of China and the Republic of Korea.

At present, Sri Lanka has liberalized 644 tariff lines (HS 2017 version) all countries and 77 tariff lines (HS 2017 version) for least develop countries after the 4th round of implementation of APTA. In 2019, 54th, 55th and 56th session of the APTA Standing Committee (SC) held on to finalize modalities for the 5th round negotiations of APTA. Coverage and Margin of Preference (MOP) of Sri Lanka for the 5th round negotiation has not submitted yet.

Performance of the APTA during the year 2019 are as follows;

In 2019, the following HS Codes show the top five imported products based on CIF value under APTA.

Table 2.10 Imports under APTA in 2019

HS Code	HS Description	Quantity	CIF Value
85287299	Other - Other, with LCD - Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus.	32,792	946,050,340
73089000	Other - Structures (excluding prefabricated buildings of heading 94.06) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	6,945,366	827,929,683

39259000	Other - Builders' ware of plastics, not elsewhere specified or included	5,354,370	356,091,049
85362000	Automatic circuit breakers	95,000	270,056,260
85287291	Having a screen of not exceeding 32 inches - Other, with LCD - Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus.	13,028	189,025,224

Source: Department of Sri Lanka Customs, 2019

In 2019, the following HS Codes show the top five exported products based on FOB value under APTA.

Table 2.11 Exports under APTA in 2019

HS Code	HS Description	Quantity	FOB Value
09024092	Certified by Sri Lanka Tea Board as wholly of Sri Lankan Origin, other	8,680,506	5,793,798,966
61099000	Of other textile materials - T-shirts, singlets and other vests, knitted or crocheted	2,415,344	2,158,244,986
38021022	Activated carbon - Other powdered of coconut shell	2,207,671	1,275,246,334
61046300	Of synthetic fibres - Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted-Trousers, bib and brace overalls, breeches and shorts	701,198	1,221,975,001
53050023	Other not twisted - Coconut, abaca (Manila hemp or Musa textilis Nee) , ramie and other vegetable textile fibres, not elsewhere specified or included, raw or processed but not spun; tow, noils and waste of these fibres (including yarn waste and garnetted stock)	25,659,300	1,016,795,093

Source: Department of Sri Lanka Customs, 2019

Following table shows the total export and import values recorded in 2019 and the comparison of the statistics with 2018 under the APTA.

Table 2.12 Trade Flow of Sri Lanka under the APTA in 2018 and 2019

2018		2019		Difference in Imports from 2018 to 2019 (CIF) (%)	Difference in Exports from 2018 to 2019 (FOB) (%)
Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)	Value of Imports (CIF) (Rs.Mn)	Value of Exports (FOB) (Rs.Mn)		
3,076	108,018	3,763	31,045	22.33%	(71.26%)

Source: Department of Sri Lanka Customs, 2018/2019

2.3.1.1.5 Sri Lanka Singapore Free Trade Agreement

Sri Lanka – Singapore Free Trade Agreement (SLSFTA) was signed on January 23, 2018 and stated implementing on May 01, 2018. Chapter 2 of the SLSFTA include national treatment and market access for goods as “Reduction and/or Elimination of Customs Duties on Imports”. Tariff Liberalization Programme (TLP) under the Article 2.6 (Reduction and/or Elimination of Customs Duties on Imports) of SLSFTA is scheduled to be implemented as follows (“year one” means the year of entry into force of this Agreement and “year two” means the calendar year following “year one”);

- ✓ Customs duties on originating goods provided for in the items staging category “0” shall be eliminated entirely and such goods will be duty free on the date of this Agreement enters into force
- ✓ Customs duties on originating goods provided for in the items staging category “6” in a Party’s Schedule shall be removed in six (6) equal annual stages beginning on 31 December of the year of entry into force of this Agreement, and such goods shall be free of any customs duty, effective from 31 December of year six (6)
- ✓ Customs duties on originating goods provided for in the items staging category “10” in a Party’s Schedule shall be removed in five (5) equal annual stages beginning on 31 December of year six (6), and such goods shall be free of any customs duty, effective from 31 December of year ten (10)
- ✓ Customs duties on originating goods provided for in the items in staging category “12” in a Party’s Schedule shall be removed in six (6) equal annual stages beginning on

31 December of year seven (7), and such goods shall be free of any customs duty, effective 31 December of year twelve (12)

- ✓ Customs duties on originating goods provided for in the items staging category “15” in a Party’s Schedule shall be removed in five (5) equal annual stages beginning on 31 December of year eleven (11), and such goods shall be free of any customs duty, effective from 31 December of year fifteen (15)
- ✓ No obligations under this Agreement regarding customs duties shall apply with respect to items in staging category “X”

The implementation of First stage has been completed by removing Customs Import Duty (CID) of 3,721 HS Codes which were published in the Gazette Notifications 2069/2 and 2080/42 on 01.05.2018 and 19.07.2018 respectively.

2.3.1.2 Trade Agreements at Negotiation Level

2.3.1.2.1 Bay of Bengal Initiatives on Multi - Sectorial Technical and Economic Co-operation (BIMSTEC)

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organization comprising seven Member States lying in the littoral and adjacent areas of the Bay of Bengal constituting a contiguous regional unity. This sub – regional organization came in to force on 6 June 1997 through the Bangkok Declaration. It constitutes seven Member States: five deriving from South Asia, including Bangladesh, Bhutan, India, Nepal, Sri Lanka, and two from South East Asia, including Myanmar and Thailand. The regional group constitutes a bridge between South and South East Asia and also establish a platform for intra-regional cooperation between SAARC and ASEAN members.

The main objective of BIMSTEC is to promote technological and economic cooperation among South Asian and South East Asian countries along the coast of the bay of Bengal. BIMSTEC is a sector-driven cooperative organization. Starting with six sectors including trade and investment, technology, energy, transport, tourism and fisheries for sectoral cooperation in the late 1997, it expanded to include more sectors including agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people to people contact and climate change in 2008.

Trade and Investment was one of the initial six sectors of BIMSTEC cooperation. Under this the Framework Agreement on the BIMSTEC Free Trade Area was signed in Phuket, Thailand on 08 February 2004 and came into force on 30 June 2004. BIMSTEC Trade Negotiation Committee was created in 2004 (under the permanent Chairmanship of Sri Lanka) which has since held 20 rounds of negotiations. Trade Negotiation Committee initiated negotiations on number of Framework Agreement namely, Trade in Goods, Trade in Services, Investment, Cooperation and Mutual Assistance in Customers Matters, Rules of Origin and Operational Certification Procedures, Trade Facilitation.

21st meeting of the BIMSTEC Trade Negotiating Committee (TNC) had been held in Dhaka, Bangladesh on 18-19 November, 2018. In this meeting, it was decided to prepare the offer lists as per modalities agreed at the 19th Meeting of the TNC and transpose the offer list into HS 2017 version. Further, it was decided to prepare the schedules of concessions on the basis of tariff applied as of 01st August 2017. In addition, it was decided to use base rates of Tariff Elimination/Reduction which was applicable on 01st August 2017 and the member states who wish to revise their offer list are allowed to do so within the agreed modalities, provided that member states may interchange tariff lines among the tracks up to 10% of the tariff lines from the schedules submitted earlier. Further, discussions have not been organized in 2019 and no progress took place.

At the 4th BIMSTEC Summit held in August 2018 at Kathmandu, Directions has been given to explore the possibility of establishing a BIMSTEC Development Fund (BDF) with voluntary contributions from the Member States in order to utilize them for research and planning of BIMSTEC and for financing of projects.

Second meeting of the BIMSTEC Working group on trade facilitation (WG-TF) has been held on 29-30 September 2019 in Dhaka, Bangladesh to discuss the draft text of the Trade Facilitation Agreement under BIMSTEC. Observations had been submitted on above text in consultation with relevant organizations.

2.3.1.2.2 Proposed Economic and Technical Cooperation Agreement

The Economic and Technology Co-operation Agreement (ETCA) is a proposed diplomatic arrangement that seeks to add to the existing free trade agreement between India and the Sri Lanka, the ISFTA. Prime Ministers of both countries agreed to negotiate an Indo – Lanka Economic and Technology Cooperation Agreement, during the Sri Lankan Prime Minister’s visit to Delhi, in September 2015. There are 11 rounds of negotiations held between two countries till now. The last (11th) round of negotiations on ETCA was held from 3rd to 5th October 2018 in Colombo and in 2019. After the 11th round, the negotiation process has not continued further.

2.3.1.2.3 Proposed China - Sri Lanka Free Trade Agreement

On the recommendation of joint feasibility study between China and Sri Lanka in 2014, negotiations for China – Sri Lanka FTA has been initiated in 2017. Under this, 6 rounds of negotiations had been completed. The two sides exchanged views on issues concerning trade in goods, trade in services, investment, economic and technical cooperation, rule of origin, customs procedures and trade facilitation, technical barriers to trade (TBT), sanitary and phytosanitary measures (SPS) and trade remedy. Initial discussions had been conducted with regard to trade in goods though the discussions has not been progressed since 2017.

2.3.1.2.4 Proposed Sri Lanka Thailand Free Trade Agreement

1st round of negotiations of Sri Lanka-Thailand (SLTFTA) was held in Colombo on 13th July 2018, following the launch of FTA negotiations on 12th July by heads of states of the both countries. During the 1st round of negotiations, both sides agreed on the structure of the SLTFTA, establishment of nine working groups and scope of the working groups. Information on tariff, duties and charges, currently applicable on goods, had been exchanged between two countries.

The 2nd round of negotiations of SLTFTA was held on 19-21 September 2018 in Bangkok, Thailand. During the 2nd round all working groups held discussions except for customs procedures, trade facilitation and intellectual property rights. Further discussions have not been conducted in 2019 with regard to this agreement.

2.3.2 Total Performance of FTAs

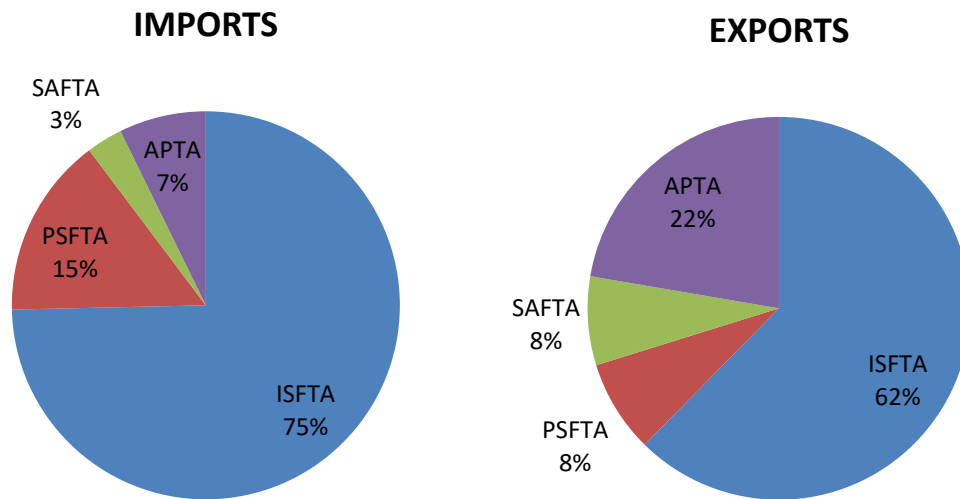
The Table 2.13 shows the trade details under the Trade Agreement of Sri Lanka in 2019.

