

Annual Performance Report 2021 Ministry of Plantation



Ministry of Plantation

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Message from the Hon.Minister of Plantation



Adhering to the Government Policy Statement 'Vistas of Prosperity and Splendour' and with the aim of capturing the international market, we set important targets for the year 2021 with the primary objective of developing high value-added plantation crops nurtured with modern technology while uplifting the income of growers and increasing foreign exchange earnings.

It was my pleasure to provide policy guidance to all institutions that come under my purview and are tasked with the promotion of tea, rubber, coconut and other minor export crops and related products that are very important in the national socio-economic development of Sri Lanka while providing necessary direction for various development programmes. I am pleased to note that the State Ministries affiliated to the Ministry with their affiliated institutions have performed their tasks well, which is evident by the high performance recorded in the Plantation Industry in 2021.

The Ministry of Plantation has introduced a number of new programmes for the plantation sector in the year 2021 to ensure moving towards sustainable plantation development. Especially, programmes such as introducing new technologies for plantation crops and introducing drip irrigation systems to mitigate the impact of climate change were implemented during this year.

It is creditable that the collective efforts taken by the ministry teams have been successful in promoting export-oriented crops and expanding local and foreign market opportunities for value-added products despite the global COVID-19 pandemic.

Overcoming all the challenges faced by the Plantation Industry and increasing the export income by 30%, up to Rs.750 billion, as against the export income of Rs.577 billion in the year 2020, is a unique achievement of the Ministry in the year 2021.

I'd like to take this opportunity to express my gratitude and best wishes to the three State Ministers, the Secretary of Plantation Ministry and his staff, the Secretaries to the State Ministries and their staff, the Heads of the affiliated institutions, and all the stakeholders who helped us achieve our goals in the Plantation Sector despite numerous challenges throughout the year. Our efforts have without doubt boosted the local economy while easing the foreign exchange crisis by conquering foreign markets.

Dr. Ramesh Pathirana (M.P.)
Minister of Plantation

Message from the Secretary



Conquering unique international markets by absorbing research knowledge has been identified as the current strategic focus on identifying the modern technology for a new revival in the plantation sector as one of the major foreign exchange earning sectors for the national economy.

During the year under review, the Ministry and its affiliated institutions have been working tirelessly for the betterment of the plantation sector by fulfilling their responsibilities in the sector. Despite the challenges posed by the COVID-19 pandemic, all the sectors such as tea, coconut, rubber and minor export crops have been able to increase the export income in the year 2021 compared to the previous year.

As well, it is important to work towards mitigating the impact of climate changes on the plantation sector and introducing new technology in the year 2021. Accordingly, micro-irrigation for the plantation crops was introduced and auctions were continued through remote technology.

I would like to convey my sincere gratitude to the staff of the Ministry, the staff of State Ministries and the staff including the Heads of institutions of the affiliated institutions who contributed to perform the duties assigned to the Ministry under the guidance of the Hon. Minister of Plantation and the Hon. State Ministers and to successfully utilize the financial provisions allocated to the plantation sector for the year to an optimal level.

I avail this opportunity to wish you the strength and courage to continue the mission for the prosperity of the country, conquer the manufacturing and export markets through modernization, providing relief and value chain development in the plantation sector and to stand firm in the face of challenges.

Ravindra Hewawitharana
Secretary

Annual Performance Report for the year 2021

Ministry of Plantation

Expenditure Head No 135

Chapter 01

- Institutional Profile / Summary of Implementation

Chapter 02

- Progress and the Future Outlook

Chapter 03

- Overall Financial Performance for the Year

Chapter 04

- Performance Indicators

Chapter 05

- Performance of the achieving Sustainable Development Goals (SDG)

Chapter 06

- Human Resource Profile

Chapter 07

- Compliance Report

Chapter 01 - Institutional Profile

1.1 Introduction

While fulfilling the role within the purview of the Ministry in line with the vision “Achieving national prosperity through the development of the Plantation Industry”, it also had to be faced with various challenges due to the COVID - 19 pandemic prevailed throughout the year 2021. It is gratifying to be able to maintain the plantation sector continuously and achieve high performance in spite of such challenges.

Necessary policy decisions were made from time to time throughout the year for the creation of an “export focused plantation industry infused with new technology” based on other policies of the government and in accordance with the policy statement “Vistas of Prosperity and Splendour” within the purview of the Ministry with the objective of achieving the special priorities assigned to the Ministry.

As well, despite the COVID pandemic situation prevailed, it was able to rachtowards the financial management targets and to achieve a satisfactory progress in comparison to the capital and recurrent allocation made by the Budget for the development of the plantation sector.

In addition, it is a great achievement of the Ministry to be able to manage the confusion in the field of agriculture to a minimum in the plantation sector in line with the Government's policy decision to suspend the import of chemical fertilizer by the year 2021 and to promote organic fertilizer for the cultivation.

Accordingly, taking into account all these factors, this report presents the performance achieved for the year 2021 by providing proper guidance to the Ministry of Plantation and the affiliated insitutions, State Ministries and the affiliated insitutions and coordinating the stakeholders in the plantation sector.

1.2 Vision, Mission, Objectives

VISION

“Achieving national prosperity through development of the plantation industry”

MISSION

“ To enhance the productivity, profitability and sustainability of the plantation industry through ensuring an economically, socially and environmentally viable plantation.”



OBJECTIVES

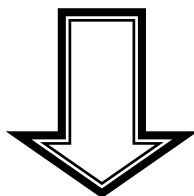
Plantation crop development with modern technology, high value addition to win the unique international market segments.

Bringing the income of the grower to a higher level.

Increasing the foreign exchange earning to the country.

SCOPE OF THE MINISTRY OF PLANTATION

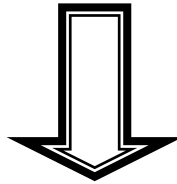
According to the Gazette Extraordinary No 2196/27 dated 06th October 2020
(As per the Amendment of Gazette 2194 /24 dated 25th September 2020)



Re-orienting overall plantation industry aimed at attracting export market by diversification of value – added production through the adoption of research techniques new technological tools & the optimum utilization of land.

1.3 Key Functions

According to the Gazette Notification No.2196/27 dated 06th October 2020
(Amendment No.2194/74 dated September 25th 2020)



Special Priorities Assigned to the Ministry

Prohibiting the fragmentation of lands used for tea, rubber and coconut plantations to establish human settlements and maximizing the utilization of the said lands for the development of plantation and subsidiary crops

Expanding the tea market for Ceylon Tea with the participation of both state and private sectors.

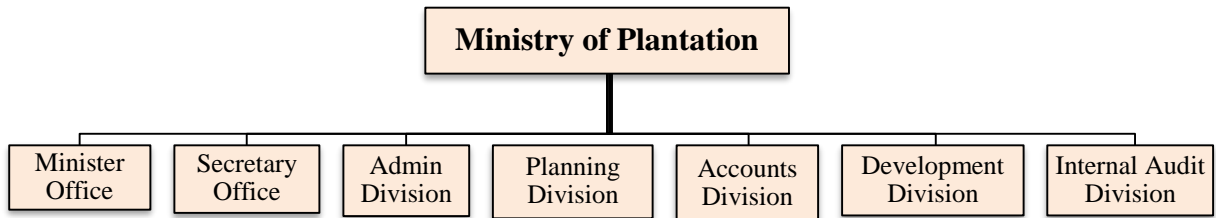
Reorganizing the Tea Research Institute by enabling it to contribute towards the development of the Tea industry by the introduction of latest technology.

Encouraging the value added tea export instead of large-scale tea bulk export.

Subject lands owned by plantation companies of both the State and private sectors to maximum crop diversification and develop related industries.

