

Performance of the Finance Commission
(From 01st of April 2017 to 30st of June 2017)

1. Granting concurrence for the Provincial Annual Development Plans

Provincial Development Plans other than that of the Eastern Province were granted concurrence in principle in the first quarter. The Annual Development plan of the Eastern Province received on 28th March 2017 and was discussed in the province on 7th April 2017 for granting concurrence in principal for implementation, subject to revisions as agreed upon.



2. Receiving Recurrent and Capital needs from the Provinces for 2018

The Finance Commission has received recurrent needs - 2018 from all the provinces. Capital needs of Sabaragamuwa, Uva, North Western, Central, Sothern and Northern provinces received during the quarter. Review meetings of provincial needs have been scheduled to be held during the 3rd Quarter to conduct with the participation of relevant provincial officers.

3. Preparation of guideline for planning and monitoring in collaboration with National Planning Department. (NPD)

With the objective of introducing an integrated planning mechanism to national and sub national levels a draft of concept paper and planning formats along with components and sub components for each sector were prepared and discussed with senior Officers of the NPD. It is to be further developed collaboratively and discussed with the other relevant institutions.

4. Annual Report of the Finance Commission -2016

It is required to submit the Annual Report 2016of the Finance Commission in three languages to the Presidential Secretariat for submitting before Parliament.

The draft English version of the report has been completed and the translation of the report to Sinhala and Tamil was in progress.

5. Preparing reports on Provincial Audit Reports

Audit reports of the Central, Southern and Sabaragamuwa Provinces made by the Auditor General's Department were studied and highlights were sent to the Chief Secretaries, Governors and the Auditor General.

6. Construction of New Building for the Finance Commission

Construction work of the Administration Building of the Finance Commission (FC) is in progress. Three progress review meetings at the Finance Commission and another three technical meetings at the site were held with participation of Project Consultancy Unit (Faculty of Architecture, University of Moratuwa) and the contractor. Expenditure as at 30th June is Rs. 88 mn. out of approved amount of Rs. 300mn. It was noted that the programme is behind schedule about 60 days.

7. Finance Commission Data Base and MIS

The Finance Commission had a series of discussions with the Asia Foundation in relation to developing an internal Management Information System for the exclusive use of the

Finance Commission. With the direction of the Commission, several meeting were held with the Department of Project Management and Monitoring. (DPMM) and the Information and Communication Technology Agency (ICTA).Consequently, the DPMM has taken steps to upgrade the existing MIS in order to cater the MIS need of the Finance Commission and Provincial Councils.

8. Draft Finance Commission Act

The Act was formulated and submitted to H.E. the President. The Presidential Secretariat has sent some observations on the draft. The FC requested an appointment from the Legal Division of the Presidential Secretariat to discuss the observations made.

9. 33rd Chief Ministers Conference

The 33rd Chief Ministers Conference was held under the patronage of H.E. the President at the Cinnamon Lodge, Habarana on 06th May 2017. The Chairman and the Secretary of the Commission participated at this conference.

The main objective of the Conference was to provide an opportunity to Provincial representatives to discuss the issues relating to provincial level and make necessary recommendations.

10. Capacity building of the officers.

Training

Four officers of the Commission attended short term (2-3 week) training programmes on Public Financial Management for Caribbean & South Pacific Countries and People's Livelihood Ensurance for the Belt and Road Countries. The programmes were held in China.

- Mr. Nishantha Sujeewa , Assistant Director
- Mrs. Erandi Gunasekara, Assistant Director
- Mr. Sarath Chandrakumara, Programme Officer
- Mrs. Dinusha Herath, Programme Officer

Guest Lecturer

Mr. Shunichiro Honda, Adviser, JICA made a presentation on “Japanese Local Government System; an Overview with a focus on Japanese Local Government System, with a focus on financing”.



11. Promotions of the FC staff

The Public Service Commission (PSC) has promoted Mr. M.L.A.Chandradasa who is in the Finance Commission’s departmental service to class 1 Executive grade with effect from 27th December 2016. Accordingly he is eligible for a Departmental Director post in the approved cadre.

12. Performance Reports of the Finance Commission

Performance Report of the 1st Quarter 2017 was submitted to the Parliament.

13. Recruitment of Class I Accountant

The Commission in 2016 decided to appoint a suitable Class 1 officer to the FC. After several attempts a suitable officer was found. The Ministry of Public Administration and Management was requested to transfer him to FC.

14. Research Unit

The research unit has been established. However, human resources have to be improved for which action has been initiated.

15. Establishing and operationalizing of the Audit Committee

Management and Audit Committee was established. The first meeting was held with participation of an Audit Superintendent and the Director, Department of Management Audit. Decision of the meeting was informed to the all staff of the Finance Commission, for necessary follow up actions.

16. Follow up on Workshop on Improvement of Development Process through Optimum Coordination between National and Provincial Level

To follow-up the decisions and recommendations made at the workshop held on 15th June 2015, the Commission prepared a checklist based on the identified issues and recommendations. The check list along with an activity plan was submitted to the Presidential Secretariat. Consequently, the Secretary to the President convened a meeting on 22nd February 2017 to discuss the progress of the recommendations made at the workshop. Senior officers of relevant ministries and other relevant institutions participated at the meeting.

Based on the request made by the President's Office, the Finance Commission has reviewed progress in this regard. Several institutions have reported their progress.

17. Special Studies

A number of Special Studies were carried out in support of FC activities.

These include:

- Expenditure on Personal Emoluments and Cadre by Provinces.
- Funding Gaps of Provincial Development between 2016-2017
- Study on Expenditure of Health Sector

18. Commission Meetings

Following Finance Commission Meetings were held.

- 4th April 2017
- 17th May 2017
- 20th May 2017 (Special Meeting)
- 3rd June 2017