Table 2.13 Imports and Exports under Trade Agreements by Sri Lanka in 2019

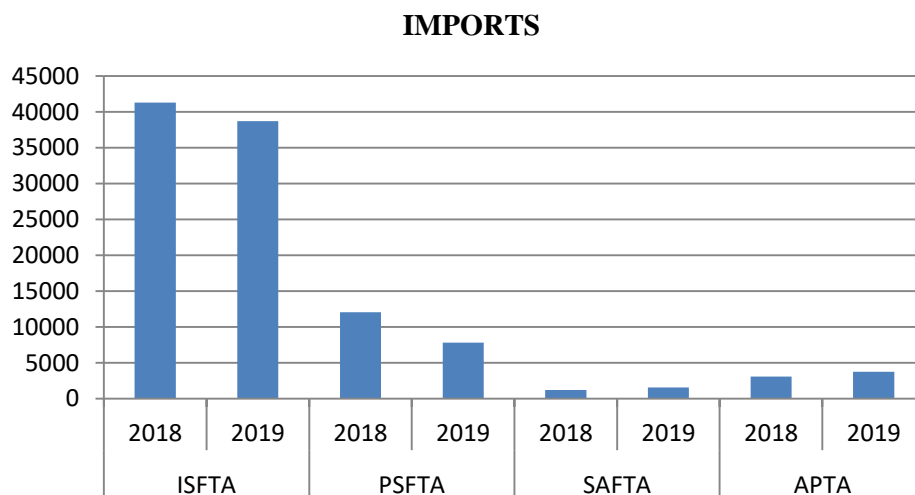
No	Trade Agreement	CIF Value of Imports (Rs. Mn)	FOB Value of Exports (Rs. Mn)	Trade Gap under the FTAs (Rs.Mn)
1	India Sri Lanka Free Trade Agreement (ISFTA)	38,705	86,916	48,211
2	Pakistan Sri Lanka Free Trade Agreement (PSFTA)	7,822	10,882	3,060
3	South Asia Free Trade Agreement (SAFTA)	1,560	10,440	8,880
4	Asia Pacific Trade Agreement (APTA)	3,763	31,045	27,282
Total		51,850	139,311	87461

Source: Department of Sri Lanka Customs, 2019

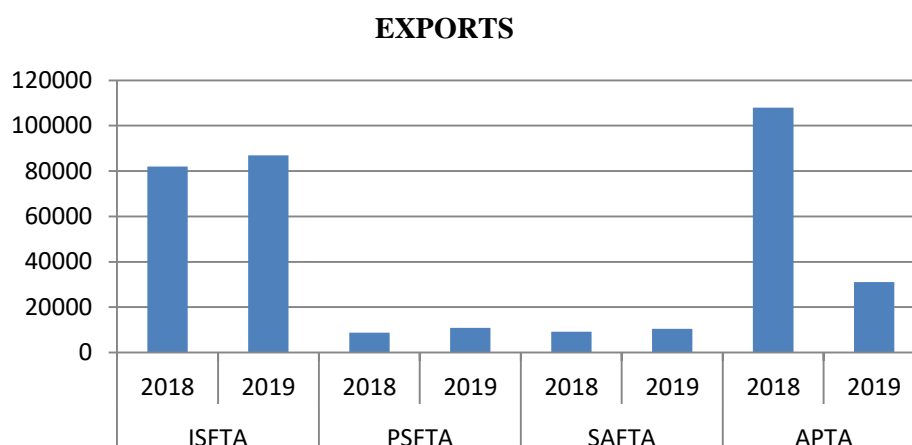
Graph 2.1 Imports and Exports under FTAs in 2019



Graph 2.2: Comparison of Total Imports under FTAs in 2018/2019



Graph 2.3: Comparison of Total Exports under FTAs in 2018/2019



2.4 Trade Facilitation

2.4.1. WTO Trade Facilitation Agreement (TFA) Background and Commitments

Trade Facilitation generally contains five essential features namely simplification of trade procedures and documentation, harmonization of the trade practices and rules, transparent information and procedures of international flows, recourse to new technologies to promote international trade and more secured means of payment for international commerce. The goal of Trade Facilitation is to make trade transactions easier, quicker, more efficient and less costly, thereby easing trade flows. By making it easier to export and import goods and services, Trade Facilitation measures also increase a developing country's attractiveness for foreign direct investment. In a global economic system that is increasingly linked in Global Value Chains, the facilitation of cross-border is of critical importance.

The Trade Facilitation Agreement (TFA) of World Trade Organization (WTO) aims at streamlining, harmonizing and modernizing customs procedures. It contains provision for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between the authorities involved in cross border trade. The TFA will help improve transparency, increase possibilities to participate in global value chains and reduce the scope for delays and circumvention.

Trade Facilitation generally contains five essential features such as Simplification of trade procedures and documentation, Harmonization of the trade practices and rules, transparent information and procedures of international flows, Recourse to new technologies to promote international trade, more secured means of payment for international commerce.

The Trade Facilitation Agreement (TFA) of World Trade Organization (WTO) aims at streamlining, harmonizing and modernizing Customs procedures. It contains provision for expediting the movement, release and clearance of goods, including goods in transit.

TFA contains following three sections.

Section I - Covers 12 different articles and contains provisions for expediting the movement, release and clearance of goods, including goods in transit.

Section II - Covers 10 different articles and recognizes the difficulties that developing and least developed countries (LDC) would face in implementing the provisions of the Agreements and it provides Special and Differential (S&D) Treatment for developing countries and LDCs. These S&D provisions allow all developing countries to determine when to implement their commitments and notify them to WTO in three categories namely category A, B & C.

Section III - Covers 02 different articles and contains provision for formation of a permanent committee on trade facilitation at the WTO and member countries establish national committees to facilitate domestic coordination and implementation of the agreement conditions.

Sri Lanka has finalized its implementation schedule under the WTO TFA with categories of A, B and C and already submitted to the WTO. Category 'A' include the provisions that the member will implement by the time the Agreement enters into force. Category 'B' includes provisions that the member will implement after a transitional period following the entry into force of the Agreement and Category 'C' includes provisions that the member will implement on a date after a transitional period following the entry into force of the Agreement and requiring the acquisition of assistance and support for capacity building. Sri Lanka is receiving technical assistance and capacity building support from the World Bank Group and International Trade Centre (ICT) for implementation of its commitments under the categories B and C under the Trade Facilitation Agreement (TFA).

National Trade Facilitation Committee (NTFC) was established in 2016 in line with the Sri Lanka's commitment to the WTO under the Trade Facilitation Agreement to facilitate domestic coordination and implementation of the provisions of the Trade Facilitation Agreement, under Article 23.2 of TFA.

The NTFC is chaired by the Director General of Sri Lanka Customs and co-chaired by the Director General of the Department of Commerce, is a 23 member committee representing 16 public sector institutions and 7 private sector institutions.

The Department of Trade and Investment Policy is representing the Ministry of Finance at the NTFC of Sri Lanka. A Secretariat to the NTFC has been established with the assistance of the World Bank Group to support the NTFC ensuring effective coordination and implementation of the TFA and any other trade facilitation initiatives in Sri Lanka.

A detailed action plan for TFA implementation was developed by the NTFC Secretariat in consultation with all relevant border regulatory agencies. The plan is for five (5) years (from 2018 to 2022). Department of Trade and Investment Policy (DTIP) has already completed the assigned tasks in the action plan.

The Trade Information Portal (TIP) and the National Single Window (NSW) are among the key priorities of the TFA action plan. Trade Information Portal (TIP) was established in July 2018.

The Sri Lanka Trade Information Portal (SLTIP) is the single stop point for all information relating to import and export to and from Sri Lanka. This Trade information Portal is hosted by the Department of Commerce on behalf of all the Government and semi-government agencies involved in the import/export process including Ministry of Finance. Moreover, to the availability of updated tariff and tax related information on the web sites of Ministry of Finance (www.treasury.gov.lk), Sri Lanka Customs (www.customs.gov.lk), Department of Government Printing (www.documents.gov.lk), Comprehensive information is available on the web site of Sri Lanka Trade Information Portal (<https://srilankatradeportal.com>).

National Single Window (NSW) is established under Article 10.4 of the TFA, which quotes as follows;

“Member shall endeavor to establish or maintain a single window, enabling traders to submit documentation and / or data requirements for importation, exportation or transit of goods through a single entry point. The details of operation of the single window should be notified to the WTO Trade Facilitation Committee”.

2.5 Import Tariff Structure

Table 2.14 Tariff Structure as at December 31st, 2019

No	Tariff Rate	No. of Tariff Lines (HS 2017 : 8 Digits)	Percentage (%)
1	Free	4,099	54.67
2	5%	2	0.03
3	10%	9	0.12
4	15%	1,537	20.50
5	25%	25	0.33
6	30%	1,462	19.50
7	125%	5	0.07
8	Specific	73	0.97
9	Specific & Ad-valorem	287	3.83
Total		7,499	100.00

Source: Department of Trade and Investment Policy, 2019

Table 2.15 Changes made in Tariff Structure from 2011 to 2019

No	Tariff Bands	No. of Tariff Lines (8 digits)							
		2019	2018	2017	2016	2015	2014	2013	2012
1	Free	4,099	4,064	4,064	3,938	3,922	3,410	3,379	3,024
2	5%	2	2	2	2				410
3	7.5%						188	184	
4	10%	9	9	9	9				
5	15%	1,537	1,542	1,534	1,309	1,324	1,601	1,590	1,587
6	25%	25	25	25	25		1,450	1,415	
7	30%	1,462	1,459	1,454	1,430	1,457			1,504
8	Luxury Rates	5	8	9	9	9	9	9	9
9	Specific/ Unit Rates	73	76	72	65	67	84	84	84
10	Specific or Ad-valorem	287	275	269	255	186	184	183	200
Total		7,499	7,460	7,438	7,042	6,965	6,926	6,844	6,818

Source: Department of Trade and Investment Policy, 2019

2.5.1 Newly Created National Sub Division's (NSDs) to the Harmonized System in 2019

In 2019, total no. of 55 National Sub Divisions were locally created to facilitate the trade, investment and industry as summarized in the following table.

Table 2.16 Newly Created NSDs to the Harmonized System in 2019

No	HS Code	Description
1	07133122	Split black gram
2	21069032	Compound non-alcoholic preparations of a kind used in the manufacture of beverages
3	21069050	Flavour enhancing preparations containing mono sodium glutamate
4	29033911	Trifluoromethane (HFC-23)
5	29033912	Difluoromethane (HFC-32)
6	29033913	Fluoromethane (HFC-41), 1,2-difluoroethane (HFC-152) and 1,1-difluoroethane (HFC- 152a)
7	29033914	Pentafluoroethane (HFC-125), 1,1,1-trifluoroethane (HFC-143a) and 1,1,2-trifluoroethane (HFC-143)
8	29033915	1,1,1,2-Tetrafluoroethane (HFC-134a) and 1,1,2,2-tetrafluoroethane (HFC-134)
9	29033916	1,1,1,2,3,3,3-Heptafluoropropane (HFC-227ea), 1,1,1,2,2,3-hexafluoropropane (HFC- 36cb), 1,1,1,2,3,3-hexafluoropropane (HFC-236ea) and 1,1,1,3,3,3-

		hexafluoropropane (HFC-236fa)
10	29033917	1,1,1,3,3,-Pentafluoropropane (HFC-245fa) and 1,1,2,2,3-pentafluoropropane (HFC-245ca)
11	29033918	1,1,1,3,3-Pentafluorobutane (HFC-365mfc) and 1,1,1,2,2,3,4,5,5,5-decafluoropentane (HFC-43-10mee)
12	29033919	Other
13	29033921	(Z)-1,1,1,4,4,4-hexafluoro-2-butene (HFO-1336mzz)
14	29033929	2,3,3,3-Tetrafluoropropene (HFO-1234yf), 1,3,3,3-tetrafluoropropene (HFO-1234ze) and (Z)-1,1,1,4,4,4-hexafluoro-2-butene (HFO-1336mzz)
15	29033931	Methyl bromide (bromomethane)
16	29033939	Other
17	34011120	Wet wipes
18	34011130	In retail packaging of 500 g or less
19	34011920	Wet wipes
20	34011930	In retail packaging of 500 g or less
21	38247410	Containing saturated fluorinated derivative of methanes (F=1 to 3), ethanes (F=2 to 5) and propanes (F= 5 to 7), 1,1,1,3,3-pentafluorobutane (HFC-365mfc) and 1,1,1,2,2,,3,4,5,5,5- Decafluoropentane (HFC-43-10mee)
22	38247420	Other, containing substances of subheadings 2903.71to 2903.75
23	38247490	Other
24	38247811	Containing trifluoromethane (HFC-23)
25	38247819	Other
26	38247821	Containing 15% or more by mass of
27	38247822	Other, not included in the subheading above,containing 55% or more by mass of pentafluoroethane (HFC-125) but not containing unsaturated fluorinated derivatives of acyclic hydrocarbons (HFOs)
28	38247823	Other, not included in the subheadings above, containing 40% or more by mass of pentafluoroethane (HFC- 125)
29	38247824	Other, not included in the subheadings above, containing 30% or more by mass of 1,1,1,2- tetrafluoroethane (HFC-134a) but not containing unsaturated fluorinated derivatives of acyclic hydrocarbons (HFOs)
30	38247825	Other, not included in the subheadings above,
31	38247826	Other, not included in the subheadings above, containing saturated fluorinated derivative of methanes (F=1 to 3), ethanes (F=2 to 5) and propanes (F=5 to 7), 1,1,1,2,2,3,4,5,5,5,-Decafluoropentane (HFC-43-10mee)