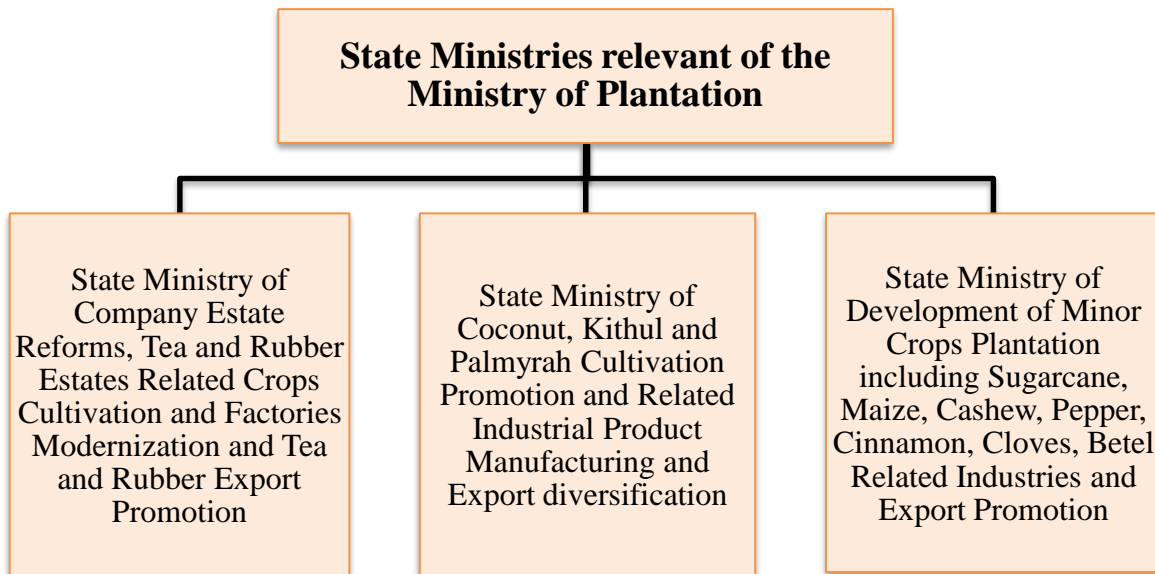
Promoting Pure Ceylon Tea as an excellent product of Sri Lanka at the international markets.

1.5 Divisions under the Ministry

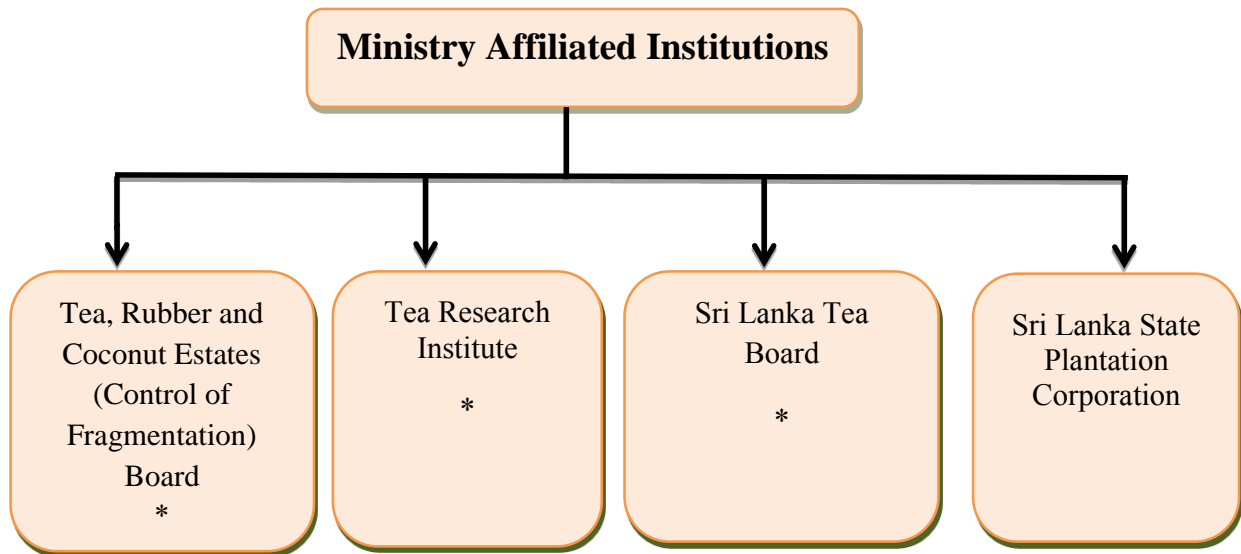


1.6 State Ministries and Institutions Affiliated to the Ministry

As per the the Gazette Extraordinary No 2194/74 dated 25th September 2020



As per the Gazette Extraordinary No 2196/27 dated 06th October 2020
(According to the amendment of the Gazette Extraordinary No 2194 / 74 dated
25th September 2020)



* Institutions receiving Treasury Provisions

1.7 Foreign Funded Projects

❖ No foreign aided projects were implemented under the Ministry of Plantations during the year 2021

➤ **Small Holder Tea and Rubber Revitalization (STaRR)**

(came under the purview of state ministry of Company Estate Reforms, Tea and Rubber Estates Related Crops Cultivation and Factories Modernization and Tea and Rubber Export Promotion.)

➤ **Agricultural Modernization Project**

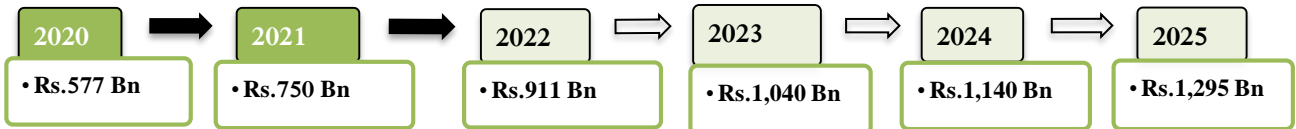
(came under the purview of the state ministry of Development of Minor Crops Plantation including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion.)

Chapter 02 - Progress and the Future Outlook

Export focused plantation industry infused with new technology

It is expected to achieve the following targets by providing policy guidance to relevant State Ministries and formulating policies in relation to the subject of Plantation, in conformity with the prescribed Laws, Acts and Ordinances and implementation of projects under the National Budget, State investment and National Development Programme for the creation of an “export focused plantation industry infused with new technology” based on other national policies implemented by the government and in accordance with the Policy Statement “Vistas of Prosperity and Splendour”.

Target of Export Revenue in Plantation



Export Earnings Per Crop

Plantation Crop	Actual (Rs.Bn.)		Target (Rs.Bn.)			
	2020	2021	2022	2023	2024	2025
Tea	230.17	263.35	332.00	378.00	401.00	439.00
Rubber	151.08	217.35	240.00	288.00	345.00	414.00
Coconut	122.51	166.03	224.00	247.00	271.00	300.00
Kithul	0.19	0.21	0.30	0.35	0.43	0.50
Palmyrah	0.021	0.059	0.032	0.034	0.037	0.04
Cashew	0.08	0.09	0.64	0.70	0.77	0.85
Export Agriculture	73.00	102.94	113.87	125.53	121.31	139.67
Total	577.141	750.029	910.842	1,039.61	1,139.55	1,294.06

Tea Sector

For a long time, the name 'Sri Lanka' has been at the forefront of the international market for tea, coconut and rubber based export crops. In order to secure the position in the future as well, it is expected to introduce value-added products infused with new technology to the market to adapt to the global market and ensure market stability. The Ministry of Plantation is also taking actions to achieve the targets set in the plantation sector in collaboration with the State Ministries.

Overall Performance of the Tea Sector

Tea production has increased by 7.4% in the year 2021 compared to the year 2020 and the volume of tea exports has also increased by 7.6% in the year 2021 as against the year 2020.

Tea export earnings have also increased by 14.4% compared to the year 2020. However, the average selling price of a kilogram of tea at the Colombo Tea Auction has dropped by 2% in the year 2021 compared to the year 2020 and the FOB price has increased by 6.3% in the year 2021 as against the year 2020.

Tea Production

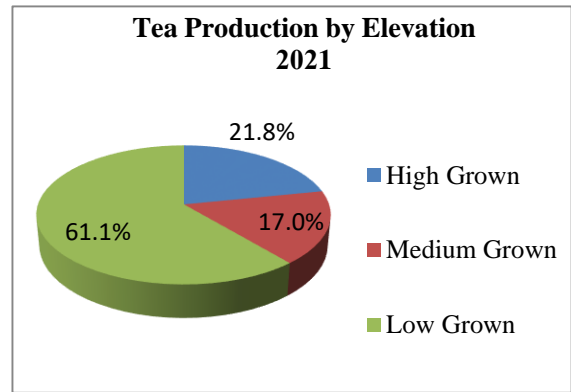
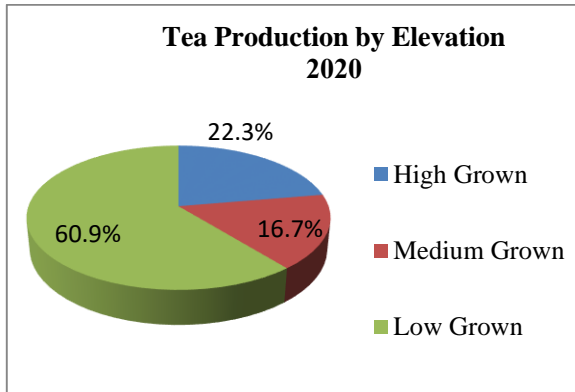
Details	Year 2020 (Actual)	Year 2021 (Actual)	Targets		
			2022	2023	2024
Tea Production (Mn. Kg.)	278.85	299.48	315.00	330.00	345.00
Export Revenue (Rs.Bn.)	230.16	263.35	303.00	339.00	365.00
Export quantity (Mn. Kg.)	265.56	285.87	300.00	320.00	328.00
Average Sales Price per Kg. at Colombo Tea Auction (Rs.)	628.21	615.44	658.00	734.00	830.00
FOB Price (Kg/Rs.)	866.70	921.23	1,010.00	1,060.00	1,112.00

Source: Sri Lanka Tea Board

Tea Production by Elevation

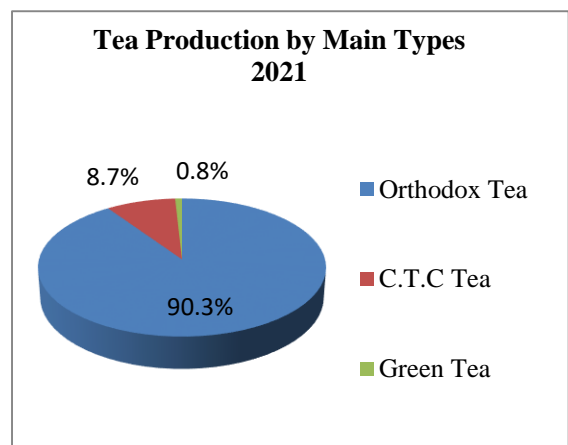
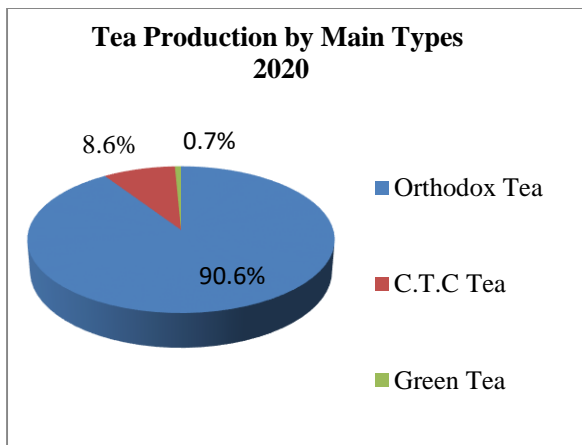
Details	2020 (Mn.Kg.)	2021 (Mn.Kg.)	Variance (Mn.Kg.)
High Grown	62.24	65.33	3.09
Medium Grown	46.73	50.98	4.25
Low Grown	169.88	183.18	13.30
Total	278.85	299.49	20.64

In terms of the elevations, high grown, mid grown and low grown tea productions of the total tea production are reported as 21.8%, 17.0% and 61.1% respectively in the year 2021. This was 22.3%, 16.7% and 60.9% in the year 2020 respectively. According to the main tea production methods, the Orthodox tea production volume in the year was 90.3%.



Tea Production by Main Types

Details	Year 2020 (Mn.Kg.)	Year 2021 (Mn.Kg.)	Variance (Mn.Kg.)
Orthodox Tea	252.72	270.73	18.01
C.T.C Tea	24.10	26.19	2.09
Green Tea	2.03	2.57	0.54
Total	278.85	299.49	20.64



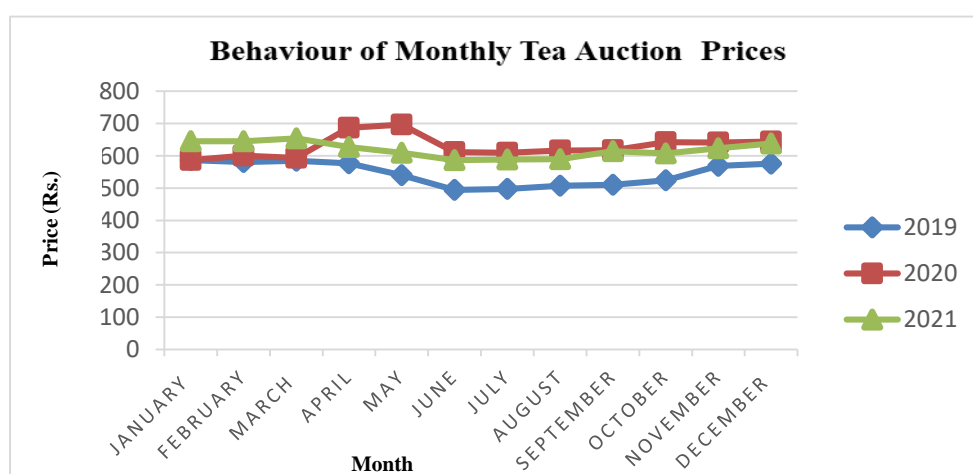
Tea Sale Price

As per the Colombo Tea Auction data, tea sales had increased by 10.3% in the year 2021 compared to the year 2020. However, the average selling price per kilogram of tea had dropped by 2%.

Tea Market Data

Details	Year	Year	Variance	
	2020	2021	Quantity	(%)
Total Amount of tea sold (Mn. Kg)	268.23	295.78	27.60	10.3
Average Selling Price Per Killogram of Tea (Rs.)	628.21	615.44	(12.77)	(2.0)

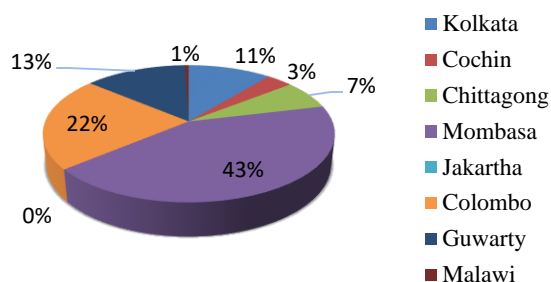
Source: Sri Lanka Tea Board

Behaviour of Monthly Tea Auction Prices

Sales Amount of World Main Tea Auction Centers

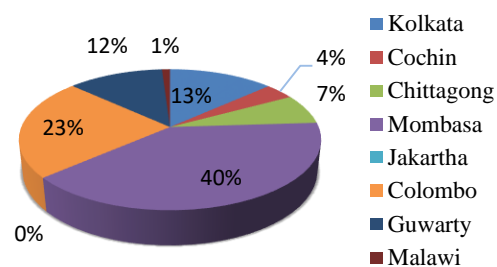
Auction Center	2020		2021		Variance	
	Quantity (MT)	Average price per 1Kg (USD)	Quantity (MT)	Average price per 1Kg (USD)	Quantity (MT)	Average price per 1Kg (USD)
Kolkata	132,598	2.89	169,338	2.86	36,740	(0.04)
Cochin	41,520	1.91	47,890	1.92	6,370	(0.01)
Chittagong	82,986	2.05	88,129	2.32	5,143	0.27
Mombasa	516,803	1.93	503,893	1.97	(12,910)	0.04
Jakarta	-	-	-	-	-	-
Colombo	268,236	3.39	295,790	3.09	27,553	(0.29)
Guwarty	162,520	2.67	154,898	2.49	(7,622)	(0.18)
Malawi	5,997	1.44	12,980	1.38	6,983	(0.07)
Total	1,205,978	2.46	1,267,610	2.43	61,632	(0.03)

Source: Sri Lanka Tea Board

Sales Amount of World Main Tea Auction Centers - 2020



Sales Amount of World Main Tea Auction Centers - 2021



Tea Export

The total volume of tea exports and re-exports in the year 2021 is 285.87 million of which 97% or 276 mn kg is the exports of tea produced in the country. The volume of tea exports and re-exports have increased by 98% and 10% respectively in the year 2021 compared to the year 2020. As well, the volume of exports to 13 countries of the top 20 tea exporting destinations has increased in the year 2021 compared to the year 2020 of which the exports to countries such as Iraq, the United Arab Emirates, Libya and Belgium have increased by more than 20%.