32	38247829	Other
33	40111010	Of kind used on go-karts having a rim size 05 inche
34	40111090	Other
35	49021011	Containing information of the running of the race horses or greyhound races or race meeting
36	49021019	Other
37	49021091	Publications containing information of the running of the race horses or greyhound races or race meeting
38	49021099	Other
39	49029011	Containing information of the running of the race horses or greyhound races or race meeting
40	49029019	Other
41	49029091	Publications containing information of the running of the race horses or greyhound races or race meeting
42	49029099	Other
43	72179010	Plated or coated with plastics
44	72179090	Other
45	84509010	Parts
46	84509090	Parts
47	87049031	Capacity of motors not exceeding 50kW
48	87049032	Capacity of motors exceeding 50kW, but not exceeding 100kW
49	87049033	Capacity of motors exceeding 100kW, but not exceeding 200kW
50	87049034	Capacity of motors exceeding 200kW
51	87049041	Capacity of motors not exceeding 50kW
52	87049042	Capacity of motors exceeding 50kW, but not exceeding 100kW
53	87049043	Capacity of motors exceeding 100kW, but not exceeding 200kW
54	87049044	Capacity of motors exceeding 200kW
55	87089190	Other

Source: Department of Trade and Investment Policy, 2019

2.5.2 Revisions made under Revenue Protection Act No. 19 of 1962

The details of Revenue Protection Order, published under Act No. 19 of 1962 (Customs Import Duty) are in the following table. In 2019, a total of 04 orders were made under Revenue Protection Act to facilitate the trade and Industry.

Table 2.17 Revenue Protection Act No 19 of 1962 (*Customs Import Duty Changes*)

No	RPO No. Description	Gazette No. & Date	Effective Date	Description
1	RPO/01/2019	2113/2 of 05.03.2019	06.03.2019	<p>As per the Budget Proposals 2019, the following Customs Import Duty Revisions under the Revenue Protection Act No 19 of 1962 have been implemented by Gazette Notification No. 2113/2 dated 5th of March 2019 as follows.</p> <ol style="list-style-type: none"> 1. Customs Import Duty <i>rate</i> revisions (14 HS Codes) proposed by the budget speech 2019 as following items. Undenatured ethyl alcohol Tyre Tubs Water Filters Go-Karts 2. New HS Code creations (55 HS Codes) for the aim of remove tax anomalies, to facilitate local industries and revenue generation purposes. 3. Unit rate of the Customs Import Duty has been increased by 10% on importation of selected goods (261 HS Codes) for the purpose of additional revenue generation.
2	RPO/02/2019	2127/13 of 11.06.2019	12.06.2019	<p>With a view to facilitate the implementation of the fuel pricing mechanism the customs import duty on importation of Super Diesel and Other Diesel (HS Codes 2710.19.41 and 2710.19.49)</p>

				has been increased from Rs..10.55 liter to Rs.15 per liter
3	RPO/03/2019	2140/19 of 10.09.2019	11.09.2019	1. Created new HS Codes for Black gram to identify Whole and Split separately. 2.Increased CID on importation of Beedi Tobacco Scrap 75% to 85% or Rs.165/- per Kg
4	RPO/04/2019	2142/87 of 27.09.2019	28.09.2019	As per the Budget Proposal 2019, it is proposed to adjust the Customs Import Duty applicable on imported fruit drinks. Accordingly, in addition of the advalorem duty, the specific duty rates (unit rates) was introduced for the importation of selected food drinks by this Gazette Notification.

Source: Department of Trade and Investment Policy, 2019

2.5.3 Special Commodity Levy (SCL) Act No. 48 of 2007

The SCL as a single composite levy on imports of selected special commodities has also been imposed in 2018 with appropriate revisions by publishing Gazette Notifications on the basis of legislative provisions under the Special Commodity Levy Act No. 48 of 2007. Regular revisions were made in order to maintain affordable prices for consumers while facilitating the local producers during the harvesting season (e.g. Potatoes, Red Onions and B-Onions) a total of 26 orders were made under the Special Commodity Levy Act in 2019 to promote its objectives as in the following table.

Table 2.18 Duty Revisions under Special Commodity Levy Act No. 48 of 2007

No	Gazette No. and Date	Effective Date	Items	Previous Duty Rs. Per Kg.	New Duty Rs. Per Kg.	Description
1	2104/30 dated 03.01.2019	04.01.2019	Black gram	125/=	200/=	Through this Gazette Notification the duty on imported Black gram has been increased by 75/= for a period of 06 months based on the recommendation made by the Ministry of Agriculture to provide the secured market price to local farmers as harvest reach to the

						market from January.
2	2108/65 dated 01.02.2019	02.02.2019	Chickpeas	Whole 2/= Split 5/=	No Change	Extended validity period on importation on Chickpeas, Lentils and Sugar with the prevailing duty rates for another 06 months with the view to provide relief for the consumers through price stability.
			Lentils	Whole 2/= Split 7/=		
			Sugar	White Sugar- 32/= Brown Sugar - 35/=		
3	2109/15 dated 07.02.2019	08.02.2019	Potatoes	20/=	50/=	Considering the recommendation of the Cost of Living Committee meeting held on 05.02.2019 made based on the recommendation of the Ministry of Agriculture to provide the local farmers with a secured market price, the duty has been increased by Rs.30/= per Kg for the period of 03 months.
4	2109/20 dated 08.02.2019	09.02.2019	Maize	10/=	20/=	Considering the recommendation of the Cost of Living Committee meeting held on 05.02.2019 made based on the recommendation of the Ministry of Agriculture, duty on importation of Maize has been increased by Rs. 10/Kg for the period of 06 months as harvest reach to the market.
5	2111/58 dated 24.02.2019	25.02.2019	Vegetable oils	Crude – 150/= Refine – 170/= Palm	No Change	Extended validity period on importation on Vegetable oils with the prevailing rates for the period of one year on the recommendation of the Cost of Living Committee made

				Olean – 155/=		considering the stabilization of coconut production, international market prices of the Vegetable oils (Edible oils) and price stability of the local market.
6	2112/48 dated 02.03.2019	02.03.2019	B'Onion	20/=	No Change	Extended the validity period on importation of B Onion with the prevailing duty rates for another 03 months, considering the recommendation of the Cost of Living Committee made based on the recommendation of the Ministry of Agriculture to provide relief for the consumers through price stability.
7	2122/4 dated 07.05.2019	08.05.2019	Sprats, Dried fish Potatoes, Green Gram Mangoeste en, Orange - dried Pears Cherries Plums Kiwifruit Other fruits	1/= 52/= 50/= 40/= 200/= 200/= 175/= 250/= 200/= 175/= 200/=	No Change	Extended the validly period for the period of 6 months considering the stable of market price to the consumers.
8	2124/2 dated 21.05.2019	21.05.2019	Red onions Dates Dried grapes Cumin	25/= 60/= 230/= 162/=	No Change	Extended the validly period for the period of one year considering the stable of market price to the consumers.

			Fennel	162/=		
			Margarine – fat 80% more	215/=		
			Margarine – other	315/=		
			Peas - whole	5/=		
			Peas – Split	8/=		
9	2124/4 dated 21.05.2019	22.05.2019	B'onions	20/=	40/=	Increased the duty on B'onions in order to ensure a reasonable price to local farmers for the period of 6 months.
10	2130/20 Dated 03.07.2019	04.07.2019	Black Gram	200/=	No Change	Extended the validly period for the period of one year considering the protection of local farmers.
11	2131/30 Dated 10.07.2019	11.07.2019	Vegetable oils	Crude – 150/=	Crude – 175/=	Increased duty on vegetable oils considering the prevailing decline trend of local coconut price and protection of local coconut cultivators. And increased the duty on dates, apples and oranges as per the collecting additional government revenue.
			Refine – 170/=	Refine – 195/=		
			Palm Olean – 155/=	Palm Olean – 180/=		
			Coconut Oil 170/=	Coconut Oil 195/=		
			Dates	60/=	80/=	
			Oranges	65/=	80/=	
			Apples	45/=	60/=	
12	2132/13 dated 18.07.2019	19.07.2019	Maldiv Fish	102/=		Extended the validly period for the period of one year considering the stable of market price to the consumers.
			Cheese	200/=	No Change	
			Chillies	25/, 125		
			Coriander	26/=, 52/		
			Turmeric	102,360		
				200/=		

			Black gram, flour Canned fish	50/=		
13	2134/44 dated 01.08.2019	02.08.2019	Chickpeas Lentils Sugar	Whole 2/ Split 5/- Whole 2/ Split 7/- White Sugar- 32 Brown Sugar -35	No Change	Extended the validly period for the period of 6 months considering the stable of market price to the consumers.
14	2135/54 dated 08.08.2019	09.08.2019	Maize	20/=	10/=	As requested by Min. of Agriculture and Considering the recommendation from cost of living committee reduce the SCL on importation of Maize from Rs.20 per Kg to Rs.10 per Kg to ensure the availability of Maize of reasonable price for local Animal Feed Manufactures.
15	2135/67 dated 2019.08.10	11.08.2019	Vegetable oils Dates Oranges Apples	Crude – 150/= Refine – 170/= Palm Olean – 155/= Coconut Oil 170/= 60/= 65/= 45/=	Crude – 175/= Refine – 195/= Palm Olean – 180/= Coconut Oil 195/= 80/= 80/= 60/=	Extended the validly period for the period of 3 months on vegetable oils considering the prevailing decline trend of local coconut price and protection of local coconut cultivators. And extended the duty on dates, apples and oranges as per the collecting additional government revenue.
16	2139/74 dated 2019.09.07	08.09.2019	Mackerel fish Cowpeas	6/= 70/= 70/=	No Change	Extended the validly period for the period of 6 months

			Kurrakan/ Millet			
17	2140/20 dated 2019.09.10	11.09.2019	Black gram	200/=	Whole - 200/= Split - 300/=	Imposed new duty rate on importation of Split Black Gram on Rs. 300 per Kg
18	2143/3 dated 2019.09.30	01.10.2019	Fish	10% or Rs. 100 Per Kg	No Change	Extended the validly period for the period of one year.
			Yogurt	625		
			Butter	880		
			Garlic	40		
			Oranges	65		
			Grapes	130		
			Apples	45		
			Mathe seed	50		
			Kurakkan	150		
			Ground nuts	112		
			Mustard seed	62		
Salt	40					
19	2143/21 dated 2019.10.02	03.10.2019	B'onions	40/-	1/=	Reduced the duty on B'onions in order to ensure a reasonable price to consumers for the period of 31 days.
20	2147/5 Dated 28.10.2019	29.10.2019	Fish	10% or Rs.100 per Kg	25/=	Duty Waiver granted under section 5 of SCL Act, considering the market price and recommendation of the cost of living committee.
			Chillies not Crushed	25	5/=	
21	2147/74 Dated 01.11.2019	03.11.2019	B'onions	1/=	No Change	Extended the validly period for the period of 03 months.
22	2148/25 Dated 07.11.2019	08.11.2019	Sprats,	1/=	No Change	Extended the validly period for the period of 6 months considering the stable of market price to the consumers.
			Dried fish	52/=		
			Potatoes,	50/=		
			Green Gram	40/=		
			Mangoestee n,	200/=		
			Orange - dried	200/=		

			Pears	175/=		
			Cherries	250/=		
			Plums	200/=		
			Kiwifruit	175/=		
			Other fruits	200/=		
23	2148/37 Dated 08.11.2019	11.11.2019	Vegetable oils Dates Oranges Apples	Crude – 175/= Refine – 195/= Palm Olean – 180/= Coconut Oil 195/= 80 80 60	No Change	Extended the validity period for the period of 3 months on vegetable oils considering the prevailing decline trend of local coconut price and protection of local coconut cultivators and extended the duty on dates, apples and oranges as per the collecting additional government revenue.
24	2151/44 Dated 28.11.2019	29.11.2019	Fish	10% or Rs.100 per Kg	25/=	Extend the validity period of 2 months for duty waiver granted under section 5 of SCL Act, considering the market price.
			Chillies not Crushed	25	5/=	
25	2153/28 Dated 13.12.2019	14.12.2019	Wheat flour	CID- 15% or Rs.16 per Kg Cess – Rs. 15/- PAL - 7.5% NBT - 2%	8/=	Introduce SCL for importation of Wheat flour for the period of 31 days.
26	2155/12 Dated 24.12.2019	25.12.2019	Potatoes	50	25/=	Reduce the duty rate considering the higher market price by Rs. 25 per Kg

Source: Department of Trade and Investment Policy, 2019

2.6 Customs Bonded Warehouse Facilities

A Customs bonded warehouse, or bond, is a building or other secured area in which dutiable goods may be stored, manipulated, or undergo manufacturing operations without payment of duty. It may be operated and managed by the state or by private enterprises.

In terms of the provisions in Section 69 of the Customs Ordinance, the Director General of Customs may appoint warehouse or place, after obtaining the approval of Minister of Finance, for imported goods to be warehoused or kept as bonded cargo, having secured the duty and other levies for specific purposes under specific conditions.

There are two major categories of bonds.

- **Public bonds**

Public Bond is facility established to store dutiable cargo of other importers subject to the allocation of space by the bondsman and approval of the Customs.

- **Private bonds**

Private bond is a facility operated by Private Companies under the supervision of Customs to store his own goods without payment of duties and taxes under Customs purview.

Following categories of Private bonds exists;

- Bonds for supply of goods including sugar and rice for home use and re-export
- Bonds for supply of goods to Export Oriented Enterprises
- Service Bonds, Feeder Bonds and Duty Free Shops at Seaport or Airport
- Bonds for supply of goods to Ships/Air Crafts
- Bonds under Customs Manufacture- in- Bond Scheme
- Bonds for Multi Country Consolidation
- Bonds for clearance of Unaccompanied Passenger Baggage (UPB)
- Bonds for clearance of express cargo (Courier)
- Bonds for Bunkering

A policy framework for appointing of Public Customs Bonded Warehouse under section 69 of the Customs Ordinance has been introduced in 2016 whereas there was a policy gap in the appointment of public custom bonded warehouse. Hence, the criteria applied in the public bonds policy was used in the appointment of all bonds as per the direction given in the budget speech 2016. However, the private sector bonding facility operators objected the enforcement of the criteria of minimum 50,000Sqft floor area requirement introduced in the above policy highlighting the fact that the floor area requirement of a private Bonded Warehouse should be depended on the nature of the business. They pointed out that the

enforcement of minimum floor area of 50,000 Sqft leads to an unnecessary capital and recurrent expenditure and ultimately causing inefficiency and decrease in the profitability of the business. By considering the requests of the industry to fulfill the policy gap related to the Private Customs Bonded Warehouse a new Policy Framework has been established with in depth consultation of stakeholders.

2.7 Coordination of Implementation of the Foreign Exchange Act

Foreign Exchange Act No. 12 of 2017

As per the Section 7 of Foreign Exchange Act No. 12 of 2017 Minister assigned the subject of Central Bank may issue regulations and orders regarding providing authority to specify classes of capital transactions in Foreign exchange which permitted investments, their limits and other connected conditions. Such regulations / orders and directions should be issued with approval of the Cabinet of Ministers.

Accordingly, after publishing the issued regulations and orders in the Government Gazette Notification approval of the Parliament has to obtain within 3 months of the publishing. Accordingly, Department of Trade and Investment Policy has submitted Cabinet Memoranda to get the approval of Cabinet of Ministers to following three regulations (Table -2.19). Further draft texts of 5 regulations and 2 orders replacing the existing regulations and orders were sent to Department of Legal Draftsman to finalize the final text (Table – 2.20).

Table 2.19 Cabinet Memoranda Submitted for approval of Cabinet Ministers for the new Regulations issued under the provisions of Foreign Exchange Act No.12 of 2017

No	Cabinet Memorandum No	Subject	Date
01	19/0657/108/055	Government of Sri Lanka & State owned Enterprises of the Government of Sri Lanka	20.02.2019
02	19/0172/108/029	International Sovereign Bond Issuance Programme	11.01.2019
03	19/3533/108/220	Classes of Capital transactions in foreign exchange with permitted investments, their limits and other connected conditions.	04.10.2019

Table 2.20 Cabinet Memoranda submitted for approval of Cabinet Ministers for the proposed amendment to the Regulations and Orders issued under Foreign Exchange Act No.12 of 2017

No	Name of Regulations / Orders
01	Foreign Exchange (Classes of Capital Transactions Undertaken Outside Sri Lanka by a Person Resident in Sri Lanka) Regulations No. 1 of 2019
02	Foreign Exchange (Classes of Capital Transactions Undertaken in Sri Lanka by a Person Resident in Sri Lanka) Regulations No. 2 of 2019
03	Foreign Exchange (Remittance of Funds by Emigrants) Regulations No. 3 of 2019
04	Foreign Exchange (Classes of Miscellaneous Capital Transactions) Regulations No. 4 of 2019
05	Foreign Exchange (Opening and Maintenance of Accounts for the purpose of engaging in Foreign Exchange Transactions) Regulations No. 5 of 2019
06	Order under Section 8
07	Order under Section 31

Considering the stakeholder concerns Central Bank of Sri Lanka has requested to amend / insert certain sections of Foreign Exchange Act to mitigate the issues pertaining to implementation of the Foreign Exchange Act. Accordingly, a Cabinet Memorandum was submitted to get the approval of the Cabinet of Ministers for the proposed amendments. Accordingly, the text drafted by Central Bank of Sri Lanka has forwarded to Legal Draftsman's Department to finalize the draft text.

As per the Section 11 of the Foreign Exchange Act, in the event of Authorized Dealers or Restricted Dealers at in non-compliance with the provision of Foreign Exchange Act or Regulations / Orders / Directions issued under the Act, Central Bank may, the Minister of Finance informed may direct such dealers to act in compliance with the provisions of the Act prior to penalize them. Accordingly, this Department has facilitated Central Bank of Sri Lanka to bring the following information to the notice of the Hon. Minister of Finance (Table – 2.21).

Table 2.21**Permissions Granted by the Minister as per the Provisions of the Foreign Exchange Act No.12 Of 2017**

No	Name	Date of Concurrence of the Minister
1	Lanka Credit and business Finance Limited (LCBFL)	27.12.2019
2	DFCC Bank PLC (DFCC)	07.11.2019
3	Global Trust Money Exchange (Pvt) Ltd (GTMEPL)	09.12.2019
4	Sharanga Money Exchange (PVT) Ltd (SMEPL)	14.11.2019
5	Swiss Money Exchange (Pvt Ltd (SMEPL)	28.10.2019
6	Galle Money Exchange (Pvt) Ltd (GMEPL)	24.10.2019
7	George Michael Holdings (Pvt) Ltd (GMHPL)	08.10.2019
8	Carlo International (Pvt) Ltd (CIPL)	08.10.2019
9	Carlo International (Pvt) Ltd (CIPL)	08.10.2019
10	LOLC Finance PLC (LFP)	28.09.2019
11	Bank of Ceylon	27.09.2019
12	Midna Mini Market (Pvt) Ltd (MMMPL)	28.09.2019
13	Sampath Bank PLC	05.09.2019
14	Singer Finance (Lanka) PLC (SFLP)	29.08.2019
15	Thomas Cook Lanka (Pvt) Ltd	29.08.2019
16	Gexon Exchange (Pvt) Ltd (GEPL)	26.08.2019
17	Central Money Exchange (Pvt) Ltd (CMEPL)	13.08.2019
18	Western Money Exchange (Pvt) Ltd (WMEPL)	06.08.2019
19	Brescia Grameen (Pvt) Ltd (BGPL)	01.08.2019
20	National Development Bank (NDB)	07.06.2019
21	Hatton National Bank PLC (HNB)	23.04.2019

In addition to the aforesaid matters, this Department was involving the executing of the powers vested to Minister of Finance in relating to the Anti-Money Laundering Act, Financial Transactions Reporting Act, Payment Devices Fraud Act and matters relating to Financial Intelligence Unit of Central Bank of Sri Lanka (FIU).

Accordingly, necessary support was extended to the FIU to bring out the country from Grey list of Financial Action Task Force, being the international policy setter and regulator in respect of anti-money laundering and counter financing of terrorism.

2.8 Appeals on Customs Cases

In terms of the provision of the section 164 and 165 of the Customs ordinance, Hon. Minister has authority to consider the appeals made by an aggrieved party. In the year 2019, TIPD has received appeals as follows;

Table 2.22 Customs Appeals

No	Case No.	Appellant
01	CIB/INV/168/2018	M/s Auto Bavaria
02	PREV/2018/00426	Lanka Coal Company (Pvt) Ltd
03	BIA/D/CASE/110/2015	Mr. M.J.M.Nisaous
04	PCAD/RMU/14-23/2018 PCAD/RMU/26-29/2018 PCAD/RMU/32/2018 PCAD/RMU/35/2018	A.G.P.Traders
05	PREV/114/2016	Sena Mills Refineries (Pvt) Ltd
06	CIU/INV/062/2008	Vessel MV Uni Glory (Pvt) Ltd
07	INDS/BIU/2018/00008/CCR/00627	Premier Packaging International (Pvt) Ltd
08	RBF Case No ICT/187/2014 RLE Case No ICT/188/2014	Rainbow Fashions Private Ltd
09	BIA/D/CASE/258/2018	Ms. K.K. Balamenike
10	CIB/INV/150/2018	Mr. Manoj Bollegala
11	PCAD/AD004/058/2018	Mr. W.M. Idamgoda
12	CIU/INV/047/2011	Mr. Thomas Vasanthan Fernando
13	CRTF/1090/2018	Mr. K Manjusri Thabrew
14	PCAD/HQO/099/2016/CCR/04539	M/s JAT Holdings (Pvt) Ltd
15	BIA/D/169/2018	Mr. L. D. K. Mendis & Mr. L. C. K. Mendis
16	CIB/INV/493/2015	M/s. Alaris Lanka (Pvt) Ltd

The above cases are related to illegal Imports and Export, tax fraud, Non-declaration, False-declaration, disparities of HS Codes etc. Accordingly ,observations were called from Customs on the all 16 appeals received against the Customs Orders. Seventeen (17) reports, including cases received prior to 2019 were submitted to the Hon. Minister whereas 15 were rejected while 02 were approved.