Data on Tea Export and Re-Exports

Type	Orthodox Tea		Green Tea		Instant Tea		Total	
	Quantity (Mn. kg.)	F.O.B. Price (Rs./ Kg)	Quantity (Mn. kg.)	F.O.B. Price (Rs./ Kg)	Quantity (Mn. kg.)	F.O.B. Price (Rs./ Kg)	Quantity (Mn. kg.)	F.O.B. Price (Rs./ Kg)
2020								
Export	251.77	836.54	1.98	2,067.42	2.81	1,446.88	256.57	852.76
Re Export	6.82	1,032.90	2.13	2,003.15	0.03	1,240.21	8.99	1,264.44
Total	258.59	841.72	4.11	2,034.10	2.84	1,444.50	265.56	866.70
2021								
Export	270.76	882.20	2.27	2231.11	2.97	1740.31	276.0	902.54
Re Export	7.48	1182.77	2.33	2285.22	0.06	1358.94	9.87	1443.77
Total	278.24	890.29	4.60	2258.48	3.03	1732.54	285.87	921.23

Source: Sri Lanka Tea Board

Leading Destinations of Ceylon Tea Exports

Leading Destination	2020		2021		Increase / (Decrease)	
	Quantity (Kg.)	As a percentage of total export %	Quantity (Kg.)	As a percentage of total export %	Quantity (Kg.)	As a percentage of total export %
Iraq	33,377,320.18	12.57	42,455,311.76	14.85	9,077,992	27
Turkey	38,866,312.05	14.64	29,745,683.97	10.41	(9,120,628)	(23)
Russia	29,608,372.75	11.15	27,357,322.09	9.57	(2,251,051)	(8)
U.A.E	8,670,345.96	3.26	23,147,841.68	8.10	14,477,496	167
Iran	15,127,066.61	5.70	15,833,587.62	5.54	706,521	5
China	14,123,417.52	5.32	14,221,526.33	4.97	98,109	1
Libya	7,806,247.00	2.94	12,338,990.90	4.32	4,532,744	58
Azerbaijan	10,303,102.37	3.88	10,591,095.70	3.70	287,993	3
Chile	9,419,054.71	3.55	8,834,918.87	3.09	(584,136)	(6)
Siriya	9,536,804.46	3.59	7,767,178.60	2.72	(1,769,626)	(19)
Japan	5,611,524.88	2.11	6,595,486.62	2.31	983,962	18
Saudi Arabia	6,804,226.65	2.56	6,530,942.90	2.28	(273,284)	(4)
Germany	6,431,148.31	2.42	6,402,796.41	2.24	(28,352)	(0)
USA	5,707,342.77	2.15	5,973,744.31	2.09	266,402	5
Jordan	4,680,080.88	1.76	5,218,337.13	1.83	538,256	12
Taiwan	4,504,033.71	1.70	4,887,721.75	1.71	383,688	9
Hong Kong	3,762,717.12	1.42	4,440,574.08	1.55	677,857	18
Ukraine	4,556,734.39	1.72	4,276,529.60	1.50	(280,205)	(6)
Belgium	2,237,942.83	0.84	3,532,531.93	1.24	1,294,589	58
Poland	2,978,301.95	1.12	3,349,409.62	1.17	371,108	12

Source: Sri Lanka Tea Board

Special activities carried out for the betterment of the plantation sector during the COVID-19 lockdown period

Tea Sector

- During the period in which the curfew was imposed and the country was locked down due to the COVID risk, while the tea factories faced with difficulties in running, the plantation sector community also faced with severe difficulties.

The Ministry issued letters to all the relevant government institutions on 11.05.2021, 21.05.2021 and 21.08.2021 to inform them to act under the guidance of the police and the health sectors to control the situation and restore the livelihood of the rural community in the plantation sector and to maintain the national economy strongly. As a result, during the period of curfew and travel restrictions, tea smallholders, green leaf suppliers, green leaf transporters, factory owners and exporters were able to make their contribution to the tea sector without any hindrance.

- As instructed by the health authorities, required facilities were provided to conduct the Colombo Tea Auction, which has been conducted online since 2020, in the same manner.
- During the field inspections, the tea inspectors carried out field activities and relevant operations under the guidelines and regulations of the health authorities.

Rubber Sector

- Despite the inter-provincial travel restrictions imposed by the government to control the spread of COVID-19 pandemic in the year 2021, Necessary assistance was provided to rubber manufacturing companies at the Ministry level to obtain inter-provincial travel permits to continue supply chains in the rubber manufacturing industry.

Coconut Sector

- With the participation of all the affiliated institutions in the coconut sector, meetings were organized using Zoom technology to seek solutions to the problems arisen in the coconut sector from time to time.
- Guidance was given to continue the activities in the coconut sector under and in compliance with the guidelines of the Ministry of Health and the Regional Health Officers.

Special activities carried out for the plantation sector in the year 2021

Tea Sector

- ✎ Necessary actions were taken to carry out the activities for the year 2021 incorporated in the strategic plan for the year 2021-2025 prepared by a team of experts from the Agriculture Faculty of the University of Peradeniya under the guidance of the Ministry of Plantation.
- ✎ Necessary policy and operational assistance was provided for the following projects funded by the Sri Lanka Tea Board and implemented under the supervision of the Ministry.
 - ✓ Under the Model Tea Farming Project implemented for medium scale tea estates (10-50 acres), a sum of Rs.2.3 million was provided to 17 land owners in stages.
 - ✓ Rs.125 Mn have been provided for the Project of 500 Tea Nurseries implemented by the Tea Small Holdings Development Authority under the supervision of the Sri Lanka Tea Board.
 - ✓ Under the Project of 138 Tea Nurseries implemented by the Sri Lanka Tea Board, a sum of Rs.55.78 million has been provided up to 31st December 2021. Works in 113 nurseries have been commenced and plants have been grown in 102 nurseries.

- ✓ 80 tea models were to be established under the Project for establishment of Model Organic / Bio Fertilizer Production Units with a subsidy scheme covering all the Tea Inspectors zones and by the end of the year, 92 models have been established. A sum of Rs.40 million (The subsidy amount per production unit is Rs. 500,000/=) was allocated for the purpose and Rs.8.78 million has been released as at 31.12.2021.
- ✿ The Tea Factory Modernization Subsidy Scheme has covered 42 factories at a cost of Rs.20 million for the year 2021.
- ✿ A subsidy amount of Rs.80 million was paid for the tea replanting subsidy covering 263 hectares of tea.
- ✿ Under the full supervision of the Ministry of Finance and the Ministry of Plantation, in order to meet the short term and long term financial requirements of small and medium scale tea estate owners under the Asian Development Bank Loan Scheme, in collaboration with 10 qualified Participatory Financial Institutions (PFI), a loan scheme is in operation to provide loans for all the projects for increasing green leaf production through agricultural practices such as tea replanting, new planting, infilling, nursery development, irrigation, water and soil management and mechanization.

In this context, by the end of the year, loan applications have been received for a sum of Rs.797 million and the loan amount issued to 330 beneficiary tea smallholders is Rs.550.793 million.

- ✿ Trainer training programmes were conducted to introduce new technologies for tea cultivation and to make aware of reducing the impact of climate changes. Preparation of a booklet titled "දේශගුණ සුභ්‍රූරු තේ වගා තාක්ෂණ ", preparation of 03 videos on 'Adopting Good Agricultural Practices, Minimizing the Impact of Climate Change, Introducing New Technology for Tea Cultivation' and awareness programmes for making tea growers aware have been conducted through the Subharathi radio programme.
- ✿ A Memorandum of Understanding (MoU) has been signed between the Sri Lanka Tea Board and Starchina International Trade Co.Ltd, Fujian Province, China) for “Ceylon Tea Online or Offline platform in China” under the guidance of the Ministry. In line with the

MoU, 08 companies have been registered to carry out sales activities online and the work is being carried out in accordance with the agreement.