2.9 Court Cases

Decision or Action taken under the Custom Ordinance, Special Commodity Levy at a Revenue Protection Act are challenge by affected parties in the Court of law as per the relevant legal provision. TIPD Performs to submit observations and other connected activities with regards to court cases which have been filed against the department or Ministry of Finance. The Present court cases are related to trade, permits, taxes, FTA etc. As per court proceedings, no. of observations prepared were 12 and No. of cases attended were 23.

2.10 The Special Scheme Projects

2.10.1 Scheme for the Public Officers to Import Vehicles under Concessionary Terms

Trade and Investment Policy Circular No. 01/ 2018 was issued in February 15, 2018 and three amendments; 01/2018 (1) and 01/2018 (2) and 01/2018 (4) were issued in June 08, 2018 and September 11, 2018 and 13.11.2019 respectively. However, the third amendment of the circular was cancelled by the fourth amendment in order to revise the calculation methodology of five years period between two concessionary permits. 233 Permits were issued under the said Circular to the officers served in Ministry of Finance and the Departments and other statutory bodies coming under the purview of Ministry of Finance. As per the information submitted by other agencies, 7632 permits (including Ministry of Finance) were issued under this scheme during the year 2019.

2.10.2 Issuing Import Vehicle Permits under PAC 22/99 and its amendments.

Under the provision of Public Administration Circular 22/99 and its subsequent amendments, the vehicle imports permits are issued for the senior government officials at the time of retirement. Two amendments; 22/99 (XXXVI) and 22/99 (XXXVII) have been issued in October 10, 2019 and December 12, 2019 respectively in order to amend the calculation of 05 years gap between two vehicle import permits and compulsory retirement age of Government Special Medical Officers.

During the year 2019, under the provision of Public Administration Circular 22/99 and its subsequent amendments, 500 of applications have been received and 465 vehicle permits have been issued to the qualified retired Senior Public Officers. 12 applications have been rejected and there are 23 incomplete applications to be issued the permits out of the received applications. During this year, 58 appeals have been received and 4 appeals are remain to send the reply.

2.10.3 Concessionary Scheme for Importation of Motor Vehicles under the Foreign Affairs Ministry Circular No. 210 for the Diplomatic Officers

As per the provisions stipulated in Gazette Extraordinary No. 2113/9 dated March 05, 2019 during the year, 22 Duty Waiving letters were issued by this Department in order to waive off applicable duty on importation of motor vehicles imported under the vehicle permits issued by the Ministry of Foreign Affairs granted for the officers served in Sri Lankan Missions and posts abroad.

2.10.4 Disposal of Vehicles imported under the various Duty Concession Schemes

During the year 2019, this Department had facilitated disposal of 52 vehicles imported under the various duty concession schemes.

2.10.5 Duty Waivers

Customs Import Duty (CID) could be waived off on approval basis including Special Projects as approved by Cabinet of Ministers under the Section 19(A) of the Customs Ordinance (Chapter 235). Accordingly, in 2019, duty waivers were granted to the projects covering the areas of road and highways, airport and aviation, ports and fisheries Harbors, water supply and irrigation, electricity, housing schemes, construction of hospitals and universities etc. The Customs Import Duty Waivers that were granted in 2019 are summarized in the following table.

Table 2.23

Duty Waivers granted for Special Projects under the 19(A) of the Customs ordinance in 2019

No	Sector	No. of letters issued for Duty Waivers
1	Defence	54
2	Education	-
3	Health	121
4	Infrastructure	517
5	Water Supply	525
6	Other	408
Total		1625

Source: Department of Trade & Investment Policy, 2019

Following Customs Duty waivers were granted during the year 2019 as per the powers vested the Hon. Minister of Finance, by the Customs Ordinance.

Table 2.24 General Duty Waivers granted under Section 19(A) of the Customs Ordinance

S. No	Item	CID Rate	Duty Waiver (Rs.)	Recoverable CID (Rs)	Period	
1	Diesel	Super Diesel- 10.55 per l	No Waiver	10.55 per l	20.11.2018 to 11.01.2019	
		Diesel -5.85 per l	5 per l	0.85 per l		
		Other Diesel- 10.55 per l	No Waiver	10.55 per l		
		Super Diesel- 10.55 per l	No Waiver	10.55 per l	12.01.2019 to 11.06.2019	
		Diesel -5.85 per l	3 per l	2.85 per l		
		Other Diesel- 10.55 per l	No Waiver	10.55 per l		
		Super Diesel- 15 per l	Rs.1 per l	14 per l	12.06.2019 to 10.07.2019	
		Diesel -5.85 per l	Rs.3 per l	2.85 per l		
		Other Diesel-15 per l	No waiver	15 per l		
		Super Diesel- 15 per l	No waiver	15 per l	11.07.2019 to date	
		Diesel -5.85 per l	Rs.3 per l	2.85 per l		
		Other Diesel-15 per l	No waiver	15 per l		

2	Petrol	92 Octane 35/- per l 95 Octane-35/- per l Other -35/- per l	92 Octane 20/- per l 95 Octane-No Waiver Other - No Waiver	92 Octane 15 per l 95 Octane-35per l Other -35 per l	29.12.2018 to 11.01.2019
		92 Octane 19/- per l 95 Octane-No Waiver Other - No Waiver	92 Octane 16per l 95 Octane-35per l Other -35 per l	12.01.2019 to 11.06.2019	
		92 Octane 35/- per l 95 Octane-35/- per l Other -35/- per l	92 Octane 18/- per l 95 Octane-No Waiver Other - No Waiver	92 Octane 17 per l 95 Octane-35per l Other -35 per l	12.06.2019 to 10.09.2019
		92 Octane 35/- per l 95 Octane-35/- per l Other -35/- per l	92 Octane 17/- per l 95 Octane-No Waiver Other - No Waiver	92 Octane 18 per l 95 Octane-35per l Other -35per l	11.09.2019 to date
		15%	3%	12%	02.11.2018 to date
4	Wheat Grain	15% or Rs.12 per kg	Rs. 9/-Per Kg	Rs. 3/-Per Kg	02.11.2018 to 13.12.2019
			15% or Rs.12 per kg	Free	14.12.2019 to date
5	Milk Powder	20% or Rs. 225/- per Kg	Rs. 210 per Kg	Rs. 15 per Kg	17.10.2018 to date
6	Cashew Nuts	30%	30%	Free	07.10.2017 to date

CID = Customs Import Duty

Source: Department of Trade and Investment Policy, 2019

2.10.6 Importation for Export Processing Scheme (TIEP)

TIEP Scheme has been introduced as an export trade facilitation measure to promote exports in order to bring sufficient income to the country. The scheme facilitate to the registered investors under the Ministry of Industry and Commerce and under the section 16 of the Board of Investment Act. This Department involved in policy related matters in the scheme.

Accordingly, Government Notification No.2116/7 dated 26.03.2019 has been issued as an amendment to the rule no.4 in order to implement the decision of Cabinet of Ministers on the removal of imported spices and allied products under (TIEP). It was published in the Gazette Extraordinary No.1053/11 of 11.11.1998, which is applicable for the importation of Black Pepper, Areca-nut, Nutmeg/Mace, Tamarind and Cinnamon under TIEP Scheme.

2.11 Preparation of observation for the Cabinet Memoranda Submitted by other Ministries and preparation of Cabinet Memorandum by this Department

During the year 2019, 13 Cabinet Memoranda were prepared by this Department with regard to the submit the Gazette Notification under the Special Commodity Levy Act and Revenue Protection Orders, Public Administration Circular 22/99 and other related matters. Further, this Department has submitted observations for the 26 Cabinet Memoranda Submitted by other Ministries during the year 2019.

2.12 SAARC Development Fund (SDF)

SAARC Development Fund (SDF) is a regional funding institution which aims to contribute to regional co-operation and integration through project collaboration. It serves as an umbrella financial institution for projects and programs in the South Asian Association for regional Co-operation (SAARC) region since 2010. The fund works for promoting the welfare of the people of SAARC region, improving their quality of life, and accelerating economic growth, social progress and poverty alleviation in South Asia.

The SDF has three financing windows:

(i) Social window

The Social Window primarily funds projects, inter alia on poverty alleviation, Social Development focusing on Education, Health, Human Resources Development, support to valuable/ disadvantage segments of the Society. Social Window grant 50:50 partnership with the implementing Agencies.

(ii) Economic Window

The Economic Window primarily extends funding to non – infrastructural projects related to trade and industrial development, Agriculture services sector, Science and Technology and other non- infrastructure areas.

(iii) Infrastructure Window

Infrastructure Window primarily funds projects in energy, power, transportation, telecommunications, environment, tourism and other infrastructure areas.

Economic and Infrastructure Windows 100% secured loans under Co – Financing mode. Under the Social Window 13 projects are being implemented in SAARC Countries. Each project benefits more than one SAARC member state. In Sri Lanka 4 projects have been completed and 2 projects are being implemented under the Social Window of SDF. There are 2 pipeline projects under the Economic and Infrastructure Window.

Ongoing Projects

1. Strengthening the livelihood initiative for home based workers in SAARC Region. (SABAH)
2. Toll Free help lines for women and children in SAARC member states.
3. Livelihood enhancement of small farmers in SAARC Region through small Agro business focusing on value chain development.

Completed Project

1. Strengthening Maternal and Child Health including Immunization. (MCH)
2. South Asia Initiative to end violence Against Children (SAIEVAC)
3. Post – Harvest Management and value addition of fruits in production catchment in SAARC countries

4. Strengthening of Water , Sanitation and Hygiene (WASH) Services in selected areas SAARC Countries

Pipeline Projects

1. Networking and capacity building of women Entrepreneurs (SMEs) from SAARC Countries (Establishment of SAARC Handicraft Development Centers)

SAARC Development Fund (SDF) recently launched its Micro, Small and Medium Enterprise (MSME) funding scheme in Sri Lanka under the Economic Funding Window. The fund has earmarked an amount of \$ 10million to be disbursed under this scheme.

This Department is functioning as the Sri Lanka Counterpart Agency of the SDF to perform the activities including the overall coordination, recommendation of project proposals, review of project progress, facilitating SDF officials visiting to Sri Lanka etc.

SAARC Finance Meetings

SAARC Finance was established on September 9, 1998 as a regional network of the SAARC Central Bank Governors and Finance Secretaries as agreed during the 10th SAARC Summit held in Colombo on July 29, 1998. SAARC Finance obtained formal recognition during the 11th SAARC Summit held in Kathmandu, Nepal, in January 2002.

The basic objective of SAARC Finance network is to promote co-operation among Central Banks and Finance ministries in SAARC member countries and learn from shared experiences among member countries on macroeconomic policy challenges facing the region. The broad objectives SAARC Finance included the following:

- To promote co-operation among central banks and finance ministries in SAARC member countries through staff visits and regular exchange of information
- To consider and propose harmonization of banking legislation and practices within the region
- To work towards a more efficient payment system mechanism with the SAARC region and strive for higher monetary and exchange cooperation
- To forge closer co-operation on macroeconomic policies of SAARC member states and to share experiences and ideas
- To study global financial development and their impact on the region including discussions relating to emerging issues in the financial architecture, IMF and World Bank and other international lending agencies

- To monitor reforms of the international financial and monetary system and to evolve a consensus among SAARC countries in respect of these reforms
- To evolve, whenever feasible, joint strategies, plans and common approaches in international forum for mutual benefit, particularly in the context of liberalization of financial services
- To undertake training of staff of the ministries of finance, central banks and other financial institutions of the SAARC member countries in subjects relating to economics and finance
- To explore networking of the training institutions within the SAARC region, specializing in various aspects monetary policy, exchange rate reforms, bank supervision and capital market issues
- To promote research on economic and financial issues for the mutual benefit of SAARC member countries

**03. OVERALL FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST
DECEMBER 2019**

3.1 Statement of Financial Performance

ACA -F

**Statement of Financial Performance
for the period ended 31st December 2019**

Rs.

Budget 2019	Note	Actual			
		2019	2018		
-	Revenue Receipts				
-	Income Tax	1		} ACA-1	
-	Taxes on Domestic Goods & Services	2			
-	Taxes on International Trade	3			
-	Non Tax Revenue & Others	4			
-	Total Revenue Receipts (A)				
-	Non Revenue Receipts				
-	Treasury Imprests		54,902,000	286,870,500	ACA-3
-	Deposits		446,679	28,580	ACA-4
-	Advance Accounts		7,144,161	4,218,369	ACA-5
-	Other Receipts		2,125,801	1,745,216	
-	Total Non Revenue Receipts (B)		64,618,641	292,862,665	
-	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		64,618,641	292,862,665	
	Less: Expenditure				
-	Recurrent Expenditure				
37,750,000	Wages, Salaries & Other Employment Benefits	5	36,655,980	31,762,118	} ACA-2(ii)
22,075,000	Other Goods & Services	6	17,803,208	15,080,143	
860,000	Subsidies, Grants and Transfers	7	858,518	239,256,028	
-	Interest Payments	8			
-	Other Recurrent Expenditure	9			
60,685,000	Total Recurrent Expenditure (D)		55,317,706	286,098,289	
	Capital Expenditure				
50,000	Rehabilitation & Improvement of Capital Assets	10			} ACA-2(ii)
250,000	Acquisition of Capital Assets	11		806,751	
-	Capital Transfers	12			
-	Acquisition of Financial Assets	13			
500,000	Capacity Building	14	436,558	440,200	
-	Other Capital Expenditure	15			
800,000	Total Capital Expenditure (E)		436,558	1,246,951	
	Main Ledger Expenditure (F)		7,846,099	5,791,999	
	Deposit Payments		446,679	58,871	ACA-4
	Advance Payments		7,399,420	5,733,128	ACA-5
	Total Expenditure G = (D+E+F)		63,600,363	293,137,239	
61,485,000	Imprest Balance as at 31st December 2019. H = (C-G)		1,018,278	(274,574)	

3.2 Statement of Financial Position

ACA-P

Statement of Financial Position

As at 31st December - 2019

	Note	Actual	
		2019 Rs	2018 Rs
<u>Non-Financial Assets</u>			
Property, Plant & Equipment	ACA-6	59,112,025	57,142,905
<u>Financial Assets</u>			
Advance Accounts	ACA-5	10,249,669	9,994,410
Cash & Cash Equivalents	ACA-3		
Total Assets		69,361,693	67,137,315
<u>Net Assets / Equity</u>			
Net Worth to Treasury		10,249,669	9,994,410
Property, Plant & Equipment Reserve		59,112,025	57,142,905
Rent and Work Advance Reserve	ACA-5(b)		
<u>Current Liabilities</u>			
Deposits Accounts	ACA-4		
Imprest Balance	ACA-3		
Total Liabilities		69,361,694	67,137,315

Detail Accounting Statements in ACA Format Nos. 1 to 6 presented in pages from 4 to 16 and Notes to accounts presented in pages from 17 to 24 form as integral parts of these Financial Statements. The Financial Statements have been prepared, in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found as they are in agreement.

.....
 Chief Accounting Officer
 Name : S.R. Attygalle
 Designation : Secretary to Treasury,
 Ministry of Finance, Economic and
 Policy Development
 Date : 24 / 2 / 20 20

.....
 Accounting Officer
 Name : K.A. Vimalenthirarajah
 Designation : Director General
 Date : 19/02/2020.
 K.A. Vimalenthirarajah
 Director General
 Department Trade and Investment Policy
 General Treasury

.....
 Accountant
 S G M A P Senarathna

Date : 15/02/2020.

S. R. Attygalle
 Secretary to the Treasury and Secretary to the
 Ministry of Finance, Economy and Policy
 Development
 The Secretariat
 Colombo 01

S.G.M.A.P. Senarathna
 Accountant
 Department of Trade and Investment Policy
 General Treasury
 Colombo 01.

3.3 Statement of Cash Flows

ACA-C

Statement of Cash Flows for the Period ended 31st December-2019

	2019 Rs.	Actual 2018 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts		
Fees, Fines, Penalties and Licenses		
Profit		
Non Revenue Receipts	2,125,801	
Revenue Collected for the Other Heads		
Imprest Received	54,902,000	287,188,854
Total Cash generated from Operations (a)	57,027,801	287,188,854
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	54,395,583	43,152,863
Subsidies & Transfer Payments	858,518	239,256,028
Expenditure on other Heads	471,333	
Imprest Settlement to Treasury	523,285	12,188
Total Cash disbursed for Operations (b)	56,248,719	282,421,079
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(a)-(b)	779,082	4,767,775
<u>Cash Flows from Investing Activities</u>		
Interest		
Dividends		
Divestiture Proceeds & Sale of Physical Assets		3,820
Recoveries from On Lending		
Recoveries from Advance	2,887,339	
Total Cash generated from Investing Activities (d)	2,887,339	3,820
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	436,558	1,246,951
Advance Payment	3,229,863	
Total Cash disbursed for Investing Activities (e)	3,666,421	1,246,951
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(d)-(e)	(779,082)	1,250,771
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	0	6,018,546
<u>Cash Flows from Financing Activities</u>		
Local Borrowings		
Foreign Borrowings		
Grants Received		
Deposit Received	446,679	
Total Cash generated from Financing Activities (h)	446,679	
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings		
Repayment of Foreign Borrowings		
Deposit Payments	446,679	3,524,664
Total Cash disbursed for Financing Activities (i)	446,679	3,524,664
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	0	(3,524,664)
Net Movement in Cash (k) = (g) -(j)	0	0
Opening Cash Balance as at 01st January	0	0
Closing Cash Balance as at 31st December	0	0

3.4 Financial Statement Notes

Note-(i)

Statement of Losses and Waivers
(Losses under F.R. 106 and F.R. 113)

Expenditure Head No : 244 Department : Trade and Investment Policy
Programme No. & Title : 01 Operational Activities

(i) Statement of Losses Recovered/Written off/Waived off during the year.

	Value	No. of Cases	Total Amount (Rs.)
Below	Rs. 25,000.00	-	-
Over	Rs. 25,000.01	-	-
Total			

	No. of Cases	Value (Rs.)
Classification of the cases by nature of Losses.		
1	-	-
2	-	-
3	-	-
4	-	-
Total		

(ii) Statement of Losses being held to be Written off/Waived off or recoverable so far

	Value	No. of Cases	Total Amount (Rs.)
Below	Rs. 25,000.00	-	-
Over	Rs. 25,000.01	-	-
Total			

	No. of Cases	Value (Rs.)
Classification of the cases by Nature of Losses		
1	-	-
2	-	-
3	-	-
4	-	-
Total		

	Age Analysis per (ii)	
	No. of Cases	Rs.
Less than five years	Amount	
5-10 years	No. of Cases	Rs.
	Amount	
Over 10 years	No. of Cases	Rs.
	Amount	

Note- Details on losses under F.R. 106 and waives under F.R. 113 which were accounted under object code no 1701 are to be accounted in coming years should be included.

Accountant

Date : 15/02/2020

Note-(ii)

Statement of write off from books

Expenditure Head No : 244 Department : Trade and Investment Policy
 Programme No. & Title : 01 Operational Activities

1 Statement of losses and waivers under F.R. 109 during the year


	Value	No. of Cases
(i) Below Rs. 25,000.00	-	-
(ii) Over Rs. 25,000.01	-	-
Total	-	-

Value (Rs.)

2 Statement of write off from the book and recoveries under F.R. 109 during the year

Nature of Loss	Opening balance which was not written off	Value of loss	Recoveries	Value written off from the book	Balance carried forward which was not written off	Reference No. of Approval for write off from the book
	Rs.	Rs.	Rs.	Rs.	Rs.	
1						
2						
3						
4						
5						
6						
Total						

Note - Excluding losses and waivers to be accounted in Note(i), only any other losses and waivers under F.R.109 should be included in this format.


 Accountant

Date : 15/02/2020

Note(ii)

Statement of Liabilities and Commitments

Name of Department : Trade and Investment Policy
Expenditure Head 244
Programme No. & Title : 01 Operational Activities

Name of the Person/Institution	Commitment No	Month	Date	Head	Programme	Project	Sub Project	Object Code	Finance Code	Item	Commitment	Commitment Balance	Liability Date	Liability Amount	Paid Liability	Liability Balance		
1. Ministries/Government Department																		
Trade and Investment Policy	P2001/02*1	December	31.12.2019	244	1	1		1003	11		Other Allowances	262,377	31.12.2019	262,377	262,377	0		
	P2001/02*2	December	31.12.2019	104	1	1		1003	11		DO Trainee Allowance	39,333	31.12.2019	39,333	39,333	0		
	P2001/02*7	December	31.12.2019	244	1	1		1002	11		H.N.L.Perera	11,584	31.12.2019	11,584	11,584	0		
	P2001/02*8	December	31.12.2019	244	1	1		1002	11		K.P.D.R. Karunamayake	3,603	31.12.2019	3,603	3,603	0		
	P2001/02*9	December	31.12.2019	244	1	1		1002	11		W.J.C. Fernando	1,055	31.12.2019	1,055	1,055	0		
	P2001/02*11	December	31.12.2019	244	1	1		1002	11		K.A.S. Sanjeeva Secretary, Ministry of Finance	656	31.12.2019	656	656	0		
	P2001/11	December	31.12.2019	244	1	1		1409	11		Government Printer	37,599	31.12.2019	37,599	37,599	0		
	P2001/12	December	31.12.2019	244	1	1		1409	11		Government Printer	469,962	31.12.2019	469,962	469,962	0		
	P01/06	December	31.12.2019	244	1	1		1409	11		Government Printer	851,000	31.12.2019	851,000	0	851,000		
Total												1,677,170						
2. State Corporations/Statutory Boards																		
3. Others (Private Parties)																		
Grand Total												1,677,170						


Nature of payments/Liabilities should be recognized separately as follows.

1. Ministries/Government Departments
2. State Corporations/Statutory Boards
3. Private Parties

Liabilities are transactions of which payments have not been made to the relevant parties, although goods, services or assets and services pertaining to construction contracts have been received during the respective accounting year.

Commitments are contracts or written agreements which have been entered in to with the external parties in order to obtain goods and services during the respective accounting year, although the relevant assets or services have not been received.