- ✔ A tripartite agreement was signed between Agence Francaisa de Development, center de Cooperation International en Research Agronomique pour le Development and the Sri Lanka Tea Board on 07.12.2021 under the guidance of the Ministry to provide financial and technical assistance for obtaining a Geographical Indication for Ceylon Tea and the works are to be completed within 42 months.
- ✔ Necessary actions have been taken to make amendments to the Sri Lanka Tea Board Law, No.14 of 1975, Tea Control Act No.51 of 1957 and Licensing of Produce Brokers Act No.9 of 1979.
- ✔ A Memorandum of Understanding (MoU) has been signed between the Tea Research Institute of Sri Lanka and the Institute of Himalayan Bio - Resource Technology (IHBT), India on 24.02.2021 under the guidance of the Ministry to develop new molecular biology techniques to accelerate the tea breeding programme to reduce time taken for cultivar development and actions are being pursued accordingly.

Rubber Sector

- The following decisions and actions were taken by the Committee established for the development of rubber cultivation and related industries in Sri Lanka.
Bringing together representatives of all the governmental and non-governmental sectors including rubber plantation companies, rubber smallholder sector, rubber products exporters for a discussion to open up opportunities for resolving problems that have long been avoided in the rubber industry.

Accordingly, the Ministry intervened to convene the committee in the year 2021 to find solutions to the problems of chemical fertilizers, measures to be taken to increase the production of the rubber industry, cultivation growth, increase in rubber export income and measures to be taken to prevent Pestalotipsis disease affecting the rubber cultivation.
- Statistics on the rubber industry were updated through regular discussions with the Rubber Development Department in close coordination with the Plantation Companies.

- Necessary guidance has been provided to improve the efficiency of institutions in the rubber sector by conducting progress reviews on rubber new planting, replanting, fixing of rain guards, plant production, construction of smoke houses etc.
- Development of a mechanism to integrate all the public and private institutions involved in the rubber sector locally and to create the necessary background to discuss and resolve the current issues arising out of the entire rubber industry in Sri Lanka.
- Taking action to expedite the calculation of fertilizer requirement and to provide the required fertilizer to the farmers for cultivation by the Rubber Development Department. As well, formulation of suitable and recommended mixtures and related standards for rubber cultivation based on research data on the use of organic fertilizers.
- Preliminary discussions were held for the project, which is proposed to be implemented under the financial assistance of the Government of France for capacity building of 6,000 Rubber smallholders (Capacity Building Program for 6,000 Rubber Small Holders; RIVER).

Coconut Sector

- An administrative and regulatory framework was established for the management of the coconut sector.
- As per the Regulation No. 11 of the Gazette No. 1623/11 dated 14/10/2009, it was recommended to inform the public that the Weligama disease no longer exists in 217 Grama Niladhari Divisions where it has been confirmed that the disease has been successfully controlled from the areas where the disease has spread.

Approved Cabinet Decisions in 2021



Special Activities Proposed to be carried out for the Betterment of the Plantation sector in the year 2022

Tea sector

- ✦ Taking actions in line with the five years' strategic plan prepared to overcome the challenges faced by the tea industry.
- ✦ Pursuing necessary actions to make amendments to the Tea Control Act No.51 of 1957.
- ✦ Signing of Memorandum of Understanding between the Tea Research Institute of Sri Lanka and the Graduate School of Science and Engineering at Saitama University, Japan for activities such as exchange of research staff members, planning and implementation of corporate research projects and educational programmes, exchange of study materials.
- ✦ Signing of Memorandum of Understanding between the Tea Research Institute of Sri Lanka and Fujian Agriculture and Forestry University, China on Tea Production and Processing Technology to strengthen cooperation between Sri Lanka.

- ✿ Signing of Memorandums of Understanding between the Tea Research Institute of Sri Lanka and the Sri Lanka Institute of Nano technology (Pvt) Ltd (SLINTEC) on the preparation of Nano pesticides for Tea pest and disease control.
- ✿ Signing of Memorandums of Understanding between the Tea Research Institute of Sri Lanka and Arthur C. Clark Institute to ensure a mutually beneficial framework for exchanging modern technology, human resources, research activities and other infrastructure between the two institutions.
- ✿ Signing of Memorandum of Understanding between the Tea Research Institute and Dialog Axiata PLC to provide technical information on tea cultivation to farmers through mobile phones in an interesting and efficient manner.
- ✿ Signing of Memorandum of Understanding between the Tea Research Institute of Sri Lanka and the Faculty of Medicine, University of Peradeniya for conducting clinical Trial on the effect of tea mixed with cinnamon on Diabetes Patients.

Rubber Sector

- Taking actions in line with the strategic plan for the year 2022 prepared for the rubber sector.
- According to the proposal to increase the subsidy installment amount for rubber new planting and replanting, taking necessary action to prepare the Cabinet Memorandum and to obtain approval of the Cabinet of Ministers to increase the subsidy amount as Rs. 630,000/- for replanting and Rs. 500,000/- for new planting.
- Execution of the agreements reached at the diplomatic level within the purview of the Ministry and coordination of international relations.
- Signing of Memorandum of Understanding on the RIVER Project for capacity building of 6,000 rubber smallholders proposed to be implemented with the financial assistance of the Government of France to improve the knowledge, performance and livelihood of rural rubber smallholders, conducting preliminary studies of the project and initiating pilot programmes and practical technical training sessions.

- Conducting discussions of the Committee on development of rubber cultivation and related industries of Sri Lanka and directing the relevant institutions and officials to provide necessary solutions to the current problems in the field.
- Establishment of District Monitoring Committees to identify existing challenges at the grassroots level and taking action to draw the attention of the responsible parties.
- Taking action locally on the ANRPC's proposal to establish a sustainable pricing mechanism for rubber.
- Conducting preliminary discussions with the required parties for the acquisition of lands for rubber cultivation in the lands owned by the Forest Conservation Department and taking necessary measures for the purpose.

Coconut Sector

- Taking preliminary actions to amend the Coconut Development Act, No. 46 of 1971 by which the Coconut Development Authority, Coconut Cultivation Board and Coconut Research Institute coming under the Ministry have been established.
- Identifying the problems in the coconut sector and finding final solutions to them and thereby increasing the coconut yield in the country.
- Coordinating the agreements and international relations related to the scope of the Ministry.



Divisional wise Performance of the Ministry

Planning Division

❖ Submission of Project Proposals to Department of National Planning

- 03 project proposals for development and enhancement of productivity of Plantation sector was submitted to the recommendation of the department of National Planning.

❖ Preparation of Review Reports on Auction Prices

- A report including auction prices of tea, coconut, rubber, cinnamon and pepper was prepared weekly and forwarded.

❖ Submission of Progress Reports

- Preparation and submission of monthly and quarterly progress reports as per the format of the Department of Project Management and Monitoring.
- Reporting the progress of the plantation sector projects to other Ministries and institutions.
- Reporting the information and data of the performance of the plantation sector and policy decisions were taken during the year to the Central Bank by twice a year.
- Preparation and submission annual data of the plantation sector to the Department of Census and Statistics.

❖ Preparation of Ministry Publications

- Performance Report of the Ministry – 2020
- Annual progress report 2021 to submit to the Parliament for budget debate.

❖ **Formulation of Action Plan**

- Formulation of Ministry Action Plan 2021 and formulation of the revised Action Plan.
- Formulation of Action Plans for the development projects of the Ministry for which provisions are allocated directly.
- Reviewing Action Plans of the affiliated institutions and undertaking operational activities of the progress of implementation.

❖ **Coordination of Special Development Projects**

- Monitoring Action Plan of the Smallholder Tea and Rubber Revitalization project (STaRR), progress review and following-up of the programmes.
- Evaluation of Estimates 2021 and the Estimates of Vote on Account in respect of projects of the Ministry for which provisions are directly allocated and coordination with the Department of National Budget.

❖ **Conducting Meetings**

- Progress Review Meetings - 10
- Meetings on Special Development Projects - 01
- Meetings on annual Action Plan and other Progress Review - 01

Tea, Rubber & Coconut Estates (Control of Fragmentation) Board
Summary of Receiving Applications

Description	Number
Applications received	865
Applications approved by the Board of Directors	701
Applications rejected	-
Applications decided to submit for field inspections/ legal advices	5
No. of applications not required to transfer	12
Applications inapplicable to the Act	14
Applications incomplete & referred to obtain reports	133

As Per Nature of Land

No. of Applications received	Method of Transfer	Extent of land applied			Extent of land approved up to 31.12.2021		
		Acres	Roods	Perches	Acres	Roods	Perches
182	Single Units	2423	2	21.35	2176	1	33.75
149	Bank Mortgage	5305	0	24.98	3579	1	12.02
534	Other Transfers	8354	3	20.00	5937	0	0.68
865	Total	16083	2	66.33	11692	3	6.45

As per District

District	No. of Applications received
Kurunegala	359
Puttalam	252
Gampaha	96
All other districts except for above districts	158
Total	865

As per Crop


Crop	No of Applications	Extent of land (applied)		
		Acres	Roods	Perches
Coconut	729	10927	1	5.17
Rubber	35	734	0	39.49
Tea	30	3503	2	26.80
Other	71	918	1	34.87
Total	865	16083	2	26.33

Progress of Annual Report Preparation as at 31.12.2021


No.	Institute	Report submitted to the parliament last time	Progress of Annual Report Preparation
01.	Sri Lanka Tea Board	2019	Approved final draft for the year 2020 and informed to the Sri Lanka Tea Board.
02.	Tea Research Institution	2018	Approved final draft for the year 2019 and informed to the Tea Research Institution. The draft for year 2020 was submitted to the Ministry of Plantation.
03.	Sri Lanka State Plantation Cooperation	2016	The draft for the year 2017 was submitted to the cooperation for approval.

The Development Projects Conducted Under the Ministry - 2021

Financial and Physical Progress as at 31.12.2021 Received from Direct Allocation by Budget Estimate

Development & Introduction of a Motorized Selective Tea Harvester Suitable for Tea Lands in Sri Lanka		
Project Period - (2021-2023)		
Implementation Institution - Tea Research Institute		
Physical Progress	Estimation 2021 (Rs.Mn.)	Financial Progress (Rs.Mn.)
<ul style="list-style-type: none"> ❖ The machines are advised to be further upgraded. ❖ Development of prototypes by the entrepreneur's trouble shooting of phototype correction and initial field testing. ❖ At the Tea Research Institute of Rathnapura photographs of tea leaves have been studied and machines have been done. ❖ Memorandum of understanding between selected stakeholders and Tea Research Institute confirmed. 	8.35	8.35
<ul style="list-style-type: none"> ❖ Cummalative Physical Progress - 40% ❖ Financial Progress - 100 % 		

Establishment of seed gardens to increase the production of improved seeds as a source of planting materials in drought prone areas

Project Period - (2021-2025) Implementing Institute – Tea Research Institute		
Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs.Mn.)
<ul style="list-style-type: none"> ❖ 15 premises have been selected for land mapping. ❖ Production of plants for 15 gardens has been completed. ❖ Two brush cutters purchased. ❖ Establishment of one new tea gardens completed. ❖ Establishment of 05 seed gardens was commenced while land preparation continued. ❖ Land preparation continued in another 05 sites. ❖ MOUS signed to establish 08 seed gardens. 	7.85	7.85
<ul style="list-style-type: none"> ❖ Cummalative Physical Progress - 68% ❖ Finanical Progress - 100 % 		

Promotion & Commercialization of Microbial Bio pesticides in Tea Cultivation


Project Period - (2021-2022) Implementing Institute - Tea Research Institute		
Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
<ul style="list-style-type: none"> ❖ The evaluation committee has completed the procurement and placed purchased orders for Bio Reactor. ❖ Chemicals and consumer goods orders have been placed and part of chemicals and consumables recieved. ❖ The Laboratory renovation has been completed. ❖ Research for mass production & optimization of application technology was initiated. 	12.50	12.50
<ul style="list-style-type: none"> ❖ Cummalative Physical Progress - 75 % ❖ Finanical Progress - 100 % 		

Establishment of a mechanism to multiply & disseminate quality planting materials		
Project Period - (2017-2021)		
Implementing Institute - Tea Research Institute		
Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
❖ Upkeep & maintenance activities were continued in Up country, Mid country, Uva, Low country and nursery propagation has been continued.	22.00	22.00
❖ Cumulative Physical Progress - 100 %		
❖ Financial Progress - 100 %		


Financial & Physical Progress of the Projects Funded by the Budget Speech 2021 - as at 31.12.2021

Awareness raising on climate change mitigation in tea plantations and demonstration of burying pruning by cutting trenches and chopping pruning and /or shade tree lopping for the improvement of soil organic matter thus soil conditions and quality in small, medium and large tea lands as a sustainable climate change mitigation measure		
Implementing Institute - Tea Research Institute		
Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
❖ Hanthana, Deniyaya, Kottawa Tea Research Institute Regional Centers and Thalawakele St. Kumbas Estate Demonstration pruning and pruning burial and field studies were completed.	35.00	20.00
❖ Establishment of cultivation demonstration sites burying of pruning already completed in 07 estates.		
❖ Purchased 10 pruning machines and conducted training programmes on how to operate them.		
❖ Tea field inspection of trench digger for burying pruned branches has been completed and upgraded.		
❖ Cumulative Physical Progress - 100 %		
❖ Financial Progress - 67 %		

Providing efficient onsite analytical and extension services through mobile Laboratory (01)

Implementing Institute - Tea Research Institute		
Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
❖ A bus has been purchased for the installation of the mobile laboratory and the systems have been intergrated.	30.00	26.20
❖ Cummalative Physical Progress - 100 % ❖ Financial Progress - 87%		

Establishment of “ Experimental Process Technology Development Factory ” at TRI managed St.Joachim Estate for process technology development and data generation through experiments with adaption of good manufacturing practices for the benefits of stakeholders and tea factory owners producing leafy type teas in low and mid country regions.

Implementing Institute - Tea Research Institute		
Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
❖ The colour separator machine is installed. ❖ Repairing and upgrading of 05 existing wilting buckets as per recommendations, automation of grinding process with it's conveyor belts, repair of dryer section of additional dryer, replacement of dilapidated wooden floor on the first floor ,concreting of dormitory and furnace roof.	50.00	50.00
❖ Cummalative Physical Progress - 100 % ❖ Financial Progress - 100 %		

Introducing new technology for its final product (Value Chain) from tea leaf plucking (Pilot Project)

Implementing Institute - Sri Lanka State Plantations Corporation

Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
<ul style="list-style-type: none"> ❖ Following activities were carried out to introduce new technology to the Gomara Tea factory in Kandy. ✓ Provide dried leaf nutrient conveyor system from the area where the tea leaves wither to the first roller. ✓ Automatic weighing of withered tea leaves. ✓ Preparation of the dry nutrient conveyor system from the fermentation area to dry discharge. ✓ Setting up an automatic weighing system for dry discharge ✓ Providing electrical connection to the carrier system. 	14.00	14.00
<ul style="list-style-type: none"> ❖ Cumulative Physical Progress - 100 % ❖ Financial Progress - 100 % 		


Conducting awareness raising programmes on new techniques & Climate change mitigation in tea cultivation

Implementing Institute – Ministry of Plantation

Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
<ul style="list-style-type: none"> ❖ Conducting 18 training programmes. ❖ Printing of 500 books on climate friendly tea cultivation technology. ❖ Conducting 13 radio programmes. ❖ Production of 03 video clips. 	10.00	6.92
<ul style="list-style-type: none"> ❖ Cumulative Physical Progress - 65 % ❖ Financial Progress - 69.2 % 		

Establishment of a Marketing Promotion Center in the Holuwagoda Eco Plantation Park Project

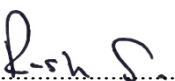
Implementing Institute - District Secretariat Galle and Urban Development Authority

Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
❖ More than half of the construction work has been completed, including a stall, a tea stall, a hela bojun hall and cinnamon stall to sell plantation crops and related products.	100.00	53.49
❖ Cumulative Physical Progress - 65 % ❖ Financial Progress - 54 %		

Drip Irrigation for medium scale tea growing sector

Implementing Institute - Sri Lanka Tea Board

Physical Progress	Estimate for 2021 (Rs. Mn.)	Financial Progress (Rs. Mn.)
❖ 10% initial payment was made for all 625 acres and full payment was made for 99 acres.	75.00	38.00
❖ Cumulative Physical Progress - 72 % ❖ Financial Progress - 50.6 %		

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Chief Accounting Officer / Accounting Officer / Department Head

Sujanthi Mayadunne
 Director General (Planning)
 Ministry of Plantation
 11th Floor, Sethsiripaya Stage II
 Battaramulla.