Date :


Accountant
15/02/2020

Statement of Liabilities - (i)
Statement of Commitments in terms of FR 94 (2) and (3)

Name of Department : Trade and Investment Policy
 Expenditure Head No. : 244
 Programme No. & Title : 01 Operational Activities

Name of the Person/Institution	Description of Commitments	Project	Sub Project	Object Code	Financing Code	Amount (Rs.)
1. Ministries/Government Department	-	-	-	-	-	-
.....						
.....						
Total						
2. State Corporations/Statutory Boards	-	-	-	-	-	-
.....						
.....						
Total						
3. Others (Private Parties)	-	-	-	-	-	-
.....						
.....						
Total						
Grand Total						




 Accountant

Date : 15/02/2020

Statement of Liabilities - (ii)
Provision Transferred to the Deposit Account in terms of FR 215 (3) (b) & (c)

Name of Department : Trade and Investment Policy
 Expenditure Code : 244
 Programme No. & Title : 01 Operational Activities

Name of the Person/Institution (To be identified at the time of Transferring the Provision to Deposit Accounts.) *	Description of Liability	L/C No.	Particular of Vote details from which Provisions were Transferred			Deposit Account No.	Amount Transferred (Rs.)
			Project	Sub Project	Object Code		
1. Ministries/Government Department	-	-	-	-	-	-	-
.....							
Total							
2. State Corporations/Statutory Boards	-	-	-	-	-	-	-
.....							
Total							
3. Others (Private Parties)	-	-	-	-	-	-	-
.....							
Total							
Grand Total							


 Accountant
 Date : 15/02/2020

Statement of Claims under Reimbursable Foreign Aid

Department : Trade and Investment Policy

Programme No. & Title : 01 Operational Activities

	<u>Rs.</u>
(1) Provision in Estimates - 2019 under Reimbursable Foreign Aid including Supplementary provisions	-
(2) Total Expenditure disbursed during the year 2019, against (1) above	-
(3) Total of Reimbursement Claims outstanding as at 01 st January 2019	-
(4) Total of Reimbursement Claims made during the year 2019, in respect of years 2018 & prior years (if any)	-
(5) Total of Reimbursement Claims made during the year 2019, in respect of year 2019	-
(6) Total of Claims disallowed by the Donor, during 2019 (if any), in respect of Claims 2017 or prior years (if any)	-
(7) Total of Claims disallowed by the Donor, during 2019 (if any), in respect of Claims 2019	-
(8) Total of Reimbursements received during the year 2019, in respect of years 2018 or prior years	-
(9) Total of Reimbursements received during the year 2018, in respect of years 2019	-
(10) Total of reimbursement Claims outstanding as at 31 st December 2019 (3+4+5) - (6+7) - (8+9)	-
(11) Total of Reimbursement Claims made after 31/12/2019 in respect of 2018 up to the finalization of the Financial Statements	-
(12) Total of Reimbursement received after 31/12/2019 up to the finalization of the Financial Statements	-
(13) Total of Reimbursement Claims outstanding as at the date of presenting the Financial Statements (10 + 11 - 12)	-


Accountant


Date : 15/02/2020

Note-(vii)

Statement of Missing Vouchers

Department : Trade and Investment Policy
Expenditure Head No : 244
Programme No. & Title : 01 Operational Activities

Date	Voucher No.	Name of Payee	Nature of Payment	Amount (Rs.)


.....
Accountant
Date: 15/02/2020

**The Status Report as at 31/12/2018 on New Bank Accounts opened
in terms of Para (01) of Treasury Operation Circular No. 5/2007 of 5/9/2007**

Expenditure Head No. : 244

Department : Trade and Investment Policy

Name of Bank	Account No.	Balance as per Bank Statement as at 31/12/2019 (Rs.)	Balance as Per Cash Book as at 31/12/2019 (Rs.)	Total Value of Cheques not yet Presented to Bank as at 31/12/2019 (if exceeds 6 months)	Month of Last Bank Reconciliation Prepared
Peoples Bank	14100169026611	1,651,074	523,285	-	December

I hereby certify that the above information is true and correct.


Accountant
Date : 15/02/2020

3.5 Performance of the Revenue Collection -2019

Rs.000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Final	Amount (Rs.)	As a % of Final Revenue Estimate
20.02.02.99	Interest – Other	500,000.00	500,000.00	461,878.51	92.38%
20.03.99.00	Other Receipts	50,000.00	100,000.00	104,876.57	104.88%

3.6 Performance of the Utilization of Allocation

Rs.000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	51,800.00	60,685.00	55,318.00	91%
Capital	800.00	800.00	437.00	55%

3.7 In terms of F.R.208 Grant of Allocations for Expenditure to this Department as an agent of the other Ministry/Department

Rs.000

Serial No	Allocation Received from which Ministry/ Department	Purpose of the allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	Ministry of National Policies, Economic Affairs, Resettlement and Rehabilitation, Northern Province Development and Youth Affairs	Allocation for Recruitment of Graduate Trainees	480,000	480,000	471,333.31	98.19%

3.8 Performance of the Reporting of Non – Financial Assets**Rs.000**

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2019	Balance Per Financial Position Reports as at 31.12.2019	Yet to be Accounted	Reporting Progress as at 31.12.2019
6112	Machinery and Equipment	-	59,112	-	100%

3.9 Auditor General's Report



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

විආර්ථ/සි/බීවීඅයිසී/2019/එස්එ/අංක
பிரிவு/சி/பி.பி.ஐ.சி/2019/එස්එ/අංක
Your No.

දිනය
திகதி
Date

2020 මැයි 30 දින

ගණන්දීමේ නිලධාරී

වෙළඳ හා ආයෝජන ප්‍රතිපත්ති දෙපාර්තමේන්තුව

වෙළඳ හා ආයෝජන ප්‍රතිපත්ති දෙපාර්තමේන්තුවේ 2019 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(1) වගන්තිය ප්‍රකාරව විගණකාධිපති සම්පිණ්ඩන වාර්තාව.

1. මූල්‍ය ප්‍රකාශන

1.1 මතය

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

මූල්‍ය ප්‍රකාශනවලින් 2019 දෙසැම්බර් 31 දිනට වෙළඳ හා ආයෝජන ප්‍රතිපත්ති දෙපාර්තමේන්තුවේ මූල්‍ය තත්ත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මූල්‍ය කාර්යසාධනය හා මුදල් ප්‍රවාහ ප්‍රකාශය



පොදුවේ පිළිගත් ගිණුම්කරණ මූලධර්මවලට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.

1.2 මතය සඳහා පදනම

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

1.3 මූල්‍ය ප්‍රකාශය සම්බන්ධයෙන් ගණන්දීමේ නිලධාරීගේ වගකීම

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

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



1.4 මූල්‍ය ප්‍රකාශන විගණනය පිළිබඳ විගණකගේ වගකීම

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

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

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

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



1.5 වෙනත් නෛතික අවශ්‍යතා පිළිබඳ වාර්තාව

2018 අංක 19 දරන ජාතික විගණන පනතේ 6(ඇ) වගන්තිය ප්‍රකාරව පහත සඳහන් කරුණු මා ප්‍රකාශ කරමි.

- (අ) මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමඟ අනුරූප වන බවට ,
- (ආ) ඉකුත් වර්ෂයට අදාළ මූල්‍ය ප්‍රකාශන පිළිබඳව මා විසින් කර තිබුණු නිර්දේශ ක්‍රියාත්මක කර තිබුණි.

2. මූල්‍ය සමාලෝචනය

2.1 වියදම් කළමනාකරණය

(අ) මූල්‍ය කාර්ය සාධනය

සමාලෝචිත වර්ෂය තුළ සලසා තිබුණු පුනරාවර්තන හා මූලධන වියදම් වල මුළු ශුද්ධ ප්‍රතිපාදනයෙන් සියයට 10 ක් හා සියයට 45 ක් වර්ෂය අවසානය වන විට ඉතිරිවී තිබුණි. ඒ අනුව වාර්ෂික ඇස්තමේන්තු කිරීම් තාක්විකව සිදුකර නොමැති බව විගණනයේදී නිරීක්ෂණය විය.

(ආ) ප්‍රතිපාදන මාරු කිරීම් (මු.රෙ 66) සහ ඉතිරිවීම්

පහත කරුණු නිරීක්ෂණය විය .


- (i) 2019 වර්ෂය තුළ පුනරාවර්තන වැය විෂයයක රු. 1,600,000 ක් වූ ප්‍රතිපාදනයෙන් මු.රෙ 69 - 66 .ප්‍රතිපාදන යටතේ සියයට 20 ක අඩු කිරීම්ද ,වැය විෂයයන් 02 ක එකතුව රු. 1,650,000 ක් වූ ප්‍රතිපාදනයෙන් සියයට 23 සිට සියයට 1 00 දක්වා වැඩි කිරීම්ද සිදු කර තිබුණි .
- (ii) වැය විෂයයන් 03 ක් යටතේ මුළු ඇස්තමේන්තු ප්‍රතිපාදනය වූ රු .300,000 ක මුදල වර්ෂය අවසානයේ වියදම් නොකොට ඉතිරි වී තිබුණි .



- (iii) පුනරාවර්තන වැය විෂයයන් 05 ක ශුද්ධ ප්‍රතිපාදනයේ එකතුව වූ රු. 16,075,000 කින් ඉතිරිවීම් එකතුව රු.3,993,978 ක් වීම නිසා ඉතිරිය ශුද්ධ ප්‍රතිපාදනයෙන් සියයට 19 සිට සියයට 28 ක් දක්වා පරාසයක විය.
- (iv) 244-1-1-1101 වැය විෂයය යටතේ ඇස්තමේන්තුව අනුව ප්‍රතිපාදනය රු. 50,000 ක් වූ අතර රු. 35,000 ක මුදලක් පරිපූරක ඇස්තමේන්තු ප්‍රතිපාදනයෙන් ලබාගෙන තිබුණු අතර තවත් රු. 30,000 ක මුදලක් මු.රෙ. 66 මාරු කිරීම් යටතේ මාරු කර ගෙන තිබුණි.
- (v) 244-1-1-1409(1) වැය විෂයය යටතේ ඇස්තමේන්තුව අනුව ප්‍රතිපාදනය රු. 2,000,000 ක් වූ අතර රු. 8,000,000 ක මුදලක් පරිපූරක ඇස්තමේන්තු ප්‍රතිපාදනයෙන් ලබාගෙන තිබුණු අතර එයින් රු. 390,000 ක මුදලක් මු.රෙ. 66 මාරු කිරීම් මගින් අඩුකර ගෙන තිබුණි.
- (vi) 244-1-1-1002 වැය විෂයය යටතේ ඇස්තමේන්තුව අනුව ප්‍රතිපාදනය රු. 400,000 ක් වූ අතර රු. 150,000 ක මුදලක් පරිපූරක ප්‍රතිපාදන යටතේ ලබාගෙන තිබුණි.

3. මෙහෙයුම් සමාලෝචනය හා කාර්යසාධනය

ඉදිරිපත් කරනු ලබන මූල්‍ය ප්‍රකාශනවල සඳහන් ආදායම්, වියදම්, වත්කම් හා වගකීම් සම්බන්ධයෙන් මෙහෙයුම් සමාලෝචනය, තීරණ සංවර්ධනය, යහපාලනය හා මානව සම්පත් කළමනාකරණයට අදාළ විගණන නිරීක්ෂණ ඉහත 1.1 ඡේදයේ දක්වා ඇති 2018 අංක 19 දරන ජාතික විගණන පනතේ 10 වගන්තිය ප්‍රකාරව ඉදිරිපත් කරනු ලබන වාර්තාවට ඇතුළත් කරනු ලැබේ.