Chapter 03 – Overall Financial Performance for the Year ended 31st December 2021

3.1 Statement of Financial

Budget (2021)		Note	Actual		ACA-F Rs.
			2021	2020	
-	Revenue Receipts		-	-	
-	Income Tax	1	-	-	ACA-1
-	Taxes of Domestic Goods & Services	2	-	-	
-	Taxes on International Trade	3	-	-	
1,413,580,313	Non Tax Revenue & Others	4	1,096,941,065	951,307,842	
1,413,580,313	Total Revenue Receipts (A)		1,096,941,065	951,307,842	
	Non-Revenue Receipts				
-	Treasury Imprests		685,360,000	1,577,965,950	ACA - 3
	Deposits		6,219,038	8,288,242	ACA - 4
9,100,000	Advance Accounts		15,533,619	18,742,834	ACA - 5
-	Other Main Ledger Receipts		-	-	
9,100,000	Total Non Revenue Receipts (B)		707,112,657	1,604,997,026	
1,422,680,313	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		1,804,053,722	2,556,304,868	
-	Remittance to the Treasury (D)		-	-	
1,422,680,313	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)		1,804,053,722	2,556,304,868	
	Less : Expenditure				
	Recurrent Expenditure				
281,500,000	Wages, Salaries & Other Employment Benefits	5	280,020,582	302,832,338	ACA -2(II)
172,500,000	Other Goods & Services	6	170,423,887	176,584,346	
601,500,000	Subsidies, Grants and Transfers	7	564,412,365	560,341,609	
-	Interest Payments	8	-	-	
-	Other Recurrent Expenditure	9	-	-	
1,055,500,000	Total Recurrent Expenditure (F)		1,014,856,834	1,039,758,293	
	Capital Expenditure				
18,548,000	Rehabilitation & Improvement of Capital Assets	10	16,720,401	17,161,742	ACA -2(II)
5,430,000	Acquisition of Capital Assets	11	5,376,284	5,150,302	
200,000,000	Capital Transfers	12	176,608,000	176,750,335	
-	Acquisition of Financial Assets	13	-	-	
1,100,000	Capacity Building	14	988,000	1,099,688	
290,350,000	Other Capital Expenditure	15	199,984,100	127,114,226	
515,428,000	Total Capital Expenditure (E)		401,676,785	327,276,293	

	Deposit Payments		6,577,098	9,709,167	ACA- 4
	Advance Payments		15,484,549	18,463,829	ACA - 5
	Other Main Ledger Payments		-	-	
-	Total Main Ledger Expenditure (H)		22,061,647	28,172,996	
1,570,928,000	Total Expenditure I=(F+G+H)		1,438,595,266	1,395,207,582	
(148,247,687)	Balance as at 31st December J=(E-I)		365,458,456	1,161,097,286	
	Balance as per the Imprest Reconciliation Statement		365,458,456	-	ACA-7
-	Imprest Balance as at 31st December		365,458,456	-	ACA-3

3.3 Statement of Financial Position

**Statement of Financial Position
As at 31st December 2021**

Description	Notes	Actual	
		Year 2021 (Rs.)	Year 2020 (Rs.)
ACA-P			
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA-6	726,910,561	722,509,796
<u>Financial Assets</u>			
Advance Accounts	ACA-5/5(a)	38,139,221	38,188,291
Cash & Cash Equivalents	ACA - 3	-	-
Total Assets		765,049,782	760,698,087
<u>Net Assets/Equity</u>			
Net worth to Treasury		37,378,643	37,069,653
Property, Plant & Equipment Reserve		726,910,561	722,509,796
Rent and work Advance Reserve	ACA - 5 (b)	-	-
<u>Current Liabilities</u>			
Deposits Accounts	ACA - 4	760,578	1,118,638
Imprest Balance	ACA - 3	-	-
Total Liabilities		765,049,782	760,698,087

Detail Accounting Statements in above ACA format Nos. 1 to 7 presented in pages from 33 to 34 and Notes to accounts presented in pages from 36 to 39 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

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Chief Accounting Officer

Name:
 Designation:
 Date:

.....

Accounting Officer

Name:
 Designation:
 Date:

.....


Chief Financial Officer/
 Chief Accountant/Director (Finance) /
 Commissioner (Finance)

Name:
 Designation:
 Date:

Ravindra Hewavitharana
 Secretary
 Ministry of Plantation
 11th Floor, Sethsinpaya Stage II
 Battaramulla.

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3.4 Statement of Cash Flows

Statement of Cash Flows for the Period ended 31st December 2021

ACA-C

Description	Actual	
	2021 (Rs.)	2020 (Rs.)
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non-Revenue receipts	-	-
Revenue collected on behalf of other revenue heads	13,680,354	17,586,979
<u>Imprest Received</u>	685,360,000	1,577,965,950
Recoveries from Advance	14,729,228	6,256,876
Deposit Received	6,219,038	8,288,242
Total Cash generated from Operations (A)	719,988,620	1,610,098,047
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	450,393,229	479,297,974
Subsidies & Transfer Payments	912,365	12,619,545
Expenditure incurred on behalf of other heads	76,951,760	900,937,706
Imprest Settlement to Treasury	-	874,085
Advance payment	15,255,983	16,105,768
Deposit Payments	6,577,098	9,709,167
Total Cash disbursed for Operations (B)	550,090,435	1,419,544,245
Net Cash Flow from Operating Activities (C) = (A) - (B)	169,898,185	190,553,802
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assts	-	-
Recoveries from on Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
<u>Less – Cash disbursed for:</u>		
Purchase or construction of physical Assets & Acquisition of other Investment	169,898,185	190,553,802
Total Cash disbursed for Investing Activities (E)	169,898,185	190,553,802
Net cash flow from investing activities (F) = (D)-(E)	(169,898,185)	(190,553,802)
Net cash flows from operating & investment (G) = (C)+(F)	-	-

Cash Flows from Operating & Investment		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash Generated from Financing Activities (H)		
Less- Cash Disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash Disbursed for Financing Activities (I)		
Net Cash Flow from Financial Activities (J)=(H)-(I)		
Net Movement in Cash (K) = (G) - (J)		
Opening Cash Balance as at 01st January		
Closing Cash Balance as at 31st December		

3.5 Notes to the Financial Statements

Note	Expenditure	135-01-01	135-01-02	135-02-03	135-02-04	Total
Recurrent Expenditure						
5	Wages, Salaries & Other Employment Benefits	13,767,852	266,252,730	-	-	280,020,582
6	Other Goods & Services	16,445,333	153,978,554	-	-	170,423,887
7	Subsidies, Grants and Transfers	-	912,365	-	563,500	564,412,365
8	Interest Payments	-	-	-	-	-
9	Other Recurrent Expenditure	-	-	-	-	-
Total Recurrent Expenditure		30,213,185	421,143,649	-	563,500	1,014,856,834
Capital Expenditure						
10	Rehabilitation & Improvement of Capital Assets	6,872,056	9,848,345	-	-	16,720,401
11	Acquisition of Capital Assets	1,790,330	3,585,954	-	-	5,376,284
12	Capital Transfers	-	-	-	178,608,000	178,608,000
13	Acquisition of Financial Assets	-	-	199,984,100	-	199,984,100
14	Capacity Building	-	988,000	-	-	988,000
15	Other Capital Expenditure	-	-	-	-	-
Total Capital Expenditure		8,662,386	14,422,299	199,984,100	178,608,000	401,676,785

3.6 Performance of the Revenue Collection

Rs.,000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Final	Amount (Rs.)	as a % of Final Revenue Estimate
20.02.01.04	Lease rental received from the RPC	1,400,000	1,413,580	1,086,933	76.89

3.7 Performance of the Utilization of Allocation

Rs.,000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	102,9450,000	1,055,500,000	1,014,856,834	96
Capital	260,350,000	515,428,000	401,676,785	78

3.8 In terms of F.R.208 grant of allocations for expenditure to this Department/ District Secretariat / Provincial Council as an agent of the other Ministries / Departments

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	Galle District Secretariat		100,000,000	99,683,050	53,487,550	53

3.9 Performance of the Reporting of Non-Financial Assets

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2020	Balance as Per financial Position Report as at 31.12.2020	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	-	-	-	-
9152	Machinery and Equipment	52,461,202.41	52,461,202.41		100
9153	Land	-	-	-	-
9154	Intangible Assets	110,000.00	110,000.00	-	100
9155	Biological Assets	-	-	-	-
9160	Work in Progress	-	-	-	-
9180	Lease Assets	-	-	-	-

3.10 Auditor General's Report

* This report is attached at the end of the performance report

Chapter 04 - Performance indicators

4.1 Performance indicators of the Institute (Based on the Action Plan)

No	Specific Indicators	Actual output as a percentage (%) of the expected output		
		100% - 90%	75% - 89%	50% - 74%
01	Submitting 800 applications to the board of directors regarding land fragmentations at the end of the year	√		
02	Conducting 06 progress review meetings at the end of the year			√
03	Approval of 15 Action plans during the year	√		
04	Conducting 02 trained man day per person for the staff at the end of the year			√
05	Completing 453 applications of annual performance approvals during the year	√		
06	Completing 453 personal files during the year	√		
07	Answering 07 audit queries during the year	√		
08	Conducting 03 audit and management meetings at the end of the year		√	
09	Submitting 32 financial reports to the general treasury	√		
10	Submitting 15 cabinet papers at the end of the year	√		

Chapter 05 - Performance of the achieving Sustainable Development Goals (SDG)

5.1 Indicate the Identified respective Sustainable Developments Goals

Goals / Objective	Targets	Indicators of the achievement	Progress of the Achievement to date		
			0% - 49%	50% - 74%	75% - 100
02	Ensuring the existence of sustainable food production systems by 2030 and implementing resilient agricultural practices that will strengthen the capacity to adapt to climate changes which helps to sustain biosystems, adapt to adverse weather conditions, drought, flood and other disasters, and improve land and soil quality.	Achievement rate of effective agricultural field projects in the tea sector.	43		
08	Achieving a high economic output through diversification, technological advancement and innovation and a focus on high value added and labour demanding sectors.	Growers' performance and product quality implementation rate in the tea sector.			81
09	Improving scientific research, especially, enhancing the technological capabilities of the industrial sectors in all countries, including developing countries. By the year 2030, encouraging innovation and increasing the number of workers engaging in research and development activities relative to the population and increasing the expenses on research and development in the public sector.	Progress rate of special research projects for improving the quality of made tea in the tea sector.			85

Goal / Objective	Target	Indicators of the achievement	Progress of the Achievement to date		
			0% - 49%	50% - 74%	75% - 100
17	At least, increasing the exports of developing countries significantly with a view to doubling the share of world exports from the developed countries by 2020.	The number of kilograms exported, if the global export share of Sri Lankan made tea is high.			97
02	Increasing investments in rural infrastructure, agricultural research and project services, technological development and plant livestock gene banks through enhanced international cooperation to expand the agricultural production capacity, especially in developing countries, including the developed countries.	Number of farmers met in providing required technical advisory services by field activities for soil quality improvement of tea cultivation.		70	
09	By 2030, all countries will take steps within their capacity to improve infrastructure and make the industries sustainable and develop through new technology, improve the efficient use of resources in the industrial process and to utilize pure and environmentally friendly high quality technologies.	Number of tea factories to which high quality energy sources were introduced for the environmental sustainability of tea cultivation.			85

5.2 Achievements and challenges of the Sustainable Development Goals

Achievements of Goals

- ❖ Even during the COVID pandemic period, tea exports increased enabling to reach towards the indicators based on the targets set for the tea export sector.

Challenges in Achieving Goals

- ❖ Difficulty in setting firm indicators and targets due to short-term changes in the scope of the Ministry.
- ❖ Difficulty in setting targets with updatable data that can contribute nationally.
- ❖ Difficulty in building indicators and reporting progress on the number of programmes / projects implemented continuously for a number of years had decreased as the projects relevant to each year is determined based on the provisions allocated through the annual budget.



Chapter 06 - Human Resource Profile

6.1 Cadre Management

Discription	Approved Cadre	Existing Cadre	Vacancies / (Excess)
Senior	34	23	11
Territory	05	03	02
Secondary	508	386	122
Primary	46	37	09
Total	593	449	144

6.2 How human resource shortage and surplus are affected

Due to the vacancies in certain posts, it was difficult to obtain the expected results and outputs of the institution. As a whole, the management of the existing staff has positively reached towards the desired objectives. Despite the prevailing COVID pandemic situation, the institution has managed its functions by calling a minimum number of employees.

6.3 Human Resource Development

Name of the programme	No of staff trained	Duration of the programme (Days)	Total Investment (Rs. 000)		Name of the programme (Local / Foreign)	Output / Knowledge Gained
			Local	Foreign		
Management & KPL Settings	02	01	4000.00		Local	Improvement of subject knowledge
Special Training Programme on procurement process	05	01	10,000.00		Local	
Preparation of B Accounts	03	01	15,000.00		Local	
Intellectual Property Law	02	10	26,500.00		Local	
Improving productivity using ICT	06	03	30,000.00		Local	

Public procurement & Asset Management	02	03 Months	60,000.00		Local	Improving Efficiency
Spread Sheets using MS Excel	01	01	2000.00		Local	
IT Skills for non – IT Officers	02	02	7000.00		Local	
Payroll System	02	03	10,000.00		Local	
Answering Audit Queries	03	01	15,000.00		Local	Knowledge about new concepts
MBA In Info Tech MBA in E - Governance	01	02 years	4,50,000.00		Local	
Climate change adaptation in plantation sector	04	01	8,000.00		Local	
Soilconservation methods in plantation sector	04	01	8,000.00		Local	Capacity development of the staff
LIM- International Business at ICBT	01	02 years	235,000.00		Local	
Post graduate course on financial economics	01	02 years	132,000.00		Local	

Chapter 07- Compliance Report

No.	Applicable Requirement	Compliance Status (Complied / Not Complied)	Brief explanation for Non Compliance	Corrective actions proposed to avoid non-compliance in 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)	Not Related	-	-
1.4	Stores Advance Accounts	Complied	-	-
1.5	Special Advance Accounts	Not Related	-	-
1.6	Others	Not Related	-	-
2	Maintenance of books and registers (FR445)		-	-
2.1	Fixed assets register has been maintained and update in terms of Public administration Circular 267/2018 10	Complied	-	-
2.2	Personal emoluments register/ Personal emoluments cards have 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 (GA -	Complied	-	-

	N20) has been maintained and Update			
3	Delegation 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 authority 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	-	-
4	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 on due date	Complied	-	-
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied	-	-
5	Audit queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied	-	-
6	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 all the 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 have been submitted to the Auditor General in terms of Financial Regulation 134 (3)	Complied	-	-
7	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	Not Complied	Due to the covid 19 pandemic situation only 03 meetings were held	<ul style="list-style-type: none"> • Organizing meetings by identifying possible obstacles • Planning to hold meetings using technology (virtual)
8	Asset Management			
8.1	The information about purchases of assets 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 12 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 excesses 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	Not Complied	Effect of COVID 19 Pandemic Situation	-
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	Not Complied	Five vehicles identified for disposal and proposed to be disposed were provided at the request of SLSPC with the approval of secretary.	
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 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	Not Complied	The fuel burn was tested only once in 2021 due to the closure of the office due to the COVID Pandemic and the low number of employess being called to work	
9.6	The absolute ownership of the leased 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	Complied	-	-
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	Not Complied	On going	Acting as per circular 118/2004
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 sub 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	Complied	-	-
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied	-	-
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied	-	-
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Complied	With the establishment of the new ministries, the new staff of the ministry was approved. The	-

			following positions were redundant in comparison to the actual staff. Director (SLAS) – 01 Assistant Director (Planning)-01 K.K.S – 01	
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 14 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 Website 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 and 05/2018 (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 paragraph 2.3 of the circular	Complied	-	-
19	Preparation of the Human Resource Plan			

19.1	A human resource plan has 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 Appointed Senior Officer	-	-
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	-	-

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Annexure
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