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

04. PERFORMANCE INDICATORS

No	Specific Indicators	Actual output as a percentage (%) of the expected output		
		100%- 90%	75%- 89%	50%- 74%
1	Percentage of implementation of Tariff Policy on Bilateral, Plurilateral and Multilateral Trade Agreements	√		
2	Percentage of Facilitation of Proposed Free Trade Agreements	√		
3	Percentage of Representing Ministry of Finance in the Joint Trade Committee/ Council	√		
4	Percentage of Review of Tariff Policy for National Development	√		
5	Exemptions (Waivers) / Concessions of Customs Import Duty under the Customs Ordinance	√		
6	Percentage of Preparation of Answers for Parliamentary Questions / Cabinet Observations	√		
7	Percentage of Oversight Committee of Parliament / Public Finance Committee of Parliament	√		
8	Percentage of No. of issues solved on Formulation of policies for Boarder / Customs Management	√		
9	Percentage of Reports/ clarifications submitted to the Assisting for implementation of Trade Facilitation Agreement	√		
10	Percentage of No. of issues / reports solved for statistical data prepared Address trade and tariff related issues	√		
11	Percentage of No. of completion of the Budget proposal on Facilitation for implementation of Trade Policy related Budget Proposals	√		
12	Percentage of implementation of Bonded Warehouses related matters	√		
13	Percentage of No. of reported submitted on Commonwealth Small States Trade Financing Facility(CSSTFF) related matters	√		
14	Percentage of No. of regulations issued for Regulation under the Customs Ordinance (Chapter 235)	√		

15	Percentage of Progress of completion of the amendment (%) and No. of appeals concluded for Facilitating Boarder /Customs Management	√		
16	Percentage of No. of amendments made to the FEA, No. of Orders & Regulations issued, No. of Directions issued, No. of letters/ queries replied, No .of issues facilitated and No. of requests attached on Matters related Foreign Exchange Act No 12 of 2017, Financial Intelligence Unit and other matters related to Central Bank of Sri Lanka	√		
17	Percentage of No. of projects approved for the progress review meetings held on Matters related to SAARC Development Fund (SDF)	√		
18	Percentage of Attended to the replied information on Right to Information Act No. 12 of 2016	√		
19	Percentage of Attended the No. of requests replied foe “Tell President” Grievance Management System	√		
20	Percentage of No. of amendments made to the Circular, No. of issued permits under the Circular No 01/2018, No. of complaints and appeals replied/ attended, No. of permits issued to the Governors, No. of issued permits under the Circular and No 22/99 No. of Duty waving letters issued for the permits issued under the circular No 210 Issuance of Vehicle Import Permits under Concessionary Terms for the eligible officers of Government Service, State Corporations , Statutory Institutions and Governors of Provinces	√		
21	Percentage of No of approvals granted to Disposal of vehicles imported under the various duty concession schemes	√		
22	Percentage of No. of HR acquired for Vacancies on Human Resource Management	√		
23	Percentage of No. of Procurement completed according to the procurement plan and Percentage amount of budget allocation utilization on Procurement	√		
24	Percentage of No .of Court Cases attended/ concluded for Court Cases	√		
25	Percentage of implementation of Financial Management policy	√		

26	Percentage of No. of Audit Queries answered for Answering audit queries related to the Department (General Audit, Management Audit, Internal Audit)	√		
27	Percentage of Availability of inventory items and Timely submission of ABS Report for Assets and Inventory management	√		
28	Percentage of No. of interruptions of utility services for Maintaining utility services (Telephone, Fuel, Cleaning, Postal)	√		

05. PERFORMANCE OF THE ACHIEVING SUSTAINABLE DEVELOPMENT GOALS

5.1 Sustainable Development Goals							
	Goal / Objective		Targets	Indicators of the achievement	Progress of the Achievement to date		
					0%-49%	50%-74%	75%-100%
1	No poverty	End poverty in all its forms everywhere	Controlling cost of living	No. of RPO issued			√
				No. of fully and partial Duty waivers granted			√
				No. of projects & programmes approved under the SAARC Development Fund (SDF)			√
				No. of SCL gazettes issued			√
2	Decent work and Economic Growth -	Promote sustained, inclusive and sustainable economic growth, full	Strengthened the administration system for the sustained, inclusive and	Replied No. of information requests under Right to Information Act.			√

		and productive employment and decent work for all	sustainable economic growth in the country	Replied No.of information requests under " Tell President" Grievance Management System			√
				No.of permits issued under the section 22(A) & 19(A) in the Customs Ordinance			√
				No.of directions issued under the Foreign Exchange Act			√
3	Reduce Inequality	Reduce inequality within and among countries	Trade liberation with in region and countries	No. of Tariff Policy issues resolved			√
				No. of Meetings held			√
				No. of stakeholders consultations held			√
				Compilation of Negative List			√
				Reviewed of Customs procedures			√
				Reviewed current applicable			√

				regulations			
				Analyzed trade para-tariff measures			√
				Analyzed MOUs and proposed amendments to promote benefit			√
4	Peace, Justice and Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Provided access to Legal provisions for the justice for all through the formulation of Policies and regulations	Answered Parliament Questions			√
				No,of Customs Cases solved			√
				No,of Court Cases solved			√
				No.of circulars issued under PAC No.01/2018 and No. 22/99 for vehicles permits			√

06. HUMAN RESOURCES PROFILE

6.1 Cadre Management

Table 6.1 Cadre Position as at 31st December 2019

Level	Approved Cadre	Existing Cadre	Vacancies
Senior	15	13	2
Territory	04	3	1
Secondary	28	24	4
Primary	15	11	4
Total	62	51	11

The Department of Trade and Investment Policy consist of an approved cadre of 62. Accordingly, the above 6.1staff served in the Department.

There had been 11 vacancies in the year 2019 and the Department achieved the expected performance by using productivity from the existing cadre and they worked extra hours.

6.2 Human Resources Development Programmes

Table 6.2 Officers Attended Local and Foreign Training Programmes, Workshops, Seminars and Meetings in 2019

Name of the Program	No. of Staff trained	Duration of the program	Total Investment (Rs'000)		Nature of the program (Foreign/ Local)	Knowledge Gained
			Local	Foreign		
Policy Dialog the Promotion of Domestic Savings in Asian Countries	01	2019.04.05	Combined Allowance US\$-120 Warm Cloth Allowance 75 Pounds Insurance Rs.1810.67	Air Ticket Combined Allowance	Foreign Workshop Japan	Knowledge of policy dialog on the promotion of domestic saving in Asian countries

2018 Seminar on Capacity Building of FTA Negotiation for Developing Countries	01	2019.07.04 to 2019.07.18	Combined Allowance US\$ 680 Insurance Rs.5112.29	Air Ticket Combined Allowance	Foreign Training China	Capacity Building of FTA Negotiation for Developing Countries
2019 Seminar on Enhancing Work Comprehensive for Young Officials at Director General Level	01	2019.08.09 to 2019.08.29	Combined Allowance US\$-920/- Insurance Rs.6305.22	Air Ticket Combined Allowance	Foreign Training China	Knowledge of Enhancing work, comprehensive for young officials.
2019 Seminar for Senior Officials on Medium and Long term Development Plan under Belt and Road Initiative	01	2019.08.09 to 2019.08.29	Combined Allowance US\$ 920/- Insurance Rs.6305.22	Air Ticket Combined Allowance	Foreign Training China	Knowledge of Medium & Long Term Development Plan Under Belt & Road Initiative
Workshop for Asia Sub Regional Economic Cooperation (SASEC) Customs Administration on Trade Facilitation Measure	01	2019.12.17 to 2019.12.18	Combined Allowance US\$ -120/-	Air Ticket Combined Allowance Insurance	Foreign Training India	Knowledge of Workshop for Asia Sub Regional Economic Cooperation (SASEC) Customs Administration on Trade Facilitation Measure
Bid Evaluation in IT Related Goods and Service Procurement	01	2019.01.10 to 2019.01.13			Local Training	Knowledge of Bid Evaluation in IT Related Goods and Service Procurement
Board of Survey, Losses and Write-Offs	01	2019.02.14 to 2019.02.16			Local Training	Knowledge of Board of Survey, Losses and Write-Offs
Formal Letter Writing Skills	01	2019.02.25 to 2019.02.27			Local Training	Knowledge of Formal Letter Writing

Public Financial Regulations	01	2019.03.25 to 2019.03.27			Local Training	Knowledge of Public Financial Regulations
Workshop on Bid Evaluation	02	2019.06.18			Local Training	Knowledge of Bid Evaluation
Workshop on Bid Evaluation	02	2019.06.20			Local Training	Knowledge of Bid Evaluation
Macroeconomic Modeling for Improved Economic Assessment	02	2019.07.21 to 2019.07.26			Local Training	Knowledge of Macroeconomic Modeling for Improved Economic Assessment
Diploma in English for Junior Executive(DEJE) Level 03	01	2019.07.29 to 2019.08.26 (Mondays)			Local Training	Knowledge of English
Workshop on Bid Evaluation	01	2019.08.05			Local Training	Knowledge of Bid Evaluation
Workshop on Bid Evaluation	03	2019.08.06			Local Training	Knowledge of Bid Evaluation
Workshop on Bid Evaluation	03	2019.08.07			Local Training	Knowledge of Bid Evaluation
File Management & General Office Administration-E-Code	02	2019.11.19 to 2019.11.21			Local Training	Knowledge of File Management & General Office Administration-E-Code
Diploma in English for Junior Executive(DEJE)	02	2019.11.26 One year Tuesdays			Local Training	Knowledge of English
Inventory & Asset Management Program	01	2019.11.27 to 2019.11.29			Local Training	Knowledge of Inventory & Asset Management
Out Bound Training	40	2019.10.19 to 2019 .10.20	Rs.370,302.5		Local Training	It is a corporate training method for enhancing overall organizational performance through experiential learning

Action has been taken to improve the effectiveness and efficiency by offering local and foreign training as above and making change in attitude of the staff members in year 2019.

Training allows employees to acquire new skills, sharpen existing ones and perform better.

07. COMPLIANCE REPORT

No	Applicable Requirement	Compliance Status (Complied/Non Complied)	Brief explanation for non-Compliance	Corrective actions proposed to avoid non-compliance future
1	The following Financial statements/accounts have been submitted on due date			
1.1	Annual Financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Non Complied	Not Applicable	
1.4	Stores Advance Accounts	Non Complied	Not Applicable	
1.5	Special Advance Accounts	Non Complied	Not Applicable	
1.6	Others	Complied		
2	Maintenance of books and registers (FR 445)			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal Emoluments register/personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit Reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money			

	orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of counterfoil Books (GAN 20) has been maintained and update	Complied		
03	Delegations of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial has been communicated within the institute	Complied		
3.3	The Authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of state Account circular 171/2004 dated 11.05.2014 in using the Government payroll software Package	Complied		
04	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		

4.4	The annual estimate has been prepared and submitted to the NBD	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
05	Audit Queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
06	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the auditor general in terms of Financial Regulation 134(2) DMA/1-2019	Complied		
6.2	All the internal audit reports has been replied within one month	Complied		
6.3	Copies of the all internal audit reports has been submitted to the Management audit Department in terms of sub- section 40(4) of the National Audit Act No.19 Of 2018	Complied		
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)	Complied		
07	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1- 2019	Complied		
8	Asset Management			
8.1	The information about purchase of asset and disposals was submitted to the Comptroller General's Office in			

	terms of paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's office in terms of paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of public Finance circular No. 05/2016	Complied		
8.4	The excess and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle log books had been maintained and updated	Complied		
9.4	The action has been taken in terms			

	of FR 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Non Complied	Non Applicable	
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	Advances to Public officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		

12.3	The loan balances in arrears for over one year had been settled	Complied		
13	General Deposit Account			
13.1	The action had been taken as per F.R 571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad – hoc imprests issued as per F.R 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had been issued exceeding the limit approved as per F.R.371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	Non Complied	Not Applicable	
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Non Complied	Not Applicable	
15.3	Returns of arrears of revenue forward to the Auditor general in terms of FR 176	Non Complied	Not Applicable	
16	Human Resource Management			

16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the Public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right to information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by web site or alternative measures and has it been facilitated to appreciate/ allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi – annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizens charter / citizens client’s charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 (1) of Ministry of public Administration and Management	Complied		
18.2	A methodology has been devised by the institution in order to monitor and assess the formulation and the implementation of Citizens Charter/ Citizens client’s charter as per	Complied		

	paragraph 2.3 of the circular			
19	Preparation of the Human Resource Plan			
19.1	A Human resource plan has a been prepared in terms of the format in Annexure 02 of public Administration circular No.02/2018 dated 24.01.2018	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual Performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses Audit Paras			
20.1	The shortcomings pointed out in the Audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		